Life Connected.

CITY COUNCIL REGULAR MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, OCTOBER 12, 2021
5:00 PM

AGENDA

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

II. PLEDGE OF ALLEGIANCE/INVOCATION:

III. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

A. Halloween Capital of North Texas Proclamation (Sanford)

B. National Planning Month (Mohan)

IV. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

A. Introduction of new employees, recognitions, promotions. (Stovall, McAfee, Cullison, Metdker)

B. Economic Development Corporation Plan. (Jackson)

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

V. 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 that are prohibited by law.

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.

VI. EXECUTIVE SESSION:

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.071, 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, pending or contemplated litigation, and 551.072, Deliberations Regarding Real Property, to deliberate the purchase, exchange, lease or value of real property.

A. Discussion regarding a development agreement (property purchase) with Don D'Amico, Legend Contracting for areas located generally west of New Mexico Street, north of Walnut Street and south of Mallone Street.

Reconvene Into Open Session

B. 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 - Sep 14, 2021 5:00 PM

2. City Council - Special Meeting - Sep 28, 2021 5:00 PM

B. Review and Acceptance of the Quarterly Investment Report for the period ended September 30, 2021 (Bromiley)

C. Consider and act to award Bid 2021-0091 for Water Meters, Parts and Accessories to Apsco Supply, Ferguson Waterworks and Core & Main at the unit prices listed in an amount not to exceed $170,000.00. (Berry/Sprinkle)

D. Consider and act to authorize the purchase of Sensus water meters from Aquametric Sales as the sole source provider in an amount not to exceed $917,434.00. (Berry)

E. Consider and act to award bid 2021-0093 for High Point Lift Station Improvements at the unit prices listed to Undelhoven Oilfield System Services, Inc., in the amount $379,914.45 plus ten percent contingency in the amount of $37,991.44 for a total amount not to exceed $417,905.90. (Berry)

F. Consider and act upon a resolution authorizing the execution of an agreement by and between the City of Celina and Texas Department of Transportation for the temporary closure of portions of F.M. 455, the temporary closure of portions of F.M. 428, and the temporary closure of portions of Louisiana for the purpose of holding special events hosted by, associated with or permitted by the City of Celina. (TXDOT Road Closures for City Events) (Jenks)

G. Consider and act upon an ordinance amending the City's Code of Ordinances Chapter 12: Traffic and Vehicles; Article 12.04: Parking (Parking Ordinance) (Figueroa)

H. Consider and act upon approval of a revised Personnel Policies and Procedures Manual. (Stovall)

I. Consider and act upon a resolution of the City Council of the City of Celina, Texas, renaming certain portions of County Road 52 to S. Celina Parkway. (County Road 52 Name Change) (Colakovic)

J. Consider and act upon an ordinance ratifying and acknowledging inhabitants greater than 24,999 to extend the Extraterritorial Jurisdiction (ETJ) to two miles. (ETJ Expansion) (Colakovic)

K. Consider and act upon a Facilities Development Agreement between Celina ISD and the City for infrastructure related to the new Celina ISD Middle School located on CR 99. (CISD Middle School Agreement). (Brawner)

L. Consider and act upon a Service Agreement for C-3 annexed property between the City of Celina and the owner of approximately 1.3 acres within the Extraterritorial Jurisdiction, generally located east of FM 1385, and approximately 990 feet north of Tudor Place. (FM 1385 – Annexation Service Agreement) (Mohan)

M. Consider and act upon an ordinance amending the Master Fee Chart. (Master Fee Chart Revision – Sanitation Ordinance) (McAfee)

N. Consider and act upon a resolution of the City Council of the City of Celina, Texas setting a public hearing under Sec. 311.003 of the Texas Tax Code for the creation of a Tax Increment Reinvestment Zone within the City of Celina, Texas; authorizing the issuance of notice by the City Secretary of Celina, Texas regarding the public hearing; and directing the City to prepare a preliminary reinvestment zone financing plan. (Sutton Fields East – TIRZ Petition) (Lopez)

O. Consider and act upon a resolution of the City of Celina, Texas, determining the costs of certain authorized improvements to be financed within The Parks at Wilson Creek Public Improvement District; approving a preliminary service plan and assessment plan, including four proposed assessment rolls; directing the filing of each of the proposed assessment rolls with the City Secretary; and providing for noticing and calling four public hearings on November 9, 2021 to consider four separate ordinances levying assessments on property located within The Parks at Wilson Creek Public Improvement District. (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings) (Lopez)

P. Consider and authorize the Mayor Pro-Tem to execute a Landowner Agreement, by and between the City of Celina and MM Celina 294, LLC, in connection with the development of Phase #1A of the Legacy Hills Public Improvement District. (Legacy Hills PID Phase # 1A Landowner Agreement) (Lopez)

Q. Consider and act to authorize the Legacy Hills Public Improvement District Phase #1A Reimbursement Agreement between the City of Celina, Texas and North Parkway Municipal Management District No. 1 regarding reimbursements for Phase #1A assessment Revenues, and other matters related thereto. (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD) (Lopez)

R. Consider and act to authorize the Legacy Hills Public Improvement District Phase #1B Reimbursement Agreement between the City of Celina, Texas and North Parkway Municipal Management District No. 1 regarding reimbursements for Phase #1B assessment Revenues, and other matters related thereto. (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD) (Lopez)

S. Consider and act upon a resolution of the City of Celina, Texas, consenting to the exclusion of 55.751 acres of land from North Parkway Municipal Management District No. 1; providing for severability and declaring an effective date. (NPMMD1 – Exclusion of Land – Resolution) (Lopez)

T. Consider and act to authorize an Interlocal Agreement between the City of Celina, Texas, and North Parkway Municipal Management District No. 1 establishing provisions for the District to finance and acquire the Phase #1A-1B Improvements and convey to the City; the apportionment, levying, collection of Assessments on the Assessed Parcels; and the pledge of Assessment Revenues to payment of the Bonds. (NPMMD1 – Interlocal Agreement) (Lopez)

U. Consider and act to authorize the Capital Recovery Fee Projects Construction, Funding and Acquisition Agreement between the City of Celina, Texas, MM Celina 3200, LLC and North Parkway Municipal Management District No. 1 regarding construction and funding of Capital Recovery Fee Projects, and other matters related thereto. (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement) (Lopez)

V. Consider and act to authorize the Major Improvements Construction, Funding and Acquisition Agreement between the City of Celina, Texas, MM Celina 3200, LLC and North Parkway Municipal Management District No. 1 regarding reimbursements for Major Improvements as described in the Service and Assessment Plan, and other matters related thereto. (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD) (Lopez)

W. Consider and act to authorize the Legacy Hills Public Improvement District Phase #1A Construction, Funding and Acquisition Agreement between the City of Celina, Texas, MM Celina 294, LLC, and North Parkway Municipal Management District No. 1 regarding reimbursements for Phase #1A Improvements as described in the Service and Assessment Plan, and other matters related thereto. (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD) (Lopez)

X. Consider and act to authorize the Legacy Hills Public Improvement District Phase #1B Construction, Funding and Acquisition Agreement between the City of Celina, Texas, MM Celina 40, LLC and North Parkway Municipal Management District No. 1 regarding reimbursements for Phase #1B Improvements as described in the Service and Assessment Plan, and other matters related thereto. (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD) (Lopez)

Y. Consider and act to authorize the Mayor Pro-Tem to execute a Landowner Agreement, by and between the City of Celina and MM Celina 40, LLC, in connection with the development of Phase #1B of the Legacy Hills Public Improvement District. (Legacy Hills PID Phase # 1B Landowner Agreement) (Lopez)

Z. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving the Final Project and Reinvestment Zone Financing Plan for Reinvestment Zone Number Thirteen, City of Celina, Texas.(Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills)) (Lopez)

AA. Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina, MM Celina 3200, LLC and TIRZ No. 13 Board of Directors for Chapter 380 economic incentive funding using tax increment funds under Chapter 380 of the Texas Local Government code. (Dynavest (Legacy Hills) - TIRZ 380 Agreement) (Lopez)

AB. Consider and act upon a resolution of the City of Celina, Texas, accepting a petition seeking the dissolution of the existing Hillside Village Public Improvement District, and calling for a public hearing for the City Council's November 9, 2021 meeting. (Hillside Village – PID Dissolution – Petition) (Lopez)

AC. Consider and act upon a resolution of the City of Celina, Texas, accepting a petition seeking the creation of the Hillside Village Public Improvement District within the corporate boundaries of the City and calling for a public hearing for the City Council's November 9, 2021 meeting. (Hillside Village – PID Petition Resolution) (Lopez)

AD. Consider and act upon a resolution of the City of Celina, Texas, accepting a petition seeking the creation of the Mosaic Public Improvement District within the extraterritorial jurisdiction of the City and calling for a public hearing for the City Council's November 9, 2021 meeting. (Celina Mosaic – PID Petition) (Lopez)

AE. Consider and act to purchase computers through a cooperative contract with State of Texas Department of Information Resources contract DIR-TS0-3763-R in an amount not to exceed $77,485.49. (Berry)

AF. Consider and act to award bid 2021-0087 for Mowing Services of ROW, medians, and city owned properties to Yellowstone Landscape at the unit prices listed in an amount not to exceed $280,167.00. (Berry/Sprinkle)

AG. Consider and act to award RFQ 2021-0087 for pre-construction services to Lee Lewis Construction, Inc., in an amount not to exceed $5,000. (Berry)

AH. Consider and act upon an ordinance of the City of Celina, Texas amending ordinance 2021-75 which adopted and approved the budget for fiscal year beginning October 1, 2021 and ending September 30, 2022, and make appropriations for each department, project and account, by adopting an amended 2021-2022 budget for the City of Celina, Texas, reallocating funds between accounts, attached hereto and incorporated into this ordinance. (Bromiley)

AI. Consider and act upon an ordinance of the City of Celina, Texas amending ordinance 2020-77 which adopted and approved the budget for fiscal year beginning October 1, 2020 and ending September 30, 2021, and make appropriations for each department, project and account, by adopting an amended 2020-2021 budget for the City of Celina, Texas, reallocating funds between accounts, attached hereto and incorporated into this ordinance. (Bromiley)

AJ. Consider and act to authorize and execute a license agreement between the City of Celina and the Sutton Fields Homeowners Association for the installation of radar signs along Bothwell Boulevard and Sutton Fields Trail. (Glasgow)

AK. Consider an act upon a resolution of the City of Celina, Texas ratifying and approving the 2021 Action Plan for the Celina Economic Development Corporation. (Jackson)

AL. Consider and act to authorize the purchase of a vehicle for the Fire Department from Holiday Auto Group in an amount not to exceed $52,595.00. (Berry)

AM. Consider and act to authorize the purchase of four vehicle for Development Services from Silsbee Ford in an amount not to exceed $106,719.00. (Berry)

VIII. PUBLIC HEARING/ACTION:

A. Conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of approximately 1.3 acres within the Extraterritorial Jurisdiction (ETJ), generally located east of FM 1385, and approximately 990 feet north of Tudor Place. (FM 1385 Retail – Annexation) (Mohan)

B. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning approximately 1.3 acres to Commercial, Office, & Retail (C) Zoning District, generally located east of FM 1385, and approximately 990 feet north of Tudor Place. (FM 1385 Retail – Zoning) (Mohan)

C. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning an approximately 30-acre tract of land to Multi-Family Zoning Districts (MF-2/MF-3), generally located west of Louisiana Drive, and approximately 660 feet north of Poplar Street, within the City Limits. (Uptown Multi-Family - Zoning) (Mohan)

D. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by amending the Development Regulations of Planned Development (PD) No. 93 on approximately 8 acres, generally located east of FM 1385, and approximately 560 feet north of Ballenger Road within the City Limits. (Legacy Storage – Planned Development Amendment) (Mohan)

E. Conduct a public to consider and act upon a Development Agreement between the City of Celina and Celina 58 LP, for approximately 59 acres of land, generally located at the northwest corner of Louisiana Drive and County Road 58, within the Extraterritorial Jurisdiction (ETJ). This item is to be tabled to the November 9, 2021 City Council Meeting. (Legacy 58.5 – Development Agreement) (Mohan)

F. Conduct the first of three public hearings to annex approximately 1,508 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (21-02 Annexation First Public Hearing) (Lopez)

1) Denton CAD Property ID 623698, being an approximate 1 acre tract of land in Denton County, Texas, legally described as Merritt Park Addition Lot 1; generally located approximately 2,400 feet north of Parvin Road and 3,000 feet east of Smiley Road (Thornton, W Keith & Margaret M),
2) Denton CAD Property ID 623699, being an approximate 1 acre tract of land in Denton County, Texas, legally described as Merritt Park Addition Lot 2; generally located approximately 2,700 feet north of Parvin Road and 3,400 feet east of Smiley Road (Merritt, James H III & Parker, Susanna),
3) Denton CAD Property ID 52706, being an approximate 133 acre tract of land in Denton County, Texas, legally described as Abstract No. 1028 in the A. Phillips Survey, Tract 1; generally located approximately 2,200 feet south of Carey Road and 2,700 feet west of Legacy Drive (Merritt/Thornton Farms P/S),
4) Denton CAD Property ID 52723, being an approximate 49.73 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791 in the J. Morton Survey, Tract 6; generally located approximately 1,800 feet south of Carey Road and 2,700 feet west of Legacy Drive (Merritt/Thornton Farms P/S),
5) Denton CAD Property ID 52757, being an approximate 33.6 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791 in the J. Morton Survey, Tract 7; generally located

approximately 1,800 feet south of Carey Road and 2,000 feet east of Smiley Road (Merritt/Thornton Farms P/S),

6) Denton CAD Property ID 52711, being an approximate 24.82 acre tract of land in Denton County, Texas, legally described as Abstract No. 1028 in the A. Phillips Survey, Tract 2; generally located approximately 800 feet east of Old Dairy Farm Road and 2,000 feet east of Smiley Road (Merritt/Thornton Farms P/S),
7) Denton CAD Property ID 161692, being an approximate 0.78 acre tract of land in Denton County, Texas, legally described as Abstract No. 0253 in the C. Copenhaver Survey, Tract 1; generally located approximately 500 feet east of Old Dairy Farm Road and 2,000 feet east of Smiley Road (Merritt/Thornton Farms P/S),
8) Denton CAD Property ID 122984, being an approximate 8.65 acre tract of land in Denton County, Texas, legally described as Smiley Acres Lot 3; generally located east of Old Dairy Farm Road and approximately 1,500 feet east of Smiley Road (Merritt/Thornton Farms P/S),
9) Denton CAD Property ID 52745, being an approximate 66.42 acre tract of land in Denton County, Texas, legally described as Abstract No. 0253 in the C. Copenhaver Survey, Tract 9; generally located approximately 300 feet north of Parvin Road and approximately 800 feet east of Smiley Road (Merritt/Thornton Farms P/S),
10) Denton CAD Property ID 52761, being an approximate 28.63 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791 in the J. Morton Survey, Tract 10; generally located east of Smiley Road and approximately 1,000 feet north of Old Dairy Farm Road (Thornton, W Keith & James H III),
11) Denton CAD Property ID 52731, being an approximate 370.85 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889 in the J. McKim Survey, Tract 2; generally located at the northwest corner of Legacy Drive and Parvin Road (Merritt/Thornton Farms P/S),
12) Denton CAD Property ID 52652, being an approximate 36.09 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265 in the A. Thompson Survey, Tract 3; generally located approximately 1,800 feet south of Carey Road and approximately 1,700 feet west of Legacy Drive (Merritt/Thornton Farms P/S),
13) Collin CAD Property ID 991528, being an approximate 58.56 acre tract of land in Collin County, Texas, legally described as Abstract No. 0140 in the Gabriel Chenoweth Survey, Tract 17; generally located at the northwest corner of Louisiana Drive and County Road 58 (Chaillot William L Jr & Chaillot Mary Family Trust),
14) Collin CAD Property ID 995070, being an approximate 42.32 acre tract of land in Collin County, Texas, legally described as Abstract No. 0442 in the Jonathan Howard Survey, Tract 1; generally located approximately 3,600 feet east of County Road 10 and approximately 4,700 feet south of County Road 60 (Marilee Road) (Lawler Jody Furlong),
15) Collin CAD Property ID 995098, being an approximate 17.75 acre tract of land in Collin County, Texas, legally described as Abstract No. 0442 in the Jonathan Howard Survey, Tract 3; generally located approximately 2,000 feet east of County Road 10 and approximately 2,200 feet north of Fritcher Road (Bunch Living Trust the Marvin L Bunch Trustee),
16) Collin CAD Property ID 995739, being an approximate 93.45 acre tract of land in Collin County, Texas, legally described as Abstract No.0569 in the F. L. Meriwether Survey, Tract 1; generally located approximately 3,000 feet east of FM 455 and at the terminus of County Road 946 (Ganji Shaun),
17) Collin CAD Property ID 2725109, being an approximate 75.16 acre tract of land in Collin County, Texas, legally described as Abstract No. 0876 in the S. A. & M. G. RY. Co. Survey, Tract 1; generally located approximately 700 feet west of County Road 58 and approximately 3,250 feet south of County Road 60 (Marilee Road) (Lawler Jody Furlong),
18) Collin CAD Property ID 2725111, being an approximate 84.1 acre tract of land in Collin County, Texas, legally described as Abstract No. 0024 in the W. P. Allen Survey, Tract 1; generally located generally located approximately 2,000 feet east of County Road 10 and approximately 3,250 feet south of County Road 60 (Marilee Road) (Lawler Jody Furlong),

19) Collin CAD Property ID 2760320, being an approximate 27.8 acre tract of land in Collin County, Texas, legally described as Abstract No. 0387 in the J. E. Heath Survey, Tract 1; generally located at the southwest corner of FM 455 and County Road 946 (Elevated Roofing LLC),
20) Collin CAD Property ID 991813, being an approximate 35 acre tract of land in Collin County, Texas, legally described as Abstract No. 0168 in the Collin County School Land #16 Survey, Sheet 1, Tract 18; generally located north County Road 8 and at the terminus of County Road 54 (Barnett Rebecca A),
21) Collin CAD Property ID 2691384, being an approximate 2 acre tract of land in Collin County, Texas, legally described as Abstract No. 0380 in the W. H. Herron Survey, Tract 25; east of Preston Road and approximately 2,000 feet north of County Road 95 (1595 N Preston 2 LLC),
22) Collin CAD Property ID 2756755, being an approximate 3.18 acre tract of land in Collin County, Texas, legally described as Abstract No. 0380 in the W. H. Herron Survey, Tract 28; generally located approximately 300 feet east of Preston Road and approximately 2,000 feet north of County Road 95 (1595 N Preston 3 LLC),
23) Collin CAD Property ID 2753685, being an approximate 22.61 acre tract of land in Collin County, Texas, legally described as Abstract No. 0834 in the William Stapp Survey, Tract 14; generally located east of County Road 128 and approximately 1,000 feet north of County Road 130 (10226 Celina LC),
24) Collin CAD Property ID 2762213, being an approximate 39.2 acre tract of land in Collin County, Texas, legally described as Abstract No. 0834 in the William Stapp Survey, Tract 16; generally located south of County Road 128 and approximately 3,000 feet west of County Road 133 (10226 Celina LC),
25) Collin CAD Property ID 2125473, being an approximate 54.57 acre tract of land in Collin County, Texas, legally described as Abstract No. 0140 in the Gabriel Chenoweth Survey, Sheet 2, Tract 26; generally located west of County Road 59 and approximately 1,800 feet north of County Road 58 (Palmer Mark & Debbie),
26) Collin CAD Property ID 2719620, being an approximate 15 acre tract of land in Collin County, Texas, legally described as Abstract No. 0140 in the Gabriel Chenoweth Survey, Sheet 2, Tract 30; generally located south of County Road 59 and approximately 2,000 feet east of County Road 58 (Pensco Trust Company Custodian Fbo Deborah L Palmer Ira 100%),
27) Collin CAD Property ID 2071429, being an approximate 20.71 acre tract of land in Collin County, Texas, legally described as Abstract No. 0140 in the Gabriel Chenoweth Survey, Sheet 2, Tract 23; generally located east of County Road 58 and approximately 2,250 feet south of County Road 59 (Safi Shah & Lailuma & Homayun Safi),
28) Collin CAD Property ID 1005245, being an approximate 35.84 acre tract of land in Collin County, Texas, legally described as Abstract No. 0394 in the Daniel Howell Survey, Tract 17; generally located west of County Road 127 and approximately 2,500 feet north of County Road 129 (Ssar Enterprises Ltd & Praachi Holdings LLC),
29) Collin CAD Property ID 2563027, being an approximate 18.97 acre tract of land in Collin County, Texas, legally described as Abstract No. 0394 in the Daniel Howell Survey, Tract 18; generally located west of County Road 127 and approximately 2,300 feet north of County Road 129 (Celina Warren 36 LP), and
30) Collin CAD Property ID 2653064, being an approximate 106.77 acre tract of land in Collin County, Texas, legally described as Abstract No. 0377 in the Jno M. Herron Survey, Tract 1; generally located at the southwest corner of G. A. Moore Parkway and Preston Road (Poway Enterprise LP).

G. Conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Legacy Hills Public Improvement District Service and Assessment Plan, including the Phase #1A-1B assessment roll; making a finding of special benefit to property within Phase #1A-1B of the Legacy Hills Public Improvement District; levying special assessments against such property and establishing a lien on such property; providing for the method of assessment and the payment of the assessments levied against Phase #1A-1B assessed property, in accordance with Chapter 372 of the Texas Local Government Code, as amended. (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

H. Conduct a public hearing to consider testimony and act upon a resolution of the City of Celina, Texas authorizing and creating the Sutton Fields East Public Improvement District in accordance with Chapter 372 of the Texas Local Government Code; providing for related matters; and providing an effective date. (Sutton Fields East - PID Creation) (Lopez)

I. Conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Wilson Creek Meadows Improvement District Service and Assessment Plan, including the Improvement Area #1 assessment roll; making a finding of special benefit to property within Improvement Area #1 of the Wilson Creek Meadows Public Improvement District; levying special assessments against such property and establishing a lien on such property; providing for the method of assessment and the payment of the assessments levied against Improvement Area #1 assessed property, in accordance with Chapter 372 of the Texas Local Government Code, as amended. (Wilson Creek Meadows PID SAP – Levy Ordinance) (Lopez)

J. Conduct a public hearing and act upon a resolution establishing the City of Celina Property Assessed Clean Energy Program ("City of Celina PACE"). (Satarino)

IX. ACTION ITEM:

A. Consider and act upon a resolution of the City of Celina, Texas, determining the costs of certain authorized improvements to be financed within the Sutton Fields East Public Improvement District; approving a preliminary service plan and assessment plan, including two proposed assessment rolls; directing the filing of each of the proposed assessment rolls with the City Secretary; and providing for noticing and calling a public hearing on November 9, 2021 to consider two separate ordinances levying assessments on property located within the Sutton Fields East Public Improvement District. (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing) (Lopez)

B. Consider and act to authorize the Wilson Creek Meadows Public Improvement District Reimbursement Agreement between the City of Celina, Texas and Celina Titus, LLC and Celina Ownsby Coit, LLC regarding reimbursements for assessment Revenues, and other matters related thereto. (Wilson Creek Meadows PID SAP – Reimbursement Agreement) (Lopez)

C. Consider and act upon a resolution of intent to annex approximately 644.46 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (21-03 Annexation Resolution) (Mohan)

1. Collin CAD Property ID 984821, being an approximate 17.80 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 2;

generally located at the southeast corner of future Coit Road and County Road 107 (Bray, Jim G Jr),

2. Collin CAD Property ID 995506, being an approximate 17.04 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located approximately 270 feet east of future Coit Road and 965 feet north of future Stallcup Boulevard (Bray, Jim G Jr),
3. Collin CAD Property ID 995515, being an approximate 5.02 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 2; generally located east of future Coit Road and approximately 830 feet north of future Stallcup Boulevard (Bray, Jim G Jr),
4. Collin CAD Property ID 997915, being an approximate 53.21 acre tract of land in Collin County, Texas, legally described as Abstract No. A0931 in the T & P Ry Co Survey, Tract 1; generally located north of future Stallcup Boulevard and approximately 245 feet east of future Coit Road (Bray, Jim G Jr),
5. Collin CAD Property ID 997924, being an approximate 5.79 acre tract of land in Collin County, Texas, legally described as Abstract No. A0931 in the T & P Ry Co Survey, Tract 2; generally located at the northeast corner of future Coit Road and future Stallcup Boulevard (Bray, Jim G Jr),
6. Collin CAD Property ID 2120491, being an approximate 108.94 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 2; generally located south of future Marilee Road and approximately 1,330 feet west of future Custer Road (Estate of Bray, Jim Garvan Sr),
7. Collin CAD Property ID 2120786, being an approximate 140.25 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1; generally located south of future Marilee Road and approximately 275 feet east of future Coit Road (Bray, Jim G Jr),
8. Collin CAD Property ID 2674384, being an approximate 66.12 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 1; generally located west of future Custer Road and approximately 1,315 feet south of future Marilee Road (Bray, Jim G Jr),
9. Collin CAD Property ID 990397, being an approximate 35.29 acre tract of land in Collin County, Texas, legally described as Abstract No. A0124 in the Henry Bentley Survey, Tract 18; generally located west of County Road 8 and approximately 400 feet north of future Mobberly Connector (Sutton Field Investments LLC),
10. Collin CAD Property ID 2071427, being an approximate 14.88 acre tract of land in Collin County, Texas, legally described as Abstract No. A0168 in the Collin County School Land #16 Survey, Sheet 1, Tract 74; generally located approximately 705 feet north of future Mobberly Road and 1,830 feet east of future Legacy Drive (Shewchuk Dwight M & Rebecca),
11. Collin CAD Property ID 991788, being an approximate 7.54 acre tract of land in Collin County, Texas, legally described as Abstract No. A0168 in the Collin County School Land #16 Survey, Sheet 1, Tract 16; generally located approximately 240 feet north of Mobberly Road and 290 feet west of future Legacy Drive (Barnett, Rebecca A),
12. Collin CAD Property ID 2788963, being an approximate 3.23 acre tract of land in Collin County, Texas, legally described as Eva's Ridge (GCN), Block A, Lot 1; generally located north of County Road 8 and approximately 195 feet west of future Legacy Drive (Gulley, Michael Morris),

13. Collin CAD Property ID 2788965, being an approximate 4.034 acre tract of land in Collin County, Texas, legally described as Eva's Ridge (GCN), Block A, Lot 2; generally located north of County Road 8 and approximately 395 feet west of future Legacy Drive (Gulley, Michael Morris),
14. Collin CAD Property ID 2689584, being an approximate 20.10 acre tract of land in Collin County, Texas, legally described as Abstract No. A0394 in the Daniel Howell Survey, Tract 38; generally located at the southeast corner of future Roseland Parkway and FM 455 (Gulley, Michael Morris),
15. Collin CAD Property ID 1004674, being an approximate 16.91 acre tract of land in Collin County, Texas, legally described as Abstract No. A0386 in the J. E. Heath Survey, Tract 1; generally located south of future Carl Darnall Parkway and approximately 1,775 feet west of future Custer Road (Nanda Estates LLC),
16. Collin CAD Property ID 1225276, being an approximate 8.07 acre tract of land in Collin County, Texas, legally described as Abstract No. A0912 in the William B. Tucker Survey, Tract 4; generally located at the northeast corner of future Coit Road and County Road 102 (Nanda Estates LLC),
17. Collin CAD Property ID 1225301, being an approximate 5.25 acre tract of land in Collin County, Texas, legally described as Abstract No. A0810 in the W. W. Shawer Survey, Tract 13; generally located south of County Road 106 and approximately 365 feet east of future Coit Road (Henderson, Jerry Gene-Le),
18. Collin CAD Property ID 1014388, being an approximate 10.66 acre tract of land in Collin County, Texas, legally described as Abstract No. A1053 in the Ousley & Floyd Survey, Tract 2; generally located at the southwest corner of Louisiana Drive and County Road 994 (Marinko Living Trust),
19. Collin CAD Property ID 2698698, being an approximate 31 acre tract of land in Collin County, Texas, legally described as Abstract No. A0834 in the William Stapp Survey, Tract 5; generally located approximately 225 feet west of County Road 133 and 2,650 feet north of FM 455 (NTRPFI LP),
20. Collin CAD Property ID 2720384, being an approximate 5 acre tract of land in Collin County, Texas, legally described as Abstract No. A0801 in the Robert Scaggs Survey, Tract 15; generally located west of County Road 133 and approximately 110 feet north of FM 455 (NTRPFI LP),
21. Collin CAD Property ID 2657698, being an approximate 13.55 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 5; generally located approximately 350 feet south of future Stallcup Boulevard and 1,365 feet west of future Custer Road (JML Cattle Company LLC),
22. Collin CAD Property ID 2658131, being an approximate 10.45 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 6; generally located north of County Road 106 and approximately 1,400 feet west of future Custer Road (Equity Trust Company DBA Sterling Trust),
23. Collin CAD Property ID 2674385, being an approximate 7.73 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 7; generally located north of County Road 106 and approximately 1,015 feet west of future Custer Road (Equity Trust Company DBA Sterling Trust Custodian FBO James L LaBorde),
24. Collin CAD Property ID 2707587, being an approximate 12 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey,

Tract 8; generally located at the northwest corner of future Custer Road and County Road 106 (McCauley, Jeffrey David & Mary Jo),

25. Denton CAD Property ID 173394, being an approximate 5.01 acre tract of land in Denton County, Texas, legally described as Abstract No. A0969A in Norwood, Tract 1(B); generally located west of Smiley Road and approximately 2,591 feet north of future Punk Carter Parkway (Fonseca, Maria Rocio),
26. Denton CAD Property ID 52870, being an approximate 18 acre tract of land in Denton County, Texas, legally described as Abstract No. A0211A in Cowan, Track 36 and Old DCAD, Sheet 2, Tract 7; generally located east of Smiley Road and approximately 1,945 feet north of future Punk Carter Parkway (18 Farm on Smiley Rd LTD), and
27. Denton CAD Property ID 173398, being an approximate 1.61 acre tract of land in Denton County, Texas, legally described as Willow Wood, Lot 1; generally located at the southwest corner of Smiley Road and FM 428 (Sadeghian, Khosrow TRTS of Kamy Real Property Trust).

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 Tarrant, TRMC
City Secretary, City of Celina, TX

Date Notice Removed

Life Connected.

CITY COUNCIL REGULAR MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, SEPTEMBER 14, 2021
5:00 PM

MINUTES

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Attendee Name	Organization	Title	Status	Arrived
Justin Steiner	City of Celina	Place 1	Present	
Jay Pierce	City of Celina	Place 2	Present	
Wendie Wigginton	City of Celina	Place 4	Present	
Andy Hopkins	City of Celina	Place 3	Present	
Mindy Koehne	City of Celina	Place 5	Absent	
Chad Anderson	City of Celina	Place 6	Absent	
Sean Terry	City of Celina	Mayor	Present	

Mayor Terry called the meeting to order at 5:19 pm.

II. PLEDGE OF ALLEGIANCE/INVOCATION:

Mayor Terry gave the invocation. Pastor May with Grace Baptist Fellowship gave the invocation.

III. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

A. Summer Reading Program 2021 recognitions (Shaw)

Director of Library Services Linda Shaw presented Amelia ? and her sister ? with recognitions for ones who read the most minutes during the Summer Reading Program.

B. Arbor Day Proclamation (McAfee)

Mayor Terry presented the proclamation to Director of Development Services Dusty McAfee.

C. Addie Davenport Proclamation (Terry)

Mayor Terry presented the presentation for Lacrosse accomplishments to Addie Davenport.

D. National Payroll Week Proclamation (Bromiley)

Mayor Terry presented the proclamation to Payroll Manager, Holly Isaacs.

E. Texas Association of Municipal Information Officers Award (Lynch)

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Director of Communications recognized Aly Jones and Jessica Pichardo for the Texas Association of Municipal Information Officer Award for the city newsletter.

IV. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

A. Employee introductions (Laumer) (Bromiley)

Jason Laumer introduced Strategic Services Manager Anthony Satarino. Assistant City Manager Karla Stovall intoduced Utility Services Meter Crew Leader David Cabrera and Capital Assets Accountant Lauren McDaniel.

B. Utility Rate Study presentation (Wildan)

Dan Jackson with Wildan, Inc. presented latest water rate study recommendations.

C. Upper Trinity Regional Water District update (Howard)

Director of Government Affairs Corbett Howard gave an update on the Upper Trinity Regional Water District's budget.

D. Personnel Policy update (Stovall)

Assistant City Manager Karla Stovall gave a brief update of changes to the Celina Personnel Policy.

E. Discussion regarding any and/or all agenda items

No other items were discussed.

V. OPEN FORUM:

Joy Acree of 5363 Hackberry Circle spoke regarding the potential annexation of her property citing issues dealing with Collin County and hopes that the City will be easier to deal with.
Those speaking in opposition to a proposed 7-11 at Preston Road and Punk Carter Parkway citing concerns with traffic, noise, lights, crime and environmental issues were:
Julia and Roman Namdar of 200 Dartmoor
David Hawkes of 2705 Appaloosa Lane
Rebekah Wells of 301 Shire Lane
Ellen Chatterton of 202 Dartmoor
Phillip Shortino 2508 Old Stables Lane
Shari Degan of 2801 Saddlebred Trail. Shari also mention a petition with homeowner signatures in opposition to be presented.

VI. EXECUTIVE SESSION:

The City Council convened into Executive Session at 6:27 p.m. with City Attorney Lance Vanzant, Assistant City Attorney Karla Stovall and Director of Development Services Dusty McAfee.

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.071, 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, pending or contemplated litigation, and

Texas Government Code 551.072, Deliberations Regarding Real Property, to deliberate the purchase, exchange, lease or value of real property.

A. Discussion regarding negotiations related to the Huffines Development Agreement; generally located in the northeastern quadrant of the City's extra territorial jurisdiction. (McAfee)

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B. Discussion regarding an amendment to the Gateway Celina Development Agreement; generally located on the southwest corner of Oklahoma Drive and future Sunset Boulevard. (Mohan)

C. Discussion regarding negotiations related to the Green Meadows Development Agreement.

D. Discussion regarding negotiations related to the Belknap Development Agreement.

E. Discussions regarding negotiations related to the Parks at Wilson Creek Development Agreement.

F. Discussions regarding negotiations related to the Legacy Hills (Dynavest) Amended Development Agreement.

G. Shea Scott v. The City of Celina, Texas, Cause No. DC-20-18195

Reconvene Into Open Session

The City Council reconvened into Open Session at 7:37 p.m.

H. Consider and act upon any items discussed in executive session.

Councilman Hopkins moved to approve item B. Councilman Pierce seconded. Motion carried. 4-yes;0-no.

VII. CONSENT AGENDA:

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Justin Steiner, Place 1
SECONDER:	Andy Hopkins, Place 3
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

A. Minutes Approval:

1. City Council - Regular Meeting - Aug 10, 2021 5:00 PM

2. City Council - Special Meeting - Aug 28, 2021 9:00 AM

B. Consider and act upon a resolution of a Governing Policy to increase government transparency and accountability to the public, through the method of written principles, polices, and procedures. (Laumer)

(2021-63R)

C. Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Thrown Axe Company, LLC for economic incentive funding under Chapter 380 of the Texas Local Government Code. (Axe Throwing – DIP) (Mohan)

D. Consider and act upon a Development Agreement for approximately 36 acres of land, generally located west of Custer Road and approximately 1,800 feet north of Ousley Boulevard. (Honey Creek Estates/Herrin DA) (Mohan)

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E. Consider and act to authorize the Mayor to execute a contract by and between the City of Celina and Marilee Special Utility District for the sixth addendum to the Full and Final Settlement Agreement and Release executed on April 24, 2001. (6th Addendum for Settlement with Marilee) (Mohan)

F. Consider and act upon an amendment to the Legacy Hills (Dynavest) development agreement; generally located north of J. Fred Smith Parkway, west of Celina Parkway, east of Dallas Parkway, and south of Marilee Road, within the City Limits. (Legacy Hills– DA Amendment) (McAfee)

G. Consider and act upon a request to amend and restate Capital Recovery Fees Economic Development Agreement for Legacy Hills (Dynavest); generally located north of J. Fred Smith Parkway, west of Celina Parkway, east of Dallas Parkway, and south of Marilee Road, within the City Limits. (Legacy Hills (Dynavest) Amended & Restated Capital Recovery Fees) (McAfee)

H. Consider and act upon a Second Amendment to the Amended and Restated Development Agreement between the City of Celina and The Parks at Wilson Creek, L.P. for The Parks at Wilson Creek development (amending documents recorded in the Official Public Records of Collin County as Instrument Numbers 20150917001181966 and 20191021001322210). (Parks at Wilson Creek - DA Amendment) (Lopez)

I. Consider and act upon a request for an amendment to the Green Meadows Development Agreement; generally located west of Legacy Drive and north of Parvin Road. (Green Meadows - DA Amendment) (Mohan)

J. Consider and act upon a resolution of the City of Celina, Texas, accepting a petition seeking the creation of the Sutton Fields East Public Improvement District within the extraterritorial jurisdiction of the City and calling for a public hearing for the City Council's October 12, 2021 meeting. (Sutton Fields East – PID Petition) (Lopez)

(2021-64R)

K. Consider and act upon a resolution of the City of Celina, Texas, determining the costs of improvements to be financed within Improvement Area #1 of the Wilson Creek Meadows Public Improvement District; approving a preliminary service plan and assessment plan, including a proposed Improvement Area #1 Assessment Roll; directing the filing of the proposed Improvement Area #1 Assessment Roll with the City Secretary; and providing for noticing and calling a public hearing on October 12, 2021, to consider an ordinance levying assessments on property located within Improvement Area #1 of the Wilson Creek Meadows Public Improvement District. (Wilson Creek Meadows - PID Pre-SAP) (Lopez)

(2021-65R)

L. Consider and act to authorize an agreement for engineering services for the coordination of easements and ROW for Louisiana Water Line Phase 1B with Specialty Land Services, LLC., in an amount not to exceed $51,400.00. (Berry)

M. Consider and act to award bid 2021-0086 for the construction CR 99 Waterline (Louisiana Phase 2) at the unit prices listed to Four Star Excavating in an amount of $879,362.50 plus ten percent contingency in the amount of $87,936.25 for a total not to exceed $967,298.75 . (Berry)

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N. Consider and act to authorize Change Order 4 for additional work on the 2021 Street Maintenance to CR 134 (between CR 97 to DC Ranch Road with Reliable Paving, Inc., in an amount not to exceed $112,841.00 (Berry)

O. Consider and act upon a resolution of the City Council of the City of Celina, Texas, as hereinafter referred to as "applicant," designating certain officials as being responsible for, acting for, and on behalf of the applicant in dealing with the Texas Parks and Wildlife department, hereinafter referred to as "department," for the purpose of participating in the local park grant program, hereinafter referred to as the "program"; certifying that the applicant is eligible to receive program assistance; certifying that the applicant matching share is readily available; and dedicating the proposed site for permanent (or for the term of the lease for leased property) public park and recreational uses. (Glasgow/Webb)

(2021-66R)

P. Consider and act upon a resolution authorizing the execution of an agreement by and between the City of Celina and Texas Department of Transportation for the temporary closure of a portion of F.M. 455 between Arizona and Louisiana and the temporary closure of a portion of Louisiana between Elm and Maple for the purpose of holding the Celina Independent School District Homecoming parade; and providing an effective date. (Homecoming Parade Road Closure) (Jenks)

(2021-67R)

Q. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Two project expenditures; providing a severable clause; and providing an effective date. (Stovall)

(2021-68R)

R. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Three project expenditures; providing a severability clause; and providing an effective date. (Stovall)

(2021-69R)

S. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Four project expenditures; providing a severability clause; and providing an effective date. (Stovall)

(2021-70R)

T. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Five project expenditures; providing a severability clause; and providing an effective date. (Stovall)

(2021-71R)

U. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Six project expenditures; providing a severability clause; and providing an effective date. (Stovall)

(2021-72R)

V. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Seven project expenditures; providing a severability clause; and providing an effective date. (Stovall)

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(2021-73R)

W. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Eight project expenditures; providing a severability clause; and providing an effective date. (Stovall)

(2021-74R)

X. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Nine project expenditures; providing a severability clause; and providing an effective date. (Stovall)

(2021-75R)

Y. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Ten project expenditures; providing a severability clause; and providing an effective date. (Stovall)

(2021-76R)

Z. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Eleven project expenditures; providing a severability clause; and providing an effective date. (Stovall)

(2021-77R)

AA. Consider and act upon approval of appointments, re-appointments and removals from city boards and commissions, Celina Economic Development Corporation and Celina Community Development Corporation. (Tarrant)

AB. Consider and act upon Chapter 380 grant agreement by and between the City of Celina, Texas and TSHH, LLC (Trophy Signature Homes) (Satarino)

AC. Consider and act upon a Chapter 380 grant agreement by and between the City of Celina, Texas and CB Jeni 2020, LLC (Satarino)

AD. Consider and act upon a Chapter 380 grant agreement by and between the City of Celina and Normandy Homes, LLC. (Satarino)

AE. Consider and act upon a resolution of the City of Celina authorizing the City Manager to execute any necessary documents to participate in a statewide settlement of claims related to opioid litigation. (Satarino)

(2021-78R)

AF. Consider and act upon a resolution of the City of Celina of the intent to establish a City of Celina Assessed Clean Energy (PACE) Program. (Satarino)

(2021-79R)

AG. Consider and act upon a resolution of the City Council of the City of Celina, Texas approving the issuance of Bonds by the Public Finance Authority to finance facilities to be located in Celina, Texas. (Stovall)

(2021-80R)

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AH. Consider and act to award bid 2021-0095 for the construction and installation of the Choate Parkway Pedestrian Bridge to GRod Construction, LLC in an amount not to exceed $85,000. (Berry)

AI. Consider and act upon the 2021-22 annual service plan update for the Sutton Fields II Public Improvement District. (Stovall)

(2021-77)

AJ. Consider and act upon an ordinance of the City of Celina, Texas amending ordinance 2020-77 which adopted and approved the budget for fiscal year beginning October 1, 2020 and ending September 30, 2021, and make appropriations for each department, project and account, by adopting an amended 2020-2021 budget for the City of Celina, Texas, reallocating funds between accounts, attached hereto and incorporated into this ordinance. (Bromiley)

(2021-69)

AK. Consider and act upon a resolution of the City of Celina, Texas ratifying and approving the Fiscal Year 2021-2022 budget for the Celina Economic Development Corporation. (Jackson)

(2021-81R)

AL. Consider and act upon a resolution of the City of Celina, Texas, ratifying and approving the Fiscal Year 2021-2022 budget for the Celina Community Development Corporation. (Bromiley)

(2021-82R)

AM. Consider and act to authorize an amendment to the design agreement for Fire Station 3 with VAI Architects, Inc., in an amount not to exceed $300,000.00. (Berry)

VIII. PUBLIC HEARING/ACTION:

A. Conduct a public hearing to consider testimony and receive public input regarding the proposed FY2021-2022 budget. (Bromiley)

Mayor Terry opened the hearing at 7:39 p.m. No public comment was received. The hearing was closed at 7:48 p.m.

B. Conduct a public hearing to consider testimony regarding the proposed 2021 Ad Valorem tax rate. (Bromiley)

Mayor Terry opened the hearing at 7:48 p.m. No public comment was received. The hearing was closed at 7:49 p.m.

C. Conduct the second of two public hearings and act upon an ordinance adopting the annexation of approximately 152 acres, Collin County, Texas, generally located west of Custer Road, east of Preston Road, north of Choate Parkway, and south of Glendenning Parkway. (Outer Loop 2nd Public Hearing and Adoption) (Lopez)

(2021-70) Mayor Terry opened the hearing at 7:49 p.m. No public comment was received. The hearing was closed at 7:51 p.m.

Minutes Acceptance: Minutes of Sep 14, 2021 5:00 PM (Minutes Approval)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

D. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by rezoning an approximately 15-acre tract of land to Downtown Code (Bricks Subdistrict) Zoning District (DTC), generally located west of Louisiana Drive, and approximately 235 feet north of Poplar Street, within the City Limits. (Southcreek – South Tract - Zoning) (Mohan)

(2021-71) Mayor Terry opened the hearing at 7:51 p.m. No public comment was received. The hearing was closed at 7:53 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Justin Steiner, Place 1
SECONDER:	Andy Hopkins, Place 3
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

E. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by rezoning an approximately one-acre tract of land to Downtown Code (Bricks Subdistrict) Zoning District (DTC), generally located west of Florida Drive, and approximately 810 feet north of Walnut Street, within the City Limits. (302 N. Florida – Zoning) (Mohan)

(2021-72) Mayor Terry opened the hearing at 7:53 p.m. No public comment was received. The hearing was closed at 7:55 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wendie Wigginton, Place 4
SECONDER:	Jay Pierce, Place 2
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

F. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by amending the Concept Plan and Development Regulations of Planned Development (PD) No. 91 on approximately 10.4 acres, generally located west of Louisiana Drive, and approximately 1,100 feet south of County Road 994, within the City Limits. (Celina 10 – Planned Development Amendment) (Mohan)

(2021-73) Mayor Terry opened the hearing at 7:55 p.m. No public comment was received. The hearing was closed at 7:57 p.m.

Minutes Acceptance: Minutes of Sep 14, 2021 5:00 PM (Minutes Approval)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Jay Pierce, Place 2
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

G. Conduct a public hearing and act upon a Development Agreement between the City of Celina and The Parks at Wilson Creek, L.P. for approximately 51 acres of land, generally located north of the future Collin County Outer Loop and approximately 1,045 feet west of FM 2478 (future Custer Road), within the ETJ. (Matusek Tract (PAWC Annex) – Development Agreement) (McAfee)

Mayor Terry opened the hearing at 8:04 p.m. No public comment was received. The hearing was closed at 8:08 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jay Pierce, Place 2
SECONDER:	Wendie Wigginton, Place 4
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

H. Conduct a public hearing and act upon a Development Agreement for approximately 263 acres of land, generally located south of the future Collin County Outer Loop and approximately 2,100 feet west of FM 2478 (future Custer Road), within the ETJ. (Belknap Tract (Corson-Cramer) – Development Agreement) (McAfee)

Mayor Terry called the hearing to order at 7:58 p.m. Dale Bainum of 3541 Heritage Trail asked if Choate parkway would be a dead end? The hearing was closed at 8:04 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wendie Wigginton, Place 4
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

I. Conduct a public hearing to consider testimony and act upon a resolution of the City of Celina, Texas authorizing and creating the Matusek (The Parks at Wilson Creek Annex) Public Improvement District in accordance with Chapter 372 of the Texas Local Government Code; providing for related matters; and providing an effective date. (Matusek (PAWC Annex) PID Creation) (Lopez)

(2021-83R) Mayor Terry opened the hearing at 8:08 p.m. Dale Bainum of 3541 Parkway asked if there would be rear alleys on the 40' lots. The hearing was closed at 8:09 p.m.

Minutes Acceptance: Minutes of Sep 14, 2021 5:00 PM (Minutes Approval)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

J. Conduct a public hearing to consider testimony regarding the creation of the Legacy Hills Public Improvement District and act upon a resolution creating the Legacy Hills Public Improvement District. (Legacy Hills PID Creation) (Lopez)

(2021-84R) Mayor Terry recused himself from this item. Mayor Pro Tem Steiner opened the hearing at 8:10 p.m. No public comment was received. The hearing was closed at 8:11 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Jay Pierce, Place 2
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

K. Conduct a public hearing to consider testimony and act upon an ordinance designating a contiguous geographic area within the extraterritorial jurisdiction and/or corporate limits of the City as a reinvestment zone, to be known as Reinvestment Zone Number Thirteen, City of Celina; describing the boundaries of the zone; creating a board of directors for the zone; establishing a tax increment fund for the zone; containing findings related to the creation of the zone; providing a date for the termination of the zone; and providing that the zone take effect immediately upon passage of the ordinance. (Legacy Hills - TIRZ Creation) (Lopez)

(2021-74) Mayor Terry recused himself from this item. Mayor Pro Tem Steiner called the hearing to order at 8:11 p.m. No public comment was received. The hearing was closed at 8:13 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wendie Wigginton, Place 4
SECONDER:	Andy Hopkins, Place 3
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

L. Conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Wells South Public Improvement District Amended and Restated Service and Assessment Plan, including the Neighborhood Improvement Area #4 assessment roll; making a finding of special benefit to property within Neighborhood Improvement Area #4 of the Wells South Public Improvement District; levying special assessments against such property and establishing a lien on such property; providing for the method of assessment and the payment of the assessments levied against Neighborhood Improvement Area #4 assessed property, in accordance with Chapter 372 of the Texas Local Government Code, as amended. This item is to be tabled to the September 28, 2021 Special Meeting. (Wells South PID – Levy Ordinance) (Lopez)

The hearing was opened at 8:15 p.m. No public comment was received. The hearing will stay open until the September 28th meeting.

Minutes Acceptance: Minutes of Sep 14, 2021 5:00 PM (Minutes Approval)

RESULT:	**TABLED [UNANIMOUS]**	**Next: 9/28/2021 5:00 PM**
MOVER:	Wendie Wigginton, Place 4	
SECONDER:	Andy Hopkins, Place 3	
AYES:	Steiner, Pierce, Wigginton, Hopkins	
ABSENT:	Koehne, Anderson	

IX. ACTION ITEM:

A. Consider and act upon an ordinance of the City of Celina, Texas, approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2021 (Wells South Public Improvement District Neighborhood Improvement Area #4 Project); approving and authorizing related agreements; and providing an effective date. This item is to be tabled to the September 28, 2021 Special Meeting. (Wells South PID - Bond) (Lopez)

Mayor Terry was not present for this item.

RESULT:	**TABLED [UNANIMOUS]**	**Next: 9/28/2021 5:00 PM**
MOVER:	Wendie Wigginton, Place 4	
SECONDER:	Andy Hopkins, Place 3	
AYES:	Steiner, Pierce, Wigginton, Hopkins	
ABSENT:	Koehne, Anderson	

B. Consider and act upon a resolution of the City of Celina, Texas, determining the costs of improvements to be financed within the Legacy Hills 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; and providing for noticing and calling two public hearing on September 28, 2021, to consider ordinances levying assessments on property located within the Legacy Hills Public Improvement District. (Legacy Hills PID Pre-SAP) (Lopez)

(2021-85R) Mayor Terry recused himself from this item.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Jay Pierce, Place 2
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

C. Consider and act upon a resolution of intent to annex approximately 1,508 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (21-02 Annexation Resolution) (Lopez)

(2021-86R) Mayor Terry returned at 8:17 p.m.

Minutes Acceptance: Minutes of Sep 14, 2021 5:00 PM (Minutes Approval)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Justin Steiner, Place 1
SECONDER:	Andy Hopkins, Place 3
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

D. Consider and act upon ratifying the property tax revenue increase reflected in the annual budget for the Fiscal Year 2021-2022; beginning October 1, 2021 and ending September 30, 2022. (Bromiley)

Councilman Hopkins moved to ratify the property tax revenue increase reflected in the annual budget for Fiscal Year 2021-2022, beginning October 1, 2021 and ending September 30, 2022, and stated that this budget will raise more revenue from property taxes than last year' budget by an amount of $3,487,947, which is a 28.49% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $2,388,732.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

E. Consider and act upon an ordinance of the City of Celina, Texas, adopting and approving the budget for the Fiscal Year 2021-2022 beginning October 1, 2021, and ending September 30, 2022 and making appropriations for each department, project and account and providing for expenditures of funds. (Roll Call Vote) (Bromiley)

(2021-75) A roll call vote was taken. Hopkins-yes, Steiner-yes, Pierce-yes, Wigginton-yes, Terry-yes.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

F. Consider and act upon an ordinance of the City of Celina, Texas, fixing and levying municipal Ad Valorem Taxes for the fiscal year beginning October 1, 2021, and ending September 30, 2022, at a rate of $.645000 per one hundred dollars ($100.00) assessed valuation on all taxable property within the corporate limits of the city. This tax rate will raise more taxes for maintenance and operations than last year's tax rate; the tax rate will effectively be raised by 3.5% and will raise taxes for maintenance and operations on a $100,000.00 home by approximately $-23.74. (Roll Call Vote) (Bromiley)

(2021-76) Councilman Hopkins moved to approve an ordinance fixing and levying Municipal al Valorem Taxes for the fiscal year beginning October 1, 2021, and ending September 30, 2022, at a rate of $.645000 per one hundred dollars ($100) assessed valuation on all taxable property within the corporate limis of the city. This tax rate will raise more taxes for maintenance and operations than last year's tax rate; the tax rate will effectively be raised by 3.5% and will raise taxes for maintenance and operations on a $100,000 home by approximately $-23.74. and that the property tax rate be increased by the adoption of a tax rate of $0.645000, which is effectively a 10.01% increase in the tax rate. A roll call vote was taken. Hopkins-yes, Steiner-yes, Pierce-yes, Wigginton-yes, Terry-yes.

Minutes Acceptance: Minutes of Sep 14, 2021 5:00 PM (Minutes Approval)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Wigginton, Hopkins
ABSENT:	Koehne, Anderson

X. ADJOURNMENT:

_____
Sean Terry, Mayor

_____ _____
Secretary Date Minutes Approved

Minutes Acceptance: Minutes of Sep 14, 2021 5:00 PM (Minutes Approval)

Life Connected.

CITY COUNCIL SPECIAL MEETING
CITY HALL CONFERENCE ROOM
142 N. OHIO DRIVE
TUESDAY, SEPTEMBER 28, 2021
5:00 PM

MINUTES

I. CALL TO ORDER:

Attendee Name	Organization	Title	Status	Arrived	Departed
Justin Steiner	City of Celina	Place 1	Present		
Jay Pierce	City of Celina	Place 2	Present		
Wendie Wigginton	City of Celina	Place 4	Remote	5:06 PM	5:34 PM
Andy Hopkins	City of Celina	Place 3	Present		
Mindy Koehne	City of Celina	Place 5	Absent		
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 p.m.

II. EXECUTIVE SESSION:

The City Council convened into executive session at 5:06 p.m. with City Attorney Lance Vanzant, City Manager Jason Laumer, Assistant City Manager Karla Stovall, Texas Municipal League appointed attorney Fritz Quast, and Councilwoman Wendie Wigginton attending remotely during executive session only.

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.071, 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, pending or contemplated litigation.

A. Discussion regarding Shea Scott v City of Celina Cause No. DC-20-18195

B. Discussion on Edgewood Development Agreement generally located north FM 428 and east of FM 1385

Reconvene into Open Session

The City Council reconvened into open session at 5:34 p.m.

C. Consider and act upon any items discussed in executive session

III. CONSENT AGENDA:

Minutes Acceptance: Minutes of Sep 28, 2021 5:00 PM (Minutes Approval)

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Hopkins, Anderson
ABSENT:	Wigginton, Koehne

A. Consider and appoint Steve Mitchell as director to the Board of Directors of North Parkway Municipal Management District No. 1 (NPMMD1 - Legacy Hills (Dynavest) Board Appointment)

B. Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Gran Sweet, LLC for economic incentive funding under Chapter 380 of the Texas Local Government Code. (Granny's Sweeties – DIP) (Mohan)

C. Consider and act upon a request for an amendment to the Green Meadows Development Agreement to add additional parties; generally located west of Legacy Drive and north of Parvin Road. (Green Meadows - DA Amendment) (Mohan)

D. Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and MM Celina 3200, LLC for Chapter 380 economic incentive funding using tax increment funds under Chapter 380 of the Texas Local Government code. (Dynavest (Legacy Hills) - TIRZ 380 Agreement) (Lopez)

E. Consider and act upon a resolution of the City of Celina, Texas, determining the costs of improvements to be financed within Phase #1A and Phase #1B of the Legacy Hills Public Improvement District; approving a preliminary service plan and assessment plan, including a proposed Phase #1A and Phase #1B Assessment Roll; directing the filing of the proposed Phase #1A and Phase #1B Assessment Roll with the City Secretary; and providing for noticing and calling a public hearing on October 12, 2021, to consider an ordinance levying assessments on property located within Phase #1A and Phase #1B of the Legacy Hills Public Improvement District. (Legacy Hills PID Pre-SAP Phases 1A & 1B – Resolution) (Lopez)

(2021-87R)

F. Consider and act upon an amendment to the Interlocal agreement with the Smiley Water Control and Improvement Districts, Nos. 1 and 2, for law enforcement services; generally located west of Legacy Drive and north of Parvin Road. (Green Meadows Police Interlocal Agreement) (Brawner)

G. Consider and act upon an interlocal agreement with the Smiley Water Control and Improvement Districts, Nos. 1 and 2, for fire-fighting services; generally located west of Legacy Drive and north of Parvin Road. (Brawner)

H. Consider and act to authorize the City Manager to enter into an amendment to the Interlocal Agreement with Mustang Special Utility District for Global Billing Services. (Brawner)

I. Consider and act upon an interlocal agreement for public improvement assessment collection for Sutton Fields II Public Improvement District between the City of Celina and Denton County. (Bromiley)

J. Consider and act to authorize an agreement for public information services with Strategies 360 in an amount not to exceed $90,000. (Berry)

Minutes Acceptance: Minutes of Sep 28, 2021 5:00 PM (Minutes Approval)

IV. PUBLIC HEARING:

A. Conduct a public hearing (continued from September 14, 2021) to consider testimony and act upon an ordinance accepting and approving a final Wells South Public Improvement District Amended and Restated Service and Assessment Plan, including the Neighborhood Improvement Area #4 assessment roll; making a finding of special benefit to property within Neighborhood Improvement Area #4 of the Wells South Public Improvement District; levying special assessments against such property and establishing a lien on such property; providing for the method of assessment and the payment of the assessments levied against Neighborhood Improvement Area #4 assessed property, in accordance with Chapter 372 of the Texas Local Government Code, as amended. (Wells South PID – Levy Ordinance) (Lopez)

(2021-78) Mayor Terry opened the hearing at 5:01 p.m. Roxanne Sheehan with Shupe, Ventura, 9406 Biscane Blvd, Dallas, TX, spoke in favor of the assessment ordinance. The hearing was closed at 5:03 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Chad Anderson, Place 6
AYES:	Steiner, Pierce, Hopkins, Anderson
ABSENT:	Wigginton, Koehne

V. ACTION:

A. Consider and act upon an ordinance of the City of Celina, Texas, approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2021 (Wells South Public Improvement District Neighborhood Improvement Area #4 Project); approving and authorizing related agreements; and providing an effective date. (item continued from September 14, 2021) (Wells South PID - Bond) (Lopez)

(2021-79) Jason Hughes with Hilltop Securities gave financial information regarding the bond issue.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Chad Anderson, Place 6
SECONDER:	Jay Pierce, Place 2
AYES:	Steiner, Pierce, Hopkins, Anderson
ABSENT:	Wigginton, Koehne

VI. ADJOURN:

There being no further comment the meeting was adjourned at 5:35 p.m.

_____
Sean Terry, Mayor

_____
Secretary

_____
Date Minutes Approved

Minutes Acceptance: Minutes of Sep 28, 2021 5:00 PM (Minutes Approval)

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Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Robin Bromiley, Director of Finance
Date: October 12, 2021
Re: <Insert Subject/RE Here>

Action Requested:
Review and Acceptance of the Quarterly Investment Report for the period ended September 30, 2021 (Bromiley)

Background Information:
The purpose of this item is to provide City Council an overview of the City's cash and invested balances for the fiscal period ending September 30, 2021.

Board Review/Citizen Input:
<Insert Review/Citizen input here>

Alternatives:
<Insert Alternative here>

Financial Considerations:
<Insert Financial Considerations here>

Legal Review:
<Insert Legal Review Here>.

Supporting Documents:
Q3 2021 Investment Report

Staff Recommendation:
Review and Acceptence

City of Celina
Quarterly Report
Quarter Ending: 9/30/2021

Economic Outlook:

Global economies, including the United States, slowed some in September under the weight of supply-chain bottlenecks and Delta-variant worries. Still, the U.S. economy has shown resilience. Although the August employment report was underwhelming, job openings hit a fresh record high for a fifth consecutive month, retail sales moved higher when a decline was expected and industrial production returned to pre-pandemic level in spite of supply constraints. The balance of economic indicators had been suggesting the Federal Reserve's aggressively accommodative monetary policy should be tweaked sooner rather than later. While the Federal Open Market Committee (FOMC) voted unanimously at its September 21-22 meeting to keep the targeted fed funds range at 0% to 0.25%, as widely expected.
On inflation, the median estimate for core PCE to 3.7% in 2021 (from 3.0%), 2.3% in 2022 (from 2.1%), 2.2% in 2023 (from 2.1%) and 2.1% in 2024. In his post meeting press conference, Fed Chairman Powell also signaled,but did not commit, that the start of the taper process could begin before the end of the year, perhaps being announced at the next FOMC meeting on November 3rd. He also suggested that it would end around mid-year of 2022. Most economists believe the current purchase of $80 billion Treasuries and $40 billion Agency Mortgage Back Securities (MBS) will be reduced monthly by $10 billion and $5 billion, respectively. While acknowledging that inflation may stay elevated longer, Powell and the majority of the Fed still believes it is transitory. He also emphasized that the tapering process does not imply rate hikes are imminent. Powell remained non-committal on a date to announce and start the process of scaling back asset purchases to retain flexibility should negative events occur or if something goes off the rails. He is also of the mind that the path of the economy is still dependent on COVID-19, and downside risks remain. Congress then adds to the uncertainty as a battle over two spending bills could lead to a sharp curtailment of fiscal stimulus, or pump an additional $4 trillion into the economy over time and overhaul the federal tax system. The bickering over those spending bill also threatened a government shutdown and continues to stoke fears of debt ceiling crisis. With all this playing in the background it is pretty clear that monetary policy is not on a predetermined path.

-Samco Capital September 30, 2021

Listing by Maturity Date			6/30/2021			9/30/2021				
Investment	Institution	Account	Beginning	Interest	Change	Ending	% of Total	Unrealized	Interest	Yield to maturity
Public Fund Now Acct	Independence Bl	#0052 GF MMA	$ 23,256,508	$ 39,715	$ 1,431,099	$ 24,727,322	13%	0	0.650%	n/a
Public Fund Now Acct	Independence Bl	#1532 WS MMA	$ 23,980,444	$ 41,432	$ 2,584,439	$ 26,606,315	14%	0	0.650%	n/a
Public Fund Now Acct	Independence Bl	#8142 Pooled Cash 998	$ 42,831,582	$ 66,889	$ (9,818,562)	$ 33,079,910	17%	0	0.650%	n/a
Public Fund Now Acct	Independence Bl	#0258 Old Acct	$ 502,875	$ 942	$ 133,718	$ 637,536	0%	0	0.650%	n/a
Public Fund Now Acct	Independence Bl	#4191 Forfeiture	$ 29,217	$ 57	$ 6,857	$ 36,131	0%	0	0.650%	n/a
Public Fund Now Acct	Independence Bl	#9907 I&S Fund	$ 10,500,946	$ 17,261	$ 44,607	$ 10,562,814	6%	0	0.650%	n/a
Pooled	Texpool**	#0007 GenFund Acct (1)	$ 62,005,952	$ 4,758	$ 33,500,000	$ 95,510,710	50%	0	0.040%	n/a
Pooled	Texpool**	#0006 W&S Acct	$ 3,363	$ -	$ -	$ 3,363	0%	0	0.040%	n/a
		Total	$ 163,110,887	$ 171,054	$ 27,882,158	$ 191,164,100	100%	avg	0.50%	

** All investments are in interest bearing accounts with terms of same day cash available upon demand.*

***Texpool WAM 30 days as of 9.30.2021 (https://www.texpool.com/texPool/pools/historical-monthly-average-performance/investment-pools/texpool.do). Maximum allowed is 100%.*

1. Significant change in Texpool account #007 of $33,500,000 new funding from bond sales.

The City of Celina's investment portfolio is in compliance with the State Law and the investment strategy and policy approved by the City Council.

Robin Bromiley 10/06/2021

Robin Bromiley, Finance Director/Investment Officer *Date*

Attachment: Q3 2021 Investment Report 09.30.2021 (Quarterly Investment Report for the period ended

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Purchasing
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Dawn Berry, Purchasing Manager
CC:	Andy Figueroa, Director of Public Works
Date:	October 12, 2021
Re:	Water Meters Parts and Accessories, Bid 2021-0091

Action Requested:
Consider and act to award Bid 2021-0091 for Water Meters, Parts and Accessories to Apsco Supply, Ferguson Waterworks and Core & Main at the unit prices listed in an amount not to exceed $170,000.00. (Berry/Sprinkle)

Background Information:
On 8/23/2021, the City received responses to Bid 2021-0091 for Water Meters, Parts and Accessories. The bid invitation was advertised in the local paper and posted on the City's eProcurement system in which eighty-five vendors were notified. Two No-Bids and three responses were received.

Three submittal's were reviewed by Public Works Department Staff and the Purchasing Department staff.

The contract period is for one-year with four, one-year renewal options.

Staff reviewed the bids and recommends awarding as follows.

Apsco Supply	Primary
Ferguson Waterworks	Secondary
Core & Main	Tertiary

Alternatives:
Council may reject the award and direct staff.

Financial Considerations:
Funding is available in the current budget. Expenditures will not exceed funds appropriated and funds will be committed at the issuance of a purchase order.

Legal Review:
This award does not have a contact. A purchase order will be issued.

Supporting Documents:
Tab Sheet

Staff Recommendation:
Award Bid # 2021-0091

Line #	Description	Mfgr	Mfgno	QTY	UOM	APSCO Supply (APSCO, Inc.) Total Price $246,159.80 Unit	APSCO Supply (APSCO, Inc.) Extended	FERGUSON WATERWORKS (FERGUSON ENTERPRISE) Total Price $297,184.54 Unit	FERGUSON WATERWORKS (FERGUSON ENTERPRISE) Extended	Core & Main LP Total Price $343,320.65 Unit	Core & Main LP Extended
1	**BRASS PARTS**										
1.1	BRASS PARTS: 3/4 inch SS INSERT FOR CTS PE	Ford or Mueller		100	EA	$1.30	$130.00	$1.25	$125.00	$1.36	$136.00
1.2	BRASS PARTS: 3/4 inch CORP MIPXGJ FOR CTS	Ford or Mueller	F1100-3GNL 3/4	15	EA	**$27.05**	**$405.75**	$28.52	$427.80	$27.92	$418.80
1.3	BRASS PARTS: 3/4 inch CORP CCXGJ(CTS)	Ford or Mueller	F1000-3GNL	4	EA	**$26.55**	**$106.20**	$28.52	$114.08	$27.92	$111.68
1.4	BRASS PARTS: 3/4 inch GJCTS CPLG GRIP	Ford or Mueller	C44-33GNL	24	EA	**$15.10**	**$362.40**	$15.93	$382.32	$15.59	$374.16
1.5	BRASS PARTS: 3/4 inch CPLG FIPXGJCTS	Ford or Mueller	C14-33GNL	4	EA	**$13.05**	**$52.20**	$13.75	$55.00	$13.46	$53.84
1.6	BRASS PARTS: 3/4 inch CPLG MIPXGJCTS	Ford or Mueller	C84-33GNL	4	EA	$12.95	$51.80	$13.08	$52.32	**$12.80**	**$51.20**
1.7	BRASS PARTS: 5/8 inchX3/4 inch ANG BMV GJCTSXMN	Ford or Mueller	BA43-232WGNL	4	EA	**$36.75**	**$147.00**	$38.73	$154.92	$37.92	$151.68
1.8	BRASS PARTS: 3/4 inch BMV GJ(CTS)XMN	Ford or Mueller	B43-232WGNL	4	EA	**$37.25**	**$149.00**	$39.28	$157.12	$38.45	$153.80
1.9	BRASS PARTS: 3/4 inch TEE GJ(CTS)	Ford or Mueller	T444-333GNL	4	EA	**$36.55**	**$146.20**	$38.53	$154.12	$37.72	$150.88
1.10	BRASS PARTS: 3/4 inch GJCTS 90 BEND	Ford or Mueller	L44-33GNL	4	EA	**$19.45**	**$77.80**	$20.58	$82.32	$20.15	$80.60
1.11	BRASS PARTS: 3/4 inch CPLG FIPXPJ(PVC)	Ford or Mueller	C38-23-H1-2.5-NL	10	EA	**$20.50**	**$205.00**	$21.58	$215.80	$21.13	$211.30
1.12	BRASS PARTS: 3/4 inch 90 BEND MIPXGJ CTS	Ford or Mueller	L84-33GNL	10	EA	**$13.60**	**$136.00**	$14.32	$143.20	$14.02	$140.20
1.13	BRASS PARTS: 3/4 inch X 12 inch BRASS NIPPLE	Ford or Mueller		20	EA	**$11.35**	**$227.00**	$13.23	$264.60	$15.92	$318.40
1.14	BRASS PARTS: 3/4 inch CTS GRIPJT NUT ASSM	Ford or Mueller	GJCN3- 3	20	EA	$7.15	$143.00	$5.22	$104.40	**$5.11**	**$102.20**
1.15	BRASS PARTS: 3/4 inch X 1 inch GJCTS CPLG	Ford or Mueller	C44-34-G-NL	10	EA	**$17.55**	**$175.50**	$18.51	$185.10	$18.12	$181.20
1.16	BRASS PARTS: H15428N 2 ADPT 110 CTSXMIP	Ford or Mueller		5	EA	**$58.35**	**$291.75**	$61.81	$309.05	$60.51	$302.55
1.17	BRASS PARTS: 1 inch SS INSERT FOR CTS PE	Ford or Mueller		150	EA	$1.40	$210.00	**$1.31**	**$196.50**	$1.44	$216.00
1.18	BRASS PARTS: 1 inch CORP MIPXGJ(CTS)	Ford or Mueller	F1100-4GNL	15	EA	**$40.75**	**$611.25**	$43.13	$646.95	$42.22	$633.30
1.19	BRASS PARTS: 1 inch CORP CCXGJ (CTS)	Ford or Mueller	F1000-4GNL	25	EA	**$40.75**	**$1,018.75**	$43.13	$1,078.25	$42.22	$1,055.50
1.20	BRASS PARTS: 1 inch CPLG GJCTS GRIP	Ford or Mueller	C44-44-G-NL	24	EA	**$17.20**	**$412.80**	$18.22	$437.28	$17.83	$427.92
1.21	BRASS PARTS: 1 inch CPLG FIPXGJCTS	Ford or Mueller	C14-44GNL	6	EA	**$17.70**	**$106.20**	$18.67	$112.02	$18.27	$109.62
1.22	BRASS PARTS: 1 inch CPLG MIPXGJCTS	Ford or Mueller	C84-44-G-NL	6	EA	**$14.70**	**$88.20**	$15.48	$92.88	$15.16	$90.96
1.23	BRASS PARTS: 1 inch ANG BMV GJCTSX MN	Ford or Mueller	BA43-444WGNL	4	EA	**$94.25**	**$377.00**	$99.31	$397.24	$97.22	$388.88
1.24	BRASS PARTS: 1 inch BMV GJ(CTS)XMN	Ford or Mueller	B43-444WGNL	4	EA	**$83.95**	**$335.80**	$88.90	$355.60	$87.03	$348.12
1.25	BRASS PARTS: 1 inch TEE GJ(CTS)	Ford or Mueller	T444-444GNL	4	EA	**$38.95**	**$155.80**	$41.24	$164.96	$40.37	$161.48
1.26	BRASS PARTS: 1 inch GJCTS 90 BEND GRIP	Ford or Mueller	L44-44GNL	4	EA	**$25.10**	**$100.40**	$26.43	$105.72	$25.87	$103.48
1.27	BRASS PARTS: 1 inch GRIP NUT ASSM F/CORP/BALL	Ford or Mueller	GJCN4-4	25	EA	**$8.25**	**$206.25**	$8.52	$213.00	$8.34	$208.50
1.28	BRASS PARTS: 1 inch CPLG FIPXPJ (PVC)	Ford or Mueller		4	EA	**$16.25**	**$65.00**	$26.52	$106.08	$25.96	$103.84
1.29	BRASS PARTS: 1 inchX3/4 inch BMV GJ(CTS) X MN	Ford or Mueller		6	EA	**$61.65**	**$369.90**	$65.00	$390.00	$63.63	$381.78
1.30	BRASS PARTS: 1 inch 90 BEND MIPXGJCTS	Ford or Mueller	L84-44GNL	2	EA	**$22.50**	**$45.00**	$23.83	$47.66	$23.33	$46.66
1.31	BRASS PARTS: 3/4 inchX1 inch ANG KMV GJX MN	Ford or Mueller	KV43-342WGNL	10	EA	**$36.40**	**$364.00**	$38.39	$383.90	$37.58	$375.80
1.32	BRASS PARTS: 1 inch X 12 inch BRASS NIPPLE	Ford or Mueller		50	EA	**$17.00**	**$850.00**	$19.83	$991.50	$23.88	$1,194.00
1.33	BRASS PARTS: 2 inch SS INSERT FOR CTS PE	Ford or Mueller		20	EA	$2.90	$58.00	**$1.82**	**$36.40**	$1.99	$39.80
1.34	BRASS PARTS: 2 inch BALLCORP MIPXGJCTS	Ford or Mueller	FB1100-7GNL	2	EA	**$194.20**	**$388.40**	$205.68	$411.36	$201.35	$402.70
1.35	BRASS PARTS: 2 inch BALLCORP CCXGJCTS	Ford or Mueller	FB1000-7GNL	10	EA	**$194.20**	**$1,942.00**	$205.68	$2,056.80	$201.35	$2,013.50
1.36	BRASS PARTS: 2 inch ANG BMV GJCTSXMF	Ford or Mueller	BFA43-777WGNL	2	EA	**$275.00**	**$550.00**	$290.85	$581.70	$284.73	$569.46
1.37	BRASS PARTS: 2 inch X 3 inch BRASS NIPPLE	Ford or Mueller		25	EA	**$10.10**	**$252.50**	$11.80	$295.00	$14.22	$355.50
1.38	BRASS PARTS: 2 inch X 12 inch BRASS NIPPLE	Ford or Mueller		15	EA	**$38.10**	**$571.50**	$44.91	$673.65	$54.09	$811.35
1.39	BRASS PARTS: 2 inch MIP x PVC adapter	Ford or Mueller		4	EA	**$73.25**	**$293.00**	$77.23	$308.92	$75.60	$302.40
1.40	BRASS PARTS:2 inch FIP x PVC adapter	Ford or Mueller		4	EA	**$83.75**	**$335.00**	$88.72	$354.88	$86.85	$347.40
1.41	BRASS PARTS: 2 inch CTS x PVC coupler	Ford or Mueller		4	EA	**$92.85**	**$371.40**	$97.88	$391.52	$95.82	$383.28

1.42	BRASS PARTS: 1 inch corp stop grip nut assembly	Ford		20	EA	**$6.90**	**$138.00**	$8.52	$170.40	$8.34	$
1.43	BRASS PARTS: 3/4 inch corp stop grip nut assembly	Ford		20	EA	**$5.05**	**$101.00**	$5.22	$104.40	$5.11	$102.20
1.44	BRASS PARTS: 1 inch CTS grip nut assembly	Ford		50	EA	$8.15	$407.50	$7.14	$357.00	**$6.99**	**$349.50**
1.45	BRASS PARTS: 3/4 inch CTS crip nut assembly	Ford		50	EA	**$5.05**	**$252.50**	$5.22	$261.00	$5.11	$255.50
1.46	BRASS PARTS: 3/4 inch SS INSERT FOR CTS PE	Ford or Mueller		100	EA	$1.30	$130.00	**$1.25**	**$125.00**	$1.36	$136.00
							$13,913.75		**$14,774.72**		**$15,019.72**
2	**SADDLES, SETTERS AND RISERS**										
2.1	4X1 CC BRS SAD	Ford or Mueller		2	EA	$79.10	$158.20	$80.39	$160.78	**$78.69**	**$157.38**
2.2	6X1 CC BRS SAD	Ford or Mueller		10	EA	**$91.25**	**$912.50**	$94.70	$947.00	$92.71	$927.10
2.3	8X1 CC BRS SAD	Ford or Mueller		10	EA	**$112.95**	**$1,129.50**	$117.19	$1,171.90	$114.73	$1,147.30
2.4	12X1 CC BRS SAD	Ford or Mueller		4	EA	**$158.85**	**$635.40**	$169.93	$679.72	$166.35	$665.40
2.5	6X2 CC BRS SAD	Ford or Mueller		2	EA	**$113.50**	**$227.00**	$118.96	$237.92	$116.45	$232.90
2.6	8X2 CC BRS SAD	Ford or Mueller		2	EA	**$126.15**	**$252.30**	$134.33	$268.66	$131.49	$262.98
2.7	12X2 CC BRS SAD	Ford or Mueller		2	EA	**$184.20**	**$368.40**	$195.11	$390.22	$191.00	$382.00
2.8	3/4X10 SETTER	Ford or Mueller		20	EA	**$78.85**	**$1,577.00**	$131.32	$2,626.40	$87.36	$1,747.20
2.9	1X10 SETTER	Ford or Mueller		30	EA	**$148.75**	**$4,462.50**	$243.76	$7,312.80	$178.69	$5,360.70
2.10	2X12 SETTER	Ford or Mueller		10	EA	$945.00	$9,450.00	**$920.88**	**$9,208.80**	$991.91	$9,919.10
2.11	5/8X3/4X7 RESETTER	Ford or Mueller		10	EA	**$77.90**	**$779.00**	$119.62	$1,196.20	$86.36	$863.60
2.12	1X12 METER RESETTER	Ford or Mueller		10	EA	**$152.25**	**$1,522.50**	$220.28	$2,202.80	$182.35	$1,823.50
							$21,474.30		**$26,403.20**		**$23,489.16**
3	**METER ACCESSORIES**			1	EA						
3.1	3/4 INCH TAIL PIECE	Ford or Mueller		100	EA	**$8.15**	**$815.00**	$8.50	$850.00	$8.32	$832.00
3.2	1 INCH TAIL PIECE	Ford or Mueller		100	EA	**$12.35**	**$1,235.00**	$13.08	$1,308.00	$12.80	$1,280.00
3.3	3/4 INCH SGL CHK METER NIPPLE	Ford or Mueller	C38-23-H1-2.5-NL	1000	EA	**$20.40**	**$20,400.00**	$21.58	$21,580.00	$21.13	$21,130.00
3.4	1 INCH SGL CHK METER NIPPLE	Ford or Mueller	C38-44H1-2-625-NL	1000	EA	**$25.55**	**$25,550.00**	$27.04	$27,040.00	$26.47	$26,470.00
3.5	1.5 INCH BRASS FLG	Ford or Mueller		25	EA	**$32.65**	**$816.25**	$37.80	$945.00	$40.08	$1,002.00
3.6	2 INCH BRASS FLG	(ZINC-1/8 RUBBER DROP I		25	EA	**$34.25**	**$856.25**	$49.36	$1,234.00	$43.49	$1,087.25
3.7	2 INCH METER FLG BOLT AND GASKET KIT			25	EA	$6.00	$150.00	**$2.94**	**$73.50**	$7.69	$192.25
3.8	3 INCH METER FLG SET BOLT AND GASKET KIT			10	EA	**$4.95**	**$49.50**	$5.62	$56.20	$7.62	$76.20
3.9	4 INCH METER FLG SET BOLT AND GASKET KIT			15	EA	$9.65	$144.75	**$9.12**	**$136.80**	$9.54	$143.10
3.10	6 INCH METER FLG SET BOLT AND GASKET KIT			4	EA	$15.20	$60.80	$13.80	$55.20	**$13.38**	**$53.52**
3.11	8 INCH METER FLG SET BOLT AND GASKET KIT			4	EA	$17.35	$69.40	$20.00	$80.00	**$15.62**	**$62.48**
3.12	3/4 INCH X 1/8 INCH THK RUBBER MTR WASHER			10	100/pk	**$11.00**	**$110.00**	$12.00	$120.00	$12.00	$120.00
3.13	1 INCH X 1/8 INCH THK RUBBER METER WASHER			10	100/pk	**$13.00**	**$130.00**	$16.00	$160.00	$14.00	$140.00
3.14	EJ BROOKS BARREL LOCK WITH DUST CAP		8509910	200	EA	**$2.95**	**$590.00**	$3.25	$650.00	$4.00	$800.00
3.15	2 INCH RPZ BACKFLOW DEVICE	Watts 009		20	EA	**$335.80**	**$6,716.00**	$596.85	$11,937.00	$665.49	$13,309.80
3.16	DFW 37A-CELINA BOX AND LID	DFW		30	EA	**$117.95**	**$3,538.50**	$120.47	$3,614.10	$140.05	$4,201.50
3.17	DFW 65C-CELINA BOX AND LID	DFW		10	EA	**$212.25**	**$2,122.50**	$216.85	$2,168.50	$252.09	$2,520.90
							$63,353.95		**$72,008.30**		**$73,421.00**
4	**PIPES**			1	EA						
4.1	3/4 INCH SCH40 PVC PIPE SWB 20 FEET WH			20	FT	**$0.70**	**$14.00**	$1.00	$20.00	$1.12	$22.40
4.2	1 INCH SCH40 PVC PIPE SWB 20 FEET			40	FT	**$1.02**	**$40.80**	$1.43	$57.20	$1.78	$71.20
4.3	2 INCH SCH40 PVC PIPE SWB 20 FEET			20	FT	$2.06	$41.20	**$1.79**	**$35.80**	$3.60	$72.00
4.4	6 INCH DR18 C900 PVC PIPE			100	FT	**$9.20**	**$920.00**	$10.55	$1,055.00	$14.85	$1,485.00
4.5	8 INCH DR18 C900 PVC PIPE			80	FT	**$15.81**	**$1,264.80**	$18.11	$1,448.80	$25.49	$2,039.20
4.6	12 INCH DR18 C900 PVC PIPE			40	FT	**$33.42**	**$1,336.80**	$38.27	$1,530.80	$53.89	$2,155.60
4.7	3/4 INCHX100 FEET CTS DR9 PE TUBING			200	FT	$0.37	$74.00	**$0.26**	**$52.00**	$0.48	$96.00
4.8	1 INCHX100 FEET CTS DR9 PE TUBING			2000	FT	$0.60	$1,200.00	**$0.53**	**$1,060.00**	$0.71	$1,420.00

4.9	1-1/2 INCHX100 FEET DR9 PE TUBING			100	FT	**$1.25**	**$125.00**	$1.52	$152.00	$1.35	$
4.10	2 INCHX100 FEET CTS DR9 PE TUBING			200	FT	$2.10	$420.00	$2.60	$520.00	**$1.83**	**$366.00**
							$5,436.60		**$5,931.60**		**$7,862.40**
5	**CLAMPS**										
5.1	3/4X6 REDI-CLMP	Smith Blair		6	EA	**$11.15**	**$66.90**	$26.82	$160.92	$13.85	$83.10
5.2	1X6 REDI-CLAMP	Smith Blair		6	EA	**$11.85**	**$71.10**	$27.00	$162.00	$14.75	$88.50
5.3	1-1/4X6 REDI	Smith Blair		4	EA	**$12.50**	**$50.00**	$27.51	$110.04	$15.53	$62.12
5.4	1-1/2X6 REDI	Smith Blair		4	EA	**$12.65**	**$50.60**	$27.84	$111.36	$16.87	$67.48
5.5	2X7-1/2 CLAMP	Smith Blair		6	EA	**$48.30**	**$289.80**	$50.39	$302.34	$56.61	$339.66
5.6	226-048012-000 4X12-1/2 CLAMP	Smith Blair		2	EA	**$78.85**	**$157.70**	$82.68	$165.36	$125.32	$250.64
5.7	226-066312-000 6X12-1/2 CLAMP	Smith Blair		6	EA	**$88.25**	**$529.50**	$92.54	$555.24	$142.27	$853.62
5.8	226-069012-000 6X12-1/2 CLAMP	Smith Blair		6	EA	**$89.30**	**$535.80**	$94.25	$565.50	$144.35	$866.10
5.9	226-090512-000 8X12-1/2 CLAMP	Smith Blair		6	EA	**$99.20**	**$595.20**	$104.54	$627.24	$172.88	$1,037.28
5.10	226-132012-000 12X12-1/2 CLAMP	Smith Blair		2	EA	**$138.00**	**$276.00**	$146.07	$292.14	$238.53	$477.06
5.11	6 INCH BELL JOINT LEAK CLAMP - LONG BOLTS	Smith Blair		4	EA	**$78.65**	**$314.60**	$82.06	$328.24	$202.07	$808.28
5.12	8 INCH BELL JOINT LEAK CLAMP	Smith Blair		2	EA	**$108.65**	**$217.30**	$113.51	$227.02	$279.21	$558.42
5.13	12 INCH BELL JOINT LEAK CLAMP	Smith Blair		2	EA	**$145.00**	**$290.00**	$154.35	$308.70	$379.47	$758.94
							$3,444.50		**$3,916.10**		**$6,251.20**
6	**DUCTIBLE IRON SETTINGS**										
6.1	3/4 INCH X 5 INCH CPLG	Smith Blair		4	EA	$24.85	$99.40	**$20.33**	**$81.32**	$31.63	$126.52
6.2	1 INCH X 5 INCH STL CPLG	Smith Blair		4	EA	$25.70	$102.80	**$22.15**	**$88.60**	$32.72	$130.88
6.3	1-1/4 INCH X 5 INCH CPLG	Smith Blair		2	EA	$26.75	$53.50	**$22.28**	**$44.56**	$34.27	$68.54
6.4	1-1/2 INCH X 5 INCH CPLG	Smith Blair		2	EA	$31.80	$63.60	**$25.84**	**$51.68**	$40.91	$81.82
6.5	2 INCH X 5 INCH STL CPLG	Smith Blair		2	EA	$36.40	$72.80	**$35.79**	**$71.58**	$46.35	$92.70
6.6	2 INCH X 12 INCH STL CPLG	Smith Blair		4	EA	$82.50	$330.00	**$62.68**	**$250.72**	$106.52	$426.08
6.7	6 INCH HYMAX LONG	Hymax		2	EA	**$355.00**	**$710.00**	$375.74	$751.48	$407.00	$814.00
6.8	8 INCH HYMAX LONG	Hymax		2	EA	**$395.00**	**$790.00**	$420.11	$840.22	$455.05	$910.10
6.9	12 INCH LONG HYMAX	Hymax		2	EA	**$560.00**	**$1,120.00**	$595.10	$1,190.20	$685.22	$1,370.44
6.10	4 INCH R OMAC ALPHA COUPLERS	Hymax		4	EA	**$210.00**	**$840.00**	$216.43	$865.72	$274.80	$1,099.20
6.11	6 INCH ROMAC ALPHA COUPLERS	Hymax		6	EA	**$285.00**	**$1,710.00**	$298.10	$1,788.60	$356.49	$2,138.94
6.12	8 INCH ROMAC ALPHA COUPLERS	Hymax		6	EA	**$363.50**	**$2,181.00**	$385.01	$2,310.06	$404.78	$2,428.68
6.13	10 INCH ROMAC ALPHA COUPLERS	Hymax		4	EA	**$455.00**	**$1,820.00**	$488.72	$1,954.88	$523.61	$2,094.44
6.14	12 INCH ROMAC ALPHA COUPLERS	Hymax		2	EA	**$540.00**	**$1,080.00**	$575.39	$1,150.78	$616.45	$1,232.90
6.15	14 INCH ROMAC ALPHA COUPLERS	Hymax		2	EA	**$1,310.00**	**$2,620.00**	$1,407.53	$2,815.06	$1,827.79	$3,655.58
6.16	16 INCH ROMAC ALPHA COUPLERS	Hymax		2	EA	**$1,515.00**	**$3,030.00**	$1,627.42	$3,254.84	$3,533.06	$7,066.12
6.17	6 INCH MJ L/P SLEEVE USA			8	EA	**$106.45**	**$851.60**	$106.48	$851.84	$150.69	$1,205.52
6.18	6 INCH MJ PVC RESTRAINT less acc			10	EA	**$36.45**	**$364.50**	$44.68	$446.80	$51.55	$515.50
6.19	6 INCH MJ REGLAR ACC SET L/GLND USA			10	EA	**$18.95**	**$189.50**	$26.26	$262.60	$33.72	$337.20
6.20	8 INCH MJ L/P SLEEVE USA			4	EA	**$137.00**	**$548.00**	$138.49	$553.96	$196.02	$784.08
6.21	8 INCH MJ PVC RESTRAINT less acc.			10	EA	**$53.90**	**$539.00**	$66.12	$661.20	$76.29	$762.90
6.22	8 INCH MJ REGULAR ACC L/GLAND USA			10	EA	**$20.85**	**$208.50**	$31.05	$310.50	$37.94	$379.40
6.23	12 INCH MJ L/P SLEEVE USA			2	EA	**$273.25**	**$546.50**	$279.22	$558.44	$395.18	$790.36
6.24	12 INCH MJ PVC RESTRAINT less acc.			4	EA	**$107.10**	**$428.40**	$131.40	$525.60	$151.60	$606.40
6.25	12 INCH MJ REGLR ACC SET L/GLND USA			4	EA	**$27.65**	**$110.60**	$41.34	$165.36	$52.69	$210.76
6.26	6 INCH MJ TEE USA			2	EA	$175.00	$350.00	**$174.98**	$349.96	$247.65	$495.30
6.27	8 INCH MJ TEE USA			2	EA	**$257.05**	**$514.10**	$259.86	$519.72	$367.78	$735.56
6.28	6 INCH X 6 INCH MJXFLG TEE USA CP DI C153			2	EA	**$187.85**	**$375.70**	$189.87	$379.74	$268.72	$537.44
6.29	8 INCH X 8 INCH MJXFLG TEE USA CP DI C153			2	EA	**$339.50**	**$679.00**	$346.97	$693.94	$491.09	$982.18
6.30	12 INCH MJXFLG TEE C110 USA			1	EA	**$635.00**	**$635.00**	$682.02	$682.02	$965.32	$965.32

6.31	6 INCH FLANGE TEE C110 USA			1	EA	**$335.00**	**$335.00**	$341.76	$341.76	$483.71	$
6.32	8 INCH FLANGE TEE C110 USA			1	EA	**$791.70**	**$791.70**	$817.53	$817.53	$1,157.12	$1,157.12
6.33	12 INCH FLANGE TEE C110 USA			1	EA	**$1,675.00**	**$1,675.00**	$1,792.91	$1,792.91	$2,537.66	$2,537.66
6.34	6 INCH MJXFLG 90 BEND			1	EA	**$138.45**	**$138.45**	$141.47	$141.47	$200.23	$200.23
6.35	6 INCH MJ 90 BEND USA CP DI C153			2	EA	**$121.35**	**$242.70**	$121.37	$242.74	$171.77	$343.54
6.36	8 INCH MJ 90 BEND USA			2	EA	**$177.20**	**$354.40**	$177.21	$354.42	$250.82	$501.64
6.37	12 INCH MJ 90 BEND USA			2	EA	**$420.00**	**$840.00**	$445.25	$890.50	$630.20	$1,260.40
6.38	6 INCH MJ 45 BEND USA			2	EA	**$99.75**	**$199.50**	$99.77	$199.54	$141.22	$282.44
6.39	8 INCH MJ 45 BEND USA			2	EA	**$141.45**	**$282.90**	$141.47	$282.94	$200.23	$400.46
6.40	12 INCH MJ 45 BEND USA			2	EA	**$353.65**	**$707.30**	$353.68	$707.36	$500.57	$1,001.14
6.41	6 INCH MJ TRAN ACC SET L/GLAND			10	EA	$32.00	$320.00	**$31.90**	**$319.00**	$37.94	$379.40
6.42	6 INCH X 6 INCH SWXSW GRADELOK OFFSET			10	EA	**$200.85**	**$2,008.50**	$231.00	$2,310.00	$283.08	$2,830.80
6.43	6 INCH X 12 INCH SWXSW GRADELOK OFFSET			10	EA	**$340.75**	**$3,407.50**	$400.40	$4,004.00	$492.80	$4,928.00
							$34,266.45		**$36,876.15**		**$49,351.40**
7	**VALVES AND HYDRANTS**										
7.1	12 INCHFL RW GV OL L/ACC	VALVES - MUELLER OR AP	A2361-6	2	EA	**$1,604.75**	**$3,209.50**	$1,706.36	$3,412.72	$1,914.39	$3,828.78
7.2	3 FEET BURY FIRE HYDRANT	APPROVED HYDRANTS - C		5	EA	**$1,691.75**	**$8,458.75**	$2,142.41	$10,712.05	$2,130.87	$10,654.35
7.3	3.5 FEET BURY FIRE HYDRANT	APPROVED HYDRANTS - C		5	EA	**$1,732.95**	**$8,664.75**	$2,187.43	$10,937.15	$2,181.85	$10,909.25
7.4	4 FEET BURY FIRE HYDRANT	APPROVED HYDRANTS - C		5	EA	**$1,776.00**	**$8,880.00**	$2,232.60	$11,163.00	$2,195.80	$10,979.00
7.5	5 FEET BURY FIRE HYDRANT	APPROVED HYDRANTS - C		2	EA	**$1,856.60**	**$3,713.20**	$2,322.58	$4,645.16	$2,297.72	$4,595.44
7.6	6 INCH HYDRANT EXTENSION ALL BRANDS	APPROVED HYDRANTS - C		10	EA	$286.50	$2,865.00	**$276.60**	**$2,766.00**	$550.00	$5,500.00
7.7	12 INCH HYDRANT EXTENSION ALL BRANDS	APPROVED HYDRANTS - C		10	EA	$333.90	$3,339.00	**$319.15**	**$3,191.50**	$650.00	$6,500.00
7.8	HYDRANT MAIN LINE VALVE REPAIR KITS All BRANDS (MUELLER			5	EA	$640.85	$3,204.25	**$495.18**	**$2,475.90**	$800.00	$4,000.00
7.9	HYDRANT FLANGE REPAIR KITS ALL BRANDS (MUELLER, WATER			5	EA	**$130.95**	**$654.75**	$147.87	$739.35	$250.00	$1,250.00
7.10	HYDRANT BREAK AWAY KIT ALL BRANDS (MUELLER, WATEROU			10	EA	**$130.95**	**$1,309.50**	$147.87	$1,478.70	$250.00	$2,500.00
							$44,298.70		**$51,521.53**		**$60,716.82**
8	**VALVE BOX, LIDS AND RISERS**										
8.1	18 INCH-24 INCH VLV BOX W/LID DOM		461-S	10	EA	**$102.00**	**$1,020.00**	$102.01	$1,020.10	$125.13	$1,251.30
8.2	24 INCH-36 INCH VLV BOX W/LID DOM		562-S	10	EA	**$134.00**	**$1,340.00**	$134.03	$1,340.30	$165.33	$1,653.30
8.3	39 INCH-60 INCH VLV BOX W/LID DOM		664-S	10	EA	$185.00	$1,850.00	$189.13	$1,891.30	**$175.00**	**$1,750.00**
8.4	VALVE BOX LID			10	EA	$16.00	$160.00	**$15.64**	**$156.40**	$19.17	$191.70
8.5	MUSHROOM TYPE VALVE LID			10	EA	**$21.00**	**$210.00**	$37.04	$370.40	$37.79	$377.90
8.6	1 INCH VALVE BOX Riser			6	EA	**$10.45**	**$62.70**	$30.25	$181.50	$30.85	$185.10
8.7	2 INCH VALVE BOX Riser			6	EA	**$16.35**	**$98.10**	$42.33	$253.98	$43.19	$259.14
8.8	3 INCH VALVE BOX Riser			6	EA	**$27.50**	**$165.00**	$52.42	$314.52	$53.47	$320.82
							$4,905.80		**$5,528.50**		**$5,989.26**
9	**PIPE AND APPURTENANCES**										
9.1	4 INCH 90 (GASKET) SDR35			25	EA	**$10.45**	**$261.25**	$13.03	$325.75	$14.02	$350.50
9.2	4 INCH 45 ELBOW BEND (GASKET)			25	EA	**$8.50**	**$212.50**	$10.36	$259.00	$11.14	$278.50
9.3	4 INCH SDR35 COUPLING STRAIGHT (GASKET)			25	EA	**$10.25**	**$256.25**	$12.79	$319.75	$13.75	$343.75
9.4	4 INCH 22 BEND SDR35 (GASKET)			25	EA	**$8.30**	**$207.50**	$10.31	$257.75	$11.12	$278.00
9.5	4 INCH SOLVENT WELD CAP (SDR35)			250	EA	**$2.25**	**$562.50**	$2.30	$575.00	$2.35	$587.50
9.6	4 INCH SCH 40 SOLVENT WELD CAPS DWV			250	EA	$9.00	$2,250.00	$13.74	$3,435.00	**$6.25**	**$1,562.50**
9.7	4 INCH STRAIGHT COUPLING (GLUE) SDR 35			250	EA	**$2.35**	**$587.50**	$2.63	$657.50	$2.69	$672.50
9.8	4 INCH GRIPPER PLUG INSIDE			30	EA	**$6.50**	**$195.00**	$7.56	$226.80	$8.15	$244.50
9.9	6 INCH GRIPPER PLUG INSIDE			20	EA	**$15.90**	**$318.00**	$20.46	$409.20	$22.05	$441.00
9.10	6 INCH SDR35 Pipe (14 FT)			420	FT	**$4.12**	**$1,730.40**	$4.72	$1,982.40	$6.65	$2,793.00
9.11	24 1/2 INCH INFLOW DEVICE (RAIN CAP) PLASTIC			150	EA	**$40.00**	**$6,000.00**	$45.00	$6,750.00	$46.15	$6,922.50

9.12	4 INCH C/T ADPT PVC x PVC			50	EA	$4.50	$225.00	**$4.33**	**$216.50**	$4.37	$
9.13	4 INCH C/T ADPT CLAY x PVC			50	EA	$4.50	$225.00	**$4.33**	**$216.50**	$4.37	$218.50
9.14	4 INCH GRIPPER PLUG (OUTSIDE)			20	EA	**$7.10**	**$142.00**	$7.54	$150.80	$8.12	$162.40
9.15	4 INCH RUBBER TEST CAP			30	EA	$5.25	$157.50	$5.01	$150.30	**$3.06**	**$91.80**
9.16	4 INCH SDR35 WYE (HUB)			40	EA	**$5.60**	**$224.00**	$17.83	$713.20	$7.42	$296.80
9.17	4 INCH SDR35 TEE (HUB)			30	EA	**$4.05**	**$121.50**	$16.74	$502.20	$5.34	$160.20
9.18	4 INCH 22 ELBOW (HUB)			30	EA	**$3.40**	**$102.00**	$4.39	$131.70	$4.46	$133.80
9.19	4 INCH 45 ELBOW (HUB)			30	EA	**$3.10**	**$93.00**	$3.99	$119.70	$4.06	$121.80
9.20	6 INCH C/T ADPT CLAY X PVC			40	EA	$9.75	$390.00	**$9.26**	**$370.40**	$10.18	$407.20
9.21	6 INCH C/T ADPT PVC x PVC			40	EA	$9.75	$390.00	**$9.26**	**$370.40**	$10.18	$407.20
9.22	6 INCH RUBBER TEST CAP			20	EA	$6.50	$130.00	$6.88	$137.60	**$4.20**	**$84.00**
9.23	8 INCH RUBBER TEST CAP			20	EA	**$13.00**	**$260.00**	$13.89	$277.80	$24.31	$486.20
9.24	4 INCH SDR35 PIPE (14 FT)			420	ft.	**$1.80**	**$756.00**	$2.05	$861.00	$2.91	$1,222.20
							$15,796.90		**$19,416.25**		**$18,484.85**
10	**MISCELLANEOUS**										
10.1	24" – 30 " MANHOLE RINGS			10	EA	$245.00	$2,450.00	$251.51	$2,515.10	**$41.54**	**$415.40**
10.2	2', 4 ' MANHOLE RISER			10	EA	$225.00	$2,250.00	**$125.00**	**$1,250.00**	$1,843.08	$18,430.80
10.3	4" SEWER CAPS 4			20	EA	$5.50	$110.00	$6.67	$133.40	**$2.35**	$47.00
10.4	2.5 INCH PSI GAUGE 0-160 1/4 INCH FIP CONNECTION			5	EA	**$9.15**	**$45.75**	$31.25	$156.25	$38.85	$194.25
10.5	4 INCH LIQUID FILLED PSI GAUGE 0-160 1/4 INCH FIP CONNECT			5	EA	**$13.50**	**$67.50**	$75.00	$375.00	$133.46	$667.30
10.6	BIG BOY HOSE MONSTER FIRE HYDRANT FLUSHER			2	EA	$1,250.00	$2,500.00	**$1,158.89**	**$2,317.78**	$1,390.67	$2,781.34
10.7	4 INCH X 10FEET BIG BOY RUBBER HOSE			2	EA	$515.00	$1,030.00	**$444.45**	**$888.90**	$677.33	$1,354.66
10.8	HYDRANT FLOW TESTING BUNDLE, BIGBOY HOSE MONSTER			2	EA	**$1,150.00**	**$2,300.00**	$2,617.78	$5,235.56	$4,690.67	$9,381.34
10.9	RED MARKER PAINT			5	CS (12)	**$51.00**	**$255.00**	$59.40	$297.00	$51.32	$256.60
10.10	BLUE MARKER PAINT			20	CS (12)	**$51.00**	**$1,020.00**	$59.40	$1,188.00	$51.32	$1,026.40
10.11	GREEN MARKER PAINT			20	CS (12)	**$51.00**	**$1,020.00**	$59.40	$1,188.00	$51.32	$1,026.40
10.12	WHITE MARKER PAINT			5	CS (12)	**$51.00**	**$255.00**	$59.40	$297.00	$51.32	$256.60
10.13	4 INCH x 5 INCH x 24 INCH RED MARKER FLAGS			5	Bndl (100)	$12.00	$60.00	**$10.00**	**$50.00**	$13.85	$69.25
10.14	4 INCH x 5 INCH x 24 INCH BLUE MARKER FLAGS			20	Bndl (100)	$12.00	$240.00	**$10.00**	**$200.00**	$13.85	$277.00
10.15	4 INCH x 5 INCH x 24 INCH GREEN MARKER FLAGS			20	Bndl (100)	$12.00	$240.00	**$10.00**	**$200.00**	$13.85	$277.00
10.16	4 INCH x 5 INCH x 24 INCH WHITE MARKER FLAGS			5	Bndl (100)	$12.00	$60.00	**$10.00**	**$50.00**	$13.85	$69.25
10.17	- 22 SCH 40			25	EA	**$9.65**	**$241.25**	$13.90	$347.50	$20.88	$522.00
10.18	- 45 SCH 40			25	EA	**$6.10**	**$152.50**	$16.46	$411.50	$24.72	$618.00
10.19	- 90 SDR 35			25	EA	**$4.25**	**$106.25**	$16.26	$406.50	$14.02	$350.50
10.20	- 90 SCH 40			25	EA	**$7.85**	**$196.25**	$19.81	$495.25	$29.77	$744.25
10.21	CLEAN OUT ASSEMBLY WITH CAPS			50	EA	**$6.55**	**$327.50**	$8.43	$421.50	$25.23	$1,261.50
10.22	WYE SCH 40			25	EA	**$14.00**	**$350.00**	$33.21	$830.25	$49.91	$1,247.75
10.23	TEE SCH 40			25	EA	$21.65	$541.25	$26.70	$667.50	**$14.86**	$371.50
10.24	GLUE CAPS SCH 40			25	EA	$9.05	$226.25	$16.33	$408.25	**$6.25**	$156.25
10.25	PIPE SDR 26			280	FT	**$2.46**	**$688.80**	$2.81	$786.80	$3.97	$1,111.60
10.26	CAST IRON TRAFFIC RATED CLEAN OUT ASSEMBLY WITH CAPS			20	EA	**$65.90**	**$1,318.00**	$251.06	$5,021.20	$70.93	$1,418.60
	6 inch										
10.28	- 22 SDR 35			10	EA	**$14.50**	**$145.00**	$20.37	$203.70	$21.91	$219.10
10.29	- 22 SCH 40			10	EA	**$43.15**	**$431.50**	$80.27	$802.70	$120.60	$1,206.00
10.30	- 45 SDR 35			10	EA	**$11.95**	**$119.50**	$21.00	$210.00	$22.60	$226.00
10.31	- 45 SCH 40			10	EA	**$27.85**	**$278.50**	$60.80	$608.00	$91.35	$913.50
10.32	- 90 SDR 35			10	EA	**$11.05**	**$110.50**	$23.93	$239.30	$25.77	$257.70
10.33	- 90 SCH 40			10	EA	**$29.65**	**$296.50**	$69.39	$693.90	$104.23	$1,042.30
10.34	WYE SDR 35			10	EA	**$22.75**	**$227.50**	$40.94	$409.40	$44.08	$440.80
10.35	WYE SCH 40			10	EA	**$46.65**	**$466.50**	$95.89	$958.90	$144.05	$1,440.50

10.36	TEE SDR 35			10	EA	**$16.60**	**$166.00**	$35.90	$359.00	$38.65	$
10.37	TEE SCH 40			10	EA	$57.00	$570.00	$107.21	$1,072.10	**$50.03**	**$500.30**
10.38	CLEAN OUT ASSEMBLY WITH CAPS			10	EA	**$30.65**	**$306.50**	$251.06	$2,510.60	$80.63	$806.30
10.39	GLUE CAPS SDR 35			10	EA	**$6.25**	**$62.50**	$8.43	$84.30	$8.60	$86.00
10.40	GLUE CAPS SCH 40			10	EA	$17.90	$179.00	$41.21	$412.10	**$15.00**	**$150.00**
10.41	PIPE SDR 26			140	FT	**$5.48**	**$767.20**	$6.28	$879.20	$8.83	$1,236.20
10.42	CAST IRON TRAFFIC RATED CLEAN OUT ASSEMBLY AND CAPS			10	EA	**$251.05**	**$2,510.50**	$251.06	$2,510.60	$290.08	$2,900.80
	8 inch										
10.44	- 22 SDR 35			10	EA	**$37.65**	**$376.50**	$46.11	$461.10	$63.82	$638.20
10.45	- 22 SCH 40			10	EA	**$69.65**	**$696.50**	$103.34	$1,033.40	$82.71	$827.10
10.46	-45 SDR 35			10	EA	**$32.20**	**$322.00**	$45.69	$456.90	$63.26	$632.60
10.47	-45 SCH 40			10	EA	$64.70	$647.00	**$61.91**	**$619.10**	$114.31	$1,143.10
10.48	- 90 SDR 35			10	EA	**$45.45**	**$454.50**	$51.49	$514.90	$71.29	$712.90
10.49	- 90 SCH 40			10	EA	**$65.65**	**$656.50**	$69.72	$697.20	$128.72	$1,287.20
10.50	WYE SDR 35			10	EA	**$73.50**	**$735.00**	$87.24	$872.40	$120.77	$1,207.70
10.51	WYE SCH 40			10	EA	**$102.00**	**$1,020.00**	$131.49	$1,314.90	$242.74	$2,427.40
10.52	TEE SDR 35			10	EA	$90.00	$900.00	**$61.96**	**$619.60**	$85.75	$857.50
10.53	TEE SCH 40			10	EA	**$105.00**	**$1,050.00**	$184.77	$1,847.70	$110.38	$1,103.80
10.54	GLUE CAPS SDR 35			10	EA	$22.00	$220.00	**$21.49**	**$214.90**	$28.18	$281.80
10.55	GLUE CAPS SCH 40			10	EA	$45.00	$450.00	$86.19	$861.90	**$37.66**	**$376.60**
10.56	PIPE SDR 26			70	FT	**$9.91**	**$693.70**	$11.36	$795.20	$15.98	$1,118.60
10.57	PIPE SDR 35			70	FT	**$7.47**	**$522.90**	$8.57	$599.90	$12.06	$844.20
	TAPS										
10.59	INSERTATEE			50	EA	**$28.50**	**$1,425.00**	$113.74	$5,687.00	$131.14	$6,557.00
10.60	-45 RUBBER TAPPING SADDLE			25	EA	**$34.05**	**$851.25**	$43.41	$1,085.25	$62.14	$1,553.50
10.61	-90 RUBBER TAPPPING SADDLE			25	EA	$40.10	$1,002.50	**$36.84**	**$921.00**	$52.72	$1,318.00
10.62	4 INCH x 8 INCH - INSERTATEE			10	EA	**$72.50**	**$725.00**	$79.51	$795.10	$103.97	$1,039.70
10.63	4 INCH x 10 INCH - INSERTATEE			10	EA	**$89.85**	**$898.50**	$100.28	$1,002.80	$131.14	$1,311.40
10.64	4 INCH x 12 INCH - INSERTATEE			10	EA	**$89.85**	**$898.50**	$100.28	$1,002.80	$131.14	$1,311.40
10.65	36 INCH BAND CLAMPS			10	EA	**$3.50**	**$35.00**	$131.31	$1,313.10	$4.06	$40.60
							$39,268.85		**$60,808.19**		**$82,734.84**

Attachment: Water Meters, Parts and Accessories Bid # 2021-0091 (Water Meter, Parts and Accessories)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dawn Berry, Purchasing Manager
CC: Andy Figueroa, Director of Public Works
Date: October 12, 2021
Re:

Action Requested:
Consider and act to authorize the purchase of Sensus water meters from Aquametric Sales as the sole source provider in an amount not to exceed $917,434.00. (Berry)

Background Information:
The water meters to be purchased will be used on a daily basis to provide sound infrastructure by providing new meters for new builds and replacement meters for defective/broke meters. The City is currently utilizing Sensus software for reading meters. Staff will be standardizing the meter system going forward with Sensus meters. Sensus meters are considered sole source. They are only available through one vendor due to territorial restrictions.

The Water division of Public Works will have the primary responsibility for purchasing meters. Authorizing the purchase will allow staff to order required items as needed resulting in increased productivity and efficiency.

Meter pricing is guaranteed through September 30, 2022.

Financial Considerations:
Funding is available in the current budget. 202-117-000-6348

Expenditures will not exceed funds appropriated. Funds will be committed at the issuance of a purchase order.

Legal Review:
N/A

Supporting Documents:
Aquametric Sole Source Affidavit
FY 22 Price List

Staff Recommendation:
Staff recommends authorizing the purchase of water meters from Aqua Metric Sales.

Aqua Metric

Sales Quote

Aqua-Metric Sales Company
Kelsey VanCleave
16914 Alamo Parkway, Bldg. 2 | Selma, TX 78154
Phone: (210) 967-6300 | Fax: (210) 967-6305

June 30, 2021

Quote for: City of Celina
Attention: Andrew Figueroa
Address: 142 N Ohio Street
City, State, ZIP: Celina TX 75009
Phone: (972) 382-3176
Email: Andrew Figueroa <AFigueroa@celina-tx.gov>

Quantity	Description	Unit Price	Line Total
	5/8" X 3/4" SRII METER TRPL	$136.72	
	3/4" SRII METER TRPL	$175.65	
	1" SRII METER TRPL	$225.27	
	1.5" OMNI R2 METER TRPL	$463.74	
	2" OMNI R2 METER TRPL	$650.65	
	2" OMNI T2 METER TRPL	$908.80	
	3" OMNI T2 METER TRPL	$1,084.81	
	4" OMNI T2 METER TRPL	$2,111.90	
	6" OMNI T2 METER TRPL	$3,969.29	
	8" OMNI T2 METER TRPL	$6,736.14	
	2" OMNI C2 METER TRPL	$1,237.50	
	3" OMNI C2 METER TRPL	$1,636.29	
	4" OMNI C2 METER TRPL	$2,841.98	
	6" OMNI C2 METER TRPL	$4,908.85	
	8" OMNI C2 METER TRPL	$7,929.89	
	3" OMNI H2 METER W/TRPL, CPLGS AND 2" GATE VALVE	$1,378.69	
	MXU 520M SINGLE PORT	$134.94	
	MXU 520M DUAL PORT	$160.75	
	MXU 510M SINGLE PORT	$119.51	
	COMMAND LINK	$533.55	
	6' IPERL CABLE	$17.86	
	SRII REGISTER ONLY TRPL	$70.59	
	OMNI R2/T2/C2 REGISTER ONLY TRPL	$293.21	

Total

This quote for the product and services named above is subject to the following terms:

1. All quotes are subject to the Aqua-Metric Terms of Sale located on our website.
2. Quote is valid through 09/30/22.
3. Freight allowed on complete single orders exceeding $10,000.00.
4. Net Thirty Days to Pay
5. Returned product may be subject to a 25% restocking fee.

Attachment: FY 22 Pricing (Meters FY 2022)

Proprietary and Confidential

SOLE SOURCE (VENDOR) AFFIDAVIT

Thirkettle Corporation dba Aqua-Metric Sales Company	Michael Cartwright, Operations Manager
Company Name	**Contact Person**

16914 Alamo Parkway, Building 2, Selma, Texas 78154			
Address	**City**	**State**	**Zip**

(210) 967-6300	Michael.Cartwright@aqua-metric.com
Phone	**Email**

Before me, the undersigned official, on this day, appeared, Thomas Thirkettle,
A person known to me to be the person whose signature appears below; whom after being duly sworn, his/her oath deposed and said:

1. My name is Thomas Thirkettle; I am over the age of 18, have never been convicted of a felony and I am competent to make this affidavit.

2. I am an authorized representative of the above named company or firm:

3. The above named company or firm is the sole source provider of the following item/service **and no other company or firm in the United States sells or distributes the products listed below**:

Note: Aqua-Metric is the sole source Sensus distributor for the majority of Texas - primarily east, northeast, and south Texas. Sensus distributors outside of our territory will not supply product within our boundaries as this is not permitted by Sensus. A copy of our official Sensus Sole Source Letter has been included as an attachment to this form.

4. Competition in providing the above named item/service) are precluded by the existence of a: (Please mark one source)

O	patent	O	copyright	O	secret process
O	monopoly	O	film	O	manuscript
O	book	O	a captive replacement part or component for equipment.		

☒ There is/are no other like item(s) or product(s) available for purchase that would serve the same purpose or function and there is only one price for the above named item(s) or products(s) because of exclusive distribution or marketing rights. **A vendor, who markets a product through distributors, or more than one outlet, is not a sole source because the products are available from more than one source.**

Signature of Authorized Official (President, CEO)

President
Title of Authorized Official

SUBSCRIBED AND SWORN to before me on this _____ day of _____, 20___.

(Seal) ANIK PATEL NOTARY PUBLIC

SEE ATTACHED

Signature of Notary | Printed Name | My Commission Expires

Approval: ___X___ **Yes** _____ **No**

Signature of Purchasing Agent

8/30/21
Date

Attachment: SOLE SOURCE (VENDOR) AFFIDAVIT 2022 (Meters FY 2022)

California Jurat Certificate

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of RIVERSIDE

s.s.

Subscribed and sworn to (or affirmed) before me on this 27 day of August, (Month)

20 21, by THOMAS THIRKETTLE ---------- and

(Name of Signer (1))

---------- , proved to me on the basis of

(Name of Signer (2))

satisfactory evidence to be the person(s) who appeared before me.

Signature of Notary Public

ANIK PATEL, COM. # 2251671

(For other required information (Notary Name, Commission No. etc.))

ANIK PATEL
COMM. #2251671
NOTARY PUBLIC - CALIFORNIA
RIVERSIDE COUNTY
My Comm. Expires July 29, 2022

Seal

OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this jurat to an unauthorized document and may prove useful to persons relying on the attached document.

Description of Attached Document

The certificate is attached to a document titled/for the purpose of

containing _____ pages, and dated _____

Additional Information

Method of Affiant Identification

Proved to me on the basis of satisfactory evidence:
◯ form(s) of identification ◯ credible witness(es)

Notarial event is detailed in notary journal on:

Page # _____ Entry # _____

Notary contact: _____

Other

☐ Affiant(s) Thumbprint(s) ☐ Describe: _____

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Attachment: SOLE SOURCE (VENDOR) AFFIDAVIT 2022 (Meters FY 2022)

Jim Grillo
Sensus USA, Inc
Mid-West Director of Sales
612-867-3283
jim.grillo@xyleminc.com

SENSUS
a xylem brand

August 21, 2018

To Whom It May Concern:

Sensus USA, Inc is pleased to announce that **Aqua Metric of Schertz, TX** is the exclusive Authorized Distributor of Sensus products and Value Added Reseller (VAR) for Sensus Services such as SaaS in the territory of Central, East and South Texas and the state of Louisiana.

Please contact Aqua Metric for all of your Sensus needs. Purchasing Sensus products and services from the authorized distributor for your area ensures that your products will be properly supported and warranted.

We look forward to the opportunity of providing your firm with quality water measurement equipment and support in the near future. Please feel free to contact me at jim.grillo@xyleminc.com regarding this or any other matter.

Sincerely

James C. Grillo
Mid-West Director of Sales
Sensus USA, Inc

Attachment: SOLE SOURCE (VENDOR) AFFIDAVIT 2022 (Meters FY 2022)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dawn Berry, Purchasing Manager
CC: Andy Glasgow, Director of Engineering
Date: October 12, 2021
Re: High Point Lift Station Improvements, S24

Action Requested:
Consider and act to award bid 2021-0093 for High Point Lift Station Improvements at the unit prices listed to Undelhoven Oilfield System Services, Inc., in the amount $379,914.45 plus ten percent contingency in the amount of $37,991.44 for a total amount not to exceed $417,905.90. (Berry)

Background Information:
On September 8, 2021, the City received responses to bid 2021-0093 for High Point Lift Station Improvements. The bid invitation was advertised in the local paper and posted on the City's eProcurement system in which two-hundred eighty-three vendors and plan rooms were notified. Three No-Bids and four responses were received.

An initial review was conducted by Purchasing and the submittals were reviewed by the Engineer of Record.

The contract period is for 120 calendar days.

Alternatives:
Council may reject the award and direct staff.

Financial Considerations:
Funding is available through bond funds and will be tracked in project S24. Expenditures will not exceed funds appropriated and funds will be committed at the issuance of a purchase order

Legal Review:
Standard contract documents have been used and previously reviewed.

Supporting Documents:
Tab Sheet

Staff Recommendation:
Award Bid #2021-0093

				Udelhoven Oilfield System Services, Inc.		Austin Bridge & Road, LP		Dake Construction (The GenCon Group, Inc.)		Associated Construction Partners, Ltd.	
				Total Price	$379,914.45	Total Price	$512,687.50	Total Price	$694,634.00	Total Price	$897,800.
Line #	Description	QTY	UOM	Unit	Extended	Unit	Extended	Unit	Extended	Unit	Extended
1	Submersible Pumps	2	EA	$35,256.82	$70,513.64	$22,000.00	$44,000.00	$16,600.00	$33,200.00	$69,000.00	$138,000.
2	Precast Valve Vault	1	LS	$26,607.81	$26,607.81	$15,000.00	$15,000.00	$59,200.00	$59,200.00	$50,000.00	$50,000.
3	Aluminum Cover	1	EA	$6,014.62	$6,014.62	$3,000.00	$3,000.00	$8,500.00	$8,500.00	$7,500.00	$7,500.
4	Piping, Valves, and Fittings	1	LS	$8,057.31	$8,057.31	$40,000.00	$40,000.00	$17,100.00	$17,100.00	$20,000.00	$20,000.
5	Odor Control	1	LS	$5,776.53	$5,776.53	$5,000.00	$5,000.00	$8,200.00	$8,200.00	$7,500.00	$7,500.
6	Pump Control Panel	1	LS	$12,176.21	$12,176.21	$37,000.00	$37,000.00	$24,100.00	$24,100.00	$25,000.00	$25,000.
7	Electrical	1	LS	$79,192.86	$79,192.86	$110,000.00	$110,000.00	$253,800.00	$253,800.00	$230,000.00	$230,000.
8	Transformer	1	LS	$6,162.86	$6,162.86	$3,000.00	$3,000.00	$3,200.00	$3,200.00	$5,000.00	$5,000.
9	Canopy Structure	1	LS	$6,853.75	$6,853.75	$10,000.00	$10,000.00	$7,600.00	$7,600.00	$15,000.00	$15,000.
10	Concrete Slab	54	SY	$82.98	$4,480.92	$125.00	$6,750.00	$235.00	$12,690.00	$400.00	$21,600.
11	Concrete Retaining Wall	1	LS	$26,482.30	$26,482.30	$65,000.00	$65,000.00	$38,100.00	$38,100.00	$50,000.00	$50,000.
12	Concrete Access Road	445	SY	$93.39	$41,558.55	$150.00	$66,750.00	$142.00	$63,190.00	$190.00	$84,550.
13	Masonry Screening Wall	86	LF	$212.34	$18,261.24	$350.00	$30,100.00	$664.00	$57,104.00	$350.00	$30,100.
14	Backfill	15	CY	$235.14	$3,527.10	$175.00	$2,625.00	$320.00	$4,800.00	$500.00	$7,500.
15	Demolition	1	LS	$17,115.16	$17,115.16	$6,000.00	$6,000.00	$9,200.00	$9,200.00	$75,000.00	$75,000.
16	Temporary Bypass	1	LS	$24,767.98	$24,767.98	$40,000.00	$40,000.00	$59,000.00	$59,000.00	$100,000.00	$100,000.
17	Trench Protection	28	LF	$28.53	$798.84	$50.00	$1,400.00	$300.00	$8,400.00	$100.00	$2,800.
18	Sodding	650	SY	$19.60	$12,740.00	$6.25	$4,062.50	$11.00	$7,150.00	$5.00	$3,250.
19	Final Grading	1	LS	$1,760.86	$1,760.86	$6,000.00	$6,000.00	$10,300.00	$10,300.00	$10,000.00	$10,000.
20	SWPPP	1	LS	$7,065.91	$7,065.91	$17,000.00	$17,000.00	$9,800.00	$9,800.00	$15,000.00	$15,000.

Attachment: Bid Tabulation by line (High Point Lift Station Improvements S24)

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SECTION 00400

EJCDC STANDARD FORM OF AGREEMENT

BETWEEN OWNER AND CONTRACTOR ON THE BASIS OF A STIPULATED PRICE

THIS AGREEMENT is by and between the **City of Celina** (OWNER) and **Undelhoven Oilfield System Services, Inc.** (CONTRACTOR). OWNER and CONTRACTOR, in consideration of the mutual covenants hereby 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
High Point Lift Station
BID 2021-0093
PROJECT S24

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 consists of improvements at the High Point Lift Station, including submersible pump replacement, valve vault installation, electrical system upgrades, approximately 445 SY of reinforced concrete pavement, concrete retaining walls, masonry screening wall, piping and valve installation, and associated appurtenances.

ARTICLE 3 – ENGINEER

3.01 The Project has been designed by:

TRC Engineers, Inc.
700 Highlander Blvd., Suite 210
Arlington, Texas 76015
(817) 522-1000

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 or 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 9**0** 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 ***120*** 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

Attachment: 00-410 - Standard Form of Agreement - High Point Lift Station (High Point Lift Station Improvements S24)

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 an amount in current funds equal to the sum of the amounts determined pursuant to paragraphs 5.01.

For all Work other than Unit Price Work, a Lump sum of: $xx

All specific cash allowances are included in the above price and have been computed in accordance with paragraph 11.02 of the General Conditions.

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. ***95%*** of Work completed (with the balance being retainage).

   b. ***95%*** 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 ***95%*** 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

Attachment: 00-410 - Standard Form of Agreement - High Point Lift Station (High Point Lift Station Improvements S24)

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 in their entirety:

1. This Agreement;
2. Performance Bond;
3. Payment Bond;
4. Maintenance Bond;
5. General Conditions;
6. Supplementary Conditions;
7. Specification as listed in the table of contents of the Project Manual;

Attachment: 00-410 - Standard Form of Agreement - High Point Lift Station (High Point Lift Station Improvements S24)

8. Drawings;
9. All Addenda;
10. Exhibits to this Agreement:
    a. CONTRACTOR'S Bid Response;
    b. CONTRACTOR'S Insurance
    c. Documentation submitted by CONTRACTOR prior to Notice of Award
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. Are attached to this Agreement (except s 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:

Attachment: 00-410 - Standard Form of Agreement - High Point Lift Station (High Point Lift Station Improvements S24)

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.

EXECUTED in single or multiple originals with an effective date of **September 14, 2021.**

CITY OF CELINA, TEXAS	**CONTRACTOR.**
_____	_____
Jason Laumer, City Manager	
	_____
	Printed Name & Title
Address for giving notices:	Address for giving notices:
City of Celina **142 N. Ohio** **Celina, TX 75009** **Attn: Contracts** **469-813-4194** **contracts@celina-tx.gov**	

EJCDC® C-400, Modified Bid Form for Construction Contract.
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Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Drew Jenks, Assistant
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: TXDOT Road Closures for City Events

Action Requested:
Consider and act upon a resolution authorizing the execution of an agreement by and between the City of Celina and Texas Department of Transportation for the temporary closure of portions of F.M. 455, the temporary closure of portions of F.M. 428, and the temporary closure of portions of Louisiana for the purpose of holding special events hosted by, associated with or permitted by the City of Celina. (TXDOT Road Closures for City Events) (Jenks)

Background Information:
The City council has given the City Manager authority in the past to enter into an agreement with TXDOT to close state roads for city events. This resolution is to allow the City Manager to enter into an agreement with TXDOT to close state roads for all future city events that will require closure of portions of F.M. 455, F.M. 428, and Louisiana (Bus 289).

Board Review/Citizen Input:
<Insert Review/Citizen input here>

Alternatives:
<Insert Alternative here>

Financial Considerations:
<Insert Financial Considerations here>

Legal Review:
<Insert Legal Review Here>.

Supporting Documents:
Proposed Road Closure Resolution
TXDOT Temporary Road Closure Agreement Template

Staff Recommendation:

CITY OF CELINA, TEXAS

RESOLUTION 2021-__R

CONSIDER AND ACT UPON A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT BY AND BETWEEN THE CITY OF CELINA AND TEXAS DEPARTMENT OF TRANSPORTATION FOR THE TEMPORARY CLOSURE OF PORTIONS OF F.M. 455, THE TEMPORARY CLOSURE OF PORTIONS OF LOUISIANA AND THE TEMPORARY CLOSURE OF PORTIONS OF F.M. 428 FOR THE PURPOSE OF HOLDING SPECIAL EVENTS HOSTED BY, ASSOCIATED WITH OR PERMITTED BY THE CITY OF CELINA; AND PROVIDIING AN EFFECTIVE DATE.

WHEREAS, the City of Celina (the "City") 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 has determined that the future special events (the "Event") will utilize both City and State rights-of-way;

WHEREAS, the City has permission to utilize portions of City rights-of-way for the Event;

WHEREAS, the State of Texas (the "State") owns and operates a system of highways for public use and benefit within the City of Celina, Texas; and

WHEREAS, the 43 TAC, Section 22.12 establishes the rules and procedures for the temporary closure of portions of the State Highway System for periods of time exceeding four (4) hours;

WHEREAS, the City has determined that the Event will serve a public purpose by enhancing community and economic development within the City and is consistent with its policies for community and economic development;

WHEREAS, whereas the City Council has given instructions to the City Manager regarding special events and road closures has determined that authorizing the City Manager to implement such instructions are in the public interest; and

WHEREAS, the City Council believes it to be in the best interest, safety and welfare of its citizens to close portions of F.M. 455, F.M. 428, and Louisiana for purposes of holding the Event; and

Attachment: DJ - Event Road Closure Resolution (TXDOT Road Closures for City Events)

WHEREAS, the City in recognition of the public purpose for the Event wishes to cooperate with the State, provided the closure is in accordance with the requirements of 43 TAC, Section 22.12.

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

Section 1: That the City Council of the City of Celina authorizes and approves the temporary closure of portions of F.M. 455, F.M. 428, and Louisiana as deemed necessary for the Event. This closure shall be for the public purpose of holding the community event referenced herein.

Section 2: That approximate time period of all street closures shall be provided with sufficient time prior to the Event. The City will not initiate closure prior to 24 hours before the scheduled event and all barriers and barricades will be removed and the highway re-opened to traffic within 24 hours after the completion of the Event.

Section 3: That the City assumes full responsibility for the direction, protection, and regulation of the traffic during the time the Event is taking place.

Section 4: That the traffic from the closed portion of F.M. 455, F.M. 428, and/or Louisiana shall be detoured over routes within an all-weather surface that accept the anticipated amount of traffic.

Section 5: That barricades will be installed at both ends of the closure that provide the City's citizens information of the closure.

Section 6: That police officers or authorized personnel shall be positioned at each end of the closed section and at other posts as may be necessary to assist in directing traffic through the detour.

Section 7: That provision shall be made for emergency response through the closed area.

Section 8: That all debris shall be removed by the City of Celina or the responsible party prior to the re-opening of the temporary closed portions of F.M. 455, F.M. 428, and Louisiana.

Section 9: That the closure granted by the City Council will be shown on an attached Exhibit**.**

Section 10: That the City Manager be authorized to sign an Agreement for the Temporary Closure of State Right-of-Way (Form TEA 30A) by and between the City of Celina, Texas and the State of Texas for the temporary closure and use of portions of F.M. 455, F.M. 428 and Louisiana for the Event, found by the city to serve a public purpose.

Section 11: Incorporation of Recitals. The City Council hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City hereby incorporates such recitals as part of this Resolution.

Attachment: DJ - Event Road Closure Resolution (TXDOT Road Closures for City Events)

Section 12: This Resolution shall be in full force and shall take effect immediately upon its passage.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this _____ day of _____, 20___.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]
APPROVED AS TO FORM:

_____
City Attorney
City of Celina, Texas

Attachment: DJ - Event Road Closure Resolution (TXDOT Road Closures for City Events)

Agreement No._____

STATE OF TEXAS §

COUNTY OF COLLIN §

AGREEMENT FOR THE TEMPORARY CLOSURE OF STATE RIGHT OF WAY

THIS AGREEMENT is made by and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the "State," and the City of Celina, a municipal corporation, acting by and through its duly authorized officers, hereinafter called the "local government."

W I T N E S S E T H

WHEREAS, the State owns and operates a system of highways for public use and benefit, including FM 428, FM 455 and Louisiana, in Collin, County; and

WHEREAS, the local government has requested the temporary closure of portions of FM 428, FM 455 and Louisiana for the purpose of the _____, from _____ to _____ as described in the attached "Exhibit A," hereinafter identified as the "Event;" and

WHEREAS, the Event will be located within the local government's incorporated area; and

WHEREAS, the State, in recognition of the public purpose of the Event, wishes to cooperate with the City so long as the safety and convenience of the traveling public is ensured and that the closure of the State's right of way will be performed within the State's requirements; and

WHEREAS, on the 12 day of October, 2021, the Celina City Council passed Resolution No. __, attached hereto and identified as "Exhibit B," establishing that the Event serves a public purpose and authorizing the local government to enter into this agreement with the State; and

WHEREAS, 43 TAC, Section 22.12 establishes the rules and procedures for the temporary closure of a segment of the State highway system; and

WHEREAS, this agreement has been developed in accordance with the rules and procedures of 43 TAC, Section 22.12;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, to be by them respectively kept and performed as hereinafter set forth, it is agreed as follows:

A G R E E M E N T

Article 1. CONTRACT PERIOD

This agreement becomes effective upon final execution by the State and shall terminate upon completion of the Event or unless terminated or modified as hereinafter provided.

Article 2. EVENT DESCRIPTION

The physical description of the limits of the Event, including county names and highway

Attachment: TXDOT Temporary Road Closure Agreement (TXDOT Road Closures for City Events)

numbers, the number of lanes the highway has and the number of lanes to be used, the proposed schedule of start and stop times and dates at each location, a brief description of the proposed activities involved, approximate number of people attending the Event, the number and types of animals and equipment, planned physical modifications of any man-made or natural features in or adjacent to the right of way involved shall be attached hereto along with a location map and identified as “Exhibit C.”

Article 3. OPERATIONS OF THE EVENT

A. The local government shall assume all costs for the operations associated with the Event, to include but not limited to, plan development, materials, labor, public notification, providing protective barriers and barricades, protection of highway traffic and highway facilities, and all traffic control and temporary signing.

B. The local government shall submit to the State for review and approval the construction plans, if construction or modifications to the State’s right of way is required, the traffic control and signing plans, traffic enforcement plans, and all other plans deemed necessary by the State. The State may require that any traffic control plans of sufficient complexity be signed, sealed and dated by a registered professional engineer. The traffic control plan shall be in accordance with the latest edition of the Texas Manual on Uniform Traffic Control Devices. All temporary traffic control devices used on state highway right of way must be included in the State’s Compliant Work Zone Traffic Control Devices List. The State reserves the right to inspect the implementation of the traffic control plan and if it is found to be inadequate, the local government will bring the traffic control into compliance with the originally submitted plan, upon written notice from the State noting the required changes, prior to the event. The State may request changes to the traffic control plan in order to ensure public safety due to changing or unforeseen circumstances regarding the closure.

C. The local government will ensure that the appropriate law enforcement agency has reviewed the traffic control for the closures and that the agency has deemed them to be adequate. If the law enforcement agency is unsure as to the adequacy of the traffic control, it will contact the State for consultation no less than 10 workdays prior to the closure.

D. The local government will complete all revisions to the traffic control plan as requested by the State within the required timeframe or that the agreement will be terminated upon written notice from the State to the local government. The local government hereby agrees that any failure to cooperate with the State may constitute reckless endangerment of the public and that the Texas Department of Public Safety may be notified of the situation as soon as possible for the appropriate action, and failing to follow the traffic control plan or State instructions may result in a denial of future use of the right of way for three years.

E. The local government will not initiate closure prior to 24 hours before the scheduled Event and all barriers and barricades will be removed and the highway reopened to traffic within 24 hours after the completion of the Event.

F. The local government will provide adequate enforcement personnel to prevent vehicles from stopping and parking along the main lanes of highway right of way and otherwise prevent interference with the main lane traffic by both vehicles and pedestrians. The local government will prepare a traffic enforcement plan, to be approved by the State in writing at least 48 hours prior to the scheduled Event. Additionally, the local government shall provide to the State a letter of certification from the law enforcement agency that will be providing traffic control for the Event, certifying that they agree with the enforcement plan and will be able to meet its requirements.

G. The local government hereby assures the State that there will be appropriate passage allowance for emergency vehicle travel and adequate access for abutting property owners during construction and closure of the highway facility. These allowances and accesses will

Attachment: TXDOT Temporary Road Closure Agreement (TXDOT Road Closures for City Events)

be included in the local government's traffic control plan.

H. The local government will avoid or minimize damage, and will, at its own expense, restore or repair damage occurring outside the State's right of way and restore or repair the State's right of way, including, but not limited to, roadway and drainage structures, signs, overhead signs, pavement markings, traffic signals, power poles and pavement, etc. to a condition equal to that existing before the closure, and, to the extent practicable, restore the natural and cultural environment in accordance with federal and state law, including landscape and historical features.

Article 4. OWNERSHIP OF DOCUMENTS

Upon completion or termination of this agreement, all documents prepared by the local government will remain the property of the local government. All data prepared under this agreement shall be made available to the State without restriction or limitation on their further use. At the request of the State, the Local Government shall submit any information required by the State in the format directed by the State.

Article 5. TERMINATION

A. This agreement may be terminated by any of the following conditions:

(1) By mutual written agreement and consent of both parties.

(2) By the State upon determination that use of the State's right of way is not feasible or is not in the best interest of the State and the traveling public.

(3) By either party, upon the failure of the other party to fulfill the obligations as set forth herein.

(4) By satisfactory completion of all services and obligations as set forth herein.

B. The termination of this agreement shall extinguish all rights, duties, obligations, and liabilities of the State and local government under this agreement. If the potential termination of this agreement is due to the failure of the local government to fulfill its contractual obligations as set forth herein, the State will notify the local government that possible breach of contract has occurred. The local government must remedy the breach as outlined by the State within ten (10) days from receipt of the State's notification. In the event the local government does not remedy the breach to the satisfaction of the State, the local government shall be liable to the State for the costs of remedying the breach and any additional costs occasioned by the State.

Article 6. DISPUTES

Should disputes arise as to the parties' responsibilities or additional work under this agreement, the State's decision shall be final and binding.

Article 7. RESPONSIBILITIES OF THE PARTIES

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

Article 8. INSURANCE

A. Prior to beginning any work upon the State's right of way, the local government and/or its contractors shall furnish to the State a completed "Certificate of Insurance" (TxDOT Form 1560, latest edition) and shall maintain the insurance in full force and effect during the period that the local government and/or its contractors are encroaching upon the State right of way.

B. In the event the local government is a self-insured entity, the local government shall

Attachment: TXDOT Temporary Road Closure Agreement (TXDOT Road Closures for City Events)

provide the State proof of its self-insurance. The local government agrees to pay any and all claims and damages that may occur during the period of this closing of the highway in accordance with the terms of this agreement.

Article 9. AMENDMENTS

Any changes in the time frame, character, agreement provisions or obligations of the parties hereto shall be enacted by written amendment executed by both the local government and the State.

Article 10. COMPLIANCE WITH LAWS

The local government shall comply with all applicable federal, state and local environmental laws, regulations, ordinances and any conditions or restrictions required by the State to protect the natural environment and cultural resources of the State's right of way.

Article 11. LEGAL CONSTRUCTION

In case one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof and this agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Article 12. NOTICES

All notices to either party by the other required under this agreement shall be delivered personally or sent by certified U.S. mail, postage prepaid, addressed to such party at the following respective addresses:

Local Government:	**State:**
_____	Texas Department of Transportation
_____	_____
_____	_____
_____	_____

All notices shall be deemed given on the date so delivered or so deposited in the mail, unless otherwise provided herein. Either party hereto may change the above address by sending written notice of such change to the other in the manner provided herein.

Article 13. SOLE AGREEMENT

This agreement constitutes the sole and only agreement between the parties hereto and supersedes any prior understandings or written or oral agreements respecting the within subject matter.

Attachment: TXDOT Temporary Road Closure Agreement (TXDOT Road Closures for City Events)

Agreement No._____

Each party is signing this agreement on the date stated beside that party's signature.

THE CITY OF CELINA
Executed on behalf of the local government by:

By_____ Date_____
City Official

Typed or Printed Name and Title _____

_____

THE STATE OF TEXAS
Executed for the Executive Director and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By_____ Date_____
District Engineer

Attachment: TXDOT Temporary Road Closure Agreement (TXDOT Road Closures for City Events)

Agreement No._____

Exhibit A

Attachment: TXDOT Temporary Road Closure Agreement (TXDOT Road Closures for City Events)

Agreement No._____

Exhibit B

Attachment: TXDOT Temporary Road Closure Agreement (TXDOT Road Closures for City Events)

Agreement No._____

Exhibit C

Attachment: TXDOT Temporary Road Closure Agreement (TXDOT Road Closures for City Events)

Life Connected.

Public Works
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Andy Figueroa, Director of Public Works
Date: October 12, 2021
Re: Parking Ordinance Amendment

Action Requested:
Consider and act upon an ordinance amending the City's Code of Ordinances Chapter 12: Traffic and Vehicles; Article 12.04: Parking (Parking Ordinance) (Figueroa)

Background Information:
The parking and storage of vehicles has generated complaints and has affected business operations . This ordinance will establish regulations for enforcing Texas Transportation Code regulations regarding parking and storing vehicles in the public right-of-way.

Board Review/Citizen Input:
NA

Alternatives:
Council could chose to not approve ordinance.

Financial Considerations:
None

Legal Review:
The City Attorney has reviewed the ordinance and deemed it acceptable.

Supporting Documents:
Parking Ordinance Amendment

Staff Recommendation:

CITY OF CELINA, TEXAS

ORDINANCE NO. 2021-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS AMENDING THE CITY'S CODE OF ORDINANCES CHAPTER 12: TRAFFIC AND VEHICLES; ARTICLE 12.04: PARKING; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR FINDINGS; A CUMULATIVE REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; 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 Celina City Council has determined that certain regulations regarding the parking and storage of vehicles within the City should be adopted in the interest of public health, safety, and welfare; and

WHEREAS, this ordinance is adopted pursuant to the police powers and authority given general law cities by the constitution, codes and general laws of the State of Texas, including but not limited to Chapter 51 of the Texas Local Government Code, Section 601.001 of the Texas Local Government Code, Chapter 542 of the Texas Transportation Code, and Section 311.001 of the Texas Transportation Code; and

WHEREAS, the City Council finds that the adoption of this ordinance is in the best interest of the citizens of the City of Celina.

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.

Attachment: Parking Ordinance Amendment N.Ohio (Parking Ordinance Admendment N.Ohio)

SECTION 3
AMENDMENTS

3.01 That the Celina Code of Ordinances, Chapter 12: Traffic and vehicles; Article 12.04: Parking; Section 12.04.012 Parking restrictions on specific streets be amended by adding a row to the table therein that reads as follows:

“

North Ohio Drive	The Western side of N. Ohio from the intersection of W. Pecan St. to 90 feet North of the intersection.	No parking at any time.

“

3.02 All other articles, chapters, sections, paragraphs, sentences, phrases and words are not amended but are hereby ratified and affirmed.

SECTION 4
CUMULATIVE REPEALER

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 7
SAVINGS

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of this provision of any other ordinance affecting the City’s Code of Ordinances, “Chapter 12: Traffic and Vehicles” 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 maybe prosecuted until final disposition by the court.

SECTION 8
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

Attachment: Parking Ordinance Amendment N.Ohio (Parking Ordinance Admendment N.Ohio)

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 9
PUBLICATION

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 of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 10
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 11
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 the 12 th day of October, 2021.

_____.
Sean Terry, Mayor
City of Celina, Texas
ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

_____
City Attorney
City of Celina, Texas

Attachment: Parking Ordinance Amendment N.Ohio (Parking Ordinance Admendment N.Ohio)

Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Karla Stovall, Assistant City Manager
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re:

Action Requested:
Consider and act upon approval of a revised Personnel Policies and Procedures Manual. (Stovall)

Background Information:
The Personnel Policies Manual provides department directors, managers, supervisors and employees a written source of information regarding the City of Celina's organizational directives from a policy, procedure and administrative perspective.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:
Provided is an updated set of policies for City Council's consideration including:
Personnel Policy Final
Work Session Redline
Implemented Council Changes Redline

Staff Recommendation:
Approval is Recommended

CITY OF CELINA

PERSONNEL POLICIES AND PROCEDURES

Proposed to be approved by City Council October 2021
Effective date November 8, 2021

CELINA TEXAS EST. 1876

Life Connected.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

Life Connected.

CORE VALUES

EXCELLENCE

- We always do our best
- We embrace innovation and efficiency while remaining good stewards of City resources
- We are accountable and take pride in our work
- We seek opportunities to learn and expand our professional horizons

COMMUNITY

- We are a unified body and work as a team
- When we disagree, we resolve it according to our Core Values
- We value and respect all employees and our customers
- We foster a culture that includes understanding, support, balance and a sense of humor
- We embrace openness, diversity and inclusion

INTEGRITY

- We do the right thing at all times
- We are committed to building and maintaining creditability and trust both internally and externally
- We are accountable in our words and actions
- We question actions that may be inconsistent with our Core Values

SERVICE

- We are selfless public servants and believe in helping others
- We treat everyone the way we wish to be treated
- We are caring and empathetic in all we do
- We work to deliver excellent service to all we encounter

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

Welcome to the team at the City of Celina! We hope that you experience a genuine welcome here. The culture of Celina is founded on the principle of servant leadership. The servant leader holds to a “leader eats last” philosophy, and strives to give of him or herself for the good of the other. This mentality requires us to seek first to understand our customers' needs, so that we can treat them with dignity at all times. Celina has a reputation for its friendly, warm and kind people, and our job is to continue that tradition as the City continues to experience the growth of the DFW metroplex. To fulfill the servant leader vision, we work under four core values that guide and influence our actions and decisions.

Many cities want to be different, unique; they want to be special. To this end, many even have a service philosophy that advertises a particular way to treat customers, citizens, and one another. Sometimes, however, our practice does not always live up to the policy in regards to personal courtesy and treatment. This is because even the best policy or philosophy can only succeed with the enthusiasm and participation of the people on the ground, who are interested in reaching out to one another, and in building a culture of kindness, awareness of the needs of others, and a willingness to act quickly to address those needs in a positive way.

This kind of culture can only be built through a spirit of generosity and of personal giving of our time and energy. We cannot make a whole culture of giving and service alone, but we can each make our own little “corner” of the organization a place where others can thrive, and truly enjoy their jobs. This enjoyment of our work, in turn, creates even more willingness to help others who need it, therefore creating a circle of generosity, thriving, and selfless service.

Once this environment is established, then living the core values of Excellence, Integrity, Community and Service becomes much easier to accomplish, and the joy of loving our jobs propels us towards greater success. However, this hinges on our own individual commitments to service to others, and leading through this service of self towards others, also known as “servant leadership.” Therefore, I would like to challenge you to enter into the idea of leadership through service to others, and to commit to creating a spirit of generosity, kindness and service to those around you.

Sincerely,

Jason Laumer
City Manager

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.00 – Purpose and Objectives

The purpose of the City of Celina Personnel Policies Manual (Manual) is to provide department directors, managers, supervisors, and employees with a written source of information about the policies, procedures, and administrative directives of the City of Celina.

I. Objectives

A. The objectives of the Manual are:

1. To promote good and uniform practices and administration in the management of the City's employees.

2. To reduce questions about policies and procedures by having them readily available for reference.

3. To promote high morale by the consistent administration of policies and procedures through consideration of the rights and interests of all employees.

4. To ensure that policies and procedures are kept current by periodic updates of this Manual.

II. Servant Leadership, Core Values, and Life Connected

A. Guiding Principles

1. The culture of the City is founded on the principle of "Servant Leadership." Servant Leadership is a set of behaviors and practices that turn the traditional "power leadership" model upside down. Instead of people working to serve the leader, the leader exists to serve the people. As a result, the practice is centered on a desire to serve and emphasizes collaboration, trust, empathy, and the ethical use of power. Its primary goal is to enhance individual growth, teamwork, and overall employee engagement and satisfaction. The servant leader is not only identified at the top of the organization but at all levels; each employee has the responsibility of Servant Leadership. This concept facilitates an avenue and mindset for all employees to truly embrace what is best for the collective organization when decisions are made. Coupled with this mindset, we are reminded that the residents we serve are at the forefront of this model.
2. Our Core Values of Excellence, Community, Integrity, and Service is what makes Celina a city that embodies "Life Connected"- Creating a genuine connection from the City to all our residents and businesses. We pride ourselves on our authentic relationships. Living Life Connected is how we as the City, bring Life to our core values; ensuring every decision about the City is made through the lens of rightful actions, honesty, transparency, and mindfulness for our future success.

~~4.~~

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

~~II.~~III. Relationship to the Code of Ordinances of the City of Celina, Texas

A. Every effort will be made to ensure that policies and procedures are consistent with the Code of Ordinances of the City of Celina, Texas. If, however, there is any discrepancy, the Code of Ordinances shall apply. Any person finding discrepancies should notify the Human Resources Department immediately.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.01 – Management Authority, Amendments, Updates, Revocations

I. Amendments, Updates and Revocations

A. The City may modify, revoke, suspend, interpret, terminate, or change any or all of its policies and procedures, in whole or in part, at any time. Any new policies issued supersede these policies and are fully binding on all employees. If an employee continues to work for the City after the effective date of any such amendment, change or termination, then the employee will be deemed to have accepted such amendment, change or termination. **The issuance of this Manual does not constitute a contract between the City and its employees for any duration of employment.** There is no specified length of employment, and either the City or the employee can terminate the employment relationship at any time, for any reason.

II. Management Authority

1. Policy administration rests with City management and City management reserves sole authority to administer City operations. With the exception of matters reserved to City Council by statute, charter, or ordinance, the general and final authority for conduct of employees is vested to the City Manager. The City Council appoints the City Manager to administer the day-to-day operations of the City government, including the power to approve and administer personnel policies and to delegate the administration of these policies to the Director of Human Resources. Any conflicts, questions, or ambiguities in City or departmental policies and procedures will be decided by the City Manager. Final authority, in the form of review and approval, resides with the City Manager with regards to all matters and subjects covered by these regulations, unless specifically delegated otherwise.

2. The City Manager and Human Resources Director may interpret the policies if a question is raised regarding the intent, application or meaning of the policy. Further, the City Manager and Human Resources Director may utilize administrative practices and procedures required to enforce the policies.

III. Departmental Policies

A. Individual City departments may develop policies and procedures that are consistent with City policies and procedures. Department policies and procedures that are operational and that do not relate to those in this manual, or other approved operations manuals/handbooks, do need to be reviewed and approved by Human Resources or other appropriate departments. All employment related departmental policies must be reviewed by the Director of Human Resources. No internal policies can prevent officially or by unwritten policy, employees from coming to the Human Resources department for any reason. City policies and procedures supersede all department level policies.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.01 - Management Authority, Amendments, Updates, Revocations

IV. Severability

A. Any statement in a policy or procedure found to be illegal, incorrect, and/or inapplicable will not affect the validity and intent of the remaining content of such policy or procedure. Policies and procedures apply to all employees of the City, both on and off duty where applicable, unless otherwise indicated, restricted by proper authority, or prohibited by state and/or federal law. All employees must become familiar with and abide by these policies and procedures.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.02 – Scope and Notice

I. Scope

A. The policies apply to and govern all employees of the City, except where State and/or Federal law preempts the application of these policies or where there are provisions to the contrary in State or Federal law. Policies and procedures apply to all employee of the City, both on and off duty where applicable, unless otherwise indicated, restricted by proper authority, or prohibited by State and/Federal law.

B. These policies supersede all existing personnel and departmental policies and are effective and binding on all employees regardless of hire date. Continued employment with the City following adoption of these policies constitutes conclusive acceptance of the terms of the policies. This handbook is not an employment contract and nothing in this is intended to change or modify the at-will status of a City employee or to create or confer any property rights or expectation of continued employment to any employee.

C. The failure of the City to follow or comply with any provision of these policies shall not constitute grounds for nor form the basis of any action or cause of action, either civil or criminal, arising from employment with the City. The City reserves the rights to change the provisions of these personnel policies and procedures at any time.

II. Notice

A. A copy of the Personnel Policy Handbook and all amendments or changes shall be on the City's internal site and filed in the office of the City Secretary and the Director of Human Resources and shall be available for inspection by all City employees and the public. Such filing shall constitute notice to all employees of the personnel policies and procedures and of all amendments and changes.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.03 – Policy Dissemination/Administration

I. All city employees shall be informed of policy provisions listed herein. As a condition of employment, employees are expected to abide by the City's core values and all policies and procedures outlined in this manual. The City's Core Values are Integrity, Community, Excellence and Service.

The personnel policies manual will be available for reference on the intranet by employees at all times. Additionally, copies are also available for reference in the Human Resources Department.

II. Policy Administration

A. The general and final authority for human resource management rests with the City Manager, who may delegate it as necessary and proper, except for matters reserved to the City Council.

B. The administration of personnel matters is charged to Department Directors appointed by the City Manager. Human Resources shall advise management in all areas of employee management relations and shall include such items as training and career development, employee health, safety and morale. Certain City policies are based upon state or federal laws and regulations, and in the event that those laws and regulations are amended or otherwise modified, the City may amend or modify its policies to be in compliance with such laws and regulations.

C. The personnel policies of the City of Celina are based upon the belief that the success of City government and its usefulness to the citizens of Celina is primarily dependent on its personnel, and that the full development of each employee's potential is beneficial to both the employee and the citizens of Celina.

D. These policies are to provide for a consistent and equitable system of personnel management for the City. While these rules constitute a statement of policies and procedures, they are not intended to be all-inclusive and cover every conceivable personnel situation that might arise. Circumstances of any particular case or matter may warrant a deviation or exception in the application of these policies; where such circumstances justify an exception, the City Manager or his designee, may do so.

E. These policies are not an employment contract and nothing in this manual is intended to change or modify the "at-will" status of City employees or to create or confer any property right or exception of continued employment to any employee. The City is an at-will employer.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.04 – Contacting the City Attorney

The City Attorney shall not be directly contacted by any Department Director or other employee, unless specifically authorized by the City Manager.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.05 - Ethics

All employees of the City are expected to act in accordance with the highest of ethical standards. Conducting oneself in such a manner includes adherence to the law, policy and administrative directives. Employees shall faithfully execute their duties and shall refrain from knowingly engaging in any outside matters of interest incompatible with the impartial, objective, and effective performance of their duties. All City employees should maintain the utmost standards of personal integrity, truthfulness, and fairness in carrying out their duties; avoiding real or perceived improprieties in their roles as public servants; and never using their positions or power for personal or professional gain.

I. Core Values

~~A.~~ The City's values are integral to our overall effectiveness and therefore as employees, we pledge to maintain and enhance:

A.

1. Excellence – striving for the best in all we do

~~1.~~2. Community – working together toward common goals

~~2.~~3. Integrity – always doing the right thing

~~3.1. Community – working together toward common goals~~

4. Service – committing to the delivery of efficient and cost-effective services

II. Assistance in Determining Unethical Behavior and Making Ethical Decisions

A. The City of Celina recognizes that is it not always clear what the "right" or ethical choice is, when making a decision. The following are guidelines that may assist employees in determining appropriate behavior and conduct. This list is not exhaustive.

1. Is the action lawful?
2. Is the action in line with City of Celina's stated values (see above)?
3. If you do it, will you feel good about what you have done?
4. If your friends and family saw your actions on the frontpage ~~i~~ or posted on social media, would you be proud?

~~3.~~5. Does it follow the principles of servant leadership?

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

2.00 – Employment, Qualifications, Disqualifications

I. Equal Employment Opportunity - The City realizes that equal employment opportunities benefit the City and its employees through the full utilization of all human resources. It is the policy of the City of Celina to provide equal opportunity to all individuals without regard to race, creed, color, sex, age, national origin, religion, disability, or veteran's status or any other characteristic as determined by State and Federal law.

A. Discrimination based on age, sex or disability or any other characteristic is prohibited except where specific requirements constitute a bona fide occupational qualification necessary for proper and efficient administration.

B. It is the intent and desire of the City of Celina that equal employment opportunities be provided in employment, promotions, wages, benefits and all other privileges, terms and conditions of employment. Further the City will make reasonable accommodations for applicants and employees with known disabilities who can perform the essential job functions with or without such accommodations.

C. The City requires ALL employees to bring to the City's attention any information regarding any incident of possible discrimination or harassment so that the matter can be investigated and appropriate action taken. Any employee who violates the City's policy will be subject to corrective action and/or termination of employment.

D. The Director of Human Resources has been designated to ensure compliance with the nondiscrimination requirements of this policy.

II. AMERICANS WITH DISABILITIES ACT (ADA) To ensure compliance with the ADA, the City of Celina offers equal employment opportunity to qualified individuals and strictly prohibits discrimination against qualified individuals ~~on the basis of~~based on disability.

The City will provide a reasonable accommodation to the known physical or mental impairments of an otherwise qualified individual with a disability if such reasonable accommodation will enable the individual to perform the essential functions of the position at issue. The City will not deny employment opportunities on the basis of the need to provide reasonable accommodation to the individual's physical or mental impairments, unless it would cause an undue hardship to the City, or constitute a direct threat to the safety of the individual or others.

Employees who have a complaint involving potential violations of the ADA, including, but not limited to, harassment, discrimination, retaliation, or failure to provide a reasonable accommodation, must immediately report such complaint Human Resource.

~~I.~~**III. Working Age**

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

A. Age limits are indicated in some specifications for various classes of positions on the basis of a bona fide occupational qualification or statutory requirement.

B. No person under ~~16~~18 years of age shall be employed in any position within the City. An exception shall be made for part-time positions within the Parks and Recreation Department, where the minimum age of employment shall be 16 years old.

~~H.~~ Basic Employment Qualification

~~A.~~IV. In addition to the qualifications applicable to each position, an applicant for employment with the City must:

~~B.~~A. Provide authorization for pre-employment background and criminal history checks relevant to the position being sought;

~~C.~~B. Consent to conditional pre-employment physical evaluation and drug/alcohol testing, if applicable;

~~D.~~C. ~~Be at least 18years of age;~~Comply with the working age requirement;

~~E.~~D. Possess a High School diploma or GED, if applicable;

~~F.~~E. Be of good moral character;

~~G.~~F. Be a citizen of the United States or possess authorization to work legally in the United States;

~~H.~~G. Be dedicated to the principles of servant leadership and exhibit the values of Excellence, Community, Integrity, and Service.

~~III.~~V. Disqualification for Employment Consideration

A. Human Resources will review all applications for completeness and required qualifications. Only those applicants who meet the required criteria will be considered in the selection process. Depending upon the position vacancy and qualifications required, internal and external candidates may be considered concurrently. Although rejection may be based upon causes other than those enumerated below, the following are declared to be causes for rejection of an application or disqualification of an applicant:

B. The application is incomplete.

C. The applicant has not met the posted deadline for filling the application.

D. The applicant does not meet the qualifications necessary for the performance of the duties of the position for which the candidate is applying.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

E. The applicant has made a false statement of material fact on the application or has practiced or attempted to practice fraud in connection with an application, supplements to an application, or commits fraud at any time during the interview process. Applicants guilty of the aforementioned are prohibited from applying for a position with the City for a minimum of one (1) year.

F. The applicant is unable to perform the essential functions of the position, even with reasonable accommodation.

G. The applicant is a former employee who is NOT eligible for rehire.

H. The applicant failed to pass pre-employment alcohol/drug screens under the City's Drug and Alcohol policy and/or any other assessment deemed necessary for the position.

I. Placement of the applicant would violate the City's policy such as minimum age and/or nepotism.

J. The applicant is not in compliance with the Immigration Reform Act of 1986.

~~IV.~~ VI. An applicant may be disqualified from consideration upon other reasonable grounds relating to job requirements. An applicant may be disqualified depending on the offense and the position for the person is applying.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

2.01 - Introductory (Probationary) Period

I. Purpose

To establish policies and procedures for probationary employees.

II. Policies

It is the purpose of the probationary (introductory) period to provide a time for the City to determine whether the employee has shown the ability to meet the initial expectations for the position. Departments shall use the probationary (introductory) period to closely observe and evaluate the work of the newly hired employees. Supervisors should actively evaluate whether the introductory employee's conduct and performance successfully meet the expected standards and requirements. Sworn public safety employees should consult their respective departments regarding introductory periods of employment and performance appraisal.

A. Probationary (Introductory) Period

Every person initially appointed to the City or promoted in City service under a regular appointment must successfully complete the probationary period.

1. New Employees

~~a.~~ Regular full-time and part-time employees shall serve a six (6) month probationary (introductory) period.

a.

~~b.~~ Employees promoted will serve a three (3) month introductory period from the date of promotion.

b.

~~c.~~ Employees in a public safety position, such as Police Officers and Firefighters, the probationary period will be one year minimum in length.

c.

d. Employees will follow the step plan referenced in 6.02 – Compensation.

2. Promoted Employees

a. Employees promoted will serve a three (3) month introductory period from the date of promotion.

3. Unsatisfactory Performance

Each probationary/introductory employee is responsible for knowing,

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

understanding and meeting the expectations and standards for their position. In addition, each employee is also responsible for performing their job in a safe, productive and effective manner within the instructions and established standards for the position. Furthermore, employees are expected to maintain acceptable standards of conduct in their employment. During probation/introductory period, it is the employee's responsibility to correct any deficiencies or inadequacies in job performance, attitude or conduct.

Unsatisfactory performance can occur at any time within the probation/introductory period.

a. Prior to the dismissal of a probationary/introductory employee, a department Director/division manager shall consult with Human Resources. A decision to dismiss an employee must be initiated with a notice to dismiss outlining the reasons for separation. The department Director will connect with the Director of HR to make the final decision as to the dismissal.
b. A promoted employee who does not successfully complete probation/introductory period may return to their former position if it is available at the discretion of the Director. Otherwise, the employee will be dismissed which is initiated with a notice of proposed dismissal.
c. Extension of Probationary/Introductory Period – at the discretion of the department Director, the initial probationary/introductory period may be extended up to three (3) months for general employees and six (6) months for public safety employees.

2. Appeal Rights

An employee who is dismissed during their initial probationary/introductory period does not have appeal rights. This restriction also applies to an employee whose initial probationary/introductory period is extended pursuant to section 2c above. However, a promoted employee who is dismissed during the probationary/introductory period may appeal pursuant to the City's policies.

3. Personnel Transactions

Newly hired and newly promoted employees generally are not eligible for promotion, lateral transfer or voluntary demotion during the probationary/introductory period. Exceptions may be granted by the City Manager when such promotion, lateral transfer or voluntary demotion is in the best interest of the City.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

2.02 – ~~Equal Opportunity Employer~~

B. Required Activities. Before the completion of the probationary/introductory period, all new employees must complete the following:
   1. Individual Meeting with the City Manager
   2. Participate in the New Employee Orientation
   3. Compliance and Departmental Training
   4. Review of Personnel Policies and Procedures
   ~~4.~~5. Participate and complete the Onboarding Process

~~The City realizes that equal employment opportunities benefit the City and its employees through the full utilization of all human resources. It is the policy of the City of Celina to provide equal opportunity to all individuals without regard to race, creed, color, sex, age, national origin, religion, disability, or veteran's status or any other characteristic as determined by State and Federal law.~~

~~I. Discrimination based on age, sex or disability or any other characteristic is prohibited except where specific requirements constitute a bona fide occupational qualification necessary for proper and efficient administration.~~

~~II. It is the intent and desire of the City of Celina that equal employment opportunities be provided in employment, promotions, wages, benefits and all other privileges, terms and conditions of employment. Further the City will make reasonable accommodations for applicants and employees with known disabilities who can perform the essential job functions with or without such accommodations.~~

~~III. The City requires ALL employees to bring to the City's attention any information regarding any incident of possible discrimination or harassment so that the matter can be investigated and appropriate action taken. Any employee who violates the City's policy will be subject to corrective action and/or termination of employment.~~

~~IV. The Director of Human Resources has been designated to ensure compliance with the nondiscrimination requirements of this policy.~~

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

2.03 – Recruitment and Selection

I. The City hires employees based solely on their knowledge, skills and abilities, experience, and other qualifications as they relate to the duties and responsibilities of a position without regard to race, national origin, religion, color, sex, age, citizenship, political affiliation, disability, or any other characteristic protected by law. Hiring supervisors shall complete a personnel requisition form to a fill vacant position and have it approved as either budgeted, a replacement or for a budget variance. All requisitions must be approved by Human Resources and ~~Finance departments.~~Assistant City Manager. Incomplete or inaccurate submissions will delay processing of the request.

~~I.~~ **IT IS THE RESPONSBILITY OF THE DEPARTMENT INITIATING THE REQUEST TO ENSURE THE INFORMATION IS ACCURATE AND COMPLETE. Once the personnel requisition is approved, Human Resources will initiate and complete the hiring process.**

~~II. Human Resources will post and/or advertise the employment needs of the City/position with a view toward non-discrimination and toward obtaining the best qualified candidates for each vacancy to be filled by recruitment from within or outside the City service.~~

~~III. Candidates will complete an application and will complete any additional tests, examination, or the like, to indicate their ability to successfully perform the duties of the position they seek. Human Resources will forward to the hiring supervisors only those candidates that meet the minimum qualifications for the position and who successfully complete the process unless specifically directed by the City Manager to do otherwise.~~

~~IV. Interviews with qualified candidates. Once the hiring supervisor makes a selection, Human Resources extends a conditional offer of employment contingent upon successful completion of necessary pre-employment testing.~~

~~V. Upon successful completion of all post conditional offer testing, Human Resources will solidify the offer of employment and discuss start dates with the candidate.~~

~~VI. Re-Employment~~

~~A. Full-time employees who separate from service with the City for any reason will not be considered for rehire in a full-time position for a minimum of 12 months unless approved by the City Manager or their designee.~~

~~B. Persons whose employment has been terminated or who has not resigned in good standing (did not give proper notice, under discipline, etc.) will not be considered for re-employment without approval of the City Manager or their designee.~~

~~C. Employees who are rehired become eligible for benefits under the same terms as any other new hire, no "bridging" of time will occur.~~

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2.04 – Background Checks

I. Credit History

A. The City will obtain credit history information on a candidate for employment only when the credit history is related to the position for which the person is being considered.

B. The City and all City Departments shall comply with the Fair Credit Reporting Act (FCRA) before obtaining a job-related credit history. The City may not procure a consumer report for employment purposes unless:

1. The City has provided the applicant or employee a written disclosure that a consumer report may be obtained for employment purposes; and

2. The applicant or employee has authorized in writing the procurement of the consumer report.

3. Human Resources is the only department authorized to run credit reports on City candidates.

C. Before taking any adverse action based on the consumer report, the City shall provide the applicant or employee a copy of the consumer report and a written description of the person's rights under the FCRA, as prescribed by the Federal Trade Commission.

II. Criminal History

A. The City will conduct a criminal history record review for a final candidate for employment and will determine through the individualized assessment procedures described below whether the individual should be excluded from employment.

B. Only City employee(s) authorized to view criminal history records will be involved in conducting and individualized criminal history record review. Consistent with business necessity, the City shall disqualify from employment a person whose criminal history is inconsistent with the job duties of the position for which the person is being considered.

C. The City shall perform an assessment of criminal history record information when determining a person's eligibility for employment in a specific position. The City shall take into account a variety of factors, including the following:

1. The nature of the offenses;
2. The age of the person when the crime was committed;
3. The date of the offense and how much time has elapsed;
4. The adjudication of the offenses (e.g., whether the person was found guilty by a trier of fact, pled guilty, entered a no contest plea, or received deferred adjudication);

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5. The nature and responsibilities of the job sought;
6. The accuracy of the person's disclosure of their criminal history during the selection process;
7. The effect of the conduct on the overall environment; and
8. Any further information provided by the person concerning their criminal history record.
9. Departments, such as Police and Fire, do take arrests into consideration, but may not disqualify a candidate solely based on this information depending on the situation.

In conducting the assessment, the City will consider both the factors set out above and any additional information provided by the individual. The City may obtain court records, if needed, to validate the information provided. Using the available information, the City will determine whether exclusion from employment is consistent with business necessity.

D. Failure to disclose criminal history on an employment application will exclude a candidate from employment with the City, regardless of whether the candidate's criminal history alone would have disqualified them for employment.

E. The fact of an arrest alone does not establish that criminal conduct has occurred, and the City shall not disqualify a person based solely on an arrest, but the City does take this into consideration. The City may make an employment decision based on the conduct underlying the arrest if the conduct makes the person unfit for the position in question.

F. A candidate for employment who has a criminal history record will be notified in writing that they may be excluded from employment due to criminal history. The candidate will be given an opportunity to provide additional information concerning their criminal history record to be considered as part of the assessment process. Information may include:

1. Documentation showing inaccuracies in the criminal record;
2. Any evidence related to the factors for assessment listed above;
3. Evidence that they have performed the same type of work, since the incident(s) noted on the criminal history record, with no known incidents of criminal conduct;
4. Rehabilitation efforts, including education and training;
5. Employment or character references; and
6. Whether or not they are bonded (if a bond is required for the job position with the City).

If the person does not provide additional information in a timely manner, the City will proceed with a determination with the information available to the City.

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III. The City will conduct a motor vehicle record review on a candidate for employment when driving is an essential job function of the position for which the person is being considered. The City will conduct annual motor vehicle record reviews for existing employees. The City will determine through the evaluation criteria for applicants, as set forth in the ~~it~~ Motor Vehicle Standards, whether the person should be excluded from employment.

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Chapter 2 – Employment

2.05 - Nepotism

This policy applies to all employees, including all full-time and part-time employees, paid and unpaid interns, and temporary employees. Nepotism is the showing of favoritism toward a relative. The City prohibits nepotism in hiring personnel or awarding contracts. In order to avoid the perception of favoritism and cronyism in government through interpersonal relationships and to prevent conflicts of interest arising as a result of defined relationships between employees this policy is enacted. Employment may be restricted when an applicant or current employee is related by blood (consanguinity) or marriage (affinity) to another City employee or official or is a member of the same household of another City employee or official.

I. Definitions

A. Nepotism – the practice of favoring, providing benefits to, or giving any workplace preference to, relatives over other employees.

B. Relatives – Includes, but are not limited to, the first, second and third degree of consanguinity (blood), adoption; and the first and second degree of affinity (marriage). Common Law marriages as recognized by the state of Texas will also be included for purposes of this policy.

Consanguinity (Blood Relationships) and Adoptive Relationships

First Degree	**Second Degree**	**Third Degree**
Mother	Grandparent	Great Grandparent
Father	Grandson	Great Grandson
Son	Uncle	Great Granddaughter
Brother	Aunt	Great Niece
Sister	First Cousin	Great Nephew
	Niece	Second Cousin
	Nephew	

Affinity (Marriage Relationship)

First Degree	Second Degree
Wife	Brother-in-Law
Husband	Sister-in-Law
Son-in-Law	Spouse's Grandparent
Daughter-in-Law	Grandchild
Mother-in-Law	Step-Grandchild
Father-in-Law	Stepsister
Stepmother	Stepbrother
Stepfather	Cousin-in-Law
Stepson	
Stepdaughter	

C. Cohabitants – persons who live together in a relationship but are not married, nor

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are declared to be married.

D. Roommates – supervisor and subordinate who share the same living quarters.

II. General Provisions

A. Supervision: No City employee shall be regularly supervised directly by a relative, cohabitant or roommate. A City employee will not be transferred or promoted into positions that would cause them to be in a direct supervisor/subordinate relationship with a relative, cohabitant or roommate.

B. Applicants: All external applicants for employment must, at the time of application and hire, disclose the name(s) of any relative(s) cohabitant(s) or roommate(s) serving as elected City officials or currently working for the City in any capacity. Nondisclosure of this information by an applicant shall be deemed as falsification of his/her application and shall result in non-consideration for a position or termination if the person has already been placed on the payroll. In the case of collusion, the current employee who is a relative, cohabitant or roommate may be subject to disciplinary action, up to and including, termination.

C. Employees: When a relationship is created which is not allowed by this policy, the employees are in violation of this policy. The affected employees must inform their department Director of the relationship that violates this policy within five (5) business days of the creation of the prohibited relationship. Failure to disclose this policy violation to the affected Department Director(s) shall result in disciplinary action, up to and including, termination.

D. Promotion/Transfers: All employees who are being considered for promotion or transfer to another position (whether in the same department or to a position in another department) must, at the time of the application for promotion or transfer, disclose the name(s) of any relative(s), cohabitant(s) or roommate(s) serving as elected City officials or currently working for the City in any capacity. Non-disclosure may result in disciplinary action, up to and including, termination.

E. Conflict of Interest: Relatives, cohabitants or roommates may work in the same department, unless otherwise specified in SPECIAL CONSIDERATIONS. Under no circumstances may relatives, cohabitants or roommates permanently supervisor one another. Further, no relatives, cohabitants or roommates shall be placed in positions allowing for financial signature approval of any purchasing or payroll transactions for one another. In the case where business demands require indirect or temporary supervisor of relatives, cohabitants or roommates, the Department Director of the employee(s) is responsible for establishing a process of auxiliary review for the affected employee(s) to include review and signature authority over timesheets, purchase orders and any other action where a conflict could arise from the reporting relationship of relatives, cohabitants or roommates.

The hiring and promotion of relatives, cohabitants or roommates shall not be allowed, even in different departments, if that action creates a conflict, or the appearance of a conflict of interest for the City as determined by the City Manager.

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When any relationship through blood, adoption, marriage of cohabitation presents a conflict of interest for the City, the City reserves the right to take appropriate action to eliminate the conflict, which may result in disciplinary action being taken up to, and including termination.

F. Recommendation for Hiring: A current City employee may not be involved in the hiring or selection of a relative, cohabitant or roommate.

G. Disciplinary Actions: Supervisors may not participate in disciplinary decisions or appeals involving their relative, cohabitant(s) or roommate(s).

II. Procedures

A. Employees who become relatives, cohabitants or roommates: When a relationship is created which is not allowed by this policy or a departmental rule, one of the employees must resign their position. The decision as to which employee shall vacate their position shall, initially, be left up to the affected employees. In all such situations, the following procedure shall apply:

1. The affected employees shall disclose their potential violation to their Director, who will in turn, notify Human Resources.
2. If determined to be a violation, the employees shall have 15 calendar days from the date of the policy violation to make a decision as to which affected employee shall vacate their position.
3. The affected employees will have an additional 15 calendars days to vacate the position. If they fail to do this, the Director shall notify the employee with the least seniority, based on the most recent hire date, that they must vacate their position.

B. Special Considerations

1. SECTION 14.03 NEPOTISM of the City of Celina Charter states:

   No member of the City Council, Mayor, or City Manager shall appoint, vote for, or confirm the appointment to any paid office, position, clerkship, employment or duty, any person, related within the second degree of affinity or within the third degree of consanguinity to any member of the City Council, Mayor, or City Manager, when the salary, fees, or compensation of such appointee is to be paid for, directly or indirectly, out of or from public funds or fees of office of any kind or character whatsoever. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship, employment, or duty for at least thirty (30) days if the officer is appointed, or at least six (6) months if the officer is elected. When a person is allowed to continue in any such position, the officer related shall not participate in the deliberation or voting upon the appointment, reappointment, employment,

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confirmation, re-employment, change in status, compensation, or dismissal of such person, unless such action is taken with respect to a bona fide class or category of employees.

2. Designated Departments: There are some departments/positions within the City that, because of the nature of work conducted with all other positions in the City it is inappropriate for persons in these departments/positions to be related to anyone employed by the City in any capacity, by blood, marriage or cohabitation or roommate relationship. Within the City, these departments, divisions and positions include:

    a. City Manager's Office

    b. Human Resources Office

    c. Financial Services~~,~~ including~~Purchasing:~~

        i. Finance Director and Assistant Finance Director

        ii. Accounting Manager, Senior Accountant, Accountant, and Accounting Tech

        iii. Purchasing Manager and Purchasing Agent

        iv. Budget Manager and Financial Analyst

        ~~c.~~v. Any designated title as related to Financial Services

    d. The City reserves the right to designate additional departments/positions to those listed herein as necessary to prevent adverse impact on the work environment.

3. Department Heads ~~Directors~~: No relative, cohabitant or roommate of a department heads~~Director~~ may be employed by the City after the effective date of this policy.

4. Grandfather Clause: Employees hired before the effective date of this policy, who are found to be in violation of this policy, shall be allowed to continue working in their current positions. No person shall be hired, transferred or promoted after the effective date of this policy whose continued employment with the City would create a new violation of this policy.

5. Preferential hiring: Preferential hiring consideration will be provided for those employees who must terminate under this policy. The City will endeavor to work with employees while they apply and/or interview for jobs. The employee(s) shall be required to provide advance notice to their supervisor prior to the date of such interview(s) or appointment(s) and to work with the supervisor on scheduling such absences. Preferential hiring consideration shall no longer be given to an employee who refuses a bona fide job offer.

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2.06 – Anti-fraternization

An individual shall not be appointed to a position if the appointment would create a close working relationship with another employee within the department or functional area that could affect the health, safety or welfare of the employees, the efficient departmental operations of the best interests of the organization. A supervisor-subordinate relationship is prohibited between two employees who married or cohabitating or involved in a romantic relationship.

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2.07 – Valid Driver's License and Certifications

I. The City of Celina requires that every employee who operates a City-owned or leased vehicle, or who drives a privately-owned vehicle while carrying out job duties, must maintain a current valid Texas driver's license and an acceptable driving record as determined by the City. It is the employee's responsibility to notify Human Resources immediately if their driver's license is not valid.

II. Driving records will be checked prior to employment and periodically throughout the course of employment. Applicants and employee are required to provide the City with any authorization necessary for the City to perform such a check. Moving traffic violations will be considered and may result in failure to hire in the case of prospective employees, and may result in disciplinary action, up to and including termination, of an active employee. Each report will be reviewed and considered on a case by case basis.

III. Additionally, as required by position, employee's may be required to hold separate licenses and certifications as necessary to complete their role with the City.

a. As a condition of employment and a continued condition of employment, it is the employee's responsibility to complete, obtain and maintain any certifications, licenses, and other requirements. Certifications and licenses are required to be obtained as designated by the Department Director.

b. Employment is contingent upon obtaining these licenses and certifications within a certain amount of allotted time, also designated by the Department Director.

    i. If an employee fails to obtain and/or maintain these licenses and certifications, the employee can and will be subject to disciplinary action, up to and including termination.

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2.08 – Medical Examinations/Fitness for Duty

I. The City of Celina endeavors to provide a safe work environment for all employees. It is the responsibility of each employee to maintain the standards of physical and mental health fitness required for performing the essential functions of their position, either with or without reasonable accommodation. It is the policy of the City to require certain applicants and employees to be examined by a physician under certain circumstances described below. Medical examinations may also be used to ensure that employees remain in good physical condition in order to perform the demands of the job.

II. The City Manager or Department Director with notice to the City Manager may require a person selected for initial appointment or reinstatement to undergo a medical (mental and/or physical) examination by one or more physicians designated by the City and at the City's expense. If a medical examination is required, the employment will be contingent upon successful completion of the medical examination and determination by the City that the person can perform the essential functions of the job with or without reasonable accommodation.

III. The City recognizes that employees with potentially life-threatening and/or infectious illness or physical and/or mental disability may wish to continue to engage in as many of their normal pursuits as their condition allows, including their employment. As long as these employees are able to perform the essential functions of their job, with or without reasonable accommodation, without creating an undue hardship, and medical evidence indicates their condition is not a direct threat to themselves or others, the City will treat them consistently with other employees.

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2.09 – Separation of Employment

I. It is the policy of the City of Celina to request advance written notice of an impending voluntary separation from all positions of employment within the City organization. Minimum notice is necessary in order to expedite employee out-processing and ensure a smooth transition without adversely affecting department efficiency.

II. Notice Requirements

A. Department Directors and other top executives are requested to give twenty working days advanced written notice of separation.

B. Department mid-managers are requested to give fifteen working days' written notice of separation.

C. All other employees are requested to give ten (10) working days' advance written notice of separation.

D. Failure of an employee to provide the minimum notice requested could prohibit eligibility for rehire, negatively affect their receipt of terminal pay and cause the employee to be terminated immediately.

III. Types of Separation

A. Resignation: Regular employees may leave City service by submitting a written resignation to their supervisor at least ten (10) working days in advance of their last day of employment. Generally, the City of Celina does not deem it in the best interest of the organization to accept an employee's withdrawal of a resignation. Once a resignation is tendered by the employee and accepted by the City, it may not be withdrawn unless the Department Director agrees. An employee may also give verbal resignation, but it is not considered proper notice.

B. Job Abandonment: An employee is considered to have voluntarily resigned City employment if the employee fails to return from an approved leave of absence on the date agreed upon by the City and employee; or in situation where the employee fails to report to work without notice to the City for two (2) consecutive days or shifts (one (1) shift for fire shift personnel) without sufficient cause. Employees who abandon their jobs will not be eligible for rehire and it may affect their terminal pay.

C. Retirement: Full-time employees are afforded retirement under the Texas Municipal Retirement System (TMRS). Eligible employees may retire from City service in accordance with applicable programs. Service retirement through TMRS requires as much notice as necessary to properly process retirement paperwork but a minimum or ten (10) working days.

D. Involuntary (Disciplinary) Termination: Employees may be separated from the City for violation of City and/or departmental policies. Employee separated through involuntary termination are generally not eligible for rehire.

E. Failure of Introductory/Probationary Period: Employees who fail their introductory period may be separated from the City and generally are not eligible for rehire.

F. Failure to Maintain Minimum Job Requirements: Employees may be separated for failure to maintain or secure license(s) or certification(s) required as a condition for performing the job.

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2.09 – Separation of Employment

G. Resignation in Lieu of Pending Disciplinary Action/Discharge: A resignation because of pending or possible disciplinary action is considered separation for misconduct. Employees who resign in lieu of pending disciplinary action or discharge will not be eligible for rehire.

H. Incapacity: Should an employee's abilities to perform the essential functions of their position, the Director should consult with the Director of Human Resources or their designee. If reasonable accommodations cannot be made and an employee is unable to perform the essential functions of their position with or without reasonable accommodation, the employee may be given a non-disciplinary termination due to business necessity with no appeal, subject to consideration of an ADAAA accommodation of continued leave and/or provisions of the worker's compensation policy.

I. Death: When a City employee passes away, their estate receives all pay due and any earned and payable benefits as of the date of death.

J. Reduction in Force: A reduction in force is a non-disciplinary decrease in the number of authorized positions. Whenever possible, the employee reduction from one department may be absorbed by transfers to suitable positions elsewhere. Such positions may not be at the same pay rate or grade. If the circumstances necessitate it, the City Manager, and Director of Human Resources will develop a reduction-in-force plan. Layoffs will be a result of business necessity, such as discontinuation in demand for service, technological changes and privatization. The plan will consider the following criteria in order:

1. Department/Division goals
2. Employee productivity
3. Employee skills, knowledge and abilities
4. Employee tenure
5. When possible, the City will notify all employees impacted by a reduction-in-force no later than 60 days prior to the effective day. The City will allow reasonable time during the day/week for completing applications, attending interviews and the like.

IV. Exit Procedures

A. Upon receiving a resignation, the supervisor should contact Human Resources and provide the resignation letter. The supervisor is responsible for completing any necessary paperwork, such as requisition to hire and personnel action form.

B. In accordance with Federal Laws, the City offers eligible employees and their qualified dependents the opportunity for a temporary extension of healthcare coverage at the time of separation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). The City utilizes a third-party COBRA administration provider who will notify the employee after their termination about their rights to elect coverage. The terminated employee is responsible for paying the costs associated with any such continuation of coverage.

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2.10 – Employment Categories

The City will maintain standard definitions of employment and will categorize employees in accordance with the following definitions.

I. **Regular Full-Time Employees (RFT)**: Employees who have successfully completed introductory period and are scheduled to work at least 40 hours per week or work period on a regular basis in a full-time budgeted position. RFT employees are eligible for all City group benefits.

II. **Regular Part-Time Employees (RPT)**: Employees who have successfully completed introductory period and are scheduled to work less than 40 hours per week or work period on a regular basis in a part-time budgeted position. RPT employees who work an average of a least 30 hours per week may qualify to participate in the City's health and dental plans.

III. **Introductory Employees**: Introductory periods apply to employees who are newly hired or employees who have changed positions as a result of a promotion, demotion, or transfer. New hire employees will serve an introductory period of six (6) months and employees who have changed positions as result of a promotion, demotion or transfer will serve an introductory period of three (3) months. Introductory periods for public safety personnel may vary according to departmental needs. Seasonal and temporary employees do not serve introductory periods.

IV. **Seasonal Employees**: Employees who work a specific number of hours per week during a specified work season normally no longer than six (6) months. The need for such positions usually recurs on an annual basis. Seasonal employees are not eligible for any City group benefits.

V. **Temporary Employees**: Employees who are hired for a specific number of hours per week for no longer than 90 days. Temporary employees are not eligible for any City group benefits.

VI. **Intern Employees**: Employees who work a specific number of hours per week during a specified work period normally no longer than six (6) months. Intern employees are not eligible for any City group benefits.

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2.11 – Re-employment

I. Rehired employees are subject to the conditions of employment and benefits of a newly-hired employee, except where specifically stated otherwise.

A. Individuals involuntarily terminated for disciplinary reasons are generally not eligible for rehire.

B. Full-time employees who separate from service with the City for any reason will not be considered for rehire in a full-time position for a minimum of 12 months unless approved by the City Manager or their designee.

C. Individuals terminated for non-disciplinary reasons, such as incapacity and other reasons outside of their control, may be eligible for re-employment.

D. City of Celina retirees may be rehired into their former city position, or another vacant position for which they qualify, in a part-time or seasonal/contract labor capacity. Retirees hired as part-time or seasonal employees cannot work more than 999 hours per calendar year in a part-time or seasonal capacity without it affecting the TMRS benefits they are receiving.

~~I.~~II. A former employee, excluding retirees, may be rehired into the same classification at the same rate of pay provided it has been less than one (1) year since they left employment. However, if a former employee is rehired into a lower position than the one vacated within one (1) year period, they shall be paid according to that job grade and not at the same rate of pay as prior to leaving the City.

~~II.~~III. An employee, who resigned from City employment and submitted a written notice of resignation stating the date of departure and the reason for resignation, is eligible for rehire. The notice of resignation must have been submitted a minimum of ten (10) business days prior to the effective date. Employees who are not eligible for rehire will not be re-employed with the City unless the Director of Human Resources and the City Manager grant approval.

~~III.~~IV. If a former employee is re-employed by the city within three (3) months of their separation date, they must repay their accrual bank in order to restore accrual and longevity levels/rates. If a former employee is re-employed by the City after three (3) months of their separation date, the new service date shall be used, accrual rates will begin anew, and no accruals shall be restored. Employees who are rehired become eligible for benefits under the same terms as any other new hire, no "bridging" of time will occur.

~~IV.~~V. An employee may return to City employment only two (2) additional times. Exceptions may be made with the Director of Human Resources and City Manager approval.

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2.12 – Promotions/Demotions/Transfers

I. Promotions – Assignment of an employee from a position of one classification to a position in another classification having a higher position pay grade.

A. When a position vacancy occurs, an opportunity to promote may be explored consistent to the goal of filling a position with the most capable person available. An employee is encouraged to develop their qualifications and apply for vacant advancement opportunities for which they qualify. A hiring supervisor may promote from within and may first consider current qualified employees to fill a vacancy, unless outside recruitment is considered to be in the City's best interest.

B. An employee must meet minimum qualifications in order to be promoted. The candidate with the best combination of skill, past performance and suitability for the position will be selected. An employee selected for a promotion must provide the releasing department with at least two (2) weeks' notice before assuming the new position. If both departments are in agreement, the notice period may be increased or decreased. Promoted employees will be placed at the minimum of the new pay grade or receive a 5% increase, whichever is greater. Additional pay requested must be approved by the City Manager's office, however the employee's pay may not exceed the pay range for the position.

C. An employee may not be promoted if they are under administrative investigation; has been subject to discipline of a written reprimand or greater within the preceding six (6) months of the date of promotion; or if their most recent evaluation is below "meet expectations".

D. Directors must consult with Human Resources to discuss requests to place an employee above the minimum of the new pay grade to ensure consideration of internal equity issues. An employee promotion is conditional upon a successful introductory period.

II. Demotions – Assignment, either voluntary or involuntary, of an employee from a position in one classification to a position in another classification having a lower pay grade.

A. Non-disciplinary demotion is the assignment of an employee from a position in one classification to a position in another classification having lower pay grade. An employee qualified to perform lower-level position duties may be approved for administrative demotion at his/her own request. An administrative demotion may be an alternative to a layoff or for another reason in the best interest of the City. Such a demotion shall not be considered a disciplinary action or disqualify the employee involved from being considered for later advancement. All demotions will result in a decrease in pay unless an exception has been approved by the City Manager's office.

B. Involuntary demotion is the result of less than satisfactory work performance or misconduct. Nothing in this section shall require the City to offer a demotion to employees in lieu of other disciplinary action, lay off or reorganization.

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III. **Transfer** is the assignment of an employee from one position to another position in the same classification grade.

A. Transfers may be made administratively, upon request of the employee or in conjunction with an announced selection process. Human Resources shall review transfer requests.

B. Directors may authorize a transfer between their divisions without opening the position internally or externally. Human Resources will coordinate said transfers.

C. An employee shall be employed with the City for six (6) months or longer to apply for a transfer. An exception may be granted by the City Manager when such transfer is in the best interest of the City.

D. A transfer is not allowed if an employee has been employed for less than six (6) months; the employee does NOT meet minimum qualifications for the position transferring to; is under administrative investigation; or if their last evaluation is below "meets expectations".

IV. **Reassignment/Reorganization**

A. It is the policy of the City for the reassignment of job duties at-will and without cause. Such reassignment of duties may result in an employee's lateral transfer, reclassification or non-disciplinary demotion.

B. A reassignment of duties may include the assignment of additional duties or the removal of certain duties from a position. Reassignment of duties that does not affect an employee's classification may be made at the discretion of the employee's supervisor.

C. A reassignment of duties which results in an employee's transfer to another department, reclassification or demotion shall be approved by Human Resources and the City Manager or their designee prior to any such reassignment.

D. Any major department reorganization or changes affecting jobs within the department should be addressed during the preparation of the department's annual budget. A significant reorganization of a department shall be approved by Human Resources and the City Manager prior to its implementation.

E. Nothing herein shall be construed to prevent the assignment of higher-level duties or additional duties to an employee without additional compensations.

V. **Interim/Acting Assignment** – If a position is vacant or its regular incumbent is absent for an extended period of a least four (4) weeks, the Department Director with approval of the City Manager may authorize a temporary promotion to ensure the proper performance of city functions. Sworn Police and Fire personnel will be governed by State statutes.

A. Department Directors may temporarily assign employees to higher-level positions in order to ensure continuance of work project, supervision, etc. Employees do not acquire any rights to the position they temporarily fill and may be returned to their former status and position at any time. Persons who have been temporarily assigned to a higher-paying position will be placed in an interim pay category effective after the 10th full work day of the change.

B. Employees receiving interim pay must perform all~~most~~ ~~all of~~ the duties and responsibilities of the position being temporarily filled. Performing only some of

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the duties does not qualify an employee to receive interim promotional pay. Employees in acting positions will be placed at the minimum of the new position pay grade or receive a five (5) percent increase, whichever is greater, with the approval of the City Manager. Upon filling a position for which an employee was functioning an acting basis, the employee shall return to their position and pay for action promotion shall cease. Acting positions will NOT be used to circumvent normal promotional procedures. The employee involved will not acquire any status or rights to the position to which temporarily placed, except as provided herein.

C. City Manager approval is required for interim pay assignments.

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CITY OF CELINA
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Chapter 2 – Employment

2.13 – Dual/Outside Employment

I. Outside Employment

City employees must recognize that the City is their primary employer. Employees may occupy only one (1) position within the City at any given time unless otherwise approved by the respective department Director and Human Resources. Approvals will be filed with the Human Resources department. For purposes of this policy, outside or self-employment includes a job, activity, or enterprise (including self-employment) that constitutes a form of employment or business outside the responsibilities of employment with the City.

II. Employees may not accept outside or self-employment that conflicts with the effective performance of the employee while on duty with the City or conflicts in any way with the best interests of the City. City employees cannot contract with the City for services.

III. An employee will not be covered by the City worker's compensation insurance while working for another employer or while self-employed except for law enforcement officers working within their official peace officer function. In addition, an employee on FMLA leave, sick leave, disability leave, workers' compensation leaves, or an unpaid leave of absence, may not engage in outside or self-employment, as defined in this policy, unless expressly authorized by the City Manager.

IV. Failure to notify Department Director and the Director of Human Resources of dual/outside employment and dual/outside employment that is deemed as a conflict of interest to the City, must cease immediately, and can result in progressive discipline, up to and including, termination.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

2.14 – Reference Policy

All relevant information of City employees will be given as a result of an official open records request or at the written request of the employee/former employee.

Regarding references, typically the information given will be the job title, the department/division in which the employee worked; their dates of employment; as well as eligibility for re-employment.

Information may be given to other persons if required by law. All requests for references will be referred to Human Resources and information should only be disseminated at the direction of Human Resources.

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CITY OF CELINA
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Chapter 2 – Employment

2.15 – Performance Appraisal ~~(Performance Check In)~~

The intent of the City of Celina's performance evaluation (performance check-in) process is to provide coaching and mentoring ~~sufficient~~ opportunities for employees to receive fair, accurate and helpful performance feedback. The feedback received should assist employees in maintaining and/or improving good job performance and ultimately contribute to providing the best service possible to our citizens and customers, consistent with our core values. Monthly appraisal and coaching ~~The performance evaluation~~ one-on-one's with direct supervisors will ~~(check-in)~~ ~~process~~ serve as a management tool for making decisions regarding career development, succession planning, training, retention and compensation.

The performance evaluation (check-in) process is the ongoing action of setting performance expectations, coaching employees to reach those expectations, providing feedback to employees and then reviewing and recognizing those performance results.

Feedback discussions should occur throughout the year, in addition to the following formal evaluations for regular full-time and part-time employees.

I. Types of Performance Appraisals/Check-Ins

A. **New Hire:** New employees to the City of Celina are considered introductory employees for six (6) months of continuous service. New employees will receive ongoing coaching and mentoring for their first 6 months of service and ~~a formal performance evaluation/check-in after five (5) months of service and~~ again on their one (1) year anniversary date. Sworn Public Safety employees should consult with their respective departments regarding introductory period of employment and performance appraisal. The introductory period serves as a formal opportunity to determine if a mutual fit exists between the employee and the organization. A decision to continue or end employment may be made at any time, by either the employee or the city, during or after completion of this period.

B. **Promotion:** Promoted employees will be on three (3) months' introductory period. This three (3) month period serves as a formal opportunity to determine if the employee is a good fit with the new position assumed. A decision to continue or end employment may be made at any time, by either the employee or the city, during or after completion of this period. Promoted employees who fail introductory period may be offered their previous position if the position is available. If not, termination of employment may occur. Employees who have been promoted will receive a formal performance evaluation after three (3) months of service in their new position and again on their one-year anniversary date.

C. **Demotion:** Employees who have been demoted voluntarily or involuntarily will be on six (6) months' introductory period. This six (6) month period serves as a formal opportunity to determine if the employee is a good fit in the new position. A decision to continue or end employment may be made at any time, by either the employee or the city, during or after completion of this period. Employees will receive a formal performance evaluation/check-in after five (5) months of service in their position and again on their one-year anniversary date.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

2.15 – Performance Appraisal ~~(Performance Check In)~~

D. **Transfer:** Employees who have transferred will be on six (6) months' introductory period. This six (6) month period serves as a formal opportunity to determine if the employee is a good fit with the new position assumed. A decision to continue or end employment may be made at any time, by either the employee or the city, during or after completion of this period. Transferred employees who fail introductory period may be offered their previous position if the position is available. If not, termination of employment may occur. Employees who have transferred will receive a formal performance evaluation/check-in after six (6) months of service in the new position and again on their one (1) year anniversary date. An employee transferring from a position that he/she has worked in for at least six months will receive a performance evaluation prior to transferring to the new position.

E. **Annual:** Regular full-time employees will have a performance appraisal/check-in meeting annually during their anniversary/position month.

F. **Mid-Year:** Employees that have successfully completed introductory period may receive a mid-year performance evaluation/check-in at the discretion of the City Manager's Office. The mid- year review is to obtain employee and supervisor feedback as well as to confirm or adjust goals and/or direction.

G. **90 Day Re-Evaluation:** Employees receiving an overall performance rating of "Below Expectations" on their annual performance evaluation/check-in will generally be placed on a Performance Improvement Plan (PIP) for three (3) months. At the end of the three (3) month period, the employee will receive a formal re-evaluation of his/her performance. If an employee's performance "Meets Expectations" at that time, he/she may be eligible for a merit increase based on his/her overall performance rating and dependent on availability of funds. Failure to meet expectations at the conclusion of the three (3) month period will result in termination of employment.

A performance evaluation/check-in is not subject to appeal or grievance. However, if an employee disagrees with any portion of the evaluation, he/she may provide a written statement to be attached to the evaluation.

An employee on a Leave of Absence at the time formal performance evaluations are done will receive a performance evaluation within two weeks upon his/her return to work.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 3 – Personnel Records

3.00 – Official Personnel File

I. Personnel records of present and former employees are kept in the Human Resources Office. The personnel file is a complete record of an employee's application, physical reports, correspondence, performance evaluation ratings, and changes in official status, such as salary changes, promotions, and transfers.

II. In order for the personnel folder file to remain current, the Department Director and work unit supervisor shall submit, to the Human Resources Department, a notice or copy of all actions relating to an employee's status such as, commendations, reprimands, performance evaluations, etc. Department/Division Directors shall inform the Human Resources Department if any other records are kept by the Department/Division(s) on its employees. Departments are not permitted to keep any separate personnel or redacted files on any employees. The Police Department can maintain separate TCOLE files for its departmental employees. NOTE: All personnel records, no matter where they are maintained, are subject to the Texas Public Information Act, subpoenas, and other court orders.

III. The Human Resources Department will maintain personnel records of each active employee. Records will also be maintained on inactive employees for not less than the period required by law. An employee's records are available for inspection in the Human Resources Department by the employee, any individual authorized by the employee, his/her immediate supervisor, Department Head or designee. The Human Resources Department will not release personnel records to individuals or agencies outside the City unless it is required bylaw.

IV. An employee who wishes to review the contents of his or her personnel file may do so (but may not remove any of the contents from the file) in the Human Resources Department. Under no circumstances will the file be removed from the Human Resources Office by the employee, and the employee shall not remove any file contents.

V. Employees are responsible for notifying the Human Resources Department whenever there is a change in name, address, telephone number, marital status, number of dependents, military status, person to notify in case of an accident, or beneficiary assignment of any employee benefit plan so as to keep personnel files up-to-date.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 3 – Personnel Records

3.01 – Employee Privacy

I. Employees do not have any expectation of privacy as it relates to their office, work space, desk, City vehicle, locker, purse, backpack, or carrying case. Inappropriate or illegal items should never be brought to the work place. The City reserves the right to monitor all city-owned communication systems. The City reserves the right to monitor all correspondence conducted on a City-owned computer or any other type of electronic device capable of transmitting data, voice, and/or video.

II. Employee Privacy

A. Human Resources shall establish procedures necessary to preserve the privacy of employee information as required by applicable state and federal legislation. Access to privileged or confidential employee records shall be based on the need to know as determined by the Director of Human Resources.

B. The Texas Public Information Act permits an employee to determine whether the public shall have access to his/her information such as home address and social security number by submitting the Public Access Authorization form. The following information is a matter of public record under the Texas Public Information Act and, upon official request, will be released for public inspection from an employee's official personnel file:

1. Name
2. Date of original employment or appointment to the city service, or if applicable, last day worked
3. Current position title
4. Current salary
5. Department to which the employee is currently assigned

III. Employees may have access to their own personnel file for the purpose of inspection, review, and duplication during normal business hours. Supervisors may review their employees' or prospective employees' personnel files during normal business hours.

IV. Personnel File Review

A. Upon proper request, the Human Resources Department will, during normal office hours, allow third party access to information contained in personnel files. All files will be reviewed in the presence of a Human Resources Department representative. No document may be removed, entered, or copied without prior permission of the Director of Human Resources or designee.

B. Requests for other information by third parties must be requested in writing with a signed release by the employee. Official open records requests do not require written release from the employee. The Human Resources Department will release documents in accordance with the requirements of the open records requests law, (Texas Public Information Act), other laws governing the release of personal information and in consultation with the City Attorney's Office.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 3 – Personnel Records

3.02 – Confidentiality of Records

I. Federal law, including the ADA/ADAAA and HIPPA, requires that the City maintain all employee medical information in separate, confidential files. Therefore, in addition to personnel files, the City maintains a separate medical file for each employee. The Human Resources Department maintains these confidential medical files.

A. Examples of information that may be provided to the City by an employee' s health care provider, and maintained in the confidential medical file, include:
   1. a note to justify a medically-related absence;
   2. a note to request leave for medical purposes;
   3. a note to verify the employee's ability to return to work;
   4. a note to verify the employee's completion of a wellness program related activity;
   5. medical records to support a claim for sick pay or disability benefits insurance records; and
   6. Workers' compensation records.

B. It is important that employees understand that the records are confidential, but that the confidentiality may be limited when certain medical disclosures are necessary, i.e., FMLA, ADA/ADAAA and worker's compensation. When an employee provides medical information to their supervisor, the supervisor shall disseminate the information to the Human Resources Department and only on "as needed" basis to other members of management. The Human Resources Department is the point of contact to receive medical information, to ensure confidentiality is maintained.

C. In addition to protecting their own confidential medical information, employees must also respect the privacy and confidentiality of their coworkers' medical information as well as their co-workers' family medical information. Employees are required to use discretion and judgment when dealing with such information and are to refrain from passing along information, gossip, rumors, or anything else that may constitute an invasion of a coworker's privacy or breach of confidence. Employees should not speculate about medical conditions of other employees or their family members, and may not publicly discuss another person's medical information.

II. Confidentiality of Records

A. Except in cases where information contained in personnel files is required to be disclosed under the Texas Public Information Act, or unless otherwise provided by law or this manual, personnel records and employee's files will be considered confidential. All documents and information submitted during the employment process and during employment are the property of the City of Celina.

B. Medical records and drug test results will be maintained in separate confidential files from an employee's regular personnel file. Access to these records is limited to those persons who have a need to know the information relative to the employee's job. HIPAA Privacy Rules will apply as applicable.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.00 – Medical, Disability, Life Insurance, Continuation of Coverage

I. The City provides comprehensive medical, dental and life insurance plans for its full-time employees, retired employees and eligible dependents of such active and retired employees. Because of frequent changes in the law and because of the size and complexity of the Medical, Dental and Life plans, employees are to refer to the Employees Benefits Booklet, which is maintained and distributed by the Human Resources department. The summary provided is only to inform employee of the general benefits and procedures in a more concise manner. The terms of coverage are subject to periodic revision and questions employees may have are referred to the Human Resources department.

II. Plans, Enrollment and Plan Year

A. Enrollment and Plan Year

Employees may enroll in the group health plans and other benefit programs upon hiring with the City after a designated waiting period. Plan years for group health plans are administered by Human Resources and are on a calendar-year basis beginning January 1st and ending December 31st. Open enrollment for an upcoming year is determined by Human Resources and employees will receive notice of the open enrollment period each year. Once elections have been made to participate, not participate or to change elections and have been submitted to Human Resources, no change or revocation may be made in the election except in the case of a qualifying event as defined by the U.S. Internal Revenue Code.

B. Group Health Plans

1. Group Health Plan

The City Offers coverage in a choice of group medical plans to full-time employees, retired employees and eligible dependents. The City may subsidize a portion of the monthly premium. The percentage of subsidy varies between the plans and is subject to change.

2. Group Dental Plan

The City offers coverage in a choice of group dental plans to full-time employees, retired employees, and eligible dependents.

3. Group Life Insurance and Accidental Death and Dismemberment (AD&D) Coverages

a. Group Life and AD&D – Full-time employees are enrolled in the City Group Term Life Insurance and AD&D Plan at no cost to the employee.

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b. Optional Life and AD&D – Employees may opt to elect additional term life insurance. The cost of additional term life insurance is deducted from the employee's paycheck.

III. Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA)

A. COBRA became effective April 7, 1986. Through COBRA, City employees and their dependents, who are currently enrolled in qualified group benefits, are afforded an opportunity to extend those benefits at a percentage of the premium, which is subject to change, in situations by which the benefits coverage would otherwise end. The length of COBRA varies depending on the nature of the qualifying event but could range between eighteen (18) and 36 months.

B. COBRA continuation coverage can become available to the employees and their families when group health coverage would otherwise end. COBRA is continuation of plan coverage when it would otherwise end because of a life event, also called a "qualifying event". After such an event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary". Under COBRA, qualified beneficiaries who elect COBRA continuation coverage must pay for said coverage. COBRA continuation coverage is temporary coverage that generally lasts eighteen (18) months due to qualifying events. Certain qualifying events may allow the benefit to extend up to thirty-six (36) months.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.01 – Retirement/Social Security and Medicare/Deferred Compensation

I. The City of Celina participates in TMRS, which provides retirement benefits to eligible employees.

A. Eligibility for Enrollment
At the time of employment, all eligible employees are enrolled in TMRS. Participation by every regular full-time employee and regular part-time employees who work more than one thousand hours in a year is a condition of employment.

B. Contributions - Contribution rates and other policies of the City's TMRS Plan are determined by the City Council and are subject to change. Currently, the employee contributes seven (7) percent of his/her earnings each pay period. The contributions are tax deferred and made through payroll deduction. The City matches employee contributions at a rate of two-to-one.

II. Benefits at Retirement

A. Generally, employees may retire after twenty (20) years of TMRS service credit, regardless of age. Previous government employment may contribute service credit toward earlier retirement.

B. TMRS benefits will be based on years of service, salary, the employee and City contributions to the account, and the retirement option selected.

C. Employees should contact the Human Resources Department at least 30 days before the planned retirement date to allow for completion of necessary paperwork.

III. All full-time City employees are automatically enrolled in the Texas Municipal Retirement System (TMRS), which is administered in accordance with the TMRS Act, Subtitle G, Title 8, Government Code of Texas, as amended. For information regarding their terms and conditions, employees are referred to the TMRS website, www.tmrs.org.

IV. Social Security

The City participates in the Social Security system and federal law establishes benefits through the Medicare system. Social Security and Medicare costs are automatically deducted from the employees' checks.

V. Deferred Compensation Program

A. "Deferred compensation" is a method which allows employees to shelter a portion of their income from income taxes by taking that income out of peak earning years, when taxes are normally at their highest, and investing it to provide additional income during retirement years, when most people traditionally earn less, and are taxed at proportionally lower levels. In essence, when properly orchestrated, deferred compensation has the effect of minimizing an employee's lifetime tax liability.

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CITY OF CELINA
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Chapter 4 – Employee Benefits

4.01 – Retirement/Social Security and Medicare/Deferred Compensation

1. Section 457 of the Internal Revenue Code allows public employees participating in approved plans to defer earnings not to exceed a set amount in accordance with IRS rules and regulations, which are subject to change.
2. Additional catch-up contributions may also be allowed. These contributions are governed by IRS rules and regulations and, therefore, subject to change.
3. Information regarding the available deferred compensation plan providers and plan options, employees may contact the Human Resources Department.

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CITY OF CELINA
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Chapter 4 – Employee Benefits

4.02 – Employee Assistance Program

The City of Celina is committed to helping employees and their dependents cope with personal difficulties that could adversely affect employees' work performance, productivity and/or conduct on and off the job by providing an Employee Assistance Program (EAP). This policy supports the City's commitment to support a healthy, family-oriented work environment and a values-based culture where we help and support one another.

The purpose of the EAP is to assist employees in identifying on- or off-the job personal or behavioral problems that are adversely impacting their work performance and productivity. The EAP provides free counseling and referral assistance for City of Celina employees and dependents by offering counseling services for alcohol and drug abuse, marital and relational problems, psychiatric and emotional illness, financial and legal difficulties, and a wide range of other issues.

All persons employed by the City, including those individuals on a full-time, part-time, seasonal, or temporary basis, are eligible to access the EAP. Employees and dependents may access the EAP via a toll-free number, supplied by the City's EAP vendor, 24 hours a day, 7 days a week.

Utilization of EAP program services will not result in any special privilege or exemptions for established City policies related to job performance or affect the at-will status of employment.

I. Types of Referrals

A. Voluntary Self-Referral: Employees may obtain information about the City's EAP from their Department or they may contact Human Resources. An employee may voluntarily contact the City's EAP at any time for assistance. This self-referral can be completely of his/her own initiative. The self-referral can also be a response to informal suggestions by supervisors. In most cases, appointments are available after normal working hours or on weekends. If appointments are necessary during normal work hours, the time may be charged to accrued sick leave. If sick leave is not available, employees may use other paid leave time available or use time off without pay. Information regarding the reasons employees are seeking assistance through the EAP is strictly confidential. Supervisors should not ask what the reasons are, and if an employee volunteers any information, it must be treated confidentially.

B. Job Performance Referral: A job performance referral by the supervisor generally occurs in conjunction with some form of disciplinary action. If a supervisor feels that he/she should refer an employee to the City's EAP, he/she should first review the facts with the Director of Human Resources or designee. Upon agreement that a job performance referral to the City's EAP is the appropriate action, the Director of Human Resources or designee will contact the EAP with the initial information that the employee has been encouraged to contact the EAP within 24 hours. The supervisor should then tell the employee that he/she is encouraged to contact the EAP within the 24-hour time period to schedule an appointment. Scheduled appointments during work hours for the assessment visits and follow up treatments should be recorded as time worked. An employee should not have

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his/her time docked for job performance referred assessment appointments. Although case specific information will be treated confidentially, the EAP will keep Human Resources apprised of employees' general progress, such as whether they have attended scheduled meetings and are cooperating, and whether they are attempting to resolve the issues adversely influencing their work performance. If job performance does not improve, the supervisor may continue the disciplinary process, whether or not the employee contacted the EAP.

C. Fitness for Duty Referral: On occasion, fitness for duty assessments may be required. Supervisors should work with their department Director and Human Resources to determine the specific course of action in each case.

D. Family Violence Referrals. The City of Celina recognizes the impact of family violence on the workplace. As such, we are committed to heightening awareness of family violence and providing guidance to employees and management to address the occurrence of family violence. Referral assistance is also available to employees for these situations through the Celina Police department. Time needed away from work to deal with such issues including the length of absence(s) will be determined on a case by case basis between the employee and the supervisor. Paid leave options should be explored first.

II. Critical Incident Crisis Response

A. The City of Celina may experience a critical incident or trauma in the workplace that can affect the emotional health, morale and productivity of employees and management. These events can range from an accidental death or suicide of a co-worker to a natural disaster, such as a hurricane; or a drastic reduction in force. All of these events can cause a great deal of psychological, mental, physical and emotional stress.

III. Records of EAP Referral/Use

A. All records pertaining to the EAP will be treated with a high degree of confidentiality. Any information released will be clearly defined as confidential and will be released only under the following circumstances:
   1. When the EAP counselor determines that there is a clear and imminent risk to the employee or to the community. Clear and imminent risk includes, but is not limited to an individual who is actively suicidal, an individual who is like to physically harm another person, and/or an individual whose ability to function on the job is so substantially impaired that the individual presents a serious risk to the community;
   2. When and to whom it is required by judicial order or when required by legal proceedings;
   3. As required by law to appropriate authorities in cases involving child abuse;
   4. To Human Resources staff and the employee's supervisors on a need to know basis when a referral was mandatory; and
   5. To others with written consent of the employee.

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CITY OF CELINA
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Chapter 4 – Employee Benefits

4.03 – Worker's Compensation

The City provides workers compensation coverage to all employees for job-related injuries or occupational illnesses suffered by employees while acting in the course and scope of their position. For more information regarding workers' compensation procedures, contact the Human Resources department.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.04 – Requests for Accommodation (ADA/ADAAA)

To ensure compliance with the Americans with Disabilities Act of 1990, as amended (ADAAA), The City offers equal employment opportunities to qualified individuals and strictly prohibits discrimination against qualified individuals on the basis of disability.

I. The City will employ and will not discriminate against persons with a disability or regarded as having such impairment as defined by the ADAAA. The following definitions shall be applicable to this policy:

A. Disability shall mean with respect to an individual:

1. with a physical or mental impairment that substantially limits one (1) or more major life activities of such individual;
2. with a record of such an impairment; or
3. being regarded as having such an impairment.

B. The determination of whether an impairment substantially limits a major life activity shall be made without regard to the ameliorative effectives of mitigating measures such as:

1. medication, medical supplies, equipment;
2. use of assistive technology.
3. reasonable accommodations or auxiliary aides or services; or
4. learned behavioral or adaptive neurological modifications.

II. The City prohibits discrimination against a qualified individual on the basis of disability. The City will not deny employment opportunities on the basis of the need to provide reasonable accommodation for the individual's physical or mental impairments unless it would cause an undue hardship to the City or constitute a threat to the safety of the disabled person or other persons. Individuals with disabilities requiring accommodations should notify the Director of Human Resources. The City requests sufficient notice, when possible, to give time to arrange the accommodation.

A. The City will make every reasonable effort to insure that facilities and hiring procedures are accessible to all persons who wish to make application to the City for employment. The City desires that all accommodation requests by applicants be made in writing outlining

1. he position being applied for;
2. the accommodation being requested; and
3. the suggested accommodation alternative and tools necessary to complete the application process.

B. All accommodation requests made by applicants who are otherwise qualified individuals, will be referred to the Director of Human Resources for consideration. Reasonable accommodations will be provided as long as they do not place an undue burden on the City.

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4.04 – Requests for Accommodation (ADA/ADAAA)

III. If the City receives any medical information about an employee, it shall be forwarded confidentially to the Human Resources Department, which will maintain a confidential medical records file for each employee. Medical records include any document where details are supplied. Such medical records files shall be secured, both physically and electronically, and kept separate from the employee's personnel file. Access to the confidential medical records files shall be limited except on a "need to know" basis.

IV. Employees/Applicants who have a disability and are in need of accommodation should report such need to the Human Resources Department. The Human Resources Department will work with the employee/applicant in an interactive process of questions and responses in order to determine if accommodation is possible.

V. Employees, who have a complaint regarding potential violations of ADAAA including but not limited to harassment, discrimination, or failure to provide a reasonable accommodation, must immediately report such complaint to the Human Resources Department. Such employees shall not be subject to retaliation for requesting accommodation or because of complaints about the denial of reasonable accommodation.

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CITY OF CELINA
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Chapter 4 – Employee Benefits

4.05 – Education/Tuition Assistance

I. Statement of Purpose

A. The Tuition Reimbursement Program is to provide an opportunity and an incentive for employees to increase their individual level of education and expertise in their related job duties, thereby enhancing their job skills and degree of professionalism and subsequently improving the ability for staff to provide continued quality service to the community. The City makes this investment in the employee with the expectation that it will improve the employee's productivity and that the employee is committed to continued employment with the City.

B. Participation in the Tuition Reimbursement Program is subject to availability of funds in the City's annual operating budget and prior written approval of the Department Director and Human Resources Director. Participation in the Tuition Reimbursement Program is a privilege of employment, not a right. Therefore, participation in the program is subject to approval and is not guaranteed for any employee. Only full-time employees are eligible for tuition reimbursement after successful completion of their new hire introductory period. Employees who have been placed on a Performance Improvement Plan are not eligible for tuition reimbursement until successful completion of the Performance Improvement Plan.

C. The Tuition Reimbursement Program is for college courses for Associates, Bachelors or Master's degree plans. The program is NOT for certifications.

II. Course Eligibility

A. The City of Celina may provide assistance when the courses or employee' s degree programs meet one or more of the following criteria:

1. Relates to current job duties;
2. Provides new knowledge and skills to enhance job performance and/or support the City's mission;
3. Are required for a job-related degree program;
4. Enhances the City's ability to respond to current and future needs; or
5. Supports the documented "Employee Development Plan" sections of the employee's Performance Evaluation.

B. Individual courses outside of the degree plan, which are directly related to the employee's present or potential position with the City, may be considered for tuition reimbursement under this plan on a case-by-case basis, with the final determination on written approval made by the Human Resources Director.

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CITY OF CELINA
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Chapter 4 – Employee Benefits

4.05 – Education/Tuition Assistance

III. Guidelines

A. The City of Celina will reimburse the employee 100% of state tuition~~, laboratory, and registration fees~~.~~.~~ Tuition reimbursement will only be granted for courses taken at or through an accredited university and which is part of an approved degree plan. For courses taken at a private school, the employee pays the difference in the tuition rates between the average rates for state schools within the region, as determined by the Human Resource Director, and the private school.

B. Other fees and education expenses to which this tuition reimbursement does **not** apply includes, but are not limited to:

1. Books;
2. Courses in which no credit is assigned;
3. Courses repeated for purposes of raising a grade level;
4. Testing fees;
5. Extended Payment fees;
6. Parking Fees; or
7. Returned Check fees;~~.~~
8. Registration fees;
9. Administration fees or
10. All other fees

~~7.~~

C. If a course is subsidized by another source (i.e. veteran's educational payments, scholarships, and grants), tuition reimbursement is limited to those costs not covered by the other source(s).

D. Employees enrolled in GED courses are eligible for reimbursement for 100% of the GED review course and 100% of the GED exam fee. GED review course and exam fee will only be paid once per employee.

E. Those employees who cease employment with the City prior to completion of the course are ineligible for the tuition reimbursement benefit.

F. If the employee does not maintain employment with the City for two years after reimbursement for the course(s), the employee will be required to repay, at the time of termination of employment, the tuition and fees that were reimbursed by the City according to the scale below. Human Resources will be responsible for tracking if any tuition reimbursement money is due upon termination of employment. Reimbursement amounts may be deducted from an employee's final paycheck with the City.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.05 – Education/Tuition Assistance

Length of Time from Payment at Separation	Employee Obligation
Termination after 0 months and before 1 year of course completion	Pay 100%
Termination after 1 year and before 2 years of course completion	Pay ~~75~~50 %
~~Termination after 2 years and before 3 of course completion~~	~~Pay 50 %~~
~~Termination after 3 years and before 3 of course completion~~	~~Pay 25 %~~
Termination after ~~2~~4 years of course completion	Pay 0 %

G. The time expended by the employee involved in a course approved under this plan shall not be considered as "on-duty" time. Expenses related to travel, meals, or lodging are the cost of the employee and are not considered for reimbursement under this plan.

H. Course work usually is completed during hours of leave without pay or on the employee's own time. However, adjustment of hours or the use of accrued compensatory time or annual leave may be arranged if the Department Director can certify that the work of the unit will not be impaired as a result. However, that is to be the exception and not the norm and course work will be completed outside of normal work hours.

I. This plan is not related to courses, seminars, conferences and similar training sessions that are required, offered, or paid by the City.

IV. Procedures

A. Request for Budget Approval:

Employees must submit a written estimate of their tuition reimbursement expenses to Human Resources, through their Director, in prior to the fiscal year in which they will attend the course(s). If an employee submits for tuition reimbursement for courses that were not submitted within the deadline, reimbursement may or may not be granted depending upon the availability of funds in the City's annual operating budget and approval by the Department

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4.05 – Education/Tuition Assistance

Director and Human Resources.

B. Request for Course Approval

1. Tuition Reimbursement Approval Form must be completed and approved prior to registration for courses and implementation of work schedule changes.

2. The Department Director will recommend approval or disapproval for the tuition grant. If the Department Director approves course(s) for possible reimbursement, he/she must indicate the reason the course is directly related to the duties of the employee's position. Furthermore, if the Director recommends disapproval for the tuition reimbursement, the reason for such disapproval should also be indicated. The Department Director will then forward the form with his/her decision to the Human Resources Department and City Manager for final review.

3. The employee will pay the initial tuition and related costs in advance and will be granted reimbursement only after the grade has been received. A grade level of "C" or better for an undergraduate course is required for reimbursement. A grade point average of "B" or better for a graduate course is required for reimbursement. Courses graded by "pass/fail" will be reimbursed only if the course uses the "pass/fail" as a mandatory grading requirement and a "pass" grade is received. Such reimbursement is based on the employee's official school grade report or transcript.

B. After completion of the course, the Tuition Reimbursement Request Form, itemized tuition and fee receipt and grade report must be submitted within 45 calendar days of completion of the course for approval by Human Resources. Failure to submit the appropriate documents within the time limit indicated may result in denial or delay of the tuition reimbursement for the course.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.00 – Sick Leave

I. Purpose

A. The purpose of this policy is to establish uniform guidelines for the accrual, use and payout of sick leave. Sick leave is paid time away from work to provide income protection for an employee who:

1. Is unable to perform his/her job due to an illness or injury;
2. Must miss work to care for an immediate family member who is ill or injured; or
3. Needs time away from work for visits to a professional healthcare provider, for him/herself or for a family member, which cannot be reasonably scheduled outside of normal work hours.

II. Eligibility

A. Only regular full-time employees are immediately eligible to accrue sick leave.

B. Part-time, seasonal and temporary employees are ineligible to accrue or use sick leave.

III. Accrual

A. Timing. Sick leave accrues at the rate of 1-day per continuous month of service for full time employees for a total of 12 days per year.

1. Employees who begin employment before the 16th of the month or who leave employment after the 15th of any month shall earn sick leave credit for the month.
2. Employees who begin employment on or after the 16th or who separates on or before the 15th shall not earn sick leave credit for that month.

B. Rate. Sick leave accrual is as listed in the table below. The rate of accrual varies according to the employee's classification as follows:

Regular Full-time Employees	96 hours ~~12 days~~ per year ~~year~~
Fire Shift Personnel 24/48 cycle	144 hours~~12 days~~ per year
Police Shift Personnel	96 hours~~12 days~~ per year

C. Termination/transfer. Accrual of sick leave is unlimited until the employee is terminated or is transferred to a position which is ineligible for paid sick leave, at which point the accrual ceases and the employee's sick leave balance is paid out according to the schedule maximums below.

D. Part-time to full-time**.** An employee transferring from a regular part-time position to a regular full-time position or vice versa shall retain the balance of sick leave already accrued but shall begin to accrue sick leave at the rate applicable for the new position.

E. Fire personnel. Certified Fire personnel shall accrue sick leave according to the

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rate applicable to their regular shift assignment as indicated by the schedule above; the accrual rate changes on the effective date of a new shift assignment.

IV. Usage

A. After one month**.** An eligible employee may use accrued sick leave after the completion of one (1) full month of employment unless a part of an accommodation under the ADAAA. If sick leave is exhausted, vacation may be used for additional time off needed.

B. Departmental procedures. To be authorized for leave under this policy, an employee must notify the appropriate supervisor according to the procedures adopted by their department.

1. Each department shall establish and communicate to employees' procedures for scheduling/reporting the use of sick leave for both foreseeable and unplanned absences.
2. With respect to this policy, an unplanned absence is one that was not scheduled and approved by the employee's supervisor prior to the day of the absence.

C. Unplanned absence**.** In the event that an employee must miss work due to an unexpected illness/injury, s/he should notify the designated supervisor prior to the start of the shift (or as soon as is reasonably possible) and according to the notification procedures adopted by the department but no less than one (1) hour to the start of their shift. Failure to report in will cause an employee's absence to be charged to leave and regarded as a no call/no show.

D. Foreseeable absence. If an absence is foreseeable, such as a doctor's appointment, the employee shall schedule it so as to not unduly disrupt departmental operations and to give supervisors as much advance notice and flexibility in scheduling as possible.

E. Failure to comply**.** An employee who fails to comply with departmental procedures for the notification and scheduling of sick leave may be denied paid sick leave and subject to disciplinary action, up to and including, termination of employment. An employee on sick leave found to be engaged in activities in direct conflict with the purpose of this policy, including outside employment or self-employment, may be denied compensation for the leave and subject to disciplinary action up to and including termination of employment.

F. Time keeping. Use of sick leave will be **not** considered time worked for purposes of calculating overtime pay or compensatory time accrual~~will be recorded on the same basis as time worked and~~ and ~~is not subject to a daily limit corresponding to the number of hours the employee is regularly scheduled to work~~.

G. More than 3 days. In the event that an employee will be or has been absent for ~~*more than*~~ three (3) consecutive work ~~days~~ days or more (or one (1) shift for firefighters) for reasons covered under this policy, they will contact the Human Resources Department as soon as possible to determine whether the absence should be designated as a leave under the Family and Medical Leave Act

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(FMLA).

1. Supervisors are also responsible for notifying the Human Resources Department of any leave of absence exceeding three (3) consecutive work days or that might otherwise qualify for FMLA leave.
2. An employee who will be absent for more than three (3) consecutive work days shall notify the designated supervisor of his/her expected return-to- work date as soon as is reasonably possible and prior to the date of return.

H. Illness on vacation. An employee who becomes ill or who is injured while on vacation leave may request that the vacation leave be ended and the illness or injury time be converted to sick leave, if available.

I. Absenteeism or misuse. While sick leave is intended to be a form of income protection, it does not provide job protection, except when used in conjunction with FMLA leave.

1. An employee who is habitually absent from work for any reason, other than for an authorized leave of absence under the FMLA, ADAAA or workers' compensation, may be subject to disciplinary action and/or loss of employment.
2. The department Director shall determine what constitutes excessive absenteeism on a case-by-case basis, taking into account the reasons for the absences and the degree to which they disrupt departmental operations. What constitutes excessive absenteeism for an employee in one job classification may be different than for an employee in another job classification.
3. Excessive use, misuse or abuse may be evidenced as follows, but is not limited to these examples:
    a. misrepresenting the need for use of sick leave.
    b. falsifying or altering healthcare provider notices, reports releases or other such physician documentation.
    c. evidence of a pattern of sick leave usage, such as frequently using sick leave before/following ~~holidays~~ weekends, etc.
    d. Using leave on days that evidence a pattern
    e. taking excessive leave (such as an entire day for an appointment).
    f. using sick leave as it is accrued, thereby having no accumulation.
    g. performing secondary work while on sick leave.

J. Last day of employment. Terminating employees shall not use sick leave in the last two weeks of employment unless providing a doctor's certification of the need for leave and/or unless the employee is using sick leave for approved FMLA leave or as a provision of ADAAA.

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K. Family member. Under this policy, an immediate family member is the employee's father, mother, sibling, spouse, child/stepchild, or in-law. In the event of a life-threatening illness or injury of an employee's family member who does not meet the definition of "immediate family," the department Director may allow the employee limited use sick leave as they deem reasonable under the circumstances.

V. Leave Substitution

A. FMLA. Time away on sick leave due to an event that qualifies for leave under the Family and Medical Leave Act (FMLA) will be deducted from both the employee's sick leave balance and their balance of available FMLA leave. The employee may also be required to use other paid leave if s/he does not have enough sick leave to cover the FMLA absence.

B. Non-FMLA. An employee lacking enough accrued sick leave to cover an absence under this policy which is *not* subject to the FMLA, may request to substitute other paid leave or to be placed on a leave-without-pay status. The substitution of other paid leave is not automatic.

1. Any leave substitution must be approved by the department Director or designee, who will consider whether to-
    a. Approve the use of other paid leave;
    b. Authorize a leave without pay; or
    c. Take other administrative action to mitigate the negative impact of the employee's absence(s).
2. Approved paid leave substitutions shall be subject to the following order:
    a. Vacation leave
    b. Holiday leave
    c. Compensatory time

C. FLSA. The provisions of this policy apply to employees whether classified as exempt or nonexempt from the minimum wage and overtime requirements of the Fair Labor Standards Act (FLSA), in accordance with the rule found at 29 CFR Part 541.710 and pursuant to the City of Celina's general policy of public accountability. All employees shall account for any absences subject to the application of this policy according to the manner described herein.

1. Exempt employees should substitute paid leave or leave without pay for any absence which causes hours worked to be less than eighty (80) in a pay period.
2. Nonexempt employees must substitute paid leave or leave without pay for any absence which causes hours worked to be less than normally scheduled for any designated work period, which is generally 40 hours in a seven-day work period.

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5.00 – Sick Leave

~~D. Donations. Employees who have exhausted all paid leave and face the possibility of a leave of absence without pay due to an illness/injury may request donations of leave from other employees under the City's Sick Leave Policy.~~

VI. Documentation

A. Return-to-work release. An employee returning from a sick leave absence for their own illness/injury in excess of three (3) consecutive workdays will be required to submit a return-to-work release from the employee's doctor indicating that the employee has recovered enough from their recent illness/injury to perform the essential functions of their position with or without accommodation. The employee may also be required to take a physical ability test if such a test is normally required for placement in the job. Both the return-to-work release and a passing score on the physical ability test (if required) must be submitted to the Human Resources Department before the employee may resume regular work duties.

B. Proof of Illness/Injury. A department Director may, at their discretion, require satisfactory proof of illness/injury if they suspect fraud or misuse of leave for absences not authorized under the FMLA, ADAAA or workers' compensation leave. Departmental requests for medical documentation to support the use of sick leave shall be processed by the Human Resources Department. Employees are encouraged to request and retain evidence of health care office visits/treatment related to sick leave absences in the event that absenteeism or apparent misuse of sick leave becomes a matter for investigation and/or disciplinary action.

C. For FMLA, ADAAA or Workers' Compensation. For absences authorized under FMLA, ADAAA or workers' compensation, the Human Resources Department will request documentation to support the need for absence and/or the return to work. All such requests will be made in accordance with applicable laws and regulations.

VII. Payout of Unused Sick Leave (Starting 01/14/2025)

A. Employees who have completed at least ~~one~~ five (~~1~~5) full years of employment with the City are entitled to a payout of accrued sick leave upon termination ~~in good standing~~ (for eligible terminations categories refer to 2.09, III. Types of Separation: Resignation, Retirement, Resignation in Lieu of Pending Disciplinary Action, Incapacity, Death and Reduction in Force) or upon transfer to a job classification ineligible for sick leave accrual up to the maximum of 240 hours for general employees and 360 hours for firefighters.~~.~~ Payout shall be made;

1. In the employee's final paycheck or in the last paycheck reflecting the employee's status as an employee eligible to accrue sick leave; and

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5.00 – Sick Leave

2. On the basis of the employee's hourly rate of base pay ~~in~~ which was in force immediately preceding the termination or transfer and shall include any leave accrued for that pay period.

B. Payout limits. Payout of sick leave accrual to employees vacating full-time positions shall be limited according to the following schedule (For this section, time begins for all employees on the effective date of ~~this policy~~01/14/2020):

(Starting 01/14/2025) Years of Full-time Service	Payment Eligibility (percent of unused sick leave)
Under 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10 plus	100%

~~No employee will be paid for more than 240 hours for general employees and 360 hours for firefighters.~~

VIII. The City of Celina reserves the right to modify, alter, delete, suspend or discontinue all or any part of this policy at any time, with or without prior notice to employees; nothing in this policy constitutes a contract, implied or express.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.01 – Vacation Leave

I. Purpose

A. The purpose of this policy is to establish uniform rules and procedures to govern the accrual, use and payout of vacation leave. Vacation leave is paid time away from work to pursue activities that promote the well-being of the individual.

B. An employee desiring to use vacation leave must notify the appropriate supervisor in accordance with the procedures adopted by his/her department.

II. Eligibility

All regular full-time employees are immediately eligible to accrue vacation leave, at the time of hire as outlined herein; part-time employees and seasonal and temporary employees are not eligible to accrue or use vacation leave.

III. Accrual

A. Vacation leave is accrued at the close of each of the first two (2) pay periods in a month and is not available until the following pay period.

B. Vacation accrual for regular full-time employees is based on an eight (8) hour day. Regular full-time employees shall accrue vacation leave to a maximum balance of 240 hours for general employees and 360 hours for firefighters, at the rate of:

~~1. General/Police employees~~

~~a. 2 weeks per year up to completion of 5 years of service~~

~~b. 3 weeks per year up to completion of 10 years of service~~

~~c. 4 weeks per year from 11 years of service forward~~

~~2. Fire employees (shift personnel)~~

~~a. Full-time Fire (shift) employees receive 1.5 times the vacation of general employees in the aforementioned categories.~~

~~C. Department Directors and Managers will accrue vacation at the following rate:~~

~~1. 3 weeks per year up to completion of 10 years of service~~

~~a. 4 weeks per year from 11 years of service forward~~

1. All General Employees

a. 80 hours per year up to completion of 5 years of service

b. 120 hours per year up to completion of 10 years of service

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5.01 – Vacation Leave

c. 160 hours per year from 11 years of service forward

2. Police
   a. 80 hours per year up to completion of 5 years of service
   b. 120 hours per year up to completion of 10 years of service
   c. 160 hours per year from 11 years of service forward

3. Fire employees (shift personnel)
   a. 120 hours per year up to completion of 5 years of service
   b. 180 hours per year up to completion of 10 years of service
   c. 240 hours per year from 11 years of service forward

4. Directors and other key positions will accrue vacation at the following rate:
   a. 120 hours per year up to completion of 10 years of service
   b. 160 hours per year from 11 years of service forward

~~D.~~C. Accrual of vacation leave continues up to the maximum accrual limit or until the employee terminates employment (for eligible terminations categories refer to 2.09, III. Types of Separation: Resignation, Retirement, Resignation in Lieu of Pending Disciplinary Action, Incapacity, Death and Reduction in Force) with the City or transfers to a job classification that is ineligible for vacation leave accrual.

1. In the case of resignation ~~termination (in good standing)~~ or transfer, the employee is paid for accrued vacation leave at their current rate of pay.
2. At the end of each calendar year, employees with vacation balances above the maximum allowed by policy will have their vacation leave balances administratively reduced to the maximum allowed.

~~E.~~D. An employee transferring from a regular full~~part~~-time position to a regular part ~~full~~- time position ~~or vice versa~~ shall be paid out~~retain~~ the balance of vacation leave ~~already~~ accrued. ~~if the new position is also eligible for vacation leave accrual.~~

~~F.~~E. In the case of the regular job assignment of a 24-hour shift fire protection personnel moving to an eight (8) hour day schedule, their vacation balance will be divided by 1.5 (the same ratio as the accrual rate). In the case of the regular job assignment of an eight (8) hour day fire protection personnel moving to 24-hour shift, their vacation balance will be multiplied by 1.5 (the same ratio as the accrual rate). Such adjustments in vacation balances will not

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be made as a result of temporary reassignments of fire protection personnel to light duty and modified duty roles due to medical or administrative restrictions.

IV. Use

A. An employee may begin use of accrued vacation leave upon successful completion of the six (6) month introductory/probationary employment period.
   1. All use of vacation leave is subject to the approval of the employee's department Director or designee, who may approve or disapprove vacation leave requests according to the provisions of this policy and subject to the needs of his/her department.
   2. Employees should be afforded the opportunity to take at least five (5) continuous days of vacation leave annually.

B. Vacation leave may be used to compensate an employee for time away from work due to reasons for which accrued sick leave would normally be used but has been exhausted.
   1. Vacation leave may not be substituted for sick leave until all other accrued leave and/or compensatory time has been exhausted; however, there is no requirement that compensatory time be exhausted prior to using vacation leave for an event that qualifies for leave under the Family Medical Leave Act (FMLA) or City Leave of Absence.
   2. Such use is subject to the approval of the department Director or designee based on past utilization and sick leave balances as they relate to tenure with the City.

C. Terminating employees are not allowed to use vacation as their final day of employment unless the employee is using vacation for approved FMLA leave or as a reasonable accommodation under the ADAAA or it is approved by their department Director.

V. Accounting:

A. ~~An employee shall be compensated for~~ Vacation will be considered time worked for purposes of calculating overtime pay or compensatory time accrual. ~~and will not be leave subject to a daily limit. corresponding to the number of hours for which he/she would have been scheduled to work.~~

B. In the event that an employee has exhausted all other available leave, time away from work for an event that qualifies for leave under the Family and Medical Leave Act (FMLA) or ADAAA will automatically be paid from the employee's vacation leave balance, as well as be deducted from the employee's available balance of FMLA leave or ADAAA.

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5.01 – Vacation Leave

C. Employees on sick, FMLA or leave under the ADAAA leave will be required to use vacation accruals per section 5.08 Medical Leave Policy~~,~~ if sick leave has been exhausted. ~~at a minimum, a portion of their accrued leave to pay for required benefits and payroll deductions.~~

D. The provisions of this policy apply to employees whether classified as exempt or nonexempt from the minimum wage and overtime requirements of the Fair Labor Standards Act (FLSA), in accordance with the rule found at 29 CFR Part 541.710 effective August 23, 2004, and pursuant to the City of Celina's general policy of public accountability; all employees shall account for any absences subject to the application of this policy according to the manner described herein.

E. As a new hire, in the event an employee has been given special permission to use vacation hours up to 40 hours before enough hours have been earned, the unearned hours used will be reflected as a negative balance. Written approval is required with HR acknowledging any negative hours will be deducted from the employee's final check when they terminate.

VI. Scheduling and Notification

Each department shall establish and communicate to its employees' specific procedures for the use of vacation leave which reflect the following:

A. For scheduled use, a process for requesting the leave in writing, at least three (3) working days in advance of the requested leave, and documenting and communicating the approval/disapproval of the requested leave, including both the employee's and supervisor's approval;

B. For unscheduled use, a process for documenting the request and the reason for the approval/disapproval of the requested leave, including both the employee's and supervisor's approval;

C. That emergency requests should be reserved for truly unforeseeable events requiring the employee to be absent to handle personal business of an urgent nature; and

D. That the maximum continuous vacation that can be authorized is two (2) calendar weeks, unless otherwise approved by the department Director based on past utilization and sick leave balances as they relate to tenure with the City.

An employee who becomes ill or who is injured while on vacation leave may request that the vacation leave be ended and the illness or injury time be converted to sick leave or other accrued leave type.

An employee who fails to comply with departmental procedures for the notification and scheduling of vacation leave may be denied paid leave and be subject to disciplinary

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action, including termination of employment. Further, an employee who takes a leave day following denial, as outlined herein, may be subject to disciplinary action, including termination of employment.

VII. Payout

A. Employees who have completed their probationary period with the City are entitled to a payout of accrued vacation leave upon termination of employment or upon transfer to a job classification ineligible for vacation leave accrual. Payout shall be made-

1. In the employee's final paycheck or in the last paycheck for which the employee is eligible to accrue vacation leave; and
2. Based on the employee's hourly rate of base pay immediately preceding the termination or transfer and shall include any leave accrued for that pay period.

B. Payout of vacation leave accrual to employees vacating full- or part-time positions shall be limited to a maximum of 240 hours; payout of vacation leave accrual to fire protection personnel, vacating positions designated to work 24-hour shifts, shall be limited to a maximum of 360 hours.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.02 - Holidays

I. Purpose

The purpose of this policy is to identify the rules and procedures regarding employee compensation for official holidays of the City. All regular full-time employees are immediately eligible for paid time off for an official City holiday. Time off for holidays will be paid at the eligible employee's regular hourly rate of pay and will ~~not~~ be considered time worked for purposes of calculating overtime pay or compensatory time accrual.

II. Eligibility for Benefit

A. All regular full-time and part-time employees are eligible for the following holidays.

B. Part-time ~~,~~ seasonal, fixed-term (contract) and temporary employees are not eligible for paid time off for a holiday, but will be paid for any time actually worked on the holiday ~~plus an equivalent amount of holiday pay at the regular rate of pay~~.

III. Official Holidays

The following holidays are official City holidays for all eligible employees. Human Resources will post a list of dates for recognized holidays before the beginning of each calendar year.

New Year's Day	Thanksgiving Day
Martin Luther King Jr. Day	Day After Thanksgiving
Memorial Day aka (September 11th Memorial Holiday for Firefighters)	Christmas Eve ~~Presidents Day~~
Fourth of July	Christmas Day
Labor Day	Floating Holiday
Good Friday	*Birthday

*Birthday Day off. While an employee's birthday is not a "Holiday", it is counted as such for the Holiday Bank. Employees shall take the day of their birthday off unless the following applies. ~~-~~If birthday is on Saturday, take Friday and if it is on Sunday, take Monday. If employee must work on actual birthday, take another day off during the week of the birthday. The day off should not carry over to another pay period.

~~Generally, holidays occurring on Saturday will be observed on the preceding Friday, and holidays occurring on Sunday will be observed on the following Monday. Exceptions to the dates that holidays are observed is at the discretion of the City Manager and will be so noted on the list of holiday dates provided annually by Human Resources.~~

~~**IV. Accrual**~~

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5.02 - Holidays

~~A. Working on a Holiday. Full-time non-exempt employees (other than Police and Fire) who must work on an official holiday, will be paid for the holiday, in addition to hours actually worked, at the regular rate of pay.~~

~~1. Police and Fire Department employees working on a holiday will be allowed to accrue holiday hours for use on an alternate day, as scheduled by the supervisor and subject to the limitations indicated below. 2. Exempt employees who work on an official holiday will also be allowed to accrue holiday hours for use on an alternate day, with the approval of their supervisor and subject to the limitations indicated below.~~

~~B. Timing and Limits of Accrual: Police and exempt employees shall not accrue holiday time until the date that the holiday actually occurs.~~

~~1. Police shall accrue holiday hours such that all hours accrued after September 1 of a calendar year must be used by August 31 of the following calendar year.~~

~~2. Firefighters shall receive their annual accrued allotment of holiday hours on January 1 and must be used prior to December 31. Holiday hours not used by December 31 will be lost.~~

~~3. Exempt employees shall accrue holiday hours on a fiscal year basis, such that all hours not used by the end of the fiscal year (September 30) shall be converted into vacation hours and applied to the employee's current vacation accrual, subject to the limitations indicated in the vacation leave policy.~~

IV. Holiday Bank

A. Defined Holiday Hours

1. Holidays. The City recognizes 12 holidays per year. All personnel who are regularly scheduled to work 2080 hours per year, will receive 96 hours of holiday per year. A holiday, for all personnel who regularly are scheduled to work an equivalent of 3033 hours per year, will receive 144 hours of holiday per year. Holidays are considered time worked. Due to the requirements of providing 24/7 public services, not all employees are permitted to take time off on the official or the observed day of the Holiday. Total banked hours is dependent on City Manager's approval.

B. Administrative and General Personnel

1. Annual Holiday Bank. Beginning on January 1 of each year, each employee will receive all City observed holiday hours in their Holiday Bank. This bank will be administered by Payroll and will not be used at the employee's discretion except for floating holiday and birthday holiday, per supervisory approval. This bank will be used for official City observed holidays only. At

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the end of each calendar year, unused Holiday Bank hours will not carry forward. Unused accrued Holiday Bank hours will not be eligible for payout upon separation. Employees that start after January 1 of a given year will receive a prorated amount of hours in their Holiday Bank based on the number of remaining holidays for that year.

2. Exempt Employees required to work a Holiday. The employee will be paid their regular salary and earn the equivalent of hours worked on the holiday at a maximum of 8 hours to be added to their Vacation Leave bank per observance.

3. Non-Exempt Non-Public Safety Shift Full-Time Employees required to work a Holiday. The employee will be paid for the actual time worked. In addition, the employee will be paid 8 hours for the holiday at their regular rate of pay from their holiday bank.

4. Part-Time and Other Employees Holiday Pay. Regular Part-Time Employees (RPT), who are required to work a holiday, will be paid 4 hours for the holiday in addition to hours worked. Seasonal, temporary and intern employees are not eligible for holiday pay.

5. Scheduling of Holiday. Holidays occurring on Saturday will be normally observed on the prior Friday and holidays occurring on Sunday normally will be observed on the following Monday except as approved by the City Manager.

6. Ineligibility for Holiday Pay. Employees on an unpaid leave status on the scheduled workday immediately preceding or following a scheduled holiday will not be paid for the holiday.

7. Other Religious Holidays. Employees may request an approved absence to celebrate a religious holiday that is not a scheduled City holiday. If approved, the employee may be given time off without pay or may be authorized to use accrued vacation leave or may use their floating holiday.

C. Police and Fire Personnel Shift Worker (Regularly Scheduled on Weekends)

1. Holiday Bank Fronting. Beginning on January 1 of each year, each employee will receive all City observed holiday hours in their Holiday Bank including their floating holiday and birthday. At the end of each calendar year, unused Holiday Bank hours will not carry forward to the next calendar year. Unused accrued Holiday Bank hours will not be eligible for payout upon separation. Employees that start after January 1 of a given year will receive a prorated amount of hours in their Holiday Bank based on the number of remaining holidays for that year.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.02 - Holidays

~~IV.~~V. Use/Payout

A. Termination of Employment: Terminating employees are not allowed to use a holiday as their final day of employment.

B. Termination of Employment: Firefighters and police ~~-~~shift worker ~~personnel~~ (regularly scheduled on weekends) ~~holidays~~ ~~shift~~ that have used holiday time that has not been observed ~~accrued~~ will be withheld from their final paycheck.

C. Absence Before or After a Designated Holiday: To receive holiday pay, an otherwise eligible non-exempt employee must be at work or on an authorized leave of absence on the scheduled work days immediately preceding and immediately following the day on which the holiday is observed. If an employee is absent on one or both of these days because of an illness or injury, the City reserves the right to verify the reason for the absence before approving holiday pay.

D. Leave of Absence. An employee on an approved leave status, including workers' compensation leave, will be paid holiday pay in lieu of any leave status pay they would ordinarily receive at the time of the holiday. Receipt of holiday pay while on a paid leave of absence qualified under the Family and Medical Leave Act (FMLA) does not extend an employee's FMLA leave entitlement.

E. Religious or Other National Holidays. Employees may request to take other religious and national holidays but any such request is subject to the approval of the supervisor. If approved, the employee must use appropriate leave balances (i.e. holiday accruals, vacation leave, etc.) Sick leave is not authorized for use for religious or other national holidays.

F. Leave Substitution. Holiday hours accrued may not be substituted for sick leave until all accrued sick leave has been exhausted.

~~F.~~G. Pre-approval from the Director. In the event a non-shift employee is required to work a holiday, Director written approval is required. Scheduling an employee to work on a holiday is reserved for only unavoidable events.

~~G.~~H. The City of Celina reserves the right to change, modify, amend, revoke or rescind all or part of this policy in the future.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.03 – Bereavement Leave

I. Statement of Purpose

The purpose of this policy is to identify the rules and procedures with regard to the use of bereavement leave. Bereavement leave is intended for the purpose of allowing an employee time to attend to the immediate needs of the situation.

II. Eligibility

All full and part time employees are eligible for paid bereavement leave from the first day of employment. Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisor's approval, use any available vacation time for additional time off as necessary.

III. Maximum Bereavement Leave

While there is no accrual of bereavement leave, each regular employee will be eligible for up to three (3) working days of hours of leave per occurrence. Firefighters assigned to a 24-hour shift will be eligible for a maximum of 36 hours per occurrence.

Employees will receive pay for each hour of bereavement leave used within the maximums set above. Paid leave does not include any special forms of compensation, such as incentives, commissions, bonuses, overtime, or shift differentials.

IV. Appropriate Use of Bereavement Leave

A. Bereavement leave may be used by an employee in the case of the death of:

Consanguinity (Blood Relationships) and Adoptive Relationships

First Degree	Second Degree
Mother and/or Father	Grandparent
Daughter and/or Son	Grandchild
Brother and/or Sister	Uncle and/or Aunt
Legal Guardian	1st Cousin
Legal Ward	Niece and/or Nephew

Affinity (Marriage Relationship)

First Degree	Second Degree
Spouse	Brother and/or Sister – in - Law
Son and/or Daughter – in Law	Spouse's Grandparent
Mother and/or Father –in – Law	Step-Grandparent
Step Parent	Stepsister and/or Stepbrother
Stepson and/or Stepdaughter	

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

5.03 – Bereavement Leave

V. Procedures

A. Notification - Employees who wish to take time off should notify their supervisor immediately.

B. Documentation - A Department Director may require the employee provide documentation for a bereavement leave request.

VI. Leave Substitution

If additional days of leave are requested to take care of family needs in conjunction with a death in the family, then appropriate leave pursuant to Vacation Leave or Sick Leave policies is to be used prior to the authorization of unpaid leave.

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.04 – Sick Leave Pool

I. Purpose

A. The purpose of the Sick Leave Pool is to provide employees with a possibility of obtaining additional paid sick leave days to assist them financially when they are unable to work for an extended period of time due to their own catastrophic illness or injury that caused the employee to exhaust all paid leave time benefits.

B. The intention of the Sick Leave Pool is to bridge the gap between an employee's accruals and Long-Term Disability. The max amount of sick time an employee can gain by being granted the Sick Pool is two-hundred and forty (240) hours.

II. Policy

A. This policy establishes guidelines for the organization and administration of the Sick Leave Pool for the employees of the City of Celina (referred to as the "Pool").

III. Definitions

A. For purposes of this policy, the following definitions will apply:

1. Catastrophic Illness/Injury:

A severe condition that affects the mental or physical health of an employee to the extent that he/she is unable to perform his/her job;

Is not caused by a Workers Compensation injury;

Is not caused by willful misconduct; is not purposely self-inflicted; and is not the result of a second job (whether for pay or self-employed);

Poses a threat to life; requires in-patient or hospice care or extensive outpatient treatment or care; and requires the services of a state licensed physician for an extended period of time; and

Causes the employee to exhaust all his/her paid leave balances.

Examples of illnesses or injuries considered severe enough to be considered catastrophic include, but are not limited to:

Stroke w/residual paralysis or weakness

Incapacitating heart attack

Major Surgery

Attachment: Council Worksession Redline (Personnel Policy Update 10.2.2021)

5.04 – Sick Leave Pool

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- Cancer

Examples of illnesses or injuries that are generally NOT categorized as catastrophic include but are not limited to:

- Flu
- Broken Limb
- Cold/Allergy
- Covid (however, complications that develop may be considered)
- Certain types of surgery without serious complications (ex: appendectomy; tonsillectomy)
- Pregnancy with only minor or no complications
- Elective procedures (however, complications that develop may be considered)
- Other conditions that are short term in nature

2. Extended period of time is defined as 30 calendar days of absence for a single illness or injury.

3. Licensed Physician as defined by the Texas Insurance Code and practices within the scope of his/her license.

IV. Contributions to the Sick Leave Pool

Contributions to the Sick Leave Pool are strictly voluntary.

Contributions can be made from excess sick leave that would be lost due to maximum carry over limits and annually a contribution of up to 24 hours (in 8 hour increments) can be contributed by active employees who have a minimum sick leave balance of one hundred and twenty (120) hours, during open enrollment.

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5.04 – Sick Leave Pool

Employees making contributions to the Pool may not stipulate who is to receive their contributions.

V. Eligibility

Full time employees who have been employed with the City for one year and meet the criteria listed in this policy are eligible to apply for sick leave from the Pool.

The employee must have exhausted all paid leave (including sick leave, vacation, holiday and comp time) due to his/her non job-related catastrophic injury or illness.

The employee must have an absence of 30 calendar days to apply to the Sick Pool.

The employee must provide a medical certification from a licensed physician, in a form acceptable to the City, that the illness or injury will require the employee to remain absent from work. The City has the right to request a second, and if necessary, a third medical opinion (paid for by the City).

Sick Leave Pool benefits are not available for absences due to an employee's family member; benefits are only available for the employee's own illness/injury.

The employee must not have been disciplined or written-up during the last 1 year for abuse of sick time. Other factors considered by the City when granting or denying an application for sick pool benefits include, but are not limited, to the nature of the serious health condition giving rise to the request; the employee's length of service; disciplinary and attendance history (including prior utilization of sick leave); the likelihood that the employee will be able to return to his/her regular duties within a reasonable period of time; and available sick leave in the Pool.

While using time from the Sick Pool, employees may not work another job (including self-employment). An employee who performs outside work will lose all remaining Sick Pool time and will be subject to disciplinary action up to and including termination.

VI. Request for Use of Sick Pool Time

Requests must be submitted on the proper form and given to the Human Resources Director along with a medical certification signed by a licensed physician.

The physician's statement must include the date the medical condition began, the probable duration, an estimate of time the employee will be unable to perform work of any kind, and any other information requested by the City. The physician's statement must also indicate if the employee can work a reduced work schedule and list any restrictions. The City may also require

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5.04 – Sick Leave Pool

the employee to submit to a medical exam by a doctor chosen by the City to determine eligibility for benefits under this policy. Cross reference with the FMLA Policy, Section 5.08.

The employee must sign required medical releases/authorizations required by the City for this purpose.

If an employee refuses to work an approved reduced work schedule, Sick Pool time will be denied.

An updated medical certification will, at a minimum, be required for each 30 days of sick leave granted.

Any unused balance of sick leave time granted to an employee will be returned to the Sick Leave Pool.

VII. Approval Process

Application for sick pool leave is contingent upon the available balance in the sick pool at the time of application. In no case will the employee be granted more than 30 work days per calendar year.

Once the request is received from the employee, a decision will typically be made within five working days and communicated to the requesting employee. The City Manager or Assistant City Manager will grant final approval or denial.

VIII. Recordkeeping

Payroll will maintain the Sick Leave Pool ledger. The ledger will reflect the balance of the sick leave pool along with the records of contributions and advances.

The original copies of request forms and medical certifications will be kept in the employee medical file maintained in the Human Resources Department.

IX. Miscellaneous

When Sick Pool time is granted, it will run concurrently with FMLA time.

Abuse of this policy will result in loss of any remaining sick pool time and may also result in disciplinary action, up to and including termination.

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CITY OF CELINA
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Chapter 5 – Leaves

5.04 – Sick Leave Pool

X. Reinstatement

Employees returning from an absence covered by the Sick Leave Pool will be reinstated to the position held before the absence or one of similar pay and status provided the City's circumstances have not changed to the extent that it would be impossible or unreasonable to provide reinstatement.

If the same job or one of similar pay and status is not available, reinstatement may, at the City's discretion, be deferred until a position is available. Usually, an employee who fails to return to work at the conclusion of an approved leave of absence will be considered to have voluntarily resigned his or her employment with the City.

XI. Policy Revisions

No property rights or entitlements exist to Sick Leave Pool benefits. The City may change, modify, amend, revoke, or rescind all or part of this policy at any time.

~~**I.** Purpose~~

~~The purpose of the Sick Leave Pool (Pool) is to provide employees (who are bank members) with a possibility of obtaining additional paid sick leave days to assist them financially when they are unable to work for an extended period of time due to a qualifying catastrophic illness or injury that caused the employee to exhaust all paid leave time benefits.~~

~~**II.** Definitions~~

~~For the purpose of this procedure, the following definitions shall apply:~~

~~Qualifying Catastrophic Illness/Injury~~

~~A. Catastrophic Illness/Injury:~~

~~1. A severe condition that affects the mental or physical health of an employee to the extent that he/she is unable to perform his/her job nor is able to perform one or more normal life functions; or~~

~~2. Poses a threat to life; required 'in-patient' or hospice care or extensive outpatient treatment or care; and requires the services of a state licensed physician for an extended period of time.~~

~~B. Sick Leave Pool - A depository of employee-donated hours.~~

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C. Catastrophic Illness/Extended Sick Leave Bank Member - A contributing participant in the Bank.

D. Eligible Family Member - Member's child, stepchild, parent, stepparent, spouse and domestic partner . For the purpose of this policy, child is defined as a biological, adopted or foster child, stepchild, child of an employee who is standing in *loco parentis* or legal ward of the employee.

E. Family Illness/Injury - A medically documented catastrophic illness or injury for which an eligible family member receives ongoing medical care, or sudden or unexpected emergencies that require immediate medical attention.

F. Personal Illness/Injury - A non-job related medically documented catastrophic illness or injury for which an employee receives ongoing medical care, or sudden or unexpected emergencies that require immediate medical attention.

G. Extended period of time is defined as thirty (30) calendar days of absence for a single illness or injury.

H. Licensed Physician as defined by the Texas Insurance Code and practices within the scope of her/her license.

III. Policies and Procedures

This policy establishes guidelines for the organization and administration of the City's Sick Leave Pool, (hereinafter referred to as "Pool".)

Employees who, through willful misconduct, purposely self-inflicted, or injured on a job not connected to his/her employment with the City, are NOT eligible for use of the Sick Leave Pool.

No inducement, discipline, promise or threat of inducement or discipline shall be used to encourage or discourage participation.

Request for leave from the Bank may be made by or for a bank member. For a request to be considered under this policy, the incapacity must be a catastrophic illness/injury as defined by this policy. Employees may not request leave for incapacities due to an On-the-Job Injury (workers comp).

Incapacities due to elective procedures or cosmetic surgery are not eligible for consideration under the Sick Leave Bank. However, complications that develop as a result of the procedures may be considered.

A. Contributions to the Sick Leave Pool – Contributions to the Pool are strictly voluntary. Contributions can be made from excess sick leave that would be lost due

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5.04 – Sick Leave Pool

to maximum carry over limits, at voluntary separation of service from the City, or an annual contribution of between 8 and 24 hours can be contributed by active employees who have a minimum sick leave balance of one hundred and four (104) hours of accumulated sick leave. Annual contributions will not be needed as long as the Pool has a balance of two thousand (2,000) hours.

B. Eligibility:

Regular full-time Employees who have been employed with the City for one year and meet the criteria listed in this policy are eligible to apply for sick leave from the Pool.

a. The employee must have exhausted all paid leave (including sick leave, vacation, holiday and comp time) due to his/her non-job related catastrophic injury or illness.

b. Employee must have had an absence of thirty (30) calendar days to apply to the Pool.

c. The employee must provide a medical certification from a licensed physician, in a form acceptable to the City, that the illness or injury is catastrophic and will require the employee to remain absent from work. The City reserves the right to request a second opinion (paid for by the City).

d. Pool benefits are not available for absences due to an employee's family member; benefits are only available for the employee's own illness/injury.

e. The employee must not have been disciplined or written-up during the last two (2) years for abuse of sick time. Other factors considered by the City when granting or denying an application for sick pool benefits include, but are not limited to, the nature of the serious health condition giving rise to the request, the employee's length of service, disciplinary and attendance history (including prior utilization of sick leave), the likelihood that the employee will be able to return to his/her regular duties within a reasonable period of time, and available sick leave in the Pool.

f. While using time from the Pool, employees may not work another job (including self-employment). An employee who performs outside work will lose all remaining Pool time and will be subject to disciplinary action, up to and including, termination of employment.

C. Enrollment Period

1. The enrollment period will be January of each year. Forms for enrollment will be provided by the Human Resources Department.

D. Request for Use of Sick Leave Pool

1. Requests must be submitted on the proper form and given to the Human Resources Department along with a medical certification signed by a licensed physician.

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5.04 – Sick Leave Pool

a. The Physician's statement must include the date the catastrophic medical condition began, the probable duration, an estimate of time the employee will be unable to perform work of any kind, and any other information requested by the City.

b. The Physician's statement must also indicate if the employee can work a reduced work schedule and list any restrictions.

c. The City may also require the employee to submit to a medical exam by a doctor chosen by the City to determine eligibility of benefits under this policy.

d. The employee must sign required medical releases/authorizations required by the City for this purpose. If the employee is unable to fill out the necessary paperwork due to the critical nature of his/her illness/injury, the employee's department Director may fill out the application on their behalf.

e. If an employee refuses to work an approved reduced work schedule, Pool time will be denied. An updated medical certification will be required for each thirty (30) days of sick leave granted. Any unused balance of sick leave time granted to an employee will be returned to the Pool.

E. Approval Process

1. Application for sick pool leave is contingent upon the available balance in the sick pool at the time of application. Approval will be given in maximum increments of thirty (30) days or two hundred and forty hours (240)). In no case will the employee be granted more than ninety (90) work days or seven hundred and twenty hours (720) per calendar year. Unused time will be returned to the pool upon the employee's return back to work.

2. Once the request is received from the employee, a decision will typically be made within five (5) working days and communicated to the requesting employee. The City Manager is the approving authority for all requests for usage of the Pool.

F. Record Keeping

1. Human Resources will maintain the Pool ledger. The ledger will reflect the balance of the sick leave pool along with the records of contributions and advances.

2. The original copies of request forms and medical certifications will be kept in the employee's medical file maintained in the Human Resources Department.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.05 – Inclement Weather

Regardless of weather or other conditions, the City never closes. However, under extreme circumstances the City Manager may authorize the temporary closure of certain facilities and issue separate guidelines based on the nature of the event. Because of the essential and direct impact on public safety and health, essential City services must continue regardless of the weather, man-made or technological emergencies, or disasters. Emergency Essential Personnel are required to report to work as scheduled or as needed regardless of official-delayed opening, early closing, or closure of City facilities.

I. Employee Designations

A. In the event of a wide-scale emergency or significant weather event that could impact the community, all employees must be ready to assist in managing the crisis. Some employees are designated as essential for the continuity of governmental operations.

B. Department Directors shall designate each position as "Emergency Essential Personnel" or "Emergency Non-Essential Personnel". These designations shall be documented by the Human Resources Department in the official job descriptions. All personnel shall be advised of their status each year and/or on their hire date. Individual employee status can change as the needs of the City change during an emergency or inclement weather event at the discretion of the Department Director.

1. "Emergency Essential Personnel" – Each Department Director is responsible for identifying those employees who will be designated as Emergency Essential Personnel. These employees might be required to remain available immediately before, during, and/or after a disaster/emergency condition to perform duties directly related to the emergency conditions.
2. "Emergency Non-Essential Personnel" – Following a needs assessment, some employees might be temporarily dismissed from work, concurrently or successively, as determined by the Department Director. These employees are designated Emergency Non-Essential Personnel.

3. "Essential Recovery" – Some employees might be further identified as "Essential Recovery". The City Manager and each Department Director shall be responsible for identifying those employees who are essential to the quick restoration of critical services to the community.

II. Emergency Periods

A. Pre-Impact Period. This is the time prior to the impending emergency or Inclement weather event and includes emergency response activities and preventive measures by the City in preparing for the impending emergency or inclement weather. This period begins when the City Emergency Operations Center opens or the City Manager determines that an emergency or inclement weather event is imminent.

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5.05 – Inclement Weather

B. Emergency or Inclement Weather Period. This is the time during which emergency response activities and/or restoration of critical services are conducted to protect life and property and most other regular City services are suspended. This period begins when City facilities are closed for **normal** business and ends when the City Manager declares it safe for all employees to return to work.

C. Emergency/Disaster – Recovery Period. This is the time during which emergency response activities and/or restoration of critical services and all regular City services are suspended. This period begins when the City Manager orders Emergency Essential personnel to take shelter in City-operated Response Centers and ends when the City Manager reinstates emergency response activities and/or the restoration of critical services.

D. Post Impact/Recovery Period. This is the period of time during which activities are conducted to restore the City's infrastructure and services to pre-disaster conditions. This period begins when the City Manager declares it safe for all employees to return to work and ends when he/she declares the period over.

III. Responsibilities

A. Employee:

Employees shall report for duty at the hour regularly assigned for their workday. No one is excused from work until the City Manager, through each Department Director, authorizes employees to leave their workplace even if a public announcement of office closures or suspension of services is issued. Additionally, employees must return to work as soon as the emergency or inclement weather period is over to participate in the Post Impact/Recovery Period. Employees must:

1. Contact their supervisor when emergency events, disasters, or inclement weather exists or is anticipated in order to receive specific instructions.
2. Discuss with their supervisor, in advance, any circumstances anticipated that might prevent him/her from arriving to work during emergencies/inclement weather conditions (such as road closures, childcare arrangements, etc.) and any pertinent leave requests.
3. Stay informed about emergencies/inclement weather conditions and City operations through the communication methods designated by the City Manager and his/her Department Director (TV/Radio media, City's intranet City's web page, email, text messages, pagers, supervisors, etc.)
4. Maintain an up-to-date Employee ID Badge and carry it at all times.
5. Ensure that emergency contact information supplied to supervisor and the Human Resources Department is current so the employee can be

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contacted when away from work.

When securing or evacuation of personal residences is required, Emergency Essential Personnel will be permitted and expected to make arrangements for their families, including the use of authorized shelters, prior to the Pre-Impact Period.

At the Department Director's discretion, previously approved leave requests may be canceled. Failure to return to **work** upon notice, either written or verbal, that the previously approved leave is being canceled, shall be deemed an unauthorized absence from work or assignment, which may be sufficient cause for termination of employment. In the event that such previously approved leave is not canceled, employees will continue to be charged for such leave. Any unauthorized absence from work or assignment may be considered sufficient cause for termination of employment.

B. Department Directors:

Department Directors shall keep an updated list of the staff that is designated as Emergency Essential Personnel along with defined expectations of duties and reporting during states of emergency, inclement weather delayed openings and closings. The list shall be disseminated to the requisite personnel. Duties of Department Directors are asfollows:

1. Coordinate with the City Manager on any anticipated delays or closings and any alternate procedures that might affect the City's normal business operations.
2. Ensure a clear communication mechanism with all of their employees.
3. Conduct employee training regarding emergency operations procedures prior to May 31st each year that outlines expectations, possible work schedules, leave, etc.
4. Provide the Department's list of Emergency Essential Personnel to the Human Resources Department and Emergency Management prior to January 2nd each year.

C. City Manager:

If any City facility is closed due to an emergency and/or adverse weather conditions, the decision about which departments or divisions will be closed and how employees will be compensated is the City Manager's or his/her designee's responsibility. The City Manager also is responsibility for the following:

1. Coordinating with Department Directors on any City-delayed openings or closings.
2. Designating employee(s) to contact/post delayed openings or closings with

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5.06 – Administrative Leave

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I. Administrative Leave with Pay

Employees may receive paid administrative leave for official business or other work-related matters as designated by the division Manager or designee. Other authorized purposes may include, but not be limited to, voting in official elections, investigative proceedings, jury duty, professional conferences, conventions, training activities, legislative proceedings, civic functions or any other purpose deemed to be in the City's best interests.

II. Administrative Leave without Pay

Administrative Leave without pay (ALWOP) will be utilized when employees have a) exhausted all accrued paid leave, or b) been placed on such leave by department Directors /division Managers.

Employees on "leave without pay" status for 80 hours or more will not accrue benefits for that period unless the leave is in compliance of Family and Medical Leave Act (FMLA). Employee may pay for continuing health insurance coverage.

Any employee placed on ALWOP for more than 80 consecutive hours should contact TMRS to find out if such leave had an impact on their TMRS service eligibility.

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5.07 – Jury Duty/Court Leave

I. Jury/Court Duty

Employees required by summons to report for jury duty (including grand jury duty), or who are impaneled as a juror or alternate juror, shall receive their regular pay during the time period directly related to jury duty (not to exceed 40 hours of jury duty pay per week). Fire department shift personnel may receive up to 48 hours of jury pay per week.

II. Regular Pay

Employees requesting regular pay for work time spent on jury duty must present proof of attendance from the presiding court before pay can be issued. Upon release from jury duty, employees must contact their supervisor to determine if they should return to their assigned work location. Employees failing to return to work during their normal work hours are subject to disciplinary action.

III. Official City Business

Employees who are subpoenaed to appear in court or before any other judicial or administrative body for and on behalf of official City business or on behalf of the county, state or federal government for services related to City duties, shall be compensated in accordance with the procedures specified under the jury duty section of this chapter.

Employees subpoenaed to appear as a witness on behalf of the City, county, state or federal government for service related to City duties will be compensated for time spent in court in accordance with the procedure specified under the jury duty section of this chapter.

Employees requesting regular pay shall provide a copy of the subpoena and, if available, proof of attendance by the court or respective administrative body.

IV. Personal/Private Business

Employees will not be paid for time off to conduct personal or private legal business. Vacation or compensatory time may be used if approved by the supervisor.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.08 – ~~Family and Medical Leave (FML)~~ Medical Leave

I. Statement of Purpose

The purpose of this policy is to outline and establish general procedures and guidelines for ~~short-term disability, long-term disability and~~ compliance with the Family and Medical Leave Act (FMLA).

~~In accordance with the FMLA, the City of Celina will abide by the provisions and the regulations published by the U.S. Department of Labor to implement the Act. Employees should contact Human Resources for specific information and questions regarding this policy.~~

II. Family Medical Leave Act (FMLA)

A. The City of Celina provides leave to eligible employees in accordance with the FMLA. Under the FMLA, eligible employees may take up to twelve weeks of job-protected leave each year for specified family and medical reasons or twenty-six weeks of leave to care for an injured or ill service member. Employee health benefits are protected under the FMLA, and the City will continue to pay its portion of the employee's monthly premium for group health insurance. Refer to federal law for further guidance (reference: www.dol.gov) or speak to a Human Resource Representative.

~~II. Procedures~~

~~A. Under the FMLA, eligible employees may take up to 12 work weeks of unpaid job-protected leave each year for specified family and medical reasons or 26 weeks of leave to care for an injured or ill service member.~~

~~B.~~ FMLA Leave Runs Concurrently With Other Types of Leave: FMLA leave is typically unpaid unless the absence also qualifies for paid leave under another City policy, at which point FMLA leave and paid leave will run concurrently.

1. Sick Leave: If an employee has any available accrued sick leave, it must be used concurrently with any available FMLA leave.

2. Vacation, Comp Time, Personal Leave & Holiday: If all of the sick time has been used, the following leave time will be applied and will run concurrently with any remaining FMLA leave: accrued vacation, compensatory time, personal leave and then holiday leave.

3. Disability & Workers' Comp. Leave: If the employee is approved for workers' comp. or short-term or long-term disability, the employee's absence from work is automatically approved for FMLA, provided he/she has met the FMLA's eligibility requirements. This means that workers' comp. and short- and long-term disability absences will run concurrently with FMLA leave. Employees being paid either workers'

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comp. wage benefits or short- or long-term disability benefits while on leave are not required to use accrued sick, personal, holiday, comp time or vacation leave while collecting workers' comp. or disability benefits.

~~4.~~ In determining the amount of family medical leave available to an employee, the City will use a 'rolling calendar' by considering any family medical leave taken in the twelve (12) months prior to the date the requested leave is to begin and continuous with each additional day leave is taken.

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PERSONNEL POLICIES

Chapter 5 – Leaves

5.08 – Family and Medical Leave (FML)

~~**III. Eligibility**~~

~~A. Employees (full-time and/or part-time) must have been employed by the City of Celina for at least 12 months (need not be consecutive) prior to the leave date and must have worked at least 1250 hours during the 12 months prior to the date the requested leave is to begin. Eligible Reasons: The City will grant FMLA leave for any of the following circumstances:~~

~~1. birth of a child of the employee, in order to care for such child (eligibility for leave expires 12 months after the date of birth of the child);~~

~~2. placement of a child with the employee for adoption or foster care (eligibility for leave expires 12 months after the date of placement of the child);~~

~~3. to care for the spouse, child or parent of the employee with a serious health condition as defined by FMLA;~~

~~4. if the employee has a serious health condition which makes the employee unable to perform all of the essential functions of his/her position;~~

~~5. due to a non-medical activity ("qualifying exigency") that is directly related to a covered family member's (limited to a spouse, son/daughter, "next of kin", or parent of the employee) active duty or call to active duty in the Regular Armed Forces, National Guard or Reserves;~~

~~6. for an eligible employee (limited to a spouse, son/daughter, parent or next of kin of a covered service member) to care for a covered service member who is a current member of the Regular Armed Forces, National Guard, or Reserves who has incurred an injury or illness in the line of duty while on active duty, provided that such injury or illness renders the service member medically unfit to perform the duties of his/her office, grade, rank, or rating. This leave may be up to 26 work weeks of unpaid leave during a single 12-month period. *This is the only instance in which a leave of up to 26 work weeks may be taken.*~~

~~7. for an eligible employee (limited to a spouse, son/daughter, parent or next of kin of a covered veteran) to care for a covered veteran who was honorably discharged within the five (5) year period prior to the family member's need for leave to provide care during the recuperation, treatment for a condition that was caused or aggravated during the line of duty, or recovering from a serious illness or injury. This leave may be up to 26 work weeks of unpaid leave during a single 12-month period. *This is the only instance in which a leave of up to 26 work weeks may be taken.*~~

~~NOTE: During the single 12-month period, an eligible employee~~

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shall be entitled to a combined total of 26 work weeks of unpaid leave, regardless of the various reasons for FMLA leave.

When both a husband and wife are employed by the City and are eligible for leave due to the birth or placement of a child for adoption or foster care, or to care for a parent, or due to an urgent need or requirement (qualifying exigency) arising out of a covered family member's active duty or call to active duty, they are entitled to a total of 12 work weeks together (NOT 12 work weeks each) of family and medical leave in a calendar year. However, if the leave is for self-care or care of a sick spouse or child, each employee is entitled to 12 work weeks of unpaid leave per calendar year under FMLA.

IV. Employee Responsibility

A. Employees must give the City sufficient information so that it can make a determination as to whether the employee's absence is FMLA-qualifying. If an employee fails to explain the reasons, leave may be denied. Employees must also indicate on their time sheet/records when an absence or tardy is or may be covered by FMLA. The City may retroactively designate leave as FMLA-qualifying, upon notice to the employee. Any absence or illness that results in more than three (3) days' absence must be reported to the City's Human Resources Department.

B. At Least 30 Days' Notice Required for Foreseeable Leave: Employees must provide their Department Director or the Human Resources Department with at least 30 days' advance notice when the need for FMLA leave is foreseeable.

C. Notice as Soon as Practicable for Unforeseeable or Emergency Leave: If the need for FMLA leave is not foreseeable, employees must provide their Department Director or the Human Resources Department with as much advance notice as practicable, in accordance with their Department's normal call-in procedures. The employee must also provide an explanation as to why they were unable to provide at least 30 days' advance notice of the need for leave.

D. Content of Notice: Employees must provide the City with at least verbal notice and explain the reasons for the needed leave sufficient to allow the City to determine if the absence is FMLA-qualifying, and the anticipated timing and duration of the leave, if known. If the employee has previously taken FMLA leave for the same reason, they must specifically reference the qualifying reason for leave or the need for FMLA leave. The City may seek additional information from the employee, and the employee is obligated to respond to the City's questions so the City can determine if an absence is potentially FMLA-qualifying. The employee must notify the City as soon as practicable if the dates of his/her scheduled leave change or are extended, or were initially unknown.

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E. ~~Compliance with City's Call-In Procedures: Employees must comply with their Department's normal call-in procedures for reporting absences, tardies and requesting leave, e.g., contacting a specific supervisor by a certain time. Notice may be given by the employee's spokesperson only if the employee is physically unable to do so personally. Where an employee does not comply with the City's and Department's normal call-in procedures and no unusual circumstances justify the failure to comply, FMLA-protected leave may be delayed or denied.~~

F. ~~Consequences for Failing to Provide Required Notice: If the employee fails to timely explain the reasons for his/her need for leave, FMLA leave may be denied or delayed for up to 30 days. The employee may also be subject to disciplinary action in accordance with City policy. Likewise, if an employee fails to respond to the City's reasonable inquiries regarding a leave request, the employee may not be granted FMLA leave protection.~~

G. ~~Scheduling Planned Medical Treatment: When an employee intends to take leave for planned medical treatment for him/herself or for their spouse, child or parent, the employee is ordinarily expected to consult with their supervisor and to try to schedule the treatment so as not to disrupt unduly the City's operations, subject to the approval of the treating health care provider. This should be done prior to the scheduling of treatment in order to work out a treatment schedule which best suits the needs of the both the employee and the City.~~

H. ~~Periodic Check-In While on FMLA: Employees must check in periodically with their supervisor and with the Human Resources Department regarding their status and intent to return to work. If the employee discovers that the amount of leave originally anticipated is no longer necessary, the employee must provide the City with reasonable notice (i.e., within two business days) of the changed circumstances, if foreseeable.~~

~~V. Employer Responsibility~~

A. ~~The Human Resources Department is responsible for the verification, approval and notification of FMLA leave. The Human Resources Department may designate leave as FMLA leave if it determines that a qualifying event has occurred.~~

B. ~~Eligibility and Rights & Responsibilities Notice: The Human Resources Department will notify an employee of their eligibility to take FMLA within five (5) business days (absent extenuating circumstances) of its receipt of the employee's request for FMLA leave (or from when the City otherwise determines that an employee's absence may be FMLA-qualifying). Employee eligibility is determined at the commencement of the first instance of leave for each FMLA-qualifying reason in the applicable 12-month period. Notification may be oral or in writing but the City will normally use the FMLA form – Notice~~

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of Eligibility and Rights and Responsibilities. This FMLA form will also detail the City's specific expectations, the employee's obligations, and consequences to the employee of not meeting his/her obligations. If an employee's eligibility status changes or if any of the specific information in the Rights & Responsibilities Notice changes, the Human Resources Department will so notify the employee within five business days of the receipt of the changed information, absent extenuating circumstances.

C. Designation Notice: When the Human Resources Department has enough information to determine if an absence is FMLA-qualifying (e.g., after receiving the employee's fully completed Certification), the Human Resources Department will notify the employee in writing (FMLA form – Designation Notice) as to whether the leave will or will not be designated as FMLA. This Designation Notice will be given to the employee within five (5) business days, absent extenuating circumstances. If the information in the Designation Notice changes, the Human Resources Department will notify the employee within five (5) business days of the City's receipt of the employee's first notice of need for leave subsequent to any change.

D. Certification Forms & Other Required Documentation: The Human Resources Department is responsible for determining the completeness and authenticity of certification forms, fitness-for-duty/return to work certifications, and for review and coordination of all other FMLA documentation required by this policy.

E. Supervisors & Department Directors: So that the Human Resources Department can meet the notice deadlines required by the FMLA, supervisors must immediately notify both their Department Director and the Human Resources Department if they have reason to believe an employee's absence is due to an FMLA-covered reason. Supervisors must make this report even if the employee is using paid time off to cover the absence, e.g., sick leave, comp time, vacation, holiday, workers' comp., short- or long-term disability. Supervisors and Department Directors must report to Human Resources any time an employee misses work for three (3) or more days because of their own illness or injury or that of a spouse, child or parent. Supervisors and Department Directors may not contact health care providers when employees are sick. Only Human Resources personnel will make contact with health care providers if and when necessary. It is important to remember that under the FMLA, an employee requesting paid or unpaid leave for an absence covered by the FMLA is not required to expressly mention FMLA. If the employee states a reason that qualifies for FMLA leave, the employee will likely have met the FMLA's notice requirements. When an employee submits a leave/absence form indicating an FMLA absence, the form must be sent to the Human Resources Department immediately.

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~~VI. Medical Certification~~

~~In all instances in which the City requests a certification from an employee, it is the employee's responsibility to provide the Human Resources Department with medical certification; failure to do so may result in the denial or delay of FMLA leave.~~

~~A. Certification: An employee must provide the Human Resources Department with complete and sufficient medical certification supporting the need for FMLA leave due to a serious health condition affecting the employee (FMLA form – Certification of Health Care Provider for Employee's Serious Health Condition), his/her spouse, child or parent (Certification of Health Care Provider for Family Member's Serious Health condition), or due to the serious injury or illness of a covered service member (Certification for Serious Injury or Illness of covered Service Member for Military Family Leave). The required medical certification forms are available from the Human Resources Department. The certification must set forth the beginning and expected ending dates of the leave. In the case of intermittent leave, the certification must also provide the dates and duration of the treatments necessitating the intermittent leave. The employee is responsible for any expenses associated with providing the City with a required certification. The employee must turn in the required certification to the Human Resources Department within 15 days after it is requested, unless not practicable under the circumstances.~~

~~B. Second & Third Opinions: In some cases, the City may require a second or third medical opinion (at the City's expense). The City will not require second or third opinions in the case of leave to care for a covered service member.~~

~~C. Recertification: With the exception of injuries or illnesses under workers' comp. or disability benefits, employees may be asked to periodically recertify the need for FMLA. The City will not, however, require recertification in the case of leave to care for a covered service member. The recertification must be provided within 15 days or as soon as practicable under the particular facts and circumstances. The employee is responsible for any expenses associated with providing the City with any required recertification.~~

~~1. 30-day rule: The City will request recertification no more than every 30 days and only in connection with an absence by the employee unless paragraphs b or c below applies.~~

~~2. More than 30 days: If the certification indicates that the minimum duration of the condition is more than 30 days, the City will wait until that minimum duration expires before requiring a recertification, unless paragraph c below applies. If the minimum duration of a serious health condition extends beyond six months, the City may nevertheless request a recertification every six months in connection with an employee's absence.~~

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3. Less than 30 days: The City may request recertification in less than 30 days if the employee requests an extension of leave, circumstances described by the previous certification have changed significantly (e.g., the duration or frequency of the absence, the nature or severity of the illness, complications, a pattern of unscheduled absences), or the City receives information that casts doubt upon the employee's stated reason for the absence or the continuing validity of the certification.

D. Fitness-for-Duty/Return to Work Certification: Employees must submit a fitness-for-duty certification before they can return to work if FMLA leave is a result of the employee's own serious health condition. The certification must specifically address the employee's ability to perform his/her essential job functions but is limited to the particular health condition that caused the employee's need for FMLA leave. The employee is responsible for any expenses associated with providing the City with the required certification and is not entitled to be paid for the time or travel costs spent in acquiring the certification. The Human Resources Department may contact the employee's health care provider for purposes of clarifying and authenticating the fitness-for-duty/return to work certification. The City will not require second or third opinions of fitness-for-duty certifications. However, this does not preclude the City's ability to refer an employee for a medical exam upon his/her return to duty and determination that such an exam is necessary in accordance with City policy. An employee who fails to timely provide the City with this certification will not be allowed to return to work. An employee who exhausts all available leave and does not provide the required fitness-for-duty certification or request additional FMLA leave is no longer entitled to job reinstatement and may be subject to disciplinary action.

While the City will not require a fitness-for-duty certification to return to duty for each absence taken on intermittent or reduced leave schedule, it will require such a certification up to once every 30 days if reasonable safety concerns (i.e., a reasonable belief of significant risk of harm to the employee or others) exist as to the employee's ability to perform his/her duties, based on the serious health condition for which the employee took leave.

E. Failure to Provide Certifications & Deficient Certifications: If an employee fails to provide a required certification within 15 days after the date of the City's written request, the City may deny leave until the certification is provided. If the employee never produces the certification or recertification, the employee is not eligible for FMLA protection. If the certification is incomplete or insufficient, the Human Resources Department will notify the employee, in writing, and advise the employee what additional information is required. The City will provide the employee with seven (7) additional days from the date the Human Resources Department sends written notice to cure any deficiency. If the deficiencies are not cured with the seven-day deadline, the City may deny the taking of FMLA leave. The Human Resources Department may contact the

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health care provider for purposes of clarification and authentication after giving the employee the opportunity to cure any deficiencies.

F. Physical Ability Tests: Employees in positions requiring a post job offer physical ability test may be required to complete and pass the fit-for-duty physical ability test prior to returning to work from FMLA leave if the leave was due to the employee's serious medical condition.

G. Documenting Family Relationships: If an employee elects to take FMLA leave in order to care for a qualifying family member or to care for a covered service member, the employee may be required to provide reasonable documentation confirming the family relationship.

VII. Certifications For Qualified Exigency Leave

A. Active Duty Orders: The first time an employee requests leave because of a qualifying exigency arising out of the active duty or call to active duty status of a covered military member, the employee must provide a copy of the covered military member's active duty orders or other documentation issued by the military which indicates that the covered military member is on active duty or call to active duty status in support of a contingency operation, and the dates of the active duty service.

B. Certification Form: The employee must complete and submit to the Human Resources Department the appropriate certification form (FMLA Form – Certification of Qualifying Exigency for Military Family Leave) in support of his/her need for leave. This form must be turned in within 15 days after the City requests it in writing.

C. Verification: If the qualifying exigency involves meeting with a third party, the Human Resources Department may contact the individual or entity with whom the employee is meeting for purposes of verifying a meeting or appointment and the nature of the meeting. The City may also contact an appropriate unit of the Department of Defense to request verification of active duty or call to active duty status.

D. Denial or Delay of Leave: Exigency leave may be delayed or denied if the employee fails to turn in the required certification within 15 days from the date written notification is sent by the City. If the certification is incomplete or insufficient, the Human Resources Department will notify the employee in writing and advise the employee what additional information is required. The City will provide the employee with seven additional days to cure any deficiency. If the deficiencies are not cured with the seven-day deadline, the City may deny the taking of FMLA leave.

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~~VIII. Intermittent Leave~~

~~An eligible employee may take FMLA leave on an intermittent or reduced schedule basis for his/her own serious health condition, or to care for a seriously ill spouse, child, parent or covered service member with a serious injury or illness. The employee must provide certification from the health care provider caring for the employee and /or family member, documenting the need for the intermittent or reduced leave.~~

~~A. Birth or Placement of Child: Intermittent leave or reduced schedule leave may be taken to bond with or care for a healthy child due to birth, adoption, or foster care placement. The bonding leave must be taken within one year of the birth or placement of the child and can be taken in blocks of time of no less than one-week increments or two (2) consecutive 24-hour shifts for a shift firefighter.~~

~~B. Scheduling Planned Medical Treatment: When an employee intends to take leave for planned medical treatment for him/herself or for his/her spouse, child or parent, the employee is expected to consult with his/her supervisor and try to schedule the treatment so as not to unduly disrupt the City's operations, subject to the approval of the treating health care provider. This should be done prior to the scheduling of treatment in order to work out a treatment schedule which best suits the needs of both the employee and the City.~~

~~C. Temporary Transfer: The City may temporarily transfer the employee to an alternative position (with equivalent pay and benefits, but not necessarily equivalent duties) in order to better accommodate an employee's intermittent or reduced leave schedule. Temporary transfers must be pre-approved by Human Resources.~~

~~D. Minimum Increments: Intermittent leave will be counted in increments no greater than the shortest period of time used by the City to account for use of other types of leave.~~

~~E. Exempt Employees: Exempt employees using unpaid intermittent or reduced schedule FMLA leave may be docked for absences of less than a day without jeopardizing their exempt status under the Fair Labor Standards Act (FLSA).~~

~~IX. Continuation of Benefits~~

~~A. Group Health Insurance: During any period of FMLA leave, the City will continue to pay its portion, if any, of any group health insurance coverage for the employee on the same terms as if the employee had continued to work. Where applicable, the employee must timely pay his or her share of health insurance premiums while on FMLA leave. The City will advise the employee of the terms and conditions for making such payments. Failure to pay premiums in a timely manner will result in suspension of group health coverage until the employee makes the payments or returns to work. The City~~

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may recover premiums it paid to maintain health coverage for an employee who fails to return to work from FMLA leave, unless the employee is unable to return due to a serious health condition, the serious injury or illness of a covered service member, or another reason beyond the employee's control. Medical certification is required under such circumstances.

B. Other Benefits: The employee's use of FMLA leave will not result in the loss of any employment benefits that accrued prior to the start of the employee's leave, and seniority will not be affected while on FMLA leave. However, benefit accruals such as vacation and sick leave will be suspended during any unpaid leave.

C. Holidays: When an employee takes a full work week of FMLA leave and a holiday occurs within that week, the week is counted as a full week of FMLA leave. If, however, an employee uses FMLA in increments of less than a week, the intervening holiday does not count against the employee's FMLA entitlement unless the employee was otherwise scheduled and expected to work on the holiday. In accordance with the Holiday Policy, employees on paid FMLA leave are paid for holidays if the holiday occurs during the approved FMLA leave period.

D. TMRS: Contributions to TMRS will cease when an employee on unpaid leave stops getting a paycheck from the City and will resume after the employee returns to a paid status.

X. Job Restoration After FMLA Leave

A. Upon return from FMLA leave, an employee will normally be restored to his/her original job or to an equivalent job with equivalent pay, benefits, and other terms and conditions. An employee, however, has no greater right to reinstatement than if he/she had been continuously employed during the period of FMLA leave. Further, the City may delay restoration to original jobs for employees who fail to timely provide a fitness-for-duty certification to return to work.

XI. Key Employees

A. Under certain circumstances the City is not required to reinstate key employees. Certain highly compensated key employees may be denied reinstatement when necessary to prevent "substantial and grievous economic injury" to the City's operations. A "key" employee is a salaried, eligible employee who is among the highest paid 10 percent of employees within 75 miles of the worksite. An employee will be notified of his/her status as a "key" employee, when applicable, after requesting FMLA leave.

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~~XII. Other Employment During FMLA Prohibited~~

~~Under no circumstances may an employee on FMLA leave, sick leave, disability leave, or workers' compensation leave engage in outside employment unless expressly authorized in writing in advance by the Department Director, Human Resources Director and the City Manager.~~

~~XIII. Fraud~~

~~An employee who fraudulently obtains FMLA leave is not protected by the FMLA's job restoration or maintenance of health benefits provisions. Further, an employee who commits fraud will be subject to disciplinary action up to and including termination from City employment.~~

~~XIV. FMLA Statute and DOL Regulations~~

~~More detailed provisions and definitions of some of the terms used in this policy are set out in the Act and in the DOL's regulations. This policy is intended to explain benefits available to eligible employees under the FMLA. It is not intended to create any rights to leave beyond those created by the FMLA. If additional information is needed on the FMLA, please contact the Human Resources Department. The City will refer to the Act and the applicable DOL regulations in carrying out this policy, as well as any relevant court interpretations and decisions. This policy does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement, which provides greater family or medical leave rights. When an employee gives notice of the need for FMLA leave, the employee will be given additional information as to his or her rights and responsibilities under the FMLA. In addition, employees may contact the nearest office of the U.S. Department of Labor's Wage & Hour Division or the Department of Labor's website for more information.~~

~~XV. Illegal Practices~~

~~Absences for FMLA-eligible reasons are employee entitlements under the federal FMLA law, if all required conditions are met. As such, legitimate FMLA absences must not be counted against employees under attendance policies unless the employee fails to submit required medical certification when requested to do so and only upon consultation with Human Resources. The taking of approved FMLA leave may not be used as a negative factor in disciplinary actions, performance evaluations or promotions.~~

~~XVI. Mandatory Reporting Of Improper Handling Of FMLA~~

~~Employees must immediately report, in writing, to their Department Director or the Director of Human Resources, the following so that the City can investigate and respond appropriately:~~

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A. Any interference with, restraint or denial of the employee's right to take FMLA or any rights protected by the FMLA or this policy.

B. Any discrimination or perceived acts of discrimination against the employee for any right protected by the FMLA or this policy.

C. Any refusal by a supervisor to authorize FMLA leave or attempt to discourage an employee from taking FMLA leave.

D. Any attempt to avoid the City's FMLA responsibilities.

E. Discrimination or retaliation against an employee for exercising or attempting to exercise FMLA rights.

F. Discrimination or retaliation against an employee for opposing or complaining about any unlawful practice under the Act or this policy

XVII. Definitions

More detailed definitions of some of the terms used in this policy are set out in the Act and in the Department of Labor regulations.

A. Son or Daughter – FMLA regulations define a "son or daughter" as a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis (in the place of a parent) who is either under 18 years of age or is 18 years of age or older and "incapable of self-care because of a mental or physical disability" at the time FMLA leave is to commence.

B. 12-Month Period for Covered Service Members – The 12-month leave period for calculating leave to care for a covered service member with a serious injury or illness is the 12-month period measured forward from the date an employee's first FMLA leave to care for the covered service member begins. During this 12-month period, the maximum FMLA leave an employee may take for any qualifying reason is limited to a combined total of 26 weeks.

C. Covered Military Member – the employee's spouse, son, daughter, or parent on active duty or called to active duty status.

D. Covered Service Member – a current member of the Armed Forces, including a member of the National Guard or Reserves, or a member of the Armed Forces, the National Guard or Reserves who is on the temporary disability retired list, who has a serious injury or illness incurred in the line of duty on active duty for which he or she is undergoing medical treatment, recuperation,

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~~or therapy.~~

~~E. Covered Veteran – a veteran who was honorably discharged within the five-year period prior to the family member's need for leave to and who is receiving treatment for a condition that was caused or aggravated during the line of duty, or recovering from a serious illness or injury.~~

~~F. Next of Kin of a Covered Service Member – the nearest blood relative other than the covered service member's spouse, parent, or child in the priority established by the DOL.~~

~~G. 12-Month Period for All Other FMLA Leave – To determine eligibility for all other leave, the City uses a rolling 12-month period measured backward from the date of any FMLA leave. This means that each time FMLA leave is requested and/or designated by the employee/supervisor, Human Resources will determine how much FMLA leave has been taken 12 months prior to the first date of the most recent FMLA leave request received. Based on the findings, the amount of leave taken in the prior twelve months will determine the amount of leave remaining to be used.~~

~~H. Health Care Provider (HCP) – a doctor of medicine or osteopathy who is authorized to practice medicine or surgery (as appropriate) by the State in which the doctor practices; or any other person determined by the Secretary of Labor to be capable of providing health care services.~~

~~I. Incapacity – the inability to work, attend school or perform other regular daily activities.~~

~~J. Serious Health Condition – For purposes of this policy, a "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves:~~

~~1. Inpatient care – an overnight stay in a hospital, hospice, or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care;~~

~~2. Continuing treatment by a health care provider (HCP) - includes one or more of the following:~~

~~a. Incapacity & Treatment – a period of incapacity of more than three (3) consecutive, full calendar days, and any subsequent treatment or period of incapacity relating to the same condition that also involves treatment: (i) two or more times (within 30 days of the first day of incapacity, unless extenuating circumstances exist), by a HCP or under direct supervision of, under orders of, or on referral by, a HCP, or (ii) by a HCP on at least one occasion which results in a regimen of continuing~~

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treatment under supervision of the HCP. The first (or only) in-person treatment visit must take place within 7 days of the first day of incapacity.

b. Pregnancy & Prenatal care – any period of incapacity due to pregnancy or for prenatal care;

c. Chronic Conditions – any period of incapacity or treatment for such incapacity due to a chronic serious health condition which (i) requires periodic visits (at least twice a year) for treatment by, or under the direct supervision of a HCP, or (ii) continues over an extended period of time (including recurring episodes of a single underlying condition); and (iii) may cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.);

d. Permanent or Long-Term Conditions – a period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, or the terminal stages of a disease);

e. Conditions Requiring Multiple Treatments – any period of absence to receive multiple treatments (including any period of recovery) by, or under the supervision of, under orders of, or on referral by, a HCP either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three (3) consecutive, full calendar days in the absence of medical intervention or treatment (e.g., chemo or radiation for cancer, physical therapy for severe arthritis, or dialysis for kidney disease).

Unless complications arise, the common cold, the flu, earaches, upset stomach, minor ulcers, headaches (other than migraines), routine dental or orthodontia problems, and periodontal disease are not serious health conditions. In addition, routine physicals, eye examinations, and dental examinations are not considered treatment.

K. Qualifying Exigency – eligible employees may take FMLA leave for one or more of the following qualifying reasons:

1. short-notice deployment; leave for this purpose can be used for a period of seven or less calendar days from the date the member is notified;
2. military events and related activities such as official ceremonies and programs sponsored by the military and to attend family support or assistance programs and informational briefings;
3. childcare and school activities;

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~~4. financial and legal arrangements in preparation of deployment e.g. preparing or updating a will or living trust etc.~~

~~5. counseling;~~

~~6. rest and recuperation;~~

~~7. post-deployment activities;~~

~~8. additional activities arising out of the call to active duty status provided that the employee and the City agree that such leave qualifies as an exigency, and agree to both the timing and duration of the leave.~~

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5.09 – Break time for Nursing Mothers

Lactating mothers may use time during the standard workday for milk expression. This may include various combinations of standard paid break periods, lunch periods and other time as necessary. Lactating mothers must be afforded flexibility in their work schedules, such that the use of accrued leave or leave without pay is not required to cover time used for milk expression. While in general, this may require two to three lactation breaks a day, scheduling will be arranged on a case-by-case basis and be based on the specific needs of the employee. Departments will provide a private location, shielded from view and free from any intrusion from others, to express breast milk. A bathroom, even if private, does not qualify as a location. While a private space does not have to be established strictly for the use of the breastfeeding employee, it does however, have to be available any time the employee needs to express milk. Affected employees are required to inform their supervisors when they need an accommodation for milk expression.

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5.10 – Military Leave

To provide eligible employees with military leave benefits pursuant to state and federal law.

I. Definitions

A. Military Leave: Leave to be used solely for the purpose of fulfilling short term annual military training obligations.

B. Extended Military Leave: Leave which goes into an extended active duty status of any branch of the United States armed forces.

II. Procedures

A. Employees must notify their immediate supervisor and Human Resources immediately upon receiving notification, or not less than 30 days before their pending duty, whichever occurs first.

B. Written performed duty verification must be submitted prior to the leave or within a reasonable period of time in order to confirm payment of military pay and to confirm the veteran's re- employment rights. Verification may include, but is not limited to, orders, drill letters, training schedule and signed duty verification from the officer in charge.

III. Military Leave

A. Employees will receive military pay at their normal base rate for up to 15 work days in a calendar year. Military Leave beyond 15 days may be paid, at the employee's discretion, using accrued compensatory, personal day or vacation time (accrued sick leave may not be substituted). The employee may also choose to take the remaining leave as unpaid.

IV. Extended Military Leave

Employees on Extended Military Leave may be paid, at the employee's discretion, using any remaining 15 days of military pay, accrued compensatory, personal day or vacation time (accrued sick leave may not be substituted). The employee may also choose to take the remaining leave as unpaid. Employees may request to receive payment for any accrued, unused personal day, vacation, holiday, or compensatory time at the start of unpaid extended military leave. The City will pay the employee's and City's portion of medical and dental benefits for sixty (60) days, unless the employee elects military medical and dental coverage.

V. Supplemental Pay

Any regular full-time employee who has been called to active duty (Extended Military Leave) will receive supplemental pay if their military salary is less than their City salary. The amount of supplemental pay is the difference between the City salary and the military salary. Supplemental pay is available until an employee is no longer called

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to actively serve in the military, their monthly military salary exceeds their regular City salary, or for up to five (5) years, whichever occurs first. The employee is responsible for notifying Human Resources if their military salary changes while on active duty.

VI. Benefits

A. The City shall provide at no cost to the employee all medical and dental benefits for the regular full-time employee and their dependents during such period of sixty (60) days (Extended Military Leave) unless the employee elects military medical and dental benefits. Longevity pay, life insurance and other benefits will not be provided during such leave.

B. Upon an employee's return to employment following Extended Military Leave, the employee will be given the opportunity to enroll or make any changes to desired benefits (i.e., medical, dental, vision, etc.).

C. While on paid Military Leave, excluding the supplemental pay benefit, employees continue to accrue vacation, sick leave and other benefits provided to other employees on paid leave. While on unpaid Extended Military Leave, benefit accruals will be suspended and will resume upon the employee's return to active employment.

VII. Returning from Leave

A. An employee who leaves City employment to enter active military service shall be restored to employment in the same position held upon entrance to active military service, or in a position of comparable status and pay, if the employee:

1. is physically and mentally qualified to perform the essential duties of the position;
2. was discharged, separated, or released from active military service under honorable or general conditions;
3. Has not been in active military service for more than five (5) years; and
4. Makes written application for reappointment and presents evidence of the discharge, release, or separation from military service within the time constraints prescribed by USERRA.

B. The deadline for an employee to return to work and/or notify the City that they intend to return to work following Extended Military Leave depends upon how long the employee's military service lasted:

1. For service of less than 31 days, employees have 8 hours following their release from service to report to their next scheduled work period.
2. For service between 31 and 180 days, employees have 14 days following their release from service to apply for reemployment.

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5.10 – Military Leave

3. For service of more than 180 days, employees have 90 days following their release from service to apply for reemployment.

C. These deadlines may be extended for two (2) years or more when an employee suffers service-related injuries that prevent the employee from applying for reemployment or when circumstances beyond the employee's control make reporting within the time limits unreasonable, according to the provisions of USERRA.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.11~~0~~ – Community Connected

Employees can utilize up to **twelve hours** per calendar year toward a 501c3 charitable organization, in accordance with the City of Celina's community service guidelines. More than one organization may be chosen. This contributed time, up to **twelve hours** per calendar year, will be considered paid time off but will not be considered time worked for the purposes of calculating overtime. The pay rate will be the employee's current base salary on the day(s) the time is taken. Time may be submitted in, at minimum, 4 hour increments. Volunteering through established non-profit organizations, or for non-profit causes, that benefit the community and residents of the City of Celina.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.00 - Payroll

I. Purpose

To establish a wage and hour administration policy in compliance with the Fair Labor Standards Act, as amended.

II. Definitions

A. Exempt Employees
An *exempt* employee is one who *is not covered* by the overtime provisions under the Fair Labor Standards Act (FLSA or Act).

B. Non-exempt Employees
Non-exempt employee is one who is covered by the overtime provision under the FLSA and will be paid overtime or receive compensatory time, per departmental policy, for hours ***worked*** in excess of 40 hours per workweek except as otherwise stated by policy, statute or regulation.

C. Workweek Period
The workweek normally begins at 12:01 a.m. on Monday, and ends at midnight on the following Sunday.

D. Work Period (Fire and Police Department shift employees)
The work period for which the city calculates overtime hours for Fire department shift personnel will be not less than 7 and not more than 28 consecutive days. Eligible employees will receive overtime pay for any hours worked in excess of 212 hours in the 28-day period. The Police Department, in certain cases, has a differing work period dependent upon the hours worked by officers.

E. Hours Worked
The time that the City requires or permits non-exempt employees to be on duty is considered hours worked. ~~Sick~~ Vacation and holiday leave is ~~not~~ considered hour(s) worked. All other paid leave, including, ~~holidays~~sick, compensatory time, ~~vacation,~~ administration, military, jury duty ~~and~~ bereavement, and Community Connected leave will not be considered hours worked for the purposes of performing overtime calculations.

F. Pay Period
Individual paychecks are issued biweekly for each pay period.

III. Direct Deposit

A. It is the policy of the City of Celina that all employees participate in Payroll direct deposit. It is the employee's responsibility to provide accurate banking information to payroll (routing number, account number). Employees must submit a voided check or letter from their banking institution along with the proper direct deposit

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change form when enrolling or changing direct deposit information.

B. Once the direct deposit form is received in Payroll, it may take up to two (2) payroll cycles for the actual direct deposit to take effect. During that time, the employee will receive a payroll check.

C. Employees are advised to contact Payroll when contemplating closing their bank account(s), to ~~assure~~ ensure that direct deposit payments are not in transit and to minimize the possibility of delayed payments.

D. Payments credited to bank accounts incorrectly via direct deposit will be reversed by the City of Celina as soon as the error is noted. A corrected entry will be processed as quickly as possible once the city has received the funds credited back from the incorrect banking account and credited via direct deposit as available. If correction by direct deposit is not feasible, a check for the correct amount will be issued by the City of Celina. In the event that an employee has withdrawn funds which were erroneously credited to their account and City of Celina is unable to execute a reversal of the erroneous entry, Payroll will arrange repayment with the employee.

E. The employee's paycheck is payment from the City to the employee for services the employee has rendered, less any applicable deductions. If the employee does not report paycheck errors promptly, the City will rectify any errors upon notification as required by law. If the employee does not understand how to figure their pay or how to read their check, the employee should seek help from Payroll, so that it can be properly explained to the employee.

IV. FLSA Responsibilities

A. The City of Celina is responsible for ensuring compliance with the Fair Labor Standards Act in the classification of positions, policy development, training, payroll, and child labor standards. The Human Resources Department is responsible for the overall administration and interpretation of that Act.

B. Department Directors are responsible for ensuring compliance with the policies and procedures outlined in this policy. Department Directors will be responsible for requesting exemption status changes and reporting any changes, which may affect that status.

C. Each Director is responsible for exercising adequate supervision to ensure that employees comply with established work schedules and that unscheduled work is performed only in bona fide emergencies. The mere establishment or communication of work schedules does not relieve directors, managers or supervisors of their responsibility for controlling work time. Directors/Managers are responsible for controlling starting and stopping times whether within or outside the usual work schedule. Directors/Managers and supervisors are responsible for the recording of hours worked as they actually occur.

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6.01 – Overtime and Compensatory Time

D. It shall be the duty of employees to comply with departmental work schedules and avoid performing work that is unscheduled or non-directed outside of assigned work schedules or assignments for bona fide emergency situations.

I. Human Resources will determine, according to the Fair Labor Standards Act, whether a position is exempt or non-exempt.

A. Overtime
Overtime, when ordered for the maintenance of essential City functions, shall be allocated as uniformly as possible among all eligible employees, and will be paid in accordance with applicable law. Department Directors are responsible for exercising adequate supervision to ensure that employees are complying with established work schedules.

1. Eligibility
Overtime pay or compensatory time will be given to non-exempt employees for hours worked in excess of the regular scheduled workweek or applicable work period.

2. Non-exempt Positions

a. Eligibility - Department Directors have the authority to approve, with the employee's request, whether the department's non-exempt employees can work overtime, compensatory time, or a combination of both, for overtime worked. The Department Director is the final authority for compensation method utilization and will take into account the department overtime budget and operational demands.

b. Rate – Overtime pay for non-exempt employees shall be at one and-one-half (1.5) times the employee's regular rate of pay. Overtime calculations for premium pay such as certification pay will be at one-half (.50) times the employee's regular rate of pay. Compensatory time - Shall be credited at the rate of one-and-one half (1.5) hours credit per one hour worked. Official compensatory time records shall reflect the product of actual hours worked, multiplied by 1.5.

c. Accumulation – Non-exempt employees shall not accumulate more than eighty (80) hours of compensatory time. A lower maximum may be set by department policy, based on operational demands. Department Directors can work with the City Manager for approval of more than eighty (80) hours of compensatory time. The Department Director will advise the Director of Human Resources and the Director of Finance of any time approved by the City Manager over the eighty (80) hours.

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6.01 – Overtime and Compensatory Time

d. Use of compensatory time - Employees may take compensatory time off within a reasonable period following their request. Compensatory time off must not unduly disrupt departmental operations and must have prior supervisory approval. In order to reduce the financial impact of compensatory time accruals, Department Heads may require the use of compensatory time.

e. Payment upon termination - Non-exempt employees shall be paid for accumulated, unused compensatory time upon termination, regardless of the reason for termination.

f. Record-keeping - Department Directors/division managers and their employees are responsible for current, accurate compensatory time records for their non-exempt employees.

3. Unauthorized Overtime

Authorized overtime shall require the approval of the supervisor or, in some cases, the City Manager. Employees who work unauthorized hours may be subject to disciplinary action, up to and including termination.

B. Exempt Employees

1. Exempt employees are not eligible to accrue overtime or receive compensatory pay.
2. Exempt employees may be required to report to their shift for the entire work period. Unauthorized absences during a shift shall be addressed as a performance issue and may be subject to deductions from appropriate leave banks or be deducted from salary.
3. Exempt employees shall use sick and vacation leave for partial and full day absences and record on the City of Celina time keeping system.
4. Due to the obligations for exempt employees to attend after hour meetings and work on projects outside of regular work hours, an exempt employee's immediate supervisor has the discretion to flex time periodically so an exempt employee may have time off keeping in mind our fiduciary duty to those we serve. This will be the exception and not the rule of operations.
5. ~~Use of exempt time off in increments greater than four hours within a work day must be recorded on the City of Celina time sheet.~~ Use of any leave must be done with prior approval of the employee's immediate supervisor.

II. Compensatory Time

A. Compensatory time off ("comp time") is paid time off the job that is earned and accrued by a non-exempt employee instead of payment for working overtime hours. Part-time, seasonal, and temporary employees are not eligible to accrue compensatory time.

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6.01 – Overtime and Compensatory Time

B. All regular full-time employees classified as non-exempt employees may accrue compensatory time at a rate of one and one half time (1.5) their regular rate. Employees who do not work a standard 40-hour workweek (i.e., Police and Fire employees who are covered under 207(k) of the FLSA and applicable provisions of state law) will accrue compensatory time based on their work cycle. The maximum accrual for compensatory time if as follows:

1. Employees assigned to a standard 40-hour workweek may accrue up to 80 hours;

A non-exempt employee who has accrued the maximum compensatory time will be paid for any overtime worked in accordance with the Fair Labor Standards Act.

C. Exempt Employees

Exempt employees are expected to perform job duties that are not strictly defined by an established number of hours. Exempt employees are expected to work whatever hours are necessary to accomplish required responsibilities Exempt employees will not accrue compensatory time.

D. Usage

1. Compensatory time accrued and used by employees will be recorded on individual time sheets to be forwarded to payroll and maintained as official records.

2. Employees may take compensatory time off within a reasonable period following their request. Compensatory time off must not unduly disrupt departmental operations and must have prior supervisory approval. In order to reduce the financial impact of compensatory time accruals, supervisors may require the use of compensatory time prior to use of vacation time.

3. When practical, in the judgment of the supervisor, employee work schedules should be adjusted to reduce the necessity of overtime. Non-exempt employees must receive prior approval from their supervisor prior to working overtime. Working unauthorized overtime by non-exempt employees shall be considered grounds for disciplinary action.

4. City policy requires all applicable leave to be used prior to authorizing an unpaid leave of absence. In accordance with this directive, compensatory time and other leaves will be automatically substituted when there is an insufficient balance of a requested leave.

E. Payouts

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.01 – Overtime and Compensatory Time

1. Non-exempt employees will be paid for accumulated, unused compensatory time upon separation of employment, regardless of the reason for separation.

2. If a non-exempt employee is promoted, any accrued, unused compensatory time, at ~~shall be~~ the discretion of the City, be~~if~~ paid out at his/her rate of pay for the position held before the promotion or the compensatory time will carry over to his/her new role at the prior rate of pay~~.~~

3. Any time a non-exempt employee with accrued compensatory time accruals transfers to another department, their accrual shall be cashed out at their current hourly rate. If an employee transfers to another division within the same department, their accrual shall not be cashed out.

4. Non-exempt, full-time employees transferring from a regular full-time position to a regular part- time, seasonal or temporary position will be paid for any accrued, unused compensatory time at the time of transfer.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.02 – Classification Process

The purpose of a position classification plan is to organize all City positions into groups or classes on the basis of similar duties, responsibilities and qualification requirements as outlined in the job descriptions. Equitable pay is assigned on a class basis in order to provide comparable pay for substantially equal work performed. The pay system is built to meet all criteria associated with the concepts of internal equity, i.e., equal pay for equal work, equal pay for similar work and equal pay for comparable work.

I. Classification review of a position

A. To review positions in which job responsibilities have changed substantially;

B. To determine whether the position may need to be reassessed or may fit into another job classification; and/or

C. To classify new positions.

II. The classification plan was designed to provide the City with a fair market assessment using comparable entities, both public and private where applicable. Where positions are unique and are not deemed comparable, internal comparisons can be made to assess internal equity for an appropriate job classification through the use of compensable factors.

III. Reclassifications of positions generally occur when the job duties and/or responsibilities of the position are materially changed to such a degree that they are no longer comparable to like jobs within the same range throughout the City. A reclassification does not create a vacancy in the number of budgeted positions.

IV. Requests for review will coincide with the annual budget process to ensure any changes to personnel costs can be addressed at that time. If unforeseen circumstances arise during the fiscal year, requests for review will require prior approval from the City Manager's office before initiating the review.

V. Position Review Process

A. No classification changes shall be made within a department/division without first obtaining Director of Human Resources and City Manager approval for review. Any changes of this magnitude must be approved before they are made. Any mid-year changes must be accompanied by a funding plan. The Department Director shall complete the appropriate reclassification paperwork and submit it to the Director of Human Resources, who must agree with and approve the request. If an employee believes that his/her position is improperly classified, that employee may provide specific concerns to the Department Director regarding the classification.

Position classification can neither be grieved nor appealed.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.02 – Classification Process

B. For new positions, the Supervisor will complete the City-approved job assessment tool to fill a position. For current positions, the incumbent will with the supervisor's approval, complete the City-approved assessment tool. The information submitted for review must be precise, detailed and up-to-date. When completing the request, it is important to remember it is the position being reviewed and not the employee currently in the position. The changes requested must be applicable to not only the current employee but must also serve as minimum requirements for future employees.

C. After review and approval by the appropriate supervisor(s), Division Manager, and Department Director, the forms will be submitted to the City Manager's office. If any supervisor or manager does not agree that the position warrants review, they will list the reason(s) and send it to the Department Director, who will make the final departmental decision and ensure the requestor is notified of the outcome.

D. The City Manager, or designee, will review the information and will decide whether or not Human Resources will conduct the classification review.

E. The position review will focus on the actual position and job classification, not the person, personality, or performance.

F. Human Resources will forward a written recommendation to the City Manager's office for review and disposition. The division/department will be notified of the outcome.

G. If the recommendation is approved by the City Manager's office, the appropriate paperwork will be processed by Human Resources. Human Resources will create a job description based on the City-approved job assessment tool and will send it to the division/department for review and proper signatures. The Human Resources Department shall be aided by departments in the classification preparation and maintenance process by submitting job descriptions any time there is reason to believe that there has been a change in the duties and responsibilities of one or more positions, each time a new position is established for incorporation into the plan or each time a department or division is reorganized.

H. The Director of Human Resources shall be responsible for the review and recommendation to the City Manager of the adoption of duties, responsibilities and qualifications as written in the job description. The Director of Human Resources shall recommend allocation of positions to specified classes in the classification plan. Generally, pay range adjustments will be considered on an annual basis in conjunction with budget preparation. Pay range adjustments will be effective for all employees with the same title within the pay plan.

I. Any reclassifications will be effective only on the first day of a pay period. Any increases where warranted, but not guaranteed with a reclassification, will be

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evaluated at the time of reclassification by the Director of Human Resources.

~~**VI.** There should be a wholesale review by an outside contracted entity of all positions every three (3) years.~~

VI. The city has adopted a Step Plan that allows for annual step increases to employees (dependent upon budgetary approval.) Due to the probationary timeframe, public safety may follow a separate schedule than listed below. The eligibility of new employees is per the following guidelines:

A. Employees hired between October 1st through March 30th, are eligible for a step increase the following October if they have completed 6 months of continuous employment.

B. Employees hired between April 1st through July 31st, will be eligible for a step increase upon completion of 6 month of continues work history. For example, if an employee's start date is May 1st their eligible for their step increase on November 1st. Department director will be required to submit a PAF for step adjustment to occur.

C. Employees hired in the months of August and September will not be eligible for a step increase in October, step increase will occur in October of the following year.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.03 – Longevity Pay

~~Regular full-time employees will be paid longevity pay at the rate of $5 per month of service to a maximum of $1,200 annually based on their hire date. Payments are distributed annually (first payday in December) as designated by city management and will be applicable to employees actively employed on the date of payment. The longevity pay will be pro-rated for employees leaving employment and will be added to their final check.~~

Longevity pay is provided to encourage retention of employees by recognizing the value of long-term service with the City of Celina. These payments are for regular full-time employees and regular part-time, non-seasonal employees who receive benefits and are made according to the following schedule:

1. Qualified employees will be paid longevity pay at the rate of $5 per month of service to a maximum of $1,500 annually based on their hire date.
2. An employee must be employed consecutively for 12 months as of September 30th.
3. Longevity pay is distributed in one lump sum each year in December.
4. The longevity pay will be pro-rated for employees leaving employment and included in their final check.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.04 – Bilingual Pay

I. Purpose:

The purpose of this policy is to establish guidelines regarding bilingual skill certification pay for eligible City of Celina employees. City of Celina employees frequently use bilingual skills to enhance the performance of position duties to better serve citizens of the City of Celina.

II. Levels of Bilingual Certification Pay:

Bilingual certification pay will be awarded in the following areas:

A. Speaking or being able to converse at a minimum of B1 level based on current proficiency scale.

B. Writing or being able to properly write the language at a minimum of B1 level based on current proficiency scale.

III. Eligibility:

A. This policy is applicable to all regular full time and part time employees in all departments of the City of Celina. All regular employees will be eligible for bilingual certification pay. The Department Director will identify positions and/or persons eligible to receive higher levels of bilingual certification pay within their department when:

1. The possession of the bilingual skill is beneficial in the performance of the employee's and/or department's duties.
2. The normal work station of the qualifying employee is such that they are reasonably available to employees and citizens needing assistance to translate from English to another language; or from another language to English when called upon to do so.
3. The secondary language is used by any group constituting at least 5% of the residents of the City of Celina. Other languages will be considered by the Director of Human Resources on a case-by-case basis on recommendation of the Department Director.

B. Employees in positions eligible to receive bilingual certification pay must achieve a passing score (currently level B1) in a testing process established to measure proficiency.

1. Testing requirements for bilingual certification pay will primarily involve verbal, reading and written language skills and translator ability.
2. All testing will be done by an independent consultant selected by the City of Celina.
3. The City of Celina will pay for the employee's first bilingual language

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certification test. The employee must pay the cost of any subsequent attempts to be certified. The City of Celina will reimburse the employee for the cost of a successful retest.

4. Arrangements to take the certification test must be made through the Human Resources Department.

~~4.~~5. Must complete probationary period.

IV. Guidelines:

A. Any employee receiving bilingual certification pay is expected to assist other non-bilingual employees in the translation of documents and assistance of the public. Assistance may be required for other departments or areas that extend beyond the employee's normal scope of responsibilities.

B. An employee receiving bilingual certification pay who declines reasonable assistance to non-bilingual employees or assistance to the public may have their bilingual certification pay revoked at the discretion of the Director of Human Resources.

C. Each department is responsible for re-evaluating the need for bilingual skills on a periodic basis and contacting the Human Resources Department should those needs change.

D. An employee receiving bilingual certification pay may be asked periodically to retake the proficiency test. Bilingual certification pay may be discontinued if a passing level of proficiency is not maintained.

E. The Human Resources Department may periodically conduct a random sample of the positions and screen incumbents to ensure the continued need for additional bilingual skills and that employees remain proficient in those skills. Any costs associated with random skills assessments will be paid by the City.

F. Determinations regarding an employee's eligibility for bilingual certification pay may be appealed to the Director of Human Resources whose decision will be final.

G. There is no additional compensation for certification in multiple languages.

~~G.~~H. Bilingual pay does not count towards certification pay.

V. Procedures:

A. Application for bilingual certification pay: The Department Director will submit in writing, the names of employee's eligible to test for

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6.04 – Bilingual Pay

bilingual certification pay. The Human Resources Director will review the applications.

B. Testing. The Human Resources Department will arrange for the employee to take the certification exam(s). Successful completion of the certification exam will result in the employee receiving certification pay for bilingual language skills effective the first pay period of the month following the exam. Certification pay will not be retroactive. The bilingual language certification pay will be awarded in the following areas:

Levels of Bilingual Language Certification	Monthly Pay for Full Time Employee*	Monthly Pay for Part Time Employee*
Reading/Speaking	$50	$25
Writing	$50	$25

*Paid out bi-weekly.

Testing results will be sent to the Human Resources Department and the employee. Nothing in this policy is to be construed a contract between the City of Celina and its employees. The City of Celina reserves the right to change, modify, amend, revoke or rescind all or part of this policy in the future.

C. Bilingual Certification – This pay is for skills used to enhance the performance of position duties to better serve citizens of the City of Celina. The Department Director, in conjunction with Human Resources will identify positions and/or persons eligible to receive bilingual certification pay based organizational need.

1. Employees in positions eligible for bilingual pay must achieve a passing score in a process established to measure proficiency.
2. The city will pay for the first bilingual language certification test. The employee must pay the cost of any subsequent attempts to be certified. Arrangement to take the test are made through Human Resources.
3. Any employee receiving bilingual pay is expected to assist other non-bilingual employees in the translation of documents and assistance of the public.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.05 – Certification and Education Pay

I. General Requirements

A. It is the policy of the City to encourage its employees to participate in advanced education and training. Additional training and education are important to the employees and is an overall benefit to the City. It is the intent of this policy to establish criteria by which compensation for education, licensing and certificates may be given. Education and certification pay shall be available to regular full and part-time employees who have completed their ~~introductory~~ probationary period.

B. The City may change an employee's pay rate based on the employee receiving a certification(s), and/or academic degree (s), for their position.

~~C. Each department is responsible for re-evaluating the need for bilingual skills on a periodic basis and contacting Human Resources should those needs change.~~

~~D.~~C. Each Department, division or section is responsible for maintaining up-to-date records of their employees' certificates and licenses; to keep the Human Resources department updated on any changes in status to either an employee, as it pertains to this section; and to notify Human Resources when an employee is no longer eligible to receive pay under this section.

D. Total of all certification(s) and licensing shall not exceed $150.00 per month. Managers and positions above are not eligible for certification and education pay stipends unless approved by the City Manager.

E. If a job description requires a level of education for job eligibility or it is deemed necessary to perform the essential function of the job, the employee will not be eligible for education payment.

~~I.~~VII. Certification/License Pay

A. In order to receive compensation, a certificate must be received and used in the employee's work responsibilities and must NOT be a minimum requirement for their position. Should an employee transfer to a department where the training becomes applicable, the employee may then be eligible for certification pay. Certification pay may be forfeited if a transfer places the employee where the additional pay is not applicable.

B. Payments are made on a bi-weekly basis. Certification pay will only begin upon presentation of the original document by the employee to the Human Resources Department. To qualify for the program, certificates, licenses or college degrees must be obtained from a State accredited college or university, a State certification or licensing agency and/or a recognized professional association performing a similar certification or licensing function for personnel in the applicable profession, and must be maintained in an active status. Certificates, licenses, or college degrees must also be directly related to an employee's present position, and current job duties, profession and/or occupation. To qualify for the program, a certificate, license, or college degree must not be a job requirement for the employee's present position. Should

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6.05 – Certification and Education Pay

certification/license lapse, it is the employee's responsibility to immediately notify their supervisor and Human Resources Department. If an employee is promoted or moves into a position that is ineligible for this program, the employee will cease receiving the pay on the effective day of the promotion or move.

~~Bilingual Certification This pay is for skills used to enhance the performance of position duties to better serve citizens of the City of Celina. The Department Director, in conjunction with Human Resources will identify positions and/or persons eligible to receive bilingual certification pay based organizational need.~~

~~5. Employees in positions eligible for bilingual pay must achieve a passing score in a process established to measure proficiency.~~

~~6. The city will pay for the first bilingual language certification test. The employee must pay the cost of any subsequent attempts to be certified. Arrangement to take the test are made through Human Resources.~~

~~7.~~1. ~~Any employee receiving bilingual pay is expected to assist other non-bilingual employees in the translation of documents and assistance of the public.~~

~~F.~~ Certification Training Reimbursement Agreements

~~1.~~2. With approval of Department Director, the City will pay for the cost of job related certification training, and subject to annual budget appropriation. However, should an employee elect to voluntarily leave the employment of the City within six (6) months of receiving said training, the employee shall reimburse the City for its cost if it exceeds $1,000.

~~III. Academic Education Pay~~

~~A. Academic education pay will be granted to employees with the following degrees from an accredited college, provided it is not a requirement for their position, and it is subject to annual budget appropriation. College degrees received from colleges and universities will only be recognized if accreditation is verified through the Department of Education National Database of Accredited Postsecondary Institutions and Programs. Academic Education pay may be granted to employees with degrees from foreign countries provided that the Institutional Research Foundation verifies the authenticity of the degree(s) and establishes relevant equivalency to degrees awarded by accredited colleges and universities within the United States.~~

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~~B. It isthe employee's responsibility to furnish documentation that proper accreditation by the Department of Education National Database of Accredited Postsecondary Institutions and Programs. The Human Resources Department will notify the Department Head upon hire of the new employee in their department if the employee has not supplied appropriate documentation. Until documentation is supplied, this monthly addition is not to be added.~~

Certification/Licensure Pay Schedule

~~C.~~

~~**Certificates and Licenses**~~

All City Departments:

- ~~Unless listed herein, $25 per month for each certificate or license up to a~~A maximum of $150.00 per month for certifications and licenses. Bilingual and degree pay will not count towards the $150.00 maximum.
- Bilingual Certification – Speaking: $50/$25 per month (full/part time)
  Reading and Writing: $50/$25 per month (full/part time)

Public Works *(non-cumulative)*

Certification/License	Amount Per Month
Water Class B	$75.00
Wastewater Class B	$75.00
Water Class A	$100.00
Wastewater Class A	$100.00

Police *(non-cumulative)*

Certification/License	Amount Per Month
Intermediate Police License	~~$60.00~~$75.00
Advanced Police License	~~$90.00~~$100.00
Master Police License	~~$120.00~~$150.00

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6.05 – Certification and Education Pay

Fire *(non-cumulative)*

Certification /License	Amount Per Month
TCFP Intermediate	$75.00
TCFP Advances	$100.00
TCFP Master	$150.00
Fire Investigator/Inspector Basic	$50.00
Fire Investigator/Inspector Intermediate	$75.00
Fire Investigator/Inspector Advanced	$100.00
Fire Investigator/Inspector Master	$150.00

VIII. Academic Education Pay

A. Academic education pay will be granted to employees with the following degrees from an accredited college, provided it is not a requirement for their position, and it is subject to annual budget appropriation. College degrees received from colleges and universities will only be recognized if accreditation is verified through the Department of Education National Database of Accredited Postsecondary Institutions and Programs. Academic Education pay may be granted to employees with degrees from foreign countries provided through a verifiable source of the degree(s) and establishes relevant equivalency to degrees awarded by accredited colleges and universities within the United States.

B. It is the employee's responsibility to furnish documentation that proper accreditation by the Department of Education National Database of Accredited Postsecondary Institutions and Programs. The Human Resources Department will notify the Department Head upon hire of the new employee in their department if the employee has not supplied appropriate documentation. Until documentation is supplied, this monthly addition is not to be added.

College Degrees:

Degree*	Amount Per Month
Associate	$50.00
Bachelor	$100.00
Post Graduate	$150.00

*Non-cumulative

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PERSONNEL POLICIES

Chapter 6 – Compensation

6.06 – Response Time On-Call/Call Back Pay

I. Call Out/Back Pay

A. Call out is an assigned duty to accomplish required work assignments after normal working hours in any department that does not have scheduled work hours on a 24-hour basis. Pay for call out will be based on arrival at the Public Works Facility or the location of the emergency with a minimum of two (2) hours credited work time for those who travel to and from an assigned worksite. Employees may be "called out" more than once in a two-hour period. Each call out does not constitute a two (2) hour call out if it is within the current two (2) hour call out period. Departure from the Public Works Facility or the location of the emergency constitutes the end of hours worked.

B. Employees called out to work during emergencies will be compensated at his/her regular rate. If the call out causes the employee to exceed forty (40) hours, the employee will be compensated at his/her overtime rate. An emergency is defined as an unscheduled work time in which life is threatened or the welfare of the public is at risk and requires the immediate assistance of additional personnel. An example of public at risk would include a ruptured water main, blocked wastewater main or a requirement to respond to storm damage jeopardizing public safety.

II. On-Call/Standby Pay

A. The City of Celina compensates employees who are designated and/or placed in a rotating on-call status for each 24-hour period for which they are designated as on-call. This policy applies to all employees in positions required to participate in a rotating on-call status.

B. The supervisor or designee will be responsible for identifying and coordinating the on-call schedule and positions within the respective department. On-call status is based on Department discretion and Department scheduling.

C. Eligibility for On-Call Pay

1. The employee must be specifically assigned for on-call status for the 24-hour period.
2. The employee designated as the primary on-call person must be able to respond to the call within 45 minutes of being contacted.
3. Time worked immediately after regularly scheduled working hours at the request or approval of the supervisor will not be considered call-back and is paid at the employee's regular rate of pay until the overtime threshold is reached.
4. This personnel policy is providing general minimum standard guidelines for this policy, for compensation specific policies refer to the internal departmental policies.
5.

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CITY OF CELINA
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6.06 – Response Time On-Call/Call Back Pay

D. On-Call Payment

1. Civilian non-exempt employees who rotate on required on-call status will receive ~~weekly stipend~~ $15.00~~of~~ stipend per day ~~$75.00~~ per employee. ~~per week based off of the established 7-day work week period.~~ Employees receiving the on-call stipend are not eligible for mileage to and from the workplace while receiving the weekly stipend.
2. On-Call Duty: On-call assignments are not compensable if:
    a. Employees can ~~not~~ be contacted by a pager or telephone; and
    b. Have free (personal) use of the time while waiting for an assignment.
    ~~c. Pay will be considered overtime if the employee is non-exempt and has already recorded the hours required to meet the overtime threshold for their position.~~
    ~~d.~~ On-call employees who do not return to the workplace, but who handle a workplace issue by phone or internet will be compensated based on a departmental policy, approved by the City Manager.

E. In all cases, employees must report their actual hours worked on their time sheets.

F. Departmental Policies. Each Department has its own internal procedures for handling on-call services. Departments may establish guidelines for varying levels of response to call-back situations depending upon the nature and importance of the services to complete.

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6.07 – Meal Periods and Break Periods

The City recognizes the need for employee breaks during the day to prevent undue fatigue and has scheduled the following breaks to accommodate this need:

A. Employees are scheduled for either a one-hour lunch period or a 30-minute lunch period each day. Unless emergency circumstances exist, meal periods should not be less than thirty minutes. This time is generally not included as hours worked toward overtime. If less than 30 minutes, the time is considered hours worked.

B. Depending on workload, employees may be given two brief rest/break periods of no more than 15 minutes one during the first half of the day and another during the last half of the day. The rest/break period is a privilege to be granted by supervisors depending on the various work locations, conditions, and workload. Rest/break periods shall not be combined or accrued.

C. The Department Directors are responsible for scheduling individual rest/break periods and lunch to accommodate the needs of their departments.

D. Employees shall be careful not to abuse rest/break period privileges, including restroom breaks.

E. Employee schedules might deviate from the guidelines depending on the necessity for the successful completion of the job.

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6.08 – Membership Dues Payroll Deduction

I. Statement

It is the policy of the City of Celina to make payroll deduction available to employees who are members of a City-approved association or organization that requires membership dues. This policy applies to all employees of the City of Celina. This policy and its administrative procedures should not be interpreted as the City's endorsement of any employee associations and organizations.

II. Administrative Procedure

A. The Director of Human Resources or designee will coordinate the written requests and verification of all payroll deduction membership dues requests. All requests will be forwarded to payroll for final processing. Employees must authorize in writing any and all payroll deductions prior to withholding.

B . Employee Request for Membership Dues Payroll Deduction: The employee must submit the written request for payroll deduction for membership dues of designated associations or organizations to the Human Resources Department. The appropriate forms will be available in Human Resources during regular business hours.

C. Administrative Fee: The City of Celina reserves the right to impose a reasonable administrative fee at any time after submitting written notification to the requesting employee and prior to initiation of the deduction. The fee imposed shall not exceed the amount currently used by the City for processing similar deductions. However, vendor- required processing fees will be the responsibility of the employee and will be included in the total amount deducted from the employee's paycheck each pay period.

D. Frequency of Payroll Deductions: Deductions will be taken from 26 paychecks, after- taxes, on a bi-weekly basis (pay period). Requests for more or less frequent deductions will not be considered. Deductions will continue until the Human Resources Department receives written cancellation from the employee.

E. Methods of Designating Payments: Accumulated deductions will be sent to the vendor periodically or as agreed upon. The method and frequency of payments sent will vary depending upon the guidelines of the vendor. The employee will be responsible for paying any set-up or processing fees required by the vendor. The fee will be included in the total amount deducted from the paycheck.

F. Cancellation of Payroll Deduction: Payroll deduction for membership dues will cease after receiving a written notice requesting cancellation from the employee. The City of Celina has the authority to stop payroll deductions if it is determined that the employee association or organization has disbanded or is no longer sanctioned.

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6.09 – Travel time

Travel to and from work is generally not compensable, unless specifically approved by the City Manager. Travel time which is outside of regular working hours is generally not compensable, unless the employee is on call or if travel is approved by the City Manager.

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6.10 – Temporary Promotion/Assignment Pay

I. On occasion, an employee is asked to perform a job duty well beyond the scope of their job description and a job classified at a higher pay grade. With concurrence of the City Manager in advance, the Department Director can work with the Director of Human Resources in order to provide a temporary pay amount for the role based upon the duties and assignments of the role. That temporary pay cannot exceed 5% or Step 1 of the role unless approved by the City Manager, or whichever is greater. Generally, this will only apply when an employee is filling in a vacancy on an interim basis for another employee with a higher pay grade.

II. Eligibility of temporary promotion pay increases requires that the employee must have worked, or be scheduled to work, a minimum of 30 calendar days in the new position. Pay increases will be effective at the start of the temporary promotion pay period.

III. Police and Fire personnel covered by *Texas Local Government Code § 141.033* will be paid in accordance with paragraph (b), to wit; *"A member of the fire or police department who is required to perform the duties of a particular classification is entitled to be paid the salary prescribed for that position during the time the member performs those duties."* This however requires written confirmation of the higher classification assignment by the Department Director immediately before or after the employee's shift and is limited to only those hours wherein the actual duties unique to the higher classification are performed.

IV. Pay After Demotion. Treatment of base pay due to demotion s is as follows:

A. For reassignment demotions, pay will be reduced a minimum of five (5) percent and new pay must be in the range of the reassigned pay grade.

B. Performance based and voluntary demotions will result in the employee's base pay being reduced and the employee's new salary will be determined by Human Resources and the Department Director with the approval of the City Manager.

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6.11 – Vehicle Allowance and Reimbursement

An employee may be given a monthly allowance for consistently using said employee's own vehicle for City business if the use is deemed necessary by the City Manager and budgeted funds are so designated. Alternatively, an employee who is authorized to use their personal vehicle for City business is eligible to receive expense reimbursement for mileage. If an employee is receiving a vehicle allowance, mileage reimbursement is not allowed unless one-way travel exceeds 100 miles.

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6.12 – Termination Pay

I. Upon separation from employment, only employees who have completed their probationary/introductory period and are terminating shall be paid for unused vacation earned.

II. Employees shall be paid any hours worked and overtime compensation due.

III. Employees will be required to sign a release to deduct any indebtedness to the City which the employee might have incurred during his/her tenure with the city while following compliance within State and local guidelines.

IV. If any employee dies while employed by the City, the City shall pay the beneficiary any unpaid pay, unused vacation and accumulated benefits as applicable to normal payouts.

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Chapter 6 – Compensation

6.13 – Worker's Compensation

I. The City carries a workers' compensation insurance policy. In cases of job related injuries, provisions and benefits available under workers' compensation are activated. **FML runs concurrently with any other leave as well as worker's compensation leave.**

II. Employees must notify their immediate supervisor within 24 hours of an injury or illness that is work related so that a proper claim or notice of claim may be filed with the City's worker's compensation carrier.

A. Employees will clearly relay the place, time, and date of any work related illness/injury as well as any witnesses that were present.

III. Employees may be paid temporary income benefits (TIBs) if their work-related injury or illness causes them to lose all or some of their wages for more than seven (7) days. TIBs are equal to 70% of the difference between an employee's average weekly wage and the wages they are able to earn after their work-related injury (i.e., if an employee was unable to earn any wages, they would receive 70% of their average weekly wage).

A. The City will offer salary continuation to eligible employees, who have an approved work-related injury or illness covered by workers' compensation insurance, after they have missed more than 7 days of work.

B. Worker Compensation will be paid on a weekly basis. Eligible employees may receive salary continuation which will supplement the employee's income up to their current rate of pay, excluding overtime. Employees who are eligible for salary continuation will be required to endorse their workers' compensation checks payable to the City of Celina for deposit. If the employee chooses not to endorse their worker's compensation check to the City of Celina, the employee forfeits their right to supplemental assistance and must use accrued sick and/or vacation as supplement of the worker's compensation wage. Salary continuation may be provided up to a maximum of 90 calendar days from the date of eligibility.

C. Employees whose normal schedule often includes overtime will not be given supplemental pay above 80 hours per pay period.

D. There will be a 90 calendar-day limit on supplemental pay benefits. If the employee remains unable to return to work, accrued sick, vacation and compensatory leave will be used until it is depleted or the employee returns to work.

E. Should there be an initial overpayment balance of benefits paid to the employee due to a delay in benefits from Workers' Compensation and the normal pay of the employee's salary, the employee will be required to sign a release to deduct any overage(s) of workers' compensation paid to the employee in incremental installments each pay period, until the balance is completely paid off.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.00 – Standards of Conduct

I. General

A. The purpose of this policy is to implement effective personnel policies that encourage a productive work environment and set for the guidelines for ethical behavior. The City and its employees have a responsibility to conduct City business in an ethical manner, safeguard all assets of the municipality, and comply with all applicable federal and state laws, the City charter, local policies, rules, and regulations.

~~A.~~B. The City depends on and expects its employees to honor and implement Servant Leadership and our Core Values of Excellence, Community, Integrity, and Service referenced in 1.00 of the Personnel Policies

~~B.~~C. The City is committed to a mutually rewarding and direct relationship with its employees and to providing customers, both external and internal, with excellent services. It is expected that City employees will adhere to certain rules and regulations, that are necessary for efficient business operations and for the benefit and safety of all employees. Conduct that interferes with operations, discredits the City, or is offensive will not be tolerated.

~~C.~~D. The City expects that employees will conduct themselves in a positive and professional manner in order to promote the best interests of the City, to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct, and exhibit a high degree of personal integrity at all times. This not only involves sincere respect for the rights and feelings of others, but also demands that both in business and personal life, employees refrain from any behavior that might be harmful to themselves, their coworkers, or the City.

~~D.~~E. The City does not intend, nor does it assent to, any modification of any at-will relationship, established as a matter of policy, by setting forth specific types of conduct which are unacceptable.

II. Discipline

A. In general, the City will use a progressive disciplinary system. Progressive discipline is NOT required. The City is not obligated to use all of the disciplinary steps and may begin the process at any level, up to and including ~~immediate~~ termination, depending on the severity of the conduct, the employee's work performance and prior disciplinary history and any other relevant factors. Depending on the circumstances of each case, disciplinary action may consist of one or more of the following:

1. Oral counseling/verbal ~~reprimand~~warning~~:~~
2. Written ~~reprimand~~warning
~~3.~~ Decision Making Leave (DML) with Performance Improvement Plan

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7.00 – Standards of Conduct

(PIP) with probation

~~3.~~

~~4.~~ Termination

~~4.~~

B. Documentation: All discipline, other than documented oral ~~warning~~counseling/ ~~employee consultation/~~verbal ~~reprimand~~warning, must be sent to the Human Resources Department for placement in the employee's personnel file. Departments should keep record of oral ~~warnings~~counseling's and~~,~~ verbal ~~reprimands~~ warnings.~~and consultations.~~ ~~and provide a copy to the Human Resources Department.~~ If further discipline is taken against the employee subsequent to the documented oral ~~warning~~counseling/verbal ~~reprimand~~warning for the same or similar conduct, then the supervisor must also send the documented ~~verbal warning~~oral counseling/verbal ~~reprimand~~warning to Human R~~r~~esources where it will be placed in the employee's personnel file to show the City's use of progressive discipline. All discipline and other personnel records must be preserved in accordance with the City's policy.

C. Supervisory Responsibility: All employees with the responsibility and authority to supervise and direct employees under their control shall:

1. Administer policies and procedures within their scope of authority;
2. Document their subordinates job performance, conduct, and behavior asappropriate;
3. Conduct evaluations of subordinates in a timely manner; discipline their subordinates as appropriate;
4. Address performance appeals submitted to them as provided by policy in a professional manner, in an attempt to resolve such issues at the lowest possible supervisory level.
5. Prior to disciplinary action, the supervisor will conduct a thorough examination of the situation before deciding to take any disciplinary action and discuss proper action with their Department Director and Human Resources.

D. Appeal Rights: A regular full-time employee who has received discipline greater than a written ~~reprimand~~ warning, may request a Disciplinary Review Meeting in accordance with City policy, with the understanding that all employees are hired at will. Those employees employed by a written contract, probationary, temporary and seasonal employees likewise have not right of appeal for disciplinary action taken against them and are exempted from this policy.

E. Administrative Leave

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7.00 – Standards of Conduct

During an investigation into alleged offenses or violations of City's policies, the City's may, in its sole discretion, place the employee on administrative leave. The leave may be with or without pay.

~~F.~~ An employee who has received discipline in excess of a written warning~~/written reprimand~~ may request a meeting with the next level supervisor. In cases of suspensions four (4) days or greater or termination, the meeting will be with the next level supervisor.

III. Types of Conduct

The following types of conduct are unacceptable. NOTE: The examples given are typical but not all inclusive.

A. Unsatisfactory attendance is exemplified by, but is not limited to, the following violations (subject to the terms and provisions of the Family Medical Leave Act):

1. Unexcused absence, excessive absenteeism, or tardiness;
2. Failure to give notice of an absence or tardiness to the supervisor from within (1) one hour before starting time, as prescribed by departmental policy;
3. Separate absences or days of tardiness which exceed the average absences or days of tardiness of the employee's work group and which lack sufficient justification in the opinion of the employee's supervisor;
4. Absence or tardiness that causes significant curtailment or disruption of service without sufficient justification in the judgement of the employee's supervisor; or
5. Excessive failure to remain at one's workstation without notifying their supervisor, leaving work without permission or taking excessive time or more time than allowed for eating or break periods.

B. Job Abandonment occurs when an employee deliberately and without authorization is absent from the job, or refuses a legitimate order to report to work, for two (2) consecutive work days or one (1) shift for Fire shift personnel. The employee is deemed to have abandoned his/her job at which time employment might be terminated.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.00 – Standards of Conduct

C. Inability to come to work occurs when an employee is absent due to an extended, chronic physical/mental ailment or injury after sick, vacation, compensatory time, or other excused leave paid time off has been exhausted, or when an employee is unable to perform the essential job junctions, with or without accommodation.

D. Inability or unwillingness to perform assigned work satisfactorily is exemplified by:

1. Failure to follow routine written or verbal instructions;
2. Insubordination;
3. Arguing over assignments or instructions; or
4. Negligent or improper conduct leading to damage to employer-owned or citizen- owned property; or
5. An accumulation of deficiencies indicating the employee's continuing failure to adequately perform in a productive, efficient, and competent manner.

E. Indifference toward work is exemplified by, but is not limited to, the following violations:

1. Inattention, inefficiency, ~~loafing~~idling, sleeping, carelessness, or negligence;
2. Failure to remain at one's work station, leaving work without permission, or taking excessive time or more time than allowed for eating or break periods;
3. Performance of personal business;
4. Interference with the work of others; unnecessarily disrupting the work of other employees;
5. Discourteous or irresponsible treatment of the public or other employees;
6. Wearing improper attire or presenting an inappropriate personal appearance;
7. Failure to maintain, and/or achieve, required job standards, e.g., certification, licensing, etc.
8. Unsatisfactory performance or conduct;
9. Engaging in personal business while on duty without authorization of their supervisor, including watching television, shopping, engaging in entertainment, etc. or
10. Violation of personnel policies and procedures.

F. Sabotage is exemplified by, but is not limited to, the following violations:

1. Negligent or improper conduct leading to damage to or destruction of City

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or privately-owned equipment or property;

2. Defacing of City property;
3. Unauthorized alteration, removal, destruction, or disclosure of City records;
4. Advocacy of or participation in unlawful trespass or seizure of City property;
5. Encouraging or engaging in slowdowns, sit-ins, strikes, or other concerted actions;
6. Efforts to limit or restrict employees from working;
7. Refusal to cross picket lines;
8. Interference with the public use of or access to City services, property, or buildings; or
9. Threats to commit any act of sabotage as defined in this subparagraph.

G. Safety violations are exemplified by, but are not limited to, the following violations:

1. Failure to follow City or departmental safety rules and regulations;
2. Failure to follow appropriate safety practices or policies;
3. Failure to use required safety apparel;
4. Removal or circumvention of a safety device;
5. Lifting in an unsafe manner;
6. Operation of vehicle or other equipment in an unsafe manner;
7. Smoking in a prohibited area;
8. Playing tricks or jokes or engaging in horseplay that adversely affects job performance or creates potential safety issues.
9. Endangering of one's own safety or that of others by careless or irresponsible actions or negligence;
10. Failure to report to one's supervisor or an authorized substitute, an on-the job injury, vehicle accident, or unsafe work condition involving a City employee within two (2) hours of its occurrence;
11. Failure of a supervisor with knowledge of the circumstances to remove from the work place or to assist to a safe location an employee whose mental capabilities are impaired due to injury, illness, alcohol or drug use, or emotional distress.
12. Possession of dangerous or unauthorized material such as explosives on City premises or while on City business.
13. To have possession on any City property, or to transport in a motor vehicle, a "firearm", or any other weapon prohibited by law, while in the scope of employment.

A "firearm" is defined in Section 46.01, Texas Penal Code. This subsection does

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not apply to a City employee employed as a peace officer under Article 2.12 C.C.P. or as a special investigator as defined in Article 2.122 C.C.P. "Possession" is defined in Section 1.07(39), Texas Penal Code. This subsection also does not apply to an employee traveling out of town for the City in a personal vehicle.

H. Dishonesty is exemplified by, but is not limited to, the following violations:

1. Acceptance or solicitation of money or anything of value from a person subject to the regulatory decision or supervision of the employee, or soliciting or accepting gratuities form customers or vendors;
2. Cheating, forging, or willful falsification of official City reports or records;
3. Abuse or misuse of paid time off benefits;
4. False reporting of the reason for paid time off; or
5. Lying, any act of untruthfulness, and any other falsifying action detrimental to the City or fellow employees.

I. Theft, regardless of item value is exemplified by, but is not limited to, the following violations:

1. Misappropriating, theft or conversion of City property or the property of others whether on or off work;
2. Unauthorized use of City or employees' funds;
3. Using or authorizing the use of City equipment, property, supplies or employee services for other than official City business; or
4. Using or authorizing the use of City equipment or employee services without proper authority.

J. Insubordination is exemplified by, but is not limited to, the following violations:

1. Willful failure, or refusal, to follow the specific orders or instructions of a supervisor or higher authority provided that:
    a. If the employee believes an instruction or order is improper, the employee should obey the instruction or order and file a written statement of concern later;
    b. If the employee believes the instruction or order, if followed, would result in physical injury to the employee or others or damage to City equipment, or reasonably believes the instruction or order if followed, will violate law carrying criminal penalties, the employee should request approval by the next higher level of supervision before performing the work, unless the danger complained about is inherent to the job; or

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2. Pursuit of a denied request to a higher authority without revealing the a lower supervisory-level disposition.
3. Failing to cooperate fully in an internal investigation in which he/she is the primary focus, or for which they are a witness or affected party.

K. Abuse of drugs or alcohol, as defined herein, is exemplified by, but is not limited to, the following violations:

1. An employee is judged unable to perform duties in an effective and safe manner due to:
    a. Ingestion, inhalation, or injection of an intoxicants or a drug (other than those lawfully prescribed and reported to Human Resources); or
    b. Ingestion of an alcoholic beverage and/or being under the influence of alcohol while at work;
    c. An employee is under the influence of, manufactures, distributes, dispenses, possesses or uses a drug without a legal prescription:
        i. In the workplace;
        ii. During working hours, including all breaks and meal breaks; or
        iii. In a City vehicle;
2. An employee is under the influence of, manufactures, distributes, dispenses, possesses or uses an alcoholic beverage:
        i. In the workplace;
        ii. During working hours, including all breaks and meal breaks;
        iii. In a City vehicle; but
        iv. Not including the moderate use of alcoholic beverages as specifically authorized by the City Manager at City-sponsored social functions, if such social functions do not occur in the workplace, in a City facility, during working hours, or in a City vehicle;
3. An employee refuses to submit to a drug and/or alcohol test after it is required;
4. An employee tampers with, or attempts to tamper with, a drug and alcohol urine, breath or blood sample or the drug and alcohol testing process;
5. An employee tests positive in a drug and alcohol urine, breath or blood test of a sample taken during working hours for the presence of drugs or alcohol at detectable levels without a reasonable explanation;
6. An employee is convicted of a criminal drug or alcohol statute violation

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and fails to notify his or her supervisor of said conviction, no later than three (3) days after such conviction;

7. An employee possesses drug paraphernalia in the workplace or a City facility, during working hours or in a City vehicle without a reasonable explanation; or
8. Violation of the City's Drug and Alcohol Policy and procedures.

NOTE: In subparagraph (K) above:

"Drug" means a controlled substance or a controlled substance analogue as defined in Section 481.002(5) and (6) of the Texas Health and Safety Code, marijuana and abusable glue and aerosol paint (inhalants) as defined in Section 485.001 of the Texas Health and Safety Code.

"Alcoholic beverage" means alcohol, or any beverage containing more than one-half of one percent of alcohol by volume, which is capable of use for beverage purposes, either alone or when diluted.

"Drug paraphernalia" means equipment, a product or material of any kind mentioned in Section 481.002(17) of the Texas Health and Safety Code.

L. Disturbance is exemplified by, but is not limited to, the following violations:

1. Fighting, bullying, or other boisterous conduct;
2. Deliberately causing physical injury to another employee or citizen;
3. Intimidation;
4. Unnecessary disruption of the work area;
5. Use of profane, abusive, threatening, loud and boisterous language, or gestures to/against another employee or the public while on duty or in a Cityvehicle;
6. Spreading of false reports;
7. Other disruption of the harmonious relations among employees or between employees and the public.

M. Abuse of City property is exemplified by, but is not limited to, the following violations:

1. Negligent damage, or destruction of City equipment or property;
2. Waste of materials or negligent loss of tools or materials;
3. Improper maintenance of City equipment or property;
4. Damage caused by use of tools or equipment for purposes other than that for which the tool or equipment was intended.
5. In addition to appropriate disciplinary action, damage caused

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intentionally or by gross negligence shall cause the employee to be responsible for the repair or replacement of any damaged item. Failure to reimburse the City will result in termination of employment.

N. Disregard of public trust is any conduct which, on becoming public knowledge, could impair the public's confidence or trust in City government taking into consideration the nature of the conduct, whether committed during or after working hours and the duties of the employee. This ground for disciplinary action shall not include any conduct which is protected by law. This subsection may include the conviction of an employee of a criminal drug or alcohol statute violation for off the job conduct if the conviction adversely affects public trust in the City to carry out its responsibilities.

O. Failure to report a violation is exemplified by but not limited to, failure to report to the proper authority any known violation described in Subparagraphs (F), (G), (H), (I), (K), (L), or if an employee has any doubt about a "proper authority", the employee should report the violation to his or her supervisor, department/division director, or to the Human Resources Department.

P. Violation of rules is exemplified by, but is not limited to, the following violation of rules:

1. City or Departmental or Division Rules, Regulations, Police, or Procedures;
2. General Orders, Special Orders, or the Code of Conduct of the City of Celina Police or Fire Departments; or

Q. Unauthorized use of information or authority is exemplified by, but is not limited to the following:

1. Unauthorized or improper use or disclosure of official information; or
2. Unauthorized or improper use of official authority.

R. Discrimination. Discrimination or harassment based on race, sex, religion, national origin, physical disability, or age or any other protected characteristic will subject the perpetrator to disciplinary action, up to and including termination of employment.

S. Sexual Harassment. Employees, department and division Directors, Managers, Supervisors, and others who violate the sexual harassment policy are subject to disciplinary action, including termination of employment. Any department or division Director, Manager, or Supervisor who receives a complaint of sexual harassment and fails to take action pursuant to this policy is subject to disciplinary action, including termination of employment.

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7.00 – Standards of Conduct

T. Confidential/Sensitive Information. It is City of Celina's policy that all employees, as public servants, must be careful not to violate the trust of citizens and the public. Except as properly authorized by the Public Information Act, it is the responsibility of all employees to maintain the confidentiality of official records, forms, data, and other information. It also is the responsibility of employees to refrain from sharing sensitive information as it might be contrary to good organizational operations. Information designated as confidential/sensitive shall not be discussed/disclosed to anyone outside the organization and shall be discussed within the organization only on a "need to know" basis. Employees are prohibited from attempting to obtain confidential/sensitive information for which they have not received authorization. Employees violating this policy shall be subject to discipline up to and including termination of employment.

IV. Disciplinary Review Meeting

It is the policy of the City of Celina to give individual employees an opportunity for a hearing regarding severe disciplinary actions. Disciplinary review hearings are designed to be heard according to prescribed guidelines as set forth in the following procedures. The disciplinary review hearing process is designed to afford the employee a responsive forum; however, nothing in this policy shall be construed as a grant to any employee of a property right in tenured public employment. All employees are employed strictly on an at-will basis.

General Disciplinary Review Meeting Information

A. An employee who has received discipline in excess of a written warning/written reprimand may request a meeting with the next level supervisor. In cases of suspensions four (4) days or greater or termination, the meeting will be with the Director of Human Resources.

B. All requests for disciplinary review hearings must be filed with the Human Resources Department within five (5) working days after receiving notification of an action taken. The request must explain why they do not agree with the action taken and what they recommend as an alternative action. All decisions rendered in response to disciplinary review hearings must be in writing to the employee.

C. An employee who requests a disciplinary review hearing must inform the Human Resources Department in writing of their correct mailing address and telephone number. Failure to provide current mailing address and telephone information may result in administrative closure of the disciplinary review hearing.

D. The employee will meet with the Director of Human Resources deciding the issue within ten (10) working days of the employee's request, unless an extension is agreed upon by the parties.

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E. Upon conclusion of the meeting the official hearing the case will have five (5) wherein to make a decision. For issues involving suspension without pay of three (3) or fewer days, the Director of Human Resources will be the final arbiter. For suspensions without pay or four (4) or more days or termination of employment, the City Manager will be the final arbiter.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.01 – Attendance and Work Hours

I. To maintain a safe and productive work environment, the City expects employees to be reliable and punctual in reporting to work. Any absenteeism or tardiness is disruptive and place a burden on the City and on co-workers. Either may lead to disciplinary action, up to and including termination of employment.

II. In the rare instance when an employee cannot avoid being late to work or is unable to work as scheduled, the employee must personally notify their supervisor at least one (1) hour in advance of the anticipated tardiness or absence; more notice may be required in accordance with individual departmental procedures. The employee must disclose to their supervisor the reason for the absence or tardiness and the date and time of their anticipated arrival.

III. For absences of one day or more, the employee must personally notify their supervisor on each day of their absence. For absences of three (3) or more days the employee's supervisor must notify the Human Resources Department no later than the third day of absence in order to properly administrate the Family and Medical Leave Act (FMLA) procedures as covered this policy manual. FMLA leave is to be considered if an employee is out more than three (3) days.

IV. An employee failing to report for duty or remain at work as scheduled without proper notification, authorization, or excuse shall be considered absent without leave, which constitutes abandonment of duties and shall not be in pay status for the time involved. Absence for two (2) consecutive days (or 24 hours for Fire shift personnel) without prior notification or without satisfactory reason shall be considered job abandonment and designated as a resignation without proper notice.

V. Regular Work Hours

A. Non-exempt employees of the City, except for Fire Department and Police Department shift personnel, normally work forty (40) hours in a seven-day work week. Exempt employees may be required to work in excess of forty (40) hours. The work week begins on 12:01 a.m. Monday and ends on midnight Sunday. The regular work day normally is an eight, twelve and 24 hours. Work days are subject to change based on need and City Manager approval.

B. It is City policy to require employees to be at their assigned worksite on time, ready to pursue City business and to work all scheduled hours and any required overtime.

C. Adjustment to Work Hours. In order to assure the continuity of City services, it may be necessary for Department Directors, with the approval of the City Manager, to establish other operation hours for their departments.

1. Work hours and work shifts must be arranged to provide continuous service to the public.
2. Employees are expected to cooperate when asked to work overtime or a different schedule. Acceptance of work with the City includes

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the employee's acknowledgement that changing shifts or work schedules may be required, and includes that he/she will be available to do such work.

3. Contingent on available staffing, a temporary, flexible workweek schedule may be available for full-time employees. Department Directors have the ability to establish temporary flexible work schedules as long as service levels and productivity standards are maintained. All temporary or permanent schedules other than normal eight (8) hour/ five (5) days a week must be approved by the City Manager.

VI. Meal Periods

A. Every effort will be made to ensure that all full-time employees receive a daily meal break during each shift. There may be instances, however, when an employee may not receive a scheduled meal break due to scheduling and/or the nature of the work.

B. Full-time employees (excluding Fire Department and Police Department shift personnel) are normally provided a one (1) hour unpaid meal break near the middle of the work day. Meal periods may be staggered by the Department Director in order to minimize departmental interruption. Supervisors will provide employees with the starting and ending times for their specific meal periods. Employees will be relieved from work responsibilities during unpaid meal breaks. Employees may not extend meal breaks beyond their assigned period, without prior supervisor approval.

VII. Rest Breaks

A. Full-time employees may, depending on individual department work schedules and the discretion of their supervisor, take up to two (2), fifteen-minute, paid breaks each day, one during the first part of the work day and the other during the latter part of the work day.

B. Rest breaks are considered a privilege and NOT a right and shall never interfere with proper performance of an employee's work responsibilities and department work schedules.

C. Rest breaks must be taken at, near, or in route to or from work sites within the fifteen-minute limits or as outlined in departmental policies. Employees whose work sites and or work schedules do not permit opportunities to obtain food or beverages should plan ahead and take provisions with them to the work sites.

VIII. Attendance and Punctuality

A. Employees are expected to be at their work stations and ready to work at their

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scheduled start time. Non-exempt employees are required to record the number of hours worked each day, as well as the time they arrived at work, the time they left for and returned from lunch, and the time(s) they left for and returned from any unpaid break during the work day.

1. All hourly employees will be required to utilize the appropriate time clock for their departments.
2. If an employee must leave work for any reason other than their lunch hour, they must clock-out upon leaving and clock-in upon return. Prior to leaving, supervisor approval must be given.
3. Time cards with handwritten entries may result in disciplinary action, except in cases relating to emergency responses or on-call duties where completing a time card punch would result in delayed response times. On-call or emergency responses must be designated on the time card when turned into payroll at the end of the pay period for processing.
4. Frequent leave may be subject to review by the Human Resources department and Department Directors and subject to disciplinary action.

B. To maintain a safe and productive work environment, the City expects employees to be reliable and punctual in reporting to work.

1. Absenteeism and tardiness are disruptive and place a burden on the City and on co-workers. Either may lead to disciplinary action, up to and including termination of employment. The employee must disclose to their supervisor the reason for the absence or tardiness and the date and time of their anticipated arrival or return.
2. Employees shall notify their supervisors as far in advance as possible, generally one (1) hour prior to start of work, whenever they are unable to report for work, if they know they will be late, or if they must leave early. The employee should make the call. Calls from friends or relatives will be acceptable ***only*** if the employee is unable to communicate. The notice shall include a reason for the absence and a time the employee is expected to report for work.
3. When the supervisor is unavailable, the employee shall notify the next person in their chain of command. When an employee knows in advance of an impending absence, they will request permission to be absent from their supervisor at least 24 hours in advance. The supervisor will evaluate the reason for the absence and decide whether the employee may or may not be excused.
4. For absences of a day or more, the employee must personally notify their supervisor on each day of their absence unless the supervisor expressly waives this requirement.
5. Employees shall be compensated during authorized absences in accordance with the policies contained herein. Failure to notify the City properly of any absence might result in loss of compensation during the

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absence and may be grounds for disciplinary action. When an employee is absent from work, it is important to follow the policies outlined in this policy handbook. Following policy allows the supervisor to plan accordingly. Excessive tardiness and poor attendance disrupts workflow and shall not be tolerated.

C. In most instances, an employee who fails to properly notify their supervisor in advance of an absence or when they will be tardy will be subject to disciplinary action up to and including termination of employment.

1. Unexcused absences are unpaid time off and are subject to disciplinary action. An employee who fails to notify the City of an absence and is absent for a period of two (2) working days or shift will be presumed to have voluntarily resigned their employment. At that time, the City will formally note the resignation and advise the employee of the action by mail to the employee's last known address. Failure to report for scheduled modified duty, except during approved FML absence, shall be subject to disciplinary action, up to and including termination of employment.
2. Non-exempt employees who are delayed in reporting for work more than one (1) hour and who have not notified their supervisor of their expected tardiness might lose their right to work the balance of the workday. In addition, employees who report to work without proper equipment or in improper attire might not be permitted to work.
3. Unless authorized by their supervisor, non-exempt employees shall not be permitted to work any period of time before or after scheduled starting or quitting times for the purpose of making up time lost because of tardiness or unauthorized absence.

D. Proof of Need for Absence

1. In the case of absenteeism, if the supervisor has reason to suspect abuse, he or she may require the employee to present satisfactory proof of the need for the employee's absence.

E. Non-exempt employees, who are assigned to office settings, shall obtain approval from their supervisor to leave the City premises during work hours. In addition, employees who are frequently away from the premises for business reasons should inform their supervisor of their whereabouts during work hours.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.02 – Sexual and Other Unlawful Harassment

I. Purpose

All City employees are entitled to a workplace free of unlawful harassment by management, supervisors, co-workers, citizens and vendors. This means that each employee must be respectful of others and act professionally. City employees are prohibited from harassing anyone including citizens, vendors, and third parties.

II. Sexual Harassment - All types of sexual harassment are prohibited. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

A. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, or

B. Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual, or

C. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

Examples of conduct prohibited by this directive include but are not limited to:

A. Unwelcome sexual advances or repeated flirtations.

B. Asking unwelcome questions or making unwelcome comments about another person's sexual activities, dating, personal or intimate relationships, or appearance.

C. Unwelcome conduct or remarks that are sexually suggestive or that demean or show hostility to a person because of the person's gender (including jokes, pranks, teasing, obscenities, obscene or rude gestures or noises, slurs, epithets, taunts, negative stereotyping, threats, blocking of physical movement, etc.).

III. Other Prohibited Harassment - In addition to the City's prohibition against sexual harassment, harassment on the basis of any other legally protected characteristics is also strictly prohibited. This means that verbal or physical conduct that singles out, or denigrates, or shows hostility or aversion toward someone because of race, religion, sex, color, national origin, age, disability, genetics, veteran status, citizenship, or any other characteristics protected by law is prohibited.

IV. Workplace Bullying

A. Workplace bullying is defined as systematic aggressive communication, manipulation of work, and acts aimed at humiliating or degrading one or more individuals that create an unhealthy and unprofessional power balance, result in psychological consequences for targets and witnesses of the behavior, and cost

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enormous monetary damage to an organization's bottom line.

B. Examples of bullying behaviors include but is not limited to Inappropriate gestures, excessive yelling, talking down to others, criticizing or point out mistakes to others in front of a group; social exclusion; treating some less favorably than others; withholding pertinent work-related information; gossiping or spreading rumors; any malicious behavior a reasonable person would find unprofessional, disturbing and harmful to their psychological health.

V. Prohibited conduct includes, but is not limited to, epithets, slurs and negative stereotyping; threatening, intimidating, or hostile conduct; denigrating jokes and comments; and writings or pictures, that single out, denigrate, or show hostility or aversion toward someone on the basis of a protected characteristic. Conduct, comments, or innuendoes that may be perceived by others as offensive are wholly inappropriate and are strictly prohibited.

VI. This policy also prohibits sending, showing, sharing, or distributing in any form, inappropriate jokes, pictures, comics, stories, etc., including but not limited to via facsimile, e-mail, cell phone or other electronic devices, social media, and/or the Internet, such as YouTube and Facebook. Harassment of any nature, when based on race, religion, color, sex, national origin, age or disability, genetics, veteran status, citizenship or any other characteristic protected by law is prohibited and will not be tolerated.

This policy applies to City employees, citizens, vendors, and other visitors to the workplace.

VII. Procedures:

A. Employee Responsibility - An employee who believes that a supervisor's, employee's or nonemployees' actions or words constitute sexual harassment or other unlawful harassment must report the situation to Human Resources as soon as possible. If they are comfortable, an employee should try to resolve the issue by addressing it with the offending party. All employees have the responsibility to cooperate in the investigation of a harassment complaint. If you see/hear something, say something. Employees must contribute to achieving a work environment that does not tolerated harassment and bullying behavior at work.

B. Supervisor Responsibility –

1. Each supervisor has the responsibility to maintain a workplace free of any form of unlawful harassment. The responsibility to maintain a work place free of harassment includes a duty to report any instance of unlawful harassment including but not limited to sexual harassment through the chain of command or directly to Human Resources. All complaints received by a supervisor must immediately be referred to

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the Human Resources Director.

2. Supervisors must use a great deal of discretion in their social relationships with other subordinates. This is to avoid compromising their ability to function as an impartial supervisor who can treat all employees fairly. Supervisors should avoid social relationships with their subordinates which may lead to an impression of partiality or bias.

C. Department Director Responsibility - Management and others in positions of authority have a particular responsibility to ensure that healthy and appropriate behaviors are exhibited at all times. The Department Director of the involved department will cooperate with any investigation. The Director or designated representative may participate in the investigation if determined appropriate by the Human Resources Director or designee.

D. Filing a Complaint - An employee must file a complaint in writing with a signature alleging harassment/bullying with the Director of Human Resources. All harassment/discrimination complaints will be referred to the Human Resources Director or designee for investigation. If the complaint is filed by or against an employee in the Human Resources Department, the City Manager or designated representative will conduct the investigation and render a decision.

E. Investigation - The Human Resources Director or designee or City Manager or designee, will contact the employee to obtain the facts of the alleged harassment. The Human Resources Director or designee or City Manager or designee will conduct an investigation and render a written decision to the employee and appropriate management staff within a reasonable amount of time after meeting with the employee. The City Manager and Department Director will review the findings with the Human Resources Director to consider any proposed action.

1. If the investigation reveals that the complaint is valid, prompt disciplinary action, as approved by the appropriate individuals, will be taken. The immediate supervisor will insure that the harassing conduct is immediately stopped.

F. Confidentiality - All information concerning a harassment complaint will be treated as confidential, to the extent permitted by law. Content of a harassment complaint, whether verbal or written, will not be disclosed except as part of the investigative process, to those who have a need to know or as otherwise required by law.

G. Appeal to the City Manager - If the employee is not satisfied with the decision of the Human Resources Director or their designee, he/she may appeal the decision to the City Manager in writing within fifteen (15) working days of receipt of the decision. The City Manager, or designee, will review the investigation and render a decision. The decision of the City Manager

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completes the internal process for sexual harassment complaints.

H. Prohibited Retaliation - No employee will retaliate against another employee who files a harassment complaint or cooperates with a harassment investigation. Any employee retaliating against another employee will be subject to disciplinary action, up to and including dismissal. Examples of retaliation may include termination, refusal to hire, demotion, and denial of promotion. Retaliation may also include threats, unjustified negative evaluations, unjustified negative references, or increased surveillance.

I. False/Frivolous Complaints – Complaints found to fabricated, frivolous or made in bad faith will not be tolerated and subsequent disciplinary action up to and including termination may result.

An employee who intentionally makes a false claim, offers false statements, or refuses to cooperate with a City investigation regarding harassment or discrimination is subject to appropriate discipline, up to and including, termination.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.03 – Political Activity

I. Political Activity:

City of Celina employees will not be appointed or retained on the basis of their political support or activities. City of Celina encourages employees to participate in matters of responsible citizenship, and at the same time, is committed to providing a non-partisan work environment in which staff can responsible carry out their duties without political coercion. City employees are encouraged to vote and to exercise other prerogatives of citizenship consistent with state and federal law and these policies. City employees may not:

A. Must not engage in political activity relating to a campaign for elective office while in uniform or on active duty.

B. Publicly endorse or campaign in any manner for any person seeking elective office. An exemption applies to Police and Fire whilst not in uniform or on active duty.

C. Use their position or office to coerce political support from employees or citizens.

D. Use their official authority or influence to interfere with or affect the result of a campaign issue, an election or nomination for public office. An exemption applies to Police and Fire.

E. Make, solicit or receive any contribution to the campaign funds of any candidate, directly or indirectly through an organization or association, for the City Council or take any part in the management, affairs or political campaign of any such candidate; provided nothing herein shall infringe upon the constitutional rights of an employee to express their opinions and to cast their vote An exemption applies to Police and Fire whilst not in uniform or on active duty.

F. Use working hours or City property to be in any way concerned with soliciting or receiving any subscription, contribution or political service to circulate petitions or campaign literature on behalf of an election issue or candidate for public office in any jurisdiction.

G. Hold an appointive or elective office of public trust where service would constitute a direct conflict of interest with City employment. An employee who contemplates seeking public office shall consult with the Human Resources Department prior to the filing of an application for the purposes of determining whether a conflict would exist.

H. All employees of the City except for Police and Fire Department employees shall refrain from using their influence publicly in any way regarding any election where an issue or proposal involves only City employees.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.03 – Political Activity

I. Please refer to the Texas state law local government code 180.001 and 150.002 for further clarification.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.04 – Drug and Alcohol Testing – Non DOT

I. Purpose

A. It is the policy of the City to maintain a safe work environment by ensuring that City employees are not under the influence of alcohol or drugs during working hours. In accordance with the Drug Free Workplace Act, employees are prohibited from the possession, manufacture, distribution, dispensing, or us/misuse of illegal or illicit drugs and alcohol during working hours, or being under the influence or such substances. In addition, legal drugs used illegally or inconsistent with prescription are included in the category of prohibited drug use. Violation of this policy is grounds for disciplinary action up to and including termination. Drug testing will be conducted randomly, for reasonable suspicion, after accidents or injuries, and prior to a transfer, promotion or demotion of employees as explained in the City's policy.

B. City employees whose positions are considered "Safety Sensitive" by the City, including those requiring a Commercial Driver's License (CDL) or which fall under the DOT/FTA regulations are subject to drug and alcohol testing under this policy. If this policy conflicts with DOT or FTA regulations in any way, the DOT/FTA regulations will govern.

II. Prohibited Activities – The following acts are prohibited, and employees who commit any of these acts shall be subject to immediate termination of employment.

A. Consumption of illegal drugs at any time.

B. Abuse or misuse of prescriptive or over the counter (OTC) medications.

C. Consumption of alcohol:

1. While on duty, including hours worked, breaks and on-call;
2. Four (4) hours or less prior to reporting to work;
3. Eight (8) hours or less following an accident or until tested; or
4. While wearing City apparel or uniforms.

D. Operating a City vehicle or equipment or conducting City business while impaired by drugs or under the influence of alcohol. Under the Influence means the amount of controlled substance into the employee's body or alcohol at/or above the blood alcohol concentration (BAC) limit of 0.02%.

E. The use or possession of alcohol or illegal drugs in a City vehicle whether on or off duty.

F. Unlawful manufacturing distributing, dispensing, possessing or using controlled substances in the workplace.

G. Employees when scheduled or "on call" to work, doing so while under the influence of alcohol or drugs, neither impaired nor under the influence of a

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controlled substance or alcohol.

H. Employees who test positive or who refuse (or fail to cooperate) to be tested for a controlled substance or alcohol as directed by this policy.

I. Job applicants who test positive for alcohol or a controlled substance, or who refuse (or fail to cooperate) to be tested for alcohol or controlled substances, will be ineligible for employment with the City and may not apply or be considered for any other City position for a minimum of six (6) months from testing date for non-safety-sensitive positions. Subject to the minimum six (6) months from testing date, the Police and Fire Departments will determine the moratorium on applications for those that fail a pre- employment test for public safetypositions.

Although there are no consequences under DOT regulations for a DOT-regulated employee to refuse a non-DOT, such refusal may result in termination of employment under the City's general Drug and Alcohol policy.

III. Applicability

A. This policy applies to all employees and pre-employment finalists who are not otherwise subject to the drug and alcohol testing regulations of the U. S. Department of Transportation (DOT).

B. For each incident or event, before drug or alcohol testing occurs, a determination will first be made as to whether the DOT regulations apply to the employee and the situation. If the DOT regulations apply, then the Drug and Alcohol Testing: for Department of Transportation (DOT) employees takes precedence over this policy. If the DOT regulations do not apply, testing will be conducted according to this policy.

IV. Definitions

A. Alcohol means ethyl alcohol. Alcohol, as used herein, includes any beverage, mixture or preparation containing ethyl alcohol.

B. City Premises or Facilities means all property of the City (owned or leased), including but not limited to the following:

1. Offices
2. Buildings
3. Equipment
4. Vehicles
5. Parking lots/garages
6. Storage areas
7. City premises also include any location where City employees may be performing contract services.

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7.04 – Drug and Alcohol Testing – Non DOT

C. Controlled Substance means a drug or substance which the use, possession, sale, transfer, attempted sale or transfer, manufacture or storage of it is illegal under any federal, state or local law or regulation and includes, but is not limited to inhalants, marijuana, cocaine, narcotics, opiates, opium derivatives, hallucinogens and any other substances having either a stimulant or depressant effect on the central nervous system such as amphetamines or barbiturates. Also included in this definition are prescription drugs used for any reason other than a legitimate, prescribed medical reason and inhalants used illegally. All references to "drugs" throughout this policy mean the same as "controlled substance".

D. Impaired means an employee's diminished capacity to perform any duties of the employee's job.

E. Under the Influence means the amount of controlled substance into the employee's body or alcohol at/or above the blood alcohol concentration (BAC) limit of 0.02%.

F. Medical Review Officer (MRO) means a licensed doctor of medicine or osteopathy who has knowledge of substance abuse disorders and who has the appropriate medical training to interpret and evaluate an individual's positive test result together with his medical history and any other relevant biomedical information.

G. Motor Vehicle Accident means any incident involving a motor vehicle in which there is injury to a person or damage to a City vehicle, other vehicle, or property and includes:

1. An accident in which a City employee was driving his personal vehicle in the course and scope of their employment.
2. Any accident involving a City vehicle where damage occurs to a City vehicle or any property that is greater than $1,000.00 as determined by the Department Director. This does not include damage to a City Vehicle when parked.

H. Positive Test Result means the result reported by a laboratory indicating that an individual is under the influence of a controlled substance or alcohol.

I. Reasonable Suspicion means a belief that the actions, appearance or conduct of a person are indicative of the use of a controlled substance or alcohol. A reasonable suspicion situation is any situation in which an employee's job performance is in conflict with established job standards relating to safety and efficiency. This may include accidents, near-accidents, erratic conduct suggestive of drug or alcohol use, boasting on social media sites of drug use, any unsafe performance behaviors and unexplained deviation from

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productivity. Reasonable suspicion may also include postings via social media which indicate or suggest the use of a controlled substance within 32 hours of reporting to work.

J. Safety-Sensitive Position for purposes of this policy means a position in which impairment due to drugs or alcohol could constitute an immediate or direct threat to public health or safety, to the employee's health or safety, or a position in which a momentary lapse in attention or judgment could result in injury or death to another person. Examples of such positions include, but are not limited to, those which require driving of city vehicles, carrying of firearms, and operation of heavy equipment, responsibility for the safety or security of another person. Whether a position qualifies as a safety-sensitive shall be left to the reasonable discretion of the City.

V. Conditions Requiring Testing

A. Post Job Offer

1. Policy

Pre-employment drug testing shall be required of application finalists who have otherwise completed the employment screening process and to whom a conditional job offer has been extended and accepted. Each offer of employment is contingent upon the applicant's passing a drug test, regardless of the position. Applicants who refuse to be tested, who fail to cooperate with the testing process, or who test positive for a controlled substance will be immediately disqualified and barred from employment for a minimum of the next six (6) months, depending on the applicable moratorium. Applicants shall be notified of this policy at the time of application.

2. Procedures

a. Timeline - Job applicants (finalists) subject to pre-employment drug testing shall be required to report for drug testing within 48 hours of receiving and accepting a job offer unless the drug test is included in a pre-employment physical/test that cannot be scheduled within 48 hours; exceptions to this policy must be approved by Human Resources.

b. Scheduling - The Human Resources Department will contact the applicant to arrange for the test. If the applicant is also subject to a pre-placement physical exam, the drug test may be scheduled to occur at the same visit as the pre-placement physical.

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7.04 – Drug and Alcohol Testing – Non DOT

B. Post-Accident

1. Policy

a. Drug and alcohol testing shall be required after motor vehicle accidents involving a City vehicle when:

i. the accident causes injury to any person involving a City Vehicle or City equipment.

ii. the accident involving a City vehicle results in damage to the vehicle or other property that is greater than $1,000, as determined by the employee's Department Director.

b. An employee's personal vehicle (used in the course and scope of City employment) and a non-City vehicle is subject to the aforementioned testing.

c. No drug or alcohol testing will be required if the employee's vehicle is lawfully parked at the time of the accident or unavoidably damaged by debris.

2. Procedures

a. Timeline - An employee subject to post-accident drug and alcohol testing should be tested as soon as possible following an accident, at least within two (2) hours of the accident if possible. Testing may be delayed for the employee to call for emergency assistance, render aid to others involved in the accident, or to receive medical attention for injuries resulting from the accident.

b. Documentation/Authorization Consent - Prior to the employee reporting to the medical facility the supervisor shall call Human Resources for test authorization. The medical facility(ies) as identified shall maintain a list of City personnel who can authorize a drug and/or alcohol test and who can receive test results.

3. Scheduling -

a. Timely Testing and Failure to Test Timely - In the event that an alcohol test (if authorized) is administered, it should be conducted within 8 hours of the accident. A drug test shall be administered within 32 hours of the accident. In the event that

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an alcohol test (if authorized) is not administered within 8 hours of the accident, the supervisor shall document the reasons why the test was not administered within 8 hours; there will be no further attempt to test for alcohol due to that particular accident. In the event that a drug test is not administered within 32 hours of the accident, the supervisor shall document the reasons why the test was not administered; there will be no further attempt to test for drugs due to that particular accident.

b. Transportation to and from Test Collection Site -The employee should be transported to the collection site and back to the City of Celina's premises by his supervisor or by other means arranged by his supervisor. Following the test(s), if the employee's supervisor believes that the employee is under the influence of drugs or alcohol and unfit to drive or return to work, the supervisor shall arrange alternate transportation for the employee to get home, by calling a family member, friend, taxi, etc. If the reasonable suspicion test result is negative, the City will reimburse the employee for the cost of the taxi ride home.

c. Compensation and Leave - Time that the employee spends at the accident site, traveling to the test collection site, and submitting to the test(s) is compensable as regular time worked. If physically able and medically released, if appropriate, following the test they will return to work but will be prohibited from any driving assignments in a City or personal vehicle until final results are received.

d. City Vehicle - The driver of the City vehicle will be required to submit to post-accident drug/alcohol testing if the accident results in a fatality, outside medical attention is required for any party involved in the accident, if there is damage to the vehicle or property involved in the accident that is greater than $1,000, as determined by the Director; and/or employee received a citation.

e. Personal Vehicle - If the employee was driving his/her own vehicle while on City business, he will be required to consent to post-accident drug/alcohol testing if an accident results: (a) in a fatality; (b) outside medical attention is required for any party involved in the accident; (c) in damage to the vehicle or property involved in the accident that is greater than $1,000, as determined in the sole discretion of the director; and/or (d) the employee received a citation. The employee should, if possible, park and lock the vehicle in the nearest public parking lot or City Lot for pick-up at a later time or arrange to have a friend or family

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member drive the vehicle away from the scene of the accident.

f. Use of Law Enforcement Tests - In post-accident situations, the City of Celina reserves the option to substitute a blood or breath alcohol test and a urine drug test performed by local law enforcement officials, using procedures required by their jurisdictions, providing such test results are received directly from the local jurisdiction or the driver. If the City substitutes a blood or breath alcohol test and a urine drug test performed by law enforcement in lieu of other procedures described herein for a post-accident test, it may rely on and take appropriate action based on the results.

g. After Hours Testing - If testing is necessary after regular business hours or on the weekend, the employee should be taken to the approved/contracted City testing site. Additionally, the supervisor should send an e-mail to Human Resources of the name of the employee tested, date, and time.

C. Reasonable Suspicion

1. Policy

Drug and/or alcohol testing shall be conducted whenever there is reasonable suspicion that an employee has engaged in any conduct prohibited under this policy. Reasonable suspicion shall be based on the specific, contemporaneous, articulated observations of the employee's supervisor concerning the appearance, behavior, speech or body odors of the employee, which may include indications of the chronic and withdrawal effects of controlled substances or alcohol. Reasonable suspicion, as determined by the employee's supervisor, must be corroborated by the direct observations of another supervisor, prior to a request that the employee be tested. Testing must be authorized by the employee's Department Director (or designee), with the concurrence of the Human Resources Director or the City Manager (or designee).

2. Procedures

a. Timeline - An employee subject to reasonable suspicion drug and alcohol testing should be tested within 2 hours from the time that authorization is obtained.

b. Documentation/Authorization/Consent - A request for testing due to reasonable suspicion must be initiated by the employee's

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supervisor, who shall complete the Reasonable Suspicion Report form to document the reasons for testing. Such form should be signed and dated (with time) by both the employee's supervisor and department director (or designee). Testing must with the concurrence of the Human Resources Director.

c. Scheduling

   i. The manager or supervisor will immediately notify the Department Director when reasonable suspicion occurs. The manager or supervisor shall document in writing the facts constituting reasonable suspicion that the employee in question is under the influence of drugs or alcohol. This information shall be stated on the Reasonable Suspicion Report Form. Once this form has been completed the Department Director will notify the Director of Human Resources for approval to proceed.

   ii. The manager or supervisor shall hold a confidential meeting with the employee to discuss the reasonable suspicion and carefully note any explanations offered. The manager or supervisor shall also note any additional observations that may confirm the reasonable suspicion.

   iii. Managers and supervisors shall also notify the Department Director when they have reasonable suspicion that an employee may have illegal drugs in his or her possession or in an area jointly or fully controlled by the City. After obtaining the Department Director's approval, managers and supervisors may provide information to the Police Department regarding the possible possession.

d. Transportation to and from Test Collection Site- The employee should be transported to the collection site and back to the City of Celina's premises by his supervisor or by other means arranged by his supervisor. Following the test(s), if the employee's supervisor believes that the employee is under the influence of drugs or alcohol and unfit to drive or return to work, the supervisor shall arrange alternate transportation for the employee to get home, by calling a family member, friend, taxi, etc. If the alternative transportation arranged causes the employee to expend funds and the test result is negative, the City will reimburse the employee for the cost of the alternative transportation.

e. Compensation and Leave - Time that the employee spends at the

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accident site, traveling to the test collection site, and submitting to the test(s) is compensable as regular time worked. If physically able and medically released, if appropriate, and if not otherwise engaging in disruptive or insubordinate conduct, following the test they will return to complete the work day in a non-sensitive position.

f. Failure to Test Timely - In the event that an alcohol test (if authorized) is not administered within 8 hours of the authorization to test, the supervisor shall document the reasons why the test was not administered within 8 hours; there will be no further attempt to test for alcohol based on that particular event that created reasonable suspicion. In the event that a drug test is not administered within 32 hours of the event, the supervisor shall document the reasons why the test was not administered; there will be no further attempt to test for drugs based on that particular event that created reasonable suspicion.

D. Random Testing

1. Policy

All employees occupying safety-sensitive positions will be subject to random testing for drugs and/or alcohol. Testing for drugs and alcohol shall be conducted on a minimum annual percentage rate of 20% of all City designated safety-sensitive positions. The Human Resources Department will maintain a list of safety-sensitive positions subject to testing and will manage the random testing process.

2. Procedures

a. The random selection process will be completely objective and anonymous and will utilize a scientifically valid method such as random number table or computer-based random number generator matched with employees' social security numbers, payroll identification numbers, facility number or other comparable identifying numbers. The test will be unannounced, and the dates for testing will be reasonably spread throughout the year. All employees in roles which may include safety-sensitive functions will have an equal chance of being tested at any time, regardless of the number of previous selections.

b. Any employee notified of their selection for random alcohol and/controlled substances testing will be expected to proceed to the test site immediately. If an employee is performing a safety-sensitive function at the time of his/her notification of the random test requirements, employee will be required to cease

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performing the safety- sensitive function and proceed to the testing site as soon as possible. However, an employee will only be required to submit to a random alcohol test if the employee is performing a safety-sensitive function, is about to perform a safety-sensitive function, just ceased performing a safety-sensitive function or is immediately available to perform a safety-sensitive function.

E. Self-Disclosure

1. Employees may voluntarily self-disclose their need to seek medical attention for alcohol and/or drug dependence. At the time of self-disclosure, in accordance with the City's leave policies, the employee will be relieved of their duties and placed on leave until the employee has completed the necessary treatment and provides the City with a note from the employee's treating physician that includes a return-to-work date and restrictions, if any. Employees who self-disclose alcohol and/or drug dependence will be referred to HR and the Employee Assistance Program ("EAP").

2. The City complies with the Americans with Disabilities Act ("ADA") and, upon the employee's return to work, the City will assist the employee in fulfilling his/her job duties, with or without reasonable accommodations. As a reasonable accommodation and in accordance with the ADA, employees in safety sensitive positions who return to work after self-disclosure of alcohol and/or drug dependence will be required to undergo periodic drug and/or alcohol testing for the subsequent six (6) month period. Employees in safety-sensitive positions are also subject to ongoing random testing for drugs and/or alcohol as provided by this policy.

3. If an employee self-discloses his/her need to seek medical attention for an alcohol and/or drug dependence after the employee has been (1) randomly selected to submit to a drug and alcohol test; (2) directed to submit to a post-accident drug and alcohol test; or (3) directed to submit to a drug and alcohol test after the City determines it has reasonable suspicion that an employee is under the influence of drugs and/or alcohol, the employee is required to submit to the drug and alcohol testing. Refusal to submit to drug and alcohol testing as directed under this policy is conduct subject to termination, as provided in this policy. **Testing positive for alcohol or controlled substances will result in an adverse employment action, up to and including termination, as specified in section City policy, subject to the provisions of the ADA.**

4. Further, in accordance with the ADA, if at any time the City considers an employee to be a "current" drug user, after the employee has self-

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disclosed once, the City may take adverse employment action up to and including termination.

VI. Prescribed Medications

A. Exceptions to this policy may be made for employees that appear to be impaired by medication taken according to a prescription legal in the State of Texas in the employee's name, obtained from a licensed physician and used in the manner prescribed. The City of Celina reserves the right at all times to judge the effect that a legal drug, including medications not requiring a prescription, may have upon an employee's work performance and to restrict the employee's work activity or presence at the workplace accordingly. The City also reserves the right to have a physician of its choice determine whether a medication at the prescribed or recommended dosage produces impairs or adversely affects the employee's work activity.

VII. Prohibited Activities

A. Conduct That is Subject to Termination

Employees, except Police Officers performing authorized law enforcement activity, will be subject to immediate termination of employment for any violation of this policy, including but not limited to:

1. Being impaired by or under the influence of alcohol or controlled substances when reporting to work, while on duty, while operating a City vehicle/equipment or personal vehicle while conducting City business. The employee will be required to submit to a reasonable random or reasonable suspicion drug test at a City authorized testing facility.
2. Using, possessing, selling, purchasing, transferring, concealing, or transporting controlled substances anywhere on City premises at any time, whether on or off duty.
3. Using, possessing, selling, purchasing, transferring, concealing, or transporting alcohol in a City vehicle at any time.
4. Using controlled substances or consuming alcohol during the employee's scheduled work hours, including meal breaks and on-call assignments.
5. Refusing to submit to a reasonable request for drug and/or alcohol testing as directed by this policy.
6. The City will conduct an investigation and depending on the circumstances the City could allow a “last chance” under a “last chance” agreement in which the employee can opt to go to rehabilitation and return to work under probationary conditions, but this type of second

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chance is not required under Texas or Federal law. Any "last chance" agreement, the employee must agree to submit to monthly testing, a year's probation and the employee is subject to immediate termination for any subsequent positive testing results.

B. Conduct Subject to Disciplinary Action

Employees will be subject to disciplinary action up to and including termination of employment for any of the following reasons, including but not limited to:

1. Using controlled substances or consuming alcohol outside of work hours while wearing City uniforms or any apparel that would identify the individual as a City employee.
2. Being involved with drugs or alcohol off duty in a way that is damaging to the City's reputation, or in a way that is inconsistent with or in conflict with the performance of the employee's job duties.
3. Failing to report, as soon as possible, a job-related motor vehicle and/or accident to the employee's supervisor.

VIII. Responsibilities

A. Managers/Supervisors

1. Consistent Enforcement

Managers and supervisors are responsible for consistent enforcement of this policy. Any supervisor who knowingly permits a violation of this policy by employees under his direct supervision will be subject to disciplinary action including but not limited to dismissal.

2. Investigation of Reasonable Suspicion

a. Managers and supervisors will request that an employee submits to a drug and/or alcohol analysis when a manager or supervisor has a reasonable suspicion, (see reasonable suspicion definition), that an employee is impaired by or under the influence of drugs or alcohol.

b. When reasonable suspicion exists, managers and supervisors may request, as part of an investigation, that an employee removes any and all controlled substances from his/her being or in his/her possession. If an employee refuses to do so, the employee is refusing to participate in the investigation. Anytime an investigation reaches this stage, both the Department Director and Human Resources Director or City Manager must be involved. Refusal by an employee to cooperate in an

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investigation is considered serious misconduct and may subject the employee to immediate dismissal from employment.

c. Managers and supervisors will not confiscate, without consent, prescription drugs or medications from an employee as long as the prescription is in the employee's name.

B. Employees

Every City of Celina employee is to do the following:

1. Report to work during regularly scheduled hours or "on call" not impaired by or under the influence of alcohol or controlled substances.

2. Not possess or use, or have the odor of alcohol or drugs on their breath during working hours, breaks, meal periods, while on City property in an official capacity or while operating any City vehicle/equipment.

3. Report any motor vehicle/equipment accident immediately to the supervisor.

4. Not directly or through a third party sell or provide drugs or alcohol to any person or any other employee while either employee or both employees are on duty, or on-call.

5. Submit immediately to reasonable requests for alcohol and/or drug analysis when requested by a supervisor.

6. At the beginning of the work shift, declare to the supervisor the use of any over-the-counter or prescription medication which may interfere with the safe and effective performance of their duties or the operation of City equipment.

7. Provide within twenty-four (24) hours of the request by the employer a current, valid prescription for any drug or medication identified when a drug screen/analysis is positive. If the prescription is not in the employee's name, the employee will be subject to discipline.

8. Report any suspicious behavior which may be indicative of the use of alcohol or controlled substances to their Supervisor.

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7.04 – Drug and Alcohol Testing – Non DOT

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IX. Notification

The City of Celina will notify each covered employee of this policy through New Hire enrollment where they will be provided with information that will guide them to the location of this policy. Each employee will acknowledge in writing the receipt and understanding of this policy.

The City of Celina will notify each employee of the results of random, reasonable cause and post-accident drug and alcohol tests when the test results are positive. The employee will also be advised what drug class was discovered and be removed from performing a safety-sensitive function.

X. Confidentiality

Laboratory reports or test results will be maintained in the Human Resources Department in a confidential medical file separate from the employees' official personnel file. The reports or test results may be disclosed to City management on a strictly need-to-know basis and to the tested employee/applicant upon request. Disclosures, without patient consent, may also occur when:

A. The information is compelled by law or by the judicial or administrative process.

B. The information has been placed at issue in a formal dispute between the City and the employee.

C. The information is to be used in administering an employee benefit plan.

D. The information is needed by medical personnel for the diagnosis or treatment of the employee who is unable to authorize disclosure.

XI. Continuous call-back employees

Employees subject to continuous emergency call back are required to declare to their supervisors at the time they are called in the use of alcohol or controlled substances, including prescribed or over-the-counter medications that might affect their ability to perform under the emergency. The supervisor will determine if the employee is fit to work and in what capacity. However, if an accident occurs the employee will be tested. If the test indicates they were under the influence or impaired by a controlled substance or alcohol dismissal will occur.

XII. Social functions

7.04 – Drug and Alcohol Testing – Non DOT

Employees attending training and conferences may participate in social functions associated with the conference. This includes the consumption of alcohol, so long as the employee's conduct does not reflect adversely upon the City. Employees who consume alcohol at these functions are encouraged not to drive; they will not operate a city owned or rented vehicle.

XIII. Recreation areas

The use or possession of alcohol outside of work hours at City recreation facilities is regulated by City Ordinance and policies.

XIV. Bar from employment

An applicant or employee who violates this policy or resigns in lieu of separation from employment due to a violation or suspected violation of this policy will be barred from employment with the City for a minimum period of six (6) months, depending on applicable departmental policy and employee's position at the time of the violation or alleged violation.

XV. Disclaimer

The City of Celina reserves the right to modify, alter, delete, suspend or discontinue all or any part of this policy at any time, with or without prior notice to employees. Nothing in this Policy constitutes a contract of employment, implied or express, and nothing in this policy alters the at-will employment status of employees.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.05 – Drug and Alcohol Testing – DOT

I. Purpose

A. The City of Celina recognizes that drug and alcohol abuse increases risk of accidents; decreased productivity, and increased medical expenditures. Thus, the City has a vital interest in maintaining a safe and efficient working environment. In order to achieve this environment, City employees are prohibited from reporting to work or work-related activities under the influence of drugs and/or alcohol. Participation in the Drug and Alcohol Program is a requirement of each employee and is a condition of employment.

B. The City employs persons in positions that are regulated by the DOT. City employees who drive a commercial motor vehicle requiring a Commercial Driver's License (CDL) as a part of their duties are subject to alcohol and drug testing as mandated by the DOT, Federal Motor Carrier Safety Administration (FMCSA), and as outlined in this policy. The City shall comply with the regulations as set forth by the DOT. In order to assure compliance with related regulations, employees are to defer to 49 CFR, *Parts 40, and 382* of the DOT regulations regarding testing, test administration, etc.

II. Applicability

A. This policy applies to all employees and job applicants of positions within the City that are designated as DOT-regulated positions.

B. An employee is considered to be performing a safety-sensitive function during any period in which he/she is actually performing, ready to perform, or immediately available to perform any safety- sensitive function and includes all times in which an employee begins to work or is required to be in readiness to work, e.g., during on-call status, until the time he/she is relieved from all responsibility for performing work.

C. The City's designation of positions determined to be in DOT-regulated positions are determined by the job title and functions. Generally, positions requiring a CDL pursuant to the FMCSA are subject to DOT provisions. This policy is in addition to, not in lieu of, the provisions of the City's Drug and Alcohol Policy. DOT tests will be separate from non-DOT tests in all respects. DOT tests take priority and will be conducted and completed before non-DOT tests. Testing procedures that ensure accuracy, reliability, and confidentiality of results will be followed pursuant to DOT regulations.

III. Prohibited Activities

The following acts are prohibited, and employees who commit these acts shall be subject to immediate termination from City employment:

A. Consumption of illegal drugs at any time. Employees may be tested anytime they are on-duty; off-duty use of illegal drugs might result in an on-duty positive drug test.

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B. Abuse or misuse of prescription or over the counter (TC) medications.

C. Consumption of alcohol:

1. Four (4) hours prior to performing a safety-sensitive function.
2. Eight (8) hours following an accident.
3. While on-call.
4. Blood alcohol concentration of 0.04 or greater when performing a safety-sensitive position.

D. Operating a City vehicle or conducting City business while impaired by drugs or under the influence of alcohol.

E. The use or possession of alcohol or illegal drugs in a City vehicle, whether on or off duty.

F. Manufacturing, distributing, dispensing, possessing, or using controlled substance in the workplace.

Employees attending social functions in conjunction with a training and/or conference may consume a moderate amount of alcoholic beverages ifthe function does not involve the use of a City vehicle and the employee's conduct does not reflect poorly upon the City.

IV. Testing to be Performed

A. Drug testing is conducted by analyzing an employee's urine specimen at a lab certified by the U.S. Department of Health and Human Services and at a lab as designated by the Human Resources Department. The employee will provide a specimen in a location that affords privacy. The "collector" divides the specimen into two (2) bottles, known as "split specimen", in the presence of the donor, seals and labels it, completes a chain-of-custody form, and prepares the specimen and accompanying paperwork for shipment to a Human Resources-approved drug testing laboratory.

B. Upon verification of a positive-test results, the City-contracted Medical Review Officer (MRO) shall notify the employee of the right to have the split specimen tested within 72 hours. The testing of the split specimen will be conducted at the employee's expense.

C. Testing will be conducted for prohibited drugs and drug metabolites in the following circumstances:

1. Pre-Employment
2. Random
3. Return-to-Duty/Follow-Up
4. Post-Accident

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5. Reasonable Suspicion

D. The following prohibited drugs/drug metabolites will be tested for:

1. Marijuana (THC)
2. Opiates
3. Phencyclidine (PCP)
4. Cocaine
5. Amphetamines

E. Testing for alcohol will be conducted via breath alcohol test m the following circumstances:

1. Pre-Employment (optional under DOT)
2. Random
3. Post-Accident
4. Reasonable-Suspicion
5. Return-to-Duty

V. Whenever the term "drug", "drugs", or "controlled substances" is used in this policy, it is in reference to the substances listed above. The City will not test for any other substances under this policy. The City may, however, test for other controlled substances pursuant to its general Drug and Alcohol Policy non-DOT.

VI. Drug and Alcohol Testing

To insure compliance with the above rules, the City may require that an employee or prospective employee submit to a breath, urine and/or any other available scientifically valid means of testing to determine the presence of illegal or unauthorized drugs or alcohol and as a condition of employment or continued employment under the following circumstances:

A. Pre-Employment Testing: All applicants for employment, including part-time and seasonal positions, are subject to pre-employmenttesting.

1. After a conditional offer of employment has been extended, and prior to beginning employment with the City of Celina, all persons shall be required to submit to a drug and alcohol test as a part of the routine physical exam.

2. If a pre-employment test is cancelled for any reason, the applicant shall be required to take another test with a verified negative result. All employment offers are contingent upon passing the drug screen with a negative result and before performing safety-sensitive job duties.

3. Previous Employer Information-the City is required, with the applicant's-required written consent, to obtain information from

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previous DOT-regulated employers for the past two (2) years prior to the date of application, promotion, or transfer. The City will request the previous employer provide alcohol test results of 0.04 or greater, verified positive drug test results, refusals to test (including verified adulterated or substituted drug test results), and any other violation of DOT drug and alcohol testing regulations. The City will obtain and review the information prior to hiring. The City also will ask the applicant if he/she tested positive, or refused to test on any pre-employment drug or alcohol test administered by an employer to which the applicant applied during the past two (2) years. If the applicant admits to such conduct, the applicant will not be hired. If the applicant refuses to provide the City with the required written consent, he/she will not be hired.

4. If the previous employer's response is not obtained within 30 days, the employee will not be allowed to perform DOT functions unless there is documentation of good faith efforts to obtain the requested information.

B. Random Testing - Random testing selections are provided by Human Resources and are made using a scientifically-valid method (computer-based random number generator) and are spread reasonably throughout all periods of the calendar year (all days and hours of operation). Each employee subject to this policy will have an equal chance of being tested each time random selections are made. The number of employees randomly selected will be in accordance with applicable DOT regulations. Each employee randomly selected for testing shall be tested during the selection period. Each employee selected for random testing shall proceed to the test site immediately after notification. If the employee is performing a safety-sensitive function at the time of notification, the employee's supervisor or department director will ensure that the employee ceases to perform the function and proceeds to the testing site within one (1) hour. Refusal to submit to random testing when notified or failure to report to the designated testing site within one (1) hour will be considered a test refusal. The Human Resources Generalist will be the Designated Employer Representative (DER) for the City and will ensure all testing is conducted as required by the random testing selections provided by the Human Resources Department.

C. Reasonable Suspicion Testing-A reasonable suspicion test will be conducted if a trained supervisor has a reason to believe that an employee is in violation of this policy. The reasonable suspicion must be based on specific, observable, contemporaneous, and particular observations concerning the appearance, behavior, speech, performance, and/or body odors of the employee.

1. Reasonable suspicion alcohol testing is permitted only if the reasonable suspicion observation is made during, just before, or just after the

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period of workday the employee is required to be in compliance with this policy. If reasonable suspicion alcohol testing cannot be administered within two (2) hours after observation, a written statement explaining why the test was not promptly administered shall be given to the Director of Human Resources. If reasonable suspicion alcohol testing cannot be administered within eight (8) hours after the observation, the City will cease attempts to administer the test and document why the test was not administered.

2. Reasonable suspicion drug testing will be conducted as soon as practicable but no later than 24 hours after the reasonable suspicion observation. If the employee is not tested within 24 hours, the supervisor shall submit a written report documenting the reason why to the Director of Human Resources.

3. Employees being ordered for reasonable suspicion testing will be transported to the testing facility by either their direct supervisor, another supervisor with the department, or their department director. Under no circumstances will the employee be allowed to drive himself/herself. If a reasonable suspicion occurs after hours, the supervisor will transport the employee directly to the City's designated testing facility. The City will arrange to have the employee transported home after the testing is completed.

4. If a DOT-regulated employee refuses to submit to a reasonable suspicion test, he/she will be verbally advised that successful drug/alcohol tests are a condition of employment and shall result in termination of employment under the City Drug and Alcohol (All City Employees).

5. While waiting for the results of a reasonable suspicion test, an employee shall be placed on administrative leave with pay pending the outcome of the test and subsequent investigation. The employee shall not return to the work place until he/she has been contacted by the Human Resources Department or his/her immediate supervisor and advised to do so.

D. Post-Accident Testing- In accordance with *DOT 49 CFR, Parts 40, and 382,* DOT-regulated employees shall be tested following applicable accidents/incidents. Post incident testing includes alcohol and drug testing. When considering DOT post-accident/incident testing, all covered employees whose performance could have contributed to the incident will be tested, e.g., administrative, dispatcher, mechanic, driver, passenger, etc.

1. Employees must remain readily available for testing after an accident/incident. An employee shall not return to duty or perform safety-sensitive job functions until a verified negative

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alcohol and drug test results are received. An employee refusing a post-accident/incident test will be considered a test refusal, and his/her employment shall be terminated.

2. Post-accident testing will be conducted in accordance with *DOT 49 CFR, Part 382.303 Regulations (FMCSA),* if:

    a. There is a fatality; or

    b. The City driver/operator is issued a citation within eight (8) to 32 hours of the occurrence due to a violation arising from the accident, tests will be performed if:

        i. An individual requires immediate medical treatment away from the scene.

        ii. One (1) or more of the vehicles suffer disabling damage that requires a tow away from the scene (disabling damage is damage that prevents the vehicles from leaving the scene in its usual manner, in daylight, after simple repairs).

3. Time Limits

    a. DOT Alcohol Post-Accident Time Limits- Tests shall be performed as soon as possible, but no later than eight (8) hours following the accident. Post-accident testing is stayed while the employee assists in the resolution of the accident or receives medical attention following the accident. If alcohol testing cannot be performed within two (2) hours, the reason for delay shall be documented and efforts must continue to administer the test. If alcohol testing cannot be performed within eight (8) hours, all attempts should cease and documented as to the reason for the testing failure.

    b. DOT Drug Post-Accident Time Limits-Tests shall be performed as soon as possible, but no later than 32 hours following the accident. Post-accident testing is stayed while the employee assists in the resolution of the accident or receives medical attention following the accident. If the drug testing cannot be performed within the required time all attempt should cease and documented as to the reason for the test failure.

E. Return to Work

1. If an employee is on leave for 90 days or more, he/she are required to have a pre- employment test completed and passed prior to returning to duty.

2. Applicants, who were tested more than 90 days prior to performing safety-

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sensitive duties, must have a new pre-employment test performed and passed prior to performing safety-sensitive duties.

VII. Test Results-All drug test results shall be reviewed and interpreted by a Medical Review Officer (MRO) before they are reported to the City. When a positive result is received, the MRO will contact the employee and conduct an interview to determine if there is an alternative medical explanation for the drug(s) found in his/her urine specimen. If the employee provides appropriate documentation and the MRO determines there is a legitimate medical reason for the positive results, the test will be reported to the Human Resources Generalist or designee.

A. Test results will be classified as Negative, Positive, or Test Refusal:

1. Negative-A verified negative is acceptable for drug testing. For alcohol, a verified test result below 0.04 is acceptable per DOT regulations.
2. Positive-The following test results shall constitute a positive result:
   a. --Verified positive result.
   b. --Verified BAC (Breath Alcohol Content) greater than 0.04.
3. Test Refusal-Test refusals are considered ***positive*** test results.

B. An employee is considered to have refused to take an alcohol/drug test if:

1. He/she fails to appear for a test within a reasonable time, as defined by the employer.
2. He/she fails to remain at the testing site until the testing process is complete and released to return to duty.
3. He/she refuses or fails to provide a breath or urine specimen as required.
4. He/she fails to permit an observed specimen collection when required.
5. He/she fails to provide sufficient amount of volume with no valid medical explanation.
6. He/she fails or declines to take an additional drug/alcohol test as directed by the employer or collector.
7. He/she fails to undergo a medical exam/evaluation when required.
8. He/she fails to cooperate with any part of the testing process, e.g., refusal to empty pockets, wash hands, remove hat, are confrontational, etc.
9. MRO verification of a test as adulterated or substituted.
10. He/she refuses to sign Step 2 of the Alcohol Test Form (ATF).
11. He/she leaves the scene of an accident without just cause prior to submitting to a test.

VIII. Notification of Test Results- The City shall notify applicants of verified positive test results in writing. The City shall notify an employee of the results of random, reasonable suspicion, and post-accident/incident drug tests if the results are verified positive and which controlled substance(s) are verified positive. The City also will make reasonable efforts to notify any employee who tested positive but is unreachable

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by the MRO. He/she shall be notified and instructed to contact the MRO within 72 hours.

Test Result	Outcome
Negative Dilute (creatinine level is equal or greater than 5mg/dl)	Retest will be done unobserved
Negative Dilute (creatinine level is between 2-5mg/dl)	Retest will be done under direct observation
Fatal Flaw/Rejected	Retest will be done under direct observation
Invalid Result (without medical explanation)	Retest will be done under direct observation
Primary is positive adulterated/substituted and split is unavailable or invalid	Retest will be done under direct observation
Primary is positive and split test fails to reconfirm	Test is considered cancelled
Primary is adulterated/substituted and split fails to confirm adulteration/substitution	Test is considered cancelled
Primary is positive and split fails to confirm but is adulterated	Test primary for adulteration

VIII. Consequences - Employees who are found to be positive of drug/alcohol substance(s) will be removed immediately removed from performing safety-sensitive functions.

A. An employee who is tested and has an alcohol concentration of 0.02 to 0.039 shall not be permitted to perform safety-sensitive functions for a minimum of 24 hours and shall be disciplined under City policy. If a tested employee has an alcohol concentration of 0.04 or greater, his/her employment shall be terminated under City Drug and Alcohol Policy.

B. Employees and job applicants with positive results will be terminated from employment or have their offer of employment rescinded.

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C. An employee's refusal to submit to random tested when notified, or failure to report to the testing site within one (1) hour, shall be considered a test refusal. All test refusals (under DOT regulations) are considered positives and shall be terminated from employment under City policy.

D. An employee's refusal to submit to reasonable suspicion testing shall be considered a test refusal. All test refusals (under DOT regulations) are considered positives, and the employee will be terminated from employment under City policy. The date the test refusal occurs shall be the final workday of the employee, and he/she will not be eligible for discretionary benefits.

E. Applicants who refuse to test or who yield a positive test result will not be considered for employment.

F. The City will conduct an investigation and depending on the circumstances the City can elect to follow the Federal stipulations under the U.S. Department of Transportation rules and regulations for testing positive or if an employee refuses to test or elect to exercise the City's right to immediately terminate the employee.

IX. Prescriptions and Over-the-Counter (OTC) Medications - Some prescriptions and OTC medications might adversely affect an employee's ability to perform his/her job safely. Employees are responsible for discussing their job duties with their physician, expressly if they are a DOT- regulated employee. For more guidelines on OTC medications, please refer to the City Drug and Alcohol Policy. An employee shall not report for duty requiring the performance of safety- sensitive functions if he/she uses any controlled substance except when the use is pursuant to the instructions of a licensed medical practitioner who advised the employee that the substance will not adversely affect the employee's ability to safely operate a commercial motor vehicle.

X. Employee Admission of Drug/Alcohol Use - An employee who admits to alcohol misuse or drug use must do so in accordance with the City's Drug and Alcohol Policy, provided the employee may not self-identify in order to avoid the testing requirements of this DOT Policy. The employee must make the admission prior to performing a safety-sensitive function (prior to reporting to work). After admission, the employee may not perform a safety-sensitive function until the City is satisfied that the employee has been evaluated and has successfully completed educational and treatment requirements. A drug and alcohol abuse evaluation expert, e.g., an EAP professional, SAP, or qualified drug and alcohol counselor shall determine successful completion. Prior to the employee performing safety-sensitive function, he/she must undergo a return to duty alcohol test with a result of less than 0.02 and/or a return to duty drug test with a negative test result.

XI. Confidentiality - All information relating to alcohol or drug testing shall be protected by the City as confidential unless otherwise required by law or authorized in writing by the employee. All results will be maintained in a confidential file within the Human Resources Department.

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7.05 – Drug and Alcohol Testing – DOT

A. Records will be released to subsequent employers with a written request from the covered employee. Without the employee's written consent, records must be released only to those authorized under DOT regulations.

B. City employees who make a reasonable suspicion observation or who witness an accident must also maintain confidentiality. Breach of confidentiality relating to test results or any other related matters will likely result in disciplinary action, up to and including termination of employment.

XII. **Records Retention** - The City shall maintain records under this policy as mandated by DOT regulations.

XIII. **Education and Training** - Supervisors also shall be trained on the proper procedures for confronting and referring the employee for testing, which includes one (1) hour of drug training and one (1) hour of alcohol training for reasonable suspicion recognition. This training shall be conducted/coordinated by Human Resources.

XIV. **Contact** - Questions regarding this policy should be directed to Human Resources.

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CITY OF CELINA
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7.06 – Handguns and Firearms

I. Purpose:

The purpose of this policy is to establish the rules and procedures governing the carrying of handguns and firearms by City of Celina employees in the course and scope of their employment.

II. Scope:

This policy applies to all City of Celina employees.

This policy governs the open or concealed carry of "handguns," and "firearms" as defined in Section 46.01 of the Texas Penal Code.

III. Definitions:

A. "Handgun" means any firearm that is designed, made, or adapted to be fired with one hand, as defined in Section 46.01 of the Texas Penal Code.

B. "Firearm" means any device designed, made, or adapted to expel a projectile through a barrel by using the energy generated by an explosion or burning substance or any device readily convertible to that use, as defined in Section 46.01 of the Texas Penal Code. The term Firearm includes a handgun.

C. "Licensed Handgun Holder" means a person who is licensed pursuant to Subchapter H, Chapter 411 of the Texas Government Code.

D. "Premises" means a building or a portion of a city building, as defined in Section 46.035 of the Texas Penal Code. The term does not include any public or private driveway, street, sidewalk or walkway, parking lot, parking garage, or other parking area.

E. For the purposes of this policy only, an "employee" includes all City of Celina employees including all full-time, part-time, and temporary employees, and contract employees.

IV. Firearm and Handgun Policy:

A. City Premises:

City employees are prohibited from carrying a firearm onto City premises. The prohibition stated above shall not apply to a peace officer or those persons who have written authorization to carry a firearm as part of their official duties.

B. Vehicles:

1. A City employee may transport or store a firearm in his/her personal vehicle in a City parking lot and/or space so long as the vehicle is locked, unless otherwise prohibited by law.

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2. A City employee is prohibited from possessing or storing a firearm in a vehicle owned or leased by the City of Celina, regardless of whether the employee is a Licensed Handgun Holder, unless the City employee is authorized to carry a firearm in a City vehicle as part of his/her normal course and scope of employment, such as a police officer.

C. Prohibited Areas:

1. It is a violation for a City employee when performing City duties or functions to carry a firearm in any location where the carrying of the firearm is not authorized by law. An employee also is prohibited from carrying a weapon while on duty or at any time while engaging in City-related business.

2. Prohibited weapons include, but not limited to, firearms, clubs, explosive devices, knives with blades capable of inflicting serious bodily injury or death by cutting or stabbing, brass knuckles, and the like.

3. An Employee does not have an expectation of privacy, and the City retains the right to search for firearms and other weapons on all City property.

D. Restricted Access:

Employees who have meetings with the public must be aware that those persons may openly carry handguns in public areas. If you have meetings with members of the public, the meetings should be conducted in spaces that are not designated for restricted access. Restricted access areas are any portions of the premises that the public is prohibited from accessing.

V. Intervention:

A. Except peace officers, City employees are prohibited from questioning the public regarding whether a person holds a proper license. Only peace officers may question a person who is carrying a handgun license as to whether the person holds the proper license under Chapter 411 of the Texas Government Code.

B. Anytime another City employee carries a firearm/weapon onto City premises or in a City vehicle (and is not authorized to do so), an employee should notify a supervisor and the supervisor will take the appropriate action necessary to resolve the situation.

C. If any person carrying any firearm/weapon displays erratic/concerning behavior or appears intoxicated, the City employee (regardless of location), should:

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7.06 – Handguns and Firearms

1. Move to a safe location;
2. Dial 911 to alert police so that they may dispatch assistance to the site; and
3. Notify a supervisor immediately.

VI. Enforcement: A violation of this policy may result in adverse employment action, up to and including termination. Violations may also incur criminal penalties.

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CITY OF CELINA
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7.07 – Workplace Violence

The City strives to provide a safe and secure working environment for its employees. This policy is designed to help prevent incidents of violence from occurring in the workplace and to provide for the appropriate response when and if such incidents occur.

I. Zero Tolerance

A. Harassment, intimidation, threats threatening behavior, violent behavior, or acts of violence between employees or such action between an employee and another person that arises from or is in any manner connected to the employee's employment with the City, whether the conduct occurs on or off duty, is strictly prohibited.

II. Mandatory Reporting

Every City employee shall immediately notify their supervisor, Department Director, the Director of Human Resources, and/or the Police Department of any prohibited weapon they observe while on City property.

III. Protective Orders

An employee, who applies for or obtains a protective or restraining order which lists City locations as being protected areas, shall immediately provide the Director of Human Resources and the City's Police Department a copy of the petition and declarations used to seek the order, a copy of any temporary protective or restraining order which has been granted, and a copy of any protective or restraining order which has been made permanent.

A City employee shall immediately advise their supervisor, their Department Director, and the Director of Human Resources of any protective or restraining issued against them.

IV. Confidentiality

To the extent possible, while accomplishing the purposes of this policy, the City shall respect the privacy of reporting employees and will treat information and reports confidentially. Such information shall be released or distributed only to appropriate law enforcement personnel, City management, and others on a need-to-know basis and as might otherwise be required by law.

V. City Property

For purposes of this policy, City property includes, but is not limited to, owned or leased vehicles, buildings and facilities, entrances, exits, break areas, parking lots and surrounding areas, recreation parks and facilities, and swimming pools.

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7.07 – Workplace Violence

VI. Documentation

When appropriate, threats and incidents of violence and possession of dangerous weapons will be documented. Documentation shall be maintained by the Director of Human Resources and/or the Police Department.

VII. Policy Violations

Violations of this policy might lead to disciplinary action, up to and including termination of employment. Policy violations also might result in arrest and prosecution.

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7.08 – Outside Employment

Regular, full-time employees shall notify their supervisor ***before*** accepting additional employment outside City employment and shall be subject to certain restrictions as outlined below. Certain key Department Directors, Division Managers, and technical personnel might be expected to devote all their working energies and focus to the performance of their City duties and responsibilities. These employees might not be eligible to accept paid outside/off-duty positions.

The following provisions for outside/off-duty employment applies:

I. The City requires that an employee's activities and conduct away from the job must not compete or conflict with, or compromise the City's interest or adversely affect job performance and the ability to fulfill all responsibilities to the City. These requirements, for example, prohibit employees from performing any services for customers on non-working time that are normally performed by City personnel. This prohibition also extends to the unauthorized use of any City tools or equipment and the unauthorized use or application of any confidential information. In addition, employees are not to solicit or conduct any outside/off-duty business during paid working time. Employees who get paid for working for another public entity, e.g., county commissioner, or other boards, shall receive ***prior*** approval and use vacation time, compensatory time, or unpaid time if paid time off is not available, if they need to be off work from the City and the time away falls within their regular work hours.

II. All full-time employees must obtain ***prior*** approval from their supervisor before any outside/off-duty employment is undertaken. Employee requests for permission to accept outside/off-duty employment, shall submit an "Outside Employer Agreement" before such employment is approved. All other employees who accept additional employment shall be required to sign an "Outside Employer Agreement" and have the second employer sign the agreement before such employment shall be approved.

III. Employees are cautioned to consider carefully the demands that additional work activity will create before requesting permission to seek or accept outside/off duty employment. Outside/off-duty employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving work early, refusal to travel, or refusal to work overtime or different hours. If outside/off duty work activity does cause or contribute to job-related issues, authorization might be revoked. Failure on the part of an employee to notify the supervisor of and outside/off duty employment might result in disciplinary action, up to and including termination of employment.

IV. An employee shall not:

A. Solicit, accept or engage in concurrent outside employment that could reasonably be expected to impair independence of judgment in, or faithful performance of their official duties, and/or which substantially interferes with their ability to perform his Job with the City.

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7.08 – Outside Employment

B. Personally provide services for compensation, directly or indirectly, to a person or organization that is requesting an approval, investigation or determination from the department of which the employee is a member. An exception exists, with prior supervisory approval, for police officers that work approved outside employment.

V. Employees shall not hold outside/off duty employment while on Family and Medical Leave (FML) or while receiving worker's compensation benefits unless expressly authorized ***in writing in advance*** by their Department Director, Human Resources, and the City Manager. A record of such authorization must be placed in the employee's personnel file.

VI. In some cases, part-time City employees hold primary employment elsewhere. In those instances, the employee shall comply with all City work rules, polices, and procedures when working at the City.

VII. If an employee becomes unable to perform the duties of his/her City job because of any injury or other incapacitating cause while in the employment of their outside/off duty job, the City, at its sole option, might reduce the benefits otherwise granted by these policies to whatever benefits the City deems to be reasonable.

VIII. This section shall be interpreted to comply with Federal and State law regarding Worker's Compensation, pensions, or disabilities.

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7.09 – Tobacco and E-Cigarette Products

I. Purpose

It is the intent of the City of Celina to provide a healthy work environment for its employees. Therefore, the City restricts the use of tobacco products in all City buildings, vehicles, and equipment and strives to develop a tobacco free environment.

II. Eligibility

This policy applies to all City employees while they are on duty, utilizing City vehicles or equipment, owned or leased by the City, or in City facilities.

III. Smoking

All City-owned, operated, leased or managed buildings shall be smoke-free. All City-owned or operated vehicles shall be smoke-free.

IV. Smokeless Tobacco

The use of smokeless tobacco is offensive to many people, citizens and co-workers alike. It is therefore, the policy of the City of Celina to restrict the use of smokeless tobacco by City employees.

The use of smokeless tobacco is restricted in City buildings, City vehicles or while employees are conducting City business with other employees, citizens, contractors, and interacting with the public - including special events. City departments may implement other restrictions regarding time and use of smokeless tobacco.

V. Disposal

An employee shall responsibly dispose of all waste products generated by his or her use of smokeless tobacco products. Smokeless tobacco should be disposed of properly, discretely and in a closed container. Though other provisions of this policy allow the use of smokeless tobacco products, a supervisor may prohibit the use of smokeless tobacco products in any area where employees fail to responsibly dispose of waste products generated by the use of smokeless tobacco products.

City employees who experience performance or personal difficulties while overcoming a nicotine addiction may seek help through the City's Health Insurance Programs or Employee Assistance Program (EAP). Interested employees or supervisors may contact a representative from the Human Resources Department for assistance.

Any violation of this policy may result in disciplinary action in accordance with the City's policies.

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7.10 – Solicitation and Acceptance of Gifts

I. Solicitation

Solicitation of funds or anything of value for any purpose whatsoever will not be permitted of, or by, City employees on the job unless authorized by the department Director. An employee is not required to make any contribution, nor may an individual be penalized in any way in connection with their employment according to their response to a solicitation. Any non-employee engaging in soliciting will be asked to leave the City premises.

II. Acceptance of Gifts

A. The purpose of the policy governing gifts to public employees is to regulate attempts to influence employees to use their authority or discretion to the advantage of the person making the gift and prevent criminal conduct per City policy.

B. No officer or employee of the City shall accept, directly or indirectly any gifts, privilege or employment from any corporation, business or entity enjoying business from the City. The City recognizes that food items may be received from citizens and vendors as a thank you for service during holiday time and on other occasions. Such offerings are permissible and should be made for the enjoyment of everyone as available in that particular department, division or worksite.

C. Items that are not consumable on the premises shall be returned, donated to a city program or community organization or used as a door prize at a City event.

D. This policy is not intended to prohibit the employee or departments from accepting discounted values when carrying out departmental (non-personal) business or accepting courtesies generally extended to business or governmental organizations within reason.

E. Employees can attend events and sponsored events from citizens and vendors at the discretion of the employee's supervisor.

F. Questions regarding acceptance of gifts should be channeled through the Department Director.

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7.11 – Dress and Appearance

I. The City of Celina desires to project a positive and professional image of employees representing the City. Employees are expected to dress in a conservative, professional manner that is appropriate to their position and to observe good grooming and personal hygiene habits. Presenting a positive image creates a favorable impression for the City, promotes confidence in the services the City provides, promotes respect among coworkers, and encourages higher working standards. This policy provides guidelines for appropriate appearance, uniform, and grooming.

II. This policy applies to all employees (regular, temporary, and seasonal) at all times. Due to many types of jobs within the City, several different dress standards are necessary. An employee who is in doubt as to which dress standard applies, should contact their supervisor.

III. Public Safety employees shall comply with the requirements of those departments as issued in General Orders. In instances where this policy conflicts with those orders, the more restrictive shall apply.

IV. The following provides guidance to aid in interpreting this policy:

A. Casual Dress:

1. The casual shirt may be either an oxford and/or a golf shirt or a professional blouse to wear as part of the accepted casual attire. City logo shirts may be worn with style approval by the Department Director and the Purchasing Department. Shirts purchased by employees may be worn at their discretion unless otherwise directed by his/her Department Director. Jeans are also permissible casual dress attire and may be worn at employee discretion unless otherwise directed by the employee's Department Director.
2. Casual does not mean sloppy. Clothing should be clean, wrinkle free and without holes and frays. Tank tops, shorts, t-shirts, tennis shoes, combat boots, and other clothes or accessories that are revealing, disruptive, or generally better suited for the gym, beach ball game, or even a trendy club are not acceptable office attire.
3. Tennis shoes may be worn only on Fridays or in the event the position requires on-going physical labor or working in a dirty environment.
4. When in doubt, leave it out. The intent of casual wear is to make employees feel more comfortable, yet project a positive image. If there is even the slightest question about suitability of one's attire or accessories, it should not be worn to work.
5. On occasion employees making presentations to the City Council or other groups of like stature are expected to dress in business casual.
    a. Business casual dress is designed to allow employees maximum comfort at work, while at the same time allowing for an appearance standard that is higher than that of casual dress appearance.
6. Supervisors shall periodically review their employees' attire to ensure that

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7.11 – Dress and Appearance

required standards are met and that deficiencies are detected and corrected. Each supervisor is responsible for ensuring that their employees maintain a neat, professional appearance in accordance with this policy.

B. Grooming and Hygiene:

1. Each employee shall maintain personal hygiene, grooming, and general appearance that is neat, clean, professional, reflective of the City's philosophy of pride and professionalism, and commensurate with accepted general business practices. Such grooming standards prohibit exotic, ostentatious, gaudy, or other similarly unprofessional appearances. Examples include, but are not necessarily limited to, spiked hair, Mohawk~~, visible body piercing (except earrings), obscene or offensive tattoos~~, unkempt or unclean hair, lack of personal hygiene, or scraggly facial hair. Exceptions to grooming standards will be considered on the basis of legitimate personal or religious standards. Facial hair shall be kept clean and neatly trimmed. Nothing in this policy shall prohibit a supervisor from restricting clothing or other personal grooming attributes that might create a safety hazard based on the employee's job duties.

C. Accessories:

1. Clothing shall not be an advertisement or endorsement. Logos or insignias, such as the City logo, small manufacturing logo/names, or small non-ostentatious wording, signs, or symbols are acceptable. Extreme or outrageous color schemes or other accessories, accouterments, or designs deemed by a supervisor or higher authority to be inappropriate or objectionable should not be worn. Employees shall wear undergarments. Except for the exposed front of T-shirts worn with an open collar, all undergarments shall be worn in a manner concealed by outer clothing. All footwear is expected to be appropriate to the employee's position. Shoes are to be neat, clean and in good repair. Thong sandals or "flip-flops" are never allowed.

D. Uniforms

1. The City supplies some employees with appropriate uniforms. Employees in jobs that require a uniform will be told how and where the uniforms can be obtained. The City will provide replacements when necessary. Uniforms must be clean and neat. City uniforms will not be used outside of work, for personal use, or by a third party. When the employee terminates employment with the City, uniforms and other City equipment must be returned in good condition before the final check is authorized. The employee will agree in writing to allow a payroll deduction to cover the cost of lost or damaged City property and unreturned uniforms from the employee's final paycheck prior to deduction.

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E. Return of Clothing upon Employment Termination:

1. An employee shall return all City purchased apparel or uniforms upon termination from City employment except in those cases when the Department Director authorizes that the person retains selected clothing items that have been worn, do not contain any City identifiers, and are determined to have no value to the City.

F. Dress Code Summary:

1. Business casual dress is a privilege and benefit provided to employees of the City of Celina in an effort to maximize work enjoyment while projecting a professional work image. As such, it is everyone's responsibility to present a personal appearance that is professional and reflects well on the organization. Department Directors shall have discretionary authority to enforce expectations of dress and style appropriateness for the job and shall be responsible for addressing any policy abuse.

G. Dress Code Exceptions

1. Unusual circumstances as approved by the supervisor, such as weather conditions, special work assignments, medical reasons, worksite conditions and/or unusual working hours or situations, may be sufficient reasons to grant an exception to the departmental dress code.

H. Tattoos and Body Piercings

1. Some tattoos and body piercings are unacceptable for work at any time. The following list provides some examples, although it is not a complete list:

- No visible tattoos are allowed above the shoulders (excluding tattoos for natural looking cosmetic enhancements, such as eyebrows, lips, and eye liners).
- Tattoos that contain offensive words, messages, slogans, or pictures, including but not limited to those displaying nudity, sexual acts, gender, race, religion, disability, or natural origin, and/or may be perceived to be gang-related shall be covered and/or not visible while on duty.
- Objects, articles, jewelry ~~(including ear lobe expanders)~~, or ornamentation of any kind shall not be inserted, attached to or through the skin if visible on the tongue, any part of the mouth or cheek.
- Third~~wo~~ (3~~2~~) sets of reasonably sized earrings may be worn in each ear lobe, but no expander.
- A single (1) stud may be displayed in one (1) nostril (septum piercings are prohibited), as long as such stud does not exceed one (1) millimeter in size.
- Any non-conforming piercing insert shall either be removed or replaced with a clear insert.
- For Police and Fire Department sworn personnel, refer to Department Policies.

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~~1.~~ If an employee has a question about how the tattoo and body piercing policy is applicable to them, the matter should be immediately raised with their supervisor for consideration and determination.

V. In all cases, the City will make the determination as to acceptable dress, appearance and grooming. Employees should direct questions about appropriate appearance or dress to their supervisor, Department Director or Human Resources. Employees in violation of this policy may be sent home. In such circumstances, non-exempt employees will not be paid for work time missed, and exempt employees will be required to make up the work time missed. The employee is expected to return immediately to work. Employees whose grooming or personal appearance violates this policy may be disciplined, up to and including termination of employment.

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Chapter 7 – Employee Conduct

7.12 – Vehicle Use

I. Purpose

The purpose of this policy is to establish the rules and procedures governing the assignment, use and reporting requirements of City vehicles including take-home vehicles. This policy will implement both federal and state mandated regulations and City policy and procedures. City owned vehicles shall be operated in compliance with all applicable state, and local laws and ordinances.

II. Eligibility

A. The Department Director may recommend a take home vehicle for an employee if the following criteria are met:

1. The employee works in the Fire department and has an assigned vehicle;
2. The employee works in the Police department and has an assigned vehicle;
3. The employee is "on-call" and has an assigned vehicle
4. The City Manager has given approval.

III. Definitions

A. Take-Home Vehicle - is any vehicle that is owned, leased, rented or otherwise under the care, custody or control of the City and is taken from the City premises after normal working hours to remain in "home storage" overnight for the use of a City employee or authorized representative for a bona fide city purpose. Take-home vehicles are either assigned to an employee by the Department Director or used by employees for on-call purposes.

B. Bona fide City Purpose - A bona fide city purpose is conducting official city business only.

C. Personal Use - Personal use is not allowed while the operator is on-call. Family members and non-city employees are not allowed in a city take home vehicle. Any exceptions to this policy must be approved by the Department Director and City Manager. Any family members and non-city employees riding in a city vehicle must sign and agree to a waiver of liability to be kept on record with the HR department prior to being in the vehicle. Depending on insurance liability age restrictions for riding in a city vehicle may be enforced. The transportation of non-city employees, as approved per policy, is allowed if the transport would lead to increased effectiveness and efficiency of the department such as a ride-along program.

D. Exempt Vehicles - According to Federal guidelines and for purposes of tax calculation only, certain vehicles and equipment, particularly emergency and utility service vehicles (normally not to include pickup trucks or vans), designated by Federal law are exempt for the purpose of increased tax liability. This exemption means that the taxable income of the employee assigned to one of these vehicles will not be affected.

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7.12 – Vehicle Use

E. Home Storage - is defined as a vehicle kept at the employee's residence. Vehicles may be parked in the streets if unable to park in a driveway, and employees must avoid situations that would give rise to a legitimate complaint from neighbors, such as blocking streets, driveways, alleys, etc.

F. Non-Exempt Vehicles - According to Federal guidelines and for purposes of tax calculation only, all other vehicles of the City that do not meet the criteria to be exempt vehicles are classified as "non-exempt." These non-exempt vehicles normally include pickup trucks and vans. By "non-exempt" the Federal government means that a tax liability will be incurred by the employee to whom the use of the vehicle is assigned.

G. Hand-held devices - Include but are not limited to cell phones without a hands-free device, radios, and navigation tools.

H. Tax Liability-An employee who has a non-exempt, assigned take home vehicle will have an assessment, of $1.50 on each one-way trip and it will be added to their taxable income for each day of use. The assessed amount is added to the employee's taxable income only for the purpose of calculating the tax liability. The employee assigned the use of a non-exempt take home vehicle will be responsible for the tax on the assessed amount. Specialized vehicles such as animal control vehicle with cages, marked police and fire vehicles are exempt from the taxation. See list in section IV.

I. Assignment/Reporting Requirements for Take Home Vehicles - Employees that are to be assigned a take home vehicle, whether for daily use or an on-call basis, must be recommended by the Department Director and approved by the City Manager or their designee.

IV. Exempted Vehicles

A. Below is a list of exempted vehicles as outlined in the Federal Register Vol. 50. No. 215/Public Law 99-44:

1. Clearly marked police and fire vehicles,
2. Delivery trucks with seating only for the driver and folding jump seat,
3. Flatbed trucks,
4. Cargo vehicles with a gross vehicle weight over 14,000 pounds,
5. Passenger buses with a capacity of at least 20 passengers,
6. Ambulances or hearses,
7. Bucket trucks or "cherry pickers",
8. Cranes and derricks,
9. Forklifts,
10. Cement mixers,
11. Dump trucks and garbage trucks,
12. Refrigerated trucks,
13. Tractors,

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14. Combines,
15. School buses,
16. Specialized utility repair trucks,
17. Moving vans,
18. Unmarked law enforcement vehicles operated by an officer or arson investigator who is a full-time employee, authorized to carry a firearm, execute search warrants, and make arrests.

*All other vehicles exempted by the IRS under special rulings.

V. Procedures

A. Department Directors/Division Managers will prepare a written request which will indicate the individuals to be assigned vehicles, the length of the assignment, the location of home storage, the vehicle type and number and a bona fide city purpose for each assignment. This request will be reviewed annually by the Department Director, Manager and be accompanied by an acknowledgement form signed by the employee acknowledging having read and received this policy. Finance will submit the final list to the City Manager for approval.

B. Finance will be considered the primary repository for the take home vehicle records and will be responsible for initiating the annual re-approval process (generally Oct. 1st).

C. Modifications to the take-home list will be reported to Finance.

D. For security purposes all records for Police undercover vehicles will be maintained in the Police Department following approval by the City Manager.

E. If the vehicle that is assigned is non-exempt, the employee to whom it is assigned will incur the tax liability previously described. That employee will also be given the opportunity to complete a new W-4 to adjust withholdings for this liability. For each pay period, the number of one-way commutes incurred for an employee assigned a non-exempt vehicle should be reported to Finance with their biweekly timesheet and appropriate form.

F. Once an on-call assignment has been approved by the City Manager, new requests are necessary only when changes in status (i.e.; new employee, reorganization of duties, employee moves, etc.) occur or as part of the annual review.

VI. General Provisions

A. City vehicles are to be used for conducting official City business. The City reserves the right to search those vehicles at any time, for any purpose. Employees have no expectation of privacy in city vehicles.

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7.12 – Vehicle Use

B. The operation of City take home vehicles by non-employees is not allowed.

C. All precautions shall be taken to ensure the safety and security of City Vehicles. This includes, but is not limited to, locking all doors and/or compartments and properly parking vehicles in accordance with applicable laws and ordinances.

D. Employees authorized to take a vehicle home must drive the vehicle to and from work by the most direct route, without any deviation. The location of home storage for a City vehicle may not be further than 15 miles and/or 30 minutes of drive time or less from the City limits unless approved in writing by the City Manager.

E. Use of the City vehicle for going to and from lunch shall be restricted within ten (10) miles of the City of Celina limits.

F. Carpooling to and from work and home in a City vehicle is not allowed. This restriction includes carpooling with other employees and non-employees. No children or family members may be in the vehicle without. Other employees or non-employees may ride in a City vehicle as long as the bona fide city purpose is not for carpooling or commuting on a regular basis.

Example: Inclement Weather, Ozone Days, Schools and Conferences, etc. are acceptable reasons for carpooling.

G. If an accident occurs while taking a vehicle home, the employee and his/her supervisor shall report the accident to their Manager and Department Director immediately. A drug and/or alcohol test will then be administered as described in the City's Alcohol/Drug Policy.

H. City employees involved in accidents while not in the "course and scope of employment" are responsible for all liabilities arising from the accident.

I. Employees and supervisors who fail to comply with the requirements of this policy will be subject to disciplinary action as described in the City's Policies.

J. Employees may not use tobacco, e-cigarette, vaping, drugs, alcohol or other controlled substances while operating any City Vehicle.

K. City employees may not use hand-held devices while operating a City Vehicle - whether the vehicle is in motion or stopped. This includes, but is not limited to, answering or making phone calls, engaging in phone conversations, and reading or responding to emails, instant messages, and text messages. All motor vehicles must be legally and safely parked to operate hand-held devices. Such restrictions for Police and Fire department personnel will be governed by Police and Fire Department policy.

L. City employees may use accessories or vehicle-based equipment which allows

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for a hand-held device to be operated hands-free for voice calls only, so the driver may be able to maintain the use of both hands to control the vehicle. Vehicle operators are still required to use good judgment when using hands-free equipment so as not to be distracted from maintaining control of the vehicle.

M. Department Management shall be authorized to restrict the use of hands-free usage based on the operational needs of the Department or because of the vehicle size.

N. The Police and Fire Department may conduct ride-along programs following their internal policies while following any City policies superseding Departmental policies.

VII. Fuel Use

A. The Department Director/Manager shall make the decision as to who is eligible to use a fuel card, and who will be eligible to fuel equipment. The director/manager shall be responsible for card requests, transfers, replacements, and cancellations of fuel cards. All employee transfers or terminations shall be reported immediately to the department and to Finance.

B. Appropriate use of the fuel card program is to fuel only City-owned or leased equipment and only for City business purposes. When interpretation is needed, the director/manager will decide what "City" use will be. The cardholder is responsible for appropriate use of fuel and the input of correct data at the fuel site. Any misappropriation of the fuel card program will subject employees to disciplinary action up to and including employment termination and shall not exclude criminal prosecution.

C. The director/manager shall be responsible for monitoring fuel use, fuel invoices, and reports. Monitoring includes knowing who is getting fuel, how much fuel, which vehicle/equipment is being fueled, and the type of fuel being dispensed. The date, time, and miles per gallon of the vehicle/equipment being fueled also should be monitored. Irregular or questionable transactions must be rectified immediately.

D. Finance shall provide training to the director/manager on how to use the fuel delivery system, how to monitor and understand the invoices and reports, and the critical and problematic areas needed monitoring.

E. The Director/Manager shall inventory their cards and users quarterly to help Control use. Employees who continue to input incorrect data into the card reader shall have their fuel card for fuel PIN terminated by the Finance department after notification to the employee's Director/Manager. Cards that are broken or do not work will be replaced immediately by the Finance department. Employee PINs that do not work will be corrected immediately.

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Lost cards will be replaced after a 30-day waiting period. City employees shall deal directly with Finance, NOT with the fuel vendor, on matters regarding fuel cards, PINs, or other related issues.

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7.13 – Vehicle-Equipment Operating Standards

I. Statement of Purpose

To establish a policy covering minimum standards for the qualification of employees and applicants to operate City Vehicles/Equipment. Furthermore, to minimize the risk of vehicle/equipment accidents by improving the quality of drivers by permitting only those persons with appropriate licenses and acceptable driving records to operate City vehicles/equipment.

II. Procedures

For those employees who drive during the course and scope of their employment, an audit of the employee's current driver's license, as well as the employee's driving record, **can be reviewed annually** by the Human Resources Department through the appropriate agency.

III. Definitions

A. City Vehicles shall mean any owned, leased, and/or rented passenger car, pickup, truck, or other similar type vehicles as defined by the Texas Motor Vehicle Law.

B. City/Motorized Equipment shall include, but not be limited to, backhoes, dozers, mower-tractors, loaders, graders, and other similar equipment.

C. A habitual violator is a person who has four (4) moving violations within any consecutive twelve (12) month period; or seven (7) moving violations within a twenty-four (24) month period, (Texas Motor Vehicle Law, V. C. S. 6687b Sec. 22(b)(4), 1985).

D. A moving violation for the purpose of this policy are the same as defined in the Texas Motor Vehicle Law (Examples: speeding, running stop sign or signal, failure to yield, etc.)

E. A chargeable accident is any accident reported on a Motor Vehicle Record (MVR) unless specifically stated as "not at fault" or "no fault" in the report.

IV. Applicability

A. This directive shall apply to:

B. City employees driving City owned, leased, or rented vehicles and/or motorized equipment.

C. City employees receiving a monthly car allowance.

D. City employees receiving mileage reimbursement for use of the employee's personal vehicle while conducting City business; and

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E. Applicants for positions which require the operation of Cityvehicles and/or equipment.

F. City employees covered under this directive shall upon its effective date be subject to these standards. All applicants, who are finalists for positions which require the operation of a City vehicle/equipment, or will be eligible for a car allowance or mileage reimbursement, shall have their Motor Vehicle Driving Records (MVR) audited prior to being hired.

V. Criteria for Application of Formal Levels of Discipline

In recognition of the fact that each disciplinary instance may differ, the City retains the right to treat each disciplinary occurrence on an individual basis and without creating a precedent for other cases that may arise in thefuture. The following criteria may be considered, as appropriate, in determining action to be taken.

A. Severity and type of violation(s).

B. Impact of the violation(s) on other employees and/or customers of the City.

C. Employee's length of service and previous work record.

D. Period of time since previous coaching or discipline.

E. Disciplinary actions taken by the City with other employees for similar violations(s).

VI. Guidelines

The City of Celina shall require all employees driving City Vehicles/Equipment, or employees driving personal vehicles to conduct City business, to have the appropriate driver's license as required by the City and/or State of Texas.

Failure to meet the qualifications/standards listed below shall be grounds for the suspensions of the employee's driving privileges and subject an employee to the provisions of this directive.

Employees who drive, or applicants who would be required to drive City Vehicles and/or operate covered Motorized Equipment, in the course of their employment shall be required to meet and uphold certain standards. The following minimum qualifications/standards shall constitute conditions of eligibility for driving/operating privileges:

A. The employee/applicant must hold and maintain a current valid Texas driver's license in the appropriate class for his/her position held, or applied for, before beginning work in the position requiring the license;

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7.13 – Vehicle-Equipment Operating Standards

B. The employee/applicant must have attained the age of eighteen (18) years of age in order to be eligible to operate City vehicles and/or operate motorized equipment under this policy;

C. The employee/applicant must be physically qualified to hold a driver's license and to safely operate a motor vehicle and/or motorized equipment;

D. The employee/applicant must be insurable under the City's automobile insurance program as determined by the insurance underwriters;

E. The employee/applicant may not be a habitual violator of traffic laws as defined by the Texas Motor Vehicle Laws.

In addition to the above criteria the City has established guidelines which shall be used to evaluate employee and applicant driving records. A Motor Vehicle Record (MVR) will be requested on all applicants, current City employees who are being considered for promotion or transfer, and at least on an annual basis on all employees required to drive/operate vehicles/equipment in the course and scope of their employment. Each employee/applicant must also meet the minimum driving criteria as outlined below:

VII. Evaluation Criteria

Applicants - Applicants, for positions requiring the operation of City Vehicles/Equipment, **SHALL NOT** be eligible for hire if:

A. the applicant's driver's license is currently under suspension or revocation

B. within the past three (3) years, the applicant has been arrested for or convicted of:

1. Driving Under the Influence, (DUI)
2. Driving While Intoxicated (DWI)
3. any other alcohol-related driving offense;
4. a "Hit and Run"
5. "Failure to stop, render aid, and disclose I.D. as the scene of an accident"; and/or
6. Negligent Manslaughter involving a motor vehicle accident.

C. the applicant's driving record contains any of the following that have occurred within the last two (2) years:

1. three (3) moving violations; or
2. two (2) moving violations **and** one (1) chargeable vehicle accident; or
3. two (2) chargeable vehicle accidents.

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NOTE: All vehicle accidents listed on the driving record shall be considered "chargeable" unless otherwise stated on the record or unless the applicant can provide immediate evidence to show that the accident was non-chargeable.

Employees

Employees in positions requiring them to drive City Vehicles/Equipment **SHALL NOT** be eligible to operate such vehicles; and employees receiving a car allowance or mileage reimbursement **SHALL NOT** be eligible for such payments if:

A. the employee's license is suspended or revoked;

B. within the past three (3) years, the employee has been convicted of:

1. Driving Under the Influence, (DUI)
2. Driving While Intoxicated (DWI)
3. any other alcohol-related driving offense;
4. a "Hit and run"
5. "Failure to stop, render aid, and disclose I.D. at the scene of an accident"; and/or
6. Negligent Manslaughter involving a motor vehicle accident.

Action under this section of the directive is predicated on evidence of CONVICTION. An employee who has been charged with an offense listed under this section, but who has not been convicted shall not be automatically disqualified from all driving and/or operating privileges. Pleading “no contest” or the like is the same as a conviction.

EXCEPTION: Certain departments may immediately, upon arrest for and while awaiting the outcome of a charge under this section, remove an employee from driving privileges. Within these departments the employee will be placed on unpaid Administrative Leave until such time as the outcome of the charge has been determined. Departments wishing to utilize this provision must be able to justify the need to, and receive approval from, the City Manager.

Should the charge result in conviction, (even if probated), the affected employee shall be ineligible for driving/operating privileges.

C. The employee's record contains any of the following that have occurred within the last two (2) years:

1. Three (3) moving violations; or
2. Two (2) moving violations and one (1) chargeable vehicle accident; or
3. Two (2) chargeable vehicle accidents.

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D. The employee has, within the past twelve (12) months, been involved in three (3) City Vehicle accidents. Only preventable City Vehicle accidents in which personal injury occurs and/or the total incurred property damage **exceeds $500** as determined by the Department Director or his/her designee utilizing a police accident report, if available, will be counted toward the three.

NOTE: Some departments may utilize a review board, approved by the City Manager, for making "chargeable" determination.

Employees who are in jobs requiring the driving/operating of City-owned/leased vehicles or who use a personal vehicle while conducting City business shall report:

A. any traffic convictions to their supervisor immediately.

B. all accidents incurred on the job, to their supervisor immediately.

Failure to report traffic convictions and accidents, as outlined above, will be sufficient grounds for removal from driving and may subject the employee to action in accordance with City policy.

VIII. Post Eligibility Determination Guideline

Employees who are required to operate City Vehicles/Equipment and are determined to be ineligible to drive due to their driving record shall be separated from employment.

NOTE: Employees who are terminated due to poor driving records may be eligible for re-hire into non-driving positions, or into driving positions after achieving an acceptable driving record.

Should an employee who receives a car allowance or mileage reimbursement become ineligible for driving privileges, that employee shall have his/her car allowance or mileage reimbursement and any City automobile insurance coverage revoked until such time that the employee meets the minimum driving qualifications/standards outlined in this directive and is eligible for reinstatement of driving privileges.

City employees who have been found to be ineligible for driving privileges under this section MAY have their privileges reinstated under the following conditions:

A. This option must be approved in advance by the Department Director. The Director is not required to authorize this option simply based on the request. The Director will handle each employee on a case by case basis using the employee's overall driving, work performance and safety records as part of the decision making process.

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B. The employee successfully completes a Defensive Driver Training Program approved by the City, and submits evidence of satisfactory completion of the program to the Department Director and the Human Resources Department. Furthermore, the employee will be required to participate in the approved Defensive Driver Training Program on his/her own time and not during the employee's regularly scheduled work hours.

C. An employee who has been ruled ineligible for driving privileges may use the defensive driving course option only **once every three (3) years** in order to have his/her eligibility status reinstated.

D. Other than the defensive driver course option, an employee who has been ruled ineligible for driving privileges shall remain ineligible for driving privileges until his/her driving record meets City driving qualifications/standards.

IX. Audit of Employee Driving Records

For employees who are authorized to operate City Vehicles/Equipment, employees who receive mileage reimbursement for using a personal vehicle while conducting City business, and employees receiving a car allowance, an audit of each employee's MVR will be performed by the Human Resources Department at least once each year. The following procedures will apply:

A. The Department Director shall submit to the Human Resources Department a list of all department personnel who have driving responsibilities or who are eligible for a car allowance or mileage reimbursement. This list shall include the employee's name, date of birth, and current driver's license number. Human Resources will obtain three (3) year Motor Vehicle Record (MVR) on each employee listed.

B. Employee MVR's shall be reviewed by the Human Resources Department and the underwriters for the City's insurance policy.

C. Upon review of the MVR, in those instances when the employee's driving record does not comply with established City criteria, the Department Director shall meet with the employee to discuss the results of the MVR and to take the appropriate action in accordance with policy.

D. Review of the driving record/history shall mean management review of the Texas Motor Vehicle Driving Record and **all** violations listed thereon; and, a review of **all** vehicle accidents involving City vehicles/equipment, experienced during the review period.

Out of state records, if available, will be obtained for applicants and employees if the individual has had a valid Texas driver's license for a period of less than three (3) years.

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X. Exceptions/Grandfather Clause

For those employees hired before the effective date of this policy; and those that have previously been arrested for violations that could, if convicted, make them ineligible; and those who have been convicted for violations which will make them ineligible to drive under the provisions of this policy the City can elect to follow the following criteria in determining exemption/grandfathering:

A. Employees found to be ineligible due to their Driving Record and Accidents shall be grandfathered. However, any additional violations, after the effective date of this policy, shall be considered under the normal provisions of this policy.

B. If driving is a requirement of the position, the City has the discretion on whether this policy will be followed or if the employee will be unable to fulfil the duties of their role.

C. Employees found to be ineligible due to a Suspended License and a DWI shall be immediately removed from driving privileges and the following guidelines shall be used:

1. Assigned non-driving responsibilities within the employee's respective department, if a position is available and the assignment does not cause and undue burden on the department (the number of reassignments will be restricted and must be approved by the City Manager).

   Each employee will be handled on a case-by-case basis using the employee's overall driving, work performance and safety records as part of the decision making process:

   An employee assigned to a non-driving position will receive compensation for work performed based on the classification of the position to which they have been re-assigned.

2. Be separated from employment, if the above alternative cannot be achieved within thirty (30) days from the date the employee was determined ineligible for driving privileges.

D. Employees previously identified, before the effective date of this policy, as being ineligible and are currently under an approved alternative work program will be allowed to complete that program. However, any additional violations, after the effective date of this policy, shall be considered under the normal provisions of this policy.

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7.14 – Property and Equipment Use

I. Equipment

A. The City may issue various types of equipment and other property to employees e.g., credit cards, keys, tools, laptops, cell phone, etc. This equipment and property are for use while on City business only unless otherwise approved by the City Council or the City Manager. Employees are responsible for items issued to them by the City as well as items otherwise in their possession or control or used by them in the performance of their duties. It is expected that employees will follow the policies set out relating to the use of City property at all times.

B. It is the employee's responsibility to ensure all equipment issued to him/her is properly maintained. If repair is warranted, the employee is to contact their supervisor and make the necessary steps to have the equipment/property repaired. Failure to properly maintain property/equipment shall lead to disciplinary action up to and including termination of employment. All equipment is to be accounted for in a manner that befits normal use and storage, such as inventories, engraving, and the like. For items valued in excess of $500, excluding automobiles, a departmental representative should be contacted to take digital photographs for the files.

C. Missing equipment shall be reported to the Celina Police Department and police report filed with a phone call to and a subsequent copy of the report forwarded to the Finance Department. Note: The Celina Police Department will conduct an independent inquiry into the matter. At no time shall a supervisor or any member of City management take any action in the matter without the advice and approval of the City Manager and/or the Director of Human Resources.

D. The use of all tobacco products, including smokeless, e-cigarette or vaping products is prohibited while operating and/or being a passenger in City owned/leased equipment. At no time shall an employee under the influence of any alcohol/drug/medication drive/operate City owned/leased equipment.

E. Operators of all motorized equipment used in the service of the City, who become involved in any accident, may be subjected to disciplinary action up to and including termination of employment if, upon investigation, it is determined that the employee is responsible for such action or through carelessness, recklessness, or negligence contributed to the cause of such accident.

F. Employees' use of City equipment/property does not limit the City's right to search said areas. The City has the right to search, for legitimate business purposes, City owned/leased vehicles, equipment, desks, file cabinets, and anything else owned and/or leased on behalf of the City. Employees shall have no expectation of privacy regarding any property owned by and/or leased on behalf of the City.

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7.14 – Property and Equipment Use

II. City-Issued Firearms/Badges

A. It is the responsibility of each department to maintain a list of all firearms and Badges issued to its employees and for the disposition of the same, whether destroyed, retired, or returned.

B. It is the responsibility of each employee, upon separation of City employment, to return any and all City-issued firearms and badges to the issuing department.

C. Upon separation of City employment of an employee, the affected department

1. shall notify Human Resources of the separation and whether or not all firearms and/or badges have been returned.

2. If the equipment has not been returned the costs of items will be deducted from the final pay check.

D. Firearms, not prohibited weapons under Section 46.05, Texas Penal Code, and badges may be purchased by the individual peace officer or by the surviving spouse, child, or parent upon the peace officer's separation from City employment.

E. The purchase price of the firearms and/or badges of peace officers shall be established by the City Manager after receiving recommendations from the Chief of Police and may be less than the fair market value of the firearm and/or badge.

F. All firearms and/or badges not disposed of in this manner shall be returned to the issuing department.

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7.15 – Employee Identification

I. All City employees are issued an Employee Identification Badge with photo when they are hired. New employees receive their Employee Identification Badge during New Employee Orientation. Contractors who will be working on site as well as temporary seasonal and less than part-time employees will also be issued identification badges. **Badges or employee identification are to be worn at all times while at work.**

II. The employee Identification Badge is City property and can only be used for identification purposes and for employee access to City buildings. Cards cannot be used for obtaining privileges, or for any personal reasons, without the approval of the employee's Department Director. Misuse of the identification cards will be grounds for disciplinary action up to and including termination. Access to secure locations must be approved by the City Manager. The employee must wear the badge when engaged in City business unless working conditions make wearing the badge hazardous or impractical.

III. Employees wearing a department-issued uniform are not required to wear an employee Identification Badge, but must have the badge in their possession.

IV. The employee must wear the badge in City facilities and when dealing with the public. It must be worn so that the employee's name and photo are clearly visible. Old, faded or damaged badges should be replaced as soon as possible.

V. If an employee loses his/her identification badge, the employee should immediately contact Human Resources Director so that the card can be deactivated. Then, contact your Department Head and fill out a form to request for a replacement badge. Employees will be responsible for the replacement costs if they lost their cards. Cost of replacement is $10.00. Cards damaged by normal use will be replaced at no cost to the employee.

VI. Surrender of Identification Card Upon Termination

Employees will surrender their identification cards upon termination of employment. The Department Director or their designee shall be responsible for collecting the department employee's identification card, notifying Human Resources to de-activate the card and returning the card to Human Resources.

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7.16 – Technology and Social Media

I. Statement of Purpose

This policy outlines the appropriate use of all electronic and telephonic communication systems, including, but not limited to, computers, telephones, the internet, e-mail, voice mail, pagers and all communications and information transmitted by, received from, or stored in City of Celina ("City") owned or leased systems.

II. Scope:

This policy applies to employees, contractors, consultants, temporary employees, and other workers at the City, including all personnel affiliated with third parties. This policy applies to all equipment that is owned or leased by the City.

III. Policy:

A. All news releases by city employees will be approved prior to their release by the City Manager and Mayor, as applicable. The Public Information Officer for the City of Celina will be the Mayor and/or City Manager or designee. Only the City Manager or their designee is authorized to respond to information about the City that is posted to sites not maintained by the City. The Police and Fire Public Information Officers or their designee may also post and respond to sites maintained by their respective Departments.

B. City Property. All lnternet/lntranet/Extranet-related systems, including but not limited to computer equipment, telephone equipment, software, operating systems, storage media, network accounts providing electronic mail, WWW browsing, and FTP are the property of the City and as such are to be used for purposes related to an individual's job with the City, subject to exceptions noted below. For security and network maintenance purposes, authorized individuals within the City may monitor equipment, systems and network traffic, including but not limited to network accounts providing electronic mail, at any time. The City reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.

1. The City shall not be liable for users' inappropriate use of electronic communication resources or violations of copyright restrictions, users' mistakes or negligence, or costs incurred by users. The City shall not be responsible for ensuring the accuracy, age, appropriateness, or usability of any information found on electronic resources, including the Internet.

2. The City's system is provided on an "as is, as available" basis. The City does not make any warranties, whether express or implied, including, without limitation, those of fitness for a particular purpose with respect to any services provided by the system and any information or software contained therein. The City uses a variety of vendor-supplied hardware and software. Therefore, the City does not warrant that the functions

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or services performed by, or that the information or software contained on the system will meet the system user's requirements. Neither does the City warrant that the system will be uninterrupted or error-free, nor that defects will be corrected.

3. Opinions, advice, services, and all other information expressed by system users, information providers, service providers, or other third-party individuals in the system are those of the providers and not necessarily the City. The City will cooperate fully with local, state, or federal officials in any investigation concerning or relating to misuse of the City's electronic communications system.

B. Personal Use. **Do not expect privacy.** The City allows incidental and occasional personal use of the communication systems covered by this directive provided that such use does not adversely affect City business uses and/or productivity and does not involve unlawful or unprofessional activities. The City may access, read, monitor, etc., any communication if it chooses to do so. Incidental and occasional personal use of the systems is allowed during non-working hours (before work, during lunch and after normal working hours) only to the extent such use: 1) imposes no tangible cost on the City; 2) does not unduly burden the City's computer or network resources; and 3) has no adverse effect on an employee's job performance. When an emergency requires an employee to make or receive personal calls during business hours, every attempt should be made to limit the calls to five (5) minutes. City communication systems including email shall not be used to conduct personal business. Ethical behavior of government employees and the appropriate use of government resources apply to the use of electronic communications and computer systems supplied by the City.

C. Permission to Photograph. Employees agreeing to this handbook give consent to the City to record, videotape and photograph their image and voice to be used in the following ways, but not limited to these outlined ways; company intranet accessible by employees only, company internet accessible via the World Wide Web by anyone, printed employee newsletter, emailed employee newsletter, printed client or customer newsletter, social media accounts maintained by the City or City Departments, printed annual reports, open records requests and other released and internal technologies utilized by the City. Employees understand that no special compensation will be provided to them for the use of their image and that they may or may not be informed in advance or at all in the specific use of their photos, recordings, images, videotapes, audio recordings or any other form of media used by the City.

D. Personal Bills Incurred. The Department Director must authorize personal long distance calls made by an employee and billed to the City in advance and the employee must reimburse the City for whatever charges are incurred. The same rules will apply to computer systems. Should an employee incur any

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charges on the computer system or the Internet, he/she must have advance permission and must reimburse the City for those charges within 30 days of when the fee was charged. Any fees not reimbursed will be deducted from an employee's monthly compensation and/or final paycheck from the City.

E. Security and Confidential Information**.** User accounts are not to be shared. Passwords must be kept secure and adhere to the City Password Policy. All systems, laptops and workstations should be secured with a password-protected screensaver with the automatic activation feature set at 10 minutes or less, or by locking the system when the host will be left unattended. Postings by an employee from a City email address to newsgroups should contain a disclaimer stating that the opinions expressed are strictly their own and not necessarily those of the City, unless posting is in the course of business duties. All hosts used by the employee that are connected to the City lnternet/lntranet/Extranet, whether owned by the employee or the City, shall be continually executing approved virus-scanning software with a current virus database unless granted an exception by the Information Technology Department. Employees must use extreme caution when opening e-mail attachments received from unknown senders, which may contain viruses, e-mail bombs, or Trojan horse code. The Director should monitor departmental use of the Internet and e-mail, and he/she may revoke an employee's access to such systems at any time.

F. Privacy and Open Records. An employee does not have a privacy right in any matter created, received or sent via City-owned or leased systems. The City reserves the right, without advance notice and at any time, to monitor, access, delete or disclose any messages or documents created, received, sent or stored via the City-owned or leased systems. The City is subject to open records requests and any information on a City computer may be subject to the right of discovery through the Texas Public Information Act.

G. Program Installation. All programs installed on computers must be fully licensed for that computer. No personal or downloaded programs are to be installed unless granted an exception by the Information Technology Department.

IV. Internet and E-mail Usage: the City of Celina's presence on social networking outlets will be administered by the City Manager or his/her designee(s). Under certain circumstances, a City department or division might want to create and maintain a presence on a social networking outlet. Such a request must come through the Department Director and be approved by the City Manager prior to implementation. Sites that violate this policy may be removed at any time.

A. Discrimination and Harassment. Use of the internet is a revocable privilege and may be withdrawn if used inappropriately. Creating, sending, forwarding, or storing Internet or e-mail messages or documents (including, but not limited to, e-mail message signature lines, sayings and quotations) which are offensive, intimidating, harassing, disparaging or hostile on the basis of race,

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gender, color, religion, national origin, disability, age political beliefs, pregnancy or any legally protected status is grounds for disciplinary action, up to and including termination. The City does not allow connections to sites that contain sexually explicit material. Use of such sites on City owned or leased equipment may lead to disciplinary action, up to and including termination.

B. Open Records and Privacy. Electronic messaging systems as well as other computer systems are subject to the right of discovery in legal actions brought against the City and through the Texas Public Information Act. This means that outside parties may have access to the information stored on the City's systems, and as a result, such information may become public knowledge through no action of the City. Additionally, each employee should assume that every Internet site that is visited would capture his/her electronic address, which can lead back to the City.

C. Unacceptable Use. The following activities are, in general, prohibited. Employees may be exempted from these restrictions during the course of their legitimate job responsibilities (e.g., systems administration staff may have a need to disable the network access of a host if that host is disrupting production services). Under no circumstances is an employee of the City authorized to engage in any activity that is illegal under local, state, federal or international law while utilizing City resources. The lists below are by no means exhaustive, but constitute an attempt to provide a framework for activities which fall into the category of unacceptable use.

D. While posting on social media employees need to be careful not to post anything that will bring a negative light, disparage the City or have a negative effect on the City's operations or reputation.

V. System and Network Activities:

A. The following activities are strictly prohibited, with no exceptions:

1. Violations of the rights of any person or City protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by City.

2. Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which City or the end user does not have an active license is strictly prohibited.

3. Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.

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4. Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.).
5. Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
6. Using a City computing asset to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws.
7. Making fraudulent offers of products, items, or services originating from any City account.
8. Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes.
9. Port scanning or security scanning is expressly prohibited unless prior approval from the Information Technology Department is received.
10. Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the employee's normal job/duty.
11. Circumventing user authentication or security of any host, network or account.
12. Interfering with or denying service to any user other than the employee's host (for example, denial of service attack).
13. Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the lnternet/lntranet/Extranet.
14. Providing information about, or lists of, City employees to parties outside City.
15. Submitting, publishing, or displaying any defamatory, inaccurate, racially offensive, abusive, obscene, profane, sexually oriented, or threatening materials or messages, whether public or private.
16. Using the network for financial gain or for commercial activity.
17. Personal communication denigrating your employer, “cyber-smearing”, or “cyber-bullying” of other employees.

B. Email and Communication Activities:

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1. Sending unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam).
2. Any form of harassment via email, telephone or paging, whether through language, frequency, or size of messages.
3. Unauthorized use, or forging, of email header information.
4. Solicitation of email for any other email address, other than that of the poster's account, with the intent to harass or to collect replies.
5. Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.
6. Use of unsolicited email originating from within City's networks of other lnternet/lntranet/Extranet service providers on behalf of, or to advertise, any service hosted by City or connected via City's network.
7. Posting the same or similar non-business-related messages to large numbers of Usenet newsgroups (newsgroup spam).
8. Attempting to read, delete, copy, or modify the electronic mail of other system users, deliberate interference with the ability of other system users to send/receive electronic mail, or the use of another person's user ID and/or password is prohibited.

C. Blogging:

1. Blogging by employees, whether using City's property and systems or personal computer systems, is also subject to the terms and restrictions set forth in this Policy. Limited and occasional use of City's systems to engage in blogging is acceptable, provided that it is done in a professional and responsible manner, does not otherwise violate City's policy, is not detrimental to City's best interests, and does not interfere with an employee's regular work duties. Blogging from City's systems is also subject to monitoring at any time.
2. City's employees are prohibited from revealing any City confidential or proprietary information when engaged in blogging.
3. Employees shall not engage in any blogging that may harm or tarnish the image, reputation and/or goodwill of City and/or any of its employees. Employees are also prohibited from making any discriminatory, disparaging, defamatory or harassing comments when blogging or otherwise engaging in any conduct prohibited by City's policies.
4. Employees may also not attribute personal statements, opinions or beliefs about the City when engaged in blogging. If an employee is expressing his or her beliefs and/or opinions in blogs, the employee may not, expressly or implicitly, represent themselves as an employee or representative of City. Employees assume any and all risk associated

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7.16 – Technology and Social Media

with blogging.

5. Apart from following all laws pertaining to the handling and disclosure of copyrighted or export controlled materials, City's trademarks, logos and any other City intellectual property may also not be used in connection with any blogging activity.

VI. Illegal Activities:

A. Employee use of the City owned or leased electronic and telephonic communication systems, including telephones, the Internet, e-mail, voice mail, and pagers must comply with all other Administrative Directives of the City and any established departmental policies. Illegal activities discovered by monitoring or auditing activities may be brought to the attention of the appropriate governmental agency or other persons.

B. Improper or unethical use may result in disciplinary actions consistent with City policies and procedures and, if appropriate, the Texas Penal Code, Computer Crimes, Chapter 33, or other state and federal laws. This may also require restitution for costs associated with system restoration, hardware, or software costs.

VII. Enforcement:

Access to the City's electronic communications system is a privilege, not a right. All users shall be required to acknowledge receipt and understanding of all administrative regulations governing use of the system and shall agree in writing to comply with such regulations and guidelines. Noncompliance with applicable regulations may result in suspension or termination of privileges and other disciplinary action consistent with City policies. Violations of law may result in criminal prosecution as well as disciplinary action by the City, up to an including termination of employment.

VIII. Definitions

Term	Definition
Blogging	Writing a blog. A blog (short for weblog) is a personal online journal that is frequently updated and intended for general public consumption.
Spam	Unauthorized and/or unsolicited electronic mass mailings
Host	A machine that communicates via a network, includes servers and clients.

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Ponzi	A fraudulent investment operation that involves paying abnormally high returns ("profits") to investors out of the money paid in by subsequent investors, rather than from net revenues generated by any real business. It is named after Charles Ponzi
Trojan Horse	A program that installs malicious software while under the guise of doing something else.
Worm	A program that replicates itself over a network and usually performs malicious actions.
E-mail Bomb	Sending huge volumes of e-mail to an address in an

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.17 – Travel and Meetings

This section establishes City policy regulating travel, meetings, entertainment, personal care, mileage, and/or other expenses incurred by employee who are authorized to officially represent the City at various conferences, meetings, conventions, seminars, and other functions.

This policy provides uniform guidelines and procedures for submission and processing of expenditure requests and ensures proper accounting for approved allowable expenses, including travel advances, per diem meals, and incidentals, City credit card charges, and cash expenditures made for the purposes herein defined on behalf of the City.

This policy is applicable to all City employees regardless of the source of funding.

I. Responsibilities

A. The Department Directors/Managers are responsible for communicating and administering the provisions of this policy to employees and approving expenses as legitimate business items. Nonexempt employees are compensated in accordance with prevailing Wage and Hour Laws.

B. The Director of Finance is responsible for the overall administration of expenditures regarding this policy. Department Directors/Managers are responsible for monitoring the travel and meeting expenses of their employees.

C. The Director of Finance and Department Directors/Managers, as well as all employees, shall have the responsibility to report any abuse and/or misuse of travel funds to appropriate management.

II. Expenses

A. Expenses shall consist of the actual costs that a reasonable, prudent person incurs related to travel and meeting attendance, excluding per diems. All expenses must be directly related to City business.

B. Employees are expected to be conservative in their expenditures as if they were paying such costs.

C. The expenses shall be rejected if required documentation is not provided. Original, detailed receipts must be turned in on all reimbursable expenditures with exception of tips, per diem meals, and incidentals. Per Diem includes the cost of meals, tips, and incidentals. Documentation is a service-provided name or logo-printed receipt, where available. Expenses incurred ***not*** in accordance with this policy are the employee's responsibility.

D. Allowable Living Expenses-Actual living expenses, within specified limits, may be claimed by all City employees when they are representing the City of official business that requires an overnight stay away from Celina. Living expenses include such items as hotel room, tips, parking, ground transportation, and itemized telephone calls.

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7.17 – Travel and Meetings

E. Hotels/Motels-The City will pay for local hotels greater than 40 miles away or if there early/late meetings as part of the function. The City will pay actual expenses for hotels, motels, or other lodging for the actual number of days of the conference or other meetings, plus allowance for travel time. The City will pay for a single room. Lodging per night will not exceed actual room cost plus tax and tips.

1. Internet Service-Where not provided for free, the City will pay reasonable Internet service costs where the Internet is used for City business.

2. Parking-Employees may claim actual parking expenses.

3. Ground Transportation- Employees may claim reasonable, actual ground transportation expenses including shuttle, taxis, and Uber services.

4. Tips/Gratuities-Tips and gratuities are allowed and are considered reasonable when paid at the rate of 15% of the meal cost and $1.00 per piece of luggage, except when traveling under per diem.

5. The City will not pay or reimburse registration fees, meals, and travel expenses of spouses, children or significant others who accompany employees to conferences of other business-related events.

6. The City will not pay or reimburse registration fees, meals, and travel expenses, or cancellation fees or penalties assessed for personal reasons unless emergency in nature.

F. Meals -When officially representing the City that requires an overnight stay.

1. Per Diem should be requested two weeks prior to the trip date.

2. Per Diem rates may be found at: www.gsa.gov/perdiem. The City will use the first and last day amounts, which equal 75% of the full day amount. All other days are paid at 100%.

   a. Employees may use their City issued credit card to pay for registration, transportation, and hotel stay. All receipts must be detailed.
   b. Where meals are provided at conferences and included in the registration fee, reimbursements or per diem shall not be allowed. A continental breakfast consisting of pastries and coffee/juice is not considered a meal.
   c. In instances where a per diem advance was made and the trip was not taken, the employee shall return the funds to the Finance Department for credit to the proper fund.

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7.17 – Travel and Meetings

3. **Day Travel** – Defined as travel that does not require an overnight stay, whether in-State or Out-of-State), The City will not reimburse employees and a purchasing card should never be utilized. Compensation for such meals is considered, by the Federal Government, to be taxable income to the employee. It is the responsibility of the employee to provide for his/her own meal if attending training that does not require an overnight stay.

4. **Business Meal/Entertainment-** Business meals are for executive level employees or their designees to conduct official business with an outside business representative. Business meals are not applicable to a group of employees going out to eat. To be a reimbursable "Business Meal" the meal must be one that is: (1) 'non-routine' in nature, (2) is entertainment that has a clear business objective which will benefit the Town, or (3) involves a client, official or customer and an executive level employee or their designee.

    a. In addition, to be a reimbursable "Business Meal" the meal must fall within one of the following tests:

        i. Directly- Related Test: The meal must satisfy all of the following:

            - The main purpose of the combined business and meal is active conduct of business.
            - Business is actually conducted during the meal period, and
            - There is more than a general expectation of deriving income to the City, lowering City expenses, or some other specific City benefit at some future time.

        ii. Associated Test: The meal must satisfy all of the following:

            - Associated with the active conduct of the City's business, and
            - Directly before or after a substantial business discussion.

Expenses that are lavish or extravagant under the circumstances are not allowed. The IRS identifies online *What Entertainment Expenses Are Not Deductible*. An employee must consider all the facts, including the nature of the business transacted and the reasons for conducting business during the entertainment. It is not necessary to devote more time to business than to entertainment. However, if the business discussion is only incidental to

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the entertainment, the entertainment expenses do not meet the directly-related test.

Approved Business Meal expenses, including the expenses of non-employees at the meal, will be reimbursed, provided the circumstances are considered to be conductive to a business purpose, and the meal meets all of the criteria stated. The City will not reimburse expenses for alcoholic beverages. A "Business Meal" form will need to be completed and an employee will need to provide a detailed receipt, names of all individuals in attendance, identify the various business relationships involved, and a summary of business discussed. The documentation is requested to insure that the City meets the requirements established by the **IRS.** Absence of documentation will lead to the expense being denied and the employee will be responsible for the charges.

5. **Group Meals** - In order to be reimbursable, Group Meals are considered to be occasional, infrequent and non-routine meals that are provided to a group of employees, such as employee picnics or retirement parties, and are considered by the IRS to be a non-taxable de-minimis fringe benefit. Group meals may also include such things as occasional provision of coffee, donuts, or soft drinks or a meal that is provided to promote good will, boost morale, or to attract prospective employees to the Town.

   To be a reimbursable expense or charged on a purchasing card, the costs related to Group Meals must be approved by a Department Director. A separate document will be required in processing "Group Meals" in the Finance Department to meet IRS requirements. Group Meals should never occur during overnight travel as per diem per employee has been provided. An employee will need to provide a detailed receipt, names of all individuals in attendance, and a reason for the group meal.

   The only meals allowed on a purchasing card is a Group Meal or Business Meal. No other meals, snacks or drinks are allowed on your purchasing card. The City will not reimburse expenses for alcoholic beverages.

G. Other Living Expenses-The cost of alcoholic beverages, laundry/dry cleaning, in- room movies, personal tours, fitness center fees, personal entertainment, and spouse and other family expenses are specifically excluded form reimbursement.

H. Transportation Expenses-Employees will use the most economical form of transportation available. When submitting reports, employees shall submit the completed comparison of the available modes of transportation for review.

   1. Other Transportation-When requesting air transportation, the employee shall request the least expensive cost. The employee may choose to travel first-class, but the City will pay only for coach class.

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Accommodations must be booked in a timely manner to ensure coach class is available. Up charges (first class, business class) must be reimbursed at the time of the expense.

2. Vehicle Transportation-Employees may use their personal funds and keep receipts for reimbursement, employees may seek an advance or use a City credit card. Employees also may use a personal car for travel. Actual mileage shall be calculated in miles from the worksite or residence depending on where he/she depart from, to the destination. Any other mileage is considered as part of the normal commute to work. The City shall reimburse the lesser of (1) actual mileage to and from the destination multiplied by the current IRS rate per mile, or (2) the round trip cost of the most reasonable alternative conveyance, e.g., airfare that would be spent for each employee traveling to the destination in the vehicle. Employees receiving auto allowances are reimbursed at a reduced rate for mileage in excess of 100 miles each way.

3. City Vehicles - City vehicles may be used at the discretion of the Department Director/Manager when costs are not in excess of the costs of airfare and site transportation combined or when air transportation is not available or impractical. Direct expenses, e.g., gasoline, oil, etc., associated with the use of a City vehicle shall be reimbursed with paid receipts.

III. Expense Reports

All employees must get prior approval from their Department Director.

A. A per diem advance form should be used to request per diem and resubmitted with all expenses upon return to balance out travel expenses.

B. When it becomes necessary that an employee travel in the interest of the City, the Department Director/Manager may request a travel advance. This request may be made on the Travel Advance/Expense Report and should contain the name of the traveler, purpose of the trip, date(s), and other pertinent information. This request should be prepared and submitted at the earliest practical time, but preferably no later than fourteen (14) full working days prior to departure.

C. The Department Director's/Manager's request for travel advances require prior approval by the City Manager's Office. Others require prior approval of their Department Director/Division Manager. If approved, the request will be sent directly to the Finance Department no later than seven (7) full working days prior to departure.

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7.17 – Travel and Meetings

IV. Paid Time

A. Attendance at lectures, meetings, training programs, and similar activities will be counted as working time unless all four (4) of the following criteria are met:

1. it is outside normal working hours;
2. it is voluntary;
3. it is not job related, and
4. there is no other work that is concurrently performed.

B. Travel that keeps an employee away from home overnight is travel away from home. Travel away from home is clearly work time when it cuts across the employee's workday. The time is not only hours worked on regular working days during normal working hours but also during corresponding hours on non-working days. Time that is NOT considered work time is that time spent in travel away from home outside regular working hours as a passenger on an airplane, train, boat, bus, or automobile.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.18 – Employee Arrest

I. In the case of an arrest of a City employee, the following procedure shall be followed:

A. Employees shall ensure his/her supervisor is notified within 24 hours of the arrest and prior to returning to work.

B. Upon notification of the employee's arrest, the Department Director/Manager shall notify the Director of Human Resources, the City Manager, and the Legal Department.

C. If an employee fails to contact his/her supervisor, corrective disciplinary action and/or termination of employment will occur.

II. Employees, who are unable to report to work because of arrest or incarceration, must nonetheless contact their supervisor and will be placed on unpaid leave of absence for up to two (2) workdays/shifts. If an employee is unable to secure bail after two (2) workdays/shifts, the employee shall be considered to have abandoned his/her position. If the employee is freed on bail, his/her Department Director, the Director of Human Resources, the City Manager, and the Legal Department will decide whether or not active employment is appropriate pending final disposition of the charges.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.00 – General Safety and Risk Management Policies

I. General Safety Policies

A. The success of the City's Safety and Risk Management Program depends on the efficient and effective use of resources to maintain high quality services for the citizens of our community. Our most important resource is our employees; and to protect this resource, we are committed to providing a safe and healthy workplace for all employees by establishing and maintaining an effective safety, accident prevention and overall risk management program. Safety is, and will continue to be, a fundamental part of our organization's operations.

B. The responsibility for safety limiting risk resides within all employees, and each is challenged to stay informed and to take responsibility for their own safety and the safety of their coworkers. To ensure the success of the safety process, every employee must give their full participation and support to the safety and risk management policies and procedures that have been developed to protect employees.

II. Responsibilities – General

A. The Department Directors, Finance and Human Resources, or their designee, has the responsibility to implement and administer this Safety/Risk Management Program and assign tasks as defined in the individual components.

B. Managers are responsible for providing a place of employment that is free from hazards that could result in injuries or accidents. Since it is impossible for managers to personally observe all employee activities, they must ensure that all supervisors and employees alike are trained and are aware of their safety responsibilities. Other safety responsibilities for managers include the following:

1. Provide leadership and direction concerning safety/risk management activities.
2. Be proactive in continuous evaluation of the safety/risk management program.
3. Set goals concerning safety performance/risk management within their department.
4. Review losses for potential trends on a regular basis.
5. Enforce all safety/risk management rules.
6. Participate in facility and worksite safety/risk management audits.
7. Participate and support all accident investigation activities.
8. Review accident reports and recommend corrective actions.

C. Supervisor Safety Responsibilities

Safety is as much a part of the supervisor's responsibility as is getting the job done efficiently. In addition to the aforementioned responsibilities of managers, the important safety/risk management responsibilities of each and every supervisor also include the following:

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8.00 – General Safety and Risk Management Policies

1. Familiarize themselves with, and enforcing, the safety rules and regulations that have been established by applicable local, State, and Federal organizations. These regulations are intended to set minimum standards for safety, and the contents of all regulations must be enforced as minimum safety/risk management requirements for all activities on City worksites and in City facilities.
2. Correct, or have corrected, all reported hazards. Operating under known hazards shall not be tolerated.
3. Do not permit new or inexperienced employees to work with power tools, machinery or complex equipment without proper instruction and training.
4. Give adequate safety instructions. Do not assume that an employee knows how to do a job unless knowledgeable in safety rules and regulations that they can perform the job task(s).
5. Ensure tools, equipment, and machinery being used in the workplace are in proper working condition.
6. Ensure that proper personal protective equipment (PPE) is available and used by employees when necessary and required.
7. Always set a good example in safety such as wearing the proper personal protective equipment and following established safety policies and procedures.
8. Consistently and proactively enforce all requirements of the City's safety program and all associated rules and policies.
9. Ensure that all employees have access to a copy of the City's safety policies.
10. Encourage safety/risk management suggestions from employees.
11. Obtain prompt first aid for injured employees.
12. Participate in accident or incident investigations.
13. Conduct audits of all work areas and facilities on a regular basis in an effort to improve housekeeping, eliminate unsafe conditions and encourage safe work practices.

D. Employee Safety Responsibilities

1. Know the job, follow instructions, and think before they act.
2. Use appropriate personal protective equipment as dictated by the job and the policy.
3. Work according to written safety practices as trained, posted, instructed, and/or discussed.
4. Refrain from any unsafe act that might endanger them, fellow workers, or the public.
5. Never take shortcuts and use all safety devices provided for protection.
6. Report any unsafe situation or act to their supervisor immediately.
7. Assume responsibility for thoughtless or deliberate acts that may cause injury to them, or fellow workers, or the public.
8. Never operate equipment that they are unfamiliar with or not trained/licensed to use.
9. Report all accidents/incidents to their supervisor immediately.

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10. Report all hazardous conditions, actions, and/or practices to their supervisor.
11. Work areas, including the inside and outside of vehicles and buildings, shall be kept clean and orderly at all times.
12. Employees shall only operate equipment/tools that they are trained and authorized to operate.
13. Employees shall use all safety devices and personal protective equipment provided for their protection.
14. Employees shall use assisted lifting devices or obtain assistance from a coworker when lifting heavy objects.
15. Before starting work on any machine or equipment that is out of service, employees shall render the equipment or machine inoperable and attach a lockout device to the equipment control. Guards shall never be removed except when authorized to make repairs or adjustments. Replace guard immediately upon completion of work.
16. Employees shall not engage in practical jokes or horseplay.
17. During work hours, personal telephones should only be used for high-priority personal communication and not for mere casual use. If a phone is to be used for work in a vehicle, the vehicle should be safely stopped, preferably off the road, and placed in park prior to receiving or placing a call.

III. Risk Management

A. The goal of Risk Management is to limit injury or damage to persons, employees, and property within the City of Celina. The mission is to reduce the liability to the City in the form of safeguarding the public and employees from claims against the City that can be prevented by effective policies.

B. All Department Directors/Managers are responsible for developing and implementing risk management policies specific to their function, including but not limited to safety clothing and equipment, footwear, hard hats, gloves, eye and ear protection, safety vests and the like. All employees are required to follow risk management policies and attend safety meetings as required.

C. Supervisors shall follow all safety rules and advise those whom they supervise of all such rules per their particular function. Supervisors shall observe employees' actions for safety and advise them accordingly.

D. Disciplinary Action – Violation of any of the above policies may result in disciplinary action in accordance with established City policy.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.01 – City Vehicle Operator Standards

I. City-Owned and City-Leased Vehicles

A. The operator of a City-owned or City-leased vehicle shall take the following actions when involved in an accident whether or not on City-related business:

1. Stop immediately.
2. Radio or telephone for an ambulance if anyone appears to be in the need of emergency medical service.
3. Keep the accident from becoming worse by warning other drivers.
4. Render reasonable assistance to injured persons.
5. Notify law enforcement and the employee's department immediately through their radio dispatcher or telephone. If injured, the supervisor must be notified.
    a. The driver shall request a police report in the following situations:
6. A collision with another vehicle regardless of the damage severity or location.
7. A collision with other property, telephone pole, guardrail, tree, and the like, regardless of the owner, if the supervisor determines the damage is over $500.
8. A collision that requires a vehicle to be towed.
9. A collision that causes injury to any party to the accident.
10. The decision to call out a Police Accident Investigator will remain with the Police Department. All vehicular accidents involving City vehicles responding to an emergency or major accident involving reported injuries will be investigated by the Texas Department of Public Safety (DPS) Highway Patrol. If DPS is not available, then a neighboring law enforcement agency investigate.
11. Make no admission of fault or negligence to anyone. Do not apologize or say “sorry”. Be courteous, but do not discuss the accident except with the Police and do not sign any statements or releases for anyone other than medical processing required by the City.
12. Exchange name and address with drivers of other vehicles involved, and obtain the name phone, and policy numbers of the other driver's insurance company.
13. Move vehicles to the nearest point of safety when necessary or as instructed by a law enforcement officer.
14. Complete a Motor Vehicle Accident Report immediately, and file it with their department.

B. The supervisor/manager shall take the following actions when their employee is involved in an accident in a City-owned vehicle:

1. Upon receiving notice of an accident, the employee's supervisor/manager shall contact Finance/Human Resources as soon as possible and advise

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them of the accident and all known details.

2. If possible, the supervisor/manager go to the accident scene and take photographs showing visible damage to all vehicles and the position of the vehicles. If not possible, request the responding police officer to take pictures of the scene.
3. Comply with the City's Drug and Alcohol Policy.
4. It shall be the direct responsibility of the supervisor/manager in charge of the employee to see that a Motor Vehicle Accident Report is immediately prepared concerning the accident.
5. All accident reports shall be submitted to Finance/Human Resources as soon as possible after the accident, but no later than the next business day.

II. Vehicles Owned by Employees

A. At times, employees will use personally-owned vehicles on City business. If an accident should occur while on City business, employees shall adhere to the following:

1. It is the employee's responsibility to notify their insurance carrier.
2. The City does not provide insurance for damage to personally-owned vehicles. The mileage reimbursement payment is to provide a contribution toward the employee's operating cost of his/her vehicle, insurance, repairs, gasoline, etc. Any damage to a personally-owned vehicle is the employee's responsibility to correct.
3. If citations of any type are issued, report them to Human Resources.

III. Employee Injuries

Any injury incurred by an employee driving on City business shall be treated as worker's compensation, and the guidelines for workers' compensation/post-accident testing shall be followed.

IV. Consequences of Failure to Promptly Report

Delay in reporting an accident shall result in corrective action, up to and including employment termination.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.02 – On the Job Injury/Worker's Compensation

I. Definitions:

A. "Course and Scope" of Employment-as defined by the Texas Workers' Compensation Act, means "an activity of any kind or character that has to do with and originated in the work, business, trade, or profession of the employer and that is performed by an employee while engaged in/about the furtherance of the affairs or business of the employer". The term includes activities conducted on the premises of the employer or at other locations.

B. Job-Related Illness, Injury, or Medical Condition-an illness, injury, or medical condition which occurred as the result of the employee performing the assigned duties of their occupation within the course and scope of employment.

C. Maximum Medical Improvement – defined as follows, whichever comes first:

1. 104 weeks from the date disability benefits begin to accrue.
2. The date a doctor certifies that, based on reasonable medical probability, the injured employee can no longer reasonably anticipate further recovery or lasting improvement from a compensable injury.

D. Modified Duty Assignment - temporary assignment of an employee with a job-related illness, injury, or medical condition to duties that can be performed within the limitations of the employee's medical condition. Modified Duty Assignment, however, may be for as little as one (1) week and is based on actual need for the work to be done. Modified Duty Assignments are only for those employees with job-related illness, injuries, or medical conditions unless a part of an accommodation under the Americans with Disabilities Act, as amended (ADAAA).

E. Workers' Compensation Benefits – Temporary income benefits (TIBs) provided under the Texas Workers' Compensation Act starting on the eighth (8^{th}) day of inability to work.

F. Supplemental Workers' Compensation Income-additional income provided by the City to all full-time and part-time employees to make up the difference between workers' compensation benefits and gross earnings. This includes the seven (7) calendar days prior to being paid workers' compensation. All injured employees may qualify to be on salary continuation for up to six (6) months, depending on the circumstances.

II. Medical Care

A. Employees injured on the job shall be promptly taken to a first aid facility for any necessary medical treatment. The compensability of the injury shall be determined by the City workers' compensation's approved insurance carrier. Employees must be seen by an approved health care provider. For serious

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injuries, an employee shall use the nearest appropriate medical facility.

B. For policies concerning drug/alcohol testing, please refer to the City's Drug and Alcohol Policy. All employees involved in an on-the-job accident shall undergo drug and alcohol testing. Minor injuries include, but not limited to, small cuts, abrasions, bruises, insect bites, poison ivy, etc. The employee's supervisor is responsible for ensuring the testing follows the City's Drug and Alcohol Policy.

C. Injured employees shall submit to medical treatment by their City-approved physician, and refusal to abide by their instructions might constitute a barrier to further medical expenditures and weekly salary continuation payments.

III. Reporting Accidents/Injuries

A. Is it the responsibility of the employee's supervisor to ensure that the appropriate reports are completed as soon as possible following an accident or injury. The supervisor must complete the Employee's First Report of Injury or Illness. The employee's report must be transmitted to Human Resources no later than the end of the next business day following the accident or injury.

B. Any violation of any of these policies by an employee may result in possible delay of treatment as well as disciplinary action, up to and including termination of employment.

IV. Employee Responsibility

A. It is the employee's responsibility to immediately advise their supervisor of all scheduled appointments pertaining to medical treatment of a work-related injury prior to the appointment. Following each appointment, the employee is charged with the responsibility to provide their supervisor and Human Resources with a copy of the Texas Workers' Compensation Work Status Report, DWC73, within 24 hours after the appointment. Injured employees shall make their best effort to recuperate from injuries and not engage in any activity that would hinder recovery.

B. When an employee's injury results in an unpaid time off status, it is the employee's responsibility to contact Huma Resources in order to make arrangements to pay their portion of any voluntary deductions, e.g., dependent health and/or dental coverage, supplemental life insurance, etc. Failure to make payment within 30 days of the due date shall result in cancellation of those unpaid coverages.

C. An employee on unpaid time off has the option to maintain their pension service credit by contributing to their retirement fund while receiving TIBs. The employee must coordinate this with the City's Finance Department prior to the start of their unpaid time off status.

V. Outside Employment

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8.02 – On the Job Injury/Worker's Compensation

An employee on FML, Sick/Vacation leave, Compensatory time, disability leave, or Workers' Compensation leave shall not engage in outside training, school, or employment unless expressly authorized in writing in advance by the Department Director and the Director of Human Resources. A copy of the written approval shall be sent to Human Resources.

VI. Accidents Caused by Non-Employees

If an employee is injured because of the negligence or wrong doing of a third party, not another City employee, the City is entitled to subrogate to the employee's right of recovery against the third party to the extent of all payments made to the employee by the City for such related injuries. The City shall have the right of first recovery against any payments made by, or on behalf of, such third parties to the employee to the extent that such payments are in compensation for an element of injury that the City has already paid.

VII. Modified Duty

In some cases, regular, full-time employees who have missed work due to an injury sustained on the job are unable to return directly to the duties that they previously performed. In such cases, employees may be assigned to modified duty positions pending return to their previous employment positions if such modified duty is available and if judged by the attending physician to be within the abilities of the employee. Modified duty assignments will not be appropriate for all employees who have suffered a job-related injury. Such assignments shall be made on a case-by-case basis where appropriate for the benefit of the City and the employee. If available, modified duty assignments are available only to regular, full-time employees who have sustained an on- the-job injury (or as an accommodation under the Americans with Disabilities Act, as amended (ADAAA). The ultimate goal is to return qualified employees to their original jobs. In accordance, the following modified duty procedures are established:

A. Supervision - Human Resources shall coordinate all modified duty assignments with the Department where the employees are placed. The employee shall report to Human Resources for all administrative matters related to their relationship with the City. Actual supervision of the employee shall be performed by the Department in which the employee is placed with supervision being coordinated with Human Resources.

B. Assignments - whenever possible, Human Resources shall assign employees to modified duty positions within the Department in which the employee was assigned immediately prior to the injury. If no modified duty placement is available with the Department, Human Resources shall attempt to find another modified duty work for the employee. The duties of the modified duty position shall, when possible, relate to the duties of the employee's position for which they were hired. Modified duty work should be necessary, constructive, rehabilitative, and supportive of the City's overall operations.

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8.02 – On the Job Injury/Worker's Compensation

C. Time Limitations - it is the purpose of modified duty assignments to allow an employee to perform constructive and productive labor while continuing to recuperate from a work - related injury. Modified duty assignments shall not be permanent in nature. Progress toward returning to an employee's prior duties shall be regularly monitored and periodically evaluated; however, in no instance shall an employee be allowed to remain on modified duty for a period of over 180 cumulative calendar days, six (6) months, from the date of the doctor's first release to modified duty. If employee remains unable to perform essential functions of position, accommodations under the ADAAA may be considered, depending upon the specifics of the case.

D. Hours of Work - Most modified duty assignments are typically for 8:00 a.m. to 5:00 p.m., Monday through Friday. Employees, however, also must recognize that some modified duty jobs might require working evenings, weekends, and holidays.

E. Evaluations - employees assigned to modified duty positions shall not be evaluated until such time as they return to the position for which they were otherwise employed and have performed a sufficient length of time in their position to be evaluated.

F. Probationary/Introductory Employees - the probationary/introductory period of employees assigned to modified duty shall be extended for an additional period equivalent to the period of time the employee is absent from work due to the injury or illness and such additional period of time the employee is assigned to a modified duty position.

G. Change in Assignments - all assignment changes for modified duty personnel shall be coordinated through, and approved by, Human Resources. The Department for which the employee worked at the time of the injury;/illness shall be responsible for paying the employee's salary during the modified duty period.

H. Request for Modified Duty Personnel - all City Departments shall report to Human Resources the need of that Department for modified duty personnel. Human Resources shall be responsible for assigning priority to filling such positions; and where the employee is not placed with the employee's own Department, the employee shall be placed in accordance with priority requests.

I. Seniority - the time that an employee spends while on modified duty assignment shall count toward their seniority with the City and within the Department for which the employee was working at the time of the work-related injury/illness.

VIII. Termination

Leaves of absence for any reason, including work-related injuries/illnesses shall not

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last longer than six (6) months unless part of reasonable accommodation under the ADAAA.

A regular, full-time employee, who for a job-related injury or a combination of work-related injuries or FML-qualifying events, misses a total of six (6) months of work, shall be separated from employment due to the unavailability for work if not part of a reasonable accommodation arrangement. An employee part of said "no fault" employment termination shall be eligible for rehire and shall be able to apply for any vacancies that might exist at any given time, depending on qualifications and availability of job openings. The six (6) month period shall be measured cumulatively by the rolling backward method.

The City reserves the right, at any time, to require an independent physical or mental analysis/assessment by an occupational health care professional or a health care professional of the City's choice and at the City's expense.

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CITY OF CELINA
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8.03 – Loss and Property Management

Loss - Property Damage

Employees shall report all property damage to their supervisor immediately. Supervisors shall report all property damage to the City Secretary.

Procedures

All property damage must be reported on the appropriate "Property Damage Report" form to the City Secretary within 24 hours, or the next working day.

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8.04 – Driver Records Check

For the safety of the City employees and citizens, driving standards have been established for all City employees who drive for the City. Traffic laws for the State of Texas and the City imposes requirements on the City, as an employer, to ensure that employees are properly licensed and that their driving behavior, both on and off the job, reflects obedience to the State and City laws. This driving records policy is established as a means to ensure this compliance.

A. At least once a year, Human Resources shall submit, on specified forms, requests for driving record histories for all employees. Human Resources also shall compile those fleet accidents that are not maintained by the DPS. This includes all investigated, on or off-road, motor vehicle accident reports that are not required to be reported to the DPS but are maintained by the Departments.

B. Upon receipt, each record shall be reviewed and points shall be assessed against the employee's City driving record. A maximum of ten (10) points is allowable preceding the date of the record check. Points shall be assessed as follows:

Accident Citation Point Assessment

Class	Description	Points
NCI	Non-classifiable incident not a collision.	0
Non-Preventable A	Collisions in which the vehicle was parked or was otherwise in a position where it had a legal right to be parked.	0
Non-Preventable B	Collisions where the vehicle was in motion, but it can be determined that the collision was clearly and absolutely beyond the control of the City driver.	0
Preventable C	Collisions with little or no property damage where the City driver failed to take reasonable action that could have avoided or prevented the collision or where preventability can be shared with others, backup spotters, landfill attendants, flaggers, etc.	1-3
Preventable D	Collisions with moderate to more serious property damage or personal injury where the City driver failed to take reasonable preventive measures to prevent the collision despite the actions of other or adverse conditions.	4-6

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8.05 – Driver Records Check

Preventable E	Collisions of a very nature, normally resulting in hospitalization or major property damage where it is determined that the responsibility rests entirely on the City driver.	7-10
Citations	Any moving vehicle 3 violations or citations including no insurance, expired license, or seatbelt violation	3

C. Points shall be assessed for violations arising from a preventable accident by the Department Director and Human Resources. If a Department has an accident review process, the findings shall be forwarded to Human Resources prior to the assessment. Human Resources shall forward its recommendations for point(s) assessment to the Department Director for review and final disposition. The Department Director shall report the final outcome to Human Resources. Duplicate points shall not be assessed for violations arising from a preventable accident and an accompanying citation.

D. No employee will be allowed to operate any vehicle for the City and may be subject to disciplinary action, up to and including termination of employment, if convicted or placed on deferred adjudication or disposition for any of the following violations in the immediate preceding three (3) years:

1. Driving while intoxicated;
2. Driving under the influence of alcohol or drugs, including prescription drugs.
3. Negligent homicide arising out of the use of a motor vehicle or gross negligence;
4. Operating a motor vehicle while a driver license is suspended or revoked;
5. Using a motor vehicle for commission of a felony;
6. Aggravated assault with a motor vehicle;
7. Operating a motor vehicle without the owner's authority/permission;
8. Reckless driving; and/or
9. Leaving the scene of an accident involving bodily injury or property damage.

E. Any employee who drives for the City and who accumulates more than ten (10) points in any consecutive eighteen (18) month period shall be immediately removed from any driving position and be subject to reassignment and/or disciplinary action, up to and including termination of employment.

F. Any employee who is required to drive as an essential function of his/her job and who receives notice that their license to drive has been suspended or

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revoked or an employee who fails to renew an expired license, must report this to their supervisor no later than the beginning of the first workday following receipt of the notice of suspension or revocation or knowledge of expiration.

An employee who properly reports a suspended, revoked, or expired driver license may be reassigned to a non-driving position for a period of suspension or revocation or until the license is renewed if such a position exists; or the employee may be terminated from employment at the discretion of the Department Director. Reassignment shall require the employee to be fully qualified for the new position, and it must be in the best interest of the City. If no such position exists, the employee may be subject to disciplinary action, up to and including termination of employment. Any reassignment or disciplinary action shall be coordinated through Human Resources.

G. Determination of Preventable Accidents

1. Whenever any accident is listed on the DPS report, which was not listed on previous DPS reports or which is not an accident occurring while driving for the City, Human Resources shall request a copy of the accident report from the DPS.

2. Upon receipt of the accident report, Human Resources shall review the report and determine if the employee's driving accident was preventable. This can be determined by the listing of citations issued by the investigating officer and by the contributing factors listed in the report if the accident is preventable. Human Resources shall assess the specified points to the employees driving record and forward the assessment to the Department Director for review and final disposition. The Department Director shall report the final outcome to Human Resources.

H. Improvement Points

1. If an employee has points on his/her City driving record and drives for a period of 12 months without any further violations or accidents being charges against them, up to three (3) improvement points may be credited to the employee's driving record.

2. Every 12 months after this, if the employee's record shows no additional violations or accidents, the employee's driving record may be credited with up to three (3) points. This may continue until all accumulated points are removed.

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CITY OF CELINA
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Chapter 8 – Risk Management

8.04 – Driver Records Check

I. City Driving Record

Human Resources shall maintain a City driving record in each employee's personnel file. The record will contain all DPS-reported citations, violations, and/or accidents and all accidents occurring while the employee is driving for the City, whether or not reported to the police and/or DPS. The employee's driving record will reflect any points assessed as a result of citations, violations, or preventable accidents recorded by the DPS. The employee's City driving record shall be assessed points for preventable accidents while operating City vehicles or equipment, even if these accidents do not result in a police report or DPS record.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.05 – Injury Policy and Salary Continuation Plan

The City of Celina's Injury Policy and Salary Continuation Plan is designed to minimize salary loss and financial difficulties for employees who are eligible to receive weekly income benefits as a result of an injury sustained in the course of employment with the City.

A. ELIGIBILITY: A full-time employee, including ones on probation who as the result of an injury sustained in the course of his or her employment with the City is being paid weekly income benefits for a period of more than seven (7) days, shall receive salary payments, as "injured employee salary continuation payments," separate and distinct from and in addition to the weekly income benefits. Temporary and part-time employees are not eligible for salary continuation payments.

B. AMOUNT: The salary continuation payments shall be in an amount equal to the difference between any weekly income benefits and the employee's regular pay subject to taxes and other mandatory deductions.

C. DISCONTINUATION: In no event shall salary continuation payments to any employee be continued beyond when the first of the following occur:

1. for a period of more than six (6) calendar months for any one job-related injury, unless expressly authorized by Human Resources or the City Manager in accordance this policy.

2. after a compromise settlement agreement or any agreed judgement has been effected or entered;

3. after weekly income benefits have ceased; or

4. after an employee is no longer disabled or has reached maximum medical improvement.

D. EXAMINATION AND TREATMENT: As a condition of receiving or continuing to receive salary continuation payments, or any light duty assignments, Human Resources may require an injured employee to submit to examination and treatment, at the City's expense, by a physician approved by the workers' compensation insurance carrier. An injured employee forfeits all rights to salary continuation payments if he or she refuses to submit to an examination or to any diagnostic test, x-ray, surgical procedure, or other treatment prescribed or recommended by the City-approved physician as medically necessary or indicated to diagnose, treat, or cure the employee's injured condition.

E. EXTENSION OF SALARY CONTINUATION: In rare cases, it may be appropriate for salary continuation benefits to continue beyond six (6) months, up to 12 months. Such an extension will be at the discretion of the City Manager. The City Manager will consider the following elements in order to determine whether continuation is appropriate:

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8.05 – Injury Policy and Salary Continuation Plan

1. In order to be eligible for salary continuation benefits, the employee must have received an injury in the course of extraordinary service or circumstances and severity of the injury must be such that it has resulted in one of the following:

    a. the complete loss of use of a limb, eye, or both ears
    b. traumatic brain injury (this is not intended to include psychological injuries) resulting in the inability to perform daily functions, or
    c. severe spinal cord damage.

2. The employee will shall submit to evaluation by a physician designated by Human Resources, at the expense of the City, and

3. In determining the length by which salary continuation is extended, the ability of the employee to secure gainful employment may be considered.

F. MEDICAL STATEMENT REQUIRED: All salary continuation payments must be supported by a medical statement from the employee's treating physician, whether partial - or full-day leave is granted, stating that because of the on the job injury sustained by the employee, he/she is not physically capable of performing the job duties of the position occupied by the employee at the time of such injury or any light- duty job for which the employee is qualified.

G. FORFEITURE: An injured employee forfeits all rights to any salary continuation payments to which he or she would normally have been entitled, or any light duty assignment if he/she:

1. engages in work, whether part-time or full-time, for pay or as a volunteer, for himself /of herself or for any other person, firm or corporation, while receiving salary continuation payments;
2. terminates employment for any reason while receiving salary continuation payments;
3. fails or refuses to comply with the treating physician's or City- approved physician's instructions or advice regarding treatment of the injured condition;
4. fails to act in a manner which is conducive to being off work convalescing from job related injury;

5. refuses to perform light, partial, or part- time duty that in the opinion of the treating physician, or City-approved physician, is within the employee's physical capacity and for which the employee is qualified. However, the continuance pay will continue to be based on the position occupied at the time of the injury;
6. refuses to accept or perform a different job with the City that, in the opinion of the treating physician or the City-approved physician, is within

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the employee's physical capacity and for which the employee is qualified; however, the continuance pay will continue to be based on the position occupied at the time of the injury;

7. represents his/her injured condition, physical incapacity, or disability as worse than it is while receiving salary continuation payments or any light duty assignments. The condition of the employee must be supported by a written statement of the City- approved physician;
8. refuses to return to regular duty after being released for regular duty by the City- approved physician or treating physician;
9. commits any act of fraud or falsification while applying for or receiving salary continuation payments, weekly income benefits, medical payments. or a light duty assignment.

H. ACCRUAL OF LEAVE: A full-time employee will continue to earn leave at his/her regular rate while off work and receiving weekly income benefits and salary continuation payments. Once salary continuation payments are exhausted, and the employee does not receive them for more than half of his or her scheduled work period as established by the department, no leave will be accrued unless otherwise qualified.

I. USE OF LEAVE: Human Resources must be notified of any denial of salary continuation payments. An employee who is denied salary continuation payments, or who has exhausted salary continuation payments while receiving weekly income benefits, medical payments, may take his or her accrued leave, pursuant to policy, but only in an amount necessary to make up the difference between weekly income benefits and his/her regular net rate of pay.

J. LEAVE WITHOUT PAY: An employee who has used all of his or her leave, compensatory time, FMLA, if requested and authorized, and salary continuation payments, and is still off work and receiving weekly income benefits, shall be on leave without pay status until or unless accommodations may be made pursuant to the ADA. If all efforts have been exhausted, the employee may be terminated.

K. MODIFIED WORK: When an employee has sustained an injury, the Director of Human Resources may require the employee to return to work and to perform light, partial, or part-time work when authorized or approved by the City- approved physician or treating physician. Failure to return to work when able to perform light work, with or without a reasonable accommodation, and not on FMLA leave, with FMLA approved medical certification, shall constitute job abandonment. No employee will shall be allowed to perform light-duty work after salary continuation payments cease or after an employee reaches maximum medical improvement.

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8.05 – Injury Policy and Salary Continuation Plan

L. STATUS UPON RETURN FROM LEAVE:

1. Prior to returning to work, the employee must produce a medical certification showing that the employee is able to perform all essential tasks of the employee's job, with or without a reasonable accommodation, otherwise referred to as "satisfactory medical certification."

2. If the medical certification is satisfactory, and the employee is coming off of FMLA leave, with medical certification to justify FMLA leave, the employee shall:

    a. be restored by the City to the vacant position held by the employee when injured; or

    b. be restored to a position with equivalent status, benefits, pay, terms and conditions of employment.

3. If the medical certification is satisfactory, and the employee is not coming off FMLA leave, the employee shall:

    a. be restored by the City to the vacant position held by the employee when injured; or

    b. be restored to another available position with the City, for which the employee is qualified. The City does not guarantee the original position or an equal paying, equivalent position.

4. If the employee does not return to work after receiving notice of satisfactory medical certification, disciplinary procedures, up to and including employment termination, shall be undertaken for job abandonment.

5. There shall be no discrimination because the employee has filed a worker's compensation claim.

6. The injured employee must provide immediate notice to the supervisor of the injured condition, and the type of leave to be taken. The supervisor, or other appropriate city official, shall take whatever actions are considered reasonable and appropriate to confirm the condition and to determine if the requested leave is appropriate.

M. COVERAGE CONTINUATION: an employee who is placed on leave without pay status under the provisions of this policy (this does not apply to FMLA leave):

1. may elect to continue participation in the City's Medical and Dental Plan by paying his/her monthly premium directly to the Finance Department;

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2. is, by definition, temporarily ineligible for participation in the Texas Municipal Retirement System (TMRS);

3. will not accrue any leave time or other benefits if on leave without pay for more than half of his or her scheduled work period as established by the department.

N. TERMINATION OR LAYOFF: This policy does not preempt the disciplinary and grievance policies of the City of Celina, which shall take precedent over any of the sections in this policy. This policy also does not preclude an employee from being terminated during an official reduction in force due to budget reductions.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.06 – Safety Meetings and Training

I. Safety Meetings & Training

A. Safety meetings are an effective way to encourage, educate, and train employees on safe work practices and will be held on a regular basis, based upon the specific department or operation. The Department Supervisor/Manager will provide information to be used in the meetings and will attend and participate in the meetings when possible. Safety meetings will normally be conducted by the Department Supervisor/Manager. Discussions of safety rules, possible hazards to be encountered in future job duties, or changes in procedures or equipment are some topics that should be covered on a regular basis. Topics discussed during safety meetings should pertain to the specific hazards associated with the employee's assigned job or task as well as general hazards associated with the workplace. All employee safety meetings and training will be documented.

B. Employees who do not attend regularly scheduled safety meetings or training will be identified and scheduled to attend makeup training at the supervisor's discretion. Documentation of makeup training will be made as well.

II. Special Training

A. Additional or specialized safety training will be conducted for the following areas as the need arises:

1. New equipment purchases
2. New/changes in operations
3. Identified areas of increased accidents
4. Newly identified areas of exposure

III. New Employee Safety Orientation

A. Department Directors/Managers, in conjunction with Human Resources department will provide an orientation to all new employees to address the hazards associated with his/her positions and will include a review of all safety rules, policies/procedures, and equipment that are applicable to the employee's area of assignment. New employees will be given an opportunity to ask relevant questions that may pertain to their assigned duties and safety. Documentation of the new employee safety orientation will be complete and maintained in the employee's personnel file.

B. New employees' work activities will be limited until the safety orientation is completed.

IV. Documentation of Safety Meetings & Training

1. Documentation from any formal meeting, 'tailgate' meeting, or training courses attended by employees, supervisors, or managers will also be maintained for recordkeeping purposes. Documentation should include the topic(s) covered, presenter information, and copies of any materials or handouts used during the training.

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CITY OF CELINA
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Chapter 8 – Risk Management

8.07 – Fall Prevention

Slips, trips, and falls constitute a large percentage of accidents and injuries in public entities. These procedures are designed to prevent hazardous conditions that could result in slips, trips, or falls.

I. Responsibilities

A. Supervisors

1. Conduct routine inspections to ensure all walking and working surfaces are free from potential slip, trip, and fall hazards.
2. Conduct safety training for employees who use ladders, scaffolds, or other elevated surfaces.
3. Conduct training in the use and inspection of fall prevention and fall arrest equipment.
4. Ensure proper ladders are used for specific tasks.
5. Provide adequate fall prevention and fall arrest equipment.

B. Employee

1. Maintain work areas free from potential slip, trip, and fall hazards.
2. Correct or immediately report potential slip, trip, and fall hazards.
3. Use proper ladders for assigned tasks.
4. Use proper fall prevention and fall arrest equipment as prescribed by policies.

C. Engineered and Administrative Hazard Controls

D. Although every effort is made to prevent slips, trips, and fall accidents, additional precautions should be taken to ensure all possible measures have been taken. These include:

1. Proper construction of elevated work surfaces.
2. Proper use of hand, knee, and toe rails, where required.
3. Proper design and use of fixed ladders and stairs.
4. Adequate lighting in all areas.
5. Training for all employees who work on elevated work surfaces.
6. Routine inspections of ladders, stairs, walking, and working surfaces.
7. Following housekeeping and cleaning requirements
8. Immediate addressing potential problem areas.

II. General Requirements

A. Housekeeping

1. All work areas, passageways, storerooms, and shop areas should be kept clean and orderly at all times.
2. The floor of every work area shall be maintained in a clean and dry condition as possible. Where wet operations are held, adequate drainage

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8.07 – Fall Prevention

should be maintained, and non-slip mats or floor covering shall be provided.

3. Every floor, work area, and passageway shall be kept free of protruding nails, splinters, holes, debris, and stored items.

B. Aisles and Passageways

1. Aisles and passageways shall be kept clear and in good repair with no obstructions across or in aisles that could cause a hazard.
2. Where mechanical equipment is used, aisles should be of adequate width as improper aisles coupled with poor housekeeping, vehicle and foot traffic, can cause injury to employees, damage to equipment and materials, and can limit egress in the event of an emergency.
3. Changes in elevation, such as steps, curbs, and ramps, should be marked or highlighted with a stripe of highly-visible paint or other non-skid material to assist in the identification of the known trip and fall hazard.

C. Guarding Floor and Wall Opening, Runways, Stairs

1. Floor openings and holes, wall openings and holes, and the open sides of elevated work surfaces may create hazards as people may fall through the openings or over the side to the level below. Objects such as tools or parts, may also fall through holes and strike employees or damage machinery on lower levels.
2. Standard railings shall be provided on all exposed sides of a stairway opening, except at the stairway entrance.
3. Every open-sided floor or work surface located 4 feet or more above the adjacent floor or ground level shall be guarded by a standard railing on all open sides, except where there is an entrance to a ramp, stairway, or fixed ladder. A toe board shall be provided as well.
4. Guarding Stairways - Every flight of stairs, with four or more risers, shall have standard stair railings or standard hand railings.
5. Fixed Industrial Stairs - Fixed industrial stairs shall be provided for access to and from places of work where operations necessitate regular travel between levels.
6. Portable Ladders - The primary hazard associated with the use of a ladder is falling. A poorly designed, maintained, or improperly used ladder may collapse under the load placed upon it and cause the employee to fall.
7. Fixed Ladders - A fixed ladder is a ladder permanently installed or attached to a structure, building, or equipment. Fixed ladders with a length of more than 20 feet shall be equipped with a safety cage or ladder safety device. A 'cage' is a guard that is fastened to the side rails of the fixed ladder or to the structure designed to encircle the climbing space of the ladder for the safety of the person who must climb the ladder. Cages should extend a minimum of 42 inches above the top of the landing unless other acceptable fall protection is provided.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.08 – General Rules for Motor Vehicle and Equipment Operation

I. General Provisions

A. Employees who are authorized to operate City of Celina vehicles or personally owned vehicles on City business, must have a valid Texas driver's license for the class vehicle they operate and must notify their supervisor immediately should the license be suspended or revoked.

B. All drivers of City of Celina vehicles must be familiar with and abide by all applicable state, federal, and local traffic regulations.

All drivers/operators shall be responsible for the proper care and use of vehicles and motorized equipment. This includes maintaining City of Celina vehicle/motorized equipment interiors and exterior, regularly servicing these items and reporting maintenance needs to the supervisor.

C. A driver/operator shall not permit any unauthorized persons to drive, operate or ride in or on a City vehicle. Riders shall not be allowed on running boards, tailgates, fenders, bumpers, atop cabs, on tow bars, or towed equipment. (Exceptions may include operator trainees and mechanics sharing operator positions.)

D. Where seat belts are provided, they shall be worn by all occupants. The size or operation of the vehicle or equipment does not excuse the operator from the seat belt requirement.

E. Unsafe and discourteous driving practices such as 'road-hogging', disregarding the rights of pedestrians, violating traffic regulations, and deliberate recklessness of any kind are prohibited.

Personnel should maintain three points of contact with mobile equipment when entering and exiting to help in maintaining balance if a slip occurs. Many injuries occur as a result of slips and using three points of contact will help control this exposure. In addition, the condition of the handrails, steps, etc. should be inspected regularly.

F. Except in emergencies, gasoline must not be carried inside passenger cars or the cabs of trucks. Gasoline shall be transported in approved safety containers and sealed tight to prevent the leakage of gasoline or gasoline vapors.

G. Garage doors must be opened for ventilation whenever a motor vehicle engine is running to help prevent the accumulation of carbon monoxide gas.

H. Keys shall be removed from unattended vehicles and equipment. Doors should be locked for security purposes.

I. Driving a vehicle under the influence of alcohol or any controlled substance will not be tolerated. Never attempt to perform work or drive a vehicle when you are impaired by alcohol, medication, or drugs, including over-the-counter or

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prescription medications.

J. Picking up hitchhikers is dangerous and prohibited.

K. Driving is a full time job. Drivers should not engage in other activities, such as dialing a telephone, while operating a vehicle. The vehicle should be pulled off the road and stopped before performing these types of activities.

L. Driving at the maximum posted speed limit can be too fast for safety in some situations. The drivers of all vehicles must use good judgment and proceed at a pace suitable to conditions of the vehicle, road, traffic, and weather.

M. All vehicle cabs should be kept clean to reduce distractions to drivers and interference with the operation of the vehicle or equipment.

II. Backing

A. When possible, park so that backing is not required.

B. Extreme caution shall be exercised when backing any vehicle. If another employee is present, he/she shall act as a spotter to assist the driver in backing safely. Drivers shall stop immediately if they lose sight of the spotter.

C. Backup alarms are a useful warning device and should be used when possible, especially on larger vehicles and equipment that may severely restrict your view to the rear of the vehicle. If an alarm is not present, the operator should honk his horn to warn others of the moving vehicle.

III. Stopping on Roadways

A. When it is necessary to stop on the roadway, extreme caution shall be used.

B. A rotating beacon light shall be used, if so equipped. Tail lights/emergency flashers shall be used.

C. If work is in progress, traffic control devices shall be used in accordance with the Texas Manual on Uniform Traffic Control Devices, Part VI. Please see additional information in the respective departmental policies regarding vehicle/equipment us.

IV. Inspection of Vehicles and Equipment

A. Drivers/operator shall utilize equipment checklists to inspect vehicles and equipment to determine if they are in good operating condition *prior* to operating the vehicle.

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B. The driver/operator shall determine that brakes are in good operating condition before using the vehicle or equipment. If brakes are not working properly, they must be corrected before use.

C. The driver/operator shall report all defects promptly. Items that affect safety shall be repaired prior to continued use.

D. For additional information, please refer to City of Celina and/or Departmental Vehicle Operator Standards.

V. Powered Carts & Low-Speed Vehicles

A. Powered carts and other low-speed vehicles (LSV) such as golf carts, 'Mules', 'Gators', etc. should be driven with special care. This classification of vehicle includes those which are electric-, gasoline-, or diesel-powered (LSV) and may or may not be licensed to operate on public roadways. Vehicles not licensed (registered) by the Texas Department of Public Safety as an on-road vehicle should not be driven on public roadways. The following operating rules apply to powered carts & LSV:

1. Only drivers authorized by the respective department and trained in the safe operation of powered carts and LSV shall be permitted to operate such vehicles.
2. All prospective cart or LSV operators must receive training before being allowed to operate a powered cart or LSV.
3. Operators and passengers shall keep arms and legs inside the cart or LSV at all times and shall not jump on or off of moving vehicles.
4. Powered carts or LSV shall be driven on facility vehicle traffic areas whenever possible. If a sidewalk must be used, the cart speed should not exceed that of the pedestrian traffic.
5. Carts or LSV which are capable of reaching 25 mph or higher must remain in facility vehicle traffic areas and should not be driven on the sidewalks or "pedestrian only" areas.
6. Operators shall be familiar with, and observe all established traffic laws.
7. Materials and equipment shall be properly secured so that they will not shift or fall off of moving carts or LSV.
8. Powered carts & LSV shall not be operated at night without properly working head and taillights.
9. Be extremely cautious while making turns and while driving on uneven surfaces to avoid tipping in carts.
10. Parking a powered cart or LSV should follow the same rules as a motor vehicle and is prohibited in the following areas:

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.09 – Back Injury Prevention and Material Handling

Back injuries are prevalent and continue to be one of the leading causes of on-the-job injuries in the workplace. The following procedures are designed to prevent injury and disability to employees; decrease lost productivity due to accidents and injuries; and, decrease costs associated with these types of injuries.

I. Common Causes of Back Injuries

Prolonged positions
Poor posture
Poor ergonomics
Improper lifting/lifting too much
Twisting while lifting
Reaching while lifting
Slips/trips and falls
Vehicle and equipment entry and exit

II. Safe Lifting Principles

The following steps should be taken prior to lifting, handling, or carrying materials:

A. Prior to beginning to lift or carry, check to ensure that the walkway is clear of all obstacles.

B. Carefully check the object's weight and center of gravity.

C. Face the object and get as close as you can with feet slightly apart and the head and neck facing forward. Grip the object firmly and hold it as close to your body as possible.

D. Bend at your knees, not at your waist.

E. Use your legs to bring you to a standing position, making the lift smoothly and under control.

F. Do not twist your body when lifting or lowering.

G. If necessary, obtain assistance in lifting heavy objects by utilizing additional personnel, power equipment, or other types of assistive lifting devices.

1. When two or more persons carry a heavy object that is to be lowered or dropped, there shall be a pre-arranged signal for releasing the load.

2. When two or more persons are carrying an object, each employee, if possible, should face the direction in which the object is being carried. Crouch or squat with the feet close to the object to be lifted; secure good footing; take a firm grip; bend the knees; keep the back vertical; and lift by bending at the knees and using the leg and thigh muscles. Employees shall

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not attempt to lift beyond their capacity. Caution shall be taken when lifting or pulling in an awkward position.

H. Material shall not be thrown from place-to-place or person-to-person.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.10 – Fire Prevention and Life Safety

I. General

These address specific exposures and prevention methods related to fire prevention and the life safety of employees.

A. Management Responsibilities

1. Ensure all fire prevention methods are established and enforced.
2. Ensure fire suppression systems such as sprinklers and extinguishers are periodically inspected and maintained in working order.
3. Train supervisors to use fire extinguishers for incipient (developing) fires.
4. Train employees on evacuation routes and procedures.

B. Supervisor Responsibilities

1. Closely monitor the use of flammable materials and liquids.
2. Train assigned employees in the safe use, storage, and handling flammable materials.
3. Ensure flammable material storage areas are properly maintained.

C. Employee Responsibilities

1. Use, store, and transfer flammable materials in accordance with provided training and policy.
2. Do not mix flammable materials.
3. Immediately report violations of this program to a supervisor.

II. Potential Hazards

Fire and explosion hazards can exist in almost any work area. Potential hazards include, but are not limited to:

1. Improper operation or maintenance of gas-fired equipment
2. Improper storage of use of flammable liquids
3. Smoking in prohibited areas
4. Accumulation of trash and debris
5. Unauthorized 'hot work' operations

A. Hazard Prevention and Control

1. All nonessential ignition sources must be eliminated where flammable liquids are used or stored. The following is a list of some of the more common ignition sources:
2. Open flames, such as cutting and welding torches, furnaces, matches, and heaters, should be kept away from flammable liquids. Cutting or welding on flammable liquids equipment should not be performed unless the equipment has been properly emptied and purged with a neutral gas, such

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as nitrogen.

3. Electrical sources of ignition, such as DC motors, switches, and circuit breakers should be eliminated where flammable liquids are used, handled, or stored. Only approved, explosion-proof devices should be used in these areas.
4. Mechanical sparks produced as a result of friction should not be used near flammable liquids.
5. Static sparks generated as a result of static electricity. Every effort should be made to eliminate the possibility of static sparks including proper bonding and grounding of tools and equipment.

B. Removal of Incompatibles

Materials that can contribute to a flammable liquid fire should not be stored with flammable liquids. Examples include oxidizers and fertilizers stored near petroleum-based products.

C. Control of Flammable Gases

Generally, flammable gases pose similar fire hazards as flammable liquids and their vapors and many of the same safeguards also apply. Other properties, such as toxicity, reactivity, and corrosivity must also be taken into consideration as a flammable gas could produce toxic combustion products.

III. Fire Extinguishers

A portable fire extinguisher is the "first aid" device and is very effective when used while a fire is small. The use of an extinguisher that corresponds to the class of fire, by a trained person, can save both lives and property. Portable fire extinguishers must be installed in all workplaces, regardless of other firefighting measures. The successful performance of an extinguisher in a fire situation largely depends on the proper selection, inspection, maintenance, and distribution.

A. Classifications of Fire Extinguishers

Fires are classified into five general categories, depending upon the type of material or fuel involved. The type of fire determines the type of extinguisher to be used to extinguish it.

1. ***Class A*** fires involve combustible materials such as wood, paper, and cloth, which produces glowing embers or char.
2. ***Class B*** fires involve flammable gases, liquids, and greases, including gasoline and most hydrocarbon liquids, which must be vaporized for combustion to occur.
3. ***Class C*** fires involve live electrical equipment or materials near electrically energized equipment.

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8.10 – Fire Prevention and Life Safety

4. ***Class D*** fires involve combustible metals such as magnesium, zirconium, potassium, and sodium.
5. ***Class K*** fires involve cooking fats and oils found in deep fat fryers or other cooking appliances such as solid fuel char-broilers.

In many cases, areas will be equipped with an 'ABC'-type extinguisher, which can be used for wide variety of common fires.

B. Location and Identification of Extinguishers

1. Extinguishers should be conspicuously located and readily accessible for immediate use in the event of a fire. Generally, extinguishers will be placed along normal paths of travel and egress. Wall recesses and/or flush-mounted cabinets should be used whenever possible.
2. Extinguishers should be clearly visible. In locations where visual obstruction cannot be completely avoided, directional arrows will be provided to indicate the location of extinguishers and the arrow will be marked with the extinguisher classification.
3. If extinguishers intended for different classes of fires are located together, they will be marked to ensure the proper class of extinguisher is selected. Classification markings will be located on the front of the shell above or below the extinguisher nameplate and should be legible from a distance of three feet.

C. Condition of Extinguishers

Portable extinguishers will be maintained in a fully charged and operable condition and kept in their designated locations at all times when not being used. When extinguishers are removed for maintenance, inspection, or testing, a fully charged and operable replacement should be provided.

D. Mounting and Distribution of Extinguishers

Extinguishers should be installed on hangers, brackets, in cabinets, or on shelves, no more than 42-inches above the floor.

Extinguishers should be distributed such that the amount of time required to travel to the extinguisher and back to the fire does not allow the fire to get out of control. Generally, the travel distance for Class A and Class D extinguishers should not exceed 75 feet; Class B extinguishers should not exceed 50 feet, due to the quick spread of flammable liquid fires; Class C extinguishers should simply be placed where they are likely needed, based upon the given hazards; and, Class K extinguishers are generally located within a proximate distance to the cooking areas in which they are designed to protect.

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E. Inspection and Maintenance of Extinguishers

All extinguishers should be visually inspected on a monthly basis and tested and certified by a qualified service provider on an annual basis.

F. Use of Fire Extinguishers

In most cases, recalling the ***PASS*** acronym will help remember the four steps of safe extinguisher use.

Pull the pin (from the handle)
Aim the nozzle (at the base of the fire)
Squeeze the handle (to actuate the extinguisher)
Sweep the nozzle (from side-to-side)

IV. Fire Safety

A. Inspections
Supervisors and Managers are responsible for conducting workplace fire inspections as a part of the normal workplace safety inspection. These surveys should include observations of housekeeping issues and should specifically address proper storage of chemicals and supplies, unobstructed access to fire extinguishers and emergency exit or evacuation routes.

B. Emergency Exits
Every exit designated as an emergency exit should be clearly visible or the route to it conspicuously identified in such a manner that every occupant of the building will readily know the direction of escape from any point. At no time should exits or paths of egress be blocked.
Any doorway or passageway, which is not an exit or access to an exit, but which may be mistaken for an exit, should be identified by a sign reading "Not an Exit" or otherwise labeled as to the purpose (i.e., "Closet"). Exits and accesses to exits will be marked by a readily visible sign. Each exit sign (other than internally illuminated signs) should be illuminated by a reliable light source or phosphorescence.

C. Emergency Lighting

Emergency lighting in buildings, if equipped, should be tested at least monthly to ensure proper operational conditions in the event of an emergency. These tests should be completed in conjunction with the fire extinguisher visual inspections.

D. Evacuation Routes and Plans

1. Each facility shall design and post an emergency evacuation plan to allow employees and other to safely evacuate the building or affected area in the case of an emergency.
2. Should evacuation be necessary, proceed to the nearest exit or stairway and proceed to an area of refuge outside the building. Most stairways are fire

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resistant and are often equipped with barriers to smoke if doors remain closed.

3. Do not use elevators. Should a fire involve the control panel of the elevator or the electrical system of the building, power in the building may be lost and you could become trapped in the elevator, potentially between floors. Also, the elevator shaft can become a flue, lending itself to the passage and accumulation of hot gases and smoke generated by the fire.

E. Fire Emergency Procedures

The following procedures should be followed in the event of a fire within a building:

1. Activate the nearest fire alarm, if equipped
2. Notify your supervisor, co-workers, and other occupants
3. Fight the fire only if:
    a. The Fire Department has been notified of the fire, and
    b. The fire is small and confined enough to its area of origin, and
    c. You have a way out and can fight the fire with your back to the exit, and
    d. You have the proper extinguisher, in good working condition, and know how to use it.
4. If you are unsure of your ability or the fire extinguisher's capacity to contain the fire, leave the area.
5. Leave the building and move away from exits, maintaining clear path for emergency operations.
6. Assemble in a designated area.
7. Report your safety to the appropriate supervisor or personnel.

V. First Aid

A. All injuries, regardless of severity, shall be reported to your supervisor.

B. Preplanning for a potential emergency situation is most valuable. All employees shall be aware of the medical services available and how to obtain them. Emergency phone numbers shall be posted in all work areas.

C. Where first aid kits are supplied, employees shall be familiar with the location, contents, and the instructions given with the first aid kit. Each employee shall learn how to use this equipment so they can render treatment when needed.

D. The contents of the first aid kits shall be inspected each month and expended items replaced. Personal medication shall not be kept in first aid kits.

E. Where the eyes or body may be exposed to injurious corrosive materials, suitable facilities for quick drenching or flushing of the eyes and body shall be provided for emergency use.

F. Emergency eye wash and/or shower stations should be tested at least once per month to ensure proper working condition.

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8.11 – Office Safety & Ergonomic Awareness

I. Office Safety

A. Employees shall walk cautiously up and down stairs and use handrails whenever possible.

B. Caution shall be exercised when walking around blind corners.

C. Desk drawers and file cabinets shall be kept closed when not in use.

D. Only one drawer of a file cabinet shall be pulled out at a time.

E. Boxes, chairs, buckets, etc. shall not be used in place of ladders.

F. The floor shall be kept clear of tripping hazards such as telephone cords, electrical extension cords, paper cartons, etc.

G. Employees mopping or waxing floors shall place warning signs to alert co-workers of the potential for slippery floors. In addition, all liquid spills shall be cleaned up immediately and signs put in place until the hazard is alleviated.

H. Material shall be stored on shelves in a manner to prevent falling; heavy objects shall be placed on lower shelves.

I. Hallways and aisles shall be kept clear of obstructions.

J. All emergency exits, electrical panels, fire extinguishers, and emergency equipment shall be kept clear of all obstructions.

K. Solvents or other toxic substances shall be used only with adequate personal protection or in well-ventilated areas. Material Safety Data Sheets (MSDS) should be accessible to all employees who are using these substances.

L. Employees shall not attempt to clean, oil or adjust any machine that is running. If the machine is not equipped with a starting switch that can be locked in the "off" position, it shall be disconnected from the power source.

M. Unsafe electrical cords, faulty equipment, or any other hazardous condition shall be reported and taken out of service until the repairs are completed.

N. Broken glass and other sharp objects shall not be placed in wastepaper containers.

II. Ergonomic Awareness

A. Work Stations, Desks, and Counter-Tops

1. Chairs should be easily adjustable and provide good lumbar support. If feet cannot rest firmly on the ground, a footrest may be provided. Chairs with a

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five-point base are recommended due to the stability that is provided.
2. Sufficient leg room must be allowed for seated operators.
3. Position the monitor directly in front of the operator. The operator's eyes should be level with the top of the screen. Viewing distance between the user's eyes and the screen should be approximately 16 to 22 inches.
4. The equipment or sources of light should be positioned so that glare or bright reflections on the display screen are minimized.
5. Adjust the height of the chair and/or keyboard so that the shoulder-elbow-arm angle is approximately 70-90 degrees.
6. Keyboard heights and placement should be adjustable. Use a cushioned palm rest if needed to keep user's hands and fingers in the same plane as the forearm and avoid resting wrists and forearms on sharp table edges.
7. Work surface heights should range from 23 to 28 inches for seated work stations. In addition, your work area should be well organized with routine operations within easy reach and easily accessible.
8. Document holders should be placed adjacent to and at the same height as the display screen.
9. Operators should adjust positions frequently and get up and move around to help avoid fatigue.

B. Lighting, Noise and Heat

1. Adequate but not excessive heat should be provided during cooler weather.
2. Windows should be equipped with adjustable blinds.
3. Use task lighting where extra illumination is required.
4. Noise above 85 to 90 decibels (DBA) may be harmful to workers. When exposed to high noise levels, employees shall utilize hearing protection equipment to ensure proper working conditions.
5. Whenever possible, isolate noisy machines and equipment in a remote location.
6. Tailor work practices to prevent heat/cold-related disorders. Employees exposed to hot environments must know the appropriate medical steps to counteract life threatening situations such as hypothermia, heat stroke, heat exhaustion, and heat cramps.

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CITY OF CELINA

PERSONNEL POLICIES AND PROCEDURES

Approved by City Council October 2021
Effective date November 8, 2021

Life Connected.

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Life Connected.

CORE VALUES

EXCELLENCE

- We always do our best
- We embrace innovation and efficiency while remaining good stewards of City resources
- We are accountable and take pride in our work
- We seek opportunities to learn and expand our professional horizons

COMMUNITY

- We are a unified body and work as a team
- When we disagree, we resolve it according to our Core Values
- We value and respect all employees and our customers
- We foster a culture that includes understanding, support, balance and a sense of humor
- We embrace openness, diversity and inclusion

INTEGRITY

- We do the right thing at all times
- We are committed to building and maintaining creditability and trust both internally and externally
- We are accountable in our words and actions
- We question actions that may be inconsistent with our Core Values

SERVICE

- We are selfless public servants and believe in helping others
- We treat everyone the way we wish to be treated
- We are caring and empathetic in all we do
- We work to deliver excellent service to all we encounter

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Welcome to the team at the City of Celina! We hope that you experience a genuine welcome here. The culture of Celina is founded on the principle of servant leadership. The servant leader holds to a “leader eats last” philosophy, and strives to give of him or herself for the good of the other. This mentality requires us to seek first to understand our customers' needs, so that we can treat them with dignity at all times. Celina has a reputation for its friendly, warm and kind people, and our job is to continue that tradition as the City continues to experience the growth of the DFW metroplex. To fulfill the servant leader vision, we work under four core values that guide and influence our actions and decisions.

Many cities want to be different, unique; they want to be special. To this end, many even have a service philosophy that advertises a particular way to treat customers, citizens, and one another. Sometimes, however, our practice does not always live up to the policy in regards to personal courtesy and treatment. This is because even the best policy or philosophy can only succeed with the enthusiasm and participation of the people on the ground, who are interested in reaching out to one another, and in building a culture of kindness, awareness of the needs of others, and a willingness to act quickly to address those needs in a positive way.

This kind of culture can only be built through a spirit of generosity and of personal giving of our time and energy. We cannot make a whole culture of giving and service alone, but we can each make our own little “corner” of the organization a place where others can thrive, and truly enjoy their jobs. This enjoyment of our work, in turn, creates even more willingness to help others who need it, therefore creating a circle of generosity, thriving, and selfless service.

Once this environment is established, then living the core values of Excellence, Integrity, Community and Service becomes much easier to accomplish, and the joy of loving our jobs propels us towards greater success. However, this hinges on our own individual commitments to service to others, and leading through this service of self towards others, also known as “servant leadership.” Therefore, I would like to challenge you to enter into the idea of leadership through service to others, and to commit to creating a spirit of generosity, kindness and service to those around you.

Sincerely,

Jason Laumer
City Manager

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.00 – Purpose and Objectives

The purpose of the City of Celina Personnel Policies Manual (Manual) is to provide department directors, managers, supervisors, and employees with a written source of information about the policies, procedures, and administrative directives of the City of Celina.

I. Objectives

A. The objectives of the Manual are:

1. To promote good and uniform practices and administration in the management of the City's employees.

2. To reduce questions about policies and procedures by having them readily available for reference.

3. To promote high morale by the consistent administration of policies and procedures through consideration of the rights and interests of all employees.

4. To ensure that policies and procedures are kept current by periodic updates of this Manual.

II. Servant Leadership, Core Values, and Life Connected

A. Guiding Principles

1. The culture of the City is founded on the principle of "Servant Leadership." Servant Leadership is a set of behaviors and practices that turn the traditional "power leadership" model upside down. Instead of people working to serve the leader, the leader exists to serve the people. As a result, the practice is centered on a desire to serve and emphasizes collaboration, trust, empathy, and the ethical use of power. Its primary goal is to enhance individual growth, teamwork, and overall employee engagement and satisfaction. The servant leader is not only identified at the top of the organization but at all levels; each employee has the responsibility of Servant Leadership. This concept facilitates an avenue and mindset for all employees to truly embrace what is best for the collective organization when decisions are made. Coupled with this mindset, we are reminded that the residents we serve are at the forefront of this model.
2. Our Core Values of Excellence, Community, Integrity, and Service is what makes Celina a city that embodies "Life Connected"- Creating a genuine connection from the City to all our residents and businesses. We pride ourselves on our authentic relationships. Living Life Connected is how we as the City, bring Life to our core values; ensuring every decision about the City is made through the lens of rightful actions, honesty, transparency, and mindfulness for our future success

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III. Relationship to the Code of Ordinances of the City of Celina, Texas

A. Every effort will be made to ensure that policies and procedures are consistent with the Code of Ordinances of the City of Celina, Texas. If, however, there is any discrepancy, the Code of Ordinances shall apply. Any person finding discrepancies should notify the Human Resources Department immediately.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 1 – Introduction and General Provisions

1.01 – Management Authority, Amendments, Updates, Revocations

I. Amendments, Updates and Revocations

A. The City may modify, revoke, suspend, interpret, terminate, or change any or all of its policies and procedures, in whole or in part, at any time. Any new policies issued supersede these policies and are fully binding on all employees. If an employee continues to work for the City after the effective date of any such amendment, change or termination, then the employee will be deemed to have accepted such amendment, change or termination. **The issuance of this Manual does not constitute a contract between the City and its employees for any duration of employment.** There is no specified length of employment, and either the City or the employee can terminate the employment relationship at any time, for any reason.

II. Management Authority

1. Policy administration rests with City management and City management reserves sole authority to administer City operations. With the exception of matters reserved to City Council by statute, charter, or ordinance, the general and final authority for conduct of employees is vested to the City Manager. The City Council appoints the City Manager to administer the day-to-day operations of the City government, including the power to approve and administer personnel policies and to delegate the administration of these policies to the Director of Human Resources. Any conflicts, questions, or ambiguities in City or departmental policies and procedures will be decided by the City Manager. Final authority, in the form of review and approval, resides with the City Manager with regards to all matters and subjects covered by these regulations, unless specifically delegated otherwise.

2. The City Manager and Human Resources Director may interpret the policies if a question is raised regarding the intent, application or meaning of the policy. Further, the City Manager and Human Resources Director may utilize administrative practices and procedures required to enforce the policies.

III. Departmental Policies

A. Individual City departments may develop policies and procedures that are consistent with City policies and procedures. Department policies and procedures that are operational and that do not relate to those in this manual, or other approved operations manuals/handbooks, do need to be reviewed and approved by Human Resources or other appropriate departments. All employment related departmental policies must be reviewed by the Director of Human Resources. No internal policies can prevent officially or by unwritten policy, employees

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from coming to the Human Resources department for any reason. City policies and procedures supersede all department level policies.

IV. Severability

A. Any statement in a policy or procedure found to be illegal, incorrect, and/or inapplicable will not affect the validity and intent of the remaining content of such policy or procedure. Policies and procedures apply to all employees of the City, both on and off duty where applicable, unless otherwise indicated, restricted by proper authority, or prohibited by state and/or federal law. All employees must become familiar with and abide by these policies and procedures.

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1.02 – Scope and Notice

I. Scope

A. The policies apply to and govern all employees of the City, except where State and/or Federal law preempts the application of these policies or where there are provisions to the contrary in State or Federal law. Policies and procedures apply to all employee of the City, both on and off duty where applicable, unless otherwise indicated, restricted by proper authority, or prohibited by State and/Federal law.

B. These policies supersede all existing personnel and departmental policies and are effective and binding on all employees regardless of hire date. Continued employment with the City following adoption of these policies constitutes conclusive acceptance of the terms of the policies. This handbook is not an employment contract and nothing in this is intended to change or modify the at-will status of a City employee or to create or confer any property rights or expectation of continued employment to any employee.

C. The failure of the City to follow or comply with any provision of these policies shall not constitute grounds for nor form the basis of any action or cause of action, either civil or criminal, arising from employment with the City. The City reserves the rights to change the provisions of these personnel policies and procedures at any time.

II. Notice

A. A copy of the Personnel Policy Handbook and all amendments or changes shall be on the City's internal site and filed in the office of the City Secretary and the Director of Human Resources and shall be available for inspection by all City employees and the public. Such filing shall constitute notice to all employees of the personnel policies and procedures and of all amendments and changes.

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CITY OF CELINA
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1.03 – Policy Dissemination/Administration

I. All city employees shall be informed of policy provisions listed herein. As a condition of employment, employees are expected to abide by the City's core values and all policies and procedures outlined in this manual. The City's Core Values are Integrity, Community, Excellence and Service.

The personnel policies manual will be available for reference on the intranet by employees at all times. Additionally, copies are also available for reference in the Human Resources Department.

II. Policy Administration

A. The general and final authority for human resource management rests with the City Manager, who may delegate it as necessary and proper, except for matters reserved to the City Council.

B. The administration of personnel matters is charged to Department Directors appointed by the City Manager. Human Resources shall advise management in all areas of employee management relations and shall include such items as training and career development, employee health, safety and morale. Certain City policies are based upon state or federal laws and regulations, and in the event that those laws and regulations are amended or otherwise modified, the City may amend or modify its policies to be in compliance with such laws and regulations.

C. The personnel policies of the City of Celina are based upon the belief that the success of City government and its usefulness to the citizens of Celina is primarily dependent on its personnel, and that the full development of each employee's potential is beneficial to both the employee and the citizens of Celina.

D. These policies are to provide for a consistent and equitable system of personnel management for the City. While these rules constitute a statement of policies and procedures, they are not intended to be all-inclusive and cover every conceivable personnel situation that might arise. Circumstances of any particular case or matter may warrant a deviation or exception in the application of these policies; where such circumstances justify an exception, the City Manager or his designee, may do so.

E. These policies are not an employment contract and nothing in this manual is intended to change or modify the "at-will" status of City employees or to create or confer any property right or exception of continued employment to any employee. The City is an at-will employer.

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1.04 – Contacting the City Attorney

The City Attorney shall not be directly contacted by any Department Director or other employee, unless specifically authorized by the City Manager.

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1.05 - Ethics

All employees of the City are expected to act in accordance with the highest of ethical standards. Conducting oneself in such a manner includes adherence to the law, policy and administrative directives. Employees shall faithfully execute their duties and shall refrain from knowingly engaging in any outside matters of interest incompatible with the impartial, objective, and effective performance of their duties. All City employees should maintain the utmost standards of personal integrity, truthfulness, and fairness in carrying out their duties; avoiding real or perceived improprieties in their roles as public servants; and never using their positions or power for personal or professional gain.

I. Core Values

A. The City's values are integral to our overall effectiveness and therefore as employees, we pledge to maintain and enhance:

1. Excellence – striving for the best in all we do
2. Community – working together toward common goals
3. Integrity – always doing the right thing
4. Service – committing to the delivery of efficient and cost-effective services

II. Assistance in Determining Unethical Behavior and Making Ethical Decisions

A. The City of Celina recognizes that is it not always clear what the "right" or ethical choice is, when making a decision. The following are guidelines that may assist employees in determining appropriate behavior and conduct. This list is not exhaustive.

1. Is the action lawful?
2. Is the action in line with City of Celina's stated values (see above)?
3. If you do it, will you feel good about what you have done?
4. If your friends and family saw your actions on the frontpage or posted on social media, would you be proud?
5. Does it follow the principles of servant leadership

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

2.00 – Employment, Qualifications, Disqualifications

I. Equal Employment Opportunity - The City realizes that equal employment opportunities benefit the City and its employees through the full utilization of all human resources. It is the policy of the City of Celina to provide equal opportunity to all individuals without regard to race, creed, color, sex, age, national origin, religion, disability, or veteran's status or any other characteristic as determined by State and Federal law.

A. Discrimination based on age, sex or disability or any other characteristic is prohibited except where specific requirements constitute a bona fide occupational qualification necessary for proper and efficient administration.

B. It is the intent and desire of the City of Celina that equal employment opportunities be provided in employment, promotions, wages, benefits and all other privileges, terms and conditions of employment. Further the City will make reasonable accommodations for applicants and employees with known disabilities who can perform the essential job functions with or without such accommodations.

C. The City requires ALL employees to bring to the City's attention any information regarding any incident of possible discrimination or harassment so that the matter can be investigated and appropriate action taken. Any employee who violates the City's policy will be subject to corrective action and/or termination of employment.

D. The Director of Human Resources has been designated to ensure compliance with the nondiscrimination requirements of this policy.

II. AMERICANS WITH DISABILITIES ACT (ADA) To ensure compliance with the ADA, the City of Celina offers equal employment opportunity to qualified individuals and strictly prohibits discrimination against qualified individuals based on disability.

The City will provide a reasonable accommodation to the known physical or mental impairments of an otherwise qualified individual with a disability if such reasonable accommodation will enable the individual to perform the essential functions of the position at issue. The City will not deny employment opportunities on the basis of the need to provide reasonable accommodation to the individual's physical or mental impairments, unless it would cause an undue hardship to the City, or constitute a direct threat to the safety of the individual or others.

Employees who have a complaint involving potential violations of the ADA, including, but not limited to, harassment, discrimination, retaliation, or failure to provide a reasonable accommodation, must immediately report such complaint to Human Resource.

III. Working Age

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A. Age limits are indicated in some specifications for various classes of positions on the basis of a bona fide occupational qualification or statutory requirement.

B. No person under 18 years of age shall be employed in any position within the City An exception shall be made for part-time positions within the Parks and Recreation Department, where the minimum age of employment shall be 16 years old.

IV. Basic Employment Qualification In addition to the qualifications applicable to each position, an applicant for employment with the City must:

A. Provide authorization for pre-employment background and criminal history checks relevant to the position being sought;

B. Consent to conditional pre-employment physical evaluation and drug/alcohol testing, if applicable;

C. Comply with the working age requirement;

D. Possess a High School diploma or GED, if applicable;

E. Be of good moral character;

F. Be a citizen of the United States or possess authorization to work legally in the United States;

G. Be dedicated to the principles of servant leadership and exhibit the values of Excellence, Community, Integrity, and Service.

V. Disqualification for Employment Consideration

A. Human Resources will review all applications for completeness and required qualifications. Only those applicants who meet the required criteria will be considered in the selection process. Depending upon the position vacancy and qualifications required, internal and external candidates may be considered concurrently. Although rejection may be based upon causes other than those enumerated below, the following are declared to be causes for rejection of an application or disqualification of an applicant:

B. The application is incomplete.

C. The applicant has not met the posted deadline for filling the application.

D. The applicant does not meet the qualifications necessary for the performance of the duties of the position for which the candidate is applying.

E. The applicant has made a false statement of material fact on the application or has

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practiced or attempted to practice fraud in connection with an application, supplements to an application, or commits fraud at any time during the interview process. Applicants guilty of the aforementioned are prohibited from applying for a position with the City for a minimum of one (1) year.

F. The applicant is unable to perform the essential functions of the position, even with reasonable accommodation.

G. The applicant is a former employee who is NOT eligible for rehire.

H. The applicant failed to pass pre-employment alcohol/drug screens under the City's Drug and Alcohol policy and/or any other assessment deemed necessary for the position.

I. Placement of the applicant would violate the City's policy such as minimum age and/or nepotism.

J. The applicant is not in compliance with the Immigration Reform Act of 1986.

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CITY OF CELINA
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Chapter 2 – Employment

2.01 - Introductory (Probationary) Period

I. Purpose

To establish policies and procedures for probationary employees.

II. Policies

It is the purpose of the probationary (introductory) period to provide a time for the City to determine whether the employee has shown the ability to meet the initial expectations for the position. Departments shall use the probationary (introductory) period to closely observe and evaluate the work of the newly hired employees. Supervisors should actively evaluate whether the introductory employee's conduct and performance successfully meet the expected standards and requirements. Sworn public safety employees should consult their respective departments regarding introductory periods of employment and performance appraisal.

A. Probationary (Introductory) Period

Every person initially appointed to the City or promoted in City service under a regular appointment must successfully complete the probationary period.

1. New Employees

   a. Regular full-time and part-time employees shall serve a six (6) month probationary (introductory) period.
   b. Employees promoted will serve a three (3) month introductory period from the date of promotion.
   c. Employees in a public safety position, such as Police Officers and Firefighters, the probationary period will be one year minimum in length.
   d. Employees will follow the step plan referenced in 6.02 – Compensation.

2. Promoted Employees

   a. Employees promoted will serve a three (3) month introductory period from the date of promotion.

3. Unsatisfactory Performance

Each probationary/introductory employee is responsible for knowing, understanding and meeting the expectations and standards for their position. In addition, each employee is also responsible for performing their job in a safe, productive and effective manner within the instructions and established standards for the position. Furthermore, employees are expected to maintain acceptable standards of conduct in their employment.

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Chapter 2 – Employment

2.01 - Introductory (Probationary) Period

During probation/introductory period, it is the employee's responsibility to correct any deficiencies or inadequacies in job performance, attitude or conduct.

Unsatisfactory performance can occur at any time within the probation/introductory period.

a. Prior to the dismissal of a probationary/introductory employee, a department Director/division manager shall consult with Human Resources. A decision to dismiss an employee must be initiated with a notice to dismiss outlining the reasons for separation. The department Director will connect with the Director of HR to make the final decision as to the dismissal.

b. A promoted employee who does not successfully complete probation/introductory period may return to their former position if it is available at the discretion of the Director. Otherwise, the employee will be dismissed which is initiated with a notice of proposed dismissal.

c. Extension of Probationary/Introductory Period – at the discretion of the department Director, the initial probationary/introductory period may be extended up to three (3) months for general employees and six (6) months for public safety employees.

2. Appeal Rights

An employee who is dismissed during their initial probationary/introductory period does not have appeal rights. This restriction also applies to an employee whose initial probationary/introductory period is extended pursuant to section 2c above. However, a promoted employee who is dismissed during the probationary/introductory period may appeal pursuant to the City's policies.

3. Personnel Transactions

Newly hired and newly promoted employees generally are not eligible for promotion, lateral transfer or voluntary demotion during the probationary/introductory period. Exceptions may be granted by the City Manager when such promotion, lateral transfer or voluntary demotion is in the best interest of the City.

B. Required Activities. Before the completion of the probationary/introductory period, all new employees must complete the following:

1. Individual Meeting with the City Manager
2. Participate in the New Employee Orientation

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2.02 – Recruitment and Selection

3. Compliance and Departmental Training
4. Review of Personnel Policies and Procedures
5. Participate and complete the Onboarding Process

I. The City hires employees based solely on their knowledge, skills and abilities, experience, and other qualifications as they relate to the duties and responsibilities of a position without regard to race, national origin, religion, color, sex, age, citizenship, political affiliation, disability, or any other characteristic protected by law. Hiring supervisors shall complete a personnel requisition form to a fill vacant position and have it approved as either budgeted, a replacement or for a budget variance. All requisitions must be approved by Human Resources and Finance Incomplete or inaccurate submissions will delay processing of the request.

IT IS THE RESPONSBILITY OF THE DEPARTMENT INITIATING THE REQUEST TO ENSURE THE INFORMATION IS ACCURATE AND COMPLETE. Once the personnel requisition is approved, Human Resources will initiate and complete the hiring process.

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CITY OF CELINA
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Chapter 2 – Employment

2.03 – Background Checks

I. Credit History

A. The City will obtain credit history information on a candidate for employment only when the credit history is related to the position for which the person is being considered.

B. The City and all City Departments shall comply with the Fair Credit Reporting Act (FCRA) before obtaining a job-related credit history. The City may not procure a consumer report for employment purposes unless:

1. The City has provided the applicant or employee a written disclosure that a consumer report may be obtained for employment purposes; and

2. The applicant or employee has authorized in writing the procurement of the consumer report.

3. Human Resources is the only department authorized to run credit reports on City candidates.

C. Before taking any adverse action based on the consumer report, the City shall provide the applicant or employee a copy of the consumer report and a written description of the person's rights under the FCRA, as prescribed by the Federal Trade Commission.

II. Criminal History

A. The City will conduct a criminal history record review for a final candidate for employment and will determine through the individualized assessment procedures described below whether the individual should be excluded from employment.

B. Only City employee(s) authorized to view criminal history records will be involved in conducting and individualized criminal history record review. Consistent with business necessity, the City shall disqualify from employment a person whose criminal history is inconsistent with the job duties of the position for which the person is being considered.

C. The City shall perform an assessment of criminal history record information when determining a person's eligibility for employment in a specific position. The City shall take into account a variety of factors, including the following:

1. The nature of the offenses;
2. The age of the person when the crime was committed;
3. The date of the offense and how much time has elapsed;
4. The adjudication of the offenses (e.g., whether the person was found guilty by a trier of fact, pled guilty, entered a no contest plea, or received deferred adjudication);

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5. The nature and responsibilities of the job sought;
6. The accuracy of the person's disclosure of their criminal history during the selection process;
7. The effect of the conduct on the overall environment; and
8. Any further information provided by the person concerning their criminal history record.
9. Departments, such as Police and Fire, do take arrests into consideration, but may not disqualify a candidate solely based on this information depending on the situation.

In conducting the assessment, the City will consider both the factors set out above and any additional information provided by the individual. The City may obtain court records, if needed, to validate the information provided. Using the available information, the City will determine whether exclusion from employment is consistent with business necessity.

D. Failure to disclose criminal history on an employment application will exclude a candidate from employment with the City, regardless of whether the candidate's criminal history alone would have disqualified them for employment.

E. The fact of an arrest alone does not establish that criminal conduct has occurred, and the City shall not disqualify a person based solely on an arrest, but the City does take this into consideration. The City may make an employment decision based on the conduct underlying the arrest if the conduct makes the person unfit for the position in question.

F. A candidate for employment who has a criminal history record will be notified in writing that they may be excluded from employment due to criminal history. The candidate will be given an opportunity to provide additional information concerning their criminal history record to be considered as part of the assessment process. Information may include:

1. Documentation showing inaccuracies in the criminal record;
2. Any evidence related to the factors for assessment listed above;
3. Evidence that they have performed the same type of work, since the incident(s) noted on the criminal history record, with no known incidents of criminal conduct;
4. Rehabilitation efforts, including education and training;
5. Employment or character references; and
6. Whether or not they are bonded (if a bond is required for the job position with the City).

If the person does not provide additional information in a timely manner, the City will proceed with a determination with the information available to the City.

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III. The City will conduct a motor vehicle record review on a candidate for employment The City will conduct annual motor vehicle record reviews for existing employees. The City will determine through the evaluation criteria for applicants, as set forth in the Motor Vehicle Standards, whether the person should be excluded from employment.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 2 – Employment

2.04 - Nepotism

This policy applies to all employees, including all full-time and part-time employees, paid and unpaid interns, and temporary employees. Nepotism is the showing of favoritism toward a relative. The City prohibits nepotism in hiring personnel or awarding contracts. In order to avoid the perception of favoritism and cronyism in government through interpersonal relationships and to prevent conflicts of interest arising as a result of defined relationships between employees this policy is enacted. Employment may be restricted when an applicant or current employee is related by blood (consanguinity) or marriage (affinity) to another City employee or official or is a member of the same household of another City employee or official.

I. Definitions

A. Nepotism – the practice of favoring, providing benefits to, or giving any workplace preference to, relatives over other employees.

B. Relatives – Includes, but are not limited to, the first, second and third degree of consanguinity (blood), adoption; and the first and second degree of affinity (marriage). Common Law marriages as recognized by the state of Texas will also be included for purposes of this policy.

Consanguinity (Blood Relationships) and Adoptive Relationships

First Degree	**Second Degree**	**Third Degree**
Mother	Grandparent	Great Grandparent
Father	Grandson	Great Grandson
Son	Uncle	Great Granddaughter
Brother	Aunt	Great Niece
Sister	First Cousin	Great Nephew
	Niece	Second Cousin
	Nephew	

Affinity (Marriage Relationship)

First Degree	Second Degree
Wife	Brother-in-Law
Husband	Sister-in-Law
Son-in-Law	Spouse's Grandparent
Daughter-in-Law	Grandchild
Mother-in-Law	Step-Grandchild
Father-in-Law	Stepsister
Stepmother	Stepbrother
Stepfather	Cousin-in-Law
Stepson	
Stepdaughter	

C. Cohabitants – persons who live together in a relationship but are not married, nor

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are declared to be married.

D. Roommates – supervisor and subordinate who share the same living quarters.

II. General Provisions

A. Supervision: No City employee shall be regularly supervised directly by a relative, cohabitant or roommate. A City employee will not be transferred or promoted into positions that would cause them to be in a direct supervisor/subordinate relationship with a relative, cohabitant or roommate.

B. Applicants: All external applicants for employment must, at the time of application and hire, disclose the name(s) of any relative(s) cohabitant(s) or roommate(s) serving as elected City officials or currently working for the City in any capacity. Nondisclosure of this information by an applicant shall be deemed as falsification of his/her application and shall result in non-consideration for a position or termination if the person has already been placed on the payroll. In the case of collusion, the current employee who is a relative, cohabitant or roommate may be subject to disciplinary action, up to and including, termination.

C. Employees: When a relationship is created which is not allowed by this policy, the employees are in violation of this policy. The affected employees must inform their department Director of the relationship that violates this policy within five (5) business days of the creation of the prohibited relationship. Failure to disclose this policy violation to the affected Department Director(s) shall result in disciplinary action, up to and including, termination.

D. Promotion/Transfers: All employees who are being considered for promotion or transfer to another position (whether in the same department or to a position in another department) must, at the time of the application for promotion or transfer, disclose the name(s) of any relative(s), cohabitant(s) or roommate(s) serving as elected City officials or currently working for the City in any capacity. Non-disclosure may result in disciplinary action, up to and including, termination.

E. Conflict of Interest: Relatives, cohabitants or roommates may work in the same department, unless otherwise specified in SPECIAL CONSIDERATIONS. Under no circumstances may relatives, cohabitants or roommates permanently supervisor one another. Further, no relatives, cohabitants or roommates shall be placed in positions allowing for financial signature approval of any purchasing or payroll transactions for one another. In the case where business demands require indirect or temporary supervisor of relatives, cohabitants or roommates, the Department Director of the employee(s) is responsible for establishing a process of auxiliary review for the affected employee(s) to include review and signature authority over timesheets, purchase orders and any other action where a conflict could arise from the reporting relationship of relatives, cohabitants or roommates.

The hiring and promotion of relatives, cohabitants or roommates shall not be allowed, even in different departments, if that action creates a conflict, or the appearance of a conflict of interest for the City as determined by the City Manager.

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Chapter 2 – Employment

2.04 - Nepotism

When any relationship through blood, adoption, marriage of cohabitation presents a conflict of interest for the City, the City reserves the right to take appropriate action to eliminate the conflict, which may result in disciplinary action being taken up to, and including termination.

F. Recommendation for Hiring: A current City employee may not be involved in the hiring or selection of a relative, cohabitant or roommate.

G. Disciplinary Actions: Supervisors may not participate in disciplinary decisions or appeals involving their relative, cohabitant(s) or roommate(s).

II. Procedures

A. Employees who become relatives, cohabitants or roommates: When a relationship is created which is not allowed by this policy or a departmental rule, one of the employees must resign their position. The decision as to which employee shall vacate their position shall, initially, be left up to the affected employees. In all such situations, the following procedure shall apply:

1. The affected employees shall disclose their potential violation to their Director, who will in turn, notify Human Resources.
2. If determined to be a violation, the employees shall have 15 calendar days from the date of the policy violation to make a decision as to which affected employee shall vacate their position.
3. The affected employees will have an additional 15 calendars days to vacate the position. If they fail to do this, the Director shall notify the employee with the least seniority, based on the most recent hire date, that they must vacate their position.

B. Special Considerations

1. SECTION 14.03 NEPOTISM of the City of Celina Charter states:

   No member of the City Council, Mayor, or City Manager shall appoint, vote for, or confirm the appointment to any paid office, position, clerkship, employment or duty, any person, related within the second degree of affinity or within the third degree of consanguinity to any member of the City Council, Mayor, or City Manager, when the salary, fees, or compensation of such appointee is to be paid for, directly or indirectly, out of or from public funds or fees of office of any kind or character whatsoever. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship, employment, or duty for at least thirty (30) days if the officer is appointed, or at least six (6) months if the officer is elected. When a person is allowed to continue in any such position, the officer related shall not participate in the deliberation or voting upon the appointment, reappointment, employment,

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Chapter 2 – Employment

2.04 - Nepotism

confirmation, re-employment, change in status, compensation, or dismissal of such person, unless such action is taken with respect to a bona fide class or category of employees.

2. Designated Departments: There are some departments/positions within the City that, because of the nature of work conducted with all other positions in the City it is inappropriate for persons in these departments/positions to be related to anyone employed by the City in any capacity, by blood, marriage or cohabitation or roommate relationship. Within the City, these departments, divisions and positions include:

    a. City Manager's Office

    b. Human Resources Office

    c. Financial Services including:

        i. Finance Director and Assistant Finance Director

        ii. Accounting Manager, Senior Accountant, Accountant, and Accounting Tech

        iii. Purchasing Manager and Purchasing Agent

        iv. Budget Manager and Financial Analyst

        v. Any designated title as related to Financial Services

    d. The City reserves the right to designate additional departments/positions to those listed herein as necessary to prevent adverse impact on the work environment.

3. Department Heads: No relative, cohabitant or roommate of a department heads may be employed by the City after the effective date of this policy.

4. Grandfather Clause: Employees hired before the effective date of this policy, who are found to be in violation of this policy, shall be allowed to continue working in their current positions. No person shall be hired, transferred or promoted after the effective date of this policy whose continued employment with the City would create a new violation of this policy.

5. Preferential hiring: Preferential hiring consideration will be provided for those employees who must terminate under this policy. The City will endeavor to work with employees while they apply and/or interview for jobs. The employee(s) shall be required to provide advance notice to their supervisor prior to the date of such interview(s) or appointment(s) and to work with the supervisor on scheduling such absences. Preferential hiring consideration shall no longer be given to an employee who refuses a bona fide job offer.

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2.05 – Anti-fraternization

An individual shall not be appointed to a position if the appointment would create a close working relationship with another employee within the department or functional area that could affect the health, safety or welfare of the employees, the efficient departmental operations of the best interests of the organization. A supervisor-subordinate relationship is prohibited between two employees who married or cohabitating or involved in a romantic relationship.

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2.06 – Valid Driver's License and Certifications

I. The City of Celina requires that every employee who operates a City-owned or leased vehicle, or who drives a privately-owned vehicle while carrying out job duties, must maintain a current valid Texas driver's license and an acceptable driving record as determined by the City. It is the employee's responsibility to notify Human Resources immediately if their driver's license is not valid.

II. Driving records will be checked prior to employment and periodically throughout the course of employment. Applicants and employee are required to provide the City with any authorization necessary for the City to perform such a check. Moving traffic violations will be considered and may result in failure to hire in the case of prospective employees, and may result in disciplinary action, up to and including termination, of an active employee. Each report will be reviewed and considered on a case by case basis.

III. Additionally, as required by position, employee's may be required to hold separate licenses and certifications as necessary to complete their role with the City.

a. As a condition of employment and a continued condition of employment, it is the employee's responsibility to complete, obtain and maintain any certifications, licenses, and other requirements. Certifications and licenses are required to be obtained as designated by the Department Director.

b. Employment is contingent upon obtaining these licenses and certifications within a certain amount of allotted time, also designated by the Department Director.

    i. If an employee fails to obtain and/or maintain these licenses and certifications, the employee can and will be subject to disciplinary action, up to and including termination.

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2.07 – Medical Examinations/Fitness for Duty

I. The City of Celina endeavors to provide a safe work environment for all employees. It is the responsibility of each employee to maintain the standards of physical and mental health fitness required for performing the essential functions of their position, either with or without reasonable accommodation. It is the policy of the City to require certain applicants and employees to be examined by a physician under certain circumstances described below. Medical examinations may also be used to ensure that employees remain in good physical condition in order to perform the demands of the job.

II. The City Manager or Department Director with notice to the City Manager may require a person selected for initial appointment or reinstatement to undergo a medical (mental and/or physical) examination by one or more physicians designated by the City and at the City's expense. If a medical examination is required, the employment will be contingent upon successful completion of the medical examination and determination by the City that the person can perform the essential functions of the job with or without reasonable accommodation.

III. The City recognizes that employees with potentially life-threatening and/or infectious illness or physical and/or mental disability may wish to continue to engage in as many of their normal pursuits as their condition allows, including their employment. As long as these employees are able to perform the essential functions of their job, with or without reasonable accommodation, without creating an undue hardship, and medical evidence indicates their condition is not a direct threat to themselves or others, the City will treat them consistently with other employees.

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2.08 – Separation of Employment

I. It is the policy of the City of Celina to request advance written notice of an impending voluntary separation from all positions of employment within the City organization. Minimum notice is necessary in order to expedite employee out-processing and ensure a smooth transition without adversely affecting department efficiency.

II. Notice Requirements

A. Department Directors and other top executives are requested to give twenty working days advanced written notice of separation.

B. Department mid-managers are requested to give fifteen working days' written notice of separation.

C. All other employees are requested to give ten (10) working days' advance written notice of separation.

D. Failure of an employee to provide the minimum notice requested could prohibit eligibility for rehire, negatively affect their receipt of terminal pay and cause the employee to be terminated immediately.

III. Types of Separation

A. Resignation: Regular employees may leave City service by submitting a written resignation to their supervisor at least ten (10) working days in advance of their last day of employment. Generally, the City of Celina does not deem it in the best interest of the organization to accept an employee's withdrawal of a resignation. Once a resignation is tendered by the employee and accepted by the City, it may not be withdrawn unless the Department Director agrees. An employee may also give verbal resignation, but it is not considered proper notice.

B. Job Abandonment: An employee is considered to have voluntarily resigned City employment if the employee fails to return from an approved leave of absence on the date agreed upon by the City and employee; or in situation where the employee fails to report to work without notice to the City for two (2) consecutive days or shifts (one (1) shift for fire shift personnel) without sufficient cause. Employees who abandon their jobs will not be eligible for rehire and it may affect their terminal pay.

C. Retirement: Full-time employees are afforded retirement under the Texas Municipal Retirement System (TMRS). Eligible employees may retire from City service in accordance with applicable programs. Service retirement through TMRS requires as much notice as necessary to properly process retirement paperwork at least 30 days before the planned retirement date. .

D. Involuntary (Disciplinary) Termination: Employees may be separated from the City for violation of City and/or departmental policies. Employee separated through involuntary termination are generally not eligible for rehire.

E. Failure of Introductory/Probationary Period: Employees who fail their introductory period may be separated from the City and generally are not eligible for rehire.

F. Failure to Maintain Minimum Job Requirements: Employees may be separated for failure to maintain or secure license(s) or certification(s) required as a condition for performing the job.

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G. Resignation in Lieu of Pending Disciplinary Action/Discharge: A resignation because of pending or possible disciplinary action is considered separation for misconduct. Employees who resign in lieu of pending disciplinary action or discharge will not be eligible for rehire.

H. Incapacity: Should an employee's abilities to perform the essential functions of their position, the Director should consult with the Director of Human Resources or their designee. If reasonable accommodations cannot be made and an employee is unable to perform the essential functions of their position with or without reasonable accommodation, the employee may be given a non-disciplinary termination due to business necessity with no appeal, subject to consideration of an ADAAA accommodation of continued leave and/or provisions of the worker's compensation policy.

I. Death: When a City employee passes away, their estate receives all pay due and any earned and payable benefits as of the date of death.

J. Reduction in Force: A reduction in force is a non-disciplinary decrease in the number of authorized positions. Whenever possible, the employee reduction from one department may be absorbed by transfers to suitable positions elsewhere. Such positions may not be at the same pay rate or grade. If the circumstances necessitate it, the City Manager, and Director of Human Resources will develop a reduction-in-force plan. Layoffs will be a result of business necessity, such as discontinuation in demand for service, technological changes and privatization. The plan will consider the following criteria in order:

1. Department/Division goals
2. Employee productivity
3. Employee skills, knowledge and abilities
4. Employee tenure
5. When possible, the City will notify all employees impacted by a reduction-in-force no later than 60 days prior to the effective day. The City will allow reasonable time during the day/week for completing applications, attending interviews and the like.

IV. Exit Procedures

A. Upon receiving a resignation, the supervisor should contact Human Resources and provide the resignation letter. The supervisor is responsible for completing any necessary paperwork, such as requisition to hire and personnel action form.

B. In accordance with Federal Laws, the City offers eligible employees and their qualified dependents the opportunity for a temporary extension of healthcare coverage at the time of separation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). The City utilizes a third-party COBRA administration provider who will notify the employee after their termination about their rights to elect coverage. The terminated employee is responsible for paying the costs associated with any such continuation of coverage.

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Chapter 2 – Employment

2.09 – Employment Categories

The City will maintain standard definitions of employment and will categorize employees in accordance with the following definitions.

I. **Regular Full-Time Employees (RFT)**: Employees who have successfully completed introductory period and are scheduled to work at least 40 hours per week or work period on a regular basis in a full-time budgeted position. RFT employees are eligible for all City group benefits.

II. **Regular Part-Time Employees (RPT)**: Employees who have successfully completed introductory period and are scheduled to work less than 40 hours per week or work period on a regular basis in a part-time budgeted position. RPT employees who work an average of a least 30 hours per week may qualify to participate in the City's health and dental plans.

III. **Introductory Employees**: Introductory periods apply to employees who are newly hired or employees who have changed positions as a result of a promotion, demotion, or transfer. New hire employees will serve an introductory period of six (6) months and employees who have changed positions as result of a promotion, demotion or transfer will serve an introductory period of three (3) months. Introductory periods for public safety personnel may vary according to departmental needs. Seasonal and temporary employees do not serve introductory periods.

IV. **Seasonal Employees**: Employees who work a specific number of hours per week during a specified work season normally no longer than six (6) months. The need for such positions usually recurs on an annual basis. Seasonal employees are not eligible for any City group benefits.

V. **Temporary Employees**: Employees who are hired for a specific number of hours per week for no longer than 90 days. Temporary employees are not eligible for any City group benefits.

VI. **Intern Employees**: Employees who work a specific number of hours per week during a specified work period normally no longer than six (6) months. Intern employees are not eligible for any City group benefits.

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2.10 – Re-employment

I. Rehired employees are subject to the conditions of employment and benefits of a newly-hired employee, except where specifically stated otherwise.

A. Individuals involuntarily terminated for disciplinary reasons are generally not eligible for rehire.

B. Full-time employees who separate from service with the City for any reason will not be considered for rehire in a full-time position for a minimum of 12 months unless approved by the City Manager or their designee.

C. Individuals terminated for non-disciplinary reasons, such as incapacity and other reasons outside of their control, may be eligible for re-employment.

D. City of Celina retirees may be rehired into their former city position, or another vacant position for which they qualify, in a part-time or seasonal/contract labor capacity. Retirees hired as part-time or seasonal employees cannot work more than 999 hours per calendar year in a part-time or seasonal capacity without it affecting the TMRS benefits they are receiving.

II. A former employee, excluding retirees, may be rehired into the same classification at the same rate of pay provided it has been less than one (1) year since they left employment. However, if a former employee is rehired into a lower position than the one vacated within one (1) year period, they shall be paid according to that job grade and not at the same rate of pay as prior to leaving the City.

III. An employee, who resigned from City employment and submitted a written notice of resignation stating the date of departure and the reason for resignation, is eligible for rehire. The notice of resignation must have been submitted a minimum of ten (10) business days prior to the effective date. Employees who are not eligible for rehire will not be re-employed with the City unless the Director of Human Resources and the City Manager grant approval.

IV. If a former employee is re-employed by the city within three (3) months of their separation date, they must repay their accrual bank in order to restore accrual and longevity levels/rates. If a former employee is re-employed by the City after three (3) months of their separation date, the new service date shall be used, accrual rates will begin anew, and no accruals shall be restored. Employees who are rehired become eligible for benefits under the same terms as any other new hire, no "bridging" of time will occur.

V. An employee may return to City employment only two (2) additional times. Exceptions may be made with the Director of Human Resources and City Manager approval.

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Chapter 2 – Employment

2.11 – Promotions/Demotions/Transfers

I. Promotions – Assignment of an employee from a position of one classification to a position in another classification having a higher position pay grade.

A. When a position vacancy occurs, an opportunity to promote may be explored consistent to the goal of filling a position with the most capable person available. An employee is encouraged to develop their qualifications and apply for vacant advancement opportunities for which they qualify. A hiring supervisor may promote from within and may first consider current qualified employees to fill a vacancy, unless outside recruitment is considered to be in the City's best interest.

B. An employee must meet minimum qualifications in order to be promoted. The candidate with the best combination of skill, past performance and suitability for the position will be selected. An employee selected for a promotion must provide the releasing department with at least two (2) weeks' notice before assuming the new position. If both departments are in agreement, the notice period may be increased or decreased. Promoted employees will be placed at the minimum of the new pay grade or receive a 5% increase, whichever is greater. Additional pay requested must be approved by the City Manager's office, however the employee's pay may not exceed the pay range for the position.

C. An employee may not be promoted if they are under administrative investigation; has been subject to discipline of a written reprimand or greater within the preceding six (6) months of the date of promotion; or if their most recent evaluation is below "meet expectations".

D. Directors must consult with Human Resources to discuss requests to place an employee above the minimum of the new pay grade to ensure consideration of internal equity issues. An employee promotion is conditional upon a successful introductory period.

II. Demotions – Assignment, either voluntary or involuntary, of an employee from a position in one classification to a position in another classification having a lower pay grade.

A. Non-disciplinary demotion is the assignment of an employee from a position in one classification to a position in another classification having lower pay grade. An employee qualified to perform lower-level position duties may be approved for administrative demotion at his/her own request. An administrative demotion may be an alternative to a layoff or for another reason in the best interest of the City. Such a demotion shall not be considered a disciplinary action or disqualify the employee involved from being considered for later advancement. All demotions will result in a decrease in pay unless an exception has been approved by the City Manager's office.

B. Involuntary demotion is the result of less than satisfactory work performance or misconduct. Nothing in this section shall require the City to offer a demotion to employees in lieu of other disciplinary action, lay off or reorganization.

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Chapter 2 – Employment

2.11 – Promotions/Demotions/Transfers

III. Transfer is the assignment of an employee from one position to another position in the same classification grade.

A. Transfers may be made administratively, upon request of the employee or in conjunction with an announced selection process. Human Resources shall review transfer requests.

B. Directors may authorize a transfer between their divisions without opening the position internally or externally. Human Resources will coordinate said transfers.

C. An employee shall be employed with the City for six (6) months or longer to apply for a transfer. An exception may be granted by the City Manager when such transfer is in the best interest of the City.

D. A transfer is not allowed if an employee has been employed for less than six (6) months; the employee does NOT meet minimum qualifications for the position transferring to; is under administrative investigation; or if their last evaluation is below "meets expectations".

IV. Reassignment/Reorganization

A. It is the policy of the City for the reassignment of job duties at-will and without cause. Such reassignment of duties may result in an employee's lateral transfer, reclassification or non-disciplinary demotion.

B. A reassignment of duties may include the assignment of additional duties or the removal of certain duties from a position. Reassignment of duties that does not affect an employee's classification may be made at the discretion of the employee's supervisor.

C. A reassignment of duties which results in an employee's transfer to another department, reclassification or demotion shall be approved by Human Resources and the City Manager or their designee prior to any such reassignment.

D. Any major department reorganization or changes affecting jobs within the department should be addressed during the preparation of the department's annual budget. A significant reorganization of a department shall be approved by Human Resources and the City Manager prior to its implementation.

E. Nothing herein shall be construed to prevent the assignment of higher-level duties or additional duties to an employee without additional compensations.

V. Interim/Acting Assignment – If a position is vacant or its regular incumbent is absent for an extended period of a least four (4) weeks, the Department Director with approval of the City Manager may authorize a temporary promotion to ensure the proper performance of city functions. Sworn Police and Fire personnel will be governed by State statutes.

A. Department Directors may temporarily assign employees to higher-level positions in order to ensure continuance of work project, supervision, etc. Employees do not acquire any rights to the position they temporarily fill and may be returned to their former status and position at any time. Persons who have been temporarily assigned to a higher-paying position will be placed in an interim pay category effective after the 10th full work day of the change.

B. Employees receiving interim pay must perform all the duties and responsibilities of the position being temporarily filled. Performing only some of the duties does

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not qualify an employee to receive interim promotional pay. Employees in acting positions will be placed at the minimum of the new position pay grade or receive a five (5) percent increase, whichever is greater, with the approval of the City Manager. Upon filling a position for which an employee was functioning an acting basis, the employee shall return to their position and pay for action promotion shall cease. Acting positions will NOT be used to circumvent normal promotional procedures. The employee involved will not acquire any status or rights to the position to which temporarily placed, except as provided herein.

C. City Manager approval is required for interim pay assignments.

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2.12 – Dual/Outside Employment

I. Outside Employment

City employees must recognize that the City is their primary employer. Employees may occupy only one (1) position within the City at any given time unless otherwise approved by the respective department Director and Human Resources. Approvals will be filed with the Human Resources department. For purposes of this policy, outside or self-employment includes a job, activity, or enterprise (including self-employment) that constitutes a form of employment or business outside the responsibilities of employment with the City.

II. Employees may not accept outside or self-employment that conflicts with the effective performance of the employee while on duty with the City or conflicts in any way with the best interests of the City. City employees cannot contract with the City for services.

III. An employee will not be covered by the City worker's compensation insurance while working for another employer or while self-employed except for law enforcement officers working within their official peace officer function. In addition, an employee on FMLA leave, sick leave, disability leave, workers' compensation leaves, or an unpaid leave of absence, may not engage in outside or self-employment, as defined in this policy, unless expressly authorized by the City Manager.

IV. Failure to notify Department Director and the Director of Human Resources of dual/outside employment and dual/outside employment that is deemed as a conflict of interest to the City, must cease immediately, and can result in progressive discipline, up to and including, termination.

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2.13 – Reference Policy

All relevant information of City employees will be given as a result of an official open records request or at the written request of the employee/former employee.

Regarding references, typically the information given will be the job title, the department/division in which the employee worked; their dates of employment; as well as eligibility for re-employment.

Information may be given to other persons if required by law. All requests for references will be referred to Human Resources and information should only be disseminated at the direction of Human Resources.

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2.14 – Performance Appraisal

The intent of the City of Celina's performance evaluation (performance check-in) process is to provide coaching and mentoring opportunities for employees to receive fair, accurate and helpful performance feedback. The feedback received should assist employees in maintaining and/or improving good job performance and ultimately contribute to providing the best service possible to our citizens and customers, consistent with our core values. Monthly appraisal and coaching one-on-one's with direct supervisors will serve as a management tool for making decisions regarding career development, succession planning, training, retention and compensation.

The performance evaluation (check-in) process is the ongoing action of setting performance expectations, coaching employees to reach those expectations, providing feedback to employees and then reviewing and recognizing those performance results.

Feedback discussions should occur throughout the year, in addition to the following formal evaluations for regular full-time and part-time employees.

I. Types of Performance Appraisals/Check-Ins

A. **New Hire:** New employees to the City of Celina are considered introductory employees for six (6) months of continuous service. New employees will receive ongoing coaching and mentoring for their first 6 months of service and again on their one (1) year anniversary date. Sworn Public Safety employees should consult with their respective departments regarding introductory period of employment and performance appraisal. The introductory period serves as a formal opportunity to determine if a mutual fit exists between the employee and the organization. A decision to continue or end employment may be made at any time, by either the employee or the city, during or after completion of this period.

B. **Promotion:** Promoted employees will be on three (3) months' introductory period. This three (3) month period serves as a formal opportunity to determine if the employee is a good fit with the new position assumed. A decision to continue or end employment may be made at any time, by either the employee or the city, during or after completion of this period. Promoted employees who fail introductory period may be offered their previous position if the position is available. If not, termination of employment may occur. Employees who have been promoted will receive a formal performance evaluation after three (3) months of service in their new position and again on their one-year anniversary date.

C. **Demotion:** Employees who have been demoted voluntarily or involuntarily will be on six (6) months' introductory period. This six (6) month period serves as a formal opportunity to determine if the employee is a good fit in the new position. A decision to continue or end employment may be made at any time, by either the employee or the city, during or after completion of this period. Employees will receive a formal performance evaluation/check-in after five (5) months of service in their position and again on their one-year anniversary date.

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2.14 – Performance Appraisal

D. **Transfer:** Employees who have transferred will be on six (6) months' introductory period. This six (6) month period serves as a formal opportunity to determine if the employee is a good fit with the new position assumed. A decision to continue or end employment may be made at any time, by either the employee or the city, during or after completion of this period. Transferred employees who fail introductory period may be offered their previous position if the position is available. If not, termination of employment may occur. Employees who have transferred will receive a formal performance evaluation/check-in after six (6) months of service in the new position and again on their one (1) year anniversary date. An employee transferring from a position that he/she has worked in for at least six months will receive a performance evaluation prior to transferring to the new position.

E. **Annual:** Regular full-time employees will have a performance appraisal/check-in meeting annually during their anniversary/position month.

F. **Mid-Year:** Employees that have successfully completed introductory period may receive a mid-year performance evaluation/check-in at the discretion of the City Manager's Office. The mid- year review is to obtain employee and supervisor feedback as well as to confirm or adjust goals and/or direction.

G. **90 Day Re-Evaluation:** Employees receiving an overall performance rating of "Below Expectations" on their annual performance evaluation/check-in will generally be placed on a Performance Improvement Plan (PIP) for three (3) months. At the end of the three (3) month period, the employee will receive a formal re-evaluation of his/her performance. If an employee's performance "Meets Expectations" at that time, he/she may be eligible for a merit increase based on his/her overall performance rating and dependent on availability of funds. Failure to meet expectations at the conclusion of the three (3) month period will result in termination of employment.

A performance evaluation/check-in is not subject to appeal or grievance. However, if an employee disagrees with any portion of the evaluation, he/she may provide a written statement to be attached to the evaluation.

An employee on a Leave of Absence at the time formal performance evaluations are done will receive a performance evaluation within two weeks upon his/her return to work.

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CITY OF CELINA
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Chapter 3 – Personnel Records

3.00 – Official Personnel File

I. Personnel records of present and former employees are kept in the Human Resources Office. The personnel file is a complete record of an employee's application, physical reports, correspondence, performance evaluation ratings, and changes in official status, such as salary changes, promotions, and transfers.

II. In order for the personnel folder file to remain current, the Department Director and work unit supervisor shall submit, to the Human Resources Department, a notice or copy of all actions relating to an employee's status such as, commendations, reprimands, performance evaluations, etc. Department/Division Directors shall inform the Human Resources Department if any other records are kept by the Department/Division(s) on its employees. Departments are not permitted to keep any separate personnel or redacted files on any employees. The Police Department can maintain separate TCOLE files for its departmental employees. NOTE: All personnel records, no matter where they are maintained, are subject to the Texas Public Information Act, subpoenas, and other court orders.

III. The Human Resources Department will maintain personnel records of each active employee. Records will also be maintained on inactive employees for not less than the period required by law. An employee's records are available for inspection in the Human Resources Department by the employee, any individual authorized by the employee, his/her immediate supervisor, Department Head or designee. The Human Resources Department will not release personnel records to individuals or agencies outside the City unless it is required bylaw.

IV. An employee who wishes to review the contents of his or her personnel file may do so (but may not remove any of the contents from the file) in the Human Resources Department. Under no circumstances will the file be removed from the Human Resources Office by the employee, and the employee shall not remove any file contents.

V. Employees are responsible for notifying the Human Resources Department whenever there is a change in name, address, telephone number, marital status, number of dependents, military status, person to notify in case of an accident, or beneficiary assignment of any employee benefit plan so as to keep personnel files up-to-date.

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Chapter 3 – Personnel Records

3.01 – Employee Privacy

I. Employees do not have any expectation of privacy as it relates to their office, work space, desk, City vehicle, locker, purse, backpack, or carrying case. Inappropriate or illegal items should never be brought to the work place. The City reserves the right to monitor all city-owned communication systems. The City reserves the right to monitor all correspondence conducted on a City-owned computer or any other type of electronic device capable of transmitting data, voice, and/or video.

II. Employee Privacy

A. Human Resources shall establish procedures necessary to preserve the privacy of employee information as required by applicable state and federal legislation. Access to privileged or confidential employee records shall be based on the need to know as determined by the Director of Human Resources.

B. The Texas Public Information Act permits an employee to determine whether the public shall have access to his/her information such as home address and social security number by submitting the Public Access Authorization form. The following information is a matter of public record under the Texas Public Information Act and, upon official request, will be released for public inspection from an employee's official personnel file:

1. Name
2. Date of original employment or appointment to the city service, or if applicable, last day worked
3. Current position title
4. Current salary
5. Department to which the employee is currently assigned

III. Employees may have access to their own personnel file for the purpose of inspection, review, and duplication during normal business hours. Supervisors may review their employees' or prospective employees' personnel files during normal business hours.

IV. Personnel File Review

A. Upon proper request, the Human Resources Department will, during normal office hours, allow third party access to information contained in personnel files. All files will be reviewed in the presence of a Human Resources Department representative. No document may be removed, entered, or copied without prior permission of the Director of Human Resources or designee.

B. Requests for other information by third parties must be requested in writing with a signed release by the employee. Official open records requests do not require written release from the employee. The Human Resources Department will release documents in accordance with the requirements of the open records requests law, (Texas Public Information Act), other laws governing the release of personal information and in consultation with the City Attorney's Office.

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Chapter 3 – Personnel Records

3.02 – Confidentiality of Records

I. Federal law, including the ADA/ADAAA and HIPPA, requires that the City maintain all employee medical information in separate, confidential files. Therefore, in addition to personnel files, the City maintains a separate medical file for each employee. The Human Resources Department maintains these confidential medical files.

A. Examples of information that may be provided to the City by an employee' s health care provider, and maintained in the confidential medical file, include:
   1. a note to justify a medically-related absence;
   2. a note to request leave for medical purposes;
   3. a note to verify the employee's ability to return to work;
   4. a note to verify the employee's completion of a wellness program related activity;
   5. medical records to support a claim for sick pay or disability benefits insurance records; and
   6. Workers' compensation records.

B. It is important that employees understand that the records are confidential, but that the confidentiality may be limited when certain medical disclosures are necessary, i.e., FMLA, ADA/ADAAA and worker's compensation. When an employee provides medical information to their supervisor, the supervisor shall disseminate the information to the Human Resources Department and will make determinations of release on an “as needed” to other members of management. The Human Resources Department is the point of contact to receive medical information, to ensure confidentiality is maintained.

C. In addition to protecting their own confidential medical information, employees must also respect the privacy and confidentiality of their coworkers' medical information as well as their co-workers' family medical information. Employees are required to use discretion and judgment when dealing with such information and are to refrain from passing along information, gossip, rumors, or anything else that may constitute an invasion of a coworker’s privacy or breach of confidence. Employees should not speculate about medical conditions of other employees or their family members, and may not publicly discuss another person's medical information.

II. Confidentiality of Records

A. Except in cases where information contained in personnel files is required to be disclosed under the Texas Public Information Act, or unless otherwise provided by law or this manual, personnel records and employee's files will be considered confidential. All documents and information submitted during the employment process and during employment are the property of the City of Celina.

B. Medical records and drug test results will be maintained in separate confidential files from an employee's regular personnel file. Access to these records is limited to those persons who have a need to know the information relative to the employee's job. HIPAA Privacy Rules will apply as applicable.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.00 – Medical, Disability, Life Insurance, Continuation of Coverage

I. The City provides comprehensive medical, dental and life insurance plans for its full-time employees, retired employees and eligible dependents of such active and retired employees. Because of frequent changes in the law and because of the size and complexity of the Medical, Dental and Life plans, employees are to refer to the Employees Benefits Booklet, which is maintained and distributed by the Human Resources department. The summary provided is only to inform employee of the general benefits and procedures in a more concise manner. The terms of coverage are subject to periodic revision and questions employees may have are referred to the Human Resources department.

II. Plans, Enrollment and Plan Year

A. Enrollment and Plan Year

Employees may enroll in the group health plans and other benefit programs upon hiring with the City after a designated waiting period. Plan years for group health plans are administered by Human Resources and are on a calendar-year basis beginning January 1st and ending December 31st. Open enrollment for an upcoming year is determined by Human Resources and employees will receive notice of the open enrollment period each year. Once elections have been made to participate, not participate or to change elections and have been submitted to Human Resources, no change or revocation may be made in the election except in the case of a qualifying event as defined by the U.S. Internal Revenue Code.

B. Group Health Plans

1. Group Health Plan

The City Offers coverage in a choice of group medical plans to full-time employees, retired employees and eligible dependents. The City may subsidize a portion of the monthly premium. The percentage of subsidy varies between the plans and is subject to change.

2. Group Dental Plan

The City offers coverage in a choice of group dental plans to full-time employees, retired employees, and eligible dependents.

3. Group Life Insurance and Accidental Death and Dismemberment (AD&D) Coverages

a. Group Life and AD&D – Full-time employees are enrolled in the City Group Term Life Insurance and AD&D Plan at no cost to the employee.

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b. Optional Life and AD&D – Employees may opt to elect additional term life insurance. The cost of additional term life insurance is deducted from the employee's paycheck.

III. Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA)

A. COBRA became effective April 7, 1986. Through COBRA, City employees and their dependents, who are currently enrolled in qualified group benefits, are afforded an opportunity to extend those benefits at a percentage of the premium, which is subject to change, in situations by which the benefits coverage would otherwise end. The length of COBRA varies depending on the nature of the qualifying event but could range between eighteen (18) and 36 months.

B. COBRA continuation coverage can become available to the employees and their families when group health coverage would otherwise end. COBRA is continuation of plan coverage when it would otherwise end because of a life event, also called a "qualifying event". After such an event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary". Under COBRA, qualified beneficiaries who elect COBRA continuation coverage must pay for said coverage. COBRA continuation coverage is temporary coverage that generally lasts eighteen (18) months due to qualifying events. Certain qualifying events may allow the benefit to extend up to thirty-six (36) months.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.01 – Retirement/Social Security and Medicare/Deferred Compensation

I. The City of Celina participates in TMRS, which provides retirement benefits to eligible employees.

A. Eligibility for Enrollment
At the time of employment, all eligible employees are enrolled in TMRS. Participation by every regular full-time employee and regular part-time employees who work more than one thousand hours in a year is a condition of employment.

B. Contributions - Contribution rates and other policies of the City's TMRS Plan are determined by the City Council and are subject to change. Currently, the employee contributes seven (7) percent of his/her earnings each pay period. The contributions are tax deferred and made through payroll deduction. The City matches employee contributions at a rate of two-to-one.

II. Benefits at Retirement

A. Generally, employees may retire after twenty (20) years of TMRS service credit, regardless of age. Previous government employment may contribute service credit toward earlier retirement.

B. TMRS benefits will be based on years of service, salary, the employee and City contributions to the account, and the retirement option selected.

C. Employees should contact the Human Resources Department at least 30 days before the planned retirement date to allow for completion of necessary paperwork.

III. All full-time City employees are automatically enrolled in the Texas Municipal Retirement System (TMRS), which is administered in accordance with the TMRS Act, Subtitle G, Title 8, Government Code of Texas, as amended. For information regarding their terms and conditions, employees are referred to the TMRS website, www.tmrs.org.

IV. Social Security

The City participates in the Social Security system and federal law establishes benefits through the Medicare system. Social Security and Medicare costs are automatically deducted from the employees' checks.

V. Deferred Compensation Program

A. "Deferred compensation" is a method which allows employees to shelter a portion of their income from income taxes by taking that income out of peak earning years, when taxes are normally at their highest, and investing it to provide additional income during retirement years, when most people traditionally earn less, and are taxed at proportionally lower levels. In essence, when properly orchestrated, deferred compensation has the effect of minimizing an employee's lifetime tax liability.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.01 – Retirement/Social Security and Medicare/Deferred Compensation

1. Section 457 of the Internal Revenue Code allows public employees participating in approved plans to defer earnings not to exceed a set amount in accordance with IRS rules and regulations, which are subject to change.
2. Additional catch-up contributions may also be allowed. These contributions are governed by IRS rules and regulations and, therefore, subject to change.
3. Information regarding the available deferred compensation plan providers and plan options, employees may contact the Human Resources Department.

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CITY OF CELINA
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Chapter 4 – Employee Benefits

4.02 – Employee Assistance Program

The City of Celina is committed to helping employees and their dependents cope with personal difficulties that could adversely affect employees' work performance, productivity and/or conduct on and off the job by providing an Employee Assistance Program (EAP). This policy supports the City's commitment to support a healthy, family-oriented work environment and a values-based culture where we help and support one another.

The purpose of the EAP is to assist employees in identifying on- or off-the job personal or behavioral problems that are adversely impacting their work performance and productivity. The EAP provides free counseling and referral assistance for City of Celina employees and dependents by offering counseling services for alcohol and drug abuse, marital and relational problems, psychiatric and emotional illness, financial and legal difficulties, and a wide range of other issues.

All persons employed by the City, including those individuals on a full-time, part-time, seasonal, or temporary basis, are eligible to access the EAP. Employees and dependents may access the EAP via a toll-free number, supplied by the City's EAP vendor, 24 hours a day, 7 days a week.

Utilization of EAP program services will not result in any special privilege or exemptions for established City policies related to job performance or affect the at-will status of employment.

I. Types of Referrals

A. Voluntary Self-Referral: Employees may obtain information about the City's EAP from their Department or they may contact Human Resources. An employee may voluntarily contact the City's EAP at any time for assistance. This self-referral can be completely of his/her own initiative. The self-referral can also be a response to informal suggestions by supervisors. In most cases, appointments are available after normal working hours or on weekends. If appointments are necessary during normal work hours, the time may be charged to accrued sick leave. If sick leave is not available, employees may use other paid leave time available or use time off without pay. Information regarding the reasons, employees are seeking assistance through the EAP is strictly confidential. Supervisors should not ask what the reasons are, and if an employee volunteers any information, it must be treated confidentially.

B. Job Performance Referral: A job performance referral by the supervisor generally occurs in conjunction with some form of disciplinary action. If a supervisor feels that he/she should refer an employee to the City's EAP, he/she should first review the facts with the Director of Human Resources or designee. Upon agreement that a job performance referral to the City's EAP is the appropriate action, the Director of Human Resources or designee will contact the EAP with the initial information that the employee has been encouraged to contact the EAP within 24 hours. The supervisor should then tell the employee that he/she is encouraged to contact the EAP within the 24-hour time period to schedule an appointment. Scheduled appointments during work hours for the assessment visits and follow up treatments should be recorded as time worked. An employee should not have

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his/her time docked for job performance referred assessment appointments. Although case specific information will be treated confidentially, the EAP will keep Human Resources apprised of employees' general progress, such as whether they have attended scheduled meetings and are cooperating, and whether they are attempting to resolve the issues adversely influencing their work performance. If job performance does not improve, the supervisor may continue the disciplinary process, whether or not the employee contacted the EAP.

C. Fitness for Duty Referral: On occasion, fitness for duty assessments may be required. Supervisors should work with their department Director and Human Resources to determine the specific course of action in each case.

D. Family Violence Referrals. The City of Celina recognizes the impact of family violence on the workplace. As such, we are committed to heightening awareness of family violence and providing guidance to employees and management to address the occurrence of family violence. Referral assistance is also available to employees for these situations through the Celina Police department. Time needed away from work to deal with such issues including the length of absence(s) will be determined on a case-by-case basis between the employee and the supervisor. Paid leave options should be explored first.

II. Critical Incident Crisis Response

A. The City of Celina may experience a critical incident or trauma in the workplace that can affect the emotional health, morale and productivity of employees and management. These events can range from an accidental death or suicide of a co-worker to a natural disaster, such as a hurricane, or a drastic reduction in force. All these events can cause a great deal of psychological, mental, physical and emotional stress.

III. Records of EAP Referral/Use

A. All records pertaining to the EAP will be treated with a high degree of confidentiality. Any information released will be clearly defined as confidential and will be released only under the following circumstances:
   1. When the EAP counselor determines that there is a clear and imminent risk to the employee or to the community. Clear and imminent risk includes, but is not limited to an individual who is actively suicidal, an individual who is like to physically harm another person, and/or an individual whose ability to function on the job is so substantially impaired that the individual presents a serious risk to the community;
   2. When and to whom it is required by judicial order or when required by legal proceedings;
   3. As required by law to appropriate authorities in cases involving child abuse;
   4. To Human Resources staff and the employee's supervisors on a need-to-know basis when a referral was mandatory; and
   5. To others with written consent of the employee.

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Chapter 4 – Employee Benefits

4.03 – Worker's Compensation Provided

The City provides workers compensation coverage to all employees for job-related injuries or occupational illnesses suffered by employees while acting in the course and scope of their position. For more information regarding workers' compensation procedures, contact the Human Resources department.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.04 – Requests for Accommodation (ADA/ADAAA)

To ensure compliance with the Americans with Disabilities Act of 1990, as amended (ADAAA), The City offers equal employment opportunities to qualified individuals and strictly prohibits discrimination against qualified individuals on the basis of disability.

I. The City will employ and will not discriminate against persons with a disability or regarded as having such impairment as defined by the ADAAA. The following definitions shall be applicable to this policy:

A. Disability shall mean with respect to an individual:

1. with a physical or mental impairment that substantially limits one (1) or more major life activities of such individual;
2. with a record of such an impairment; or
3. being regarded as having such an impairment.

B. The determination of whether an impairment substantially limits a major life activity shall be made without regard to the ameliorative effectives of mitigating measures such as:

1. medication, medical supplies, equipment;
2. use of assistive technology.
3. reasonable accommodations or auxiliary aides or services; or
4. learned behavioral or adaptive neurological modifications.

II. The City prohibits discrimination against a qualified individual on the basis of disability. The City will not deny employment opportunities on the basis of the need to provide reasonable accommodation for the individual's physical or mental impairments unless it would cause an undue hardship to the City or constitute a threat to the safety of the disabled person or other persons. Individuals with disabilities requiring accommodations should notify the Director of Human Resources. The City requests sufficient notice, when possible, to give time to arrange the accommodation.

A. The City will make every reasonable effort to ensure that facilities and hiring procedures are accessible to all persons who wish to make application to the City for employment. The City desires that all accommodation requests by applicants be made in writing outlining

1. the position being applied for;
2. the accommodation being requested; and
3. the suggested accommodation alternative and tools necessary to complete the application process.

B. All accommodation requests made by applicants who are otherwise qualified individuals, will be referred to the Director of Human Resources for consideration. Reasonable accommodations will be provided as long as they do not place an undue burden on the City.

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4.04 – Requests for Accommodation (ADA/ADAAA)

III. If the City receives any medical information about an employee, it shall be forwarded confidentially to the Human Resources Department, which will maintain a confidential medical records file for each employee. Medical records include any document where details are supplied. Such medical records files shall be secured, both physically and electronically, and kept separate from the employee's personnel file. Access to the confidential medical records files shall be limited except on a "need to know" basis.

IV. Employees/Applicants who have a disability and are in need of accommodation should report such need to the Human Resources Department. The Human Resources Department will work with the employee/applicant in an interactive process of questions and responses in order to determine if accommodation is possible.

V. Employees, who have a complaint regarding potential violations of ADAAA including but not limited to harassment, discrimination, or failure to provide a reasonable accommodation, must immediately report such complaint to the Human Resources Department. Such employees shall not be subject to retaliation for requesting accommodation or because of complaints about the denial of reasonable accommodation.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 4 – Employee Benefits

4.05 – Education/Tuition Assistance

I. Statement of Purpose

A. The Tuition Reimbursement Program is to provide an opportunity and an incentive for employees to increase their individual level of education and expertise in their related job duties, thereby enhancing their job skills and degree of professionalism and subsequently improving the ability for staff to provide continued quality service to the community. The City makes this investment in the employee with the expectation that it will improve the employee's productivity and that the employee is committed to continued employment with the City.

B. Participation in the Tuition Reimbursement Program is subject to availability of funds in the City's annual operating budget and prior written approval of the Department Director and Human Resources Director. Participation in the Tuition Reimbursement Program is a privilege of employment, not a right. Therefore, participation in the program is subject to approval and is not guaranteed for any employee. Only full-time employees are eligible for tuition reimbursement after successful completion of their new hire introductory period. Employees who have been placed on a Performance Improvement Plan are not eligible for tuition reimbursement until successful completion of the Performance Improvement Plan.

C. The Tuition Reimbursement Program is for college courses for Associates, Bachelors or Master's degree plans. The program is NOT for certifications.

II. Course Eligibility

A. The City of Celina may provide assistance when the courses or employee' s degree programs meet one or more of the following criteria:

1. Relates to current job duties;
2. Provides new knowledge and skills to enhance job performance and/or support the City's mission;
3. Are required for a job-related degree program;
4. Enhances the City's ability to respond to current and future needs; or
5. Supports the documented "Employee Development Plan" sections of the employee's Performance Evaluation.

B. Individual courses outside of the degree plan, which are directly related to the employee's present or potential position with the City, may be considered for tuition reimbursement under this plan on a case-by-case basis, with the final determination on written approval made by the Human Resources Director.

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Chapter 4 – Employee Benefits

4.05 – Education/Tuition Assistance

III. Guidelines

A. The City of Celina will reimburse the employee 100% of state tuition. Tuition reimbursement will only be granted for courses taken at or through an accredited university and which is part of an approved degree plan. For courses taken at a private school, the employee pays the difference in the tuition rates between the average rates for state schools within the region, as determined by the Human Resource Director, and the private school.

B. Other fees and education expenses to which this tuition reimbursement does **not** apply includes, but are not limited to:

1. Books;
2. Courses in which no credit is assigned;
3. Courses repeated for purposes of raising a grade level;
4. Testing fees;
5. Extended Payment fees;
6. Parking Fees; or
7. Returned Check fees;
8. Registration fees;
9. Administration fees or
10. All other fees

C. If a course is subsidized by another source (i.e., veteran's educational payments, scholarships, and grants), tuition reimbursement is limited to those costs not covered by the other source(s).

D. Employees enrolled in GED courses are eligible for reimbursement for 100% of the GED review course and 100% of the GED exam fee. GED review course and exam fee will only be paid once per employee.

E. Those employees who cease employment with the City prior to completion of the course are ineligible for the tuition reimbursement benefit.

F. If the employee does not maintain employment with the City for two years after reimbursement for the course(s), the employee will be required to repay, at the time of termination of employment, the tuition and fees that were reimbursed by the City according to the scale below. Human Resources will be responsible for tracking if any tuition reimbursement money is due upon termination of employment. Reimbursement amounts may be deducted from an employee's final paycheck with the City.

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4.05 – Education/Tuition Assistance

Length of Time from Payment at Separation	Employee Obligation
Termination after 0 months and before 1 year of course completion	Pay 100%
Termination after 1 year and before 2 years of course completion	Pay 50 %
Termination after 2 years of course completion	Pay 0 %

G. The time expended by the employee involved in a course approved under this plan shall not be considered as "on-duty" time. Expenses related to travel, meals, or lodging are the cost of the employee and are not considered for reimbursement under this plan.

H. Course work usually is completed during hours of leave without pay or on the employee's own time. However, adjustment of hours or the use of accrued compensatory time or annual leave may be arranged if the Department Director can certify that the work of the unit will not be impaired as a result. However, that is to be the exception and not the norm and course work will be completed outside of normal work hours.

I. This plan is not related to courses, seminars, conferences and similar training sessions that are required, offered, or paid by the City.

IV. Procedures

A. Request for Budget Approval:

Employees must submit a written estimate of their tuition reimbursement expenses to Human Resources, through their Director, in prior to the fiscal year in which they will attend the course(s). If an employee submits for tuition reimbursement for courses that were not submitted within the deadline, reimbursement may or may not be granted depending upon the availability of funds in the City's annual operating budget and approval by the Department Director and Human Resources.

B. Request for Course Approval

1. Tuition Reimbursement Approval Form must be completed and approved prior to registration for courses and implementation of work schedule changes.

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2. The Department Director will recommend approval or disapproval for the tuition grant. If the Department Director approves course(s) for possible reimbursement, he/she must indicate the reason the course is directly related to the duties of the employee's position. Furthermore, if the Director recommends disapproval for the tuition reimbursement, the reason for such disapproval should also be indicated. The Department Director will then forward the form with his/her decision to the Human Resources Department and City Manager for final review.

3. The employee will pay the initial tuition and related costs in advance and will be granted reimbursement only after the grade has been received. A grade level of "C" or better for an undergraduate course is required for reimbursement. A grade point average of "B" or better for a graduate course is required for reimbursement. Courses graded by "pass/fail" will be reimbursed only if the course uses the "pass/fail" as a mandatory grading requirement and a "pass" grade is received. Such reimbursement is based on the employee's official school grade report or transcript.

B. After completion of the course, the Tuition Reimbursement Request Form, itemized tuition and fee receipt and grade report must be submitted within 45 calendar days of completion of the course for approval by Human Resources. Failure to submit the appropriate documents within the time limit indicated may result in denial or delay of the tuition reimbursement for the course.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.00 – Sick Leave

I. Purpose

A. The purpose of this policy is to establish uniform guidelines for the accrual, use and payout of sick leave. Sick leave is paid time away from work to provide income protection for an employee who:

1. Is unable to perform his/her job due to an illness or injury;
2. Must miss work to care for an immediate family member who is ill or injured; or
3. Needs time away from work for visits to a professional healthcare provider, for him/herself or for a family member, which cannot be reasonably scheduled outside of normal work hours.

II. Eligibility

A. Only regular full-time employees are immediately eligible to accrue sick leave.

B. Part-time, seasonal and temporary employees are ineligible to accrue or use sick leave.

III. Accrual

A. Timing. Sick leave accrues at the rate of 1-day per continuous month of service for full time employees for a total of 12 days per year.

1. Employees who begin employment before the 16th of the month or who leave employment after the 15th of any month shall earn sick leave credit for the month.
2. Employees who begin employment on or after the 16th or who separates on or before the 15th shall not earn sick leave credit for that month.

B. Rate. Sick leave accrual is as listed in the table below. The rate of accrual varies according to the employee's classification as follows:

Regular Full-time Employees	96 hours per year
Fire Shift Personnel 24/48 cycle	144 hours per year
Police Shift Personnel	96 hours per year

C. Termination/transfer. Accrual of sick leave is unlimited until the employee is terminated or is transferred to a position which is ineligible for paid sick leave, at which point the accrual ceases and the employee's sick leave balance is paid out according to the schedule maximums below.

D. Part-time to full-time**.** An employee transferring from a regular part-time position to a regular full-time position or vice versa shall retain the balance of sick leave already accrued but shall begin to accrue sick leave at the rate applicable for the new position.

E. Fire personnel. Certified Fire personnel shall accrue sick leave according to the rate applicable to their regular shift assignment as indicated by the schedule above; the accrual rate changes on the effective date of a new shift assignment.

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CITY OF CELINA
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Chapter 5 – Leaves

5.00 – Sick Leave

IV. Usage

A. After one month**.** An eligible employee may use accrued sick leave after the completion of one (1) full month of employment unless a part of an accommodation under the ADAAA. If sick leave is exhausted, vacation may be used for additional time off needed.

B. Departmental procedures. To be authorized for leave under this policy, an employee must notify the appropriate supervisor according to the procedures adopted by their department.

1. Each department shall establish and communicate to employees' procedures for scheduling/reporting the use of sick leave for both foreseeable and unplanned absences.
2. With respect to this policy, an unplanned absence is one that was not scheduled and approved by the employee's supervisor prior to the day of the absence.

C. Unplanned absence**.** In the event that an employee must miss work due to an unexpected illness/injury, s/he should notify the designated supervisor prior to the start of the shift (or as soon as is reasonably possible) and according to the notification procedures adopted by the department but no less than one (1) hour to the start of their shift. Failure to report in will cause an employee's absence to be charged to leave and regarded as a no call/no show.

D. Foreseeable absence. If an absence is foreseeable, such as a doctor's appointment, the employee shall schedule it so as to not unduly disrupt departmental operations and to give supervisors as much advance notice and flexibility in scheduling as possible.

E. Failure to comply**.** An employee who fails to comply with departmental procedures for the notification and scheduling of sick leave may be denied paid sick leave and subject to disciplinary action, up to and including, termination of employment. An employee on sick leave found to be engaged in activities in direct conflict with the purpose of this policy, including outside employment or self-employment, may be denied compensation for the leave and subject to disciplinary action up to and including termination of employment.

F. Time keeping. Use of sick leave will be **not** considered time worked for purposes of calculating overtime pay or compensatory time accrual.

G. More than 3 days. In the event that an employee will be or has been absent for three (3) consecutive workdays or more (or one (1) shift for firefighters) for reasons covered under this policy, they will contact the Human Resources Department as soon as possible to determine whether the absence should be designated as a leave under the Family and Medical Leave Act (FMLA).

1. Supervisors are also responsible for notifying the Human Resources Department of any leave of absence exceeding three (3) consecutive workdays or that might otherwise qualify for FMLA leave.
2. An employee who will be absent for more than three (3) consecutive

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5.00 – Sick Leave

workdays shall notify the designated supervisor of his/her expected return-to- work date as soon as is reasonably possible and prior to the date of return.

H. Illness on vacation. An employee who becomes ill or who is injured while on vacation leave may request that the vacation leave be ended and the illness or injury time be converted to sick leave, if available.

I. Absenteeism or misuse. While sick leave is intended to be a form of income protection, it does not provide job protection, except when used in conjunction with FMLA leave.

1. An employee who is habitually absent from work for any reason, other than for an authorized leave of absence under the FMLA, ADAAA or workers' compensation, may be subject to disciplinary action and/or loss of employment.
2. The department Director shall determine what constitutes excessive absenteeism on a case-by-case basis, taking into account the reasons for the absences and the degree to which they disrupt departmental operations. What constitutes excessive absenteeism for an employee in one job classification may be different than for an employee in another job classification.
3. Excessive use, misuse or abuse may be evidenced as follows, but is not limited to these examples:
    a. misrepresenting the need for use of sick leave.
    b. falsifying or altering healthcare provider notices, reports releases or other such physician documentation.
    c. evidence of a pattern of sick leave usage, such as frequently using sick leave before/following weekends, etc.
    d. Using leave on days that evidence a pattern
    e. taking excessive leave (such as an entire day for an appointment).
    f. using sick leave as it is accrued, thereby having no accumulation.
    g. performing secondary work while on sick leave.

J. Last day of employment. Terminating employees shall not use sick leave in the last two weeks of employment unless providing a doctor's certification of the need for leave and/or unless the employee is using sick leave for approved FMLA leave or as a provision of ADAAA.

K. Family member. Under this policy, an immediate family member is the employee's father, mother, sibling, spouse, child/stepchild, or in-law. In the event of a life-threatening illness or injury of an employee's family member who does not meet the definition of "immediate family," the department Director

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may allow the employee limited use sick leave as they deem reasonable under the circumstances.

V. Leave Substitution

A. FMLA. Time away on sick leave due to an event that qualifies for leave under the Family and Medical Leave Act (FMLA) will be deducted from both the employee's sick leave balance and their balance of available FMLA leave. The employee may also be required to use other paid leave if s/he does not have enough sick leave to cover the FMLA absence.

B. Non-FMLA. An employee lacking enough accrued sick leave to cover an absence under this policy, which is *not* subject to the FMLA, may request to substitute other paid leave or to be placed on a leave-without-pay status. The substitution of other paid leave is not automatic.

1. Any leave substitution must be approved by the department Director or designee, who will consider whether to-
    a. Approve the use of other paid leave;
    b. Authorize a leave without pay; or
    c. Take other administrative action to mitigate the negative impact of the employee's absence(s).
2. Approved paid leave substitutions shall be subject to the following order:
    a. Vacation leave
    b. Holiday leave
    c. Compensatory time

C. FLSA. The provisions of this policy apply to employees whether classified as exempt or nonexempt from the minimum wage and overtime requirements of the Fair Labor Standards Act (FLSA), in accordance with the rule found at 29 CFR Part 541.710 and pursuant to the City of Celina's general policy of public accountability. All employees shall account for any absences subject to the application of this policy according to the manner described herein.

1. Exempt employees should substitute paid leave or leave without pay for any absence which causes hours worked to be less than eighty (80) in a pay period.
2. Nonexempt employees must substitute paid leave or leave without pay for any absence which causes hours worked to be less than normally scheduled for any designated work period, which is generally 40 hours in a seven-day work period.

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Chapter 5 – Leaves

5.00 – Sick Leave

VI. Documentation

A. Return-to-work release. An employee returning from a sick leave absence for their own illness/injury in excess of three (3) consecutive workdays will be required to submit a return-to-work release from the employee's doctor indicating that the employee has recovered enough from their recent illness/injury to perform the essential functions of their position with or without accommodation. The employee may also be required to take a physical ability test if such a test is normally required for placement in the job. Both the return-to-work release and a passing score on the physical ability test (if required) must be submitted to the Human Resources Department before the employee may resume regular work duties.

B. Proof of Illness/Injury. A department Director may, at their discretion, require satisfactory proof of illness/injury if they suspect fraud or misuse of leave for absences not authorized under the FMLA, ADAAA or workers' compensation leave. Departmental requests for medical documentation to support the use of sick leave shall be processed by the Human Resources Department. Employees are encouraged to request and retain evidence of health care office visits/treatment related to sick leave absences in the event that absenteeism or apparent misuse of sick leave becomes a matter for investigation and/or disciplinary action.

C. For FMLA, ADAAA or Workers' Compensation. For absences authorized under FMLA, ADAAA or workers' compensation, the Human Resources Department will request documentation to support the need for absence and/or the return to work. All such requests will be made in accordance with applicable laws and regulations.

VII. Payout of Unused Sick Leave (Starting 01/14/2025)

A. Employees who have completed at least five (5) full years of employment with the City are entitled to a payout of accrued sick leave upon termination (for eligible terminations categories refer to 2.09, III. Types of Separation: Resignation, Retirement, Resignation in Lieu of Pending Disciplinary Action, Incapacity, Death and Reduction in Force) or upon transfer to a job classification ineligible for sick leave accrual up to the maximum of 240 hours for general employees and 360 hours for firefighters. Payout shall be made;

1. In the employee's final paycheck or in the last paycheck reflecting the employee's status as an employee eligible to accrue sick leave; and
2. On the basis of the employee's hourly rate of base pay which was in force immediately preceding the termination or transfer and shall include any leave accrued for that pay period.

B. Payout limits. Payout of sick leave accrual to employees vacating full-time positions shall be limited according to the following schedule (For this section, time begins for all employees on the effective date of 01/14/2020):

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.00 – Sick Leave

(Starting 01/14/2025) Years of Full-time Service	Payment Eligibility (percent of unused sick leave)
Under 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10 plus	100%

VIII. The City of Celina reserves the right to modify, alter, delete, suspend or discontinue all or any part of this policy at any time, with or without prior notice to employees; nothing in this policy constitutes a contract, implied or express.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.01 – Vacation Leave

I. Purpose

A. The purpose of this policy is to establish uniform rules and procedures to govern the accrual, use and payout of vacation leave. Vacation leave is paid time away from work to pursue activities that promote the well-being of the individual.

B. An employee desiring to use vacation leave must notify the appropriate supervisor in accordance with the procedures adopted by his/her department.

II. Eligibility

All regular full-time employees are immediately eligible to accrue vacation leave, at the time of hire as outlined herein; part-time employees and seasonal and temporary employees are not eligible to accrue or use vacation leave.

III. Accrual

A. Vacation leave is accrued at the close of each of the first two (2) pay periods in a month and is not available until the following pay period.

B. Vacation accrual for regular full-time employees is based on an eight (8) hour day. Regular full-time employees shall accrue vacation leave to a maximum balance of 240 hours for general employees and 360 hours for firefighters, at the rate of:

1. All General Employees
    a. 80 hours per year up to completion of 5 years of service
    b. 120 hours per year up to completion of 10 years of service
    c. 160 hours per year from 11 years of service forward

2. Police
    a. 80 hours per year up to completion of 5 years of service
    b. 120 hours per year up to completion of 10 years of service
    c. 160 hours per year from 11 years of service forward

3. Fire employees (shift personnel)
    a. 120 hours per year up to completion of 5 years of service
    b. 180 hours per year up to completion of 10 years of service
    c. 240 hours per year from 11 years of service forward

4. Directors and other key positions will accrue vacation at the following rate:
    a. 120 hours per year up to completion of 10 years of service

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b. 160 hours per year from 11 years of service forward

C. Accrual of vacation leave continues up to the maximum accrual limit or until the employee terminates employment (for eligible terminations categories refer to 2.09, III. Types of Separation: Resignation, Retirement, Resignation in Lieu of Pending Disciplinary Action, Incapacity, Death and Reduction in Force) with the City or transfers to a job classification that is ineligible for vacation leave accrual.

1. In the case of resignation or transfer, the employee is paid for accrued vacation leave at their current rate of pay.
2. At the end of each calendar year, employees with vacation balances above the maximum allowed by policy will have their vacation leave balances administratively reduced to the maximum allowed.

D. An employee transferring from a regular full-time position to a regular part-time position shall be paid out the balance of vacation leave accrued.

E. In the case of the regular job assignment of a 24-hour shift fire protection personnel moving to an eight (8) hour day schedule, their vacation balance will be divided by 1.5 (the same ratio as the accrual rate). In the case of the regular job assignment of an eight (8) hour day fire protection personnel moving to 24-hour shift, their vacation balance will be multiplied by 1.5 (the same ratio as the accrual rate). Such adjustments in vacation balances will not be made as a result of temporary reassignments of fire protection personnel to light duty and modified duty roles due to medical or administrative restrictions.

IV. Use

A. An employee may begin use of accrued vacation leave upon successful completion of the six (6) month introductory/probationary employment period.
1. All use of vacation leave is subject to the approval of the employee's department Director or designee, who may approve or disapprove vacation leave requests according to the provisions of this policy and subject to the needs of his/her department.
2. Employees should be afforded the opportunity to take at least five (5) continuous days of vacation leave annually.

B. Vacation leave may be used to compensate an employee for time away from work due to reasons for which accrued sick leave would normally be used but has been exhausted.

1. Vacation leave may not be substituted for sick leave until all other

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accrued leave and/or compensatory time has been exhausted; however, there is no requirement that compensatory time be exhausted prior to using vacation leave for an event that qualifies for leave under the Family Medical Leave Act (FMLA) or City Leave of Absence.

2. Such use is subject to the approval of the department Director or designee based on past utilization and sick leave balances as they relate to tenure with the City.

C. Terminating employees are not allowed to use vacation as their final day of employment unless the employee is using vacation for approved FMLA leave or as a reasonable accommodation under the ADAAA or it is approved by their department Director.

V. Accounting:

A. Vacation will be considered time worked for purposes of calculating overtime pay or compensatory time accrual.

B. In the event that an employee has exhausted all other available leave, time away from work for an event that qualifies for leave under the Family and Medical Leave Act (FMLA) or ADAAA will automatically be paid from the employee's vacation leave balance, as well as be deducted from the employee's available balance of FMLA leave or ADAAA.

C. Employees on sick, FMLA or leave under the ADAAA leave will be required to use vacation accruals per section 5.08 Medical Leave Policy if sick leave has been exhausted.

D. The provisions of this policy apply to employees whether classified as exempt or nonexempt from the minimum wage and overtime requirements of the Fair Labor Standards Act (FLSA), in accordance with the rule found at 29 CFR Part 541.710 effective August 23, 2004, and pursuant to the City of Celina's general policy of public accountability; all employees shall account for any absences subject to the application of this policy according to the manner described herein.

E. As a new hire, in the event an employee has been given special permission to use vacation hours up to 40 hours before enough hours have been earned, the unearned hours used will be reflected as a negative balance. Written approval is required with HR acknowledging any negative hours will be deducted from the employee's final check when they terminate.

VI. Scheduling and Notification

Each department shall establish and communicate to its employees' specific procedures for the use of vacation leave which reflect the following:

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5.01 – Vacation Leave

A. For scheduled use, a process for requesting the leave in writing, at least three (3) working days in advance of the requested leave, and documenting and communicating the approval/disapproval of the requested leave, including both the employee's and supervisor's approval;

B. For unscheduled use, a process for documenting the request and the reason for the approval/disapproval of the requested leave, including both the employee's and supervisor's approval;

C. That emergency requests should be reserved for truly unforeseeable events requiring the employee to be absent to handle personal business of an urgent nature; and

D. That the maximum continuous vacation that can be authorized is two (2) calendar weeks, unless otherwise approved by the department Director based on past utilization and sick leave balances as they relate to tenure with the City.

An employee who becomes ill or who is injured while on vacation leave may request that the vacation leave be ended and the illness or injury time be converted to sick leave or other accrued leave type.

An employee who fails to comply with departmental procedures for the notification and scheduling of vacation leave may be denied paid leave and be subject to disciplinary action, including termination of employment. Further, an employee who takes a leave day following denial, as outlined herein, may be subject to disciplinary action, including termination of employment.

VII. Payout

A. Employees who have completed their probationary period with the City are entitled to a payout of accrued vacation leave upon termination of employment or upon transfer to a job classification ineligible for vacation leave accrual. Payout shall be made-

1. In the employee's final paycheck or in the last paycheck for which the employee is eligible to accrue vacation leave; and
2. Based on the employee's hourly rate of base pay immediately preceding the termination or transfer and shall include any leave accrued for that pay period.

B. Payout of vacation leave accrual to employees vacating full- or part-time positions shall be limited to a maximum of 240 hours; payout of vacation leave accrual to fire protection personnel, vacating positions designated to work 24-hour shifts, shall be limited to a maximum of 360 hours.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.02 - Holidays

I. Purpose

The purpose of this policy is to identify the rules and procedures regarding employee compensation for official holidays of the City. All regular full-time employees are immediately eligible for paid time off for an official City holiday. Time off for holidays will be paid at the eligible employee's regular hourly rate of pay and will be considered time worked for purposes of calculating overtime pay or compensatory time accrual.

II. Eligibility for Benefit

A. All regular full-time and part-time employees are eligible for the following holidays.

B. Part-time seasonal, fixed term (contract) and temporary employees are not eligible for paid time off for a holiday but will be paid for any time actually worked on the holiday.

III. Official Holidays

The following holidays are official City holidays for all eligible employees. Human Resources will post a list of dates for recognized holidays before the beginning of each calendar year.

New Year's Day	Thanksgiving Day
Martin Luther King Jr. Day	Day After Thanksgiving
Memorial Day aka (September 11th Memorial Holiday for Firefighters)	Christmas Eve
Fourth of July	Christmas Day
Labor Day	Floating Holiday
Good Friday	*Birthday

*Birthday Day off. While an employee's birthday is not a "Holiday", it is counted as such for the Holiday Bank. Employees shall take the day of their birthday off unless the following applies. If birthday is on Saturday, take Friday and if it is on Sunday, take Monday. If employee must work on actual birthday, take another day off during the week of the birthday. The day off should not carry over to another pay period.

IV. Holiday Bank

A. Defined Holiday Hours

1. Holidays. The City recognizes 12 holidays per year. All personnel who are regularly scheduled to work 2080 hours per year, will receive 96 hours of holiday per year. A holiday, for all personnel who regularly are scheduled to work an equivalent of 3033 hours per year, will receive 144 hours of holiday per year. Holidays are considered time worked. Due to the

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requirements of providing 24/7 public services, not all employees are permitted to take time off on the official or the observed day of the Holiday. Total banked hours are dependent on City Manager's approval.

B. Administrative and General Personnel

1. Annual Holiday Bank. Beginning on January 1 of each year, each employee will receive all City observed holiday hours in their Holiday Bank. This bank will be administered by Payroll and will not be used at the employee's discretion except for floating holiday and birthday holiday, per supervisory approval. This bank will be used for official City observed holidays only. At the end of each calendar year, unused Holiday Bank hours will not carry forward. Unused accrued Holiday Bank hours will not be eligible for payout upon separation. Employees that start after January 1 of a given year will receive a prorated number of hours in their Holiday Bank based on the number of remaining holidays for that year.

2. Exempt Employees required to work a Holiday. The employee will be paid their regular salary and earn the equivalent of hours worked on the holiday at a maximum of 8 hours to be added to their Vacation Leave bank per observance.

3. Non-Exempt Non-Public Safety Shift Full-Time Employees required to work a Holiday. The employee will be paid for the actual time worked. In addition, the employee will be paid 8 hours for the holiday at their regular rate of pay from their holiday bank.

4. Part-Time and Other Employees Holiday Pay. Regular Part-Time Employees (RPT), who are required to work a holiday, will be paid 4 hours for the holiday in addition to hours worked. Seasonal, temporary and intern employees are not eligible for holiday pay.

5. Scheduling of Holiday. Holidays occurring on Saturday will be normally observed on the prior Friday and holidays occurring on Sunday normally will be observed on the following Monday except as approved by the City Manager.

6. Ineligibility for Holiday Pay. Employees on an unpaid leave status on the scheduled workday immediately preceding or following a scheduled holiday will not be paid for the holiday.

7. Other Religious Holidays. Employees may request an approved absence to celebrate a religious holiday that is not a scheduled City holiday. If approved, the employee may be given time off without pay or may be authorized to use accrued vacation leave or may use their floating holiday.

C. Police and Fire Personnel Shift Worker (Regularly Scheduled on Weekends)

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1. Holiday Bank Fronting. Beginning on January 1 of each year, each employee will receive all City observed holiday hours in their Holiday Bank including their floating holiday and birthday. At the end of each calendar year, unused Holiday Bank hours will not carry forward to the next calendar year. Unused accrued Holiday Bank hours will not be eligible for payout upon separation. Employees that start after January 1 of a given year will receive a prorated number of hours in their Holiday Bank based on the number of remaining holidays for that year.

V. Use/Payout

A. Termination of Employment: Terminating employees are not allowed to use a holiday as their final day of employment.

B. Termination of Employment: Firefighters and police shift worker (regularly scheduled on weekends) that have used holiday time that has not been observed will be withheld from their final paycheck.

C. Absence Before or After a Designated Holiday: To receive holiday pay, an otherwise eligible non-exempt employee must be at work or on an authorized leave of absence on the scheduled workdays immediately preceding and immediately following the day on which the holiday is observed. If an employee is absent on one or both of these days because of an illness or injury, the City reserves the right to verify the reason for the absence before approving holiday pay.

D. Leave of Absence. An employee on an approved leave status, including workers' compensation leave, will be paid holiday pay in lieu of any leave status pay they would ordinarily receive at the time of the holiday. Receipt of holiday pay while on a paid leave of absence qualified under the Family and Medical Leave Act (FMLA) does not extend an employee's FMLA leave entitlement.

E. Religious or Other National Holidays. Employees may request to take other religious and national holidays but any such request is subject to the approval of the supervisor. If approved, the employee must use appropriate leave balances (i.e., holiday accruals, vacation leave, etc.) Sick leave is not authorized for use for religious or other national holidays.

F. Leave Substitution. Holiday hours accrued may not be substituted for sick leave until all accrued sick leave has been exhausted.

G. Pre-approval from the Director. In the event a non-shift employee is required to work a holiday, Director written approval is required. Scheduling an employee to work on a holiday is reserved for only unavoidable events.

H. The City of Celina reserves the right to change, modify, amend, revoke or

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rescind all or part of this policy in thefuture.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.03 – Bereavement Leave

I. Statement of Purpose

The purpose of this policy is to identify the rules and procedures regarding the use of bereavement leave. Bereavement leave is intended for the purpose of allowing an employee time to attend to the immediate needs of the situation.

II. Eligibility

All full and part time employees are eligible for paid bereavement leave from the first day of employment. Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisor's approval, use any available vacation time for additional time off as necessary.

III. Maximum Bereavement Leave

While there is no accrual of bereavement leave, each regular employee will be eligible for up to three (3) working days of hours of leave per occurrence. Firefighters assigned to a 24-hour shift will be eligible for a maximum of 36 hours per occurrence.

Employees will receive pay for each hour of bereavement leave used within the maximums set above. Paid leave does not include any special forms of compensation, such as incentives, commissions, bonuses, overtime, or shift differentials.

IV. Appropriate Use of Bereavement Leave

A. Bereavement leave may be used by an employee in the case of the death of:

Consanguinity (Blood Relationships) and Adoptive Relationships

First Degree	**Second Degree**
Mother and/or Father	Grandparent
Daughter and/or Son	Grandchild
Brother and/or Sister	Uncle and/or Aunt
Legal Guardian	1st Cousin
Legal Ward	Niece and/or Nephew

Affinity (Marriage Relationship)

First Degree	**Second Degree**
Spouse	Brother and/or Sister – in - Law
Son and/or Daughter – in Law	Spouse's Grandparent
Mother and/or Father –in – Law	Step-Grandparent
Stepparent	Stepsister and/or Stepbrother
Stepson and/or Stepdaughter	

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.03 – Bereavement Leave

V. Procedures

A. Notification - Employees who wish to take time off should notify their supervisor immediately.

B. Documentation - A Department Director may require the employee provide documentation for a bereavement leave request.

VI. Leave Substitution

If additional days of leave are requested to take care of family needs in conjunction with a death in the family, then appropriate leave pursuant to Vacation Leave or Sick Leave policies is to be used prior to the authorization of unpaid leave.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.04 – Sick Leave Pool

I. Purpose

A. The purpose of the Sick Leave Pool is to provide employees with a possibility of obtaining additional paid sick leave days to assist them financially when they are unable to work for an extended period of time due to their own catastrophic illness or injury that caused the employee to exhaust all paid leave time benefits.

B. The intention of the Sick Leave Pool is to bridge the gap between an employee's accruals and Long-Term Disability. The max amount of sick time an employee can gain by being granted the Sick Pool is two-hundred and forty (240) hours.

II. Policy

A. This policy establishes guidelines for the organization and administration of the Sick Leave Pool for the employees of the City of Celina (referred to as the "Pool").

III. Definitions

A. For purposes of this policy, the following definitions will apply:

1. Catastrophic Illness/Injury:

A severe condition that affects the mental or physical health of an employee to the extent that he/she is unable to perform his/her job;

Is not caused by a Workers Compensation injury;

Is not caused by willful misconduct; is not purposely self-inflicted; and is not the result of a second job (whether for pay or self-employed);

Poses a threat to life; requires in-patient or hospice care or extensive outpatient treatment or care; and requires the services of a state licensed physician for an extended period of time; and

Causes the employee to exhaust all his/her paid leave balances.

Examples of illnesses or injuries considered severe enough to be considered catastrophic include, but are not limited to:

Stroke w/residual paralysis or weakness

Incapacitating heart attack

Major Surgery

Cancer

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Examples of illnesses or injuries that are generally NOT categorized as catastrophic include but are not limited to:

Flu

Broken Limb

Cold/Allergy

Covid (however, complications that develop may be considered)

Certain types of surgery without serious complications (ex: appendectomy; tonsillectomy)

Pregnancy with only minor or no complications

Elective procedures (however, complications that develop may be considered)

Other conditions that are short term in nature

2. Extended period of time is defined as 30 calendar days of absence for a single illness or injury.

3. Licensed Physician as defined by the Texas Insurance Code and practices within the scope of his/her license.

IV. Contributions to the Sick Leave Pool

Contributions to the Sick Leave Pool are strictly voluntary.

Contributions can be made from excess sick leave that would be lost due to maximum carry over limits and annually a contribution of up to 24 hours (in 8-hour increments) can be contributed by active employees who have a minimum sick leave balance of one hundred and twenty (120) hours, during open enrollment.

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5.04 – Sick Leave Pool

Employees making contributions to the Pool may not stipulate who is to receive their contributions.

V. Eligibility

Full time employees who have been employed with the City for one year and meet the criteria listed in this policy are eligible to apply for sick leave from the Pool.

The employee must have exhausted all paid leave (including sick leave, vacation, holiday and comp time) due to his/her non-job-related catastrophic injury or illness.

The employee must have an absence of 30 calendar days to apply to the Sick Pool.

The employee must provide a medical certification from a licensed physician, in a form acceptable to the City, that the illness or injury will require the employee to remain absent from work. The City has the right to request a second, and if necessary, a third medical opinion (paid for by the City).

Sick Leave Pool benefits are not available for absences due to an employee's family member; benefits are only available for the employee's own illness/injury.

The employee must not have been disciplined or written-up during the last 1 year for abuse of sick time. Other factors considered by the City when granting or denying an application for sick pool benefits include, but are not limited, to the nature of the serious health condition giving rise to the request; the employee's length of service; disciplinary and attendance history (including prior utilization of sick leave); the likelihood that the employee will be able to return to his/her regular duties within a reasonable period of time; and available sick leave in the Pool.

While using time from the Sick Pool, employees may not work another job (including self-employment). An employee who performs outside work will lose all remaining Sick Pool time and will be subject to disciplinary action up to and including termination.

VI. Request for Use of Sick Pool Time

Requests must be submitted on the proper form and given to the Human Resources Director along with a medical certification signed by a licensed physician.

The physician's statement must include the date the medical condition began, the probable duration, an estimate of time the employee will be unable to perform work of any kind, and any other information requested by the City. The physician's statement must also indicate if the employee can work a reduced work schedule and list any restrictions. The City may also require the employee to submit to a medical exam by a doctor chosen by the City to determine eligibility for benefits under this policy. Cross reference with the FMLA Policy, Section 5.08.

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5.04 – Sick Leave Pool

The employee must sign required medical releases/authorizations required by the City for this purpose.

If an employee refuses to work an approved reduced work schedule, Sick Pool time will be denied.

An updated medical certification will, at a minimum, be required for each 30 days of sick leave granted.

Any unused balance of sick leave time granted to an employee will be returned to the Sick Leave Pool.

VII. Approval Process

Application for sick pool leave is contingent upon the available balance in the sick pool at the time of application. In no case will the employee be granted more than 30 workdays per calendar year.

Once the request is received from the employee, a decision will typically be made within five working days and communicated to the requesting employee. The City Manager or Assistant City Manager will grant final approval or denial.

VIII. Recordkeeping

Payroll will maintain the Sick Leave Pool ledger. The ledger will reflect the balance of the sick leave pool along with the records of contributions and advances.

The original copies of request forms and medical certifications will be kept in the employee medical file maintained in the Human Resources Department.

IX. Miscellaneous

When Sick Pool time is granted, it will run concurrently with FMLA time.

Abuse of this policy will result in loss of any remaining sick pool time and may also result in disciplinary action, up to and including termination.

X. Reinstatement

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5.04 – Sick Leave Pool

Employees returning from an absence covered by the Sick Leave Pool will be reinstated to the position held before the absence or one of similar pay and status provided the City's circumstances have not changed to the extent that it would be impossible or unreasonable to provide reinstatement.

If the same job or one of similar pay and status is not available, reinstatement may, at the City's discretion, be deferred until a position is available. Usually, an employee who fails to return to work at the conclusion of an approved leave of absence will be considered to have voluntarily resigned his or her employment with the City.

XI. Policy Revisions

No property rights or entitlements exist to Sick Leave Pool benefits. The City may change, modify, amend, revoke, or rescind all or part of this policy at any time.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.05 – Inclement Weather

Regardless of weather or other conditions, the City never closes. However, under extreme circumstances the City Manager may authorize the temporary closure of certain facilities and issue separate guidelines based on the nature of the event. Because of the essential and direct impact on public safety and health, essential City services must continue regardless of the weather, man-made or technological emergencies, or disasters. Emergency Essential Personnel are required to report to work as scheduled or as needed regardless of official-delayed opening, early closing, or closure of City facilities.

I. Employee Designations

A. In the event of a wide-scale emergency or significant weather event that could impact the community, all employees must be ready to assist in managing the crisis. Some employees are designated as essential for the continuity of governmental operations.

B. Department Directors shall designate each position as "Emergency Essential Personnel" or "Emergency Non-Essential Personnel". These designations shall be documented by the Human Resources Department in the official job descriptions. All personnel shall be advised of their status each year and/or on their hire date. Individual employee status can change as the needs of the City change during an emergency or inclement weather event at the discretion of the Department Director.

1. "Emergency Essential Personnel" – Each Department Director is responsible for identifying those employees who will be designated as Emergency Essential Personnel. These employees might be required to remain available immediately before, during, and/or after a disaster/emergency condition to perform duties directly related to the emergency conditions.
2. "Emergency Non-Essential Personnel" – Following a needs assessment, some employees might be temporarily dismissed from work, concurrently or successively, as determined by the Department Director. These employees are designated Emergency Non-Essential Personnel.

3. "Essential Recovery" – Some employees might be further identified as "Essential Recovery". The City Manager and each Department Director shall be responsible for identifying those employees who are essential to the quick restoration of critical services to the community.

II. Emergency Periods

A. Pre-Impact Period. This is the time prior to the impending emergency or Inclement weather event and includes emergency response activities and preventive measures by the City in preparing for the impending emergency or inclement weather. This period begins when the City Emergency Operations Center opens or the City Manager determines that an emergency or inclement weather event is imminent.

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5.05 – Inclement Weather

B. Emergency or Inclement Weather Period. This is the time during which emergency response activities and/or restoration of critical services are conducted to protect life and property and most other regular City services are suspended. This period begins when City facilities are closed for **normal** business and ends when the City Manager declares it safe for all employees to return to work.

C. Emergency/Disaster – Recovery Period. This is the time during which emergency response activities and/or restoration of critical services and all regular City services are suspended. This period begins when the City Manager orders Emergency Essential personnel to take shelter in City-operated Response Centers and ends when the City Manager reinstates emergency response activities and/or the restoration of critical services.

D. Post Impact/Recovery Period. This is the period of time during which activities are conducted to restore the City's infrastructure and services to pre-disaster conditions. This period begins when the City Manager declares it safe for all employees to return to work and ends when he/she declares the period over.

III. Responsibilities

A. Employee:

Employees shall report for duty at the hour regularly assigned for their workday. No one is excused from work until the City Manager, through each Department Director, authorizes employees to leave their workplace even if a public announcement of office closures or suspension of services is issued. Additionally, employees must return to work as soon as the emergency or inclement weather period is over to participate in the Post Impact/Recovery Period. Employees must:

1. Contact their supervisor when emergency events, disasters, or inclement weather exists or is anticipated in order to receive specific instructions.
2. Discuss with their supervisor, in advance, any circumstances anticipated that might prevent him/her from arriving to work during emergencies/inclement weather conditions (such as road closures, childcare arrangements, etc.) and any pertinent leave requests.
3. Stay informed about emergencies/inclement weather conditions and City operations through the communication methods designated by the City Manager and his/her Department Director (TV/Radio media, City's intranet City's web page, email, text messages, pagers, supervisors, etc.)
4. Maintain an up-to-date Employee ID Badge and carry it at all times.
5. Ensure that emergency contact information supplied to supervisor and the Human Resources Department is current so the employee can be

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contacted when away from work.

When securing or evacuation of personal residences is required, Emergency Essential Personnel will be permitted and expected to make arrangements for their families, including the use of authorized shelters, prior to the Pre-Impact Period.

At the Department Director's discretion, previously approved leave requests may be canceled. Failure to return to **work** upon notice, either written or verbal, that the previously approved leave is being canceled, shall be deemed an unauthorized absence from work or assignment, which may be sufficient cause for termination of employment. In the event that such previously approved leave is not canceled, employees will continue to be charged for such leave. Any unauthorized absence from work or assignment may be considered sufficient cause for termination of employment.

B. Department Directors:

Department Directors shall keep an updated list of the staff that is designated as Emergency Essential Personnel along with defined expectations of duties and reporting during states of emergency, inclement weather delayed openings and closings. The list shall be disseminated to the requisite personnel. Duties of Department Directors are asfollows:

1. Coordinate with the City Manager on any anticipated delays or closings and any alternate procedures that might affect the City's normal business operations.
2. Ensure a clear communication mechanism with all of their employees.
3. Conduct employee training regarding emergency operations procedures prior to May 31st each year that outlines expectations, possible work schedules, leave, etc.
4. Provide the Department's list of Emergency Essential Personnel to the Human Resources Department and Emergency Management prior to January 2nd each year.

C. City Manager:

If any City facility is closed due to an emergency and/or adverse weather conditions, the decision about which departments or divisions will be closed and how employees will be compensated is the City Manager's or his/her designee's responsibility. The City Manager also is responsibility for the following:

1. Coordinating with Department Directors on any City-delayed openings or closings.
2. Designating employee(s) to contact/post delayed openings or closings with

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5.06 – Administrative Leave

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I. Administrative Leave with Pay

Employees may receive paid administrative leave for official business or other work-related matters as designated by the division Manager or designee. Other authorized purposes may include, but not be limited to, voting in official elections, investigative proceedings, jury duty, professional conferences, conventions, training activities, legislative proceedings, civic functions or any other purpose deemed to be in the City's best interests.

II. Administrative Leave without Pay

Administrative Leave without pay (ALWOP) will be utilized when employees have a) exhausted all accrued paid leave, or b) been placed on such leave by department Directors /division Managers.

Employees on "leave without pay" status for 80 hours or more will not accrue benefits for that period unless the leave is in compliance of Family and Medical Leave Act (FMLA). Employee may pay for continuing health insurance coverage.

Any employee placed on ALWOP for more than 80 consecutive hours should contact TMRS to find out if such leave had an impact on their TMRS service eligibility.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.07 – Jury Duty/Court Leave

I. Jury/Court Duty

Employees required by summons to report for jury duty (including grand jury duty), or who are impaneled as a juror or alternate juror, shall receive their regular pay during the time period directly related to jury duty (not to exceed 40 hours of jury duty pay per week). Fire department shift personnel may receive up to 48 hours of jury pay per week.

II. Regular Pay

Employees requesting regular pay for work time spent on jury duty must present proof of attendance from the presiding court before pay can be issued. Upon release from jury duty, employees must contact their supervisor to determine if they should return to their assigned work location. Employees failing to return to work during their normal work hours are subject to disciplinary action.

III. Official City Business

Employees who are subpoenaed to appear in court or before any other judicial or administrative body for and on behalf of official City business or on behalf of the county, state or federal government for services related to City duties, shall be compensated in accordance with the procedures specified under the jury duty section of this chapter.

Employees subpoenaed to appear as a witness on behalf of the City, county, state or federal government for service related to City duties will be compensated for time spent in court in accordance with the procedure specified under the jury duty section of this chapter.

Employees requesting regular pay shall provide a copy of the subpoena and, if available, proof of attendance by the court or respective administrative body.

IV. Personal/Private Business

Employees will not be paid for time off to conduct personal or private legal business. Vacation or compensatory time may be used if approved by the supervisor.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.08 – Medical Leave

I. Statement of Purpose

The purpose of this policy is to outline and establish general procedures and guidelines for compliance with the Family and Medical Leave Act (FMLA).

II. Family Medical Leave Act (FMLA)

A. The City of Celina provides leave to eligible employees in accordance with the FMLA. Under the FMLA, eligible employees may take up to twelve weeks of job-protected leave each year for specified family and medical reasons or twenty-six weeks of leave to care for an injured or ill service member. Employee health benefits are protected under the FMLA, and the City will continue to pay its portion of the employee's monthly premium for group health insurance. Refer to federal law for further guidance (reference: www.dol.gov) or speak to a Human Resource Representative. FMLA Leave Runs Concurrently With Other Types of Leave: FMLA leave is typically unpaid unless the absence also qualifies for paid leave under another City policy, at which point FMLA leave and paid leave will run concurrently.

1. Sick Leave: If an employee has any available accrued sick leave, it must be used concurrently with any available FMLA leave.

2. Vacation, Comp Time, Personal Leave & Holiday: If all of the sick time has been used, the following leave time will be applied and will run concurrently with any remaining FMLA leave: accrued vacation, compensatory time, personal leave and then holiday leave.

3. Disability & Workers' Comp. Leave: If the employee is approved for workers' comp. or short-term or long-term disability, the employee's absence from work is automatically approved for FMLA, provided he/she has met the FMLA's eligibility requirements. This means that workers' comp. and short- and long-term disability absences will run concurrently with FMLA leave. Employees being paid either workers' comp. wage benefits or short- or long-term disability benefits while on leave are not required to use accrued sick, personal, holiday, comp time or vacation leave while collecting workers' comp. or disability benefits.

4. In determining the amount of family medical leave available to an employee, the City will use a 'rolling calendar' by considering any family medical leave taken in the twelve (12) months prior to the date the requested leave is to begin and continuous with each additional day leave is taken.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.09 – Break time for Nursing Mothers

Lactating mothers may use time during the standard workday for milk expression. This may include various combinations of standard paid break periods, lunch periods and other time as necessary. Lactating mothers must be afforded flexibility in their work schedules, such that the use of accrued leave or leave without pay is not required to cover time used for milk expression. While in general, this may require two to three lactation breaks a day, scheduling will be arranged on a case-by-case basis and be based on the specific needs of the employee. Departments will provide a private location, shielded from view and free from any intrusion from others, to express breast milk. A bathroom, even if private, does not qualify as a location. While a private space does not have to be established strictly for the use of the breastfeeding employee, it does however, have to be available any time the employee needs to express milk. Affected employees are required to inform their supervisors when they need an accommodation for milk expression.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.10 – Military Leave

To provide eligible employees with military leave benefits pursuant to state and federal law.

I. Definitions

A. Military Leave: Leave to be used solely for the purpose of fulfilling short term annual military training obligations.

B. Extended Military Leave: Leave which goes into an extended active-duty status of any branch of the United States armed forces.

II. Procedures

A. Employees must notify their immediate supervisor and Human Resources immediately upon receiving notification, or not less than 30 days before their pending duty, whichever occurs first.

B. Written performed duty verification must be submitted prior to the leave or within a reasonable period of time in order to confirm payment of military pay and to confirm the veteran's re- employment rights. Verification may include, but is not limited to, orders, drill letters, training schedule and signed duty verification from the officer in charge.

III. Military Leave

A. Employees will receive military pay at their normal base rate for up to 15 work days in a calendar year. Military Leave beyond 15 days may be paid, at the employee's discretion, using accrued compensatory, personal day or vacation time (accrued sick leave may not be substituted). The employee may also choose to take the remaining leave as unpaid.

IV. Extended Military Leave

Employees on Extended Military Leave may be paid, at the employee's discretion, using any remaining 15 days of military pay, accrued compensatory, personal day or vacation time (accrued sick leave may not be substituted). The employee may also choose to take the remaining leave as unpaid. Employees may request to receive payment for any accrued, unused personal day, vacation, holiday, or compensatory time at the start of unpaid extended military leave. The City will pay the employee's and City's portion of medical and dental benefits for sixty (60) days, unless the employee elects military medical and dental coverage.

V. Supplemental Pay

Any regular full-time employee who has been called to active duty (Extended Military Leave) will receive supplemental pay if their military salary is less than their City salary. The amount of supplemental pay is the difference between the City salary and the military salary. Supplemental pay is available until an employee is no longer called

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5.10 – Military Leave

to actively serve in the military, their monthly military salary exceeds their regular City salary, or for up to five (5) years, whichever occurs first. The employee is responsible for notifying Human Resources if their military salary changes while on active duty.

VI. Benefits

A. The City shall provide at no cost to the employee all medical and dental benefits for the regular full-time employee and their dependents during such period of sixty (60) days (Extended Military Leave) unless the employee elects military medical and dental benefits. Longevity pay, life insurance and other benefits will not be provided during such leave.

B. Upon an employee's return to employment following Extended Military Leave, the employee will be given the opportunity to enroll or make any changes to desired benefits (i.e., medical, dental, vision, etc.).

C. While on paid Military Leave, excluding the supplemental pay benefit, employees continue to accrue vacation, sick leave and other benefits provided to other employees on paid leave. While on unpaid Extended Military Leave, benefit accruals will be suspended and will resume upon the employee's return to active employment.

VII. Returning from Leave

A. An employee who leaves City employment to enter active military service shall be restored to employment in the same position held upon entrance to active military service, or in a position of comparable status and pay, if the employee:

1. is physically and mentally qualified to perform the essential duties of the position;
2. was discharged, separated, or released from active military service under honorable or general conditions;
3. Has not been in active military service for more than five (5) years; and
4. Makes written application for reappointment and presents evidence of the discharge, release, or separation from military service within the time constraints prescribed by USERRA.

B. The deadline for an employee to return to work and/or notify the City that they intend to return to work following Extended Military Leave depends upon how long the employee's military service lasted:

1. For service of less than 31 days, employees have 8 hours following their release from service to report to their next scheduled work period.
2. For service between 31 and 180 days, employees have 14 days following their release from service to apply for reemployment.

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5.10 – Military Leave

3. For service of more than 180 days, employees have 90 days following their release from service to apply for reemployment.

C. These deadlines may be extended for two (2) years or more when an employee suffers service-related injuries that prevent the employee from applying for reemployment or when circumstances beyond the employee's control make reporting within the time limits unreasonable, according to the provisions of USERRA.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 5 – Leaves

5.11 – Community Connected

Employees can utilize up to **twelve hours** per calendar year toward a 501c3 charitable organization, in accordance with the City of Celina's community service guidelines. More than one organization may be chosen. This contributed time, up to **twelve hours** per calendar year, will be considered paid time off but will not be considered time worked for the purposes of calculating overtime. The pay rate will be the employee's current base salary on the day(s) the time is taken. Time may be submitted in, at minimum, 4 hour increments. Volunteering through established non-profit organizations, or for non-profit causes, that benefit the community and residents of the City of Celina.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.00 - Payroll

I. Purpose

To establish a wage and hour administration policy in compliance with the Fair Labor Standards Act, as amended.

II. Definitions

A. Exempt Employees
An *exempt* employee is one who *is not covered* by the overtime provisions under the Fair Labor Standards Act (FLSA or Act).

B. Non-exempt Employees
Non-exempt employee is one who is covered by the overtime provision under the FLSA and will be paid overtime or receive compensatory time, per departmental policy, for hours *worked* in excess of 40 hours per workweek except as otherwise stated by policy, statute or regulation.

C. Workweek Period
The workweek normally begins at 12:01 a.m. on Monday and ends at midnight on the following Sunday.

D. Work Period (Fire and Police Department shift employees)
The work period for which the city calculates overtime hours for Fire department shift personnel will be not less than 7 and not more than 28 consecutive days. Eligible employees will receive overtime pay for any hours worked in excess of 212 hours in the 28-day period. The Police Department, in certain cases, has a differing work period dependent upon the hours worked by officers.

E. Hours Worked
The time that the City requires or permits non-exempt employees to be on duty is considered hours worked. Vacation and holiday leave is considered hour(s) worked. All other paid leave, including, sick, compensatory time, administration, military, jury duty bereavement, and Community Connected leave will not be considered hours worked for the purposes of performing overtime calculations.

F. Pay Period
Individual paychecks are issued biweekly for each pay period.

III. Direct Deposit

A. It is the policy of the City of Celina that all employees participate in Payroll direct deposit. It is the employee's responsibility to provide accurate banking information to payroll (routing number, account number). Employees must submit a voided check or letter from their banking institution along with the proper direct deposit change form when enrolling or changing direct deposit information.

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B. Once the direct deposit form is received in Payroll, it may take up to two (2) payroll cycles for the actual direct deposit to take effect. During that time, the employee will receive a payroll check.

C. Employees are advised to contact Payroll when contemplating closing their bank account(s), to ensure that direct deposit payments are not in transit and to minimize the possibility of delayed payments.

D. Payments credited to bank accounts incorrectly via direct deposit will be reversed by the City of Celina as soon as the error is noted. A corrected entry will be processed as quickly as possible once the city has received the funds credited back from the incorrect banking account and credited via direct deposit as available. If correction by direct deposit is not feasible, a check for the correct amount will be issued by the City of Celina. In the event that an employee has withdrawn funds which were erroneously credited to their account and City of Celina is unable to execute a reversal of the erroneous entry, Payroll will arrange repayment with the employee.

E. The employee's paycheck is payment from the City to the employee for services the employee has rendered, less any applicable deductions. If the employee does not report paycheck errors promptly, the City will rectify any errors upon notification as required by law. If the employee does not understand how to figure their pay or how to read their check, the employee should seek help from Payroll, so that it can be properly explained to the employee.

IV. FLSA Responsibilities

A. The City of Celina is responsible for ensuring compliance with the Fair Labor Standards Act in the classification of positions, policy development, training, payroll, and child labor standards. The Human Resources Department is responsible for the overall administration and interpretation of that Act.

B. Department Directors are responsible for ensuring compliance with the policies and procedures outlined in this policy. Department Directors will be responsible for requesting exemption status changes and reporting any changes, which may affect that status.

C. Each Director is responsible for exercising adequate supervision to ensure that employees comply with established work schedules and that unscheduled work is performed only in bona fide emergencies. The mere establishment or communication of work schedules does not relieve directors, managers or supervisors of their responsibility for controlling work time. Directors/Managers are responsible for controlling starting and stopping times whether within or outside the usual work schedule. Directors/Managers and supervisors are responsible for the recording of hours worked as they actually occur.

D. It shall be the duty of employees to comply with departmental work schedules and avoid performing work that is unscheduled or non-directed outside of assigned

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work schedules or assignments for bona fide emergency situations.

I. Human Resources will determine, according to the Fair Labor Standards Act, whether a position is exempt or non-exempt.

A. Overtime
Overtime, when ordered for the maintenance of essential City functions, shall be allocated as uniformly as possible among all eligible employees, and will be paid in accordance with applicable law. Department Directors are responsible for exercising adequate supervision to ensure that employees are complying with established work schedules.

1. Eligibility
Overtime pay or compensatory time will be given to non-exempt employees for hours worked in excess of the regular scheduled workweek or applicable work period.

2. Non-exempt Positions

a. Eligibility - Department Directors have the authority to approve, with the employee's request, whether the department's non-exempt employees can work overtime, compensatory time, or a combination of both, for overtime worked. The Department Director is the final authority for compensation method utilization and will take into account the department overtime budget and operational demands.

b. Rate – Overtime pay for non-exempt employees shall be at one and-one-half (1.5) times the employee's regular rate of pay. Overtime calculations for premium pay such as certification pay will be at one-half (.50) times the employee's regular rate of pay. Compensatory time - Shall be credited at the rate of one-and-one half (1.5) hours credit per one hour worked. Official compensatory time records shall reflect the product of actual hours worked, multiplied by 1.5.

c. Accumulation – Non-exempt employees shall not accumulate more than eighty (80) hours of compensatory time. A lower maximum may be set by department policy, based on operational demands. Department Directors can work with the City Manager for approval of more than eighty (80) hours of compensatory time. The Department Director will advise the Director of Human Resources and the Director of Finance of any time approved by the City Manager over the eighty (80) hours.

d. Use of compensatory time - Employees may take compensatory time off within a reasonable period following their request.

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Compensatory time off must not unduly disrupt departmental operations and must have prior supervisory approval. In order to reduce the financial impact of compensatory time accruals, Department Heads may require the use of compensatory time.

e. Payment upon termination - Non-exempt employees shall be paid for accumulated, unused compensatory time upon termination, regardless of the reason for termination.

f. Record-keeping - Department Directors/division managers and their employees are responsible for current, accurate compensatory time records for their non-exempt employees.

3. Unauthorized Overtime

Authorized overtime shall require the approval of the supervisor or, in some cases, the City Manager. Employees who work unauthorized hours may be subject to disciplinary action, up to and including termination.

B. Exempt Employees

1. Exempt employees are not eligible to accrue overtime or receive compensatory pay.
2. Exempt employees may be required to report to their shift for the entire work period. Unauthorized absences during a shift shall be addressed as a performance issue and may be subject to deductions from appropriate leave banks or be deducted from salary.
3. Exempt employees shall use sick and vacation leave for partial and full day absences and record on the City of Celina time keeping system.
4. Due to the obligations for exempt employees to attend after hour meetings and work on projects outside of regular work hours, an exempt employee's immediate supervisor has the discretion to flex time periodically so an exempt employee may have time off keeping in mind our fiduciary duty to those we serve. This will be the exception and not the rule of operations.
5. Use of any leave must be done with prior approval of the employee's immediate supervisor.

II. Compensatory Time

A. Compensatory time off ("comp time") is paid time off the job that is earned and accrued by a non-exempt employee instead of payment for working overtime hours. Part-time, seasonal, and temporary employees are not eligible to accrue compensatory time.

B. All regular full-time employees classified as non-exempt employees may accrue compensatory time at a rate of one and one half time (1.5) their regular rate. Employees who do not work a standard 40-hour workweek (i.e., Police and

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6.01 – Overtime and Compensatory Time

Fire employees who are covered under 207(k) of the FLSA and applicable provisions of state law) will accrue compensatory time based on their work cycle. The maximum accrual for compensatory time if as follows:

1. Employees assigned to a standard 40-hour workweek may accrue up to 80 hours;

A non-exempt employee who has accrued the maximum compensatory time will be paid for any overtime worked in accordance with the Fair Labor Standards Act.

C. Exempt Employees

Exempt employees are expected to perform job duties that are not strictly defined by an established number of hours. Exempt employees are expected to work whatever hours are necessary to accomplish required responsibilities Exempt employees will not accrue compensatory time.

D. Usage

1. Compensatory time accrued and used by employees will be recorded on individual time sheets to be forwarded to payroll and maintained as official records.

2. Employees may take compensatory time off within a reasonable period following their request. Compensatory time off must not unduly disrupt departmental operations and must have prior supervisory approval. In order to reduce the financial impact of compensatory time accruals, supervisors may require the use of compensatory time prior to use of vacation time.

3. When practical, in the judgment of the supervisor, employee work schedules should be adjusted to reduce the necessity of overtime. Non-exempt employees must receive prior approval from their supervisor prior to working overtime. Working unauthorized overtime by non-exempt employees shall be considered grounds for disciplinary action.

4. City policy requires all applicable leave to be used prior to authorizing an unpaid leave of absence. In accordance with this directive, compensatory time and other leaves will be automatically substituted when there is an insufficient balance of a requested leave.

E. Payouts

1. Non-exempt employees will be paid for accumulated, unused compensatory time upon separation of employment, regardless of the reason for separation.

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6.01 – Overtime and Compensatory Time

2. If a non-exempt employee is promoted, any accrued, unused compensatory time, at the discretion of the City, be paid out at his/her rate of pay for the position held before the promotion or the compensatory time will carry over to his/her new role at the prior rate of pay

3. Any time a non-exempt employee with accrued compensatory time accruals transfers to another department, their accrual shall be cashed out at their current hourly rate. If an employee transfers to another division within the same department, their accrual shall not be cashed out.

4. Non-exempt, full-time employees transferring from a regular full-time position to a regular part- time, seasonal or temporary position will be paid for any accrued, unused compensatory time at the time of transfer.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.02 – Classification Process

The purpose of a position classification plan is to organize all City positions into groups or classes on the basis of similar duties, responsibilities and qualification requirements as outlined in the job descriptions. Equitable pay is assigned on a class basis in order to provide comparable pay for substantially equal work performed. The pay system is built to meet all criteria associated with the concepts of internal equity, i.e., equal pay for equal work, equal pay for similar work and equal pay for comparable work.

I. Classification review of a position

A. To review positions in which job responsibilities have changed substantially;

B. To determine whether the position may need to be reassessed or may fit into another job classification; and/or

C. To classify new positions.

II. The classification plan was designed to provide the City with a fair market assessment using comparable entities, both public and private where applicable. Where positions are unique and are not deemed comparable, internal comparisons can be made to assess internal equity for an appropriate job classification through the use of compensable factors.

III. Reclassifications of positions generally occur when the job duties and/or responsibilities of the position are materially changed to such a degree that they are no longer comparable to like jobs within the same range throughout the City. A reclassification does not create a vacancy in the number of budgeted positions.

IV. Requests for review will coincide with the annual budget process to ensure any changes to personnel costs can be addressed at that time. If unforeseen circumstances arise during the fiscal year, requests for review will require prior approval from the City Manager's office before initiating the review.

V. Position Review Process

A. No classification changes shall be made within a department/division without first obtaining Director of Human Resources and City Manager approval for review. Any changes of this magnitude must be approved before they are made. Any mid-year changes must be accompanied by a funding plan. The Department Director shall complete the appropriate reclassification paperwork and submit it to the Director of Human Resources, who must agree with and approve the request. If an employee believes that his/her position is improperly classified, that employee may provide specific concerns to the Department Director regarding the classification.

Position classification can neither be grieved nor appealed.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.02 – Classification Process

B. For new positions, the Supervisor will complete the City-approved job assessment tool to fill a position. For current positions, the incumbent will with the supervisor's approval, complete the City-approved assessment tool. The information submitted for review must be precise, detailed and up-to-date. When completing the request, it is important to remember it is the position being reviewed and not the employee currently in the position. The changes requested must be applicable to not only the current employee but must also serve as minimum requirements for future employees.

C. After review and approval by the appropriate supervisor(s), Division Manager, and Department Director, the forms will be submitted to the City Manager's office. If any supervisor or manager does not agree that the position warrants review, they will list the reason(s) and send it to the Department Director, who will make the final departmental decision and ensure the requestor is notified of the outcome.

D. The City Manager, or designee, will review the information and will decide whether or not Human Resources will conduct the classification review.

E. The position review will focus on the actual position and job classification, not the person, personality, or performance.

F. Human Resources will forward a written recommendation to the City Manager's office for review and disposition. The division/department will be notified of the outcome.

G. If the recommendation is approved by the City Manager's office, the appropriate paperwork will be processed by Human Resources. Human Resources will create a job description based on the City-approved job assessment tool and will send it to the division/department for review and proper signatures. The Human Resources Department shall be aided by departments in the classification preparation and maintenance process by submitting job descriptions any time there is reason to believe that there has been a change in the duties and responsibilities of one or more positions, each time a new position is established for incorporation into the plan or each time a department or division is reorganized.

H. The Director of Human Resources shall be responsible for the review and recommendation to the City Manager of the adoption of duties, responsibilities and qualifications as written in the job description. The Director of Human Resources shall recommend allocation of positions to specified classes in the classification plan. Generally, pay range adjustments will be considered on an annual basis in conjunction with budget preparation. Pay range adjustments will be effective for all employees with the same title within the pay plan.

I. Any reclassifications will be effective only on the first day of a pay period. Any increases where warranted, but not guaranteed with a reclassification, will be

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evaluated at the time of reclassification by the Director of Human Resources.

VI. The city has adopted a Step Plan that allows for annual step increases to employees (dependent upon budgetary approval.) Due to the probationary timeframe, public safety may follow a separate schedule than listed below. The eligibility of new employees is per the following guidelines:

A. Employees hired between October 1st through March 30th, are eligible for a step increase the following October if they have completed 6 months of continuous employment.

B. Employees hired between April 1st through July 31st, will be eligible for a step increase upon completion of 6 month of continues work history. For example, if an employee's start date is May 1st their eligible for their step increase on November 1st. Department director will be required to submit a PAF for step adjustment to occur.

C. Employees hired in the months of August and September will not be eligible for a step increase in October, step increase will occur in October of the following year.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.03 – Longevity Pay

Longevity pay is provided to encourage retention of employees by recognizing the value of long-term service with the City of Celina. These payments are for regular full-time employees and regular part-time, non-seasonal employees who receive benefits and are made according to the following schedule:

1. Qualified employees will be paid longevity pay at the rate of $5 per month of service to a maximum of $1,500 annually based on their hire date.
2. An employee must be employed consecutively for 12 months as of September 30th.
3. Longevity pay is distributed in one lump sum each year in December.
4. The longevity pay will be pro-rated for employees leaving employment and included in their final check.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.04 – Bilingual Pay

I. Purpose:

The purpose of this policy is to establish guidelines regarding bilingual skill certification pay for eligible City of Celina employees. City of Celina employees frequently use bilingual skills to enhance the performance of position duties to better serve citizens of the City of Celina.

II. Levels of Bilingual Certification Pay:

Bilingual certification pay will be awarded in the following areas:

A. Speaking or being able to converse at a minimum of B1 level based on current proficiency scale.

B. Writing or being able to properly write the language at a minimum of B1 level based on current proficiency scale.

III. Eligibility:

A. This policy is applicable to all regular full time and part time employees in all departments of the City of Celina. All regular employees will be eligible for bilingual certification pay. The Department Director will identify positions and/or persons eligible to receive higher levels of bilingual certification pay within their department when:

1. The possession of the bilingual skill is beneficial in the performance of the employee's and/or department's duties.
2. The normal work station of the qualifying employee is such that they are reasonably available to employees and citizens needing assistance to translate from English to another language; or from another language to English when called upon to do so.
3. The secondary language is used by any group constituting at least 5% of the residents of the City of Celina. Other languages will be considered by the Director of Human Resources on a case-by-case basis on recommendation of the Department Director.

B. Employees in positions eligible to receive bilingual certification pay must achieve a passing score (currently level B1) in a testing process established to measure proficiency.

1. Testing requirements for bilingual certification pay will primarily involve verbal, reading and written language skills and translator ability.
2. All testing will be done by an independent consultant selected by the City of Celina.
3. The City of Celina will pay for the employee's first bilingual language

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certification test. The employee must pay the cost of any subsequent attempts to be certified. The City of Celina will reimburse the employee for the cost of a successful retest.

4. Arrangements to take the certification test must be made through the Human Resources Department.

5. Must complete probationary period.

IV. Guidelines:

A. Any employee receiving bilingual certification pay is expected to assist other non-bilingual employees in the translation of documents and assistance of the public. Assistance may be required for other departments or areas that extend beyond the employee's normal scope of responsibilities.

B. An employee receiving bilingual certification pay who declines reasonable assistance to non-bilingual employees or assistance to the public may have their bilingual certification pay revoked at the discretion of the Director of Human Resources.

C. Each department is responsible for re-evaluating the need for bilingual skills on a periodic basis and contacting the Human Resources Department should those needs change.

D. An employee receiving bilingual certification pay may be asked periodically to retake the proficiency test. Bilingual certification pay may be discontinued if a passing level of proficiency is not maintained.

E. The Human Resources Department may periodically conduct a random sample of the positions and screen incumbents to ensure the continued need for additional bilingual skills and that employees remain proficient in those skills. Any costs associated with random skills assessments will be paid by the City.

F. Determinations regarding an employee's eligibility for bilingual certification pay may be appealed to the Director of Human Resources whose decision will be final.

G. There is no additional compensation for certification in multiple languages.

H. Bilingual pay does not count towards certification pay.

V. Procedures:

A. Application for bilingual certification pay: The Department Director will submit in writing, the names of employee's eligible to test for

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6.04 – Bilingual Pay

bilingual certification pay. The Human Resources Director will review the applications.

B. Testing. The Human Resources Department will arrange for the employee to take the certification exam(s). Successful completion of the certification exam will result in the employee receiving certification pay for bilingual language skills effective the first pay period of the month following the exam. Certification pay will not be retroactive. The bilingual language certification pay will be awarded in the following areas:

Levels of Bilingual Language Certification	Monthly Pay for Full Time Employee*	Monthly Pay for Part Time Employee*
Reading/Speaking	$50	$25
Writing	$50	$25

*Paid out bi-weekly.

Testing results will be sent to the Human Resources Department and the employee. Nothing in this policy is to be construed a contract between the City of Celina and its employees. The City of Celina reserves the right to change, modify, amend, revoke or rescind all or part of this policy in the future.

C. Bilingual Certification – This pay is for skills used to enhance the performance of position duties to better serve citizens of the City of Celina. The Department Director, in conjunction with Human Resources will identify positions and/or persons eligible to receive bilingual certification pay based organizational need.

1. Employees in positions eligible for bilingual pay must achieve a passing score in a process established to measure proficiency.
2. The city will pay for the first bilingual language certification test. The employee must pay the cost of any subsequent attempts to be certified. Arrangement to take the test are made through Human Resources.
3. Any employee receiving bilingual pay is expected to assist other non-bilingual employees in the translation of documents and assistance of the public.

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Chapter 6 – Compensation

6.05 – Certification and Education Pay

I. General Requirements

A. It is the policy of the City to encourage its employees to participate in advanced education and training. Additional training and education are important to the employees and is an overall benefit to the City. It is the intent of this policy to establish criteria by which compensation for education, licensing and certificates may be given. Education and certification pay shall be available to regular full and part-time employees who have completed their probationary period.

B. The City may change an employee's pay rate based on the employee receiving a certification(s), and/or academic degree (s), for their position.

C. Each Department, division or section is responsible for maintaining up-to-date records of their employees' certificates and licenses; to keep the Human Resources department updated on any changes in status to either an employee, as it pertains to this section; and to notify Human Resources when an employee is no longer eligible to receive pay under this section.

D. Total of all certification(s) and licensing shall not exceed $150.00 per month. Managers and positions above are not eligible for certification and education pay stipends unless approved by the City Manager.

E. If a job description requires a level of education for job eligibility or it is deemed necessary to perform the essential function of the job, the employee will not be eligible for education payment.

VII. Certification/License Pay

A. In order to receive compensation, a certificate must be received and used in the employee's work responsibilities and must NOT be a minimum requirement for their position. Should an employee transfer to a department where the training becomes applicable, the employee may then be eligible for certification pay. Certification pay may be forfeited if a transfer places the employee where the additional pay is not applicable.

B. Payments are made on a bi-weekly basis. Certification pay will only begin upon presentation of the original document by the employee to the Human Resources Department. To qualify for the program, certificates, licenses or college degrees must be obtained from a State accredited college or university, a State certification or licensing agency and/or a recognized professional association performing a similar certification or licensing function for personnel in the applicable profession and must be maintained in an active status. Certificates, licenses, or college degrees must also be directly related to an employee's present position, and current job duties, profession and/or occupation. To qualify for the program, a certificate, license, or college degree must not be a job requirement for the employee's present position. Should certification/license lapse, it is the employee's responsibility to immediately notify their supervisor and Human Resources Department. If an employee is promoted or moves into a position that is ineligible for this program, the

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6.05 – Certification and Education Pay

employee will cease receiving the pay on the effective day of the promotion or move.

Certification Training Reimbursement Agreements

1. With approval of Department Director, the City will pay for the cost of job-related certification training, and subject to annual budget appropriation. However, should an employee elect to voluntarily leave the employment of the City within six (6) months of receiving said training, the employee shall reimburse the City for its cost if it exceeds $1,000.

Certification/Licensure Pay Schedule

All City Departments:

- A maximum of $150.00 per month for certifications and licenses. Bilingual and degree pay will not count towards the $150.00 maximum.
- Bilingual Certification – Speaking: $50/$25 per month (full/part time)
  Reading and Writing: $50/$25 per month (full/part time)

Public Works *(non-cumulative)*

Certification/License	Amount Per Month
Water Class B	$75.00
Wastewater Class B	$75.00
Water Class A	$100.00
Wastewater Class A	$100.00

Police *(non-cumulative)*

Certification/License	Amount Per Month
Intermediate Police License	$75.00
Advanced Police License	$100.00
Master Police License	$150.00

Fire *(non-cumulative)*

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.05 – Certification and Education Pay

Certification /License	Amount Per Month
TCFP Intermediate	$75.00
TCFP Advances	$100.00
TCFP Master	$150.00
Fire Investigator/Inspector Basic	$50.00
Fire Investigator/Inspector Intermediate	$75.00
Fire Investigator/Inspector Advanced	$100.00
Fire Investigator/Inspector Master	$150.00

VIII. Academic Education Pay

A. Academic education pay will be granted to employees with the following degrees from an accredited college, provided it is not a requirement for their position, and it is subject to annual budget appropriation. College degrees received from colleges and universities will only be recognized if accreditation is verified through the Department of Education National Database of Accredited Postsecondary Institutions and Programs. Academic Education pay may be granted to employees with degrees from foreign countries provided through a verifiable source of the degree(s) and establishes relevant equivalency to degrees awarded by accredited colleges and universities within the United States.

B. It is the employee's responsibility to furnish documentation that proper accreditation by the Department of Education National Database of Accredited Postsecondary Institutions and Programs. The Human Resources Department will notify the Department Head upon hire of the new employee in their department if the employee has not supplied appropriate documentation. Until documentation is supplied, this monthly addition is not to be added.

College Degrees:

Degree*	Amount Per Month
Associate	$50.00
Bachelor	$100.00
Post Graduate	$150.00

*Non-cumulative

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 6 – Compensation

6.06 – Response Time On-Call/Call Back Pay

I. Call Out/Back Pay

A. Call out is an assigned duty to accomplish required work assignments after normal working hours in any department that does not have scheduled work hours on a 24-hour basis. Pay for call out will be based on arrival at the Public Works Facility or the location of the emergency with a minimum of two (2) hours credited work time for those who travel to and from an assigned worksite. Employees may be "called out" more than once in a two-hour period. Each call out does not constitute a two (2) hour call out if it is within the current two (2) hour call out period. Departure from the Public Works Facility or the location of the emergency constitutes the end of hours worked.

B. Employees called out to work during emergencies will be compensated at his/her regular rate. If the call out causes the employee to exceed forty (40) hours, the employee will be compensated at his/her overtime rate. An emergency is defined as an unscheduled work time in which life is threatened or the welfare of the public is at risk and requires the immediate assistance of additional personnel. An example of public at risk would include a ruptured water main, blocked wastewater main or a requirement to respond to storm damage jeopardizing public safety.

II. On-Call/Standby Pay

A. The City of Celina compensates employees who are designated and/or placed in a rotating on-call status for each 24-hour period for which they are designated as on-call. This policy applies to all employees in positions required to participate in a rotating on-call status.

B. The supervisor or designee will be responsible for identifying and coordinating the on-call schedule and positions within the respective department. On-call status is based on Department discretion and Department scheduling.

C. Eligibility for On-Call Pay

1. The employee must be specifically assigned for on-call status for the 24-hour period.
2. The employee designated as the primary on-call person must be able to respond to the call within 45 minutes of being contacted.
3. Time worked immediately after regularly scheduled working hours at the request or approval of the supervisor will not be considered call-back and is paid at the employee's regular rate of pay until the overtime threshold is reached.
4. This personnel policy is providing general minimum standard guidelines for this policy, for compensation specific policies refer to the internal departmental policies.
5.

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CITY OF CELINA
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Chapter 6 – Compensation

6.06 – Response Time On-Call/Call Back Pay

D. On-Call Payment

1. Civilian non-exempt employees who rotate on required on-call status will receive $15.00stipend per day per employee. Employees receiving the on-call stipend are not eligible for mileage to and from the workplace while receiving the weekly stipend.
2. On-Call Duty: On-call assignments are not compensable if:
    a. Employees cannot be contacted by a pager or telephone; and
    b. Have free (personal) use of the time while waiting for an assignment.

    On-call employees who do not return to the workplace, but who handle a workplace issue by phone or internet will be compensated based on a departmental policy, approved by the City Manager.

E. In all cases, employees must report their actual hours worked on their time sheets.

F. Departmental Policies. Each Department has its own internal procedures for handling on-call services. Departments may establish guidelines for varying levels of response to call-back situations depending upon the nature and importance of the services to complete.

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6.07 – Meal Periods and Break Periods

The City recognizes the need for employee breaks during the day to prevent undue fatigue and has scheduled the following breaks to accommodate this need:

A. Employees are scheduled for either a one-hour lunch period or a 30-minute lunch period each day. Unless emergency circumstances exist, meal periods should not be less than thirty minutes. This time is generally not included as hours worked toward overtime. If less than 30 minutes, the time is considered hours worked.

B. Depending on workload, employees may be given two brief rest/break periods of no more than 15 minutes one during the first half of the day and another during the last half of the day. The rest/break period is a privilege to be granted by supervisors depending on the various work locations, conditions, and workload. Rest/break periods shall not be combined or accrued.

C. The Department Directors are responsible for scheduling individual rest/break periods and lunch to accommodate the needs of their departments.

D. Employees shall be careful not to abuse rest/break period privileges, including restroom breaks.

E. Employee schedules might deviate from the guidelines depending on the necessity for the successful completion of the job.

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6.08 – Membership Dues Payroll Deduction

I. Statement

It is the policy of the City of Celina to make payroll deduction available to employees who are members of a City-approved association or organization that requires membership dues. This policy applies to all employees of the City of Celina. This policy and its administrative procedures should not be interpreted as the City's endorsement of any employee associations and organizations.

II. Administrative Procedure

A. The Director of Human Resources or designee will coordinate the written requests and verification of all payroll deduction membership dues requests. All requests will be forwarded to payroll for final processing. Employees must authorize in writing any and all payroll deductions prior to withholding.

B . Employee Request for Membership Dues Payroll Deduction: The employee must submit the written request for payroll deduction for membership dues of designated associations or organizations to the Human Resources Department. The appropriate forms will be available in Human Resources during regular business hours.

C. Administrative Fee: The City of Celina reserves the right to impose a reasonable administrative fee at any time after submitting written notification to the requesting employee and prior to initiation of the deduction. The fee imposed shall not exceed the amount currently used by the City for processing similar deductions. However, vendor- required processing fees will be the responsibility of the employee and will be included in the total amount deducted from the employee's paycheck each pay period.

D. Frequency of Payroll Deductions: Deductions will be taken from 26 paychecks, after- taxes, on a bi-weekly basis (pay period). Requests for more or less frequent deductions will not be considered. Deductions will continue until the Human Resources Department receives written cancellation from the employee.

E. Methods of Designating Payments: Accumulated deductions will be sent to the vendor periodically or as agreed upon. The method and frequency of payments sent will vary depending upon the guidelines of the vendor. The employee will be responsible for paying any set-up or processing fees required by the vendor. The fee will be included in the total amount deducted from the paycheck.

F. Cancellation of Payroll Deduction: Payroll deduction for membership dues will cease after receiving a written notice requesting cancellation from the employee. The City of Celina has the authority to stop payroll deductions if it is determined that the employee association or organization has disbanded or is no longer sanctioned.

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6.09 – Travel time

Travel to and from work is generally not compensable, unless specifically approved by the City Manager. Travel time which is outside of regular working hours is generally not compensable, unless the employee is on call or if travel is approved by the City Manager.

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6.10 – Temporary Promotion/Assignment Pay

I. On occasion, an employee is asked to perform a job duty well beyond the scope of their job description and a job classified at a higher pay grade. With concurrence of the City Manager in advance, the Department Director can work with the Director of Human Resources in order to provide a temporary pay amount for the role based upon the duties and assignments of the role. That temporary pay cannot exceed 5% or Step 1 of the role unless approved by the City Manager, or whichever is greater. Generally, this will only apply when an employee is filling in a vacancy on an interim basis for another employee with a higher pay grade.

II. Eligibility of temporary promotion pay increases requires that the employee must have worked, or be scheduled to work, a minimum of 30 calendar days in the new position. Pay increases will be effective at the start of the temporary promotion pay period.

III. Police and Fire personnel covered by *Texas Local Government Code § 141.033* will be paid in accordance with paragraph (b), to wit; *"A member of the fire or police department who is required to perform the duties of a particular classification is entitled to be paid the salary prescribed for that position during the time the member performs those duties."* This however requires written confirmation of the higher classification assignment by the Department Director immediately before or after the employee's shift and is limited to only those hours wherein the actual duties unique to the higher classification are performed.

IV. Pay After Demotion. Treatment of base pay due to demotion s is as follows:

a. For reassignment demotions, pay will be reduced a minimum of five (5) percent and new pay must be in the range of the reassigned pay grade.

b. Performance based and voluntary demotions will result in the employee's base pay being reduced and the employee's new salary will be determined by Human Resources and the Department Director with the approval of the City Manager.

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6.11 – Vehicle Allowance and Reimbursement

An employee may be given a monthly allowance for consistently using said employee's own vehicle for City business if the use is deemed necessary by the City Manager and budgeted funds are so designated. Alternatively, an employee who is authorized to use their personal vehicle for City business is eligible to receive expense reimbursement for mileage. If an employee is receiving a vehicle allowance, mileage reimbursement is not allowed unless one-way travel exceeds 100 miles.

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6.12 – Termination Pay

I. Upon separation from employment, only employees who have completed their probationary/introductory period and are terminating shall be paid for unused vacation earned.

II. Employees shall be paid any hours worked and overtime compensation due.

III. Employees will be required to sign a release to deduct any indebtedness to the City which the employee might have incurred during his/her tenure with the city while following compliance within State and local guidelines.

IV. If any employee dies while employed by the City, the City shall pay the beneficiary any unpaid pay, unused vacation and accumulated benefits as applicable to normal payouts.

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6.13 – Worker's Compensation

I. The City carries a workers' compensation insurance policy. In cases of job-related injuries, provisions and benefits available under workers' compensation are activated. **FML runs concurrently with any other leave as well as worker's compensation leave.**

II. Employees must notify their immediate supervisor within 24 hours of an injury or illness that is work related so that a proper claim or notice of claim may be filed with the City's worker's compensation carrier.

A. Employees will clearly relay the place, time, and date of any work-related illness/injury as well as any witnesses that were present.

III. Employees may be paid temporary income benefits (TIBs) if their work-related injury or illness causes them to lose all or some of their wages for more than seven (7) days. TIBs are equal to 70% of the difference between an employee's average weekly wage and the wages they are able to earn after their work-related injury (i.e., if an employee was unable to earn any wages, they would receive 70% of their average weekly wage).

A. The City will offer salary continuation to eligible employees, who have an approved work-related injury or illness covered by workers' compensation insurance, after they have missed more than 7 days of work.

B. Worker Compensation will be paid on a weekly basis. Eligible employees may receive salary continuation which will supplement the employee's income up to their current rate of pay, excluding overtime. Employees who are eligible for salary continuation will be required to endorse their workers' compensation checks payable to the City of Celina for deposit. If the employee chooses not to endorse their worker's compensation check to the City of Celina, the employee forfeits their right to supplemental assistance and must use accrued sick and/or vacation as supplement of the worker's compensation wage. Salary continuation may be provided up to a maximum of 90 calendar days from the date of eligibility.

C. Employees whose normal schedule often includes overtime will not be given supplemental pay above 80 hours per pay period.

D. There will be a 90 calendar-day limit on supplemental pay benefits. If the employee remains unable to return to work, accrued sick, vacation and compensatory leave will be used until it is depleted or the employee returns to work.

E. Should there be an initial overpayment balance of benefits paid to the employee due to a delay in benefits from Workers' Compensation and the normal pay of the employee's salary, the employee will be required to sign a release to deduct any overage(s) of workers' compensation paid to the employee in incremental installments each pay period, until the balance is completely paid off.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.00 – Standards of Conduct

I. General

A. The purpose of this policy is to implement effective personnel policies that encourage a productive work environment and set for the guidelines for ethical behavior. The City and its employees have a responsibility to conduct City business in an ethical manner, safeguard all assets of the municipality, and comply with all applicable federal and state laws, the City charter, local policies, rules, and regulations.

B. The City depends on and expects its employees to honor and implement Servant Leadership and our Core Values of Excellence, Community, Integrity, and Service referenced in 1.00 of the Personnel Policies

C. The City is committed to a mutually rewarding and direct relationship with its employees and to providing customers, both external and internal, with excellent services. It is expected that City employees will adhere to certain rules and regulations, that are necessary for efficient business operations and for the benefit and safety of all employees. Conduct that interferes with operations, discredits the City, or is offensive will not be tolerated.

D. The City expects that employees will conduct themselves in a positive and professional manner in order to promote the best interests of the City, to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct, and exhibit a high degree of personal integrity at all times. This not only involves sincere respect for the rights and feelings of others, but also demands that both in business and personal life, employees refrain from any behavior that might be harmful to themselves, their coworkers, or the City.

E. The City does not intend, nor does it assent to, any modification of any at-will relationship, established as a matter of policy, by setting forth specific types of conduct which are unacceptable.

II. Discipline

A. In general, the City will use a progressive disciplinary system. Progressive discipline is NOT required. The City is not obligated to use all of the disciplinary steps and may begin the process at any level, up to and including termination, depending on the severity of the conduct, the employee's work performance and prior disciplinary history and any other relevant factors. Depending on the circumstances of each case, disciplinary action may consist of one or more of the following:

1. Oral counseling/verbal warning
2. Written warning
3. Performance Improvement Plan (PIP) that could include probation
4. Suspension or administrative leave

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5. Termination

B. Documentation: All discipline, other than documented oral counseling/ verbal warning, must be sent to the Human Resources Department for placement in the employee's personnel file. Departments should keep record of oral counseling's and verbal warnings. If further discipline is taken against the employee subsequent to the documented oral counseling/verbal warning for the same or similar conduct, then the supervisor must also send the documented oral counseling/verbal warning to Human Resources where it will be placed in the employee's personnel file to show the City's use of progressive discipline. All discipline and other personnel records must be preserved in accordance with the City's policy.

C. Supervisory Responsibility: All employees with the responsibility and authority to supervise and direct employees under their control shall:

1. Administer policies and procedures within their scope of authority;
2. Document their subordinates job performance, conduct, and behavior as appropriate;
3. Conduct evaluations of subordinates in a timely manner; discipline their subordinates as appropriate;
4. Address performance appeals submitted to them as provided by policy in a professional manner, in an attempt to resolve such issues at the lowest possible supervisory level.
5. Prior to disciplinary action, the supervisor will conduct a thorough examination of the situation before deciding to take any disciplinary action and discuss proper action with their Department Director and Human Resources.

D. Appeal Rights: A regular part-time and full-time employee who has received discipline greater than a written warning, may request a Disciplinary Review Meeting in accordance with City policy, with the understanding that all employees are hired at will. Those employees employed by a written contract, probationary, temporary and seasonal employees likewise have not right of appeal for disciplinary action taken against them and are exempted from this policy.

E. Administrative Leave

During an investigation into alleged offenses or violations of City's policies, the City's may, in its sole discretion, place the employee on administrative leave. The leave may be with or without pay.

An employee who has received discipline in excess of a written warning may request a meeting with the next level supervisor. In cases of suspensions four (4) days or greater or termination, the meeting will be with the next level supervisor.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.00 – Standards of Conduct

III. Types of Conduct

The following types of conduct are unacceptable. NOTE: The examples given are typical but not all inclusive.

A. Unsatisfactory attendance is exemplified by, but is not limited to, the following violations (subject to the terms and provisions of the Family Medical Leave Act):

1. Unexcused absence, excessive absenteeism, or tardiness;
2. Failure to give notice of an absence or tardiness to the supervisor from within (1) one hour before starting time, as prescribed by departmental policy;
3. Separate absences or days of tardiness which exceed the average absences or days of tardiness of the employee's work group and which lack sufficient justification in the opinion of the employee's supervisor;
4. Absence or tardiness that causes significant curtailment or disruption of service without sufficient justification in the judgement of the employee's supervisor; or
5. Excessive failure to remain at one's workstation without notifying their supervisor, leaving work without permission or taking excessive time or more time than allowed for eating or break periods.

B. Job Abandonment occurs when an employee deliberately and without authorization is absent from the job, or refuses a legitimate order to report to work, for two (2) consecutive work days or one (1) shift for Fire shift personnel. The employee is deemed to have abandoned his/her job at which time employment might be terminated.

C. Inability to come to work occurs when an employee is absent due to an extended, chronic physical/mental ailment or injury after sick, vacation, compensatory time, or other excused leave paid time off has been exhausted, or when an employee is unable to perform the essential job junctions, with or without accommodation.

D. Inability or unwillingness to perform assigned work satisfactorily is exemplified by:

1. Failure to follow routine written or verbal instructions;
2. Insubordination;
3. Arguing over assignments or instructions; or

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4. Negligent or improper conduct leading to damage to employer-owned or citizen- owned property; or
5. An accumulation of deficiencies indicating the employee's continuing failure to adequately perform in a productive, efficient, and competent manner.

E. Indifference toward work is exemplified by, but is not limited to, the following violations:

1. Inattention, inefficiency, idling, sleeping, carelessness, or negligence;
2. Failure to remain at one's work station, leaving work without permission, or taking excessive time or more time than allowed for eating or break periods;
3. Performance of personal business;
4. Interference with the work of others; unnecessarily disrupting the work of other employees;
5. Discourteous or irresponsible treatment of the public or other employees;
6. Wearing improper attire or presenting an inappropriate personal appearance;
7. Failure to maintain, and/or achieve, required job standards, e.g., certification, licensing, etc.
8. Unsatisfactory performance or conduct;
9. Engaging in personal business while on duty without authorization of their supervisor, including watching television, shopping, engaging in entertainment, etc. or
10. Violation of personnel policies and procedures.

F. Sabotage is exemplified by, but is not limited to, the following violations:

1. Negligent or improper conduct leading to damage to or destruction of City or privately-owned equipment or property;
2. Defacing of City property;
3. Unauthorized alteration, removal, destruction, or disclosure of City records;
4. Advocacy of or participation in unlawful trespass or seizure of City property;
5. Encouraging or engaging in slowdowns, sit-ins, strikes, or other concerted actions;
6. Efforts to limit or restrict employees from working;
7. Refusal to cross picket lines;
8. Interference with the public use of or access to City services, property, or buildings; or

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9. Threats to commit any act of sabotage as defined in this subparagraph.

G. Safety violations are exemplified by, but are not limited to, the following violations:

1. Failure to follow City or departmental safety rules and regulations;
2. Failure to follow appropriate safety practices or policies;
3. Failure to use required safety apparel;
4. Removal or circumvention of a safety device;
5. Lifting in an unsafe manner;
6. Operation of vehicle or other equipment in an unsafe manner;
7. Smoking in a prohibited area;
8. Playing tricks or jokes or engaging in horseplay that adversely affects job performance or creates potential safety issues.
9. Endangering of one's own safety or that of others by careless or irresponsible actions or negligence;
10. Failure to report to one's supervisor or an authorized substitute, an on-the job injury, vehicle accident, or unsafe work condition involving a City employee within two (2) hours of its occurrence;
11. Failure of a supervisor with knowledge of the circumstances toremove from the work place or to assist to a safe location an employee whose mental capabilities are impaired due to injury, illness, alcohol or drug use, or emotional distress.
12. Possession of dangerous or unauthorized material such as explosives on City premises or while on City business.
13. To have possession on any City property, or to transport in a motor vehicle, a "firearm", or any other weapon prohibited by law, while in the scope of employment.

A "firearm" is defined in Section 46.01, Texas Penal Code. This subsection does not apply to a City employee employed as a peace officer under Article 2.12 C.C.P. or as a special investigator as defined in Article 2.122 C.C.P. "Possession" is defined in Section 1.07(39), Texas Penal Code. This subsection also does not apply to an employee traveling out of town for the City in a personal vehicle.

H. Dishonesty is exemplified by, but is not limited to, the followingviolations:

1. Acceptance or solicitation of money or anything of value from a person subject to the regulatory decision or supervision of the employee, or soliciting or accepting gratuities form customers or vendors;
2. Cheating, forging, or willful falsification of official City reports or records;
3. Abuse or misuse of paid time off benefits;

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4. False reporting of the reason for paid time off; or
5. Lying, any act of untruthfulness, and any other falsifying action detrimental to the City or fellow employees.

I. Theft, regardless of item value is exemplified by, but is not limited to, the following violations:

1. Misappropriating, theft or conversion of City property or the property of others whether on or off work;
2. Unauthorized use of City or employees' funds;
3. Using or authorizing the use of City equipment, property, supplies or employee services for other than official City business; or
4. Using or authorizing the use of City equipment or employee services without proper authority.

J. Insubordination is exemplified by, but is not limited to, the following violations:

1. Willful failure, or refusal, to follow the specific orders or instructions of a supervisor or higher authority provided that:
   a. If the employee believes an instruction or order is improper, the employee should obey the instruction or order and file a written statement of concern later;
   b. If the employee believes the instruction or order, if followed, would result in physical injury to the employee or others or damage to City equipment, or reasonably believes the instruction or order if followed, will violate law carrying criminal penalties, the employee should request approval by the next higher level of supervision before performing the work, unless the danger complained about is inherent to the job; or
2. Pursuit of a denied request to a higher authority without revealing the a lower supervisory-level disposition.
3. Failing to cooperate fully in an internal investigation in which he/she is the primary focus, or for which they are a witness or affected party.

K. Abuse of drugs or alcohol, as defined herein, is exemplified by, but is not limited to, the following violations:

1. An employee is judged unable to perform duties in an effective and safe manner due to:
   a. Ingestion, inhalation, or injection of an intoxicants or a drug (other than those lawfully prescribed and reported to Human Resources); or
   b. Ingestion of an alcoholic beverage and/or being under the

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influence of alcohol while at work;

c. An employee is under the influence of, manufactures, distributes, dispenses, possesses or uses a drug without a legal prescription:
    i. In the workplace;
    ii. During working hours, including all breaks and meal breaks; or
    iii. In a City vehicle;

2. An employee is under the influence of, manufactures, distributes, dispenses, possesses or uses an alcoholic beverage:
    i. In the workplace;
    ii. During working hours, including all breaks and meal breaks;
    iii. In a City vehicle; but
    iv. Not including the moderate use of alcoholic beverages as specifically authorized by the City Manager at City-sponsored social functions, if such social functions do not occur in the workplace, in a City facility, during working hours, or in a City vehicle;
3. An employee refuses to submit to a drug and/or alcohol test after it is required;
4. An employee tampers with, or attempts to tamper with, a drug and alcohol urine, breath or blood sample or the drug and alcohol testing process;
5. An employee tests positive in a drug and alcohol urine, breath or blood test of a sample taken during working hours for the presence of drugs or alcohol at detectable levels without a reasonable explanation;
6. An employee is convicted of a criminal drug or alcohol statute violation and fails to notify his or her supervisor of said conviction, no later than three (3) days after such conviction;
7. An employee possesses drug paraphernalia in the workplace or a City facility, during working hours or in a City vehicle without a reasonable explanation; or
8. Violation of the City's Drug and Alcohol Policy and procedures.

NOTE: In subparagraph (K) above:

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"Drug" means a controlled substance or a controlled substance analogue as defined in Section 481.002(5) and (6) of the Texas Health and Safety Code, marijuana and abusable glue and aerosol paint (inhalants) as defined in Section 485.001 of the Texas Health and Safety Code.

"Alcoholic beverage" means alcohol, or any beverage containing more than one-half of one percent of alcohol by volume, which is capable of use for beverage purposes, either alone or when diluted.

"Drug paraphernalia" means equipment, a product or material of any kind mentioned in Section 481.002(17) of the Texas Health and Safety Code.

L. Disturbance is exemplified by, but is not limited to, the following violations:

1. Fighting, bullying, or other boisterous conduct;
2. Deliberately causing physical injury to another employee or citizen;
3. Intimidation;
4. Unnecessary disruption of the work area;
5. Use of profane, abusive, threatening, loud and boisterous language, or gestures to/against another employee or the public while on duty or in a Cityvehicle;
6. Spreading of false reports;
7. Other disruption of the harmonious relations among employees or between employees and the public.

M. Abuse of City property is exemplified by, but is not limited to, the following violations:

1. Negligent damage, or destruction of City equipment or property;
2. Waste of materials or negligent loss of tools or materials;
3. Improper maintenance of City equipment or property;
4. Damage caused by use of tools or equipment for purposes other than that for which the tool or equipment was intended.
5. In addition to appropriate disciplinary action, damage caused intentionally or by gross negligence shall cause the employee to be responsible for the repair or replacement of any damaged item. Failure to reimburse the City will result in termination of employment.

N. Disregard of public trust is any conduct which, on becoming public knowledge, could impair the public's confidence or trust in City government taking into consideration the nature of the conduct, whether committed during or after working hours and the duties of the employee. This ground for disciplinary action shall not include any conduct which is protected by law. This subsection

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may include the conviction of an employee of a criminal drug or alcohol statute violation for off the job conduct if the conviction adversely affects public trust in the City to carry out its responsibilities.

O. Failure to report a violation is exemplified by but not limited to, failure to report to the proper authority any known violation described in Subparagraphs (F), (G), (H), (I), (K), (L), or if an employee has any doubt about a "proper authority", the employee should report the violation to his or her supervisor, department/division director, or to the Human Resources Department.

P. Violation of rules is exemplified by, but is not limited to, the following violation of rules:

1. City or Departmental or Division Rules, Regulations, Police, or Procedures;
2. General Orders, Special Orders, or the Code of Conduct of the City of Celina Police or Fire Departments; or

Q. Unauthorized use of information or authority is exemplified by, but is not limited to the following:

1. Unauthorized or improper use or disclosure of official information; or
2. Unauthorized or improper use of official authority.

R. Discrimination. Discrimination or harassment based on race, sex, religion, national origin, physical disability, or age or any other protected characteristic will subject the perpetrator to disciplinary action, up to and including termination of employment.

S. Sexual Harassment. Employees, department and division Directors, Managers, Supervisors, and others who violate the sexual harassment policy are subject to disciplinary action, including termination of employment. Any department or division Director, Manager, or Supervisor who receives a complaint of sexual harassment and fails to take action pursuant to this policy is subject to disciplinary action, including termination of employment.

T. Confidential/Sensitive Information. It is City of Celina's policy that all employees, as public servants, must be careful not to violate the trust of citizens and the public. Except as properly authorized by the Public Information Act, it is the responsibility of all employees to maintain the confidentiality of official records, forms, data, and other information. It also is the responsibility of employees to refrain from sharing sensitive information as it might be contrary to good organizational operations. Information designated as confidential/sensitive shall not be discussed/disclosed to anyone outside the organization and shall be discussed within the organization only on a "need to know" basis. Employees are prohibited from attempting to obtain

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confidential/sensitive information for which they have not received authorization. Employees violating this policy shall be subject to discipline up to and including termination of employment.

IV. Disciplinary Review Meeting

It is the policy of the City of Celina to give individual employees an opportunity for a hearing regarding severe disciplinary actions. Disciplinary review hearings are designed to be heard according to prescribed guidelines as set forth in the following procedures. The disciplinary review hearing process is designed to afford the employee a responsive forum; however, nothing in this policy shall be construed as a grant to any employee of a property right in tenured public employment. All employees are employed strictly on an at-will basis.

General Disciplinary Review Meeting Information

A. An employee who has received discipline in excess of a written warning/written reprimand may request a meeting with the next level supervisor. In cases of suspensions four (4) days or greater or termination, the meeting will be with the Director of Human Resources.

B. All requests for disciplinary review hearings must be filed with the Human Resources Department within five (5) working days after receiving notification of an action taken. The request must explain why they do not agree with the action taken and what they recommend as an alternative action. All decisions rendered in response to disciplinary review hearings must be in writing to the employee.

C. An employee who requests a disciplinary review hearing must inform the Human Resources Department in writing of their correct mailing address and telephone number. Failure to provide current mailing address and telephone information may result in administrative closure of the disciplinary review hearing.

D. The employee will meet with the Director of Human Resources deciding the issue within ten (10) working days of the employee's request, unless an extension is agreed upon by the parties.

E. Upon conclusion of the meeting the official hearing the case will have five (5) days wherein to make a decision. For issues involving suspension without pay of three (3) or fewer days, the Director of Human Resources will be the final arbiter. For suspensions without pay or four (4) or more days or termination of employment, the City Manager will be the final arbiter.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.01 – Attendance and Work Hours

I. To maintain a safe and productive work environment, the City expects employees to be reliable and punctual in reporting to work. Any absenteeism or tardiness is disruptive and place a burden on the City and on co-workers. Either may lead to disciplinary action, up to and including termination of employment.

II. In the rare instance when an employee cannot avoid being late to work or is unable to work as scheduled, the employee must personally notify their supervisor at least one (1) hour in advance of the anticipated tardiness or absence; more notice may be required in accordance with individual departmental procedures. The employee must disclose to their supervisor the reason for the absence or tardiness and the date and time of their anticipated arrival.

III. For absences of one day or more, the employee must personally notify their supervisor on each day of their absence. For absences of three (3) or more days the employee's supervisor must notify the Human Resources Department no later than the third day of absence in order to properly administrate the Family and Medical Leave Act (FMLA) procedures as covered this policy manual. FMLA leave is to be considered if an employee is out more than three (3) days.

IV. An employee failing to report for duty or remain at work as scheduled without proper notification, authorization, or excuse shall be considered absent without leave, which constitutes abandonment of duties and shall not be in pay status for the time involved. Absence for two (2) consecutive days (or 24 hours for Fire shift personnel) without prior notification or without satisfactory reason shall be considered job abandonment and designated as a resignation without proper notice.

V. Regular Work Hours

A. Non-exempt employees of the City, except for Fire Department and Police Department shift personnel, normally work forty (40) hours in a seven-day work week. Exempt employees may be required to work in excess of forty (40) hours. The work week begins on 12:01 a.m. Monday and ends on midnight Sunday. The regular workday normally is an eight, twelve and 24 hours. Workdays are subject to change based on need and City Manager approval.

B. It is City policy to require employees to be at their assigned worksite on time, ready to pursue City business and to work all scheduled hours and any required overtime.

C. Adjustment to Work Hours. In order to assure the continuity of City services, it may be necessary for Department Directors, with the approval of the City Manager, to establish other operation hours for their departments.

1. Work hours and work shifts must be arranged to provide continuous service to the public.
2. Employees are expected to cooperate when asked to work overtime or a different schedule. Acceptance of work with the City includes

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the employee's acknowledgement that changing shifts or work schedules may be required and includes that he/she will be available to do such work.

3. Contingent on available staffing, a temporary, flexible workweek schedule may be available for full-time employees. Department Directors have the ability to establish temporary flexible work schedules as long as service levels and productivity standards are maintained. All temporary or permanent schedules other than normal eight (8) hour/ five (5) days a week must be approved by the City Manager.

VI. Meal Periods

A. Every effort will be made to ensure that all full-time employees receive a daily meal break during each shift. There may be instances, however, when an employee may not receive a scheduled meal break due to scheduling and/or the nature of the work.

B. Full-time employees (excluding Fire Department and Police Department shift personnel) are normally provided a one (1) hour unpaid meal break near the middle of the workday. Meal periods may be staggered by the Department Director in order to minimize departmental interruption. Supervisors will provide employees with the starting and ending times for their specific meal periods. Employees will be relieved from work responsibilities during unpaid meal breaks. Employees may not extend meal breaks beyond their assigned period, without prior supervisor approval.

VII. Rest Breaks

A. Full-time employees may, depending on individual department work schedules and the discretion of their supervisor, take up to two (2), fifteen-minute, paid breaks each day, one during the first part of the workday and the other during the latter part of the workday.

B. Rest breaks are considered a privilege and NOT a right and shall never interfere with proper performance of an employee's work responsibilities and department work schedules.

C. Rest breaks must be taken at, near, or in route to or from work sites within the fifteen-minute limits or as outlined in departmental policies. Employees whose work sites and or work schedules do not permit opportunities to obtain food or beverages should plan ahead and take provisions with them to the work sites.

VIII. Attendance and Punctuality

A. Employees are expected to be at their workstations and ready to work at their

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scheduled start time. Non-exempt employees are required to record the number of hours worked each day, as well as the time they arrived at work, the time they left for and returned from lunch, and the time(s) they left for and returned from any unpaid break during the workday.

1. All hourly employees will be required to utilize the appropriate time clock for their departments.
2. If an employee must leave work for any reason other than their lunch hour, they must clock-out upon leaving and clock-in upon return. Prior to leaving, supervisor approval must be given.
3. Timecards with handwritten entries may result in disciplinary action, except in cases relating to emergency responses or on-call duties were completing a timecard punch would result in delayed response times. On-call or emergency responses must be designated on the timecard when turned into payroll at the end of the pay period for processing.
4. Frequent leave may be subject to review by the Human Resources department and Department Directors and subject to disciplinary action.

B. To maintain a safe and productive work environment, the City expects employees to be reliable and punctual in reporting to work.

1. Absenteeism and tardiness are disruptive and place a burden on the City and on co-workers. Either may lead to disciplinary action, up to and including termination of employment. The employee must disclose to their supervisor the reason for the absence or tardiness and the date and time of their anticipated arrival or return.
2. Employees shall notify their supervisors as far in advance as possible, at least one (1) hour prior to start of work, whenever they are unable to report for work, if they know they will be late, or if they must leave early. The employee should make the call. Calls from friends or relatives will be acceptable ***only*** if the employee is unable to communicate. The notice shall include a reason for the absence and a time the employee is expected to report for work.
3. When the supervisor is unavailable, the employee shall notify the next person in their chain of command. When an employee knows in advance of an impending absence, they will request permission to be absent from their supervisor at least 24 hours in advance. The supervisor will evaluate the reason for the absence and decide whether the employee may or may not be excused.
4. For absences of a day or more, the employee must personally notify their supervisor on each day of their absence unless the supervisor expressly waives this requirement.
5. Employees shall be compensated during authorized absences in accordance with the policies contained herein. Failure to notify the City properly of any absence might result in loss of compensation during the

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absence and may be grounds for disciplinary action. When an employee is absent from work, it is important to follow the policies outlined in this policy handbook. Following policy allows the supervisor to plan accordingly. Excessive tardiness and poor attendance disrupt workflow and shall not be tolerated.

C. In most instances, an employee who fails to properly notify their supervisor in advance of an absence or when they will be tardy will be subject to disciplinary action up to and including termination of employment.

1. Unexcused absences are unpaid time off and are subject to disciplinary action. An employee who fails to notify the City of an absence and is absent for a period of two (2) working days or shift will be presumed to have voluntarily resigned their employment. At that time, the City will formally note the resignation and advise the employee of the action by mail to the employee's last known address. Failure to report for scheduled modified duty, except during approved FML absence, shall be subject to disciplinary action, up to and including termination of employment.
2. Non-exempt employees who are delayed in reporting for work more than one (1) hour and who have not notified their supervisor of their expected tardiness might lose their right to work the balance of the workday. In addition, employees who report to work without proper equipment or in improper attire might not be permitted to work.
3. Unless authorized by their supervisor, non-exempt employees shall not be permitted to work any period of time before or after scheduled starting or quitting times for the purpose of making up time lost because of tardiness or unauthorized absence.

D. Proof of Need for Absence

1. In the case of absenteeism, if the supervisor has reason to suspect abuse, he or she may require the employee to present satisfactory proof of the need for the employee's absence.

E. Non-exempt employees, who are assigned to office settings, shall obtain approval from their supervisor to leave the City premises during work hours. In addition, employees who are frequently away from the premises for business reasons should inform their supervisor of their whereabouts during work hours.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.02 – Sexual and Other Unlawful Harassment

I. Purpose

All City employees are entitled to a workplace free of unlawful harassment by management, supervisors, co-workers, citizens and vendors. This means that each employee must be respectful of others and act professionally. City employees are prohibited from harassing anyone including citizens, vendors, and third parties.

II. Sexual Harassment - All types of sexual harassment are prohibited. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

A. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, or

B. Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual, or

C. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

Examples of conduct prohibited by this directive include but are not limited to:

A. Unwelcome sexual advances or repeated flirtations.

B. Asking unwelcome questions or making unwelcome comments about another person's sexual activities, dating, personal or intimate relationships, or appearance.

C. Unwelcome conduct or remarks that are sexually suggestive or that demean or show hostility to a person because of the person's gender (including jokes, pranks, teasing, obscenities, obscene or rude gestures or noises, slurs, epithets, taunts, negative stereotyping, threats, blocking of physical movement, etc.).

III. Other Prohibited Harassment - In addition to the City's prohibition against sexual harassment, harassment on the basis of any other legally protected characteristics is also strictly prohibited. This means that verbal or physical conduct that singles out, or denigrates, or shows hostility or aversion toward someone because of race, religion, sex, color, national origin, age, disability, genetics, veteran status, citizenship, or any other characteristics protected by law is prohibited.

IV. Workplace Bullying

A. Workplace bullying is defined as systematic aggressive communication, manipulation of work, and acts aimed at humiliating or degrading one or more individuals that create an unhealthy and unprofessional power balance, result in psychological consequences for targets and witnesses of the behavior, and cost

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enormous monetary damage to an organization's bottom line.

B. Examples of bullying behaviors include but is not limited to Inappropriate gestures, excessive yelling, talking down to others, criticizing or point out mistakes to others in front of a group; social exclusion; treating some less favorably than others; withholding pertinent work-related information; gossiping or spreading rumors; any malicious behavior a reasonable person would find unprofessional, disturbing and harmful to their psychological health.

V. Prohibited conduct includes, but is not limited to, epithets, slurs and negative stereotyping; threatening, intimidating, or hostile conduct; denigrating jokes and comments; and writings or pictures, that single out, denigrate, or show hostility or aversion toward someone on the basis of a protected characteristic. Conduct, comments, or innuendoes that may be perceived by others as offensive are wholly inappropriate and are strictly prohibited.

VI. This policy also prohibits sending, showing, sharing, or distributing in any form, inappropriate jokes, pictures, comics, stories, etc., including but not limited to via facsimile, e-mail, cell phone or other electronic devices, social media, and/or the Internet, such as YouTube and Facebook. Harassment of any nature, when based on race, religion, color, sex, national origin, age or disability, genetics, veteran status, citizenship or any other characteristic protected by law is prohibited and will not be tolerated.

This policy applies to City employees, citizens, vendors, and other visitors to the workplace.

VII. Procedures:

A. Employee Responsibility - An employee who believes that a supervisor's, employee's or nonemployees' actions or words constitute sexual harassment or other unlawful harassment must report the situation to Human Resources as soon as possible. If they are comfortable, an employee should try to resolve the issue by addressing it with the offending party. All employees have the responsibility to cooperate in the investigation of a harassment complaint. <u>If you see/hear something, say something.</u> Employees must contribute to achieving a work environment that does not tolerated harassment and bullying behavior at work.

B. Supervisor Responsibility –

1. Each supervisor has the responsibility to maintain a workplace free of any form of unlawful harassment. The responsibility to maintain a workplace free of harassment includes a duty to report any instance of unlawful harassment including but not limited to sexual harassment through the chain of command or directly to Human Resources. All complaints received by a supervisor must immediately be referred to

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the Human Resources Director.

2. Supervisors must use a great deal of discretion in their social relationships with other subordinates. This is to avoid compromising their ability to function as an impartial supervisor who can treat all employees fairly. Supervisors should avoid social relationships with their subordinates which may lead to an impression of partiality or bias.

C. Department Director Responsibility - Management and others in positions of authority have a particular responsibility to ensure that healthy and appropriate behaviors are exhibited at all times. The Department Director of the involved department will cooperate with any investigation. The Director or designated representative may participate in the investigation if determined appropriate by the Human Resources Director or designee.

D. Filing a Complaint - An employee must file a complaint in writing with a signature alleging harassment/bullying with the Director of Human Resources. All harassment/discrimination complaints will be referred to the Human Resources Director or designee for investigation. If the complaint is filed by or against an employee in the Human Resources Department, the City Manager or designated representative will conduct the investigation and render a decision.

E. Investigation - The Human Resources Director or designee or City Manager or designee, will contact the employee to obtain the facts of the alleged harassment. The Human Resources Director or designee or City Manager or designee will conduct an investigation and render a written decision to the employee and appropriate management staff within a reasonable amount of time after meeting with the employee. The City Manager and Department Director will review the findings with the Human Resources Director to consider any proposed action.

1. If the investigation reveals that the complaint is valid, prompt disciplinary action, as approved by the appropriate individuals, will be taken. The immediate supervisor will ensure that the harassing conduct is immediately stopped.

F. Confidentiality - All information concerning a harassment complaint will be treated as confidential, to the extent permitted by law. Content of a harassment complaint, whether verbal or written, will not be disclosed except as part of the investigative process, to those who have a need to know or as otherwise required by law.

G. Appeal to the City Manager - If the employee is not satisfied with the decision of the Human Resources Director or their designee, he/she may appeal the decision to the City Manager in writing within fifteen (15) working days of receipt of the decision. The City Manager, or designee, will review the investigation and render a decision. The decision of the City Manager

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completes the internal process for sexual harassment complaints.

H. Prohibited Retaliation - No employee will retaliate against another employee who files a harassment complaint or cooperates with a harassment investigation. Any employee retaliating against another employee will be subject to disciplinary action, up to and including dismissal. Examples of retaliation may include termination, refusal to hire, demotion, and denial of promotion. Retaliation may also include threats, unjustified negative evaluations, unjustified negative references, or increased surveillance.

I. False/Frivolous Complaints – Complaints found to fabricated, frivolous or made in bad faith will not be tolerated and subsequent disciplinary action up to and including termination may result.

An employee who intentionally makes a false claim, offers false statements, or refuses to cooperate with a City investigation regarding harassment or discrimination is subject to appropriate discipline, up to and including, termination.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.03 – Political Activity

I. Political Activity:

City of Celina employees will not be appointed or retained on the basis of their political support or activities. City of Celina encourages employees to participate in matters of responsible citizenship, and at the same time, is committed to providing a non-partisan work environment in which staff can responsibly carry out their duties without political coercion. City employees are encouraged to vote and to exercise other prerogatives of citizenship consistent with state and federal law and these policies. City employees may not:

A. Must not engage in political activity relating to a campaign for elective office while in uniform or on active duty.

B. Publicly endorse or campaign in any manner for any person seeking elective office. An exemption applies to Police and Fire whilst not in uniform or on active duty.

C. Use their position or office to coerce political support from employees or citizens.

D. Use their official authority or influence to interfere with or affect the result of a campaign issue, an election or nomination for public office. An exemption applies to Police and Fire.

E. Make, solicit or receive any contribution to the campaign funds of any candidate, directly or indirectly through an organization or association, for the City Council or take any part in the management, affairs or political campaign of any such candidate; provided nothing herein shall infringe upon the constitutional rights of an employee to express their opinions and to cast their vote An exemption applies to Police and Fire whilst not in uniform or on active duty.

F. Use working hours or City property to be in any way concerned with soliciting or receiving any subscription, contribution or political service to circulate petitions or campaign literature on behalf of an election issue or candidate for public office in any jurisdiction.

G. Hold an appointive or elective office of public trust where service would constitute a direct conflict of interest with City employment. An employee who contemplates seeking public office shall consult with the Human Resources Department prior to the filing of an application for the purposes of determining whether a conflict would exist.

H. If an employee is elected as a council member or as any other political figure that could be construed as a position with authority, said employee must resign from his/her position within the City of Celina.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.03 – Political Activity

I. All employees of the City except for Police and Fire Department employees shall refrain from using their influence publicly in any way regarding any election where an issue or proposal involves only City employees.

J. Please refer to the Texas state law local government code 180.001 and 150.002 for further clarification.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.04 – Drug and Alcohol Testing – Non-DOT

1. **Purpose**

A. It is the policy of the City to maintain a safe work environment by ensuring that City employees are not under the influence of alcohol or drugs during working hours. In accordance with the Drug Free Workplace Act, employees are prohibited from the possession, manufacture, distribution, dispensing, or us/misuse of illegal or illicit drugs and alcohol during working hours, or being under the influence or such substances. In addition, legal drugs used illegally or inconsistent with prescription are included in the category of prohibited drug use. Violation of this policy is grounds for disciplinary action up to and including termination. Drug testing will be conducted randomly, for reasonable suspicion, after accidents or injuries, and prior to a transfer, promotion or demotion of employees as explained in the City's policy.

B. City employees whose positions are considered "Safety Sensitive" by the City, including those requiring a Commercial Driver's License (CDL) or which fall under the DOT/FTA regulations are subject to drug and alcohol testing under this policy. If this policy conflicts with DOT or FTA regulations in any way, the DOT/FTA regulations will govern.

II. **Prohibited Activities** – The following acts are prohibited, and employees who commit any of these acts shall be subject to immediate termination of employment.

A. Consumption of illegal drugs at any time.

B. Abuse or misuse of prescriptive or over the counter (OTC) medications.

C. Consumption of alcohol:

1. While on duty, including hours worked, breaks and on-call.
2. Four (4) hours or less prior to reporting to work;
3. Eight (8) hours or less following an accident or until tested; or
4. While wearing City apparel or uniforms.

D. Operating a City vehicle or equipment or conducting City business while impaired by drugs or under the influence of alcohol. Under the Influence means the amount of controlled substance into the employee's body or alcohol at/or above the blood alcohol concentration (BAC) limit of 0.02%.

E. The use or possession of alcohol or illegal drugs in a City vehicle whether on or off duty.

F. Unlawful manufacturing distributing, dispensing, possessing or using controlled substances in the workplace.

G. Employees when scheduled or "on call" to work, doing so while under the influence of alcohol or drugs, neither impaired nor under the influence of a

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controlled substance or alcohol.

H. Employees who test positive or who refuse (or fail to cooperate) to be tested for a controlled substance or alcohol as directed by this policy.

I. Job applicants who test positive for alcohol or a controlled substance, or who refuse (or fail to cooperate) to be tested for alcohol or controlled substances, will be ineligible for employment with the City and may not apply or be considered for any other City position for a minimum of six (6) months from testing date for non-safety-sensitive positions. Subject to the minimum six (6) months from testing date, the Police and Fire Departments will determine the moratorium on applications for those that fail a pre- employment test for public safetypositions.

Although there are no consequences under DOT regulations for a DOT-regulated employee to refuse a non-DOT, such refusal may result in termination of employment under the City's general Drug and Alcohol policy.

III. Applicability

A. This policy applies to all employees and pre-employment finalists who are not otherwise subject to the drug and alcohol testing regulations of the U. S. Department of Transportation (DOT).

B. For each incident or event, before drug or alcohol testing occurs, a determination will first be made as to whether the DOT regulations apply to the employee and the situation. If the DOT regulations apply, then the Drug and Alcohol Testing: for Department of Transportation (DOT) employees takes precedence over this policy. If the DOT regulations do not apply, testing will be conducted according to this policy.

IV. Definitions

A. Alcohol means ethyl alcohol. Alcohol, as used herein, includes any beverage, mixture or preparation containing ethyl alcohol.

B. City Premises or Facilities means all property of the City (owned or leased), including but not limited to the following:

1. Offices
2. Buildings
3. Equipment
4. Vehicles
5. Parking lots/garages
6. Storage areas
7. City premises also include any location where City employees may be performing contract services.

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7.04 – Drug and Alcohol Testing – Non-DOT

C. Controlled Substance means a drug or substance which the use, possession, sale, transfer, attempted sale or transfer, manufacture or storage of it is illegal under any federal, state or local law or regulation and includes, but is not limited to inhalants, marijuana, cocaine, narcotics, opiates, opium derivatives, hallucinogens and any other substances having either a stimulant or depressant effect on the central nervous system such as amphetamines or barbiturates. Also included in this definition are prescription drugs used for any reason other than a legitimate, prescribed medical reason and inhalants used illegally. All references to "drugs" throughout this policy mean the same as "controlled substance".

D. Impaired means an employee's diminished capacity to perform any duties of the employee's job.

E. Under the Influence means the amount of controlled substance into the employee's body or alcohol at/or above the blood alcohol concentration (BAC) limit of 0.02%.

F. Medical Review Officer (MRO) means a licensed Doctor of Medicine or osteopathy who has knowledge of substance abuse disorders and who has the appropriate medical training to interpret and evaluate an individual's positive test result together with his medical history and any other relevant biomedical information.

G. Motor Vehicle Accident means any incident involving a motor vehicle in which there is injury to a person or damage to a City vehicle, other vehicle, or property and includes:

1. An accident in which a City employee was driving his personal vehicle in the course and scope of their employment.
2. Any accident involving a City vehicle where damage occurs to a City vehicle or any property that is greater than $1,000.00 as determined by the Department Director. This does not include damage to a City Vehicle when parked.

H. Positive Test Result means the result reported by a laboratory indicating that an individual is under the influence of a controlled substance or alcohol.

I. Reasonable Suspicion means a belief that the actions, appearance or conduct of a person are indicative of the use of a controlled substance or alcohol. A reasonable suspicion situation is any situation in which an employee's job performance is in conflict with established job standards relating to safety and efficiency. This may include accidents, near-accidents, erratic conduct suggestive of drug or alcohol use, boasting on social media sites of drug use, any unsafe performance behaviors and unexplained deviation from

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productivity. Reasonable suspicion may also include postings via social media which indicate or suggest the use of a controlled substance within 32 hours of reporting to work.

J. Safety-Sensitive Position for purposes of this policy means a position in which impairment due to drugs or alcohol could constitute an immediate or direct threat to public health or safety, to the employee's health or safety, or a position in which a momentary lapse in attention or judgment could result in injury or death to another person. Examples of such positions include, but are not limited to, those which require driving of city vehicles, carrying of firearms, and operation of heavy equipment, responsibility for the safety or security of another person. Whether a position qualifies as a safety-sensitive shall be left to the reasonable discretion of the City.

V. Conditions Requiring Testing

A. Post Job Offer

1. Policy

Pre-employment drug testing shall be required of application finalists who have otherwise completed the employment screening process and to whom a conditional job offer has been extended and accepted. Each offer of employment is contingent upon the applicant's passing a drug test, regardless of the position. Applicants who refuse to be tested, who fail to cooperate with the testing process, or who test positive for a controlled substance will be immediately disqualified and barred from employment for a minimum of the next six (6) months, depending on the applicable moratorium. Applicants shall be notified of this policy at the time of application.

2. Procedures

a. Timeline - Job applicants (finalists) subject to pre-employment drug testing shall be required to report for drug testing within 48 hours of receiving and accepting a job offer unless the drug test is included in a pre-employment physical/test that cannot be scheduled within 48 hours; exceptions to this policy must be approved by Human Resources.

b. Scheduling - The Human Resources Department will contact the applicant to arrange for the test. If the applicant is also subject to a pre-placement physical exam, the drug test may be scheduled to occur at the same visit as the pre-placement physical.

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7.04 – Drug and Alcohol Testing – Non-DOT

B. Post-Accident

1. Policy

a. Drug and alcohol testing shall be required after motor vehicle accidents involving a City vehicle when:

i. the accident causes injury to any person involving a City Vehicle or City equipment.

ii. the accident involving a City vehicle result in damage to the vehicle or other property that is greater than $1,000, as determined by the employee's Department Director.

b. An employee's personal vehicle (used in the course and scope of City employment) and a non-City vehicle is subject to the aforementioned testing.

c. No drug or alcohol testing will be required if the employee's vehicle is lawfully parked at the time of the accident or unavoidably damaged by debris.

2. Procedures

a. Timeline - An employee subject to post-accident drug and alcohol testing should be tested as soon as possible following an accident, at least within two (2) hours of the accident if possible. Testing may be delayed for the employee to call for emergency assistance, render aid to others involved in the accident, or to receive medical attention for injuries resulting from the accident.

b. Documentation/Authorization Consent - Prior to the employee reporting to the medical facility the supervisor shall call Human Resources for test authorization. The medical facility(ies) as identified shall maintain a list of City personnel who can authorize a drug and/or alcohol test and who can receive test results.

3. Scheduling -

a. Timely Testing and Failure to Test Timely - In the event that an alcohol test (if authorized) is administered, it should be conducted within 8 hours of the accident. A drug test shall be administered within 32 hours of the accident. In the event that an alcohol test (if authorized) is not administered within 8 hours of the accident, the supervisor shall document the reasons why

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the test was not administered within 8 hours; there will be no further attempt to test for alcohol due to that particular accident. In the event that a drug test is not administered within 32 hours of the accident, the supervisor shall document the reasons why the test was not administered; there will be no further attempt to test for drugs due to that particular accident.

b. Transportation to and from Test Collection Site -The employee should be transported to the collection site and back to the City of Celina's premises by his supervisor or by other means arranged by his supervisor. Following the test(s), if the employee's supervisor believes that the employee is under the influence of drugs or alcohol and unfit to drive or return to work, the supervisor shall arrange alternate transportation for the employee to get home, by calling a family member, friend, taxi, etc. If the reasonable suspicion test result is negative, the City will reimburse the employee for the cost of the taxi ride home.

c. Compensation and Leave - Time that the employee spends at the accident site, traveling to the test collection site, and submitting to the test(s) is compensable as regular time worked. If physically able and medically released, if appropriate, following the test they will return to work but will be prohibited from any driving assignments in a City or personal vehicle until final results are received.

d. City Vehicle - The driver of the City vehicle will be required to submit to post-accident drug/alcohol testing if the accident results in a fatality, outside medical attention is required for any party involved in the accident, if there is damage to the vehicle or property involved in the accident that is greater than $1,000, as determined by the Director; and/or employee received a citation.

e. Personal Vehicle - If the employee was driving his/her own vehicle while on City business, he will be required to consent to post-accident drug/alcohol testing if an accident results: (a) in a fatality; (b) outside medical attention is required for any party involved in the accident; (c) in damage to the vehicle or property involved in the accident that is greater than $1,000, as determined in the sole discretion of the director; and/or (d) the employee received a citation. The employee should, if possible, park and lock the vehicle in the nearest public parking lot or City Lot for pick-up at a later time or arrange to have a friend or family member drive the vehicle away from the scene of the accident.

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f. Use of Law Enforcement Tests - In post-accident situations, the City of Celina reserves the option to substitute a blood or breath alcohol test and a urine drug test performed by local law enforcement officials, using procedures required by their jurisdictions, providing such test results are received directly from the local jurisdiction or the driver. If the City substitutes a blood or breath alcohol test and a urine drug test performed by law enforcement in lieu of other procedures described herein for a post-accident test, it may rely on and take appropriate action based on the results.

g. After Hours Testing - If testing is necessary after regular business hours or on the weekend, the employee should be taken to the approved/contracted City testing site. Additionally, the supervisor should send an e-mail to Human Resources of the name of the employee tested, date, and time.

C. Reasonable Suspicion

1. Policy

Drug and/or alcohol testing shall be conducted whenever there is reasonable suspicion that an employee has engaged in any conduct prohibited under this policy. Reasonable suspicion shall be based on the specific, contemporaneous, articulated observations of the employee's supervisor concerning the appearance, behavior, speech or body odors of the employee, which may include indications of the chronic and withdrawal effects of controlled substances or alcohol. Reasonable suspicion, as determined by the employee's supervisor, must be corroborated by the direct observations of another supervisor, prior to a request that the employee be tested. Testing must be authorized by the employee's Department Director (or designee), with the concurrence of the Human Resources Director or the City Manager (or designee).

2. Procedures

a. Timeline - An employee subject to reasonable suspicion drug and alcohol testing should be tested within 2 hours from the time that authorization is obtained.

b. Documentation/Authorization/Consent - A request for testing due to reasonable suspicion must be initiated by the employee's supervisor, who shall complete the Reasonable Suspicion Report form to document the reasons for testing. Such form should be signed and dated (with time) by both the employee's supervisor and department director (or designee). Testing must with the

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concurrence of the Human Resources Director.

c. Scheduling

i. The manager or supervisor will immediately notify the Department Director when reasonable suspicion occurs. The manager or supervisor shall document in writing the facts constituting reasonable suspicion that the employee in question is under the influence of drugs or alcohol. This information shall be stated on the Reasonable Suspicion Report Form. Once this form has been completed the Department Director will notify the Director of Human Resources for approval to proceed.

ii. The manager or supervisor shall hold a confidential meeting with the employee to discuss the reasonable suspicion and carefully note any explanations offered. The manager or supervisor shall also note any additional observations that may confirm the reasonable suspicion.

iii. Managers and supervisors shall also notify the Department Director when they have reasonable suspicion that an employee may have illegal drugs in his or her possession or in an area jointly or fully controlled by the City. After obtaining the Department Director's approval, managers and supervisors may provide information to the Police Department regarding the possible possession.

d. Transportation to and from Test Collection Site- The employee should be transported to the collection site and back to the City of Celina's premises by his supervisor or by other means arranged by his supervisor. Following the test(s), if the employee's supervisor believes that the employee is under the influence of drugs or alcohol and unfit to drive or return to work, the supervisor shall arrange alternate transportation for the employee to get home, by calling a family member, friend, taxi, etc. If the alternative transportation arranged causes the employee to expend funds and the test result is negative, the City will reimburse the employee for the cost of the alternative transportation.

e. Compensation and Leave - Time that the employee spends at the accident site, traveling to the test collection site, and submitting to the test(s) is compensable as regular time worked. If physically able and medically released, if appropriate, and if not otherwise engaging in disruptive or insubordinate conduct,

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following the test they will return to complete the workday in a non-sensitive position.

f. Failure to Test Timely - In the event that an alcohol test (if authorized) is not administered within 8 hours of the authorization to test, the supervisor shall document the reasons why the test was not administered within 8 hours; there will be no further attempt to test for alcohol based on that particular event that created reasonable suspicion. In the event that a drug test is not administered within 32 hours of the event, the supervisor shall document the reasons why the test was not administered; there will be no further attempt to test for drugs based on that particular event that created reasonable suspicion.

D. Random Testing

1. Policy

All employees occupying safety-sensitive positions will be subject to random testing for drugs and/or alcohol. Testing for drugs and alcohol shall be conducted on a minimum annual percentage rate of 20% of all City designated safety-sensitive positions. The Human Resources Department will maintain a list of safety-sensitive positions subject to testing and will manage the random testing process.

2. Procedures

a. The random selection process will be completely objective and anonymous and will utilize a scientifically valid method such as random number table or computer-based random number generator matched with employees' social security numbers, payroll identification numbers, facility number or other comparable identifying numbers. The test will be unannounced, and the dates for testing will be reasonably spread throughout the year. All employees in roles which may include safety-sensitive functions will have an equal chance of being tested at any time, regardless of the number of previous selections.

b. Any employee notified of their selection for random alcohol and/controlled substances testing will be expected to proceed to the test site immediately. If an employee is performing a safety-sensitive function at the time of his/her notification of the random test requirements, employee will be required to cease performing the safety- sensitive function and proceed to the testing site as soon as possible. However, an employee will only be required to submit to a random alcohol test if the employee is performing a safety-sensitive function, is about to perform a

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safety-sensitive function, just ceased performing a safety-sensitive function or is immediately available to perform a safety-sensitive function.

E. Self-Disclosure

1. Employees may voluntarily self-disclose their need to seek medical attention for alcohol and/or drug dependence. At the time of self-disclosure, in accordance with the City's leave policies, the employee will be relieved of their duties and placed on leave until the employee has completed the necessary treatment and provides the City with a note from the employee's treating physician that includes a return-to-work date and restrictions, if any. Employees who self-disclose alcohol and/or drug dependence will be referred to HR and the Employee Assistance Program ("EAP").

2. The City complies with the Americans with Disabilities Act ("ADA") and, upon the employee's return to work, the City will assist the employee in fulfilling his/her job duties, with or without reasonable accommodations. As a reasonable accommodation and in accordance with the ADA, employees in safety sensitive positions who return to work after self-disclosure of alcohol and/or drug dependence will be required to undergo periodic drug and/or alcohol testing for the subsequent six (6) month period. Employees in safety-sensitive positions are also subject to ongoing random testing for drugs and/or alcohol as provided by this policy.

3. If an employee self-discloses his/her need to seek medical attention for an alcohol and/or drug dependence after the employee has been (1) randomly selected to submit to a drug and alcohol test; (2) directed to submit to a post-accident drug and alcohol test; or (3) directed to submit to a drug and alcohol test after the City determines it has reasonable suspicion that an employee is under the influence of drugs and/or alcohol, the employee is required to submit to the drug and alcohol testing. Refusal to submit to drug and alcohol testing as directed under this policy is conduct subject to termination, as provided in this policy. **Testing positive for alcohol or controlled substances will result in an adverse employment action, up to and including termination, as specified in section City policy, subject to the provisions of the ADA.**

4. Further, in accordance with the ADA, if at any time the City considers an employee to be a "current" drug user, after the employee has self-disclosed once, the City may take adverse employment action up to and including termination.

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7.04 – Drug and Alcohol Testing – Non-DOT

VI. Prescribed Medications

A. Exceptions to this policy may be made for employees that appear to be impaired by medication taken according to a prescription legal in the State of Texas in the employee's name, obtained from a licensed physician and used in the manner prescribed. The City of Celina reserves the right at all times to judge the effect that a legal drug, including medications not requiring a prescription, may have upon an employee's work performance and to restrict the employee's work activity or presence at the workplace accordingly. The City also reserves the right to have a physician of its choice determine whether a medication at the prescribed or recommended dosage produces impairs or adversely affects the employee's work activity.

VII. Prohibited Activities

A. Conduct That is Subject to Termination

Employees, except Police Officers performing authorized law enforcement activity, will be subject to immediate termination of employment for any violation of this policy, including but not limited to:

1. Being impaired by or under the influence of alcohol or controlled substances when reporting to work, while on duty, while operating a City vehicle/equipment or personal vehicle while conducting City business. The employee will be required to submit to a reasonable random or reasonable suspicion drug test at a City authorized testing facility.
2. Using, possessing, selling, purchasing, transferring, concealing, or transporting controlled substances anywhere on City premises at any time, whether on or off duty.
3. Using, possessing, selling, purchasing, transferring, concealing, or transporting alcohol in a City vehicle at any time.
4. Using controlled substances or consuming alcohol during the employee's scheduled work hours, including meal breaks and on-call assignments.
5. Refusing to submit to a reasonable request for drug and/or alcohol testing as directed by this policy.

6. The City will conduct an investigation and depending on the circumstances the City could allow a “last chance” under a “last chance” agreement in which the employee can opt to go to rehabilitation and return to work under probationary conditions, but this type of second chance is not required under Texas or Federal law. Any “last chance” agreement, the employee must agree to submit to monthly testing, a year’s probation and the employee is subject to immediate termination for any subsequent positive testing results.

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B. Conduct Subject to Disciplinary Action

Employees will be subject to disciplinary action up to and including termination of employment for any of the following reasons, including but not limited to:

1. Using controlled substances or consuming alcohol outside of work hours while wearing City uniforms or any apparel that would identify the individual as a City employee.
2. Being involved with drugs or alcohol off duty in a way that is damaging to the City's reputation, or in a way that is inconsistent with or in conflict with the performance of the employee's job duties.
3. Failing to report, as soon as possible, a job-related motor vehicle and/or accident to the employee's supervisor.

VIII. Responsibilities

A. Managers/Supervisors

1. Consistent Enforcement

Managers and supervisors are responsible for consistent enforcement of this policy. Any supervisor who knowingly permits a violation of this policy by employees under his direct supervision will be subject to disciplinary action including but not limited to dismissal.

2. Investigation of Reasonable Suspicion

a. Managers and supervisors will request that an employee submits to a drug and/or alcohol analysis when a manager or supervisor has a reasonable suspicion, (see reasonable suspicion definition), that an employee is impaired by or under the influence of drugs or alcohol.

b. When reasonable suspicion exists, managers and supervisors may request, as part of an investigation, that an employee removes any and all controlled substances from his/her being or in his/her possession. If an employee refuses to do so, the employee is refusing to participate in the investigation. Anytime an investigation reaches this stage, both the Department Director and Human Resources Director or City Manager must be involved. Refusal by an employee to cooperate in an investigation is considered serious misconduct and may subject the employee to immediate dismissal from employment.

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c. Managers and supervisors will not confiscate, without consent, prescription drugs or medications from an employee as long as the prescription is in the employee's name.

B. Employees

Every City of Celina employee is to do the following:

1. Report to work during regularly scheduled hours or "on call" not impaired by or under the influence of alcohol or controlled substances.

2. Not possess or use or have the odor of alcohol or drugs on their breath during working hours, breaks, meal periods, while on City property in an official capacity or while operating any City vehicle/equipment.

3. Report any motor vehicle/equipment accident immediately to the supervisor.

4. Not directly or through a third party sell or provide drugs or alcohol to any person or any other employee while either employee or both employees are on duty, or on-call.

5. Submit immediately to reasonable requests for alcohol and/or drug analysis when requested by a supervisor.

6. At the beginning of the work shift, declare to the supervisor the use of any over the counter or prescription medication which may interfere with the safe and effective performance of their duties or the operation of City equipment.

7. Provide within twenty-four (24) hours of the request by the employer a current, valid prescription for any drug or medication identified when a drug screen/analysis is positive. If the prescription is not in the employee's name, the employee will be subject to discipline.

8. Report any suspicious behavior which may be indicative of the use of alcohol or controlled substances to their Supervisor.

IX. Notification

The City of Celina will notify each covered employee of this policy through New Hire enrollment where they will be provided with information that will guide them to the location of this policy. Each employee will acknowledge in writing the receipt and understanding of this policy.

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7.04 – Drug and Alcohol Testing – Non-DOT

The City of Celina will notify each employee of the results of random, reasonable cause and post-accident drug and alcohol tests when the test results are positive. The employee will also be advised what drug class was discovered and be removed from performing a safety-sensitive function.

X. Confidentiality

Laboratory reports or test results will be maintained in the Human Resources Department in a confidential medical file separate from the employees' official personnel file. The reports or test results may be disclosed to City management on a strictly need-to-know basis and to the tested employee/applicant upon request. Disclosures, without patient consent, may also occur when:

A. The information is compelled by law or by the judicial or administrative process.

B. The information has been placed at issue in a formal dispute between the City and the employee.

C. The information is to be used in administering an employee benefit plan.

D. The information is needed by medical personnel for the diagnosis or treatment of the employee who is unable to authorize disclosure.

XI. Continuous call-back employees

Employees subject to continuous emergency call back are required to declare to their supervisors at the time they are called in the use of alcohol or controlled substances, including prescribed or over-the-counter medications that might affect their ability to perform under the emergency. The supervisor will determine if the employee is fit to work and in what capacity. However, if an accident occurs the employee will be tested. If the test indicates they were under the influence or impaired by a controlled substance or alcohol dismissal will occur.

XII. Social functions

Employees attending training and conferences may participate in social functions associated with the conference. This includes the consumption of alcohol, so long as the employee's conduct does not reflect adversely upon the City. Employees who consume alcohol at these functions are encouraged not to drive; they will not operate a city owned or rented vehicle.

XIII. Recreation areas

The use or possession of alcohol outside of work hours at City recreation facilities is regulated by City Ordinance and policies.

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XIV. Bar from employment

An applicant or employee who violates this policy or resigns in lieu of separation from employment due to a violation or suspected violation of this policy will be barred from employment with the City for a minimum period of six (6) months, depending on applicable departmental policy and employee's position at the time of the violation or alleged violation.

Disclaimer

The City of Celina reserves the right to modify, alter, delete, suspend or discontinue all or any part of this policy at any time, with or without prior notice to employees. Nothing in this Policy constitutes a contract of employment, implied or express, and nothing in this policy alters the at-will employment status of employees.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.05 – Drug and Alcohol Testing – DOT

I. Purpose

A. The City of Celina recognizes that drug and alcohol abuse increases risk of accidents; decreased productivity and increased medical expenditures. Thus, the City has a vital interest in maintaining a safe and efficient working environment. In order to achieve this environment, City employees are prohibited from reporting to work or work-related activities under the influence of drugs and/or alcohol. Participation in the Drug and Alcohol Program is a requirement of each employee and is a condition of employment.

B. The City employs persons in positions that are regulated by the DOT. City employees who drive a commercial motor vehicle requiring a Commercial Driver's License (CDL) as a part of their duties are subject to alcohol and drug testing as mandated by the DOT, Federal Motor Carrier Safety Administration (FMCSA), and as outlined in this policy. The City shall comply with the regulations as set forth by the DOT. In order to assure compliance with related regulations, employees are to defer to 49 CFR, *Parts 40, and 382* of the DOT regulations regarding testing, test administration, etc.

II. Applicability

A. This policy applies to all employees and job applicants of positions within the City that are designated as DOT-regulated positions.

B. An employee is considered to be performing a safety-sensitive function during any period in which he/she is actually performing, ready to perform, or immediately available to perform any safety- sensitive function and includes all times in which an employee begins to work or is required to be in readiness to work, e.g., during on-call status, until the time he/she is relieved from all responsibility for performing work.

C. The City's designation of positions determined to be in DOT-regulated positions are determined by the job title and functions. Generally, positions requiring a CDL pursuant to the FMCSA are subject to DOT provisions. This policy is in addition to, not in lieu of, the provisions of the City's Drug and Alcohol Policy. DOT tests will be separate from non-DOT tests in all respects. DOT tests take priority and will be conducted and completed before non-DOT tests. Testing procedures that ensure accuracy, reliability, and confidentiality of results will be followed pursuant to DOT regulations.

III. Prohibited Activities

The following acts are prohibited, and employees who commit these acts shall be subject to immediate termination from City employment:

A. Consumption of illegal drugs at any time. Employees may be tested anytime they are on-duty; off-duty use of illegal drugs might result in an on-duty positive drug test.

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B. Abuse or misuse of prescription or over the counter (TC) medications.

C. Consumption of alcohol:

1. Four (4) hours prior to performing a safety-sensitive function.
2. Eight (8) hours following an accident.
3. While on-call.
4. Blood alcohol concentration of 0.04 or greater when performing a safety-sensitive position.

D. Operating a City vehicle or conducting City business while impaired by drugs or under the influence of alcohol.

E. The use or possession of alcohol or illegal drugs in a City vehicle, whether on or off duty.

F. Manufacturing, distributing, dispensing, possessing, or using controlled substance in the workplace.

Employees attending social functions in conjunction with a training and/or conference may consume a moderate amount of alcoholic beverages ifthe function does not involve the use of a City vehicle and the employee's conduct does not reflect poorly upon the City.

IV. Testing to be Performed

A. Drug testing is conducted by analyzing an employee's urine specimen at a lab certified by the U.S. Department of Health and Human Services and at a lab as designated by the Human Resources Department. The employee will provide a specimen in a location that affords privacy. The "collector" divides the specimen into two (2) bottles, known as "split specimen", in the presence of the donor, seals and labels it, completes a chain-of-custody form, and prepares the specimen and accompanying paperwork for shipment to a Human Resources-approved drug testing laboratory.

B. Upon verification of a positive-test results, the City-contracted Medical Review Officer (MRO) shall notify the employee of the right to have the split specimen tested within 72 hours. The testing of the split specimen will be conducted at the employee's expense.

C. Testing will be conducted for prohibited drugs and drug metabolites in the following circumstances:

1. Pre-Employment
2. Random
3. Return-to-Duty/Follow-Up
4. Post-Accident

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5. Reasonable Suspicion

D. The following prohibited drugs/drug metabolites will be tested for:

1. Marijuana (THC)
2. Opiates
3. Phencyclidine (PCP)
4. Cocaine
5. Amphetamines

E. Testing for alcohol will be conducted via breath alcohol test m the following circumstances:

1. Pre-Employment (optional under DOT)
2. Random
3. Post-Accident
4. Reasonable-Suspicion
5. Return-to-Duty

V. Whenever the term "drug", "drugs", or "controlled substances" is used in this policy, it is in reference to the substances listed above. The City will not test for any other substances under this policy. The City may, however, test for other controlled substances pursuant to its general Drug and Alcohol Policy non-DOT.

VI. Drug and Alcohol Testing

To ensure compliance with the above rules, the City may require that an employee or prospective employee submit to a breath, urine and/or any other available scientifically valid means of testing to determine the presence of illegal or unauthorized drugs or alcohol and as a condition of employment or continued employment under the following circumstances:

A. Pre-Employment Testing: All applicants for employment, including part-time and seasonal positions, are subject to pre-employmenttesting.

1. After a conditional offer of employment has been extended, and prior to beginning employment with the City of Celina, all persons shall be required to submit to a drug and alcohol test as a part of the routine physical exam.

2. If a pre-employment test is cancelled for any reason, the applicant shall be required to take another test with a verified negative result. All employment offers are contingent upon passing the drug screen with a negative result and before performing safety-sensitive job duties.

3. Previous Employer Information-the City is required, with the applicant's-required written consent, to obtain information from

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previous DOT-regulated employers for the past two (2) years prior to the date of application, promotion, or transfer. The City will request the previous employer provide alcohol test results of 0.04 or greater, verified positive drug test results, refusals to test (including verified adulterated or substituted drug test results), and any other violation of DOT drug and alcohol testing regulations. The City will obtain and review the information prior to hiring. The City also will ask the applicant if he/she tested positive or refused to test on any pre-employment drug or alcohol test administered by an employer to which the applicant applied during the past two (2) years. If the applicant admits to such conduct, the applicant will not be hired. If the applicant refuses to provide the City with the required written consent, he/she will not be hired.

4. If the previous employer's response is not obtained within 30 days, the employee will not be allowed to perform DOT functions unless there is documentation of good faith efforts to obtain the requested information.

B. Random Testing - Random testing selections are provided by Human Resources and are made using a scientifically valid method (computer-based random number generator) and are spread reasonably throughout all periods of the calendar year (all days and hours of operation). Each employee subject to this policy will have an equal chance of being tested each time random selections are made. The number of employees randomly selected will be in accordance with applicable DOT regulations. Each employee randomly selected for testing shall be tested during the selection period. Each employee selected for random testing shall proceed to the test site immediately after notification. If the employee is performing a safety-sensitive function at the time of notification, the employee's supervisor or department director will ensure that the employee ceases to perform the function and proceeds to the testing site within one (1) hour. Refusal to submit to random testing when notified or failure to report to the designated testing site within one (1) hour will be considered a test refusal. The Human Resources Generalist will be the Designated Employer Representative (DER) for the City and will ensure all testing is conducted as required by the random testing selections provided by the Human Resources Department.

C. Reasonable Suspicion Testing-A reasonable suspicion test will be conducted if a trained supervisor has a reason to believe that an employee is in violation of this policy. The reasonable suspicion must be based on specific, observable, contemporaneous, and particular observations concerning the appearance, behavior, speech, performance, and/or body odors of the employee.

1. Reasonable suspicion alcohol testing is permitted only if the reasonable suspicion observation is made during, just before, or just after the

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period of workday the employee is required to be in compliance with this policy. If reasonable suspicion alcohol testing cannot be administered within two (2) hours after observation, a written statement explaining why the test was not promptly administered shall be given to the Director of Human Resources. If reasonable suspicion alcohol testing cannot be administered within eight (8) hours after the observation, the City will cease attempts to administer the test and document why the test was not administered.

2. Reasonable suspicion drug testing will be conducted as soon as practicable but no later than 24 hours after the reasonable suspicion observation. If the employee is not tested within 24 hours, the supervisor shall submit a written report documenting the reason why to the Director of Human Resources.

3. Employees being ordered for reasonable suspicion testing will be transported to the testing facility by either their direct supervisor, another supervisor with the department, or their department director. Under no circumstances will the employee be allowed to drive himself/herself. If a reasonable suspicion occurs after hours, the supervisor will transport the employee directly to the City's designated testing facility. The City will arrange to have the employee transported home after the testing is completed.

4. If a DOT-regulated employee refuses to submit to a reasonable suspicion test, he/she will be verbally advised that successful drug/alcohol tests are a condition of employment and shall result in termination of employment under the City Drug and Alcohol (All City Employees).

5. While waiting for the results of a reasonable suspicion test, an employee shall be placed on administrative leave with pay pending the outcome of the test and subsequent investigation. The employee shall not return to the workplace until he/she has been contacted by the Human Resources Department or his/her immediate supervisor and advised to do so.

D. Post-Accident Testing- In accordance with *DOT 49 CFR, Parts 40, and 382,* DOT-regulated employees shall be tested following applicable accidents/incidents. Post incident testing includes alcohol and drug testing. When considering DOT post-accident/incident testing, all covered employees whose performance could have contributed to the incident will be tested, e.g., administrative, dispatcher, mechanic, driver, passenger, etc.

1. Employees must remain readily available for testing after an accident/incident. An employee shall not return to duty or perform safety-sensitive job functions until a verified negative

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alcohol and drug test results are received. An employee refusing a post-accident/incident test will be considered a test refusal, and his/her employment shall be terminated.

2. Post-accident testing will be conducted in accordance with *DOT 49 CFR, Part 382.303 Regulations (FMCSA),* if:

    a. There is a fatality; or

    b. The City driver/operator is issued a citation within eight (8) to 32 hours of the occurrence due to a violation arising from the accident, tests will be performed if:

        i. An individual requires immediate medical treatment away from the scene.

        ii. One (1) or more of the vehicles suffer disabling damage that requires a tow away from the scene (disabling damage is damage that prevents the vehicles from leaving the scene in its usual manner, in daylight, after simple repairs).

3. Time Limits

    a. DOT Alcohol Post-Accident Time Limits- Tests shall be performed as soon as possible, but no later than eight (8) hours following the accident. Post-accident testing is stayed while the employee assists in the resolution of the accident or receives medical attention following the accident. If alcohol testing cannot be performed within two (2) hours, the reason for delay shall be documented and efforts must continue to administer the test. If alcohol testing cannot be performed within eight (8) hours, all attempts should cease and documented as to the reason for the testing failure.

    b. DOT Drug Post-Accident Time Limits-Tests shall be performed as soon as possible, but no later than 32 hours following the accident. Post-accident testing is stayed while the employee assists in the resolution of the accident or receives medical attention following the accident. If the drug testing cannot be performed within the required time all attempts should cease and documented as to the reason for the test failure.

E. Return to Work

1. If an employee is on leave for 90 days or more, he/she are required to have a pre- employment test completed and passed prior to returning to duty.

2. Applicants, who were tested more than 90 days prior to performing safety-

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7.05 – Drug and Alcohol Testing – DOT

sensitive duties, must have a new pre-employment test performed and passed prior to performing safety-sensitive duties.

VII. Test Results-All drug test results shall be reviewed and interpreted by a Medical Review Officer (MRO) before they are reported to the City. When a positive result is received, the MRO will contact the employee and conduct an interview to determine if there is an alternative medical explanation for the drug(s) found in his/her urine specimen. If the employee provides appropriate documentation and the MRO determines there is a legitimate medical reason for the positive results, the test will be reported to the Human Resources Generalist or designee.

A. Test results will be classified as Negative, Positive, or Test Refusal:

1. Negative-A verified negative is acceptable for drug testing. For alcohol, a verified test result below 0.04 is acceptable per DOT regulations.
2. Positive-The following test results shall constitute a positive result:
   a. --Verified positive result.
   b. --Verified BAC (Breath Alcohol Content) greater than 0.04.
3. Test Refusal-Test refusals are considered ***positive*** test results.

B. An employee is considered to have refused to take an alcohol/drug test if:

1. He/she fails to appear for a test within a reasonable time, as defined by the employer.
2. He/she fails to remain at the testing site until the testing process is complete and released to return to duty.
3. He/she refuses or fails to provide a breath or urine specimen as required.
4. He/she fails to permit an observed specimen collection when required.
5. He/she fails to provide sufficient amount of volume with no valid medical explanation.
6. He/she fails or declines to take an additional drug/alcohol test as directed by the employer or collector.
7. He/she fails to undergo a medical exam/evaluation when required.
8. He/she fails to cooperate with any part of the testing process, e.g., refusal to empty pockets, wash hands, remove hat, are confrontational, etc.
9. MRO verification of a test as adulterated or substituted.
10. He/she refuses to sign Step 2 of the Alcohol Test Form (ATF).
11. He/she leaves the scene of an accident without just cause prior to submitting to a test.

VIII. Notification of Test Results- The City shall notify applicants of verified positive test results in writing. The City shall notify an employee of the results of random, reasonable suspicion, and post-accident/incident drug tests if the results are verified positive and which controlled substance(s) are verified positive. The City also will make reasonable efforts to notify any employee who tested positive but is unreachable

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by the MRO. He/she shall be notified and instructed to contact the MRO within 72 hours.

Test Result	Outcome
Negative Dilute (creatinine level is equal or greater than 5mg/dl)	Retest will be done unobserved
Negative Dilute (creatinine level is between 2-5mg/dl)	Retest will be done under direct observation
Fatal Flaw/Rejected	Retest will be done under direct observation
Invalid Result (without medical explanation)	Retest will be done under direct observation
Primary is positive adulterated/substituted and split is unavailable or invalid	Retest will be done under direct observation
Primary is positive and split test fails to reconfirm	Test is considered cancelled
Primary is adulterated/substituted and split fails to confirm adulteration/substitution	Test is considered cancelled
Primary is positive and split fails to confirm but is adulterated	Test primary for adulteration

VIII. Consequences - Employees who are found to be positive of drug/alcohol substance(s) will be removed immediately removed from performing safety-sensitive functions.

A. An employee who is tested and has an alcohol concentration of 0.02 to 0.039 shall not be permitted to perform safety-sensitive functions for a minimum of 24 hours and shall be disciplined under City policy. If a tested employee has an alcohol concentration of 0.04 or greater, his/her employment shall be terminated under City Drug and Alcohol Policy.

B. Employees and job applicants with positive results will be terminated from employment or have their offer of employment rescinded.

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C. An employee's refusal to submit to random tested when notified, or failure to report to the testing site within one (1) hour, shall be considered a test refusal. All test refusals (under DOT regulations) are considered positives and shall be terminated from employment under Citypolicy.

D. An employee's refusal to submit to reasonable suspicion testing shall be considered a test refusal. All test refusals (under DOT regulations) are considered positives, and the employee will be terminated from employment under City policy. The date the test refusal occurs shall be the final workday of the employee, and he/she will not be eligible for discretionary benefits.

E. Applicants who refuse to test or who yield a positive test result will not be considered for employment.

F. The City will conduct an investigation and depending on the circumstances the City can elect to follow the Federal stipulations under the U.S. Department of Transportation rules and regulations for testing positive or if an employee refuses to test or elect to exercise the City's right to immediately terminate the employee.

IX. Prescriptions and Over the Counter (OTC) Medications - Some prescriptions and OTC medications might adversely affect an employee's ability to perform his/her job safely. Employees are responsible for discussing their job duties with their physician, expressly if they are a DOT- regulated employee. For more guidelines on OTC medications, please refer to the City Drug and Alcohol Policy. An employee shall not report for duty requiring the performance of safety- sensitive functions if he/she uses any controlled substance except when the use is pursuant to the instructions of a licensed medical practitioner who advised the employee that the substance will not adversely affect the employee's ability to safely operate a commercial motor vehicle.

X. Employee Admission of Drug/Alcohol Use - An employee who admits to alcohol misuse or drug use must do so in accordance with the City's Drug and Alcohol Policy, provided the employee may not self-identify in order to avoid the testing requirements of this DOT Policy. The employee must make the admission prior to performing a safety-sensitive function (prior to reporting to work). After admission, the employee may not perform a safety-sensitive function until the City is satisfied that the employee has been evaluated and has successfully completed educational and treatment requirements. A drug and alcohol abuse evaluation expert, e.g., an EAP professional, SAP, or qualified drug and alcohol counselor shall determine successful completion. Prior to the employee performing safety-sensitive function, he/she must undergo a return to duty alcohol test with a result of less than 0.02 and/or a return to duty drug test with a negative test result.

XI. Confidentiality - All information relating to alcohol or drug testing shall be protected by the City as confidential unless otherwise required by law or authorized in writing by the employee. All results will be maintained in a confidential file within the Human Resources Department.

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7.05 – Drug and Alcohol Testing – DOT

A. Records will be released to subsequent employers with a written request from the covered employee. Without the employee's written consent, records must be released only to those authorized under DOT regulations.

B. City employees who make a reasonable suspicion observation or who witness an accident must also maintain confidentiality. Breach of confidentiality relating to test results or any other related matters will likely result in disciplinary action, up to and including termination of employment.

XII. **Records Retention** - The City shall maintain records under this policy as mandated by DOT regulations.

XIII. **Education and Training** - Supervisors also shall be trained on the proper procedures for confronting and referring the employee for testing, which includes one (1) hour of drug training and one (1) hour of alcohol training for reasonable suspicion recognition. This training shall be conducted/coordinated by Human Resources.

XIV. **Contact** - Questions regarding this policy should be directed to Human Resources.

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CITY OF CELINA
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7.06 – Handguns and Firearms

I. Purpose:

The purpose of this policy is to establish the rules and procedures governing the carrying of handguns and firearms by City of Celina employees in the course and scope of their employment.

II. Scope:

This policy applies to all City of Celina employees.

This policy governs the open or concealed carry of "handguns," and "firearms" as defined in Section 46.01 of the Texas Penal Code.

III. Definitions:

A. "Handgun" means any firearm that is designed, made, or adapted to be fired with one hand, as defined in Section 46.01 of the Texas PenalCode.

B. "Firearm" means any device designed, made, or adapted to expel a projectile through a barrel by using the energy generated by an explosion or burning substance or any device readily convertible to that use, as defined in Section 46.01 of the Texas Penal Code. The term Firearm includes a handgun.

C. "Licensed Handgun Holder" means a person who is licensed pursuant to Subchapter H, Chapter 411 of the Texas Government Code.

D. "Premises" means a building or a portion of a city building, as defined in Section 46.035 of the Texas Penal Code. The term does not include any public or private driveway, street, sidewalk or walkway, parking lot, parking garage, or other parking area.

E. For the purposes of this policy only, an "employee" includes all City of Celina employees including all full-time, part-time, and temporary employees, and contract employees.

IV. Firearm and Handgun Policy:

A. City Premises:

City employees are prohibited from carrying a firearm onto City premises. The prohibition stated above shall not apply to a peace officer or those persons who have written authorization to carry a firearm as part of their official duties.

B. Vehicles:

1. A City employee may transport or store a firearm in his/her personal vehicle in a City parking lot and/or space so long as the vehicle is locked, unless otherwise prohibited by law.

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2. A City employee is prohibited from possessing or storing a firearm in a vehicle owned or leased by the City of Celina, regardless of whether the employee is a Licensed Handgun Holder, unless the City employee is authorized to carry a firearm in a City vehicle as part of his/her normal course and scope of employment, such as a police officer.

C. Prohibited Areas:

1. It is a violation for a City employee when performing City duties or functions to carry a firearm in any location where the carrying of the firearm is not authorized by law. An employee also is prohibited from carrying a weapon while on duty or at any time while engaging in City-related business.

2. Prohibited weapons include, but not limited to, firearms, clubs, explosive devices, knives with blades capable of inflicting serious bodily injury or death by cutting or stabbing, brass knuckles, and the like.

3. An Employee does not have an expectation of privacy, and the City retains the right to search for firearms and other weapons on all City property.

D. Restricted Access:

Employees who have meetings with the public must be aware that those persons may openly carry handguns in public areas. If you have meetings with members of the public, the meetings should be conducted in spaces that are not designated for restricted access. Restricted access areas are any portions of the premises that the public is prohibited from accessing.

V. Intervention:

A. Except peace officers, City employees are prohibited from questioning the public regarding whether a person holds a proper license. Only peace officers may question a person who is carrying a handgun license as to whether the person holds the proper license under Chapter 411 of the Texas Government Code.

B. Anytime another City employee carries a firearm/weapon onto City premises or in a City vehicle (and is not authorized to do so), an employee should notify a supervisor and the supervisor will take the appropriate action necessary to resolve the situation.

C. If any person carrying any firearm/weapon displays erratic/concerning behavior or appears intoxicated, the City employee (regardless of location), should:

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1. Move to a safe location;
2. Dial 911 to alert police so that they may dispatch assistance to the site; and
3. Notify a supervisor immediately.

VI. Enforcement: A violation of this policy may result in adverse employment action, up to and including termination. Violations may also incur criminal penalties.

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7.07 – Workplace Violence

The City strives to provide a safe and secure working environment for its employees. This policy is designed to help prevent incidents of violence from occurring in the workplace and to provide for the appropriate response when and if such incidents occur.

I. Zero Tolerance

A. Harassment, intimidation, threats threatening behavior, violent behavior, or acts of violence between employees or such action between an employee and another person that arises from or is in any manner connected to the employee's employment with the City, whether the conduct occurs on or off duty, is strictly prohibited.

II. Mandatory Reporting

Every City employee shall immediately notify their supervisor, Department Director, the Director of Human Resources, and/or the Police Department of any prohibited weapon they observe while on City property.

III. Protective Orders

An employee, who applies for or obtains a protective or restraining order which lists City locations as being protected areas, shall immediately provide the Director of Human Resources and the City's Police Department a copy of the petition and declarations used to seek the order, a copy of any temporary protective or restraining order which has been granted, and a copy of any protective or restraining order which has been made permanent.

A City employee shall immediately advise their supervisor, their Department Director, and the Director of Human Resources of any protective or restraining issued against them.

IV. Confidentiality

To the extent possible, while accomplishing the purposes of this policy, the City shall respect the privacy of reporting employees and will treat information and reports confidentially. Such information shall be released or distributed only to appropriate law enforcement personnel, City management, and others on a need-to-know basis and as might otherwise be required by law.

V. City Property

For purposes of this policy, City property includes, but is not limited to, owned or leased vehicles, buildings and facilities, entrances, exits, break areas, parking lots and surrounding areas, recreation parks and facilities, and swimming pools.

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7.07 – Workplace Violence

VI. Documentation

When appropriate, threats and incidents of violence and possession of dangerous weapons will be documented. Documentation shall be maintained by the Director of Human Resources and/or the Police Department.

VII. Policy Violations

Violations of this policy might lead to disciplinary action, up to and including termination of employment. Policy violations also might result in arrest and prosecution.

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7.08 – Outside Employment

Regular, full-time employees shall notify their supervisor ***before*** accepting additional employment outside City employment and shall be subject to certain restrictions as outlined below. Certain key Department Directors, Division Managers, and technical personnel might be expected to devote all their working energies and focus to the performance of their City duties and responsibilities. These employees might not be eligible to accept paid outside/off-duty positions.

The following provisions for outside/off-duty employment applies:

I. The City requires that an employee's activities and conduct away from the job must not compete or conflict with or compromise the City's interest or adversely affect job performance and the ability to fulfill all responsibilities to the City. These requirements, for example, prohibit employees from performing any services for customers on non-working time that are normally performed by City personnel. This prohibition also extends to the unauthorized use of any City tools or equipment and the unauthorized use or application of any confidential information. In addition, employees are not to solicit or conduct any outside/off-duty business during paid working time. Employees who get paid for working for another public entity, e.g., county commissioner, or other boards, shall receive ***prior*** approval and use vacation time, compensatory time, or unpaid time if paid time off is not available, if they need to be off work from the City and the time away falls within their regular work hours.

II. All full-time employees must obtain ***prior*** approval from their supervisor before any outside/off-duty employment is undertaken. Employee requests for permission to accept outside/off-duty employment, shall submit an "Outside Employer Agreement" before such employment is approved. All other employees who accept additional employment shall be required to sign an "Outside Employer Agreement" and have the second employer sign the agreement before such employment shall be approved.

III. Employees are cautioned to consider carefully the demands that additional work activity will create before requesting permission to seek or accept outside/off duty employment. Outside/off-duty employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving work early, refusal to travel, or refusal to work overtime or different hours. If outside/off duty work activity does cause or contribute to job-related issues, authorization might be revoked. Failure on the part of an employee to notify the supervisor of and outside/off duty employment might result in disciplinary action, up to and including termination of employment.

IV. An employee shall not:

A. Solicit, accept or engage in concurrent outside employment that could reasonably be expected to impair independence of judgment in, or faithful performance of their official duties, and/or which substantially interferes with their ability to perform his Job with the City.

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7.08 – Outside Employment

B. Personally provide services for compensation, directly or indirectly, to a person or organization that is requesting an approval, investigation or determination from the department of which the employee is a member. An exception exists, with prior supervisory approval, for police officers that work approved outside employment.

V. Employees shall not hold outside/off duty employment while on Family and Medical Leave (FML) or while receiving worker's compensation benefits unless expressly authorized ***in writing in advance*** by their Department Director, Human Resources, and the City Manager. A record of such authorization must be placed in the employee's personnel file.

VI. In some cases, part-time City employees hold primary employment elsewhere. In those instances, the employee shall comply with all City work rules, polices, and procedures when working at the City.

VII. If an employee becomes unable to perform the duties of his/her City job because of any injury or other incapacitating cause while in the employment of their outside/off duty job, the City, at its sole option, might reduce the benefits otherwise granted by these policies to whatever benefits the City deems to be reasonable.

VIII. This section shall be interpreted to comply with Federal and State law regarding Worker's Compensation, pensions, or disabilities.

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7.09 – Tobacco and E-Cigarette Products

I. Purpose

It is the intent of the City of Celina to provide a healthy work environment for its employees. Therefore, the City restricts the use of tobacco products in all City buildings, vehicles, and equipment and strives to develop a tobacco free environment.

II. Eligibility

This policy applies to all City employees while they are on duty, utilizing City vehicles or equipment, owned or leased by the City, or in City facilities.

III. Smoking

All City-owned, operated, leased or managed buildings shall be smoke-free. All City-owned or operated vehicles shall be smoke-free.

IV. Smokeless Tobacco

The use of smokeless tobacco is offensive to many people, citizens and co-workers alike. It is, therefore, the policy of the City of Celina to restrict the use of smokeless tobacco by City employees.

The use of smokeless tobacco is restricted in City buildings, City vehicles or while employees are conducting City business with other employees, citizens, contractors, and interacting with the public - including special events. City departments may implement other restrictions regarding time and use of smokeless tobacco.

V. Disposal

An employee shall responsibly dispose of all waste products generated by his or her use of smokeless tobacco products. Smokeless tobacco should be disposed of properly, discretely and in a closed container. Though other provisions of this policy allow the use of smokeless tobacco products, a supervisor may prohibit the use of smokeless tobacco products in any area where employees fail to responsibly dispose of waste products generated by the use of smokeless tobacco products.

City employees who experience performance or personal difficulties while overcoming a nicotine addiction may seek help through the City's Health Insurance Programs or Employee Assistance Program (EAP). Interested employees or supervisors may contact a representative from the Human Resources Department for assistance.

Any violation of this policy may result in disciplinary action in accordance with the City's policies.

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7.10 – Solicitation and Acceptance of Gifts

I. Solicitation

Solicitation of funds or anything of value for any purpose whatsoever will not be permitted of, or by, City employees on the job unless authorized by the department Director. An employee is not required to make any contribution, nor may an individual be penalized in any way in connection with their employment according to their response to a solicitation. Any non-employee engaging in soliciting will be asked to leave the City premises.

II. Acceptance of Gifts

A. The purpose of the policy governing gifts to public employees is to regulate attempts to influence employees to use their authority or discretion to the advantage of the person making the gift and prevent criminal conduct per City policy.

B. No officer or employee of the City shall accept, directly or indirectly any gifts, privilege or employment from any corporation, business or entity enjoying business from the City. The City recognizes that food items may be received from citizens and vendors as a thank you for service during holiday time and on other occasions. Such offerings are permissible and should be made for the enjoyment of everyone as available in that particular department, division or worksite.

C. Items that are not consumable on the premises shall be returned, donated to a city program or community organization or used as a door prize at a City event.

D. This policy is not intended to prohibit the employee or departments from accepting discounted values when carrying out departmental (non-personal) business or accepting courtesies generally extended to business or governmental organizations within reason.

E. Employees can attend events and sponsored events from citizens and vendors at the discretion of the employee's supervisor.

F. Questions regarding acceptance of gifts should be channeled through the Department Director.

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7.11 – Dress and Appearance

I. The City of Celina desires to project a positive and professional image of employees representing the City. Employees are expected to dress in a conservative, professional manner that is appropriate to their position and to observe good grooming and personal hygiene habits. Presenting a positive image creates a favorable impression for the City, promotes confidence in the services the City provides, promotes respect among coworkers, and encourages higher working standards. This policy provides guidelines for appropriate appearance, uniform, and grooming.

II. This policy applies to all employees (regular, temporary, and seasonal) at all times. Due to many types of jobs within the City, several different dress standards are necessary. An employee who is in doubt as to which dress standard applies, should contact their supervisor.

III. Public Safety employees shall comply with the requirements of those departments as issued in General Orders. In instances where this policy conflicts with those orders, the more restrictive shall apply.

IV. The following provides guidance to aid in interpreting this policy:

A. Casual Dress:

1. The casual shirt may be either an oxford and/or a golf shirt or a professional blouse to wear as part of the accepted casual attire. City logo shirts may be worn with style approval by the Department Director and the Purchasing Department. Shirts purchased by employees may be worn at their discretion unless otherwise directed by his/her Department Director. Jeans are also permissible casual dress attire and may be worn at employee discretion unless otherwise directed by the employee's Department Director.
2. Casual does not mean sloppy. Clothing should be clean, wrinkle free and without holes and frays. Tank tops, shorts, t-shirts, tennis shoes, combat boots, and other clothes or accessories that are revealing, disruptive, or generally better suited for the gym, beach ball game, or even a trendy club are not acceptable office attire.
3. Tennis shoes may be worn only on Fridays or in the event the position requires on-going physical labor or working in a dirty environment.
4. When in doubt, leave it out. The intent of casual wear is to make employees feel more comfortable yet project a positive image. If there is even the slightest question about suitability of one's attire or accessories, it should not be worn to work.
5. On occasion employees making presentations to the City Council or other groups of like stature are expected to dress in business casual.
    a. Business casual dress is designed to allow employees maximum comfort at work, while at the same time allowing for an appearance standard that is higher than that of casual dress appearance.
6. Supervisors shall periodically review their employees' attire to ensure that

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required standards are met and that deficiencies are detected and corrected. Each supervisor is responsible for ensuring that their employees maintain a neat, professional appearance in accordance with this policy.

B. Grooming and Hygiene:

1. Each employee shall maintain personal hygiene, grooming, and general appearance that is neat, clean, professional, reflective of the City's philosophy of pride and professionalism, and commensurate with accepted general business practices. Such grooming standards prohibit exotic, ostentatious, gaudy, or other similarly unprofessional appearances. Examples include, but are not necessarily limited to, spiked hair, Mohawk, unkempt or unclean hair, lack of personal hygiene, or scraggly facial hair. Exceptions to grooming standards will be considered on the basis of legitimate personal or religious standards. Facial hair shall be kept clean and neatly trimmed. Nothing in this policy shall prohibit a supervisor from restricting clothing or other personal grooming attributes that might create a safety hazard based on the employee's job duties.

C. Accessories:

1. Clothing shall not be an advertisement or endorsement. Logos or insignias, such as the City logo, small manufacturing logo/names, or small non-ostentatious wording, signs, or symbols are acceptable. Extreme or outrageous color schemes or other accessories, accouterments, or designs deemed by a supervisor or higher authority to be inappropriate or objectionable should not be worn. Employees shall wear undergarments. Except for the exposed front of T-shirts worn with an open collar, all undergarments shall be worn in a manner concealed by outer clothing. All footwear is expected to be appropriate to the employee's position. Shoes are to be neat, clean and in good repair. Thong sandals or "flip-flops" are never allowed.

D. Uniforms

1. The City supplies some employees with appropriate uniforms. Employees in jobs that require a uniform will be told how and where the uniforms can be obtained. The City will provide replacements when necessary. Uniforms must be clean and neat. City uniforms will not be used outside of work, for personal use, or by a third party. When the employee terminates employment with the City, uniforms and other City equipment must be returned in good condition before the final check is authorized. The employee will agree in writing to allow a payroll deduction to cover the cost of lost or damaged City property and unreturned uniforms from the employee's final paycheck prior to deduction.

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E. Return of Clothing upon Employment Termination:

1. An employee shall return all City purchased apparel or uniforms upon termination from City employment except in those cases when the Department Director authorizes that the person retains selected clothing items that have been worn, do not contain any City identifiers, and are determined to have no value to the City.

Dress Code Summary:

1. Business casual dress is a privilege and benefit provided to employees of the City of Celina in an effort to maximize work enjoyment while projecting a professional work image. As such, it is everyone's responsibility to present a personal appearance that is professional and reflects well on the organization. Department Directors shall have discretionary authority to enforce expectations of dress and style appropriateness for the job and shall be responsible for addressing any policy abuse.

Dress Code Exceptions

2. Unusual circumstances as approved by the supervisor, such as weather conditions, special work assignments, medical reasons, worksite conditions and/or unusual working hours or situations, may be sufficient reasons to grant an exception to the departmental dress code.

Tattoos and Body Piercings

1. Some tattoos and body piercings are unacceptable for work at any time. The following list provides some examples, although it is not a complete list:

- No visible tattoos are allowed above the shoulders (excluding tattoos for natural looking cosmetic enhancements, such as eyebrows, lips, and eye liners).
- Tattoos that contain offensive words, messages, slogans, or pictures, including but not limited to those displaying nudity, sexual acts, gender, race, religion, disability, or natural origin, and/or may be perceived to be gang-related shall be covered and/or not visible while on duty.
- Objects, articles, jewelry, or ornamentation of any kind shall not be inserted, attached to or through the skin if visible on the tongue, any part of the mouth or cheek.
- Third (3) sets of reasonably sized earrings may be worn in each ear lobe, but no expander.
- A single (1) stud may be displayed in one (1) nostril (septum piercings are prohibited), as long as such stud does not exceed one (1) millimeter in size.
- Any non-conforming piercing insert shall either be removed or replaced with a clear insert.
- For Police and Fire Department sworn personnel, refer to Department Policies.

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If an employee has a question about how the tattoo and body piercing policy is applicable to them, the matter should be immediately raised with their supervisor for consideration and determination.

V. In all cases, the City will make the determination as to acceptable dress, appearance and grooming. Employees should direct questions about appropriate appearance or dress to their supervisor, Department Director or Human Resources. Employees in violation of this policy may be sent home. In such circumstances, non-exempt employees will not be paid for work time missed, and exempt employees will be required to make up the work time missed. The employee is expected to return immediately to work. Employees whose grooming or personal appearance violates this policy may be disciplined, up to and including termination of employment.

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CITY OF CELINA
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7.12 – Vehicle Use

I. Purpose

The purpose of this policy is to establish the rules and procedures governing the assignment, use and reporting requirements of City vehicles including take-home vehicles. This policy will implement both federal and state mandated regulations and City policy and procedures. City owned vehicles shall be operated in compliance with all applicable state, and local laws and ordinances.

II. Eligibility

A. The Department Director may recommend a take home vehicle for an employee if the following criteria are met:

1. The employee works in the Fire department and has an assigned vehicle;
2. The employee works in the Police department and has an assigned vehicle;
3. The employee is "on-call" and has an assigned vehicle
4. The City Manager has given approval.

III. Definitions

A. Take-Home Vehicle - is any vehicle that is owned, leased, rented or otherwise under the care, custody or control of the City and is taken from the City premises after normal working hours to remain in "home storage" overnight for the use of a City employee or authorized representative for a bona fide city purpose. Take-home vehicles are either assigned to an employee by the Department Director or used by employees for on-call purposes.

B. Bona fide City Purpose - A bona fide city purpose is conducting official city business only.

C. Personal Use - Personal use is not allowed while the operator is on-call. Family members and non-city employees are not allowed in a city take home vehicle. Any exceptions to this policy must be approved by the Department Director and City Manager. Any family members and non-city employees riding in a city vehicle must sign and agree to a waiver of liability to be kept on record with the HR department prior to being in the vehicle. Depending on insurance liability age restrictions for riding in a city vehicle may be enforced. The transportation of non-city employees, as approved per policy, is allowed if the transport would lead to increased effectiveness and efficiency of the department such as a ride-along program.

D. Exempt Vehicles - According to Federal guidelines and for purposes of tax calculation only, certain vehicles and equipment, particularly emergency and utility service vehicles (normally not to include pickup trucks or vans), designated by Federal law are exempt for the purpose of increased tax liability. This exemption means that the taxable income of the employee assigned to one of these vehicles will not be affected.

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E. Home Storage - is defined as a vehicle kept at the employee's residence. Vehicles may be parked in the streets if unable to park in a driveway, and employees must avoid situations that would give rise to a legitimate complaint from neighbors, such as blocking streets, driveways, alleys, etc.

F. Non-Exempt Vehicles - According to Federal guidelines and for purposes of tax calculation only, all other vehicles of the City that do not meet the criteria to be exempt vehicles are classified as "non-exempt." These non-exempt vehicles normally include pickup trucks and vans. By "non-exempt" the Federal government means that a tax liability will be incurred by the employee to whom the use of the vehicle is assigned.

G. Hand-held devices - Include but are not limited to cell phones without a hands-free device, radios, and navigation tools.

H. Tax Liability-An employee who has a non-exempt, assigned take home vehicle will have an assessment, of $1.50 on each one-way trip and it will be added to their taxable income for each day of use. The assessed amount is added to the employee's taxable income only for the purpose of calculating the tax liability. The employee assigned the use of a non-exempt take home vehicle will be responsible for the tax on the assessed amount. Specialized vehicles such as animal control vehicle with cages, marked police and fire vehicles are exempt from the taxation. See list in section IV.

I. Assignment/Reporting Requirements for Take Home Vehicles - Employees that are to be assigned a take home vehicle, whether for daily use or an on-call basis, must be recommended by the Department Director and approved by the City Manager or their designee.

IV. Exempted Vehicles

A. Below is a list of exempted vehicles as outlined in the Federal Register Vol. 50. No. 215/Public Law 99-44:

1. Clearly marked police and fire vehicles,
2. Delivery trucks with seating only for the driver and folding jump seat,
3. Flatbed trucks,
4. Cargo vehicles with a gross vehicle weight over 14,000 pounds,
5. Passenger buses with a capacity of at least 20 passengers,
6. Ambulances or hearses,
7. Bucket trucks or "cherry pickers",
8. Cranes and derricks,
9. Forklifts,
10. Cement mixers,
11. Dump trucks and garbage trucks,
12. Refrigerated trucks,
13. Tractors,

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14. Combines,
15. School buses,
16. Specialized utility repair trucks,
17. Moving vans,
18. Unmarked law enforcement vehicles operated by an officer or arson investigator who is a full-time employee, authorized to carry a firearm, execute search warrants, and make arrests.

*All other vehicles exempted by the IRS under special rulings.

V. Procedures

A. Department Directors/Division Managers will prepare a written request which will indicate the individuals to be assigned vehicles, the length of the assignment, the location of home storage, the vehicle type and number and a bona fide city purpose for each assignment. This request will be reviewed annually by the Department Director, Manager and be accompanied by an acknowledgement form signed by the employee acknowledging having read and received this policy. Finance will submit the final list to the City Manager for approval.

B. Finance will be considered the primary repository for the take home vehicle records and will be responsible for initiating the annual re-approval process (generally Oct. 1st).

C. Modifications to the take-home list will be reported to Finance.

D. For security purposes all records for Police undercover vehicles will be maintained in the Police Department following approval by the City Manager.

E. If the vehicle that is assigned is non-exempt, the employee to whom it is assigned will incur the tax liability previously described. That employee will also be given the opportunity to complete a new W-4 to adjust withholdings for this liability. For each pay period, the number of one-way commutes incurred for an employee assigned a non-exempt vehicle should be reported to Finance with their biweekly timesheet and appropriate form.

F. Once an on-call assignment has been approved by the City Manager, new requests are necessary only when changes in status (i.e.; new employee, reorganization of duties, employee moves, etc.) occur or as part of the annual review.

VI. General Provisions

A. City vehicles are to be used for conducting official City business. The City reserves the right to search those vehicles at any time, for any purpose. Employees have no expectation of privacy in city vehicles.

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7.12 – Vehicle Use

B. The operation of City take home vehicles by non-employees is not allowed.

C. All precautions shall be taken to ensure the safety and security of City Vehicles. This includes, but is not limited to, locking all doors and/or compartments and properly parking vehicles in accordance with applicable laws and ordinances.

D. Employees authorized to take a vehicle home must drive the vehicle to and from work by the most direct route, without any deviation. The location of home storage for a City vehicle may not be further than 15 miles and/or 30 minutes of drive time or less from the City limits unless approved in writing by the City Manager.

E. Use of the City vehicle for going to and from lunch shall be restricted within ten (10) miles of the City of Celina limits.

F. Carpooling to and from work and home in a City vehicle is not allowed. This restriction includes carpooling with other employees and non-employees. No children or family members may be in the vehicle without. Other employees or non-employees may ride in a City vehicle as long as the bona fide city purpose is not for carpooling or commuting on a regular basis.

Example: Inclement Weather, Ozone Days, Schools and Conferences, etc. are acceptable reasons for carpooling.

G. If an accident occurs while taking a vehicle home, the employee and his/her supervisor shall report the accident to their Manager and Department Director immediately. A drug and/or alcohol test will then be administered as described in the City's Alcohol/Drug Policy.

H. City employees involved in accidents while not in the "course and scope of employment" are responsible for all liabilities arising from the accident.

I. Employees and supervisors who fail to comply with the requirements of this policy will be subject to disciplinary action as described in the City's Policies.

J. Employees may not use tobacco, e-cigarette, vaping, drugs, alcohol or other controlled substances while operating any City Vehicle.

K. City employees may not use hand-held devices while operating a City Vehicle - whether the vehicle is in motion or stopped. This includes, but is not limited to, answering or making phone calls, engaging in phone conversations, and reading or responding to emails, instant messages, and text messages. All motor vehicles must be legally and safely parked to operate hand-held devices. Such restrictions for Police and Fire department personnel will be governed by Police and Fire Department policy.

L. City employees may use accessories or vehicle-based equipment which allows

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for a hand-held device to be operated hands-free for voice calls only, so the driver may be able to maintain the use of both hands to control the vehicle. Vehicle operators are still required to use good judgment when using hands-free equipment so as not to be distracted from maintaining control of the vehicle.

M. Department Management shall be authorized to restrict the use of hands-free usage based on the operational needs of the Department or because of the vehicle size.

N. The Police and Fire Department may conduct ride-along programs following their internal policies while following any City policies superseding Departmental policies.

VII. Fuel Use

A. The Department Director/Manager shall make the decision as to who is eligible to use a fuel card, and who will be eligible to fuel equipment. The director/manager shall be responsible for card requests, transfers, replacements, and cancellations of fuel cards. All employee transfers or terminations shall be reported immediately to the department and to Finance.

B. Appropriate use of the fuel card program is to fuel only City-owned or leased equipment and only for City business purposes. When interpretation is needed, the director/manager will decide what "City" use will be. The cardholder is responsible for appropriate use of fuel and the input of correct data at the fuel site. Any misappropriation of the fuel card program will subject employees to disciplinary action up to and including employment termination and shall not exclude criminal prosecution.

C. The director/manager shall be responsible for monitoring fuel use, fuel invoices, and reports. Monitoring includes knowing who is getting fuel, how much fuel, which vehicle/equipment is being fueled, and the type of fuel being dispensed. The date, time, and miles per gallon of the vehicle/equipment being fueled also should be monitored. Irregular or questionable transactions must be rectified immediately.

D. Finance shall provide training to the director/manager on how to use the fuel delivery system, how to monitor and understand the invoices and reports, and the critical and problematic areas needed monitoring.

E. The Director/Manager shall inventory their cards and users quarterly to help Control use. Employees who continue to input incorrect data into the card reader shall have their fuel card for fuel PIN terminated by the Finance department after notification to the employee's Director/Manager. Cards that are broken or do not work will be replaced immediately by the Finance department. Employee PINs that do not work will be corrected immediately.

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Lost cards will be replaced after a 30-day waiting period. City employees shall deal directly with Finance, NOT with the fuel vendor, on matters regarding fuel cards, PINs, or other related issues.

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CITY OF CELINA
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7.13 – Vehicle-Equipment Operating Standards

I. Statement of Purpose

To establish a policy covering minimum standards for the qualification of employees and applicants to operate City Vehicles/Equipment. Furthermore, to minimize the risk of vehicle/equipment accidents by improving the quality of drivers by permitting only those persons with appropriate licenses and acceptable driving records to operate City vehicles/equipment.

II. Procedures

For those employees who drive during the course and scope of their employment, an audit of the employee's current driver's license, as well as the employee's driving record, **can be reviewed annually** by the Human Resources Department through the appropriate agency.

III. Definitions

A. City Vehicles shall mean any owned, leased, and/or rented passenger car, pickup, truck, or other similar type vehicles as defined by the Texas Motor Vehicle Law.

B. City/Motorized Equipment shall include, but not be limited to, backhoes, dozers, mower-tractors, loaders, graders, and other similar equipment.

C. A habitual violator is a person who has four (4) moving violations within any consecutive twelve (12) month period; or seven (7) moving violations within a twenty-four (24) month period, (Texas Motor Vehicle Law, V. C. S. 6687b Sec. 22(b)(4), 1985).

D. A moving violation for the purpose of this policy are the same as defined in the Texas Motor Vehicle Law (Examples: speeding, running stop sign or signal, failure to yield, etc.)

E. A chargeable accident is any accident reported on a Motor Vehicle Record (MVR) unless specifically stated as "not at fault" or "no fault" in the report.

IV. Applicability

A. This directive shall apply to:

B. City employees driving City owned, leased, or rented vehicles and/or motorized equipment.

C. City employees receiving a monthly car allowance.

D. City employees receiving mileage reimbursement for use of the employee's personal vehicle while conducting City business; and

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E. Applicants for positions which require the operation of Cityvehicles and/or equipment.

F. City employees covered under this directive shall upon its effective date be subject to these standards. All applicants, who are finalists for positions which require the operation of a City vehicle/equipment or will be eligible for a car allowance or mileage reimbursement, shall have their Motor Vehicle Driving Records (MVR) audited prior to being hired.

V. Criteria for Application of Formal Levels of Discipline

In recognition of the fact that each disciplinary instance may differ, the City retains the right to treat each disciplinary occurrence on an individual basis and without creating a precedent for other cases that may arise in thefuture. The following criteria may be considered, as appropriate, in determining action to be taken.

A. Severity and type of violation(s).

B. Impact of the violation(s) on other employees and/or customers of theCity.

C. Employee's length of service and previous work record.

D. Period of time since previous coaching or discipline.

E. Disciplinary actions taken by the City with other employees for similar violations(s).

VI. Guidelines

The City of Celina shall require all employees driving City Vehicles/Equipment, or employees driving personal vehicles to conduct City business, to have the appropriate driver's license as required by the City and/or State of Texas.

Failure to meet the qualifications/standards listed below shall be grounds for the suspensions of the employee's driving privileges and subject an employee to the provisions of this directive.

Employees who drive, or applicants who would be required to drive City Vehicles and/or operate covered Motorized Equipment, in the course of their employment shall be required to meet and uphold certain standards. The following minimum qualifications/standards shall constitute conditions of eligibility for driving/operating privileges:

A. The employee/applicant must hold and maintain a current valid Texas driver's license in the appropriate class for his/her position held, or applied for, before beginning work in the position requiring the license;

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B. The employee/applicant must have attained the age of eighteen (18) years of age in order to be eligible to operate City vehicles and/or operate motorized equipment under this policy;

C. The employee/applicant must be physically qualified to hold a driver's license and to safely operate a motor vehicle and/or motorized equipment;

D. The employee/applicant must be insurable under the City's automobile insurance program as determined by the insurance underwriters;

E. The employee/applicant may not be a habitual violator of traffic laws as defined by the Texas Motor Vehicle Laws.

In addition to the above criteria the City has established guidelines which shall be used to evaluate employee and applicant driving records. A Motor Vehicle Record (MVR) will be requested on all applicants, current City employees who are being considered for promotion or transfer, and at least on an annual basis on all employees required to drive/operate vehicles/equipment in the course and scope of their employment. Each employee/applicant must also meet the minimum driving criteria as outlined below:

VII. Evaluation Criteria

Applicants - Applicants, for positions requiring the operation of City Vehicles/Equipment, **SHALL NOT** be eligible for hire if:

A. the applicant's driver's license is currently under suspension or revocation

B. within the past three (3) years, the applicant has been arrested for or convicted of:

1. Driving Under the Influence, (DUI)
2. Driving While Intoxicated (DWI)
3. any other alcohol-related driving offense;
4. a "Hit and Run"
5. "Failure to stop, render aid, and disclose I.D. as the scene of an accident"; and/or
6. Negligent Manslaughter involving a motor vehicle accident.

C. the applicant's driving record contains any of the following that have occurred within the last two (2) years:

1. three (3) moving violations; or
2. two (2) moving violations **and** one (1) chargeable vehicle accident; or
3. two (2) chargeable vehicle accidents.

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NOTE: All vehicle accidents listed on the driving record shall be considered "chargeable" unless otherwise stated on the record or unless the applicant can provide immediate evidence to show that the accident was non-chargeable.

Employees

Employees in positions requiring them to drive City Vehicles/Equipment **SHALL NOT** be eligible to operate such vehicles; and employees receiving a car allowance or mileage reimbursement **SHALL NOT** be eligible for such payments if:

A. the employee's license is suspended or revoked;

B. within the past three (3) years, the employee has been convicted of:

1. Driving Under the Influence, (DUI)
2. Driving While Intoxicated (DWI)
3. any other alcohol-related driving offense;
4. a "Hit and run"
5. "Failure to stop, render aid, and disclose I.D. at the scene of an accident"; and/or
6. Negligent Manslaughter involving a motor vehicle accident.

Action under this section of the directive is predicated on evidence of CONVICTION. An employee who has been charged with an offense listed under this section, but who has not been convicted shall not be automatically disqualified from all driving and/or operating privileges. Pleading “no contest” or the like is the same as a conviction.

EXCEPTION: Certain departments may immediately, upon arrest for and while awaiting the outcome of a charge under this section, remove an employee from driving privileges. Within these departments the employee will be placed on unpaid Administrative Leave until such time as the outcome of the charge has been determined. Departments wishing to utilize this provision must be able to justify the need to, and receive approval from, the City Manager.

Should the charge result in conviction, (even if probated), the affected employee shall be ineligible for driving/operating privileges.

C. The employee's record contains any of the following that have occurred within the last two (2) years:

1. Three (3) moving violations; or
2. Two (2) moving violations and one (1) chargeable vehicle accident; or
3. Two (2) chargeable vehicle accidents.

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D. The employee has, within the past twelve (12) months, been involved in three (3) City Vehicle accidents. Only preventable City Vehicle accidents in which personal injury occurs and/or the total incurred property damage **exceeds $500** as determined by the Department Director or his/her designee utilizing a police accident report, if available, will be counted toward the three.

NOTE: Some departments may utilize a review board, approved by the City Manager, for making "chargeable" determination.

Employees who are in jobs requiring the driving/operating of City-owned/leased vehicles or who use a personal vehicle while conducting City business shall report:

A. any traffic convictions to their supervisor immediately.

B. all accidents incurred on the job, to their supervisor immediately.

Failure to report traffic convictions and accidents, as outlined above, will be sufficient grounds for removal from driving and may subject the employee to action in accordance with City policy.

VIII. Post Eligibility Determination Guideline

Employees who are required to operate City Vehicles/Equipment and are determined to be ineligible to drive due to their driving record shall be separated from employment.

NOTE: Employees who are terminated due to poor driving records may be eligible for re-hire into non-driving positions, or into driving positions after achieving an acceptable driving record.

Should an employee who receives a car allowance or mileage reimbursement become ineligible for driving privileges, that employee shall have his/her car allowance or mileage reimbursement and any City automobile insurance coverage revoked until such time that the employee meets the minimum driving qualifications/standards outlined in this directive and is eligible for reinstatement of driving privileges.

City employees who have been found to be ineligible for driving privileges under this section MAY have their privileges reinstated under the following conditions:

A. This option must be approved in advance by the Department Director. The Director is not required to authorize this option simply based on the request. The Director will handle each employee on a case-by-case basis using the employee's overall driving, work performance and safety records as part of the decision-making process.

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B. The employee successfully completes a Defensive Driver Training Program approved by the City and submits evidence of satisfactory completion of the program to the Department Director and the Human Resources Department. Furthermore, the employee will be required to participate in the approved Defensive Driver Training Program on his/her own time and not during the employee's regularly scheduled work hours.

C. An employee who has been ruled ineligible for driving privileges may use the defensive driving course option only **once every three (3) years** in order to have his/her eligibility status reinstated.

D. Other than the defensive driver course option, an employee who has been ruled ineligible for driving privileges shall remain ineligible for driving privileges until his/her driving record meets City driving qualifications/standards.

IX. Audit of Employee Driving Records

For employees who are authorized to operate City Vehicles/Equipment, employees who receive mileage reimbursement for using a personal vehicle while conducting City business, and employees receiving a car allowance, an audit of each employee's MVR will be performed by the Human Resources Department at least once each year. The following procedures will apply:

A. The Department Director shall submit to the Human Resources Department a list of all department personnel who have driving responsibilities or who are eligible for a car allowance or mileage reimbursement. This list shall include the employee's name, date of birth, and current driver's license number. Human Resources will obtain three (3) year Motor Vehicle Record (MVR) on each employee listed.

B. Employee MVR's shall be reviewed by the Human Resources Department and the underwriters for the City's insurance policy.

C. Upon review of the MVR, in those instances when the employee's driving record does not comply with established City criteria, the Department Director shall meet with the employee to discuss the results of the MVR and to take the appropriate action in accordance with policy.

D. Review of the driving record/history shall mean management review of the Texas Motor Vehicle Driving Record and **all** violations listed thereon; and, a review of **all** vehicle accidents involving City vehicles/equipment, experienced during the review period.

Out of state records, if available, will be obtained for applicants and employees if the individual has had a valid Texas driver's license for a period of less than three (3) years.

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X. Exceptions/Grandfather Clause

For those employees hired before the effective date of this policy; and those that have previously been arrested for violations that could, if convicted, make them ineligible; and those who have been convicted for violations which will make them ineligible to drive under the provisions of this policy the City can elect to follow the following criteria in determining exemption/grandfathering:

A. Employees found to be ineligible due to their Driving Record and Accidents shall be grandfathered. However, any additional violations, after the effective date of this policy, shall be considered under the normal provisions of this policy.

B. If driving is a requirement of the position, the City has the discretion on whether this policy will be followed or if the employee will be unable to fulfil the duties of their role.

C. Employees found to be ineligible due to a Suspended License and a DWI shall be immediately removed from driving privileges and the following guidelines shall be used:

1. Assigned non-driving responsibilities within the employee's respective department, if a position is available and the assignment does not cause and undue burden on the department (the number of reassignments will be restricted and must be approved by the City Manager).

   Each employee will be handled on a case-by-case basis using the employee's overall driving, work performance and safety records as part of the decision-making process:

   An employee assigned to a non-driving position will receive compensation for work performed based on the classification of the position to which they have been re-assigned.

2. Be separated from employment, if the above alternative cannot be achieved within thirty (30) days from the date the employee was determined ineligible for driving privileges.

D. Employees previously identified, before the effective date of this policy, as being ineligible and are currently under an approved alternative work program will be allowed to complete that program. However, any additional violations, after the effective date of this policy, shall be considered under the normal provisions of this policy.

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7.14 – Property and Equipment Use

I. Equipment

A. The City may issue various types of equipment and other property to employees e.g., credit cards, keys, tools, laptops, cell phone, etc. This equipment and property are for use while on City business only unless otherwise approved by the City Council or the City Manager. Employees are responsible for items issued to them by the City as well as items otherwise in their possession or control or used by them in the performance of their duties. It is expected that employees will follow the policies set out relating to the use of City property at all times.

B. It is the employee's responsibility to ensure all equipment issued to him/her is properly maintained. If repair is warranted, the employee is to contact their supervisor and make the necessary steps to have the equipment/property repaired. Failure to properly maintain property/equipment shall lead to disciplinary action up to and including termination of employment. All equipment is to be accounted for in a manner that befits normal use and storage, such as inventories, engraving, and the like. For items valued in excess of $500, excluding automobiles, a departmental representative should be contacted to take digital photographs for the files.

C. Missing equipment shall be reported to the Celina Police Department and police report filed with a phone call to and a subsequent copy of the report forwarded to the Finance Department. Note: The Celina Police Department will conduct an independent inquiry into the matter. At no time shall a supervisor or any member of City management take any action in the matter without the advice and approval of the City Manager and/or the Director of Human Resources.

D. The use of all tobacco products, including smokeless, e-cigarette or vaping products is prohibited while operating and/or being a passenger in City owned/leased equipment. At no time shall an employee under the influence of any alcohol/drug/medication drive/operate City owned/leased equipment.

E. Operators of all motorized equipment used in the service of the City, who become involved in any accident, may be subjected to disciplinary action up to and including termination of employment if, upon investigation, it is determined that the employee is responsible for such action or through carelessness, recklessness, or negligence contributed to the cause of such accident.

F. Employees' use of City equipment/property does not limit the City's right to search said areas. The City has the right to search, for legitimate business purposes, City owned/leased vehicles, equipment, desks, file cabinets, and anything else owned and/or leased on behalf of the City. Employees shall have no expectation of privacy regarding any property owned by and/or leased on behalf of the City.

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7.14 – Property and Equipment Use

II. City-Issued Firearms/Badges

A. It is the responsibility of each department to maintain a list of all firearms and Badges issued to its employees and for the disposition of the same, whether destroyed, retired, or returned.

B. It is the responsibility of each employee, upon separation of City employment, to return any and all City-issued firearms and badges to the issuing department.

C. Upon separation of City employment of an employee, the affected department

1. shall notify Human Resources of the separation and whether or not all firearms and/or badges have been returned.

2. If the equipment has not been returned the costs of items will be deducted from the final paycheck.

D. Firearms not prohibited weapons under Section 46.05, Texas Penal Code, and badges may be purchased by the individual peace officer or by the surviving spouse, child, or parent upon the peace officer's separation from City employment.

E. The purchase price of the firearms and/or badges of peace officers shall be established by the City Manager after receiving recommendations from the Chief of Police and may be less than the fair market value of the firearm and/or badge.

F. All firearms and/or badges not disposed of in this manner shall be returned to the issuing department.

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7.15 – Employee Identification

I. All City employees are issued an Employee Identification Badge with photo when they are hired. New employees receive their Employee Identification Badge during New Employee Orientation. Contractors who will be working on site as well as temporary seasonal and less than part-time employees will also be issued identification badges. **Badges or employee identification are to be worn at all times while at work.**

II. The employee Identification Badge is City property and can only be used for identification purposes and for employee access to City buildings. Cards cannot be used for obtaining privileges, or for any personal reasons, without the approval of the employee's Department Director. Misuse of the identification cards will be grounds for disciplinary action up to and including termination. Access to secure locations must be approved by the City Manager. The employee must wear the badge when engaged in City business unless working conditions make wearing the badge hazardous or impractical.

III. Employees wearing a department-issued uniform are not required to wear an employee Identification Badge but must have the badge in their possession.

IV. The employee must wear the badge in City facilities and when dealing with the public. It must be worn so that the employee's name and photo are clearly visible. Old, faded or damaged badges should be replaced as soon as possible.

V. If an employee loses his/her identification badge, the employee should immediately contact Human Resources Director so that the card can be deactivated. Then, contact your Department Head and fill out a form to request for a replacement badge. Employees will be responsible for the replacement costs if they lost their cards. Cost of replacement is $10.00. Cards damaged by normal use will be replaced at no cost to the employee.

VI. Surrender of Identification Card Upon Termination

Employees will surrender their identification cards upon termination of employment. The Department Director or their designee shall be responsible for collecting the department employee's identification card, notifying Human Resources to de-activate the card and returning the card to Human Resources.

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7.16 – Technology and Social Media

I. Statement of Purpose

This policy outlines the appropriate use of all electronic and telephonic communication systems, including, but not limited to, computers, telephones, the internet, e-mail, voice mail, pagers and all communications and information transmitted by, received from, or stored in City of Celina ("City") owned or leased systems.

II. Scope:

This policy applies to employees, contractors, consultants, temporary employees, and other workers at the City, including all personnel affiliated with third parties. This policy applies to all equipment that is owned or leased by the City.

III. Policy:

A. All news releases by city employees will be approved prior to their release by the City Manager and Mayor, as applicable. The Public Information Officer for the City of Celina will be the Mayor and/or City Manager or designee. Only the City Manager or their designee is authorized to respond to information about the City that is posted to sites not maintained by the City. The Police and Fire Public Information Officers or their designee may also post and respond to sites maintained by their respective Departments.

B. City Property. All lnternet/lntranet/Extranet-related systems, including but not limited to computer equipment, telephone equipment, software, operating systems, storage media, network accounts providing electronic mail, WWW browsing, and FTP are the property of the City and as such are to be used for purposes related to an individual's job with the City, subject to exceptions noted below. For security and network maintenance purposes, authorized individuals within the City may monitor equipment, systems and network traffic, including but not limited to network accounts providing electronic mail, at any time. The City reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.

1. The City shall not be liable for users' inappropriate use of electronic communication resources or violations of copyright restrictions, users' mistakes or negligence, or costs incurred by users. The City shall not be responsible for ensuring the accuracy, age, appropriateness, or usability of any information found on electronic resources, including the Internet.

2. The City's system is provided on an "as is, as available" basis. The City does not make any warranties, whether express or implied, including, without limitation, those of fitness for a particular purpose with respect to any services provided by the system and any information or software contained therein. The City uses a variety of vendor-supplied hardware and software. Therefore, the City does not warrant that the functions

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or services performed by, or that the information or software contained on the system will meet the system user's requirements. Neither does the City warrant that the system will be uninterrupted or error-free, nor that defects will be corrected.

3. Opinions, advice, services, and all other information expressed by system users, information providers, service providers, or other third-party individuals in the system are those of the providers and not necessarily the City. The City will cooperate fully with local, state, or federal officials in any investigation concerning or relating to misuse of the City's electronic communications system.

B. Personal Use. **Do not expect privacy.** The City allows incidental and occasional personal use of the communication systems covered by this directive provided that such use does not adversely affect City business uses and/or productivity and does not involve unlawful or unprofessional activities. The City may access, read, monitor, etc., any communication if it chooses to do so. Incidental and occasional personal use of the systems is allowed during non-working hours (before work, during lunch and after normal working hours) only to the extent such use: 1) imposes no tangible cost on the City; 2) does not unduly burden the City's computer or network resources; and 3) has no adverse effect on an employee's job performance. When an emergency requires an employee to make or receive personal calls during business hours, every attempt should be made to limit the calls to five (5) minutes. City communication systems including email shall not be used to conduct personal business. Ethical behavior of government employees and the appropriate use of government resources apply to the use of electronic communications and computer systems supplied by the City.

C. Permission to Photograph. Employees agreeing to this handbook give consent to the City to record, videotape and photograph their image and voice to be used in the following ways, but not limited to these outlined ways; company intranet accessible by employees only, company internet accessible via the World Wide Web by anyone, printed employee newsletter, emailed employee newsletter, printed client or customer newsletter, social media accounts maintained by the City or City Departments, printed annual reports, open records requests and other released and internal technologies utilized by the City. Employees understand that no special compensation will be provided to them for the use of their image and that they may or may not be informed in advance or at all in the specific use of their photos, recordings, images, videotapes, audio recordings or any other form of media used by the City.

D. Personal Bills Incurred. The Department Director must authorize personal long-distance calls made by an employee and billed to the City in advance and the employee must reimburse the City for whatever charges are incurred. The same rules will apply to computer systems. Should an employee incur any

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charges on the computer system or the Internet, he/she must have advance permission and must reimburse the City for those charges within 30 days of when the fee was charged. Any fees not reimbursed will be deducted from an employee's monthly compensation and/or final paycheck from the City.

E. Security and Confidential Information**.** User accounts are not to be shared. Passwords must be kept secure and adhere to the City Password Policy. All systems, laptops and workstations should be secured with a password-protected screensaver with the automatic activation feature set at 10 minutes or less, or by locking the system when the host will be left unattended. Postings by an employee from a City email address to newsgroups should contain a disclaimer stating that the opinions expressed are strictly their own and not necessarily those of the City, unless posting is in the course of business duties. All hosts used by the employee that are connected to the City lnternet/lntranet/Extranet, whether owned by the employee or the City, shall be continually executing approved virus-scanning software with a current virus database unless granted an exception by the Information Technology Department. Employees must use extreme caution when opening e-mail attachments received from unknown senders, which may contain viruses, e-mail bombs, or Trojan horse code. The Director should monitor departmental use of the Internet and e-mail, and he/she may revoke an employee's access to such systems at any time.

F. Privacy and Open Records. An employee does not have a privacy right in any matter created, received or sent via City-owned or leased systems. The City reserves the right, without advance notice and at any time, to monitor, access, delete or disclose any messages or documents created, received, sent or stored via the City-owned or leased systems. The City is subject to open records requests and any information on a City computer may be subject to the right of discovery through the Texas Public Information Act.

G. Program Installation. All programs installed on computers must be fully licensed for that computer. No personal or downloaded programs are to be installed unless granted an exception by the Information Technology Department.

IV. Internet and E-mail Usage: the City of Celina's presence on social networking outlets will be administered by the City Manager or his/her designee(s). Under certain circumstances, a City department or division might want to create and maintain a presence on a social networking outlet. Such a request must come through the Department Director and be approved by the City Manager prior to implementation. Sites that violate this policy may be removed at any time.

A. Discrimination and Harassment. Use of the internet is a revocable privilege and may be withdrawn if used inappropriately. Creating, sending, forwarding, or storing Internet or e-mail messages or documents (including, but not limited to, e-mail message signature lines, sayings and quotations) which are offensive, intimidating, harassing, disparaging or hostile on the basis of race,

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gender, color, religion, national origin, disability, age political beliefs, pregnancy or any legally protected status is grounds for disciplinary action, up to and including termination. The City does not allow connections to sites that contain sexually explicit material. Use of such sites on City owned or leased equipment may lead to disciplinary action, up to and including termination.

B. Open Records and Privacy. Electronic messaging systems as well as other computer systems are subject to the right of discovery in legal actions brought against the City and through the Texas Public Information Act. This means that outside parties may have access to the information stored on the City's systems, and as a result, such information may become public knowledge through no action of the City. Additionally, each employee should assume that every Internet site that is visited would capture his/her electronic address, which can lead back to the City.

C. Unacceptable Use. The following activities are, in general, prohibited. Employees may be exempted from these restrictions during the course of their legitimate job responsibilities (e.g., systems administration staff may have a need to disable the network access of a host if that host is disrupting production services). Under no circumstances is an employee of the City authorized to engage in any activity that is illegal under local, state, federal or international law while utilizing City resources. The lists below are by no means exhaustive but constitute an attempt to provide a framework for activities which fall into the category of unacceptable use.

D. While posting on social media employees need to be careful not to post anything that will bring a negative light, disparage the City or have a negative effect on the City's operations or reputation.

V. System and Network Activities:

A. The following activities are strictly prohibited, with no exceptions:

1. Violations of the rights of any person or City protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by City.
2. Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which City or the end user does not have an active license is strictly prohibited.
3. Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.

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4. Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.).
5. Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
6. Using a City computing asset to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws.
7. Making fraudulent offers of products, items, or services originating from any City account.
8. Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes.
9. Port scanning or security scanning is expressly prohibited unless prior approval from the Information Technology Department is received.
10. Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the employee's normal job/duty.
11. Circumventing user authentication or security of any host, network or account.
12. Interfering with or denying service to any user other than the employee's host (for example, denial of service attack).
13. Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the lnternet/lntranet/Extranet.
14. Providing information about, or lists of, City employees to parties outside City.
15. Submitting, publishing, or displaying any defamatory, inaccurate, racially offensive, abusive, obscene, profane, sexually oriented, or threatening materials or messages, whether public or private.
16. Using the network for financial gain or for commercial activity.
17. Personal communication denigrating your employer, “cyber-smearing”, or “cyber-bullying” of other employees.

B. Email and Communication Activities:

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1. Sending unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam).
2. Any form of harassment via email, telephone or paging, whether through language, frequency, or size of messages.
3. Unauthorized use, or forging, of email header information.
4. Solicitation of email for any other email address, other than that of the poster's account, with the intent to harass or to collect replies.
5. Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.
6. Use of unsolicited email originating from within City's networks of other lnternet/lntranet/Extranet service providers on behalf of, or to advertise, any service hosted by City or connected via City's network.
7. Posting the same or similar non-business-related messages to large numbers of Usenet newsgroups (newsgroup spam).
8. Attempting to read, delete, copy, or modify the electronic mail of other system users, deliberate interference with the ability of other system users to send/receive electronic mail, or the use of another person's user ID and/or password is prohibited.

C. Blogging:

1. Blogging by employees, whether using City's property and systems or personal computer systems, is also subject to the terms and restrictions set forth in this Policy. Limited and occasional use of City's systems to engage in blogging is acceptable, provided that it is done in a professional and responsible manner, does not otherwise violate City's policy, is not detrimental to City's best interests, and does not interfere with an employee's regular work duties. Blogging from City's systems is also subject to monitoring at any time.
2. City's employees are prohibited from revealing any City confidential or proprietary information when engaged in blogging.
3. Employees shall not engage in any blogging that may harm or tarnish the image, reputation and/or goodwill of City and/or any of its employees. Employees are also prohibited from making any discriminatory, disparaging, defamatory or harassing comments when blogging or otherwise engaging in any conduct prohibited by City's policies.
4. Employees may also not attribute personal statements, opinions or beliefs about the City when engaged in blogging. If an employee is expressing his or her beliefs and/or opinions in blogs, the employee may not, expressly or implicitly, represent themselves as an employee or representative of City. Employees assume any and all risk associated

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with blogging.

5. Apart from following all laws pertaining to the handling and disclosure of copyrighted or export-controlled materials, City's trademarks, logos and any other City intellectual property may also not be used in connection with any blogging activity.

VI. Illegal Activities:

A. Employee use of the City owned or leased electronic and telephonic communication systems, including telephones, the Internet, e-mail, voice mail, and pagers must comply with all other Administrative Directives of the City and any established departmental policies. Illegal activities discovered by monitoring or auditing activities may be brought to the attention of the appropriate governmental agency or other persons.

B. Improper or unethical use may result in disciplinary actions consistent with City policies and procedures and, if appropriate, the Texas Penal Code, Computer Crimes, Chapter 33, or other state and federal laws. This may also require restitution for costs associated with system restoration, hardware, or software costs.

VII. Enforcement:

Access to the City's electronic communications system is a privilege, not a right. All users shall be required to acknowledge receipt and understanding of all administrative regulations governing use of the system and shall agree in writing to comply with such regulations and guidelines. Noncompliance with applicable regulations may result in suspension or termination of privileges and other disciplinary action consistent with City policies. Violations of law may result in criminal prosecution as well as disciplinary action by the City, up to an including termination of employment.

VIII. Definitions

Term	Definition
Blogging	Writing a blog. A blog (short for weblog) is a personal online journal that is frequently updated and intended for general public consumption.
Spam	Unauthorized and/or unsolicited electronic mass mailings
Host	A machine that communicates via a network, includes servers and clients.

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7.16 – Technology and Social Media

Ponzi	A fraudulent investment operation that involves paying abnormally high returns ("profits") to investors out of the money paid in by subsequent investors, rather than from net revenues generated by any real business. It is named after Charles Ponzi
Trojan Horse	A program that installs malicious software while under the guise of doing something else.
Worm	A program that replicates itself over a network and usually performs malicious actions.
E-mail Bomb	Sending huge volumes of e-mail to an address in an

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.17 – Travel and Meetings

This section establishes City policy regulating travel, meetings, entertainment, personal care, mileage, and/or other expenses incurred by employee who are authorized to officially represent the City at various conferences, meetings, conventions, seminars, and other functions.

This policy provides uniform guidelines and procedures for submission and processing of expenditure requests and ensures proper accounting for approved allowable expenses, including travel advances, per diem meals, and incidentals, City credit card charges, and cash expenditures made for the purposes herein defined on behalf of the City.

This policy is applicable to all City employees regardless of the source of funding.

I. Responsibilities

A. The Department Directors/Managers are responsible for communicating and administering the provisions of this policy to employees and approving expenses as legitimate business items. Nonexempt employees are compensated in accordance with prevailing Wage and Hour Laws.

B. The Director of Finance is responsible for the overall administration of expenditures regarding this policy. Department Directors/Managers are responsible for monitoring the travel and meeting expenses of their employees.

C. The Director of Finance and Department Directors/Managers, as well as all employees, shall have the responsibility to report any abuse and/or misuse of travel funds to appropriate management.

II. Expenses

A. Expenses shall consist of the actual costs that a reasonable, prudent person incurs related to travel and meeting attendance, excluding per diems. All expenses must be directly related to City business.

B. Employees are expected to be conservative in their expenditures as if they were paying such costs.

C. The expenses shall be rejected if required documentation is not provided. Original, detailed receipts must be turned in on all reimbursable expenditures with exception of tips, per diem meals, and incidentals. Per Diem includes the cost of meals, tips, and incidentals. Documentation is a service-provided name or logo-printed receipt, where available. Expenses incurred ***not*** in accordance with this policy are the employee's responsibility.

D. Allowable Living Expenses-Actual living expenses, within specified limits, may be claimed by all City employees when they are representing the City of official business that requires an overnight stay away from Celina. Living expenses include such items as hotel room, tips, parking, ground transportation, and itemized telephone calls.

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Chapter 7 – Employee Conduct

7.17 – Travel and Meetings

E. Hotels/Motels-The City will pay for local hotels greater than 40 miles away or if there early/late meetings as part of the function. The City will pay actual expenses for hotels, motels, or other lodging for the actual number of days of the conference or other meetings, plus allowance for travel time. The City will pay for a single room. Lodging per night will not exceed actual room cost plus tax and tips.

1. Internet Service-Where not provided for free, the City will pay reasonable Internet service costs where the Internet is used for City business.

2. Parking-Employees may claim actual parking expenses.

3. Ground Transportation- Employees may claim reasonable, actual ground transportation expenses including shuttle, taxis, and Uber services.

4. Tips/Gratuities-Tips and gratuities are allowed and are considered reasonable when paid at the rate of 15% of the meal cost and $1.00 per piece of luggage, except when traveling under per diem.

5. The City will not pay or reimburse registration fees, meals, and travel expenses of spouses, children or significant others who accompany employees to conferences of other business-related events.

6. The City will not pay or reimburse registration fees, meals, and travel expenses, or cancellation fees or penalties assessed for personal reasons unless emergency in nature.

F. Meals -When officially representing the City that requires an overnight stay.

1. Per Diem should be requested two weeks prior to the trip date.

2. Per Diem rates may be found at: www.gsa.gov/perdiem. The City will use the first and last day amounts, which equal 75% of the full day amount. All other days are paid at 100%.

   a. Employees may use their City issued credit card to pay for registration, transportation, and hotel stay. All receipts must be detailed.
   b. Where meals are provided at conferences and included in the registration fee, reimbursements or per diem shall not be allowed. A continental breakfast consisting of pastries and coffee/juice is not considered a meal.
   c. In instances where a per diem advance was made and the trip was not taken, the employee shall return the funds to the Finance Department for credit to the proper fund.

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7.17 – Travel and Meetings

3. **Day Travel** – Defined as travel that does not require an overnight stay, whether in-State or Out-of-State), The City will not reimburse employees and a purchasing card should never be utilized. Compensation for such meals is considered, by the Federal Government, to be taxable income to the employee. It is the responsibility of the employee to provide for his/her own meal if attending training that does not require an overnight stay.

4. **Business Meal/Entertainment-** Business meals are for executive level employees or their designees to conduct official business with an outside business representative. Business meals are not applicable to a group of employees going out to eat. To be a reimbursable "Business Meal" the meal must be one that is: (1) 'non-routine' in nature, (2) is entertainment that has a clear business objective which will benefit the Town, or (3) involves a client, official or customer and an executive level employee or their designee.

    a. In addition, to be a reimbursable "Business Meal" the meal must fall within one of the following tests:

        i. Directly- Related Test: The meal must satisfy all of the following:

            - The main purpose of the combined business and meal is active conduct of business.
            - Business is actually conducted during the meal period, and
            - There is more than a general expectation of deriving income to the City, lowering City expenses, or some other specific City benefit at some future time.

        ii. Associated Test: The meal must satisfy all of the following:

            - Associated with the active conduct of the City's business, and
            - Directly before or after a substantial business discussion.

Expenses that are lavish or extravagant under the circumstances are not allowed. The IRS identifies online *What Entertainment Expenses Are Not Deductible*. An employee must consider all the facts, including the nature of the business transacted and the reasons for conducting business during the entertainment. It is not necessary to devote more time to business than to entertainment. However, if the business discussion is only incidental to

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the entertainment, the entertainment expenses do not meet the directly related test.

Approved Business Meal expenses, including the expenses of non-employees at the meal, will be reimbursed, provided the circumstances are considered to be conductive to a business purpose, and the meal meets all of the criteria stated. The City will not reimburse expenses for alcoholic beverages. A "Business Meal" form will need to be completed and an employee will need to provide a detailed receipt, names of all individuals in attendance, identify the various business relationships involved, and a summary of business discussed. The documentation is requested to ensure that the City meets the requirements established by the **IRS.** Absence of documentation will lead to the expense being denied and the employee will be responsible for the charges.

5. **Group Meals** - In order to be reimbursable, Group Meals are considered to be occasional, infrequent and non-routine meals that are provided to a group of employees, such as employee picnics or retirement parties, and are considered by the IRS to be a non-taxable de-minimis fringe benefit. Group meals may also include such things as occasional provision of coffee, donuts, or soft drinks or a meal that is provided to promote good will, boost morale, or to attract prospective employees to the Town.

   To be a reimbursable expense or charged on a purchasing card, the costs related to Group Meals must be approved by a Department Director. A separate document will be required in processing "Group Meals" in the Finance Department to meet IRS requirements. Group Meals should never occur during overnight travel as per diem per employee has been provided. An employee will need to provide a detailed receipt, names of all individuals in attendance, and a reason for the group meal.

   The only meals allowed on a purchasing card is a Group Meal or Business Meal. No other meals, snacks or drinks are allowed on your purchasing card. The City will not reimburse expenses for alcoholic beverages.

G. Other Living Expenses-The cost of alcoholic beverages, laundry/dry cleaning, in- room movies, personal tours, fitness center fees, personal entertainment, and spouse and other family expenses are specifically excluded form reimbursement.

H. Transportation Expenses-Employees will use the most economical form of transportation available. When submitting reports, employees shall submit the completed comparison of the available modes of transportation for review.

   1. Other Transportation-When requesting air transportation, the employee shall request the least expensive cost. The employee may choose to travel first-class, but the City will pay only for coach class.

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Accommodations must be booked in a timely manner to ensure coach class is available. Up charges (first class, business class) must be reimbursed at the time of the expense.

2. Vehicle Transportation-Employees may use their personal funds and keep receipts for reimbursement, employees may seek an advance or use a City credit card. Employees also may use a personal car for travel. Actual mileage shall be calculated in miles from the worksite or residence depending on where he/she depart from, to the destination. Any other mileage is considered as part of the normal commute to work. The City shall reimburse the lesser of (1) actual mileage to and from the destination multiplied by the current IRS rate per mile, or (2) the round-trip cost of the most reasonable alternative conveyance, e.g., airfare that would be spent for each employee traveling to the destination in the vehicle. Employees receiving auto allowances are reimbursed at a reduced rate for mileage in excess of 100 miles each way.

3. City Vehicles - City vehicles may be used at the discretion of the Department Director/Manager when costs are not in excess of the costs of airfare and site transportation combined or when air transportation is not available or impractical. Direct expenses, e.g., gasoline, oil, etc., associated with the use of a City vehicle shall be reimbursed with paid receipts.

III. Expense Reports

All employees must get prior approval from their Department Director.

A. A per diem advance form should be used to request per diem and resubmitted with all expenses upon return to balance out travel expenses.

B. When it becomes necessary that an employee travel in the interest of the City, the Department Director/Manager may request a travel advance. This request may be made on the Travel Advance/Expense Report and should contain the name of the traveler, purpose of the trip, date(s), and other pertinent information. This request should be prepared and submitted at the earliest practical time, but preferably no later than fourteen (14) full working days prior to departure.

C. The Department Director's/Manager's request for travel advances require prior approval by the City Manager's Office. Others require prior approval of their Department Director/Division Manager. If approved, the request will be sent directly to the Finance Department no later than seven (7) full working days prior to departure.

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7.17 – Travel and Meetings

IV. Paid Time

A. Attendance at lectures, meetings, training programs, and similar activities will be counted as working time unless all four (4) of the following criteria are met:

1. it is outside normal working hours;
2. it is voluntary;
3. it is not job related, and
4. there is no other work that is concurrently performed.

B. Travel that keeps an employee away from home overnight is travel away from home. Travel away from home is clearly work time when it cuts across the employee's workday. The time is not only hours worked on regular working days during normal working hours but also during corresponding hours on non-working days. Time that is NOT considered work time is that time spent in travel away from home outside regular working hours as a passenger on an airplane, train, boat, bus, or automobile.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 7 – Employee Conduct

7.18 – Employee Arrest

I. In the case of an arrest of a City employee, the following procedure shall be followed:

A. Employees shall ensure his/her supervisor is notified within 24 hours of the arrest and prior to returning to work.

B. Upon notification of the employee's arrest, the Department Director/Manager shall notify the Director of Human Resources, the City Manager, and the Legal Department.

C. If an employee fails to contact his/her supervisor, corrective disciplinary action and/or termination of employment will occur.

II. Employees, who are unable to report to work because of arrest or incarceration, must nonetheless contact their supervisor and will be placed on unpaid leave of absence for up to two (2) workdays/shifts. If an employee is unable to secure bail after two (2) workdays/shifts, the employee shall be considered to have abandoned his/her position. If the employee is freed on bail, his/her Department Director, the Director of Human Resources, the City Manager, and the Legal Department will decide whether or not active employment is appropriate pending final disposition of the charges.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.00 – General Safety and Risk Management Policies

I. General Safety Policies

A. The success of the City's Safety and Risk Management Program depends on the efficient and effective use of resources to maintain high quality services for the citizens of our community. Our most important resource is our employees; and to protect this resource, we are committed to providing a safe and healthy workplace for all employees by establishing and maintaining an effective safety, accident prevention and overall risk management program. Safety is, and will continue to be, a fundamental part of our organization's operations.

B. The responsibility for safety limiting risk resides within all employees, and each is challenged to stay informed and to take responsibility for their own safety and the safety of their coworkers. To ensure the success of the safety process, every employee must give their full participation and support to the safety and risk management policies and procedures that have been developed to protect employees.

II. Responsibilities – General

A. The Department Directors, Finance and Human Resources, or their designee, has the responsibility to implement and administer this Safety/Risk Management Program and assign tasks as defined in the individual components.

B. Managers are responsible for providing a place of employment that is free from hazards that could result in injuries or accidents. Since it is impossible for managers to personally observe all employee activities, they must ensure that all supervisors and employees alike are trained and are aware of their safety responsibilities. Other safety responsibilities for managers include the following:

1. Provide leadership and direction concerning safety/risk management activities.
2. Be proactive in continuous evaluation of the safety/risk management program.
3. Set goals concerning safety performance/risk management within their department.
4. Review losses for potential trends on a regular basis.
5. Enforce all safety/risk management rules.
6. Participate in facility and worksite safety/risk management audits.
7. Participate and support all accident investigation activities.
8. Review accident reports and recommend corrective actions.

C. Supervisor Safety Responsibilities

Safety is as much a part of the supervisor's responsibility as is getting the job done efficiently. In addition to the aforementioned responsibilities of managers, the important safety/risk management responsibilities of each and every supervisor also include the following:

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8.00 – General Safety and Risk Management Policies

1. Familiarize themselves with, and enforcing, the safety rules and regulations that have been established by applicable local, State, and Federal organizations. These regulations are intended to set minimum standards for safety, and the contents of all regulations must be enforced as minimum safety/risk management requirements for all activities on City worksites and in City facilities.
2. Correct, or have corrected, all reported hazards. Operating under known hazards shall not be tolerated.
3. Do not permit new or inexperienced employees to work with power tools, machinery or complex equipment without proper instruction and training.
4. Give adequate safety instructions. Do not assume that an employee knows how to do a job unless knowledgeable in safety rules and regulations that they can perform the job task(s).
5. Ensure tools, equipment, and machinery being used in the workplace are in proper working condition.
6. Ensure that proper personal protective equipment (PPE) is available and used by employees when necessary and required.
7. Always set a good example in safety such as wearing the proper personal protective equipment and following established safety policies and procedures.
8. Consistently and proactively enforce all requirements of the City's safety program and all associated rules and policies.
9. Ensure that all employees have access to a copy of the City's safety policies.
10. Encourage safety/risk management suggestions from employees.
11. Obtain prompt first aid for injured employees.
12. Participate in accident or incident investigations.
13. Conduct audits of all work areas and facilities on a regular basis in an effort to improve housekeeping, eliminate unsafe conditions and encourage safe work practices.

D. Employee Safety Responsibilities

1. Know the job, follow instructions, and think before they act.
2. Use appropriate personal protective equipment as dictated by the job and the policy.
3. Work according to written safety practices as trained, posted, instructed, and/or discussed.
4. Refrain from any unsafe act that might endanger them, fellow workers, or the public.
5. Never take shortcuts and use all safety devices provided for protection.
6. Report any unsafe situation or act to their supervisor immediately.
7. Assume responsibility for thoughtless or deliberate acts that may cause injury to them, or fellow workers, or the public.
8. Never operate equipment that they are unfamiliar with or not trained/licensed to use.
9. Report all accidents/incidents to their supervisor immediately.

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10. Report all hazardous conditions, actions, and/or practices to their supervisor.
11. Work areas, including the inside and outside of vehicles and buildings, shall be kept clean and orderly at all times.

12. Employees shall only operate equipment/tools that they are trained and authorized to operate.
13. Employees shall use all safety devices and personal protective equipment provided for their protection.
14. Employees shall use assisted lifting devices or obtain assistance from a coworker when lifting heavy objects.
15. Before starting work on any machine or equipment that is out of service, employees shall render the equipment or machine inoperable and attach a lockout device to the equipment control. Guards shall never be removed except when authorized to make repairs or adjustments. Replace guard immediately upon completion of work.
16. Employees shall not engage in practical jokes or horseplay.
17. During work hours, personal telephones should only be used for high-priority personal communication and not for mere casual use. If a phone is to be used for work in a vehicle, the vehicle should be safely stopped, preferably off the road, and placed in park prior to receiving or placing a call.

III. Risk Management

A. The goal of Risk Management is to limit injury or damage to persons, employees, and property within the City of Celina. The mission is to reduce the liability to the City in the form of safeguarding the public and employees from claims against the City that can be prevented by effective policies.

B. All Department Directors/Managers are responsible for developing and implementing risk management policies specific to their function, including but not limited to safety clothing and equipment, footwear, hard hats, gloves, eye and ear protection, safety vests and the like. All employees are required to follow risk management policies and attend safety meetings as required.

C. Supervisors shall follow all safety rules and advise those whom they supervise of all such rules per their particular function. Supervisors shall observe employees' actions for safety and advise them accordingly.

D. Disciplinary Action – Violation of any of the above policies may result in disciplinary action in accordance with established City policy.

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PERSONNEL POLICIES

Chapter 8 – Risk Management

8.01 – City Vehicle Operator Standards

I. City-Owned and City-Leased Vehicles

A. The operator of a City-owned or City-leased vehicle shall take the following actions when involved in an accident whether or not on City-related business:

1. Stop immediately.
2. Radio or telephone for an ambulance if anyone appears to be in the need of emergency medical service.
3. Keep the accident from becoming worse by warning other drivers.
4. Render reasonable assistance to injured persons.
5. Notify law enforcement and the employee's department immediately through their radio dispatcher or telephone. If injured, the supervisor must be notified.
    a. The driver shall request a police report in the following situations:
6. A collision with another vehicle regardless of the damage severity or location.
7. A collision with other property, telephone pole, guardrail, tree, and the like, regardless of the owner, if the supervisor determines the damage is over $500.
8. A collision that requires a vehicle to be towed.
9. A collision that causes injury to any party to the accident.
10. The decision to call out a Police Accident Investigator will remain with the Police Department. All vehicular accidents involving City vehicles responding to an emergency or major accident involving reported injuries will be investigated by the Texas Department of Public Safety (DPS) Highway Patrol. If DPS is not available, then a neighboring law enforcement agency investigate.
11. Make no admission of fault or negligence to anyone. Do not apologize or say “sorry”. Be courteous, but do not discuss the accident except with the Police and do not sign any statements or releases for anyone other than medical processing required by the City.
12. Exchange name and address with drivers of other vehicles involved, and obtain the name phone, and policy numbers of the other driver's insurance company.
13. Move vehicles to the nearest point of safety when necessary or as instructed by a law enforcement officer.
14. Complete a Motor Vehicle Accident Report immediately, and file it with their department.

B. The supervisor/manager shall take the following actions when their employee is involved in an accident in a City-owned vehicle:

1. Upon receiving notice of an accident, the employee's supervisor/manager shall contact Finance/Human Resources as soon as possible and advise

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8.01 – City Vehicle Operator Standards

them of the accident and all known details.

2. If possible, the supervisor/manager go to the accident scene and take photographs showing visible damage to all vehicles and the position of the vehicles. If not possible, request the responding police officer to take pictures of the scene.
3. Comply with the City's Drug and Alcohol Policy.
4. It shall be the direct responsibility of the supervisor/manager in charge of the employee to see that a Motor Vehicle Accident Report is immediately prepared concerning the accident.
5. All accident reports shall be submitted to Finance/Human Resources as soon as possible after the accident, but no later than the next business day.

II. Vehicles Owned by Employees

A. At times, employees will use personally-owned vehicles on City business. If an accident should occur while on City business, employees shall adhere to the following:

1. It is the employee's responsibility to notify their insurance carrier.
2. The City does not provide insurance for damage to personally-owned vehicles. The mileage reimbursement payment is to provide a contribution toward the employee's operating cost of his/her vehicle, insurance, repairs, gasoline, etc. Any damage to a personally-owned vehicle is the employee's responsibility to correct.
3. If citations of any type are issued, report them to Human Resources.

III. Employee Injuries

Any injury incurred by an employee driving on City business shall be treated as worker's compensation, and the guidelines for workers' compensation/post-accident testing shall be followed.

IV. Consequences of Failure to Promptly Report

Delay in reporting an accident shall result in corrective action, up to and including employment termination.

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8.02 – On the Job Injury/Worker's Compensation

I. Definitions:

A. "Course and Scope" of Employment-as defined by the Texas Workers' Compensation Act, means "an activity of any kind or character that has to do with and originated in the work, business, trade, or profession of the employer and that is performed by an employee while engaged in/about the furtherance of the affairs or business of the employer". The term includes activities conducted on the premises of the employer or at other locations.

B. Job-Related Illness, Injury, or Medical Condition-an illness, injury, or medical condition which occurred as the result of the employee performing the assigned duties of their occupation within the course and scope of employment.

C. Maximum Medical Improvement – defined as follows, whichever comes first:

1. 104 weeks from the date disability benefits begin to accrue.
2. The date a doctor certifies that, based on reasonable medical probability, the injured employee can no longer reasonably anticipate further recovery or lasting improvement from a compensable injury.

D. Modified Duty Assignment - temporary assignment of an employee with a job-related illness, injury, or medical condition to duties that can be performed within the limitations of the employee's medical condition. Modified Duty Assignment, however, may be for as little as one (1) week and is based on actual need for the work to be done. Modified Duty Assignments are only for those employees with job-related illness, injuries, or medical conditions unless a part of an accommodation under the Americans with Disabilities Act, as amended (ADAAA).

E. Workers' Compensation Benefits – Temporary income benefits (TIBs) provided under the Texas Workers' Compensation Act starting on the eighth (8^{th}) day of inability to work.

F. Supplemental Workers' Compensation Income-additional income provided by the City to all full-time and part-time employees to make up the difference between workers' compensation benefits and gross earnings. This includes the seven (7) calendar days prior to being paid workers' compensation. All injured employees may qualify to be on salary continuation for up to six (6) months, depending on the circumstances.

II. Medical Care

A. Employees injured on the job shall be promptly taken to a first aid facility for any necessary medical treatment. The compensability of the injury shall be determined by the City workers' compensation's approved insurance carrier. Employees must be seen by an approved health care provider. For serious

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injuries, an employee shall use the nearest appropriate medical facility.

B. For policies concerning drug/alcohol testing, please refer to the City's Drug and Alcohol Policy. All employees involved in an on-the-job accident shall undergo drug and alcohol testing. Minor injuries include, but not limited to, small cuts, abrasions, bruises, insect bites, poison ivy, etc. The employee's supervisor is responsible for ensuring the testing follows the City's Drug and Alcohol Policy.

C. Injured employees shall submit to medical treatment by their City-approved physician, and refusal to abide by their instructions might constitute a barrier to further medical expenditures and weekly salary continuation payments.

III. Reporting Accidents/Injuries

A. Is it the responsibility of the employee's supervisor to ensure that the appropriate reports are completed as soon as possible following an accident or injury. The supervisor must complete the Employee's First Report of Injury or Illness. The employee's report must be transmitted to Human Resources no later than the end of the next business day following the accident or injury.

B. Any violation of any of these policies by an employee may result in possible delay of treatment as well as disciplinary action, up to and including termination of employment.

IV. Employee Responsibility

A. It is the employee's responsibility to immediately advise their supervisor of all scheduled appointments pertaining to medical treatment of a work-related injury prior to the appointment. Following each appointment, the employee is charged with the responsibility to provide their supervisor and Human Resources with a copy of the Texas Workers' Compensation Work Status Report, DWC73, within 24 hours after the appointment. Injured employees shall make their best effort to recuperate from injuries and not engage in any activity that would hinder recovery.

B. When an employee's injury results in an unpaid time off status, it is the employee's responsibility to contact Huma Resources in order to make arrangements to pay their portion of any voluntary deductions, e.g., dependent health and/or dental coverage, supplemental life insurance, etc. Failure to make payment within 30 days of the due date shall result in cancellation of those unpaid coverages.

C. An employee on unpaid time off has the option to maintain their pension service credit by contributing to their retirement fund while receiving TIBs. The employee must coordinate this with the City's Finance Department prior to the start of their unpaid time off status.

V. Outside Employment

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An employee on FML, Sick/Vacation leave, Compensatory time, disability leave, or Workers' Compensation leave shall not engage in outside training, school, or employment unless expressly authorized in writing in advance by the Department Director and the Director of Human Resources. A copy of the written approval shall be sent to Human Resources.

VI. Accidents Caused by Non-Employees

If an employee is injured because of the negligence or wrong doing of a third party, not another City employee, the City is entitled to subrogate to the employee's right of recovery against the third party to the extent of all payments made to the employee by the City for such related injuries. The City shall have the right of first recovery against any payments made by, or on behalf of, such third parties to the employee to the extent that such payments are in compensation for an element of injury that the City has already paid.

VII. Modified Duty

In some cases, regular, full-time employees who have missed work due to an injury sustained on the job are unable to return directly to the duties that they previously performed. In such cases, employees may be assigned to modified duty positions pending return to their previous employment positions if such modified duty is available and if judged by the attending physician to be within the abilities of the employee. Modified duty assignments will not be appropriate for all employees who have suffered a job-related injury. Such assignments shall be made on a case-by-case basis where appropriate for the benefit of the City and the employee. If available, modified duty assignments are available only to regular, full-time employees who have sustained an on- the-job injury (or as an accommodation under the Americans with Disabilities Act, as amended (ADAAA). The ultimate goal is to return qualified employees to their original jobs. In accordance, the following modified duty procedures are established:

A. Supervision - Human Resources shall coordinate all modified duty assignments with the Department where the employees are placed. The employee shall report to Human Resources for all administrative matters related to their relationship with the City. Actual supervision of the employee shall be performed by the Department in which the employee is placed with supervision being coordinated with Human Resources.

B. Assignments - whenever possible, Human Resources shall assign employees to modified duty positions within the Department in which the employee was assigned immediately prior to the injury. If no modified duty placement is available with the Department, Human Resources shall attempt to find another modified duty work for the employee. The duties of the modified duty position shall, when possible, relate to the duties of the employee's position for which they were hired. Modified duty work should be necessary, constructive, rehabilitative, and supportive of the City's overall operations.

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C. Time Limitations - it is the purpose of modified duty assignments to allow an employee to perform constructive and productive labor while continuing to recuperate from a work - related injury. Modified duty assignments shall not be permanent in nature. Progress toward returning to an employee's prior duties shall be regularly monitored and periodically evaluated; however, in no instance shall an employee be allowed to remain on modified duty for a period of over 180 cumulative calendar days, six (6) months, from the date of the doctor's first release to modified duty. If employee remains unable to perform essential functions of position, accommodations under the ADAAA may be considered, depending upon the specifics of the case.

D. Hours of Work - Most modified duty assignments are typically for 8:00 a.m. to 5:00 p.m., Monday through Friday. Employees, however, also must recognize that some modified duty jobs might require working evenings, weekends, and holidays.

E. Evaluations - employees assigned to modified duty positions shall not be evaluated until such time as they return to the position for which they were otherwise employed and have performed a sufficient length of time in their position to be evaluated.

F. Probationary/Introductory Employees - the probationary/introductory period of employees assigned to modified duty shall be extended for an additional period equivalent to the period of time the employee is absent from work due to the injury or illness and such additional period of time the employee is assigned to a modified duty position.

G. Change in Assignments - all assignment changes for modified duty personnel shall be coordinated through, and approved by, Human Resources. The Department for which the employee worked at the time of the injury;/illness shall be responsible for paying the employee's salary during the modified duty period.

H. Request for Modified Duty Personnel - all City Departments shall report to Human Resources the need of that Department for modified duty personnel. Human Resources shall be responsible for assigning priority to filling such positions; and where the employee is not placed with the employee's own Department, the employee shall be placed in accordance with priority requests.

I. Seniority - the time that an employee spends while on modified duty assignment shall count toward their seniority with the City and within the Department for which the employee was working at the time of the work-related injury/illness.

VIII. Termination

Leaves of absence for any reason, including work-related injuries/illnesses shall not

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last longer than six (6) months unless part of reasonable accommodation under the ADAAA.

A regular, full-time employee, who for a job-related injury or a combination of work-related injuries or FML-qualifying events, misses a total of six (6) months of work, shall be separated from employment due to the unavailability for work if not part of a reasonable accommodation arrangement. An employee part of said "no fault" employment termination shall be eligible for rehire and shall be able to apply for any vacancies that might exist at any given time, depending on qualifications and availability of job openings. The six (6) month period shall be measured cumulatively by the rolling backward method.

The City reserves the right, at any time, to require an independent physical or mental analysis/assessment by an occupational health care professional or a health care professional of the City's choice and at the City's expense.

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CITY OF CELINA
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8.03 – Loss and Property Management

Loss - Property Damage

Employees shall report all property damage to their supervisor immediately. Supervisors shall report all property damage to the City Secretary.

Procedures

All property damage must be reported on the appropriate "Property Damage Report" form to the City Secretary within 24 hours, or the next working day.

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8.04 – Driver Records Check

For the safety of the City employees and citizens, driving standards have been established for all City employees who drive for the City. Traffic laws for the State of Texas and the City imposes requirements on the City, as an employer, to ensure that employees are properly licensed and that their driving behavior, both on and off the job, reflects obedience to the State and City laws. This driving records policy is established as a means to ensure this compliance.

A. At least once a year, Human Resources shall submit, on specified forms, requests for driving record histories for all employees. Human Resources also shall compile those fleet accidents that are not maintained by the DPS. This includes all investigated, on or off-road, motor vehicle accident reports that are not required to be reported to the DPS but are maintained by the Departments.

B. Upon receipt, each record shall be reviewed and points shall be assessed against the employee's City driving record. A maximum of ten (10) points is allowable preceding the date of the record check. Points shall be assessed as follows:

Accident Citation Point Assessment

Class	Description	Points
NCI	Non-classifiable incident not a collision.	0
Non-Preventable A	Collisions in which the vehicle was parked or was otherwise in a position where it had a legal right to be parked.	0
Non-Preventable B	Collisions where the vehicle was in motion, but it can be determined that the collision was clearly and absolutely beyond the control of the City driver.	0
Preventable C	Collisions with little or no property damage where the City driver failed to take reasonable action that could have avoided or prevented the collision or where preventability can be shared with others, backup spotters, landfill attendants, flaggers, etc.	1-3
Preventable D	Collisions with moderate to more serious property damage or personal injury where the City driver failed to take reasonable preventive measures to prevent the collision despite the actions of other or adverse conditions.	4-6

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Preventable E	Collisions of a very nature, normally resulting in hospitalization or major property damage where it is determined that the responsibility rests entirely on the City driver.	7-10
Citations	Any moving vehicle 3 violations or citations including no insurance, expired license, or seatbelt violation	3

C. Points shall be assessed for violations arising from a preventable accident by the Department Director and Human Resources. If a Department has an accident review process, the findings shall be forwarded to Human Resources prior to the assessment. Human Resources shall forward its recommendations for point(s) assessment to the Department Director for review and final disposition. The Department Director shall report the final outcome to Human Resources. Duplicate points shall not be assessed for violations arising from a preventable accident and an accompanying citation.

D. No employee will be allowed to operate any vehicle for the City and may be subject to disciplinary action, up to and including termination of employment, if convicted or placed on deferred adjudication or disposition for any of the following violations in the immediate preceding three (3) years:

1. Driving while intoxicated;
2. Driving under the influence of alcohol or drugs, including prescription drugs.
3. Negligent homicide arising out of the use of a motor vehicle or gross negligence;
4. Operating a motor vehicle while a driver license is suspended or revoked;
5. Using a motor vehicle for commission of a felony;
6. Aggravated assault with a motor vehicle;
7. Operating a motor vehicle without the owner's authority/permission;
8. Reckless driving; and/or
9. Leaving the scene of an accident involving bodily injury or property damage.

E. Any employee who drives for the City and who accumulates more than ten (10) points in any consecutive eighteen (18) month period shall be immediately removed from any driving position and be subject to reassignment and/or disciplinary action, up to and including termination of employment.

F. Any employee who is required to drive as an essential function of his/her job and who receives notice that their license to drive has been suspended or

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revoked or an employee who fails to renew an expired license, must report this to their supervisor no later than the beginning of the first workday following receipt of the notice of suspension or revocation or knowledge of expiration.

An employee who properly reports a suspended, revoked, or expired driver license may be reassigned to a non-driving position for a period of suspension or revocation or until the license is renewed if such a position exists; or the employee may be terminated from employment at the discretion of the Department Director. Reassignment shall require the employee to be fully qualified for the new position, and it must be in the best interest of the City. If no such position exists, the employee may be subject to disciplinary action, up to and including termination of employment. Any reassignment or disciplinary action shall be coordinated through Human Resources.

G. Determination of Preventable Accidents

1. Whenever any accident is listed on the DPS report, which was not listed on previous DPS reports or which is not an accident occurring while driving for the City, Human Resources shall request a copy of the accident report from the DPS.

2. Upon receipt of the accident report, Human Resources shall review the report and determine if the employee's driving accident was preventable. This can be determined by the listing of citations issued by the investigating officer and by the contributing factors listed in the report if the accident is preventable. Human Resources shall assess the specified points to the employees driving record and forward the assessment to the Department Director for review and final disposition. The Department Director shall report the final outcome to Human Resources.

H. Improvement Points

1. If an employee has points on his/her City driving record and drives for a period of 12 months without any further violations or accidents being charges against them, up to three (3) improvement points may be credited to the employee's driving record.

2. Every 12 months after this, if the employee's record shows no additional violations or accidents, the employee's driving record may be credited with up to three (3) points. This may continue until all accumulated points are removed.

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8.04 – Driver Records Check

I. City Driving Record

Human Resources shall maintain a City driving record in each employee's personnel file. The record will contain all DPS-reported citations, violations, and/or accidents and all accidents occurring while the employee is driving for the City, whether or not reported to the police and/or DPS. The employee's driving record will reflect any points assessed as a result of citations, violations, or preventable accidents recorded by the DPS. The employee's City driving record shall be assessed points for preventable accidents while operating City vehicles or equipment, even if these accidents do not result in a police report or DPS record.

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CITY OF CELINA
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8.05 – Injury Policy and Salary Continuation Plan

The City of Celina's Injury Policy and Salary Continuation Plan is designed to minimize salary loss and financial difficulties for employees who are eligible to receive weekly income benefits as a result of an injury sustained in the course of employment with the City.

A. ELIGIBILITY: A full-time employee, including ones on probation who as the result of an injury sustained in the course of his or her employment with the City is being paid weekly income benefits for a period of more than seven (7) days, shall receive salary payments, as "injured employee salary continuation payments," separate and distinct from and in addition to the weekly income benefits. Temporary and part-time employees are not eligible for salary continuation payments.

B. AMOUNT: The salary continuation payments shall be in an amount equal to the difference between any weekly income benefits and the employee's regular pay subject to taxes and other mandatory deductions.

C. DISCONTINUATION: In no event shall salary continuation payments to any employee be continued beyond when the first of the following occur:

1. for a period of more than six (6) calendar months for any one job-related injury, unless expressly authorized by Human Resources or the City Manager in accordance this policy.

2. after a compromise settlement agreement or any agreed judgement has been effected or entered;

3. after weekly income benefits have ceased; or

4. after an employee is no longer disabled or has reached maximum medical improvement.

D. EXAMINATION AND TREATMENT: As a condition of receiving or continuing to receive salary continuation payments, or any light duty assignments, Human Resources may require an injured employee to submit to examination and treatment, at the City's expense, by a physician approved by the workers' compensation insurance carrier. An injured employee forfeits all rights to salary continuation payments if he or she refuses to submit to an examination or to any diagnostic test, x-ray, surgical procedure, or other treatment prescribed or recommended by the City-approved physician as medically necessary or indicated to diagnose, treat, or cure the employee's injured condition.

E. EXTENSION OF SALARY CONTINUATION: In rare cases, it may be appropriate for salary continuation benefits to continue beyond six (6) months, up to 12 months. Such an extension will be at the discretion of the City Manager. The City Manager will consider the following elements in order to determine whether continuation is appropriate:

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8.05 – Injury Policy and Salary Continuation Plan

1. In order to be eligible for salary continuation benefits, the employee must have received an injury in the course of extraordinary service or circumstances and severity of the injury must be such that it has resulted in one of the following:

    a. the complete loss of use of a limb, eye, or both ears
    b. traumatic brain injury (this is not intended to include psychological injuries) resulting in the inability to perform daily functions, or
    c. severe spinal cord damage.

2. The employee will shall submit to evaluation by a physician designated by Human Resources, at the expense of the City, and

3. In determining the length by which salary continuation is extended, the ability of the employee to secure gainful employment may be considered.

F. MEDICAL STATEMENT REQUIRED: All salary continuation payments must be supported by a medical statement from the employee's treating physician, whether partial - or full-day leave is granted, stating that because of the on the job injury sustained by the employee, he/she is not physically capable of performing the job duties of the position occupied by the employee at the time of such injury or any light- duty job for which the employee is qualified.

G. FORFEITURE: An injured employee forfeits all rights to any salary continuation payments to which he or she would normally have been entitled, or any light duty assignment if he/she:

1. engages in work, whether part-time or full-time, for pay or as a volunteer, for himself /of herself or for any other person, firm or corporation, while receiving salary continuation payments;
2. terminates employment for any reason while receiving salary continuation payments;
3. fails or refuses to comply with the treating physician's or City- approved physician's instructions or advice regarding treatment of the injured condition;
4. fails to act in a manner which is conducive to being off work convalescing from job related injury;
5. refuses to perform light, partial, or part- time duty that in the opinion of the treating physician, or City-approved physician, is within the employee's physical capacity and for which the employee is qualified. However, the continuance pay will continue to be based on the position occupied at the time of the injury;
6. refuses to accept or perform a different job with the City that, in the opinion of the treating physician or the City-approved physician, is within

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the employee's physical capacity and for which the employee is qualified; however, the continuance pay will continue to be based on the position occupied at the time of the injury;

7. represents his/her injured condition, physical incapacity, or disability as worse than it is while receiving salary continuation payments or any light duty assignments. The condition of the employee must be supported by a written statement of the City- approved physician;
8. refuses to return to regular duty after being released for regular duty by the City- approved physician or treating physician;
9. commits any act of fraud or falsification while applying for or receiving salary continuation payments, weekly income benefits, medical payments. or a light duty assignment.

H. ACCRUAL OF LEAVE: A full-time employee will continue to earn leave at his/her regular rate while off work and receiving weekly income benefits and salary continuation payments. Once salary continuation payments are exhausted, and the employee does not receive them for more than half of his or her scheduled work period as established by the department, no leave will be accrued unless otherwise qualified.

I. USE OF LEAVE: Human Resources must be notified of any denial of salary continuation payments. An employee who is denied salary continuation payments, or who has exhausted salary continuation payments while receiving weekly income benefits, medical payments, may take his or her accrued leave, pursuant to policy, but only in an amount necessary to make up the difference between weekly income benefits and his/her regular net rate of pay.

J. LEAVE WITHOUT PAY: An employee who has used all of his or her leave, compensatory time, FMLA, if requested and authorized, and salary continuation payments, and is still off work and receiving weekly income benefits, shall be on leave without pay status until or unless accommodations may be made pursuant to the ADA. If all efforts have been exhausted, the employee may be terminated.

K. MODIFIED WORK: When an employee has sustained an injury, the Director of Human Resources may require the employee to return to work and to perform light, partial, or part-time work when authorized or approved by the City- approved physician or treating physician. Failure to return to work when able to perform light work, with or without a reasonable accommodation, and not on FMLA leave, with FMLA approved medical certification, shall constitute job abandonment. No employee will shall be allowed to perform light-duty work after salary continuation payments cease or after an employee reaches maximum medical improvement.

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8.05 – Injury Policy and Salary Continuation Plan

L. STATUS UPON RETURN FROM LEAVE:

1. Prior to returning to work, the employee must produce a medical certification showing that the employee is able to perform all essential tasks of the employee's job, with or without a reasonable accommodation, otherwise referred to as "satisfactory medical certification."

2. If the medical certification is satisfactory, and the employee is coming off of FMLA leave, with medical certification to justify FMLA leave, the employee shall:

    a. be restored by the City to the vacant position held by the employee when injured; or

    b. be restored to a position with equivalent status, benefits, pay, terms and conditions of employment.

3. If the medical certification is satisfactory, and the employee is not coming off FMLA leave, the employee shall:

    a. be restored by the City to the vacant position held by the employee when injured; or

    b. be restored to another available position with the City, for which the employee is qualified. The City does not guarantee the original position or an equal paying, equivalent position.

4. If the employee does not return to work after receiving notice of satisfactory medical certification, disciplinary procedures, up to and including employment termination, shall be undertaken for job abandonment.

5. There shall be no discrimination because the employee has filed a worker's compensation claim.

6. The injured employee must provide immediate notice to the supervisor of the injured condition, and the type of leave to be taken. The supervisor, or other appropriate city official, shall take whatever actions are considered reasonable and appropriate to confirm the condition and to determine if the requested leave is appropriate.

M. COVERAGE CONTINUATION: an employee who is placed on leave without pay status under the provisions of this policy (this does not apply to FMLA leave):

1. may elect to continue participation in the City's Medical and Dental Plan by paying his/her monthly premium directly to the Finance Department;

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2. is, by definition, temporarily ineligible for participation in the Texas Municipal Retirement System (TMRS);

3. will not accrue any leave time or other benefits if on leave without pay for more than half of his or her scheduled work period as established by the department.

N. TERMINATION OR LAYOFF: This policy does not preempt the disciplinary and grievance policies of the City of Celina, which shall take precedent over any of the sections in this policy. This policy also does not preclude an employee from being terminated during an official reduction in force due to budget reductions.

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8.06 – Safety Meetings and Training

I. Safety Meetings & Training

A. Safety meetings are an effective way to encourage, educate, and train employees on safe work practices and will be held on a regular basis, based upon the specific department or operation. The Department Supervisor/Manager will provide information to be used in the meetings and will attend and participate in the meetings when possible. Safety meetings will normally be conducted by the Department Supervisor/Manager. Discussions of safety rules, possible hazards to be encountered in future job duties, or changes in procedures or equipment are some topics that should be covered on a regular basis. Topics discussed during safety meetings should pertain to the specific hazards associated with the employee's assigned job or task as well as general hazards associated with the workplace. All employee safety meetings and training will be documented.

B. Employees who do not attend regularly scheduled safety meetings or training will be identified and scheduled to attend makeup training at the supervisor's discretion. Documentation of makeup training will be made as well.

II. Special Training

A. Additional or specialized safety training will be conducted for the following areas as the need arises:

1. New equipment purchases
2. New/changes in operations
3. Identified areas of increased accidents
4. Newly identified areas of exposure

III. New Employee Safety Orientation

A. Department Directors/Managers, in conjunction with Human Resources department will provide an orientation to all new employees to address the hazards associated with his/her positions and will include a review of all safety rules, policies/procedures, and equipment that are applicable to the employee's area of assignment. New employees will be given an opportunity to ask relevant questions that may pertain to their assigned duties and safety. Documentation of the new employee safety orientation will be complete and maintained in the employee's personnel file.

B. New employees' work activities will be limited until the safety orientation is completed.

IV. Documentation of Safety Meetings & Training

1. Documentation from any formal meeting, 'tailgate' meeting, or training courses attended by employees, supervisors, or managers will also be maintained for recordkeeping purposes. Documentation should include the topic(s) covered, presenter information, and copies of any materials or handouts used during the training.

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8.07 – Fall Prevention

Slips, trips, and falls constitute a large percentage of accidents and injuries in public entities. These procedures are designed to prevent hazardous conditions that could result in slips, trips, or falls.

I. Responsibilities

A. Supervisors

1. Conduct routine inspections to ensure all walking and working surfaces are free from potential slip, trip, and fall hazards.
2. Conduct safety training for employees who use ladders, scaffolds, or other elevated surfaces.
3. Conduct training in the use and inspection of fall prevention and fall arrest equipment.
4. Ensure proper ladders are used for specific tasks.
5. Provide adequate fall prevention and fall arrest equipment.

B. Employee

1. Maintain work areas free from potential slip, trip, and fall hazards.
2. Correct or immediately report potential slip, trip, and fall hazards.
3. Use proper ladders for assigned tasks.
4. Use proper fall prevention and fall arrest equipment as prescribed by policies.

C. Engineered and Administrative Hazard Controls

D. Although every effort is made to prevent slips, trips, and fall accidents, additional precautions should be taken to ensure all possible measures have been taken. These include:

1. Proper construction of elevated work surfaces.
2. Proper use of hand, knee, and toe rails, where required.
3. Proper design and use of fixed ladders and stairs.
4. Adequate lighting in all areas.
5. Training for all employees who work on elevated work surfaces.
6. Routine inspections of ladders, stairs, walking, and working surfaces.
7. Following housekeeping and cleaning requirements
8. Immediate addressing potential problem areas.

II. General Requirements

A. Housekeeping

1. All work areas, passageways, storerooms, and shop areas should be kept clean and orderly at all times.
2. The floor of every work area shall be maintained in a clean and dry condition as possible. Where wet operations are held, adequate drainage

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8.07 – Fall Prevention

should be maintained, and non-slip mats or floor covering shall be provided.

3. Every floor, work area, and passageway shall be kept free of protruding nails, splinters, holes, debris, and stored items.

B. Aisles and Passageways

1. Aisles and passageways shall be kept clear and in good repair with no obstructions across or in aisles that could cause a hazard.
2. Where mechanical equipment is used, aisles should be of adequate width as improper aisles coupled with poor housekeeping, vehicle and foot traffic, can cause injury to employees, damage to equipment and materials, and can limit egress in the event of an emergency.
3. Changes in elevation, such as steps, curbs, and ramps, should be marked or highlighted with a stripe of highly-visible paint or other non-skid material to assist in the identification of the known trip and fall hazard.

C. Guarding Floor and Wall Opening, Runways, Stairs

1. Floor openings and holes, wall openings and holes, and the open sides of elevated work surfaces may create hazards as people may fall through the openings or over the side to the level below. Objects such as tools or parts, may also fall through holes and strike employees or damage machinery on lower levels.
2. Standard railings shall be provided on all exposed sides of a stairway opening, except at the stairway entrance.
3. Every open-sided floor or work surface located 4 feet or more above the adjacent floor or ground level shall be guarded by a standard railing on all open sides, except where there is an entrance to a ramp, stairway, or fixed ladder. A toe board shall be provided as well.
4. Guarding Stairways - Every flight of stairs, with four or more risers, shall have standard stair railings or standard hand railings.
5. Fixed Industrial Stairs - Fixed industrial stairs shall be provided for access to and from places of work where operations necessitate regular travel between levels.
6. Portable Ladders - The primary hazard associated with the use of a ladder is falling. A poorly designed, maintained, or improperly used ladder may collapse under the load placed upon it and cause the employee to fall.
7. Fixed Ladders - A fixed ladder is a ladder permanently installed or attached to a structure, building, or equipment. Fixed ladders with a length of more than 20 feet shall be equipped with a safety cage or ladder safety device. A 'cage' is a guard that is fastened to the side rails of the fixed ladder or to the structure designed to encircle the climbing space of the ladder for the safety of the person who must climb the ladder. Cages should extend a minimum of 42 inches above the top of the landing unless other acceptable fall protection is provided.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.08 – General Rules for Motor Vehicle and Equipment Operation

I. General Provisions

A. Employees who are authorized to operate City of Celina vehicles or personally owned vehicles on City business, must have a valid Texas driver's license for the class vehicle they operate and must notify their supervisor immediately should the license be suspended or revoked.

B. All drivers of City of Celina vehicles must be familiar with and abide by all applicable state, federal, and local traffic regulations.

All drivers/operators shall be responsible for the proper care and use of vehicles and motorized equipment. This includes maintaining City of Celina vehicle/motorized equipment interiors and exterior, regularly servicing these items and reporting maintenance needs to the supervisor.

C. A driver/operator shall not permit any unauthorized persons to drive, operate or ride in or on a City vehicle. Riders shall not be allowed on running boards, tailgates, fenders, bumpers, atop cabs, on tow bars, or towed equipment. (Exceptions may include operator trainees and mechanics sharing operator positions.)

D. Where seat belts are provided, they shall be worn by all occupants. The size or operation of the vehicle or equipment does not excuse the operator from the seat belt requirement.

E. Unsafe and discourteous driving practices such as 'road-hogging', disregarding the rights of pedestrians, violating traffic regulations, and deliberate recklessness of any kind are prohibited.

Personnel should maintain three points of contact with mobile equipment when entering and exiting to help in maintaining balance if a slip occurs. Many injuries occur as a result of slips and using three points of contact will help control this exposure. In addition, the condition of the handrails, steps, etc. should be inspected regularly.

F. Except in emergencies, gasoline must not be carried inside passenger cars or the cabs of trucks. Gasoline shall be transported in approved safety containers and sealed tight to prevent the leakage of gasoline or gasoline vapors.

G. Garage doors must be opened for ventilation whenever a motor vehicle engine is running to help prevent the accumulation of carbon monoxide gas.

H. Keys shall be removed from unattended vehicles and equipment. Doors should be locked for security purposes.

I. Driving a vehicle under the influence of alcohol or any controlled substance will not be tolerated. Never attempt to perform work or drive a vehicle when you are impaired by alcohol, medication, or drugs, including over-the-counter or

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prescription medications.

J. Picking up hitchhikers is dangerous and prohibited.

K. Driving is a full time job. Drivers should not engage in other activities, such as dialing a telephone, while operating a vehicle. The vehicle should be pulled off the road and stopped before performing these types of activities.

L. Driving at the maximum posted speed limit can be too fast for safety in some situations. The drivers of all vehicles must use good judgment and proceed at a pace suitable to conditions of the vehicle, road, traffic, and weather.

M. All vehicle cabs should be kept clean to reduce distractions to drivers and interference with the operation of the vehicle or equipment.

II. Backing

A. When possible, park so that backing is not required.

B. Extreme caution shall be exercised when backing any vehicle. If another employee is present, he/she shall act as a spotter to assist the driver in backing safely. Drivers shall stop immediately if they lose sight of the spotter.

C. Backup alarms are a useful warning device and should be used when possible, especially on larger vehicles and equipment that may severely restrict your view to the rear of the vehicle. If an alarm is not present, the operator should honk his horn to warn others of the moving vehicle.

III. Stopping on Roadways

A. When it is necessary to stop on the roadway, extreme caution shall be used.

B. A rotating beacon light shall be used, if so equipped. Tail lights/emergency flashers shall be used.

C. If work is in progress, traffic control devices shall be used in accordance with the Texas Manual on Uniform Traffic Control Devices, Part VI. Please see additional information in the respective departmental policies regarding vehicle/equipment us.

IV. Inspection of Vehicles and Equipment

A. Drivers/operator shall utilize equipment checklists to inspect vehicles and equipment to determine if they are in good operating condition *prior* to operating the vehicle.

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B. The driver/operator shall determine that brakes are in good operating condition before using the vehicle or equipment. If brakes are not working properly, they must be corrected before use.

C. The driver/operator shall report all defects promptly. Items that affect safety shall be repaired prior to continued use.

D. For additional information, please refer to City of Celina and/or Departmental Vehicle Operator Standards.

V. Powered Carts & Low-Speed Vehicles

A. Powered carts and other low-speed vehicles (LSV) such as golf carts, 'Mules', 'Gators', etc. should be driven with special care. This classification of vehicle includes those which are electric-, gasoline-, or diesel-powered (LSV) and may or may not be licensed to operate on public roadways. Vehicles not licensed (registered) by the Texas Department of Public Safety as an on-road vehicle should not be driven on public roadways. The following operating rules apply to powered carts & LSV:

1. Only drivers authorized by the respective department and trained in the safe operation of powered carts and LSV shall be permitted to operate such vehicles.
2. All prospective cart or LSV operators must receive training before being allowed to operate a powered cart or LSV.
3. Operators and passengers shall keep arms and legs inside the cart or LSV at all times and shall not jump on or off of moving vehicles.
4. Powered carts or LSV shall be driven on facility vehicle traffic areas whenever possible. If a sidewalk must be used, the cart speed should not exceed that of the pedestrian traffic.
5. Carts or LSV which are capable of reaching 25 mph or higher must remain in facility vehicle traffic areas and should not be driven on the sidewalks or "pedestrian only" areas.
6. Operators shall be familiar with, and observe all established traffic laws.
7. Materials and equipment shall be properly secured so that they will not shift or fall off of moving carts or LSV.
8. Powered carts & LSV shall not be operated at night without properly working head and taillights.
9. Be extremely cautious while making turns and while driving on uneven surfaces to avoid tipping in carts.
10. Parking a powered cart or LSV should follow the same rules as a motor vehicle and is prohibited in the following areas:

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.09 – Back Injury Prevention and Material Handling

Back injuries are prevalent and continue to be one of the leading causes of on-the-job injuries in the workplace. The following procedures are designed to prevent injury and disability to employees; decrease lost productivity due to accidents and injuries; and, decrease costs associated with these types of injuries.

I. Common Causes of Back Injuries

Prolonged positions
Poor posture
Poor ergonomics
Improper lifting/lifting too much
Twisting while lifting
Reaching while lifting
Slips/trips and falls
Vehicle and equipment entry and exit

II. Safe Lifting Principles

The following steps should be taken prior to lifting, handling, or carrying materials:

A. Prior to beginning to lift or carry, check to ensure that the walkway is clear of all obstacles.

B. Carefully check the object's weight and center of gravity.

C. Face the object and get as close as you can with feet slightly apart and the head and neck facing forward. Grip the object firmly and hold it as close to your body as possible.

D. Bend at your knees, not at your waist.

E. Use your legs to bring you to a standing position, making the lift smoothly and under control.

F. Do not twist your body when lifting or lowering.

G. If necessary, obtain assistance in lifting heavy objects by utilizing additional personnel, power equipment, or other types of assistive lifting devices.

1. When two or more persons carry a heavy object that is to be lowered or dropped, there shall be a pre-arranged signal for releasing the load.

2. When two or more persons are carrying an object, each employee, if possible, should face the direction in which the object is being carried. Crouch or squat with the feet close to the object to be lifted; secure good footing; take a firm grip; bend the knees; keep the back vertical; and lift by bending at the knees and using the leg and thigh muscles. Employees shall

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not attempt to lift beyond their capacity. Caution shall be taken when lifting or pulling in an awkward position.

H. Material shall not be thrown from place-to-place or person-to-person.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.10 – Fire Prevention and Life Safety

I. General

These address specific exposures and prevention methods related to fire prevention and the life safety of employees.

A. Management Responsibilities

1. Ensure all fire prevention methods are established and enforced.
2. Ensure fire suppression systems such as sprinklers and extinguishers are periodically inspected and maintained in working order.
3. Train supervisors to use fire extinguishers for incipient (developing) fires.
4. Train employees on evacuation routes and procedures.

B. Supervisor Responsibilities

1. Closely monitor the use of flammable materials and liquids.
2. Train assigned employees in the safe use, storage, and handling flammable materials.
3. Ensure flammable material storage areas are properly maintained.

C. Employee Responsibilities

1. Use, store, and transfer flammable materials in accordance with provided training and policy.
2. Do not mix flammable materials.
3. Immediately report violations of this program to a supervisor.

II. Potential Hazards

Fire and explosion hazards can exist in almost any work area. Potential hazards include, but are not limited to:

1. Improper operation or maintenance of gas-fired equipment
2. Improper storage of use of flammable liquids
3. Smoking in prohibited areas
4. Accumulation of trash and debris
5. Unauthorized 'hot work' operations

A. Hazard Prevention and Control

1. All nonessential ignition sources must be eliminated where flammable liquids are used or stored. The following is a list of some of the more common ignition sources:
2. Open flames, such as cutting and welding torches, furnaces, matches, and heaters, should be kept away from flammable liquids. Cutting or welding on flammable liquids equipment should not be performed unless the equipment has been properly emptied and purged with a neutral gas, such

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as nitrogen.

3. Electrical sources of ignition, such as DC motors, switches, and circuit breakers should be eliminated where flammable liquids are used, handled, or stored. Only approved, explosion-proof devices should be used in these areas.
4. Mechanical sparks produced as a result of friction should not be used near flammable liquids.
5. Static sparks generated as a result of static electricity. Every effort should be made to eliminate the possibility of static sparks including proper bonding and grounding of tools and equipment.

B. Removal of Incompatibles

Materials that can contribute to a flammable liquid fire should not be stored with flammable liquids. Examples include oxidizers and fertilizers stored near petroleum-based products.

C. Control of Flammable Gases

Generally, flammable gases pose similar fire hazards as flammable liquids and their vapors and many of the same safeguards also apply. Other properties, such as toxicity, reactivity, and corrosivity must also be taken into consideration as a flammable gas could produce toxic combustion products.

III. Fire Extinguishers

A portable fire extinguisher is the "first aid" device and is very effective when used while a fire is small. The use of an extinguisher that corresponds to the class of fire, by a trained person, can save both lives and property. Portable fire extinguishers must be installed in all workplaces, regardless of other firefighting measures. The successful performance of an extinguisher in a fire situation largely depends on the proper selection, inspection, maintenance, and distribution.

A. Classifications of Fire Extinguishers

Fires are classified into five general categories, depending upon the type of material or fuel involved. The type of fire determines the type of extinguisher to be used to extinguish it.

1. ***Class A*** fires involve combustible materials such as wood, paper, and cloth, which produces glowing embers or char.
2. ***Class B*** fires involve flammable gases, liquids, and greases, including gasoline and most hydrocarbon liquids, which must be vaporized for combustion to occur.
3. ***Class C*** fires involve live electrical equipment or materials near electrically energized equipment.

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4. ***Class D*** fires involve combustible metals such as magnesium, zirconium, potassium, and sodium.
5. ***Class K*** fires involve cooking fats and oils found in deep fat fryers or other cooking appliances such as solid fuel char-broilers.

In many cases, areas will be equipped with an 'ABC'-type extinguisher, which can be used for wide variety of common fires.

B. Location and Identification of Extinguishers

1. Extinguishers should be conspicuously located and readily accessible for immediate use in the event of a fire. Generally, extinguishers will be placed along normal paths of travel and egress. Wall recesses and/or flush-mounted cabinets should be used whenever possible.
2. Extinguishers should be clearly visible. In locations where visual obstruction cannot be completely avoided, directional arrows will be provided to indicate the location of extinguishers and the arrow will be marked with the extinguisher classification.
3. If extinguishers intended for different classes of fires are located together, they will be marked to ensure the proper class of extinguisher is selected. Classification markings will be located on the front of the shell above or below the extinguisher nameplate and should be legible from a distance of three feet.

C. Condition of Extinguishers

Portable extinguishers will be maintained in a fully charged and operable condition and kept in their designated locations at all times when not being used. When extinguishers are removed for maintenance, inspection, or testing, a fully charged and operable replacement should be provided.

D. Mounting and Distribution of Extinguishers

Extinguishers should be installed on hangers, brackets, in cabinets, or on shelves, no more than 42-inches above the floor.

Extinguishers should be distributed such that the amount of time required to travel to the extinguisher and back to the fire does not allow the fire to get out of control. Generally, the travel distance for Class A and Class D extinguishers should not exceed 75 feet; Class B extinguishers should not exceed 50 feet, due to the quick spread of flammable liquid fires; Class C extinguishers should simply be placed where they are likely needed, based upon the given hazards; and, Class K extinguishers are generally located within a proximate distance to the cooking areas in which they are designed to protect.

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E. Inspection and Maintenance of Extinguishers

All extinguishers should be visually inspected on a monthly basis and tested and certified by a qualified service provider on an annual basis.

F. Use of Fire Extinguishers

In most cases, recalling the ***PASS*** acronym will help remember the four steps of safe extinguisher use.

Pull the pin (from the handle)
Aim the nozzle (at the base of the fire)
Squeeze the handle (to actuate the extinguisher)
Sweep the nozzle (from side-to-side)

IV. Fire Safety

A. Inspections
Supervisors and Managers are responsible for conducting workplace fire inspections as a part of the normal workplace safety inspection. These surveys should include observations of housekeeping issues and should specifically address proper storage of chemicals and supplies, unobstructed access to fire extinguishers and emergency exit or evacuation routes.

B. Emergency Exits
Every exit designated as an emergency exit should be clearly visible or the route to it conspicuously identified in such a manner that every occupant of the building will readily know the direction of escape from any point. At no time should exits or paths of egress be blocked.
Any doorway or passageway, which is not an exit or access to an exit, but which may be mistaken for an exit, should be identified by a sign reading "Not an Exit" or otherwise labeled as to the purpose (i.e., "Closet"). Exits and accesses to exits will be marked by a readily visible sign. Each exit sign (other than internally illuminated signs) should be illuminated by a reliable light source or phosphorescence.

C. Emergency Lighting

Emergency lighting in buildings, if equipped, should be tested at least monthly to ensure proper operational conditions in the event of an emergency. These tests should be completed in conjunction with the fire extinguisher visual inspections.

D. Evacuation Routes and Plans

1. Each facility shall design and post an emergency evacuation plan to allow employees and other to safely evacuate the building or affected area in the case of an emergency.
2. Should evacuation be necessary, proceed to the nearest exit or stairway and proceed to an area of refuge outside the building. Most stairways are fire

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resistant and are often equipped with barriers to smoke if doors remain closed.

3. Do not use elevators. Should a fire involve the control panel of the elevator or the electrical system of the building, power in the building may be lost and you could become trapped in the elevator, potentially between floors. Also, the elevator shaft can become a flue, lending itself to the passage and accumulation of hot gases and smoke generated by the fire.

E. Fire Emergency Procedures

The following procedures should be followed in the event of a fire within a building:

1. Activate the nearest fire alarm, if equipped
2. Notify your supervisor, co-workers, and other occupants
3. Fight the fire only if:
    a. The Fire Department has been notified of the fire, and
    b. The fire is small and confined enough to its area of origin, and
    c. You have a way out and can fight the fire with your back to the exit, and
    d. You have the proper extinguisher, in good working condition, and know how to use it.
4. If you are unsure of your ability or the fire extinguisher's capacity to contain the fire, leave the area.
5. Leave the building and move away from exits, maintaining clear path for emergency operations.
6. Assemble in a designated area.
7. Report your safety to the appropriate supervisor or personnel.

V. First Aid

A. All injuries, regardless of severity, shall be reported to your supervisor.

B. Preplanning for a potential emergency situation is most valuable. All employees shall be aware of the medical services available and how to obtain them. Emergency phone numbers shall be posted in all work areas.

C. Where first aid kits are supplied, employees shall be familiar with the location, contents, and the instructions given with the first aid kit. Each employee shall learn how to use this equipment so they can render treatment when needed.

D. The contents of the first aid kits shall be inspected each month and expended items replaced. Personal medication shall not be kept in first aid kits.

E. Where the eyes or body may be exposed to injurious corrosive materials, suitable facilities for quick drenching or flushing of the eyes and body shall be provided for emergency use.

F. Emergency eye wash and/or shower stations should be tested at least once per month to ensure proper working condition.

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CITY OF CELINA
PERSONNEL POLICIES

Chapter 8 – Risk Management

8.11 – Office Safety & Ergonomic Awareness

I. Office Safety

A. Employees shall walk cautiously up and down stairs and use handrails whenever possible.

B. Caution shall be exercised when walking around blind corners.

C. Desk drawers and file cabinets shall be kept closed when not in use.

D. Only one drawer of a file cabinet shall be pulled out at a time.

E. Boxes, chairs, buckets, etc. shall not be used in place of ladders.

F. The floor shall be kept clear of tripping hazards such as telephone cords, electrical extension cords, paper cartons, etc.

G. Employees mopping or waxing floors shall place warning signs to alert co-workers of the potential for slippery floors. In addition, all liquid spills shall be cleaned up immediately and signs put in place until the hazard is alleviated.

H. Material shall be stored on shelves in a manner to prevent falling; heavy objects shall be placed on lower shelves.

I. Hallways and aisles shall be kept clear of obstructions.

J. All emergency exits, electrical panels, fire extinguishers, and emergency equipment shall be kept clear of all obstructions.

K. Solvents or other toxic substances shall be used only with adequate personal protection or in well-ventilated areas. Material Safety Data Sheets (MSDS) should be accessible to all employees who are using these substances.

L. Employees shall not attempt to clean, oil or adjust any machine that is running. If the machine is not equipped with a starting switch that can be locked in the "off" position, it shall be disconnected from the power source.

M. Unsafe electrical cords, faulty equipment, or any other hazardous condition shall be reported and taken out of service until the repairs are completed.

N. Broken glass and other sharp objects shall not be placed in wastepaper containers.

II. Ergonomic Awareness

A. Work Stations, Desks, and Counter-Tops

1. Chairs should be easily adjustable and provide good lumbar support. If feet cannot rest firmly on the ground, a footrest may be provided. Chairs with a

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five-point base are recommended due to the stability that is provided.
2. Sufficient leg room must be allowed for seated operators.
3. Position the monitor directly in front of the operator. The operator's eyes should be level with the top of the screen. Viewing distance between the user's eyes and the screen should be approximately 16 to 22 inches.
4. The equipment or sources of light should be positioned so that glare or bright reflections on the display screen are minimized.
5. Adjust the height of the chair and/or keyboard so that the shoulder-elbow-arm angle is approximately 70-90 degrees.
6. Keyboard heights and placement should be adjustable. Use a cushioned palm rest if needed to keep user's hands and fingers in the same plane as the forearm and avoid resting wrists and forearms on sharp table edges.
7. Work surface heights should range from 23 to 28 inches for seated work stations. In addition, your work area should be well organized with routine operations within easy reach and easily accessible.
8. Document holders should be placed adjacent to and at the same height as the display screen.
9. Operators should adjust positions frequently and get up and move around to help avoid fatigue.

B. Lighting, Noise and Heat

1. Adequate but not excessive heat should be provided during cooler weather.
2. Windows should be equipped with adjustable blinds.
3. Use task lighting where extra illumination is required.
4. Noise above 85 to 90 decibels (DBA) may be harmful to workers. When exposed to high noise levels, employees shall utilize hearing protection equipment to ensure proper working conditions.
5. Whenever possible, isolate noisy machines and equipment in a remote location.
6. Tailor work practices to prevent heat/cold-related disorders. Employees exposed to hot environments must know the appropriate medical steps to counteract life threatening situations such as hypothermia, heat stroke, heat exhaustion, and heat cramps.

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Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	County Road 52 Name Change

Action Requested:
Consider and act upon a resolution of the City Council of the City of Celina, Texas, renaming certain portions of County Road 52 to S. Celina Parkway. (County Road 52 Name Change) (Colakovic)

Background Information:
County Road 52 is being renamed to S. Celina Parkway. Exhibit A of the attached resolution shows which portion of CR 52 is being renamed.

Supporting Documents:
- Draft Resolution

Staff Recommendation:

CITY OF CELINA, TEXAS
RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, RENAMING A SECTION OF COUNTY ROAD 52 TO SOUTH CELINA PKWY.

WHEREAS, the City Council of the City of Celina adopted a revised street name approval policy, and map with historic name placeholders on May 12, 2015;

WHEREAS, policies of the City are revised from time-to-time;

WHEREAS, the City Council of the City of Celina desires to honor the historic heritage of the early families who settled in Celina; and

WHEREAS, the City Council of the City of Celina also desires to recognize prominent citizens, both living and deceased;

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

SECTION 1: The following street names shall be changed immediately, street placards shall be replaced with the adopted names, and notice shall be given to property owners along such streets of the official change:

- County Road 52, from the most Southern Boundary of Coppell Lake Breeze LLC (PROP ID: 2006712), to the intersection with FM 428, shall become South Celina Pkwy, as depicted in Exhibit A.

SECTION 2: The City Council reviewed the revised Policy and hereby adopts the same,

SECTION 3: This Resolution shall take effect immediately upon its passage.

AND IT IS SO RESOLVED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 12th day of October, 2021.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

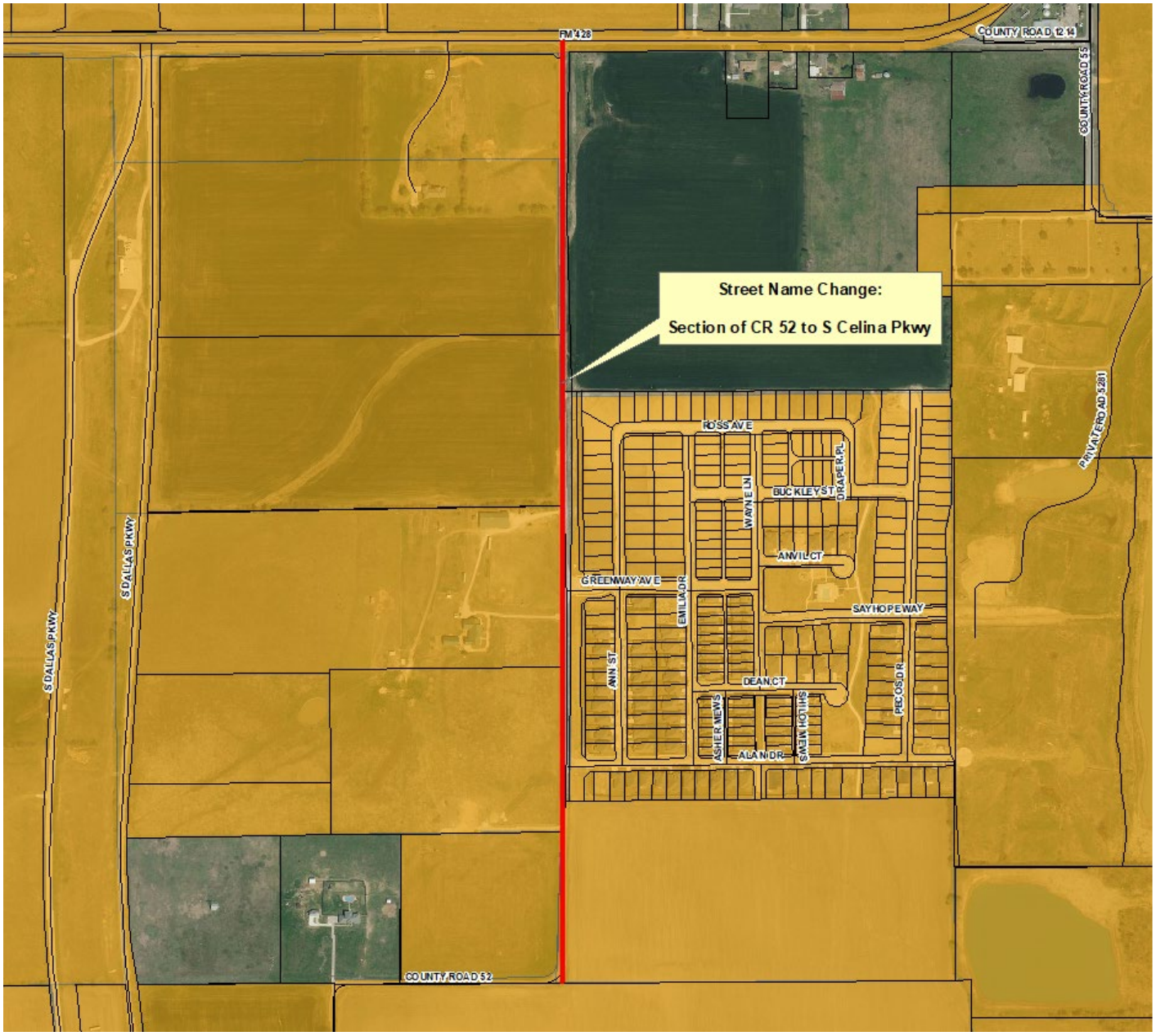
Attachment: Draft Resolution (County Road 52 Name Change)

APPROVED AS TO FORM:

_____
Lance Vanzant, Attorney for the City
City of Celina, Texas

Attachment: Draft Resolution (County Road 52 Name Change)

Exhibit "A"
Proposed County Road 52 Renaming Limits



Attachment: Draft Resolution (County Road 52 Name Change)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	ETJ Expansion

Action Requested:
Consider and act upon an ordinance ratifying and acknowledging inhabitants greater than 24,999 to extend the Extraterritorial Jurisdiction (ETJ) to two miles. (ETJ Expansion) (Colakovic)

Background Information:
Please refer to the attached document for further information, related to extending the Extraterritorial Jurisdiction (ETJ) to two miles based on Celina's inhabitants being greater than 24,999.

Supporting Documents:
- Draft Ordinance

Staff Recommendation:
Staff recommends approval.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, COLLIN COUNTY TEXAS, RATIFYING AND ACKNOWLEDGING THAT THE CITY HAS MORE THAN 24,999 INHABITANTS AND THAT THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF CELINA HAS EXTENDED TO INCLUDE THE AREAS WITHIN TWO MILES OF THE CORPORATE BOUNDARIES OF THE CITY OF CELINA; UPDATING THE OFFICIAL MAP; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina ("City") is a political subdivision of the State of Texas, organized as a home rule municipality; and

WHEREAS, Texas Local Government Code Section 42.021 establishes the extension of the City's extraterritorial jurisdiction ("ETJ") upon certain increases in the number of inhabitants of the City; and

WHEREAS, the City's current ETJ is within one mile of the corporate boundaries of the City as established by Texas Local Government Code Section 42.021(a)(2); and

WHEREAS, the U.S. Census 2010 declared the City's population to be 6,028 on April 10, 2010; and

WHEREAS, the U.S. Census 2020 informed the City that at least 435 homes were not included in the Census data; and

WHEREAS, the City has experienced continuous and rapid growth in the number of inhabitants and growth in its corporate limits since April 2010; and

WHEREAS, on October 1, 2010 the corporate boundaries of the City included 16.22 square miles/10,386 acres (as generally depicted in **Exhibit A**) and on October 1, 2021 the corporate boundaries of the City included 41.3 square miles/26,434 acres (as generally depicted in **Exhibit B**), representing an increase in geographic area of approximately 154.6%; and

WHEREAS, the City staff have used the average household size, increase in inhabitants through annexation, building permits for all types of residential units, utility accounts and similar factors to calculate the number of inhabitants, with s summary of the complied data being reflected in **Exhibit C**; and

WHEREAS, the City staff calculate the number of inhabitants within the corporate limits, as of October 1, 2021 to be 25,195; and

Attachment: Draft Ordinance (ETJ Expansion)

WHEREAS, the City Texas Local Government Code Section 42.021(a)(3) establishes that the extent of ETJ for municipalities with 25,000 to 49,999 inhabitants to be two (2) miles from the corporate boundaries; and

WHEREAS, the City Council finds that it is in the best interests of the City and its citizens to promote and protect the general health, safety, and welfare of citizens residing in and adjacent to the corporate limits of the City.

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

SECTION 1
INCORPORATION OF PREMISES

The above and foregoing premises and **Exhibits A, B** and **C** are true and correct, are legislative findings of the City Council and are incorporated herein and made a part hereof for all purposes.

.

SECTION 2
ACKNOWLEDGMENT OF NUMBER OF INHABITANTS

The City of Celina hereby acknowledges that the increase in inhabitants within the City's corporate boundaries to be 25,195 as of October 1, 2021, which exceeds 24,999.

SECTION 3
UPDATE OF OFFICIAL MAP

That the City of Celina hereby acknowledges the extension of the ETJ, which does not include any portion of land that is located within the corporate limits or ETJ of another city, to a distance of two (2) miles from the corporate boundaries and hereby directs the City Manager, or his designee, to update the Official Map of the City to reflect the entirety of the ETJ, to include the areas generally depicted in **Exhibit D** which is incorporated herein by reference and made a part hereof for all 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 zoning regulation which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending

Attachment: Draft Ordinance (ETJ Expansion)

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 and publication as required by law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 12th day of October, 2021.

ATTEST:

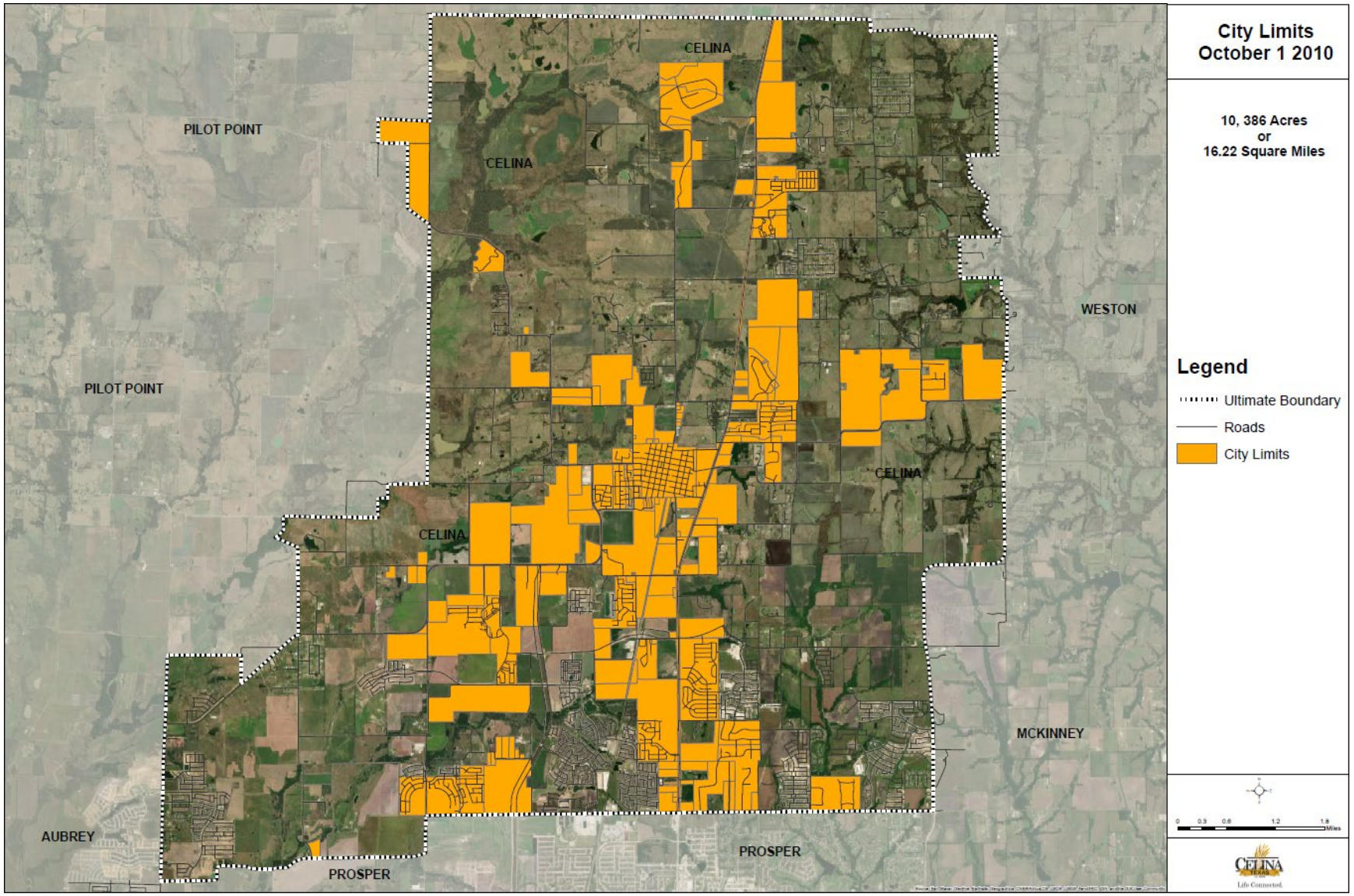
_____
Sean Terry, Mayor

_____
Vicki Tarrant, City Secretary

Attachment: Draft Ordinance (ETJ Expansion)

Exhibit A

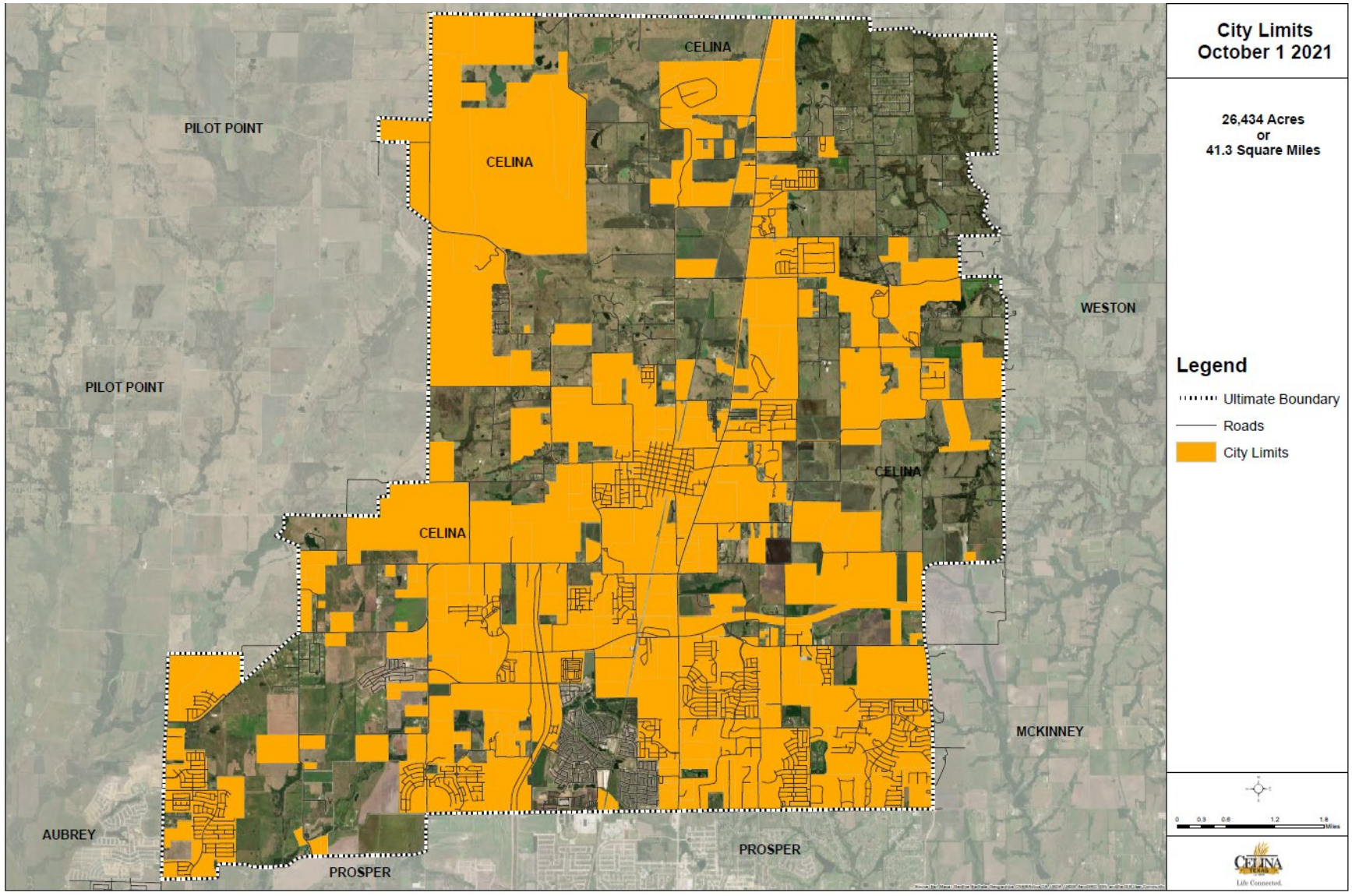
Attachment: Draft Ordinance (ETJ Expansion)



Attachment: Draft Ordinance (ETJ Expansion)

Exhibit B

Attachment: Draft Ordinance (ETJ Expansion)



Attachment: Draft Ordinance (ETJ Expansion)

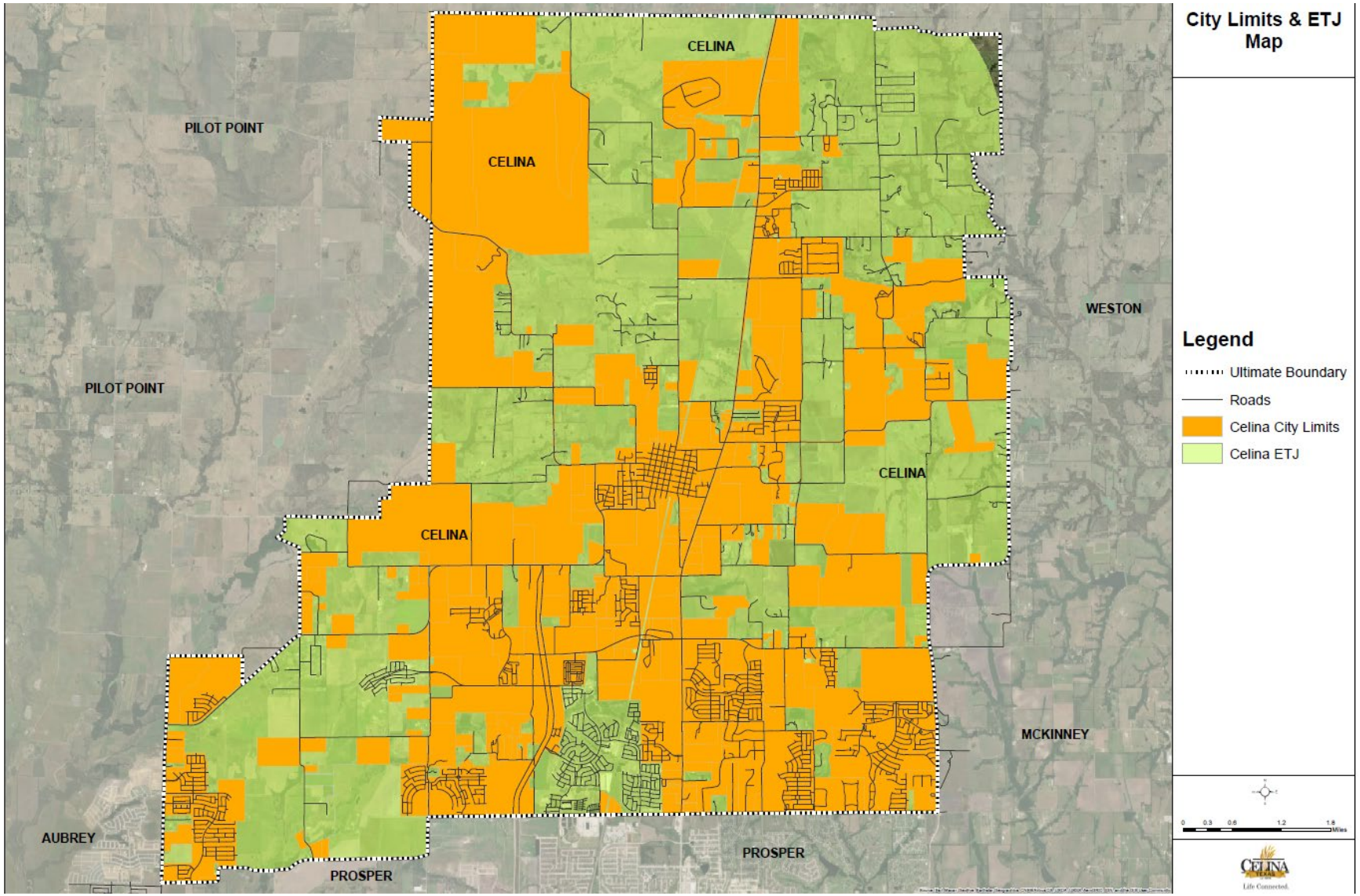
Exhibit C

DATA UP TO OCTOBER 1st 2021	CO's	Inhabitants*
Base Data - Water Meters - as of June 1 2021	5,624	17828.08
Buffalo Ridge (all time)	113	358.21
Cambridge Crossing (all time)	99	313.83
Chalk Hill (all time)	27	85.59
Glen Crossing (all time)	227	719.59
Greenway (all time)	118	374.06
Ownsby Farms (all time)	179	567.43
Sutton Fields (all time)	991	3141.47
The Columns (all time)	156	494.52
Wellspring Estates (all time)	51	161.67
Creeks of Legacy (06.01.2021 - 10.01.2021)	47	148.99
Mustang Lakes (06.01.2021 - 10.01.2021)	58	183.86
Bluewood (06.01.2021 - 10.01.2021)	31	98.27
Lilyana (06.01.2021 - 10.01.2021)	59	187.03
Other (Downtown, Morgan Lake Estates)	3	9.51
Total Single Family Inhabitants	**7,783**	**24,672**
Avilla CO's	108	259.2
Walnut Multi Family	74	177.6
Total Multi Family Inhabitants	**182**	**436.8**
Settlers Ridge		86
TOTAL INHABITANTS		**25,195**

***3.17 persons per household**

Attachment: Draft Ordinance (ETJ Expansion)

Exhibit D



Attachment: Draft Ordinance (ETJ Expansion)

Life Connected.

Engineering
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Kim Brawner, Executive Director of Public Services
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: CISD Middle School Facilities Agreement

Action Requested:
Consider and act upon a Facilities Development Agreement between Celina ISD and the City for infrastructure related to the new Celina ISD Middle School located on CR 99. (CISD Middle School Agreement). (Brawner)

Background Information:
Celina ISD voters approved a bond authorization to fund the construction of a new middle school in 2019. CISD administration selected Claycomb Associates as the architect firm and Hamilton Duffy as the Civil engineering firm for the project. CISD submitted the Middle school plans for review to the city on October 23, 2020 with an anticipated school opening of August 2022 (~22 months).

Per City of Celina standards, Celina ISD will be required to construct 100% of the required infrastructure to accommodate the new building because the new middle school site is in a green field development. The attached facilities agreement would be a cooperative agreement between Celina ISD and the City of Celina. The high points of the agreement as follows:

1. The City of Celina will fund and construct the necessary infrastructure improvement for approximately $8 million in exchange for a long-term lease for the 7.91 acres at Bobcat Stadium for use as a future park facility.
2. The CISD will fund and construct improvements to CR 99 to increase the minimum roadway width, add new striping, and add necessary turn lanes for the increased traffic volume to the Middle school. CISD will also be responsible for installing any required railroad crossing safety equipment at the crossing along CR 99.
3. In lieu of CISD escrowing funds for the future concrete right and left turns lanes along Louisiana Drive/Business 289, CISD may construct the northbound right and left turn lanes using hot mix asphalt.

Board Review/Citizen Input:
N/A

Alternatives:
Council could choose to not approve the proposed agreement.

Financial Considerations:
Funding will come from 2021 Bond Funds.

Legal Review:
The City attorney has reviewed and approved the documents.

Supporting Documents:
Facilities Agreement

Staff Recommendation:
Staff recommends approval.

FACILITIES DEVELOPMENT AGREEMENT BETWEEN THE CITY OF CELINA, TEXAS AND CELINA INDEPENDENT SCHOOL DISTRICT

This Facilities Development Agreement (the "**Agreement**") is made and entered into as of this the _____ day of _____, 2021 by and between the City of Celina, Texas, a home-rule municipality (hereinafter referred to as the "**City**")and the Celina Independent School District, a political subdivision of the State of Texas (hereinafter referred to as the "**District**"), each a "**Party**" and together hereinafter known as the "**Parties**".

RECITALS:

WHEREAS, the City and the District are authorized to enter into this Agreement pursuant to the laws of the State of Texas, including but not limited to Chapter 212, Subchapter G, of the Texas Local Government Code; and

WHEREAS, the District owns, or intends to acquire, certain property in the City's extraterritorial jurisdiction, which is depicted and described in **Exhibit A**, attached hereto and incorporated herein for all purposes (the "**New School Property**"), on which it desires to construct a middle school; and

WHEREAS, the New School Property will require the construction of roadways, sidewalks and utilities, including water and wastewater lines, to service the District's new middle school on the New School Property; and

WHEREAS, the District has the capability to install the required roadways, sidewalks and utilities to service the New School Property, and in exchange asks for certain considerations from the City; and

WHEREAS, the District currently uses the C-Town Property (as defined below) for the educational purposes of the District; and

WHEREAS, the District is the owner of the C-Town Property; and

WHEREAS, City and District agree and understand that this Agreement shall not be effective until the City Council and District Board of Trustees have approved this Agreement at public meetings called and held for this purpose (the date of the obtaining of the last of the foregoing approvals is hereinafter referred to as the "**Effective Date**"); and

WHEREAS, the Parties wish to enter into this Agreement to delineate the rights and duties of the City and the District in relation to the public improvements to serve the New School Property and the development of the C-Town Property as a public park, recreation and event space.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

1. Purpose. The purpose of this Agreement is to establish a framework of cooperation for each of the Parties to provide mutual support, cooperation, and assistance to develop the New School Property and Traditions Park to the mutual benefit of the Parties.

2. 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) reflect the final intent of the Parties with regard to the subject matter of this Agreement, and (d) constitute a legislative finding by the City Council and District's Board of Trustees. 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.

3. Term; Termination. This Agreement shall continue for a term of forty-five (45) years ("**Term**"). This Agreement may only be terminated by mutual agreement of the Parties.

4. City's Obligations. At its sole cost, the City agrees to undertake the following:

A. Water Lines. The City shall, or has, install underground water lines to serve the New School Property in a manner depicted and described in **Exhibit B**, attached hereto and incorporated herein for all purposes (the "**Water Lines**"). The design, installation, maintenance, and repair of the Water Lines are exclusively that of the City's. The City shall complete the Water Lines before the District receives a certificate of occupancy for the middle school.

B. Zoning. Following annexation of the New School Property, the City zoned the New School Property as Community Facilities zoning district.

5. District's Obligations. At its sole cost, the District agrees to undertake the following:

A. Annexation. **THE DISTRICT CONSENTED TO THE FULL PURPOSE ANNEXATION UNDER STATE LAW OF THE NEW SCHOOL PROPERTY INTO THE CORPORATE LIMITS OF THE CITY, WHICH THE CITY HAS COMPLETED, AND THE DISTRICT WAIVES ALL OBJECTIONS, ELECTIONS, AND PROTESTS OF SUCH ANNEXATION. THIS AGREEMENT SHALL SERVE AS THE VOLUNTARY PETITION OF THE DISTRICT FOR FULL PURPOSE ANNEXATION OF THE NEW SCHOOL PROPERTY.**

B. C-Town Property. District owns the land labeled as CAD parcel ID 988630, with a legal description of Celina Original Donation, Block 67, Lot 1, and CAD parcel ID 988649, with a legal description of Celina Original Donation, Block 67, Lot 2, and all improvements thereon, generally located on East Pecan Street between North Arkansas Street, East Walnut Street and North Texas Drive as reflected in **Exhibit C** (the "**C-Town Property**"). Within sixty (60) days of the Effective Date of this Agreement, the District agrees to convey the C-Town Property to the City by deed, which conveyance instrument shall be acceptable to the City. City and District shall enter into a written lease agreement for the C-Town Property, the form and other terms of which shall be reasonably agreed upon by City and District, but which shall contain the following terms: (a) District shall

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

pay City rent of One Dollar ($1.00) per annum; (b) District shall be responsible for maintaining and insuring the C-Town Property; and (c) City may terminate the lease with 12-months' notice to District when City is preparing to build Traditions Park (which name of said park may be changed).

C. County Road 99. The District shall be responsible for installing any required railroad crossing safety equipment at the corner of CR 99 and N. Louisiana Dr., including but not limited to flashing lights, gates, crossbucks, sirens, and road grading. The District shall also be responsible for installing road improvements with a minimum width of twenty-four (24) feet to CR 99, left and right turn lanes, and any striping of traffic lanes required by City Regulations (as defined below) as a result of the increased traffic to the New School Property, and the City shall contribute $150,000.00 towards the costs therefore. City agrees that the road immediately adjacent to the New School Property on the south side of the New School Property known as Country Road 99 does not have to be concrete as required by the City Regulations, but may be asphalt as approved by the City Engineer. Plans and specifications for the railroad crossing safety equipment and road improvements described in this paragraph shall be subject to the reasonable approval of the District.

D. Louisiana St./Business 289. In lieu of the District escrowing funds with the City for future concrete right and left turn lanes on Louisiana St./Business 289, as required by City Regulations, the District may construct the northbound right turn lane and southbound left turn lane using asphalt so long as the construction plans are approved by the City Engineer. The City agrees that the District may delay the commencement of construction of the northbound right turn lane until the District obtains a building permit from the City for a new elementary school to be located adjacent to, near or on the New School Property, and said northbound right turn lane must be completed before the new elementary school can receive a certificate of occupancy from the City.

E. Marilee CCN Decertification and Temporary Service. The District shall cooperate with the City in the City's acquisition of Marilee Special Utility District's ("**Marilee**") Certificate of Convenience and Necessity ("**CCN**") for the New School Property, which costs of acquisition shall be paid by the City. The District and the City may enter into a temporary agreement with Marilee to provide water service, with fire flow as approved by the City's Fire Marshal, until the New School Property is certified into the City's CCN, but such agreement shall terminate upon certification.

F. Easements and Rights-of-Way. The District, upon reasonable review and approval of the types, locations, and specifications, shall dedicate and convey all easements and rights-of-way needed on the New School Property for roads, drainage and public utilities, including but not limited to the Water Lines, to the City at no charge to the City.

G. Water and Wastewater Facilities. District shall be responsible for designing and constructing all onsite and offsite water and wastewater facilities necessary to serve the New School Property, other than the Water Lines. Within thirty (30) days of the issuance to the District by the City of a certificate of occupancy for a middle school on the New

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

School Property, City shall pay Three Hundred Thousand Dollars ($300,000.00) to District towards the costs of said water and wastewater facilities.

H. Sidewalks. The City agrees that the District may delay the commencement of construction of required sidewalks along Louisiana St./Business 289 for the New School Property until the District obtains a building permit from the City for a new elementary school to be located adjacent to, near or on the New School Property, and said sidewalks must be completed before the new elementary school can receive a certificate of occupancy from the City.

6. City Standards.

6.1 Full Compliance with City Standards.

A. Development of the New School Property shall be subject to any ordinance, rule, regulation, standard, policy, order or guideline adopted or enforced by the City, as amended (the "**City Regulations**") and uniform engineering design standards, as amended, to the extent such City Regulations and uniform engineering design standards are enforceable under Texas law.

B. Building permits and certificates of occupancy shall be required for improvements on the New School Property using the procedures and standards contained in the City Regulations. Permits will not be issued for permit applications that do not comply with the terms of this Agreement. The City will not be held liable for withholding permits under this section.

C. Notwithstanding anything herein to the contrary, all building elevations and exterior materials used for improvements constructed on the New School Property shall substantially conform to the elevations and materials depicted in **Exhibit D**, attached hereto and incorporated for all purposes.

D. All public infrastructure, including but not limited to water, wastewater, drainage, and roadways, shall be dedicated to the City, and upon acceptance by the City of the water and wastewater improvements, the City shall be the retail provider of such services.

E. The District shall submit to the City for approval a plan for landscaping the New School Property. In the alternative, the District agrees to follow the landscaping standards established in the City Regulations, for non-residential development.

6.2 Approval of Plats/Plans/Replat. Approval of plats, permits, plans, designs, or specifications by the City shall be in accordance with the City Regulations to the extent such City Regulations are enforceable under Texas law. Approval by the City, the City Engineer or other City employee or representative, as applicable, of any plats, permits, plans, designs or specifications submitted by the District pursuant to this Agreement or pursuant to the City Regulations shall not constitute or be deemed to be a release of the responsibility and liability of the District, its 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 District or the District's engineer, or engineer's officers, agents, servants or employees, it being the intent of the Parties

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

that approval by the City Engineer signifies the City's approval on only the general design concept of the improvements to be constructed. All plats and plans of the District related to the New School Property shall meet the requirements of the City Regulations to the extent such City Regulations are enforceable under Texas law. The District may submit a replat for all or any portion of the New School Property.

6.3 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.

6.4 Building Codes, Fire Codes and Building Materials. *As consideration for the capital improvements and cost-sharing provided by the City, District has consented to and requested, and the Parties agree, that the City-adopted building codes and local amendments as subsequently amended, the City-adopted fire codes and local amendments as subsequently amended, and the City's building material regulations contained in the zoning ordinance and in other City ordinances, all as subsequently amended, to apply to the New School Property, and voluntarily agrees to burden the New School Property with their applicability, despite Texas Government Code Chapter 3000, effective September 1, 2019, as it presently exists or may be subsequently amended. The Parties further acknowledge and agree that the terms, provisions, covenants, and agreements contained in, or referenced in, this paragraph are covenants that touch and concern the New School Property and that it is the intent of the Parties that such terms, provisions, covenants, and agreements shall run with the New School Property and shall be binding upon the Parties hereto, their successors and assigns, and all subsequent owners of the Property. Should any amendment to the building material regulations contained in the zoning ordinance and in other city ordinances be held to be invalid by a court of competent jurisdiction, the Parties agree that the building material regulations in effect on August 1, 2019 shall then touch and concern the New School Property and be binding upon the Property.* To the extent any other provision in this Agreement is in conflict with this Section 6.4, this Section 6.4 shall control.

6.5 Conflicts. In the event of any conflict between this Agreement and any City Regulation, this Agreement, including any exhibit or attachment, shall control unless otherwise stated herein.

7. General Provisions.

A. Notices. All notices required to contemplated by this Agreement (or otherwise given in connection with this Agreement) (a "**Notice**") shall be in writing, shall be signed by or on behalf of the Party giving the Notice, and shall be effective on the earlier of (a) on the third (3rd) day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by facsimile or email, (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the Notice is addressed), or (c) on the day actually received by the person to whom the Notice is addressed, including, but not limited to, delivery in person, delivery by regular mail, delivery by facsimile (with a confirmation copy sent by regular mail), or delivery by email (with a confirming copy sent by one of the other methods set forth herein). Notices given pursuant to this Section shall be addressed as follows:

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

To the City:	City of Celina 142 North Ohio Street Celina, Texas 75009 Attention: City Manager Telephone: (972) 283-2682 Facsimile: (972) 382-3736 Email: jlaumer@celina-tx.gov
With a copy to:	Julie Fort Messer, Fort & McDonald, PLLC 6371 Preston Road, Suite 200 Frisco, Texas 75034 Telephone: (972) 668-6400 Email: julie@txmunicipallaw.com
To the District:	Celina Independent School District Attention: Superintendent 205 S. Colorado Street Celina, Texas 75009
With a copy to:	Chris Zillmer Celina ISD Lawyer Abernathy, Roeder, Boyd & Hullett, PC 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Telephone: (214) 544-4000 Email: czilmer@abernathy-law.com

The Parties shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by giving at least ten (10) days written notice to the other Party. If any date or any period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period for calculating the notice shall be extended to the first business day following such Saturday, Sunday, or legal holiday.

B. Governmental Immunity. This Agreement is made for the express purpose of installing public infrastructure and improving publicly owned property, which purposes are governmental functions. Neither the City nor the District waive sovereign, statutory, or other immunity. Notwithstanding the foregoing, and only to the extent permitted by law, the District shall indemnify and hold harmless the City, and its officers, agents, and employees, from and against any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature, which are caused by or result from any negligent act or omission of the District in performing its obligations hereunder. Notwithstanding the foregoing, and only to the extent permitted by law, the City shall indemnify and hold

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

harmless the District, and its officers, agents, and employees, from and against any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature, which are caused by or result from any negligent act or omission of the City in performing its obligations hereunder.

C. Current Revenues. Each Party shall make any payments or expenditures under this Agreement out of the current revenues available to the Party in any given year of this Agreement.

D. Entire Agreement; Amendment. This Agreement contains the entire agreement of the Parties with respect to the matters covered by this Agreement, and no other agreement, statement, or promise made by either Party, or to any employee, officer, or agent of either Party, which is not contained in this Agreement shall be binding or valid. This Agreement may not be altered, amended, or modified except in writing and approved by the City Council and District Board.

EXECUTED by the City and the District to be effective on the Effective Date.

CITY OF CELINA

_____
Sean Terry, Mayor

ATTEST:

_____
Vicki Tarrant, City Secretary

CELINA INDEPENDENT SCHOOL DISTRICT

_____
Dr. Tom Maglisceau, Superintendent

ATTEST:

_____
_____, Secretary

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

Exhibit A
Legal Description and Depiction of New School Property

BEING a 75.3364 acre tract of land situated in the Wade H. Ratton Survey, Abstract No. 753, Collin County, Texas, said 75.3364 acre tract of land being a portion of a call 640 acre tract of land conveyed to **MOSES HUBBARD** and **MARY JANE HUBBARD** by deed thereof filed for record in Volume 29, Page 486, Deed Records, Collin County, Texas (D.R.C.C.T.), said 75.3364 acre tract being herein more particularly described by metes and bounds as follows:

BEGINNING at mag nail with washer stamped "SPOONER 5922" set (hereinafter referred to as a mag nail set) at the southwest property corner of the said 640 acre tract, same being the northeast property corner of a called 5.006 acre tract of land conveyed to Peter S. Boidock and Mary Joan Boidock by deed recorded in Volume 2485, Page 575, D.R.C.C.T., said beginning point being the northwest property corner of a called 129.4 acre tract of land conveyed to Denise Lynn Willard by deed recorded in Volume 5476, Page 394, D.R.C.C.T., said beginning point also being at the approximate intersection of the centerline of Business Highway 289, being a variable width public right-of-way by use and occupation with the centerline of County Road 99, also being a variable width public right-of-way by use and occupation;

THENCE, North 00°01'09" West, along the west property line of the said 640 acre tract and with said Business Highway 289, at a distance of 169.00 feet passing the most easterly southeast property corner of a called 112.703 acre tract of land conveyed to Ariana, LLC by deed recorded in Instrument Number 20180730000947040, Official Public Records, Collin County, Texas (O.P.R.C.C.T.), continuing along the said west property line, with said Business Highway 289 and along the east property line of the said 112.703 acre tract, in all a total distance of 1,259.94 feet to a mag nail set at the northwest property corner of the herein described tract, from which a ½" iron rod found at the northeast property corner of a called 153.177 acre tract of land conveyed to Chi Chu Chan, Tsun Huei Chan and Yen Tea Chan by deed recorded in Instrument Number 20091217001510900, O.P.R.C.C.T., bears North 00°01'09" West 1,977.87 feet;

THENCE, North 89°33'02" East, departing the said west property line and said Business Highway 289, over and across the said 640 acre tract, 2,744.00 feet to a 5/8" iron rod with cap stamped "SPOONER 5922" set on the northwest property line of a called 10.9 acre tract of land conveyed to Sam Lazarus by deed recorded in Volume 104, Page 551, D.R.C.C.T., said 10.9 acre tract being a 100 feet wide railroad right-of-way that is currently owned and operated by the Burlington Northern Santa Fe Railway Company.

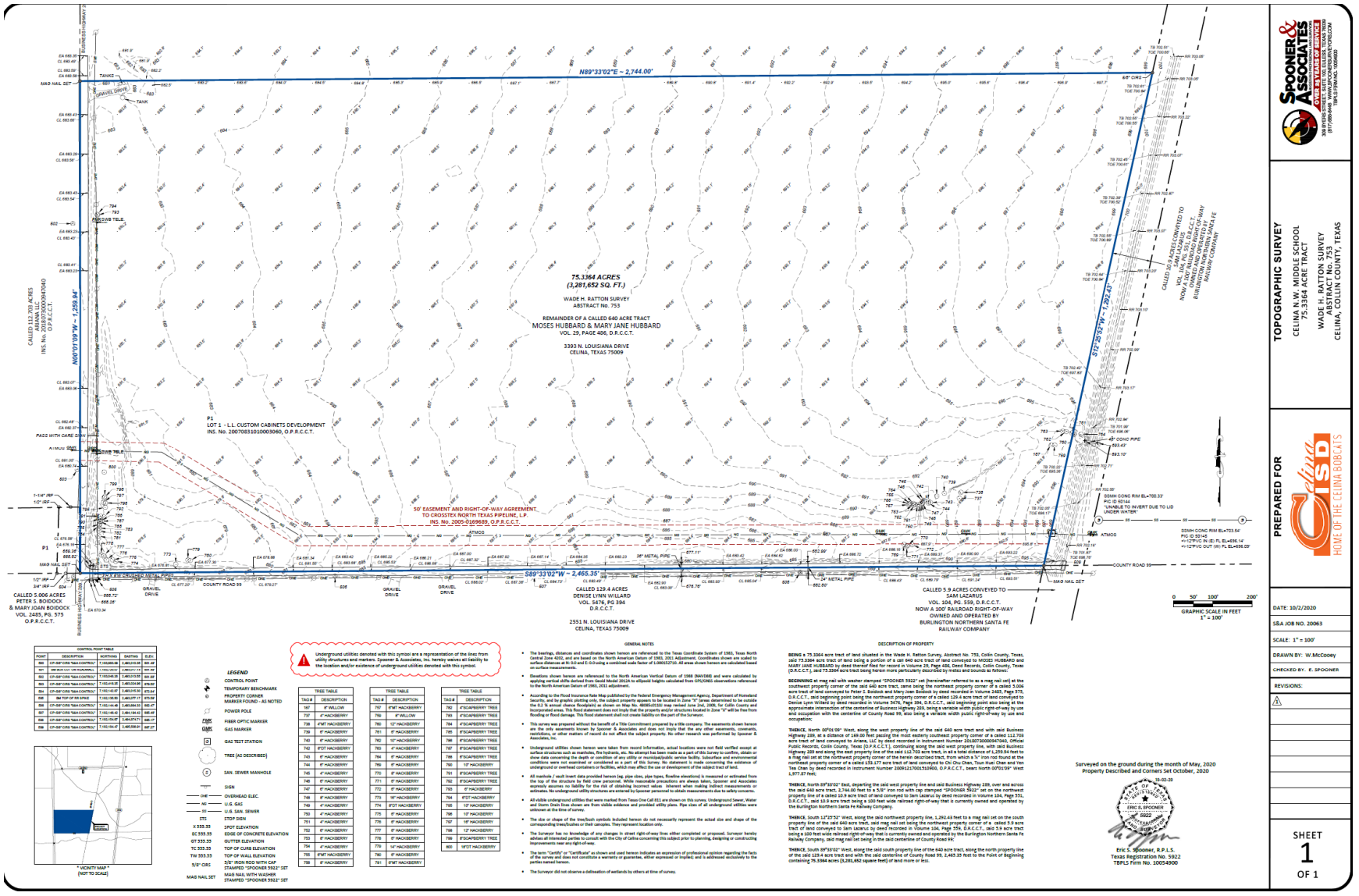
THENCE, South 12°25'52" West, along the said northwest property line, 1,292.43 feet to a mag nail set on the south property line of the said 640 acre tract, said mag nail set being the northwest property corner of a called 5.9 acre tract of land conveyed to Sam Lazarus by deed recorded in Volume 104, Page 559, D.R.C.C.T., said 5.9 acre tract being a 100 feet wide railroad right-of-way that is currently owned and operated by the Burlington Northern Santa Fe Railway Company, said mag nail set being in the said centerline of County Road 99;

THENCE, South 89°33'02" West, along the said south property line of the 640 acre tract, along the north property line of the said 129.4 acre tract and with the said centerline of County Road 99,

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

2,465.35 feet to the Point of Beginning **c**ontaining **75.3364 acres (3,281,652 square feet)** of land more or less.

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

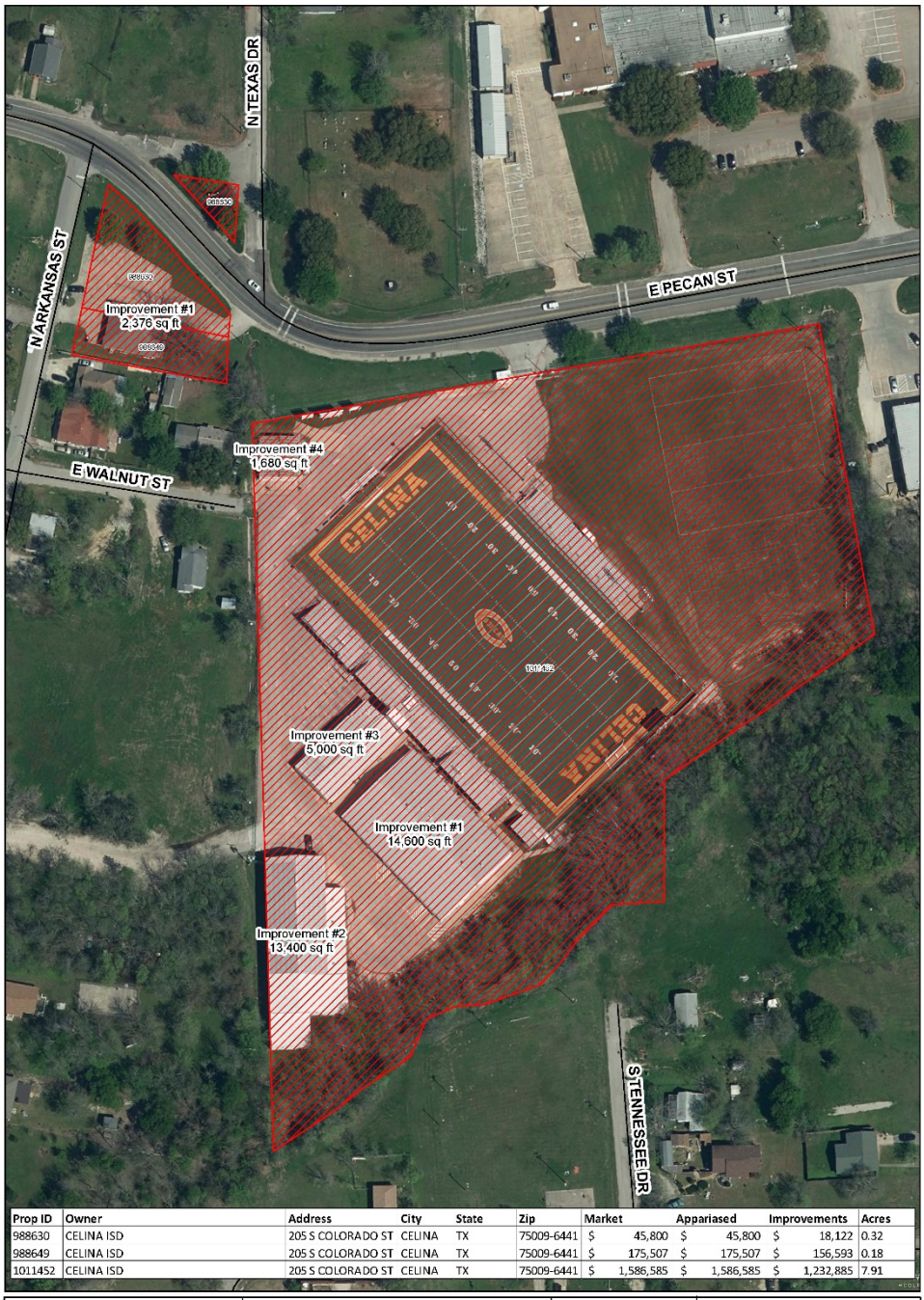


Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

Exhibit B
Water Lines

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

Exhibit C
Improvements



Prop ID	Owner	Address	City	State	Zip	Market	Appariased	Improvements	Acres
988630	CELINA ISD	205 S COLORADO ST	CELINA	TX	75009-6441	$ 45,800	$ 45,800	$ 18,122	0.32
988649	CELINA ISD	205 S COLORADO ST	CELINA	TX	75009-6441	$ 175,507	$ 175,507	$ 156,593	0.18
1011452	CELINA ISD	205 S COLORADO ST	CELINA	TX	75009-6441	$ 1,586,585	$ 1,586,585	$ 1,232,885	7.91

CELINA TEXAS est. 1876
Life Connected.

CISD Property

Date: 11/2/2020

Legend

Roads

Subject Property

N W E S

0 87.5 175 Feet

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

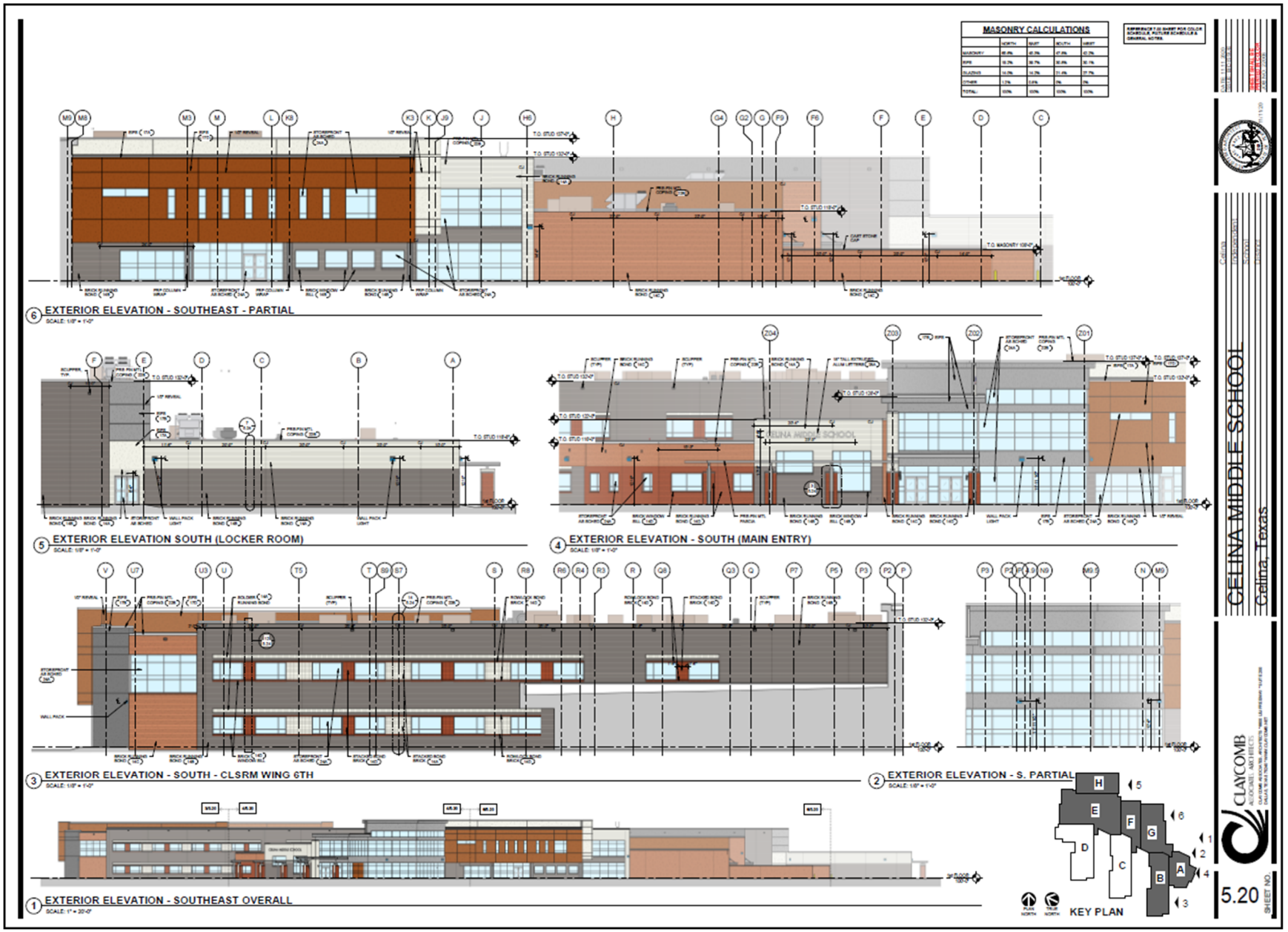
GENERAL LIST OF IMPROVEMENTS TO BE CONVEYED TO CITY:

- 2,367 square foot building

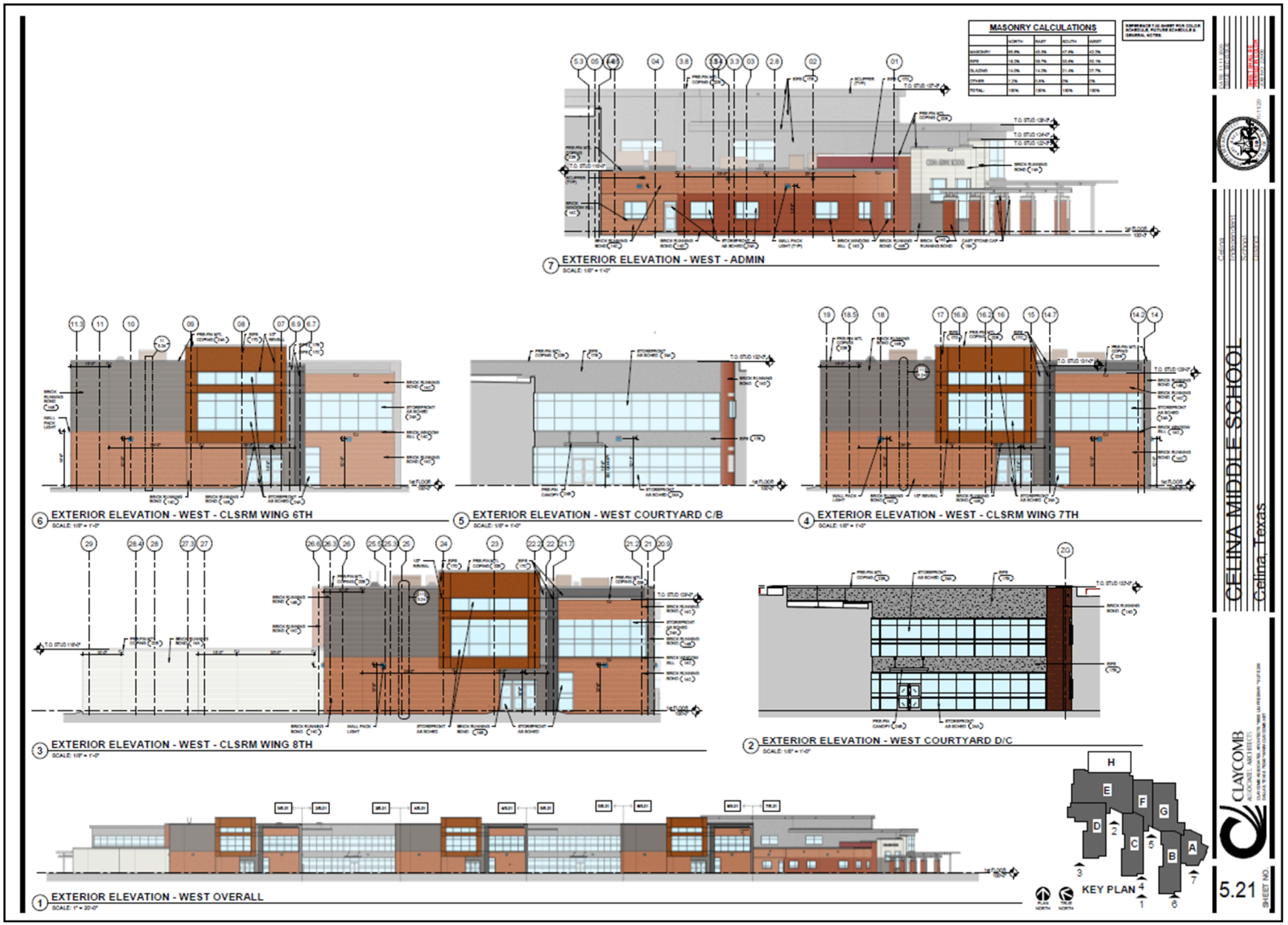
Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

Exhibit D
Building Elevations

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)



Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)



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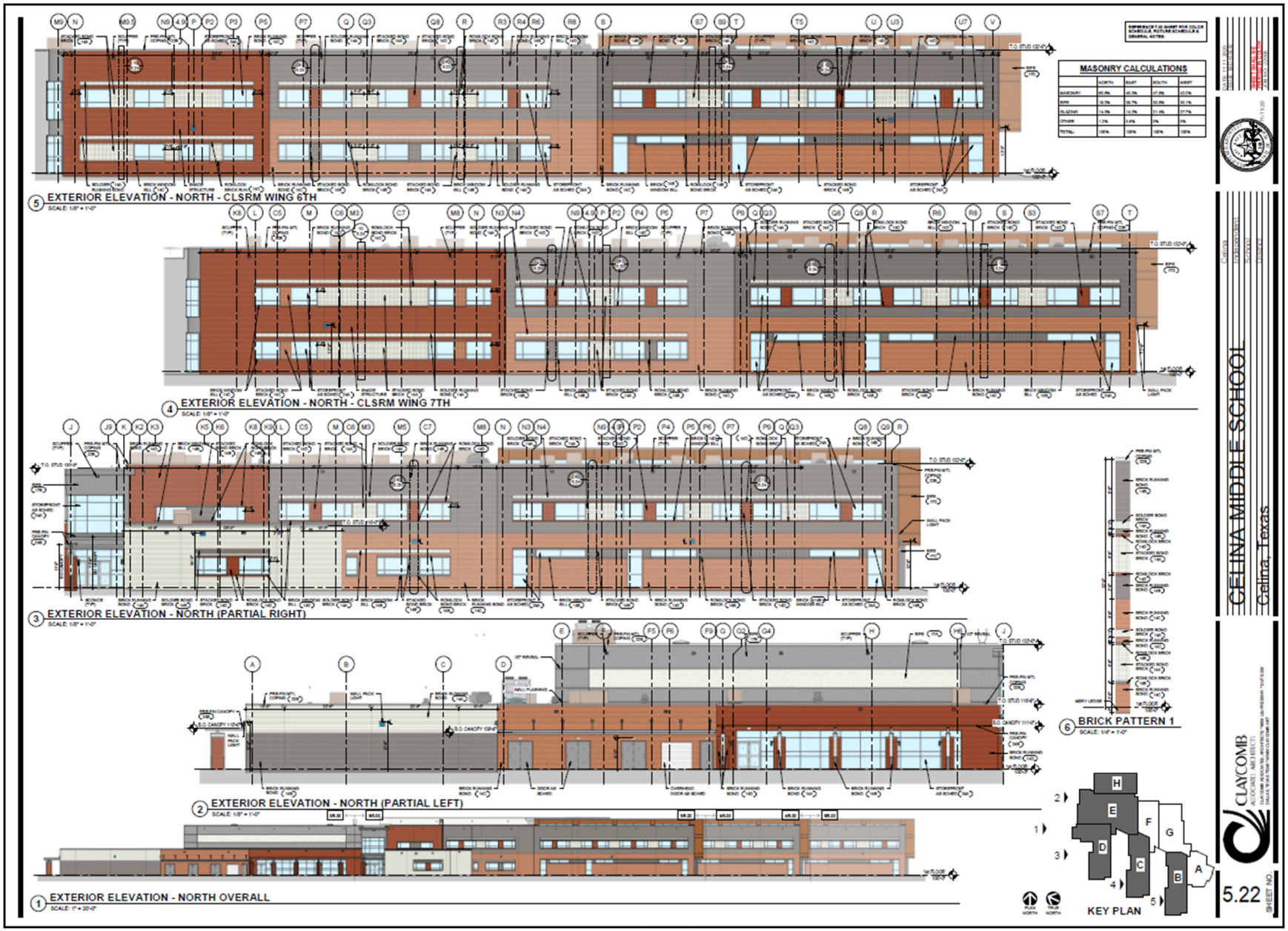

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

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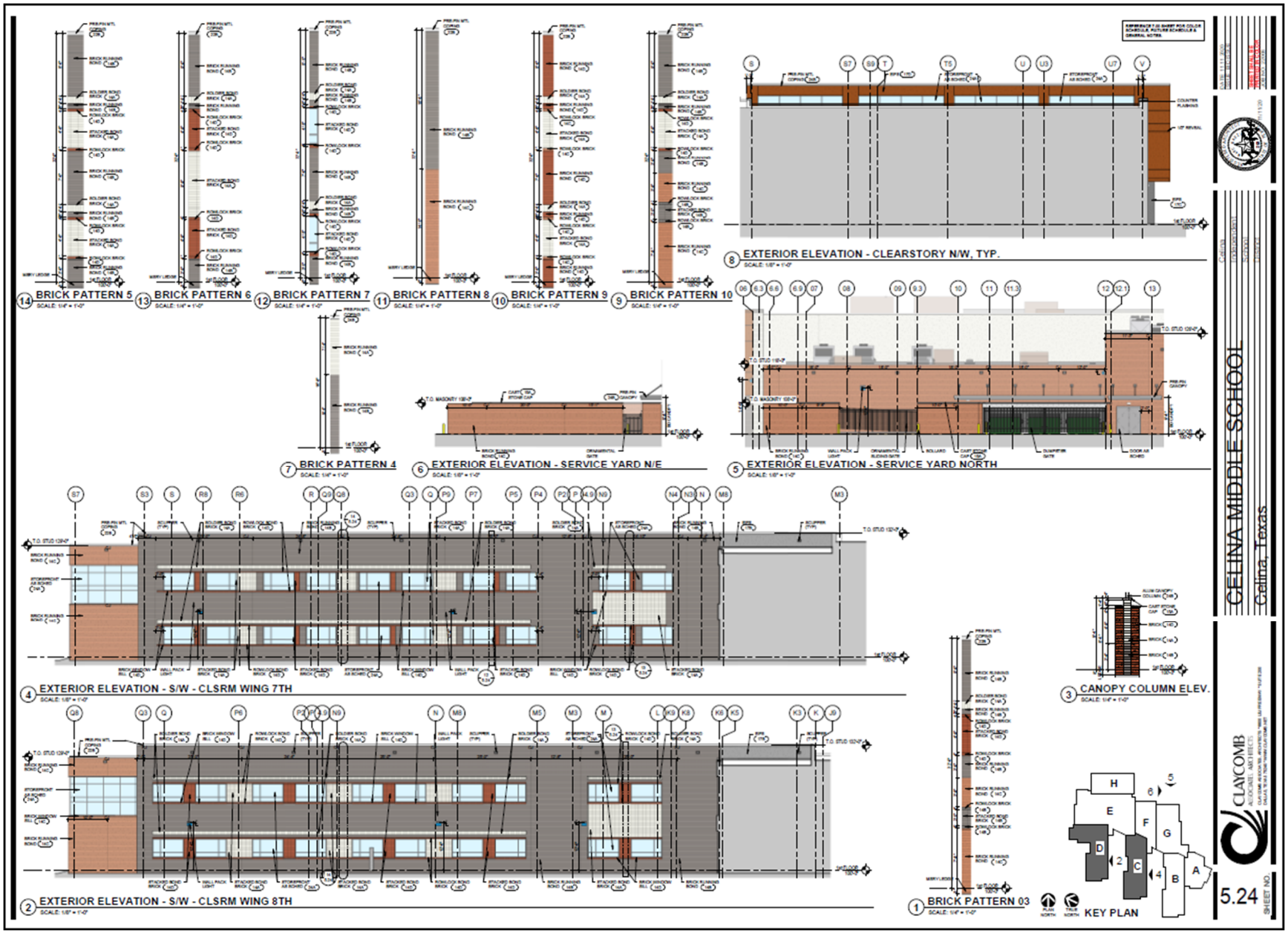


Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

Exhibit E
Deed

STATE OF TEXAS §

COUNTY OF COLLIN §

KNOW ALL MEN BY THESE PRESENTS:

That we, Mrs. Edna Rooney Timmerman, a widow, Mrs. J. C. Ousley, a widow, Edgar Graham Ousley, a single man, and Maxine Ousley, a widow, for and in consideration of Ten ($10.00) Dollars, to us in hand paid by the Trustees of the Celina Independent School District, the receipt of which is hereby acknowledged, have, until the time hereinafter stated, GRANTED, SOLD AND CONVEYED, and by these presents do grant, sell and convey unto the Trustees of the Celina Independent School District and their successors in office for the use and benefit of the Celina Independent School District and for the purpose of providing grounds and facilities for carrying on or public free school activities of said district, all of the following described land, to-wit:

SITUATED in Collin County, Texas, in the J. K. Rice survey, Abst. No. 767, and being out of the Northwest corner of 125 acres described in deed from J. P. Graham to Edna Rooney Ousley, dated June 21, 1939, and recorded in Vol. 322, page 366, of the Collin County Deed Records.

BEGINNING at a stake at fence post at the Northwest corner of the said 125 acre tract;

THENCE South 741 feet with fence line to a stake at fence post on the North bank of a creek;

THENCE North 52-3/4 degrees East 821 feet with the North bank of said creek to a stake at fence post;

THENCE North 12-1/4 degrees West 345 feet with fence line to a stake in the middle of a gravel road;

THENCE South 81 degrees West 584.5 feet with the middle of said gravel road to the place of beginning, containing 7.86 acres of land.

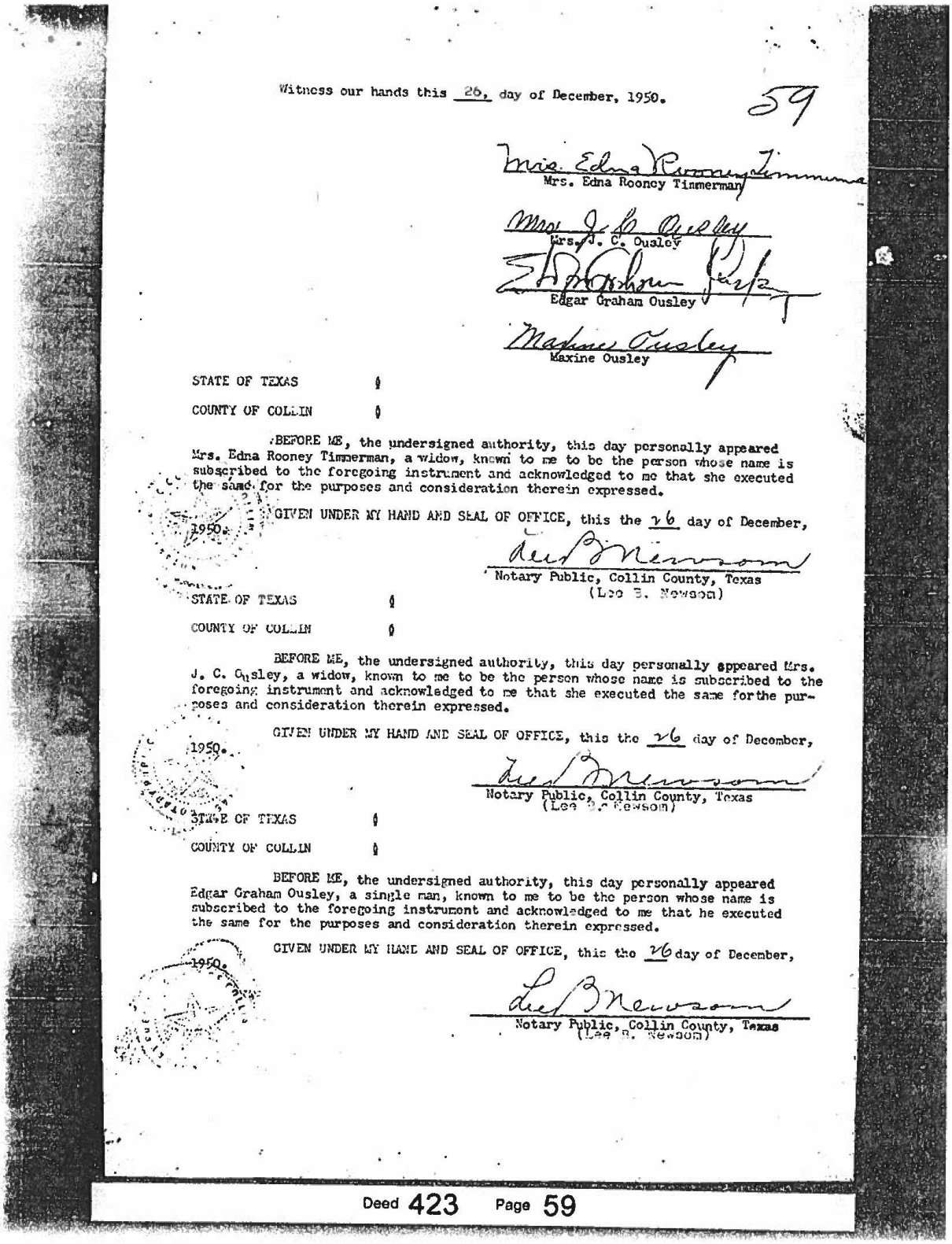
Error Corrected 1972

TO HAVE AND TO HOLD the above described premises unto the Trustees of the Celina Independent School District and their successors in office so long as the above described lands are used for school purposes including athletics and all other activities usually and customarily carried on by school districts from time to time. And whenever such land shall cease to be used for such school purposes then and thereupon this conveyance shall be null and void and the lands and premises shall absolutely revert to the grantors herein, their heirs and assigns without suit or re-entry.

The grantors expressly reserve unto themselves, their heirs and assigns all the oil, gas and other minerals in, on and under the above described land, together with the full, sole and complete right to lease said land for oil, gas or other minerals, together with the right either in themselves or any lessee or assignee to go upon said land at any time for the purpose of exploring for or recovering and producing any oil, gas or other minerals to be found thereon.

Deed 423 Page 58

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)



Witness our hands this 26, day of December, 1950.

59

Mrs. Edna Rooney Timmerman

Mrs. J. C. Ousley

Edgar Graham Ousley

Maxine Ousley

STATE OF TEXAS §

COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, this day personally appeared Mrs. Edna Rooney Timmerman, a widow, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 26 day of December, 1950.

Notary Public, Collin County, Texas
(Lee B. Newsom)

STATE OF TEXAS §

COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, this day personally appeared Mrs. J. C. Ousley, a widow, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 26 day of December, 1950.

Notary Public, Collin County, Texas
(Lee B. Newsom)

STATE OF TEXAS §

COUNTY OF COLLIN §

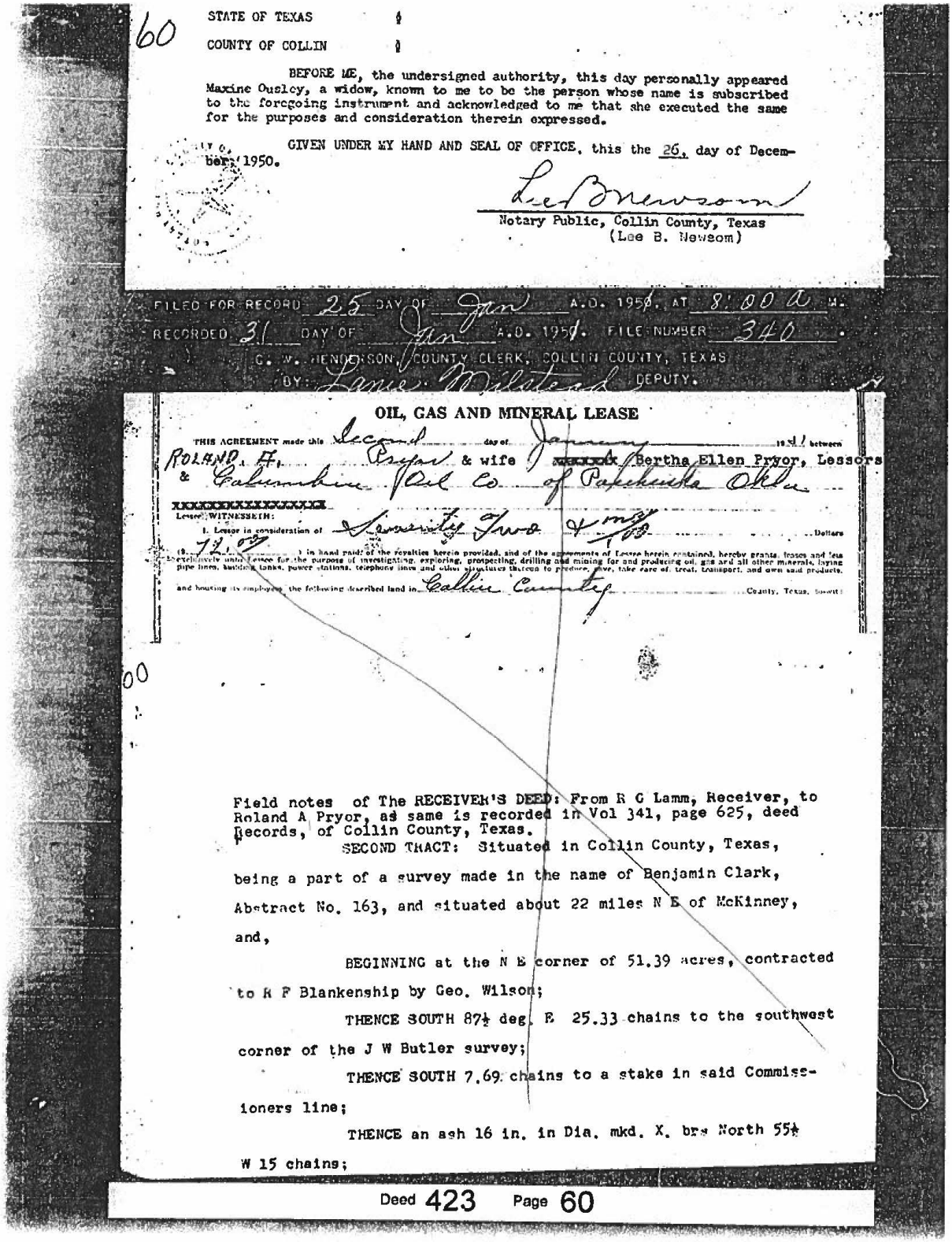
BEFORE ME, the undersigned authority, this day personally appeared Edgar Graham Ousley, a single man, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 26 day of December, 1950.

Notary Public, Collin County, Texas
(Lee B. Newsom)

Deed 423 Page 59

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)



60

STATE OF TEXAS }
COUNTY OF COLLIN }

BEFORE ME, the undersigned authority, this day personally appeared Maxine Ousley, a widow, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 26 day of December, 1950.

Lee B Newsom
Notary Public, Collin County, Texas
(Lee B. Newsom)

FILED FOR RECORD 25 DAY OF Jan A.D. 1950, AT 8:00 A M.
RECORDED 31 DAY OF Jan A.D. 1951. FILE NUMBER 340
C. W. HENDERSON, COUNTY CLERK, COLLIN COUNTY, TEXAS
BY: Lamar Millstead DEPUTY.

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this Second day of January 1951 between ROLAND A. Pryor & wife Bertha Ellen Pryor, Lessors & Columbian Fuel Co. of Pawhuska Okla Lessee, WITNESSETH:

1. Lessor in consideration of Seventy Two & no/100 ... Dollars (72.00) in hand paid of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building tanks, power stations, telephone lines and other structures thereon to produce, save, take care of, treat, transport, and own said products, and housing its employees the following described land in Collin County, Texas, to-wit:

00

Field notes of The RECEIVER'S DEED: From R C Lamm, Receiver, to Roland A Pryor, as same is recorded in Vol 341, page 625, deed Records, of Collin County, Texas.

SECOND THACT: Situated in Collin County, Texas, being a part of a survey made in the name of Benjamin Clark, Abstract No. 163, and situated about 22 miles N E of McKinney, and,

BEGINNING at the N E corner of 51.39 acres, contracted to R F Blankenship by Geo. Wilson;

THENCE SOUTH 87½ deg. E 25.33 chains to the southwest corner of the J W Butler survey;

THENCE SOUTH 7.69 chains to a stake in said Commissioners line;

THENCE an ash 16 in. in Dia. mkd. X. brs North 55½ W 15 chains;

Deed 423 Page 60

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

Attachment: CISD City Agreement v2 MFM 7-30-21 (CISD Middle School Facilities Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Madhuri Mohan AICP, Planning Manager
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	FM 1385 - Annexation Service Agreement

Action Requested:
Consider and act upon a Service Agreement for C-3 annexed property between the City of Celina and the owner of approximately 1.3 acres within the Extraterritorial Jurisdiction, generally located east of FM 1385, and approximately 990 feet north of Tudor Place. (FM 1385 – Annexation Service Agreement) (Mohan)

Applicant:
Claymoore Engineering
301 S. Coleman, Suite 40
Prosper, TX 75078

Background Information:
The overall subject property is approximately 3.3 acres. A portion of the property is within the City Limits and zoned Commercial, Office, and Retail zoning district (C). The remaining 1.3 acres is currently within the Extraterritorial Jurisdiction (ETJ), which will be annexed and zoned this evening. Please refer to the attached documents for further information, and the accompanying annexation and zoning agenda items.

Supporting Documents:
- Location Map
- Annexation Service Agreement

Staff Recommendation:
Staff recommends approval.

Life Connected.

MAYER PKWY

FRONTIER PKWY

BOTHWELL BLVD

Maxar, Microsoft

Legend

- Subject Property
- City Limits
- Roads
- Parcels

Celina Montessori and Retail Location Map

City of Celina

9/9/2021

N W E S

0 220 440 Feet

Attachment: Location Map (FM 1385 – Annexation Service Agreement)

Service Agreement for C-3 Annexed Property

The undersigned parties have negotiated, and now enter into, this written Service Agreement for C-3 Annexed Property ("Agreement") pursuant to the authority provided by Section 43.0672, Texas Local Government Code ("LGC"). Pursuant to Section 43.056(l) of the LGC, this Agreement shall have a term of ten (10) years beginning on the date approved by the City Council of Celina. This Agreement is for the following property:

The Property is described in Exhibit A attached hereto and incorporated herein.

NOW THEREFORE, for and in consideration received and the mutual benefits contained herein, the undersigned parties agree to the following Service Plan:

A) SERVICE PLAN GENERALLY

1) This service plan has been prepared in accordance with the Texas Local Government Code, Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. 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. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).

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

Attachment: Annexation Service Agreement (FM 1385 – Annexation Service Agreement)

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) Construction 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 in accordance with Texas Local Government Code Section 43.056(n).

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

Attachment: Annexation Service Agreement (FM 1385 – Annexation Service Agreement)

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 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.

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 streets to City standards commences within this property, 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 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 continue 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

Attachment: Annexation Service Agreement (FM 1385 – Annexation Service Agreement)

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.

Entered into this ____ day of _____, 2021.

CITY OF CELINA

By: _____
Name: Jason Laumer
Title: City Manager
Date: _____

OWNER: MRMS FM 1385 Investments, LLC

By: _____
Name: Ravi Maddi
Title: Owner
Date: _____

Attachment: Annexation Service Agreement (FM 1385 – Annexation Service Agreement)

Exhibit A
Legal Description

BEING a 1.29 acre tract of land out of the F. WILKERSON SURVEY, ABSTRACT NUMBER 1411 situated in Denton County, Texas, being all of a called 1.29 acre tract of land conveyed to MRMS FM 1385 INVESTMENTS LLC by deed of record in Document Number 2020-92752 of the Official Records of Denton County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING, at a 1/2 inch iron rod with illegible red plastic cap found in the East right-of-way line of Farm-to-market Road 1385 (right-of-way varies), being the most Westerly Northwest corner of a called 44.562 acre tract of land conveyed to Anna Liz Hong by deed of record in Document Number 2014-15601 of said Official Records, also being the Southwest corner of said 1.29 acre tract;

THENCE, N01°34'55"E, along the East right-of-way line of Farm-to-market Road 1385, being the common West line of said 1.29 acre tract, a distance of 191.65 feet to a 1/2 inch iron rod found at the Southwest corner of a called 2.000 acre tract of land conveyed to MRMS FM 1385 INVESTMENTS LLC by deed of record in Document Number 2020-92753 of said Official Records, being the Northwest corner of said 1.29 acre tract;

THENCE, S88°50'22"E, leaving the East right-of-way line of Farm-to-market Road 1385, along the South line of said 2.000 acre tract, being the common North line of said 1.29 acre tract, a distance of 301.32 feet to a 1/2 inch iron rod with green plastic cap stamped “EAGLE SURVEYING” set in the irregular West line of said 44.562 acre tract, being the Northeast corner of said 1.29 acre tract;

THENCE, leaving the South line of said 2.000 acre tract, along the irregular West line of said 44.562 acre tract, being the common East and South lines of said 1.29 acre tract, the following two (2) courses and distances:

1. S01°32'50"W, a distance of 182.39 feet to a 1/2 inch iron rod found at the Southeast corner of said 1.29 acre tract;
2. S89°24'03"W, a distance of 301.64 feet to the **POINT OF BEGINNING** and containing an area of 1.29 Acres, or (56,363 Square Feet) of land, more or less.

Attachment: Annexation Service Agreement (FM 1385 – Annexation Service Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Dusty McAfee AICP, Director of Development Services
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Master Fee Chart - Sanitation Ordinance

Action Requested:
Consider and act upon an ordinance amending the Master Fee Chart. (Master Fee Chart Revision – Sanitation Ordinance) (McAfee)

Background Information:
Please refer to the attached documents for further information, related to the sanitation ordinance.

Supporting Documents:
- Draft Ordinance
- Proposed Redlines

Staff Recommendation:
Staff recommends approval.

CITY OF CELINA, TEXAS

ORDINANCE 2021-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE CITY'S MASTER FEE CHART; 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 empowered to recover costs through the collection of various fees;

WHEREAS, it is in the best interest of the public health, safety, and welfare that the City's fee schedule be revised.

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.

Attachment: Draft Ordinance (Master Fee Chart - Sanitation Ordinance)

SECTION 3
AMENDMENTS

3.01 That the City of Celina Master Fee Chart is hereby amended, in part, to add the red text language as shown on the attached Exhibit A.

3.02 All other articles, chapters, sections, paragraphs, sentences, phrases, and words are not amended and 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 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 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
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

Attachment: Draft Ordinance (Master Fee Chart - Sanitation Ordinance)

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 12th day of October 2021.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary[SEAL]

APPROVED AS TO FORM:

_____
Lance Vanzant, City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (Master Fee Chart - Sanitation Ordinance)

Exhibit A

Garbage Collection (Residential / Senior Citizen) + 8.25% sales tax			
Effective	~~Current~~	11/18/2021	11/18/2022
Trash	~~$13.39 / $11.85~~	$15.10 / $14.05	$16.30 / $15.40
Recycling	~~$2.96 / $2.86~~	$3.50 / $3.50	$3.65 / $3.65
Extra Cart	~~$7.20~~	$9.25	$9.75

Garbage Collection (Mustang SUD Customers) + 8.25% sales tax			
Effective	~~Current~~	11/18/2021	11/18/2022
Trash	~~$13.39~~	$15.10	$16.30
Recycling	~~$2.96~~	$3.50	$3.65
Extra Cart	~~$7.20~~	$9.25	$9.75

Commercial Rate Schedule				
Size/Frequency	1 Lift Per Week	2 Lifts Per Week	3 Lifts Per Week	Extra Lift
2 Cubic Yd	$84.65	$173.30	$233.60	$60.08
3 Cubic Yd	$118.13	$262.26	$326.03	$70.08
4 Cubic Yd	$156.54	$315.02	$432.07	$80.08
6 Cubic Yd	$175.98	$351.26	$485.71	$110.11
8 Cubic Yd	$215.09	$387.13	$594.07	$120.11
Container with Gates		$6.00		
Containers with Casters		$12.00		
Containers with Locks		$11.70		

Roll off Rate Schedule (20, 30, 40 Cubic Yard) Per Ton	
Haul	$478.14
Delivery	$125.84
Daily Rent	$5.04
Disposal	$46.63

Attachment: Draft Ordinance (Master Fee Chart - Sanitation Ordinance)

Garbage Collection (Residential / Senior Citizen) + 8.25% sales tax			
Effective	~~Current~~	11/18/2021	11/18/2022
Trash	~~$13.39 / $11.85~~	$15.10 / $14.05	$16.30 / $15.40
Recycling	~~$2.96 / $2.86~~	$3.50 / $3.50	$3.65 / $3.65
Extra Cart	~~$7.20~~	$9.25	$9.75

Garbage Collection (Mustang SUD Customers) + 8.25% sales tax			
Effective	~~Current~~	11/18/2021	11/18/2022
Trash	~~$13.39~~	$15.10	$16.30
Recycling	~~$2.96~~	$3.50	$3.65
Extra Cart	~~$7.20~~	$9.25	$9.75

Commercial Rate Schedule				
Size/Frequency	1 Lift Per Week	2 Lifts Per Week	3 Lifts Per Week	Extra Lift
2 Cubic Yd	~~70.54~~$84.65	~~144.42~~$173.30	~~194.67~~$233.60	~~50.07~~$60.08
3 Cubic Yd	~~98.44~~$118.13	~~218.55~~$262.26	~~271.69~~$326.03	~~58.40~~$70.08
4 Cubic Yd	~~130.45~~$156.54	~~262.52~~$315.02	~~360.06~~$432.07	~~66.73~~$80.08
6 Cubic Yd	~~146.65~~$175.98	~~292.72~~$351.26	~~404.76~~$485.71	~~91.76~~$110.11
8 Cubic Yd	~~179.24~~$215.09	~~322.61~~$387.13	~~495.06~~$594.07	~~100.09~~$120.11
Container with Gates		$6.00		
Containers with Casters		$12.00		
Containers with Locks		$11.70		

Roll off Rate Schedule (20, 30, 40 Cubic Yard) Per Ton	
Haul	~~398.45~~$478.14
Delivery	~~104.87~~$125.84
Daily Rent	~~4.20~~$5.04
Disposal	~~36.36 per ton~~$46.63

Attachment: Proposed Redlines (Master Fee Chart - Sanitation Ordinance)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Sutton Fields East - TIRZ Petition

Action Requested:
Consider and act upon a resolution of the City Council of the City of Celina, Texas setting a public hearing under Sec. 311.003 of the Texas Tax Code for the creation of a Tax Increment Reinvestment Zone within the City of Celina, Texas; authorizing the issuance of notice by the City Secretary of Celina, Texas regarding the public hearing; and directing the City to prepare a preliminary reinvestment zone financing plan. (Sutton Fields East – TIRZ Petition) (Lopez)

Background Information:
Please refer to the attached resolution for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Resolution

Staff Recommendation:
Staff recommends approval.

CITY OF CELINA, TEXAS

RESOLUTION NO. _____

A RESOLUTION SETTING A PUBLIC HEARING UNDER SECTION 311.003 OF THE TEXAS TAX CODE FOR THE CREATION OF A TAX INCREMENT REINVESTMENT ZONE WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF CELINA, TEXAS; AUTHORIZING THE ISSUANCE OF NOTICE BY THE CITY SECRETARY OF CELINA, TEXAS REGARDING THE PUBLIC HEARING; AND DIRECTING THE CITY TO PREPARE A PRELIMINARY REINVESTMENT ZONE FINANCING PLAN.

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 and within its extraterritorial jurisdiction; and

WHEREAS, the City Council of the City (the "City Council") wishes to hold a public hearing in accordance with Section 311.003 of the Act regarding the establishment of a tax increment reinvestment zone in the City (the "Zone") with the boundaries being described by metes and bounds and depicted in **Exhibit A** attached hereto; and

WHEREAS, in order to hold a public hearing for the creation of the Zone, notice must be given in a newspaper of general circulation in the City no later than the 7th day before the date of the hearing in accordance with Section 311.003 of the Act; and

WHERAS, the City Council has determined to hold a public hearing on *November 9, 2021* on the creation of the Zone.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL:

Section 1. That a public hearing is hereby called for *November 9, 2021, at or after 5:00 p.m. at City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009*, for the purpose of hearing any interested person speak for or against the inclusion of property in the proposed Zone, the creation of the Zone, its boundaries, or the concept of tax increment financing with respect to the creation of the Zone.

Section 2. At such time and place the City Council will hear testimony regarding the creation of the Zone and will provide a reasonable opportunity for the owner of any property within the proposed Zone to protest the inclusion of their property within the Zone. Upon closing the public hearing, the City Council may consider the adoption of an ordinance authorizing the creation of the Zone.

Attachment: Draft Resolution (Sutton Fields East – TIRZ Petition)

Section 3. Attached hereto as **Exhibit B** is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved.

Section 4. The City Secretary is hereby authorized and directed to cause said notice to be published in substantially the form attached hereto in a newspaper of general circulation in the City on Monday, November 1, 2021, or on such other date that is on or before November 2, 2021.

Section 5. Before the *November 9, 2021* hearing concerning the Zone, the City shall prepare a preliminary reinvestment zone financing plan.

Section 6. This resolution shall be in full force and effect from and after its passage and it is accordingly so resolved.

PASSED AND APPROVED ON THIS 12TH DAY OF OCTOBER, 2021.

ATTEST:

_____
Mindy Koehne, Mayor Pro Tem

_____
Vicki Tarrant, City Secretary

Attachment: Draft Resolution (Sutton Fields East – TIRZ Petition)

EXHIBIT A

Metes and Bounds for the Zone

BEING that certain tract of land situated in the Jacob Rue Survey, Abstract No. 1109, and the Hiram Rue Survey, Abstract No. 1111, in Denton County, Texas, and being part of that certain tract of land described in deed to Jo Lynn Carey Ninemire, Laura Jean Carey Ninemire, and Mark Carlton Carey recorded in Document No. 2014-16824, of the Real Property Records of Denton County, Texas (RPRDCT), and being more particularly described as follows:

BEGINNING at a 60D nail in asphalt found in the approximate center of Parvin Road (undedicated public road), said nail being an ell corner of a line described in Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDCT, from which a 3/8-inch iron rod found bears North 89º11'44" West, a distance of 1163.46 feet;

THENCE North 00º41'45" East, with a line described in said Boundary Line Agreement, as located on a west line of said Carey tract, a distance of 2985.21 feet to a 1/2-inch iron rod found for corner;

THENCE North 89º13'31" East, with a line described in said Boundary Line Agreement, as located on the most northerly line of said Carey tract, a distance of 527.69 feet to a capped 5/8-inch iron rod found for corner;

THENCE North 89º13'50" East, with the most northerly line of said Carey tract, and the south line of that certain tract of land described in deed to Smiley Road, Ltd. recorded in Instrument No. 2006-2064, RPRDCT, a distance of 998.50 feet to a 1/2-inch iron rod found for corner at the most northerly northeast corner of said Carey tract, and the northwest corner of that certain tract of land described as First Tract in deed to Brice Jackson, Bobby C. Jackson, and Nolan P. Jackson recorded in Volume 4910, Page 2975 (Document No. 2001-R0089934), RPRDCT;

THENCE South 00º26'26" East, with the most northerly east line of said Carey tract and the west line of said Jackson tract, passing at a called distance of 3155.56 feet an interior ell corner of said Carey tract, continuing in all, a total distance of 3181.36 feet to a 3/8-inch iron rod found for corner in said approximate center of Parvin Road;

THENCE North 89º16'58" West, over and across said Carey tract, and with the approximate center of Parvin Road, a distance of 505.81 feet to a point for corner at the beginning of a tangent curve to the right;

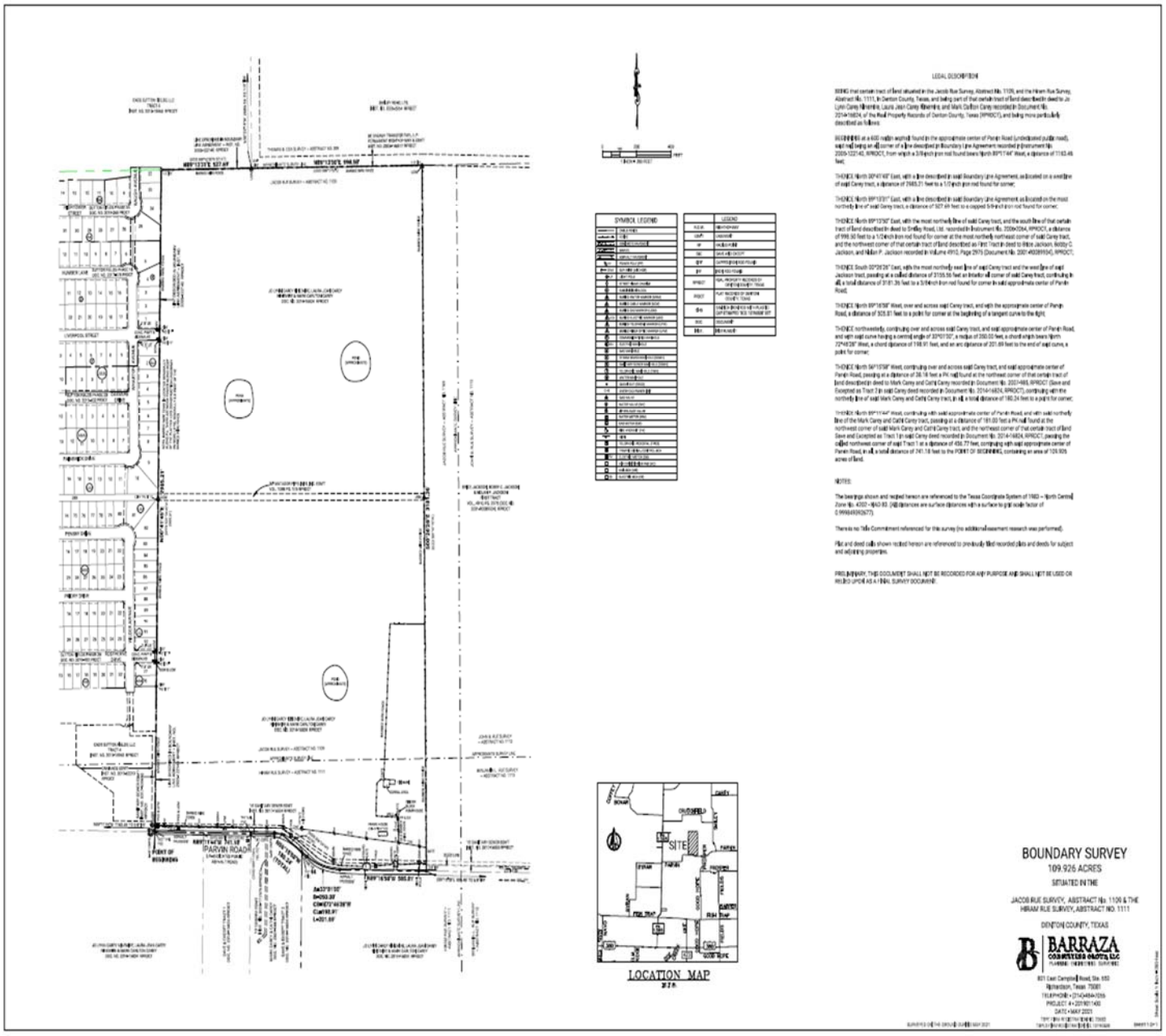
THENCE northwesterly, continuing over and across said Carey tract, and said approximate center of Parvin Road, and with said curve having a central angle of 33º01'00", a radius of 350.00 feet, a chord which bears North 72º46'28" West, a chord distance of 198.91 feet, and an arc distance of 201.69 feet to the end of said curve, a point for corner;

Attachment: Draft Resolution (Sutton Fields East – TIRZ Petition)

THENCE North 56º15’58” West, continuing over and across said Carey tract, and said approximate center of Parvin Road, passing at a distance of 38.18 feet a PK nail found at the northeast corner of that certain tract of land described in deed to Mark Carey and Cathi Carey recorded in Document No. 2007-985, RPRDCT (Save and Excepted as Tract 2 in said Carey deed recorded in Document No. 2014-16824, RPRDCT), continuing with the northerly line of said Mark Carey and Cathi Carey tract, in all, a total distance of 180.24 feet to a point for corner;

THENCE North 89º11’44” West, continuing with said approximate center of Parvin Road, and with said northerly line of the Mark Carey and Cathi Carey tract, passing at a distance of 181.00 feet a PK nail found at the northwest corner of said Mark Carey and Cathi Carey tract, and the northeast corner of that certain tract of land Save and Excepted as Tract 1 in said Carey deed recorded in Document No. 2014-16824, RPRDCT, passing the called northwest corner of said Tract 1 at a distance of 456.77 feet, continuing with said approximate center of Parvin Road, in all, a total distance of 741.18 feet to the POINT OF BEGINNING, containing an area of 109.926 acres of land.

Attachment: Draft Resolution (Sutton Fields East – TIRZ Petition)



Attachment: Draft Resolution (Sutton Fields East – TIRZ Petition)

EXHIBIT B

City of Celina City Council
Notice of Public Hearing
On Creation of Reinvestment Zone

THE CELINA CITY COUNCIL WILL HOLD A PUBLIC HEARING ON TUESDAY NOVEMBER 9, 2021 AT OR AFTER 5:00 P.M. IN THE CELINA COUNCIL CHAMBERS LOCATED AT 112 N. COLORADO ST, CELINA, TEXAS 75009, ON THE CREATION OF A REINVESTMENT ZONE AND ITS BENEFITS TO THE CITY OF CELINA AND TO PROVIDE A REASONABLE OPPORTUNITY FOR ANY OWNER OF PROPERTY WITHIN THE PROPOSED REINVESTMENT ZONE TO PROTEST THE INCLUSION OF THEIR PROPERTY WITHIN THE PROPOSED REINVESTMENT ZONE, WHICH PROPOSED ZONE CONSISTS OF APPROXIMATELY 110 ACRES GENERALLY LOCATED NORTH OF PARVIN ROAD AND EAST OF WILDER AVENUE, AND AS MORE PARTICULARLY DESCRIBED BY A METES AND BOUNDS DESCRIPTION AVAILABLE AT CELINA CITY HALL AND AVAILABLE FOR PUBLIC INSPECTION. AT THE PUBLIC HEARING, ANY INTERESTED PERSON MAY SPEAK FOR OR AGAINST THE INCLUSION OF PROPERTY WITHIN THE REINVESTMENT ZONE, THE CREATION OF THE REINVESTMENT ZONE, ITS BOUNDARIES, OR THE CONCEPT OF TAX INCREMENT FINANCING. FOLLOWING THE PUBLIC HEARING, THE CELINA CITY COUNCIL WILL CONSIDER ADOPTING AN ORDINANCE CREATING THE REINVESTMENT ZONE.

Attachment: Draft Resolution (Sutton Fields East – TIRZ Petition)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Bella Lopez, Senior Planner
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings

---

Action Requested:
Consider and act upon a resolution of the City of Celina, Texas, determining the costs of certain authorized improvements to be financed within The Parks at Wilson Creek Public Improvement District; approving a preliminary service plan and assessment plan, including four proposed assessment rolls; directing the filing of each of the proposed assessment rolls with the City Secretary; and providing for noticing and calling four public hearings on November 9, 2021 to consider four separate ordinances levying assessments on property located within The Parks at Wilson Creek Public Improvement District. (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings) (Lopez)

Background:
Please refer to the attachments for additional information.

Supporting Documents:
- Draft Resolution

Staff Recommendation:
Staff recommends approval.

CITY OF CELINA, TEXAS

RESOLUTION NO. 2021-__R

A RESOLUTION OF THE CITY OF CELINA, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED WITHIN THE PARKS AT WILSON CREEK PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE AND ASSESSMENT PLAN INCLUDING FOUR PROPOSED ASSESSMENT ROLLS ATTACHED THERETO; DIRECTING THE FILING OF EACH OF THE PROPOSED ASSESSMENT ROLLS WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; CALLING FOUR PUBLIC HEARINGS FOR NOVEMBER 9, 2021 TO CONSIDER FOUR SEPARATE ORDINANCES LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE PARKS AT WILSON CREEK PUBLIC IMPROVEMENT DISTRICT; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARINGS; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “PID Act”) authorizes the City of Celina, Texas (the "City") to create a public improvement district within the corporate boundaries and the extraterritorial jurisdiction of the City; and

WHEREAS, on August 10, 2021, the City Council of the City (the "City Council") conducted a public hearing to consider a petition received by the City requesting the creation of a public improvement district located within the corporate boundaries of the City, and, following the public hearing, the City Council adopted Resolution No. 2021-58R (the "Authorization Resolution"), authorizing, establishing, and creating “The Parks at Wilson Creek Public Improvement District” (the “District”); and

WHEREAS, the City authorized the creation of the District and the issuance of up to $100,000,000 in bonds for the District to finance certain public improvements authorized by the PID Act for the benefit of the property within the District (the “Authorized Improvements”); and

WHEREAS, the City Council and the City staff have been presented a preliminary “The Parks at Wilson Creek Public Improvement District, City of Celina, Texas,” dated as of October 12, 2021, including the Proposed Assessment Rolls (as defined herein) attached thereto (the “Preliminary SAP”). A copy of the Preliminary SAP is (i) attached hereto as **Exhibit A,** (ii) is incorporated herein for all purposes, (iii) identifies the area constituting “Phase #1” and the area constituting the “Major Improvement Area” of the District, (iv) identifies the costs of the Authorized Improvements expected to be initially constructed for the benefit of Phase #1 of the

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

District (the "Phase #1 Projects"), (v) identifies the costs of the Authorized Improvements expected to be initially constructed for the benefit of the Major Improvement Area (the "Initial Major Improvements"); (vi) identifies the costs of the Authorized Improvements expected to be constructed following the construction of the initial improvements for the benefit of Phase #1 of the District (the "Phase #1 Additional Major Improvements"); (vii) identifies the costs of the Authorized Improvements expected to be constructed following the construction of the initial improvements for the benefit of the Major Improvement Area (the "Additional Major Improvements" and, together with the Phase #1 Projects, the Initial Major Improvements, and the Phase #1 Additional Major Improvements, the "Public Improvements"), and (v) sets forth the proposed assessment roll for Phase #1 related to the Phase #1 Projects (the "Proposed Phase #1 Assessment Roll"), the proposed assessment roll for the Major Improvement Area related to the Initial Major Improvements (the "Proposed Initial Major Improvements Assessment Roll"), the proposed assessment roll for Phase #1 related to the Phase #1 Additional Major Improvements (the "Proposed Phase #1 Additional Major Improvements Assessment Roll"), and the proposed assessment roll for the Major Improvement Area related to the Additional Major Improvements (the "Proposed Additional Major Improvements Assessment Roll" and, together with the Proposed Phase #1 Assessment Roll, the Proposed Initial Major Improvements Assessment Roll, and the Proposed Phase #1 Additional Major Improvements Assessment Roll, the "Proposed Assessment Rolls"); and

WHEREAS, the Preliminary SAP sets forth the estimated total costs of the Public Improvements to be financed by the District at this time and the Proposed Assessment Rolls state the respective assessments proposed to be levied against each benefitted parcel of land in the District, as determined by the method(s) of assessment chosen by the City and set forth in the Preliminary SAP; and

WHEREAS, the PID Act requires that the Proposed Assessment Rolls each be filed with the City Secretary of the City (the "City Secretary") and be subject to public inspection; and

WHEREAS, the PID Act requires that a public hearing (the "Phase #1 Assessment Hearing") be called to consider the proposed assessments against the benefitted property within Phase #1 of the District related to the Phase #1 Projects and requires the City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Phase #1 Assessment Hearing; and

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

WHEREAS, the PID Act requires that a public hearing (the "Phase #1 Additional Major Improvements Assessment Hearing") be called to consider the proposed assessments against the benefitted property within Phase #1 of the District related to the Phase #1 Additional Major Improvements and requires the City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Phase #1 Additional Major Improvements Assessment Hearing; and

WHEREAS, the PID Act requires that a public hearing (the "Initial Major Improvements Assessment Hearing") be called to consider the proposed assessments against the benefitted property within the Major Improvement Area of the District related to the Initial Major Improvements and requires the City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Initial Major Improvements Assessment Hearing; and

WHEREAS, the PID Act requires that a public hearing (the "Additional Major Improvements Assessment Hearing" and, together with the Phase #1 Assessment Hearing, the Phase #1 Additional Major Improvements Assessment Hearing, and the Initial Major Improvements Assessment Hearing, the "Assessment Hearings") be called to consider the proposed assessments against the benefitted property within the Major Improvement Area of the District related to the Additional Major Improvements and requires the City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Initial Major Improvements Assessment Hearing; and

WHEREAS, the PID Act requires that notices of each of the Assessment Hearings be mailed to property owner(s) liable for assessments and published in a newspaper of general circulation in the City before the tenth (10th) day before the date of the Assessment Hearings.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS AS FOLLOWS:

SECTION 1. The recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. The City Council does hereby accept the Preliminary SAP for the District, including the Proposed Assessment Rolls, in a form substantially similar to the attached **Exhibit**

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

A, and which is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary SAP.

SECTION 3. The City Council hereby determines that the total costs of the Phase #1 Projects to be financed by the District are as set forth in Section III.D of the Preliminary SAP.

SECTION 4. The City Council's final determination and approval of the costs of the Phase #1 Projects, or any portion thereof, shall be subject to and contingent upon City Council's approval of a final, updated Service and Assessment Plan which will include a final assessment roll for Phase #1 related to the Phase #1 Projects, after the properly noticed and held Phase #1 Assessment Hearing.

SECTION 5. The City Council hereby determines that the total costs of the Phase #1 Additional Major Improvements to be financed by the District are as set forth in Section III.D of the Preliminary SAP.

SECTION 6. The City Council's final determination and approval of the costs of the Phase #1 Additional Major Improvements, or any portion thereof, shall be subject to and contingent upon City Council's approval of a final, updated Service and Assessment Plan which will include a final assessment roll for Phase #1 related to the Phase #1 Additional Major Improvements, after the properly noticed and held Phase #1 Additional Major Improvements Assessment Hearing.

SECTION 7. The City Council hereby determines that the total costs of the Initial Major Improvements to be financed by the District are as set forth in Section III.B of the Preliminary SAP.

SECTION 8. The City Council's final determination and approval of the costs of the Initial Major Improvements, or any portion thereof, shall be subject to and contingent upon City Council's approval of a final, updated Service and Assessment Plan which will include a final assessment roll for the Major Improvement Area related to the Initial Major Improvements, after the properly noticed and held Initial Major Improvements Assessment Hearing.

SECTION 9. The City Council hereby determines that the total costs of the Additional Major Improvements to be financed by the District are as set forth in Section III.C of the Preliminary SAP.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

SECTION 10. The City Council's final determination and approval of the costs of the Additional Major Improvements, or any portion thereof, shall be subject to and contingent upon City Council's approval of a final, updated Service and Assessment Plan which will include a final assessment roll for the Major Improvement Area related to the Additional Major Improvements, after the properly noticed and held Additional Major Improvements Assessment Hearing.

SECTION 11. The Assessment Rolls state the assessments and the projected annual installments proposed to be levied against each respective assessable parcel of land in the District that benefits from the respective Public Improvements, as determined by the method(s) of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary SAP.

SECTION 12. The City Council hereby authorizes and directs the filing of the Proposed Assessment Rolls with the City Secretary and directs the City Secretary to make the same available for public inspection.

SECTION 13. The City Council expressly defers the levy of assessments against property within Future Phases of the District for Authorized Improvements that will benefit such property until such time as the costs of such Authorized Improvements can be determined with certainty, as referenced in the Preliminary SAP.

SECTION 14. The City Council hereby authorizes and calls four public hearings (collectively, the Assessment Hearings, as defined above) to be held on **November 9, 2021, at or after 5:00 p.m.** in the Celina City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009, at which, the City Council shall, among other actions, hear and pass on any objections to the proposed assessments, and, upon the adjournment of each of the Assessment Hearings, the City Council will consider an ordinance levying the assessments as special assessments on property located within respective portion of the District that benefits from the applicable portion of the Public Improvements and which ordinance shall specify the method of payment of the assessments.

SECTION 15. The City Council hereby authorizes and directs the City Secretary to publish notice of each of the Assessment Hearings to be held on **November 9, 2021**, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

the *Celina Record*, a newspaper of general circulation in the City, on Monday, **October 25, 2021**, or on such other date that is on or before **October 28, 2021**, as required by Section 372.016(b) of the PID Act.

SECTION 16. When the Proposed Assessment Rolls are each filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary, on or before **October 28, 2021**, to mail to owner(s) of property liable for the proposed assessments, notice of the Assessment Hearings to be held on **November 9, 2021**, as required by Section 372.016(c) of the PID Act.

SECTION 17. City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearings on the agenda for the **November 9, 2021** meeting of the City Council.

SECTION 18. This Resolution shall become effective from and after its date of passage in accordance with law.

[*Remainder of Page Intentionally Left Blank*]

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

ADOPTED, PASSED, AND APPROVED on this the 12th day of October, 2021.

_____
Mayor

ATTEST:

_____
City Secretary

(City Seal)

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EXHIBIT A

PRELIMINARY SAP

THE PARKS AT WILSON CREEK PUBLIC IMPROVEMENT DISTRICT

CELINA, TEXAS

PRELIMINARY SERVICE AND ASSESSMENT PLAN

DRAFT

_____, 2021

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

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THE PARKS AT WILSON CREEK PUBLIC IMPROVEMENT DISTRICT

PRELIMINARY SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On August 10, 2021, the City Council of the City of Celina, Texas passed and approved Resolution No. 2021-58R (filed in the real property records of Collin County, Texas as Document No. 20210817001660740 on August 17, 2021) approving and authorizing the creation of The Parks at Wilson Creek Improvement District (the "PID") to finance the costs of certain public improvements for the benefit of property in the PID (the "Authorized Improvements"), all of which is located within the City of Celina.

The property in the PID is proposed to be developed in multiple phases, and the PID will finance public improvements as the property within the PID is developed. Assessments will be imposed on the property for the public improvements to be constructed.

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. The Parks at Wilson Creek Public Improvement District 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: (1) cover a period of at least five years; (2) define the annual indebtedness and the projected costs for improvements, and (3) include a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. 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 costs of the Authorized Improvements 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 Rolls for the PID are included as Appendix G, Appendix H, Appendix I, and Appendix J in this Service and Assessment Plan. The Assessments as shown on

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each Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

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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, as specified in a Certification for Payment that has been reviewed and approved by the City. 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 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.

"Additional Interest" means the 0.50% additional interest rate charged on Assessments (if applicable) pursuant to Section 372.018 of the PID Act.

"Additional Interest Component" means the amount collected by application of the Additional Interest.

"Additional Interest Reserve" has the meaning set forth in Section V.G of this Service and Assessment Plan.

"Additional Major Improvements" mean the Authorized Improvements described in Section III.C that benefit all Assessed Property within the PID and that are constructed after the Initial Major Improvements.

"Administrative Expenses" 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,

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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) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and other laws applicable 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 the Bonds or 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 including both principal and interest, as shown on the Assessment Rolls attached hereto as Appendix G, Appendix H, Appendix I, and Appendix J, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) when applicable, the Additional Interest Component designated for the Additional Interest Reserve described in Section V of this Service and Assessment Plan, and (iii) the Administrative Expenses.

"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 the property that benefits from the Authorized Improvements to be provided by the PID on which Assessments have been imposed as shown in each Assessment Roll, as each Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes all 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 including the portion of those Annual Installments 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.

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"Assessment Revenues" mean the revenues actually received by or on behalf of the City from the collection of Assessments.

"Assessment Roll" means, as applicable, the Major Improvement Area Assessment Roll - Initial Major Improvements, the Major Improvement Area Assessment Roll - Additional Major Improvements, the Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements, the Phase #1 Assessment Roll - Additional Major Improvements or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

"Authorized Improvements" mean those public improvements described in Section III of this Service and Assessment Plan and authorized under Section 372.003 of the PID Act, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

"Bonds" mean any bonds issued by the City 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.

"City" means the City of Celina, Texas.

"City Council" means the duly elected governing body of the City.

"**County**" means Collin County, Texas.

"**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 The Parks at Wilson Creek, L.P., a Texas limited partnership, and any successor owner of the Property or any portion thereof with obligation to construct all or a portion of the Authorized Improvements.

"Development Agreement" means that certain *Amended and Restated Development Agreement (The Parks at Wilson Creek)* entered into as of September 8, 2015 by and between the City, , Developer and the Testamentary Trust Created Under the Will of Moses Hubbard, Deceased, Probate No. 1762-1906, Probate Court, Collin County Texas and Second Amendment and Restatement of Moses and Mary Jane Hubbard Trust UWD January 5th, 1897, related to the

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property within the PID, recorded in the real property records of Collin County, Texas, as Document No. 20150917001181196O on September 17, 2015, as amended by that certain *First Amendment to Amended and Restated Development Agreement (The Parks at Wilson Creek)* entered into as of October 8, 2019, by and between the City and Developer, recorded in the real property records of Collin County, Texas, as Document No. 20191021001322210 on October 12, 2019, as further amended by that certain *Second Amendment to Amended and Restated Development Agreement (The Parks at Wilson Creek)* entered into as of September 14, 2021, by and between the City and Developer, recorded in the real property records of Collin County, Texas, as Document No. _____ on _____, 2021, and 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 F attached hereto.

"Future Major Improvements" mean Authorized Improvements that benefit all Assessed Property within the PID and that are constructed after the Additional Major Improvements.

"**Future Phases**" means Phases that are fully developed after Phase #1, as such areas are generally depicted and described in Appendix A. The Future Phases are subject to adjustment and are shown for example only.

"Homeowner Association" means a homeowner's association or property owners' association established for the benefit of property owners within the boundaries of the PID.

"Homeowner Association Property" means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a Homeowner's Association.

"Initial Major Improvements" mean the Authorized Improvements described in Section III.C that benefit all Assessed Property within the PID and that are constructed concurrently with Phase #1.

"Initial Major Improvement Area Bonds" mean those certain City of Celina, Texas, Special Assessment Revenue Bonds, Series 2021 (Parks at Wilson Creek Public Improvement District Initial Major Improvements Project) that are secured by the portion of the Major Improvement Area Assessment Revenues related to the Initial Major Improvements and collected as shown on the Major Improvement Area Assessment Roll - Initial Major Improvements attached as Appendix G.

"Lot" means a tract of land described as a "lot" in a subdivision plat recorded in the official public records of the County.

"Lot Type" means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as

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determined by the Administrator and confirmed by the City Council as shown in Appendix F. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated average home value for each home at the time of assessment levy, 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.

"Major Improvement Area" or **"MIA"** means the property within the PID excluding Phase #1 which is to be developed subsequent to Phase #1 and generally depicted in Appendix A of this Service and Assessment Plan or any Annual Service Plan Update.

"Major Improvement Area Assessed Property" means, for any year, all Parcels within the PID other than (a) Non-Benefited Property, and (b) Parcels within Phase #1.

"Major Improvement Area Assessments - Additional Major Improvements" means an assessment levied against a Parcel in the Major Improvement Area imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Major Improvement Area Assessment Roll - Additional Major Improvements as Appendix H, 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 including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

"Major Improvement Area Assessments - Initial Major Improvements" means an assessment levied against a Parcel in the Major Improvement Area imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Major Improvement Area Assessment Roll - Initial Major Improvements as Appendix G, 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 including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

"Major Improvement Area Assessment Revenues" mean the revenues actually received by or on behalf of the City from the collection of Assessments levied against Major Improvement Area Assessed Property, or the Annual Installments thereof, for the Initial Major Improvements, Additional Major Improvements, and Future Major Improvements.

"Major Improvement Area Assessment Roll - Additional Major Improvements" means the document included in this Service and Assessment Plan as Appendix H, 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.

"Major Improvement Area Assessment Roll - Initial Major Improvements" means the document included in this Service and Assessment Plan as Appendix G, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID

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Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

"Major Improvement Area Projects" mean (i) the Initial Major Improvements allocable to Major Improvement Area, (ii) the Additional Major Improvements allocable to the Major Improvement Area, and (iii) Future Major Improvements, if any, allocable to the Major Improvement Area.

"Non-Benefited Property" means Parcels that accrue no special benefit from the Authorized Improvements, including 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. 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.E.

"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 real property records of 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 and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix I.

"**Phase #1 Assessed Property**" means all Parcels within Phase #1 other than Non-Benefited Property and shown in either the Phase #1 Assessment Roll - Additional Major Improvements and the Phase #1 Assessment Roll – Phase #1 Improvements and Initial Major Improvements against which an Assessment relating to the Phase #1 Projects is levied.

"Phase #1 Assessments - Phase #1 Improvements and Initial Major Improvements" means an assessment levied against a Parcel in Phase #1 imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements as Appendix I, 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 including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

"Phase #1 Assessments - Additional Major Improvements" means an assessment levied against a Parcel in Phase #1 imposed pursuant to an Assessment Ordinance and the provisions

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herein, as shown on the Phase #1 Assessment Roll - Additional Major Improvements as Appendix J, 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 including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

"**Phases #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 Projects.

"Phase #1 Assessment Roll - Additional Major Improvements " means the document included in this Service and Assessment Plan as Appendix J**,** 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 Assessment Roll - Phase #1 Improvements and Initial Major Improvements" means the document included in this Service and Assessment Plan as Appendix I**,** 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 those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2021 (The Parks at Wilson Creek Public Improvement District Phase #1 Project)" that are secured by the portion of the Phase #1 Assessment Revenues related to the Phase #1 Improvements and Initial Major Improvements and collected as shown on the Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements attached as Appendix I.

"Phase #1 Improvements" mean the Authorized Improvements which only benefit Phase #1 Assessed Property, which are described in Section III.D.

"Phase #1 Maximum Assessment Per Unit" means for Phase #1, an Assessment per unit for Phase #1 Projects for each applicable Lot Type as follows:

Lot Type 2 (60 Ft) - $52,838.70
Lot Type 3 (50 Ft) - $45,633.42
Lot Type 4 (40 Ft) - $40,829.91

"Phase #1 Projects" mean (i) the Phase #1 Improvements, (ii) the pro rata portion of the Initial Major Improvements allocable to Phase #1, (iii) the pro rata portion of the Additional Major Improvements allocable to Phase #1, and (iv) the pro rata portion of the Future Major Improvements, if any, allocable to Phase #1.

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"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 located within the Phase in question.

"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.

"Prepayment Costs" mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

"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, the County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

"Reimbursement Agreement" means that certain PID Reimbursement Agreement - The Parks at Wilson Creek, dated _____, by and between the City and the Developer in which the Developer agrees to fund the Actual Costs of the Authorized Improvements and the City agrees to reimburse the Developer with interest as permitted by the PID Act solely from Assessment Revenues and/or the net proceeds of Bonds for a portion of such Actual Costs of the Authorized Improvements funded by the Developer for Authorized Improvements constructed and accepted by the City for the benefit of the Assessed Property.

"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.

"Trustee" means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

"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.

"**Zoning Ordinance**" means Ordinance No. 2016-07 adopted by the City Council on February 9, 2016, as amended by Ordinance No.2019-43 adopted by the City Council on October 8, 2019, which ordinances established the permitted uses of, and standards for, the development of the property within the PID.

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II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the City and contains approximately 646.967 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 2,164 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

The property within the PID is proposed to be developed as follows:

Table II-A
Proposed Development

Proposed Development	Quantity	Measurement
Single-family - 74 Ft	271	Units
Single-family - 60 Ft	698	Units
Single-family - 50 Ft	1012	Units
Single-family - 40 Ft	183	Units
Total	**2,164**	**Units**

B. PROPERTY INCLUDED IN THE MAJOR IMPROVEMENT AREA

The Major Improvement Area consists of approximately 537.7543 acres and are projected to consist of approximately 1,806 residential units. A map of the property within the Major Improvement Area is shown in Appendix A and more fully described in Appendix C.

Table II-B
Proposed Development - Major Improvement Area

Proposed Development	Quantity	Measurement
Single-family - 74 Ft	271	Units
Single-family - 60 Ft	598	Units
Single-family - 50 Ft	880	Units
Single-family - 40 Ft	57	Units
Total	**1,806**	**Units**

C. PROPERTY INCLUDED IN PHASE #1

Phase #1 consists of approximately 109.2127 acres and is projected to consist of 358 single family residential units, to be developed as Phase #1, as further described in Section III.D. A map of the property within Phase #1 is shown in Appendix A and more fully described in Appendix C.

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Table II-C
Proposed Development - Phase #1

Proposed Development	Quantity	Measurement
Single-family - 74 Ft	-	Units
Single-family - 60 Ft	100	Units
Single-family - 50 Ft	132	Units
Single-family - 40 Ft	126	Units
Total	**358**	**Units**

D. PROPERTY INCLUDED IN FUTURE PHASES

As Future Phases are developed, additional Bonds, including Phased PID Bonds, may be issued or assessments may be levied. In connection with levy of additional assessments or the issuance of additional Bonds, this Service and Assessment Plan will be updated to add additional details of each new Phase(s) as shown for Phase #1 in Section II.C. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phases are shown for illustrative purposes only and are subject to adjustment. The current Parcels in the PID are shown on the Assessment Rolls included as Appendix G, Appendix H, Appendix I, and Appendix J.

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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III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

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;

(xiv) payment of expenses incurred in the establishment, administration and operation of the district; and

(xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B, Section III.C, and III.D below and shown in the opinion of probable costs shown in Appendix B and on the diagrams included as Appendix D for the benefit of the Assessed Property. Any

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change to the list of Authorized Improvements will require the approval of the City and an update to this Service and Assessment Plan.

B. DESCRIPTIONS AND COSTS OF INITIAL MAJOR IMPROVEMENTS

The construction of the Initial Major Improvements that benefit all of the Assessed Property within the PID commenced August 2021 and is anticipated to be completed by the end of 4Q 2022. The Budgeted Costs of the Initial Major Improvements are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the anticipated number of Equivalent Units. Each of Phase #1 and the Major Improvement Area will be proportionally allocated the Budgeted Costs of the Initial Major Improvements, as shown on Table III-A on the following page.

The Initial Major Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Initial Major Improvements are shown in Table III-A and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Initial Major Improvements follows:

Roadway Improvements

The roadway portion of the Initial Major Improvements includes, trails, clearing, grubbing, excavation of streets and right of way, construction of moisture and lime treated subgrade and reinforced concrete street pavements, removal of existing curb or pavement asphalt street pavements, removal of existing curb or pavement, bridges, deceleration lanes, turn lanes, sidewalks, retaining walls, median landscaping, signage and traffic control devices, and the acquisition of related right-of-way for such roadway improvements including an allocable share of perimeter road improvements, for the benefit of the Assessed Property. All roadway improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water distribution system portion of the Initial Major Improvements includes water mains of various diameters, generally 8-18 inches, that are generally polyvinyl chloride (PVC) pipe, matching gate valves and boxes, fire hydrants, tapping sleeves, service lines, and other water line appurtenances, including trench safety, for the benefit of the Assessed Property. All water 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 collection system portion of the Initial Major Improvements includes sanitary sewer mains of various diameters, generally PVC pipe 8-27 inches, manholes, lift stations, service lines, clean-outs, and other sewer main appurtenances, including trench safety, for the benefit of the Assessed Property. All sanitary sewer improvements will be designed and

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constructed in accordance with City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage collection system portion of the Initial Major Improvements includes pre-development erosion control, silt fences, rock check dams, drainage structures, various size reinforced concrete pipes, reinforced concrete box culverts, curb inlets, headwalls, retention basins, detention structures and trench safety for the benefit of the Assessed Property. All storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Soft and Miscellaneous Costs

Soft and miscellaneous costs include costs related to designing, constructing, and installing the Initial Major Improvements including land planning and design, City fees, legal fees, engineering, soil testing, survey and construction management, contingency and expenses incurred in the establishment, administration and operation of the PID.

Table III-A
Estimated Initial Major Improvement Costs

Authorized Improvements	Total Initial Major Improvement Costs[1]	Initial Major Improvements Allocated to Phase #1	Initial Major Improvements Allocated to MIA
Roadway Improvements[2]	$8,036,365	$1,237,893	$6,798,472
Water Improvements	$520,974	$80,249	$440,725
Sanitary Sewer Improvements	$596,674	$91,910	$504,765
Storm Drainage Improvements	$1,391,540	$214,348	$1,177,192
Soft and Miscellaneous Costs	$1,077,190	$165,926	$911,263
Total	**$11,622,743**	**$1,790,326**	**$9,832,417**

Note: Costs provided by Kimley Horn. The figures shown in Table III-A may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.
1 - See Table V-A for allocation of Initial Major Improvements to Phase #1.
2 - Includes right-of-way acquisition.

C. DESCRIPTIONS AND COSTS OF ADDITIONAL MAJOR IMPROVEMENTS

Construction of the Additional Major Improvements that benefit all of the Assessed Property within the PID is anticipated to commence in 2023 and is expected to be completed within 60 months after commencement. The Budgeted Costs of the Additional Major Improvements are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the anticipated number of Equivalent Units. Each of Phase #1 and the Major Improvement Area will be proportionally

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allocated the Budgeted Costs of the Additional Major Improvements, as shown on Table III-B on the following page.

The Additional Major Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Additional Major Improvements are shown in Table III-B and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Additional Major Improvements follows:

Roadway Improvements

The roadway portion of the Additional Major Improvements includes trails, clearing, grubbing, excavation of streets and right of way, construction of moisture and lime treated subgrade and reinforced concrete street pavements, removal of existing curb or pavement asphalt street pavements, removal of existing curb or pavement, bridges, deceleration lanes, turn lanes, sidewalks, retaining walls, median landscaping, signage and traffic control devices, and the acquisition of related right-of-way for such roadway improvements including an allocable share of perimeter road improvements for the benefit of the Assessed Property. All roadway improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water distribution system portion of the Additional Major Improvements includes water mains of various diameters, generally 8-18 inches, that are generally polyvinyl chloride (PVC) pipe, matching gate valves and boxes, fire hydrants, tapping sleeves, service lines, and other water line appurtenances, including trench safety, for the benefit of the Assessed Property. All water 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 collection system portion of the Additional Major Improvements includes sanitary sewer mains of various diameters, generally PVC pipe 8-27 inches, manholes, lift stations, service lines, clean-outs, and other sewer main appurtenances, including trench safety, for the benefit of the Assessed Property. All 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 collection system portion of the Additional Major Improvements includes pre-development erosion control, silt fences, rock check dams, sedimentation basins and drainage structures, various size reinforced concrete pipes, reinforced concrete box culverts, curb inlets, headwalls, retention basins, detention structures and trench safety for the benefit of the

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Assessed Property. All storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Soft and Miscellaneous Costs

Soft and miscellaneous costs include costs related to designing, constructing, and installing the Additional Major Improvements including land planning and design, City fees, legal fees, engineering, soil testing, survey and construction management, contingency and expenses incurred in the establishment, administration and operation of the PID.

Table III-B
Estimated Additional Major Improvement Costs

Authorized Improvements	Total Additional Major Improvement Costs[1]	Additional Major Improvements Allocated to Phase #1	Additional Major Improvements Allocated to MIA
Roadway Improvements	$8,755,343	$1,348,642	$7,406,701
Water Improvements	$831,668	$128,107	$703,561
Sanitary Sewer Improvements	$437,369	$67,371	$369,998
Storm Drainage Improvements	$3,176,010	$489,221	$2,686,789
Soft and Miscellaneous Costs	$1,906,752	$293,709	$1,613,043
Total	**$15,107,142**	**$2,327,050**	**$12,780,092**

Note: Costs provided by Kimley Horn. The figures shown in Table III-B may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.
1 - See Table V-A for allocation of Additional Major Improvements to Phase #1.

D. DESCRIPTIONS AND COSTS OF PHASE #1 IMPROVEMENTS

The construction of the Phase #1 Improvements that benefit the Phase #1 Assessed Property commenced August 2021 and is anticipated to be completed by the end of 4Q 2022. The Phase #1 Improvements descriptions are presented below as provided by the project engineer. The Phase #1 Projects include Phase #1's proportionate share of the Budgeted Costs of the Initial Major Improvements, the proportionate share of the Budgeted Costs of the Additional Major Improvements, and the Budgeted Costs of the Phases #1 Improvements. The Budgeted Costs of the Phase #1 Projects are shown in Table III-C and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Phase #1 Improvements are as follows, and a description of the Initial Major Improvements and the Additional Major Improvements that are a portion of the Phase #1 Projects can be found in Section III.B and Section III.C, respectively.

Roadway Improvements

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The roadway portion of the Phase #1 Improvements includes trails, clearing, grubbing, excavation of streets and right of way, construction of moisture and lime treated subgrade and reinforced concrete street pavements, removal of existing curb or pavement asphalt street pavements, removal of existing curb or pavement, bridges, deceleration lanes, turn lanes, sidewalks, retaining walls, median landscaping, signage and traffic control devices, and the acquisition of related right-of-way for such roadway improvements, for the benefit of the Phase #1 Assessed Property. All roadway improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements

The water distribution system portion of the Phase #1 Improvements include PVC waterlines, various gate valves and boxes, fire hydrants, and tapping sleeves, service lines and other water line appurtenances for the benefit of the Phase #1 Assessed Property. All water 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 collection system portion of the Phase #1 Improvements includes PVC pipes, manholes, service lines, clean-outs, concrete encasements, and other sewer line appurtenances and trench safety for the benefit of the Phase #1 Assessed Property. All 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 collection system portion of the Phase #1 Improvements includes pre and post development erosion control, silt fences, rock check dams, drainage structures, various size reinforced concrete pipes, reinforced concrete box culverts, curb inlets, headwalls, retention and detention structures and trench safety for the benefit of the Phase #1 Assessed Property. All storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Soft and Miscellaneous Costs

Soft and miscellaneous costs include costs related to designing, constructing, and installing the Phase #1 Improvements including land planning and design, City fees, legal fees, engineering, soil testing, survey and construction management, and contigency.

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Table III-C
Estimated Phase #1 Costs

Authorized Improvements	Phase #1 Improvements[1]	Proportional Share of Initial Major Improvements[1]	Subtotal Phase #1 Projects (Bonded)[1]	Proportional Share of Additional Major Improvements (Reimbursable)[2]	Total Phase # Projects
Road Improvements	$3,769,188	$1,237,893	$5,007,081	$1,348,642	$6,355,722
Water Improvements	$1,303,352	$80,249	$1,383,601	$128,107	$1,511,708
Sanitary Sewer Improvements	$979,387	$91,910	$1,071,297	$67,371	$1,138,667
Storm Drainage Improvements	$1,021,742	$214,348	$1,236,090	$489,221	$1,725,311
Soft and Miscellaneous Costs	$1,580,567	$165,926	$1,746,494	$293,709	$2,040,203
Total	**$8,654,236**	**$1,790,326**	**$10,444,562**	**$2,327,050**	**$12,771,612**

Note: Costs provided by Kimley Horn. The figures shown in Table III-C may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.
[1]See Table III-A. Anticipated to be funded with Phase #1 Bonds.
[2]See Table III-B. Anticipated to be funded as set forth in Schedule I to the Reimbursement Agreement.

A. Future Phases and Future Major Improvements

As Phases are developed, this SAP will be amended to identify the specific Authorized Improvements, which may include Authorized Improvements that confer a special benefit to the property inside each new Phase and/or additional Future Major Improvements that benefit all of the Property within the PID (e.g. a Table III-D will be added to show the costs for the specific Authorized Improvements financed within the specific Phase being developed or the tables above will be updated to reflect the allocation of the costs of the Future Major Improvements, as applicable.)

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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. Construction of the Phase #1 Improvements and the Initial Major Improvements commenced in August 2021, and it is anticipated that construction of the Phase #1 Improvements and the Initial Major Improvements will be complete by the end of 4Q 2022. Construction of the Additional Major Improvements is anticipated to commence in 2023 and is expected to be completed within 60 months after commencement.

The Budgeted Costs for the Major Improvement Area's pro rata portion of Initial Major Improvements and Additional Major Improvements plus costs related to the issuance of the Initial Major Improvement Area Bonds and payment of its allocated portion of the expenses incurred in the establishment, administration and operation of the PID is $26,030,092 as shown in Table IV-A. The Budgeted Costs for Phase #1 Improvements, Phase #1's pro rata portion of Initial Major Improvements, Phase #1's pro rata portion of Additional Major Improvements plus costs related to the issuance of the Phase #1 Bonds and payment of its allocated portion of the expenses incurred in the establishment, administration and operation of the PID is $16,452,051 as shown in Table IV-B. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

As Future Phases are developed , this Service and Assessment Plan will be amended to provide updated information on the Authorized Improvements, which may include Authorized Improvements that confer a special benefit to the property inside each new Phase and/or additional Future Major Improvements that benefit all of the Property within the PID (e.g. a table will be added for Phase #2, etc.).

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Major Improvement Area

Table IV-A below shows the sources and uses of: (i) the Initial Major Improvement Area Bonds for the Major Improvement Area's pro-rata share of the costs of the Initial Major Improvements, and (ii) the obligation under the Reimbursement Agreement for the Major Improvement Area's pro-rata portion of the costs of the Additional Major Improvements.

Table IV-A
Sources and Uses - Major Improvement Area

Sources of Funds	Initial Major Improvement Area Bonds	Major Improvement Area Reimbursement Agreement Obligation for Additional Major Improvements	Total
Par Amount	$13,250,000	$0	$13,250,000
Assessments	$0	$12,780,092	$12,780,092
Other Funding Sources	$0	$0	$0
Total Sources	**$13,250,000**	**$12,780,092**	**$26,030,092**
Uses of Funds			
Initial Major Improvements:			
Road Improvements	$6,798,472	$0	$6,798,472
Water Improvements	$440,725	$0	$440,725
Sanitary Sewer Improvements	$504,765	$0	$504,765
Storm Drainage Improvements	$1,177,192	$0	$1,177,192
Other Soft and Miscellaneous Costs	$911,263	$0	$911,263
Subtotal	*$9,832,417*	*$0*	*$9,832,417*
Additional Major Improvements:			
Road Improvements	$0	$7,406,701	$7,406,701
Water Improvements	$0	$703,561	$703,561
Sanitary Sewer Improvements	$0	$369,998	$369,998
Storm Drainage Improvements	$0	$2,686,789	$2,686,789
Other Soft and Miscellaneous Costs	$0	$1,613,043	$1,613,043
Subtotal	*$0*	*$12,780,092*	*$12,780,092*
Estimated Bond Issuance Costs:			
Cost of Issuance	$861,908	$0	$861,908
Capitalized Interest	$1,258,750	$0	$1,258,750
Reserve Fund	$869,425	$0	$869,425
Administrative Expense	$30,000	$0	$30,000
Underwriters Discount	$397,500	$0	$397,500
Subtotal	*$3,417,583*	*$0*	*$3,417,583*
Total Uses	**$13,250,000**	**$12,780,092**	**$26,030,092**

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The Initial Major Improvement Area Bonds are anticipated to be issued in 2021 to finance the Major Improvement Area's proportionate share of the Initial Major Improvements, including costs to issue the Initial Major Improvement Area Bonds. The Major Improvement Area's proportionate share of the Additional Major Improvements will be financed under the Reimbursement Agreement.

Phase #1

Table IV-B on the following page shows the sources and uses of: (i) the Phase #1 Bonds for the Phase #1 Improvements and Phase #1's pro-rata share of the costs of the Initial Major Improvements, and (ii) the obligation under the Reimbursement Agreement for Phase #1's pro-rata share of the costs of the Additional Major Improvements.

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Table IV-B
Sources and Uses - Phase #1

Sources of Funds	Phase #1 Bonds	Phase #1 Reimbursement Agreement Obligation for Additional Major Improvements	Total
Par Amount	$14,125,000	$0	$14,125,000
Assessments	$0	$2,327,050	$2,327,050
Other Funding Sources	$0	$0	$0
Total Sources	**$14,125,000**	**$2,327,050**	**$16,452,051**
Uses of Funds			
Initial Major Improvements:			
Road Improvements	$1,237,893	$0	$1,237,893
Water Improvements	$80,249	$0	$80,249
Sanitary Sewer Improvements	$91,910	$0	$91,910
Storm Drainage Improvements	$214,348	$0	$214,348
Other Soft and Miscellaneous Costs	$165,926	$0	$165,926
Subtotal	*$1,790,326*	*$0*	*$1,790,326*
Additional Major Improvements:			
Road Improvements	$0	$1,348,642	$1,348,642
Water Improvements	$0	$128,107	$128,107
Sanitary Sewer Improvements	$0	$67,371	$67,371
Storm Drainage Improvements	$0	$489,221	$489,221
Other Soft and Miscellaneous Costs	$0	$293,709	$293,709
Subtotal	*$0*	*$2,327,050*	*$2,327,050*
Phase #1 Improvements:			
Road Improvements	$3,769,188	$0	$3,769,188
Water Improvements	$1,303,352	$0	$1,303,352
Sanitary Sewer Improvements	$979,387	$0	$979,387
Storm Drainage Improvements	$1,021,742	$0	$1,021,742
Other Soft and Miscellaneous Costs	$1,580,567	$0	$1,580,567
Subtotal	*$8,654,236*	*$0*	*$8,654,236*
Estimated Bond Issuance Costs:			
Cost of Issuance	*$921,114*	$0	$921,114
Capitalized Interest	$1,341,875	$0	$1,341,875
Reserve Fund	$963,700	$0	$963,700
Administrative Expense	$30,000	$0	$30,000
Underwriters Discount	$423,750	$0	$423,750
Subtotal	*$3,680,439*	*$0*	*$3,680,439*
Total Uses	**$14,125,000**	**$2,327,050**	**$16,452,051**

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The Phase #1 Bonds are anticipated to be issued in 2021 to finance Phase #1's proportionate share of Initial Major Improvements and the Phase #1 Improvements, including costs to issue the Phase #1 Bonds. Phase #1's proportionate share of the Additional Major Improvements will be financed under the Phase #1 Reimbursement Agreement.

B. ANNUAL PROJECTED COSTS AND INDEBTEDNESS

Major Improvement Area

The annual projected costs and annual projected indebtedness for the Major Improvement Area is shown in 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 - Major Improvement Area

Year	Annual Projected Cost	Annual Projected Indebtedness[1]	Other Funding Sources	Projected MIA Annual Installments
2021	$6,507,523	$26,030,092	$0	$0
2022	$19,522,569	$0	$0	$0
2023	$0	$0	$0	$900,174
2024	$0	$0	$0	$1,765,517
2025	$0	$0	$0	$1,769,726
2026	$0	$0	$0	$1,766,682
Total	**$26,030,092**	**$26,030,092**	**$0**	**$6,202,098**

[1] The Additional Major Improvements allocable to the Major Improvement Area will initially be funded by the Developer and will be reimbursable under the Reimbursement Agreement.

The annual projected costs shown in Table IV-C are the annual expenditures relating to the proportional share of Initial Major Improvements shown in Table III-A and the proportional share of the Additional Major Improvements shown in Table III-B, and the costs associated with setting up the PID and bond issuance costs including reserves shown in Table IV-A. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

Phase #1

The annual projected costs and annual projected indebtedness for Phase #1 is shown by Table IV-D. 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.

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Table IV-D
Annual Projected Costs and Annual Projected Indebtedness - Phase #1

Year	Annual Projected Cost	Annual Projected Indebtedness[1]	Other Funding Sources	Projected Phase #1 Annual Installments
2021	$4,113,013	$16,452,050	$0	$0
2022	$12,339,038	$0	$0	$0
2023	$0	$0	$0	$265,942
2024	$0	$0	$0	$1,167,767
2025	$0	$0	$0	$1,171,507
2026	$0	$0	$0	$1,173,388
Total	**$16,452,051**	**$16,452,050**	**$0**	**$3,778,604**

[1]the Additional Major Improvements allocable to Phase #1 will initially be funded by the Developer and will be reimbursable under the Reimbursement Agreement.

The annual projected costs shown in Table IV-D are the annual expenditures relating to the Phase #1 Projects shown in Table III-C and the costs associated with setting up the PID and bond issuance costs including reserves shown in Table IV-B. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

Future Phases

As Future Phases are developed Table IV-E will be added to identify the Authorized Improvements to be financed by each new series of Bonds and/or under the Reimbursement Agreement and the projected indebtedness resulting from each additional series of Bonds and/or obligations under the Reimbursement Agreement.

C. HOMEBUYER DISCLOSURE

The PID Act requires that this Service and Assessment Plan, and each Annual Service Plan Update, include a copy of the Notice form (required by Section 5.014 of the Texas Property Code). The homebuyer disclosure is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

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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 entails 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 #1 Bonds and the Initial Major Improvement Area Bonds anticipated to be issued in 2021, subsequent financings may be issued over the upcoming decade as the subsequent Future Phases are gradually constructed.

The purpose of this gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The 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 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.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Major Improvement Area Projects and Phase #1 Projects shall be allocated as described below:

1. The costs of the Phase #1 Projects that only benefit Phase #1 shall be allocated to Phase #1 Assessed Property on the basis of Equivalent Units calculated using the average home price of each Lot Type 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 Initial Major Improvements and Additional Major Improvements are proportionally allocated to the Major Improvement Area Assessed Property and the Phase #1 Assessed Property based on estimated Equivalent Units calculated using the average home price for the Major Improvement Area Assessed Property and the Phase #1 Assessed Property.

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3. The Major Improvement Area Projects are allocated to each Parcel within the Major Improvement Area Assessed Property based on estimated Equivalent Units calculated using the average home price of each Lot Type.

Table V-A provides the estimated allocation of costs of the Authorized Improvements constituting Initial Major Improvements.

At this time, it is impossible to determine with absolute certainty the amount of special benefit each Parcel within the Future Phases will receive from the direct Authorized Improvements that will benefit each individual Phase or from Future Major Improvements, if any, and that are to be financed with Bonds and/or future obligations under the Reimbursement Agreement. Therefore, Parcels will only be assessed for the special benefits conferred upon the Parcel at this time because of the Initial Major Improvements, the Additional Major Improvements, and the Phase #1 Improvements, as applicable.

In connection with the issuance of future Bonds and/or future obligations under the Reimbursement Agreement, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within the Future Phases receives from the specific Authorized Improvements funded with the issuance such Bonds and/or future obligations under the Reimbursement Agreements. Prior to assessing Parcels located within Future Phases in connection with issuance of Phased PID Bonds, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Initial Major Improvements, Additional Major Improvements, and Phase #1 Improvements, as applicable, (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 Major Improvement Area Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Initial Major Improvements, the Additional Major Improvements, and Phase #1 Improvements, as applicable, to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels 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.

As Future Phases are developed, in connection with the issuance of Bonds and/or future obligations under the Reimbursement Agreement, this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Phases.

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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 the close proximity of these improvements to the Assessed Property and the specific purpose of these 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 can be 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 expected to be 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.

The Assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the Authorized Improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax- exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a

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buyer at the buyer's option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing 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; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) 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 the most beneficial means of doing so. 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 the most beneficial means of providing for the Authorized Improvements; 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. ALLOCATION OF MAJOR IMPROVEMENT COSTS TO ASSESSED PROPERTY

The Initial Major Improvements and Additional Major Improvements will provide a special benefit to all property in the PID. Accordingly, the Actual Costs of the Initial Major Improvements and Additional Major Improvements must be allocated to all Assessed Property in the PID. Table V-A summarizes the allocation of Budgeted Costs of the Initial Major Improvements and Additional Major Improvements. The Budgeted Costs shown in Table V-A are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

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Phase #1 is projected to contain 358 residential units. As shown in Appendix F, the total Equivalent Units for Phase #1 is calculated as 274.00. The Major Improvement Area is projected to contain 1,806 residential units resulting in a total of 1,504.80 Equivalent Units as shown in Appendix F. The total projected Equivalent Units in the PID is, therefore, calculated to be 1,778.80 (i.e., 274.00 + 1,504.80 = 1,778.80). As a result, 15.40 percent of the Budgeted Costs of the Initial Major Improvements and Additional Major Improvements (i.e. 274.00 ÷ 1,778.80 = 15.40%) are allocated to the Phase #1 Assessed Property and 84.60 percent of the Budgeted Costs off the Initial Major Improvements and Additional Major Improvements (i.e., 1,504.80÷ 1,778.80 = 84.60%) are allocated to the Major Improvement Area Assessed Property. The Initial Major Improvement Area Bonds will fund the Major Improvement Area's proportionate share of the Budgeted Costs of the Initial Major Improvements and the obligation related to the Additional Major Improvements under the Reimbursement Agreement will reimburse the Developer for the Major Improvement Area's proportionate share of the Budgeted Costs of the Additional Major Improvements. The Phase #1 Bonds will fund Phase #1's proportionate share of the Budgeted Costs of the Initial Major Improvements and the Phase #1 Improvements and the obligation related to the Additional Major Improvements under the Reimbursement Agreement will reimburse the Developer for Phase #1's proportionate share of the Budgeted Costs of the Additional Major Improvements

Table V-A
Allocation of Major Improvement Area Projects

Authorized Improvement	Initial Major Improvements	Additional Major Improvements
Roadway Improvements	$8,036,365	$8,755,343
Water Improvements	$520,974	$831,668
Sanitary Sewer Improvements	$596,674	$437,369
Storm Drainage Improvements	$1,391,540	$3,176,010
Other Soft and Miscellaneous Costs	$1,077,190	$1,906,752
Total Major Improvement Area Projects	**$11,622,743**	**$15,107,142**
Phase #1		
Projected Equivalent Units	274.00	274.00
% of total units	15.40%	15.40%
Proportionate Share of Costs	$1,790,326	$2,327,050
Major Improvement Area		
Projected Equivalent Units	1,504.80	1,504.80
% of total units	84.60%	84.60%
Proportionate Share of Costs	$9,832,417	$12,780,092

D. Assessment Methodology

The costs of the Authorized Improvements 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 costs of the Authorized

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Improvements 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 the Major Improvement Area

For purpose of this Service and Assessment Plan, the City Council determined that the costs of the Major Improvement Area Projects shall be allocated to the Major Improvement Area Assessed Property by spreading the entire Assessment for such improvements across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the Major Improvement Area's proportional share of the costs of the Initial Major Improvements, as set forth in Table III-A, and the Major Improvement Area's proportional share of the costs of the Additional Major Improvements, as set forth in Table III-B, the City Council has determined that the benefit to Major Improvement Area Assessed Property from the proportional share of Initial Major Improvements and Additional Major Improvements is at least equal to the Assessments levied on the Major Improvement Area Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area is shown on the Major Improvement Area Assessment Roll - Initial Major Improvements and Major Improvement Area - Additional Major Improvements, attached as Appendix G and Appendix H, respectively, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

2. 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 Projects to be financed with the Phase #1 Bonds, shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the costs of the Phase #1 Projects, as set forth in Table III-C, the City Council has determined that the benefit to Phase #1 Assessed Property from the Phase #1 Projects is at least equal to the Assessments levied on the Phase #1 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be

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apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units for Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements Phase #1 Assessment Roll - Additional Major Improvements, attached as Appendix I and Appendix J, respectively, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

3. Assessment Methodology for Future Improvement Areas

When any given Future Phase is developed, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Phase.

E. ASSESSMENTS

The Assessments for the Initial Major Improvement Area Bonds and the Phase #1 Bonds will be levied on each Parcel or Lot according to the Major Improvement Area Assessment Roll - Initial Major Improvements, attached as Appendix G, and the Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements, attached as Appendix I, as applicable. The Annual Installments for the Initial Major Improvement Area Bonds, the obligation related to the Additional Major Improvements allocable to the Major Improvement Area under the Reimbursement Agreement, the Phase #1 Bonds, and the obligation related to the Additional Major Improvements allocable to Phase #1 under the Reimbursement Agreement will be collected on the dates and in the amounts shown on the Major Improvement Area Assessment Roll - Initial Major Improvements; the Major Improvement Area Assessment Roll - Additional Major Improvements; the Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements; and the Phase #1 Assessment Roll - Additional Major Improvements; attached as Appendix G, Appendix H, Appendix I, and Appendix J, respectively, subject to revisions made during an Annual Service Plan Update. Non-Benefited Property will not be subject to any Assessments.

See Appendix F for Assessment per unit, leverage, and estimated tax rate equivalent calculation details.

F. ADMINISTRATIVE EXPENSES

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 each Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

G. ADDITIONAL INTEREST RESERVE

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Pursuant to the PID Act, the interest rate for Assessments which secure a series of Bonds 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 "Additional Interest"). The interest rate used to determine the Assessments securing the Initial Major Improvement Area Bonds and the Phase #1 Bonds is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, with the Additional Interest Component of the Annual Installments allocated to fund a reserve to be used for paying interest associated with a prepayment and to offset any possible delinquency related costs (the "Additional Interest Reserve"). The Additional Interest Reserve shall be funded until it reaches 5.50% of the outstanding Bonds unless otherwise stipulated in the Bond documents. Once the Additional Interest Reserve is funded in full, the City may allocate the Additional Interest Component of the Annual Installments as provided in the applicable Trust Indenture. No Additional Interest will be collected from Assessments that do not secure a series of Bonds.

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VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE MAJOR IMPROVEMENT AREA

The Annual Installments shall be collected from Major Improvement Area Assessed Property in an amount sufficient to (i) pay principal and interest on the Initial Major Improvement Area Bonds, (ii) pay principal and interest on the obligation related to the Major Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement, (iii) to fund the Additional Interest Reserve for the Initial Major Improvements Area Bonds as described in Section V, and (iv) to pay Administrative Expenses related to the Major Improvement Area. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest applicable to the Parcel.

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Annual Installments shall be collected from Phase #1 Assessed Property in an amount sufficient to (i) pay principal and interest on the Phase #1 Bonds, (ii) pay principal and interest on Phase #1's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement, (iii) to fund the Additional Interest Reserve for the Phase #1 Bonds as described in Section V, and (iv) to pay Administrative Expenses related to Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest applicable to the Parcel.

C. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE PHASES

As Future Phases are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within the Future Phases (e.g., an Appendix will be added as the Assessment Roll for Phase #2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

D. 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:

$$A = B \times (C \div D)$$

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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 number of Equivalent Units to be built on each new subdivided Parcel
D = the sum of the estimated number of Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of Equivalent 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 Equivalent 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. 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.

E. 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. If at any time the Assessment per Unit on a Parcel of the Phase #1 Assessed Property exceeds the applicable Phase#1 Maximum Assessment per Unit calculated in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated

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by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the applicable Phase #1 Maximum Assessment per Unit calculated in this Service and Assessment Plan.

3. 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 PID Act.

F. 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 Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, and such excess Bond proceeds shall be applied to redeem Bonds as provided in the Indenture, 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. 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 all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, and such excess Bond proceeds shall be applied to redeem Bonds as provided in the Indenture, 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 Administrative Expenses. 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 number of 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 Administrative Expenses. 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.

G. 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

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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 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

Each Assessment for the Major Improvement Area shall be paid with interest based on the actual interest rate paid on the Initial Major Improvement Area Bonds and the obligation related to the Major Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement, respectively. The Major Improvement Area Assessment Roll - Initial Major Improvements sets forth for each year the Annual Installment for each Parcel based on an estimated interest rate of 4.75% on the Initial Major Improvement Area Bonds, and an additional interest at the rate of 0.5% for Additional Interest Reserve. Interest on the obligation related to the Additional Major Improvements under the Reimbursement Agreement shall be paid based on an estimated interest rate of 4.50% per annum for years 1 through 5 and 4.50% per annum following the fifth Annual Installment in accordance with the Reimbursement Agreement. Each Assessment shall be paid at a rate not to exceed five hundred basis points above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the City and reported in the month prior to the establishment of the Assessments and continuing for a period of five years from such date. Such rate shall then adjust and shall not exceed two hundred basis points above the bond index rate described above and shall continue until the Assessments are paid in full. The index approved by the City is the Bond Buyer Index for which the highest average rate during September 2021 was 2.50%. Furthermore, the Annual Installments may not exceed the amounts shown on the Major Improvement Area Assessment Roll - Initial Major Improvements or the Major Improvement Area Assessment Roll - Additional Major Improvements. The Major Improvement Area Assessment Roll - Initial Major Improvements, shown as Appendix G, will be updated with the actual interest rates on the Initial Major Improvement Area Bonds, once issued. The applicable interest rates shown on the Major Improvement Area Assessment Roll - Additional Major Improvements, attached as Appendix H for the obligation related to the Major

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Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement will be updated once levied.

Each Assessment for Phase #1 shall be paid with interest based on the actual interest rate paid on the Phase #1 Bonds and the obligation related to Phase #1's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement, respectively. The Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements sets forth for each year the Annual Installment for each Parcel based on an estimated interest rate of 4.75% on the Phase #1 Bonds, and an additional interest at the rate of 0.5% for Additional Interest Reserve. Interest on the obligation related to the Additional Major Improvements under the Reimbursement Agreement shall be paid based on an estimated interest rate of 4.50% per annum for years 1 through 5 and 4.50% per annum following the fifth Annual Installment in accordance with the Phase #1 Reimbursement Agreement. Each Assessment shall be paid at a rate not to exceed five hundred basis points above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the City and reported in the month prior to the establishment of the Assessments and continuing for a period of five years from such date. Such rate shall then adjust and shall not exceed two hundred basis points above the bond index rate described above and shall continue until the Assessments are paid in full. The index approved by the City is the Bond Buyer Index for which the highest average rate during September 2021 was 2.50%. Furthermore, the Annual Installments may not exceed the amounts shown on the Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements or the Phase #1 Assessment Roll - Additional Major Improvements. The Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements, shown as Appendix I, will be updated with the actual interest rates on the Phase #1 Bonds, once issued. The applicable interest rates shown on the Phase #1 Assessment Roll - Additional Major Improvements, attached as Appendix J for the obligation related to Phase #1's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement will be updated once levied.

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. 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.

H. COLLECTION OF ANNUAL INSTALLMENTS

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No less frequently than annually, the Administrator shall prepare, and the City Council shall consider, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls 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 PID Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such 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 property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be calculated as of September 1 and updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments relating to the Initial Major Improvement Area Bonds and the Phase #1 Bonds will be due when billed and will be delinquent if not paid prior to February 1, 2023.

The collection of the first Annual Installment from any Lot or Parcel for the Major Improvement Area Assessments - Initial Major Improvements shall commence upon the earlier of: (i) with tax bills sent the first October after issuance of the Initial Major Improvement Area Bonds secured by the Major Improvement Area Assessed Property, or (ii) with tax bills sent the first October following the second anniversary of the levy of Assessments of the Major Improvement Area Assessments - Initial Major Improvements such that all Assessments in the applicable Phase begin collection immediately after the expiration of such two year period. Such first Annual Installment for a Major Improvement Area Lot or Parcel for which collection has begun, shall be due by January 31st of the following calendar year.

The collection of the first Annual Installment from any Lot or Parcel for the Major Improvement Area Assessments - Additional Major Improvements shall commence upon the earlier of: (i) with tax bills sent the first October after issuance of any Bonds secured by the Major Improvement Area Reimbursement Agreement Obligation for Additional Major Improvements, or (ii) with tax bills sent the first October following the second anniversary of the levy of Assessments of the Major Improvement Area Assessments - Additional Major Improvements such that all Assessments in the applicable Phase begin collection immediately after the expiration of such two year period. Such first Annual Installment for a Major Improvement Area Lot or Parcel for which collection has begun, shall be due by January 31st of the following calendar year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

The collection of the first Annual Installment from any Lot or Parcel for the Phase #1 Assessments - Phase #1 Improvements and Initial Major Improvements shall commence upon the earlier of: (i) with tax bills sent the first October after issuance of the Phase #1 Bonds secured by the Phase #1 Assessed Property, or (ii) with tax bills sent the first October following the second anniversary of the levy of Assessments of the Phase #1 Assessments - Phase #1 Improvements and Initial Major Improvements such that all Assessments in the applicable Phase begin collection immediately after the expiration of such two year period. Such first Annual Installment for a Phase #1 Lot or Parcel for which collection has begun, shall be due by January 31st of the following calendar year.

The collection of the first Annual Installment from any Lot or Parcel for the Phase #1 Assessments - Additional Major Improvements shall commence upon the earlier of: (i) with tax bills sent the first October after issuance of any Bonds secured by the Phase #1 Reimbursement Agreement Obligation for Additional Major Improvements, or (ii) with tax bills sent the first October following the second anniversary of the levy of Assessments of the Phase #1 Assessments - Additional Major Improvements such that all Assessments in the applicable Phase begin collection immediately after the expiration of such two year period. Such first Annual Installment for a Phase #1 Major Lot or Parcel for which collection has begun, shall be due by January 31st of the following calendar year.

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Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

VII. THE ASSESSMENT ROLL

A. MAJOR IMPROVEMENT AREA ASSESSMENT ROLLS

The City Council has evaluated each Parcel within the Major Improvement Area (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within The Major Improvement Area.

The Major Improvement Area Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Major Improvement Area Projects being constructed at this time. Table VII-A summarizes the $26,030,092 in special benefit received by the Major Improvement Area Assessed Property from the Major Improvement Area Projects being constructed at this time, a portion of the costs of the PID formation, and the Initial Major Improvement Area Bond issuance costs. The par amount of the Initial Major Improvement Area Bonds and the Assessment amount of the Major Improvement Area reimbursement obligation under the Reimbursement Agreement is $26,030,092, which is equal to the benefit received by the Major Improvement Area Assessed Property from the Major Improvement Area Projects being constructed at this time. Accordingly, the total Assessment to be applied to all the Major Improvement Area Assessed Property is $26,030,092 plus, interest, Additional Interest, and annual Administrative Expenses. The Assessment for each Major Improvement Area Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Major Improvement Area Assessment Roll - Initial Major Improvements is attached hereto as Appendix G and the Major Improvement Area Assessment Roll - Additional Major Improvements is attached as Appendix H. As Phases are developed, this SAP will be amended to identify the specific Authorized Improvements, which may include Authorized Improvements that confer a special benefit to the property inside each new Phase and/or additional Future Major Improvements that benefit all of the Property within the PID; and, the SAP will be amended to update the summary of the special benefits received by the Major Improvement Area Projects to include any Future Major Improvements being undertaken.

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Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Table VII-A
Major Improvement Area
Special Benefit Summary

Special Benefit	Initial Major Improvement Area Bonds	Major Improvement Area Reimbursement Agreement Obligation for Additional Major Improvements	Total
Initial Major Improvements[1]	$9,832,417	$0	$9,832,417
Additional Major Improvements[2]	$0	$12,780,092	$12,780,092
Total Major Improvement Area Projects	*$9,832,417*	*$12,780,092*	*$22,612,509*
PID Formation/Bond Costs of Issuance:			
Cost of Issuance	$861,908	$0	$861,908
Capitalized interest	$1,258,750	$0	$1,258,750
Reserve Fund	$869,425	$0	$869,425
Administrative Expense	$30,000	$0	$30,000
Underwriters Discount	$397,500	$0	$397,500
PID Formation/Bond Cost of Issuance	*$3,417,583*	*$0*	*$3,417,583*
Total Special Benefit	**$13,250,000**	**$12,780,092**	**$26,030,092**
Special Benefit:			
Total Special Benefit	$13,250,000	$12,780,092	$26,030,092
Assessment	$13,250,000	$12,780,092	$26,030,092
Excess Benefit	**$0**	**$0**	**$0**

[1]See Table III-A for details.
[2]See Table III-B for details.

B. PHASE #1 ASSESSMENT ROLLS

The City Council has evaluated each Parcel in Phase #1 (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within Phase#1.

The Phase #1 Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1 Projects being constructed at this time. Table VII-B summarizes the $16,452,050 in special benefit received by the Phase #1 Assessed Property from the Phase #1 Projects being constructed at this time, a portion of the costs of the PID formation, and the Phase #1 Bond issuance costs. The par amount of the Phase #1 Bonds and the Assessment amount of the Phase #1 reimbursement obligation under the Reimbursement Agreement is $16,452,050, which is equal to the benefit received by the Phase #1 Assessed Property from the Phase #1 Projects being constructed at this time. Accordingly, the total Assessment to be applied to all the Phase #1 Assessed Property is $16,452,050 plus, interest, Additional Interest, and annual Administrative Expenses. The Assessment for each Phase #1 Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements is

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

attached hereto as Appendix I and the Phase #1 Assessment Roll - Additional Major Improvements is attached hereto as Appendix J. As Phases are developed, this SAP will be amended to identify the specific Authorized Improvements, which may include Authorized Improvements that confer a special benefit to the property inside each new Phase and/or additional Future Major Improvements that benefit all of the Property within the PID; and, the SAP will be amended to update the summary of the special benefits received by the Phase #1 Projects to include any Future Major Improvements being undertaken.

Table VII-B
Phase #1
Special Benefit Summary

Special Benefit	Initial Major Improvement Area Bonds	Phase #1 Reimbursement Agreement Obligation for Additional Major Improvements	Total
Phase #1 Improvements[1]	$8,654,236	$0	$8,654,236
Initial Major Improvements[1]	$1,790,326	$0	$1,790,326
Additional Major Improvements[1]	$0	$2,327,050	$2,327,050
Total Phase #1 Projects	*$10,444,562*	*$2,327,050*	*$12,771,612*
PID Formation/Bond Costs of Issuance:			
Cost of Issuance	$921,114	$0	$921,114
Capitalized interest	$1,341,875	$0	$1,341,875
Reserve Fund	$963,700	$0	$963,700
Administrative Expense	$30,000	$0	$30,000
Underwriters Discount	$423,750	$0	$423,750
PID Formation/Bond Cost of Issuance	*$3,680,439*	*$0*	*$3,680,439*
Total Special Benefit	**$14,125,000**	**$2,327,050**	**$16,452,051**
Special Benefit:			
Total Special Benefit	$14,125,000	$2,327,050	$16,452,051
Assessment	$14,125,000	$2,327,050	$16,452,050
Excess Benefit	**$0**	**$0**	**$0**

[1]See Table III-C for details.

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Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

C. Future Phases Assessment Roll

As Future Phases are developed, this SAP will be amended to determine the Assessment for each Parcel or Lot located within such Future Phases (e.g. an appendix will be added as the Assessment Roll for Phases).

D. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Major Improvement Area Assessment Roll and Phase #1 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 Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.G of this Service and Assessment Plan.

Once Bonds are issued, the Assessment Rolls shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

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Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

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 Roll(s), 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 Roll(s) 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.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

The City Council reserves the right to the extent permitted by the PID Act 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; and (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.

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 determination 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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Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX A
PID MAP

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX C-1
LEGAL DESCRIPTION

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Legal Description of the Property
(approximately 646.967 acres)

FIELD NOTE DESCRIPTION
652.282 ACRES

BEING a tract of land situated in the Samuel Queen Survey, Abstract Number 731, the Charles P. Rice Survey, Abstract Number 771, the Mary Howell Survey, Abstract Number 395, the J.B. Wilmeth Survey, Abstract Number 985, the J.B. Wilmeth Survey, Abstract Number 983 and the Levin Routh Survey, Abstract Number 779, Collin County, Texas and being all that tract of land conveyed to the City of Celina, according to the document filed of record in described in Document Number 20150918001191130, Deed Records Collin County, Texas (D.R.C.C.T.) a portion of those tracts of land conveyed to The Parks At Wilson Creek, L.P., according to the document filed of record in Document Number 20150916001178630 and Document Number 20130830001229380, (D.R.C.C.T.) and being more particularly described as follows:

BEGINNING at a point for the northwest corner of said The Parks At Wilson Creek, L.P. tract recorded in Document Number 20130830001229380 (D.R.C.C.T.);

THENCE North 89°55'39" East, a distance of 2644.88 feet to a point for corner;

THENCE South 6°25'40" West, a distance of 159.42 feet to a point for corner;

THENCE South 5°35'23" West, a distance of 131.26 feet to a point for corner;

THENCE South 4°57'45" East, a distance of 449.10 feet to a point for corner;

THENCE South 36°01'46" West, a distance of 230.27 feet to a point for corner;

THENCE South 63°18'07" West, a distance of 213.10 feet to a point for corner;

THENCE South 52°44'48" West, a distance of 244.54 feet to a point for corner;

THENCE South 23°59'18" West, a distance of 841.72 feet to a point for corner;

THENCE South 5°05'42" West, a distance of 595.18 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 42°32'11", a radius of 2250.00 feet, a chord bearing and distance of South 56°46'05" East, 1632.31 feet;

THENCE with said curve to the left, an arc distance of 1670.40 feet to a point for corner;

THENCE North 0°31'21" West, a distance of 160.39 feet to a point for corner;

THENCE North 89°18'15" East, a distance of 29.02 feet to a point for corner;

THENCE North 19°32'14" East, a distance of 2818.61 feet to a point for corner;

THENCE North 88°47'20" East, a distance of 1681.37 feet to a point for corner;

THENCE South 2°52'44" West, a distance of 412.39 feet to a point for corner;

THENCE South 0°06'08" West, a distance of 2248.43 feet to a point for corner;

THENCE North 89°18'15" East, a distance of 894.18 feet to a point for corner;

THENCE South 0°02'23" East, a distance of 216.90 feet to a point for corner;

THENCE North 89°22'17" East, a distance of 94.21 feet to a point for corner;

THENCE South 0°24'10" East, a distance of 3053.19 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 2°34'58", a radius of 9566.62 feet, a chord bearing and distance of North 85°39'27" West, 431.21 feet;

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

THENCE with said curve to the left, an arc distance of 431.25 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 5°36'34", a radius of 14829.57 feet, a chord bearing and distance of North 87°48'35" West, 1451.28 feet;

THENCE with said curve to the left, an arc distance of 1451.86 feet to a point for corner;

THENCE South 89°23'08" West, a distance of 495.31 feet to a point at the beginning of a tangent curve to the left having a central angle of 19°55'13", a radius of 4045.01 feet, a chord bearing and distance of South 79°25'28" West, 1399.27 feet;

THENCE with said curve to the left, an arc distance of 1406.35 feet to a point for corner;

THENCE South 89°59'30" West, a distance of 1600.75 feet to a point for corner;

THENCE North 0°37'42" West, a distance of 1649.41 feet to a point for corner;

THENCE North 54°15'25" East, a distance of 296.95 feet to a point for corner;

THENCE North 0°25'25" East, a distance of 91.30 feet to a point for corner;

THENCE North 89°36'07" East, a distance of 166.57 feet to a point for corner;

THENCE North 7°29'59" East, a distance of 1483.88 feet to a point for corner;

THENCE North 8°01'34" East, a distance of 22.19 feet to a point for corner;

THENCE North 89°48'37" West, a distance of 106.63 feet to a point for corner;

THENCE North 6°54'39" West, a distance of 258.73 feet to a point for corner;

THENCE North 6°55'55" West, a distance of 321.75 feet to a point for corner;

THENCE North 80°31'35" West, a distance of 111.10 feet to a point for corner;

THENCE North 1°16'35" East, a distance of 33.09 feet to a point for corner;

THENCE South 89°28'59" West, a distance of 1230.89 feet to a point for corner;

THENCE South 89°28'21" West, a distance of 577.17 feet to a point for corner;

THENCE North 0°10'48" West, a distance of 1043.00 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 18°41'20", a radius of 820.10 feet, a chord bearing and distance of North 8°17'17" East, 266.32 feet;

THENCE with said curve to the right, an arc distance of 267.50 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 15°28'07", a radius of 1090.03 feet, a chord bearing and distance of North 5°30'01" East, 293.39 feet;

THENCE with said curve to the left, an arc distance of 294.28 feet to a point for corner;

THENCE North 2°06'44" East, a distance of 867.17 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 10°24'10", a radius of 971.20 feet, a chord bearing and distance of North 7°44'28" East, 176.09 feet;

THENCE with said curve to the right, an arc distance of 176.33 feet to the **POINT OF BEGINNING** and containing 652.282 acres or 28,413,384 square feet of land.

SAVE AND EXCEPT the following described 5.315 acre tract of land.

SAVE AND EXCEPT:
5.315 ACRES

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

BEING a tract of land situated in the Samuel Queen Survey, Abstract Number 731 and the Charles P. Rice Survey, Abstract Number 771, City of Celina, Collin County, Texas and being a portion of that tract of land conveyed to The Parks at Wilson Creek, L.P., according to the document filed of record in Document Number 20130830001229380, Deed Record Collin County, Texas and being more particularly described as follows:

BEGINNING at a point for the northwest corner of this tract from which the northwest corner of said The Parks At Wilson Creek, L.P. tract recorded in Document Number 20130830001229380 (D.R.C.C.T.) same being the northwest corner of the above described 646.9668 acre tract bears North 01°12'23" West, 738.14 feet;

THENCE North 89°55'39" East, a distance of 160.38 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 77°25'26", a radius of 50.00 feet, a chord bearing and distance of South 47°59'28" East, 62.54 feet;

THENCE with said curve to the left, an arc distance of 67.57 feet to a point for corner;

THENCE South 0°04'15" East, a distance of 135.09 feet to a point for corner;

THENCE North 89°55'39" East, a distance of 361.00 feet to a point for corner;

THENCE South 0°04'15" East, a distance of 42.74 feet to a point for corner;

THENCE South 55°09'24" West, a distance of 72.90 feet to a point for corner;

THENCE South 34°50'36" East, a distance of 132.42 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 36°29'48", a radius of 275.00 feet, a chord bearing and distance of South 29°17'39" West, 172.22 feet;

THENCE with said curve to the left, an arc distance of 175.17 feet to a point for corner;

THENCE South 11°02'45" West, a distance of 5.30 feet to a point for corner;

THENCE South 55°09'33" West, a distance of 21.54 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 11°24'44", a radius of 1050.00 feet, a chord bearing and distance of North 86°50'35" West, 208.79 feet;

THENCE with said curve to the left, an arc distance of 209.14 feet to a point for corner;

THENCE South 87°27'03" West, a distance of 145.99 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 7°37'09", a radius of 940.00 feet, a chord bearing and distance of South 84°29'46" West, 124.91 feet;

THENCE with said curve to the right, an arc distance of 125.00 feet to a point for corner;

THENCE North 40°47'05" West, a distance of 38.57 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 10°34'56", a radius of 1150.03 feet, a chord bearing and distance of North 3°10'19" East, 212.10 feet;

THENCE with said curve to the left, an arc distance of 212.40 feet to a point for corner;

THENCE North 2°06'44" East, a distance of 303.26 feet to the **POINT OF BEGINNING** and containing 5.315 acres or 231,511 square feet of land, more or less.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX C-2
LEGAL DESCRIPTION - MAJOR IMPROVEMENT AREA

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

METES AND BOUNDS DESCRIPTION
The Parks at Wilson Creek - Major Improvement Area
(approx. 537.7543 acres)

FIELD NOTE DESCRIPTION

652.282 ACRES

BEING a tract of land situated in the Samuel Queen Survey, Abstract Number 731, the Charles P. Rice Survey, Abstract Number 771, the Mary Howell Survey, Abstract Number 395, the J.B. Wilmeth Survey, Abstract Number 985, the J.B. Wilmeth Survey, Abstract Number 983 and the Levin Routh Survey, Abstract Number 779, Collin County, Texas and being all that tract of land conveyed to the City of Celina, according to the document filed of record in described in Document Number 20150918001191130, Deed Records Collin County, Texas (D.R.C.C.T.) a portion of those tracts of land conveyed to The Parks At Wilson Creek, L.P., according to the document filed of record in Document Number 20150916001178630 and Document Number 20130830001229380, (D.R.C.C.T.) and being more particularly described as follows:

BEGINNING at a point for the northwest corner of said The Parks At Wilson Creek, L.P. tract recorded in Document Number 20130830001229380 (D.R.C.C.T.);

THENCE North 89°55'39" East, a distance of 2644.88 feet to a point for corner;

THENCE South 6°25'40" West, a distance of 159.42 feet to a point for corner;

THENCE South 5°35'23" West, a distance of 131.26 feet to a point for corner;

THENCE South 4°57'45" East, a distance of 449.10 feet to a point for corner;

THENCE South 36°01'46" West, a distance of 230.27 feet to a point for corner;

THENCE South 63°18'07" West, a distance of 213.10 feet to a point for corner;

THENCE South 52°44'48" West, a distance of 244.54 feet to a point for corner;

THENCE South 23°59'18" West, a distance of 841.72 feet to a point for corner;

THENCE South 5°05'42" West, a distance of 595.18 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 42°32'11", a radius of 2250.00 feet, a chord bearing and distance of South 56°46'05" East, 1632.31 feet;

THENCE with said curve to the left, an arc distance of 1670.40 feet to a point for corner;

THENCE North 0°31'21" West, a distance of 160.39 feet to a point for corner;

THENCE North 89°18'15" East, a distance of 29.02 feet to a point for corner;

THENCE North 19°32'14" East, a distance of 2818.61 feet to a point for corner;

THENCE North 88°47'20" East, a distance of 1681.37 feet to a point for corner;

THENCE South 2°52'44" West, a distance of 412.39 feet to a point for corner;

THENCE South 0°06'08" West, a distance of 2248.43 feet to a point for corner;

THENCE North 89°18'15" East, a distance of 894.18 feet to a point for corner;

THENCE South 0°02'23" East, a distance of 216.90 feet to a point for corner;

THENCE North 89°22'17" East, a distance of 94.21 feet to a point for corner;

THENCE South 0°24'10" East, a distance of 3053.19 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 2°34'58", a radius of 9566.62 feet, a chord bearing and distance of North 85°39'27" West, 431.21 feet;

THENCE with said curve to the left, an arc distance of 431.25 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 5°36'34", a radius of 14829.57 feet, a chord bearing and distance of North 87°48'35" West, 1451.28 feet;

THENCE with said curve to the left, an arc distance of 1451.86 feet to a point for corner;

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

THENCE South 89°23'08" West, a distance of 495.31 feet to a point at the beginning of a tangent curve to the left having a central angle of 19°55'13", a radius of 4045.01 feet, a chord bearing and distance of South 79°25'28" West, 1399.27 feet;

THENCE with said curve to the left, an arc distance of 1406.35 feet to a point for corner;

THENCE South 89°59'30" West, a distance of 1600.75 feet to a point for corner;

THENCE North 0°37'42" West, a distance of 1649.41 feet to a point for corner;

THENCE North 54°15'25" East, a distance of 296.95 feet to a point for corner;

THENCE North 0°25'25" East, a distance of 91.30 feet to a point for corner;

THENCE North 89°36'07" East, a distance of 166.57 feet to a point for corner;

THENCE North 7°29'59" East, a distance of 1483.88 feet to a point for corner;

THENCE North 8°01'34" East, a distance of 22.19 feet to a point for corner;

THENCE North 89°48'37" West, a distance of 106.63 feet to a point for corner;

THENCE North 6°54'39" West, a distance of 258.73 feet to a point for corner;

THENCE North 6°55'55" West, a distance of 321.75 feet to a point for corner;

THENCE North 80°31'35" West, a distance of 111.10 feet to a point for corner;

THENCE North 1°16'35" East, a distance of 33.09 feet to a point for corner;

THENCE South 89°28'59" West, a distance of 1230.89 feet to a point for corner;

THENCE South 89°28'21" West, a distance of 577.17 feet to a point for corner;

THENCE North 0°10'48" West, a distance of 1043.00 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 18°41'20", a radius of 820.10 feet, a chord bearing and distance of North 8°17'17" East, 266.32 feet;

THENCE with said curve to the right, an arc distance of 267.50 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 15°28'07", a radius of 1090.03 feet, a chord bearing and distance of North 5°30'01" East, 293.39 feet;

THENCE with said curve to the left, an arc distance of 294.28 feet to a point for corner;

THENCE North 2°06'44" East, a distance of 867.17 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 10°24'10", a radius of 971.20 feet, a chord bearing and distance of North 7°44'28" East, 176.09 feet;

THENCE with said curve to the right, an arc distance of 176.33 feet to the **POINT OF BEGINNING** and containing 652.282 acres or 28,413,403 square feet of land. **Save and Except** the following described 5.315 acre tract of land and the 109.2127 acre tract of land.

SAVE & EXCEPT
5.315 ACRES

BEING a tract of land situated in the Samuel Queen Survey, Abstract Number 731 and the Charles P. Rice Survey, Abstract Number 771, City of Celina, Collin County, Texas and being a portion of that tract of land conveyed to The Parks at Wilson Creek, L.P., according to the document filed of record in Document Number 20130830001229380, Deed Record Collin County, Texas and being more particularly described as follows:

BEGINNING at a point for the northwest corner of this tract from which the northwest corner of said The Parks At Wilson Creek, L.P. tract recorded in Document Number 20130830001229380 (D.R.C.C.T.) same being the northwest corner of the above described 646.9668 acre tract bears North 01°12'23" West, 738.14 feet;

THENCE North 89°55'39" East, a distance of 160.38 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 77°25'26", a radius of 50.00 feet, a chord bearing and distance of South 47°59'28" East, 62.54 feet;

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THENCE with said curve to the left, an arc distance of 67.57 feet to a point for corner;

THENCE South 0°04'15" East, a distance of 135.09 feet to a point for corner;

THENCE North 89°55'39" East, a distance of 361.00 feet to a point for corner;

THENCE South 0°04'15" East, a distance of 42.74 feet to a point for corner;

THENCE South 55°09'24" West, a distance of 72.90 feet to a point for corner;

THENCE South 34°50'36" East, a distance of 132.42 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 36°29'48", a radius of 275.00 feet, a chord bearing and distance of South 29°17'39" West, 172.22 feet;

THENCE with said curve to the left, an arc distance of 175.17 feet to a point for corner;

THENCE South 11°02'45" West, a distance of 5.30 feet to a point for corner;

THENCE South 55°09'33" West, a distance of 21.54 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 11°24'44", a radius of 1050.00 feet, a chord bearing and distance of North 86°50'35" West, 208.79 feet;

THENCE with said curve to the left, an arc distance of 209.14 feet to a point for corner;

THENCE South 87°27'03" West, a distance of 145.99 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 7°37'09", a radius of 940.00 feet, a chord bearing and distance of South 84°29'46" West, 124.91 feet;

THENCE with said curve to the right, an arc distance of 125.00 feet to a point for corner;

THENCE North 40°47'05" West, a distance of 38.57 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 10°34'56", a radius of 1150.03 feet, a chord bearing and distance of North 3°10'19" East, 212.10 feet;

THENCE with said curve to the left, an arc distance of 212.40 feet to a point for corner;

THENCE North 2°06'44" East, a distance of 303.26 feet to the **POINT OF BEGINNING** and containing 5.315 acres or 231,521 square feet of land, more or less.

SAVE & EXCEPT
109.2127 acres from the following described 111.631 acres

BEING a tract of land situated in the Charles P. Rice Survey, Abstract Number 771, the J.B. Wilmeth Survey, Abstract Number 985, the J.B. Wilmeth Survey, Abstract Number 983 and the Levin Routh Survey, Abstract Number 779, City of Celina, Collin County, Texas and being a portion of that tract of land conveyed to The Parks At Wilson Creek, L.P., according to the document filed of record in Document Number 20130830001229380, Deed Records Collin County, Texas, said tract being more particularly described as follows:

BEGINNING at a point in the west line of said The Parks at Wilson Creek tract same being common with the east line of that tract of land described as Tract 4 conveyed to Bilinda Cox Matusex Special Trust, according to the document filed of record in Document No. 20120724000891520 (D.R.C.C.T.) for the southeast corner of this tract from which an iron pipe found in the north line of that tract of land conveyed to Collin County, according to the document filed of record in Document No. 20191003001242980 (D.R.C.C.T.) at the southeast corner of that tract of land conveyed to Collin County, according to the document filed of record in Document No. 20191118001467990 same being common with the southwest corner of that tract of land conveyed to Collin County, according to the document filed of record in Document No. 2019112700151754 (O.P.R.C.C.T.) bears South 0°24'10" East, 568.32 feet;

THENCE leaving said common line over and across the above-mentioned Parks at Wilson Creek tract the

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following sixteen (16) courses and distances:

South 89°35'50" West, a distance of 753.85 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the right having a central angle of 11°42'08", a radius of 278.29 feet, a chord bearing and distance of North 84°31'20" West, 56.74 feet;

With said curve to the right, an arc distance of 56.84 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 58°53'22" West, a distance of 14.93 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 71°45'57" West, a distance of 51.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 18°38'15", a radius of 224.50 feet, a chord bearing and distance of North 8°54'57" East, 72.70 feet;

With said curve to the left, an arc distance of 73.03 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°24'10" West, a distance of 61.05 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract

North 18°50'16" West, a distance of 15.81 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 89°35'50" West, a distance of 247.01 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 0°24'10" East, a distance of 115.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 6°10'42" East, a distance of 41.52 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 2°19'10" West, a distance of 124.12 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 87°30'12" West, a distance of 115.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 2°29'48" West, a distance of 120.81 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 88°08'58" West, a distance of 6.37 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 167°34'35", a radius of 50.00 feet, a chord bearing and distance of South 85°14'50" West, 99.41 feet;

With said curve to the left, an arc distance of 146.24 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 1°27'33" West, a distance of 89.92 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set in the north line the above-mentioned Collin County tract recorded in 20191118001467990 same being common with the south line of the above-mentioned Parks at Wilson Creek tract at the beginning of a non-tangent curve to the left having a central angle of 2°04'24", a radius of 14,835.50 feet, a chord bearing and distance of North 89°34'39" West, 536.79 feet;

THENCE with said common line the following three (3) courses and distances:

With said curve to the left, an arc distance of 536.82 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

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South 89°23'08" West, a distance of 495.31 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 19°55'22", a radius of 4,044.50 feet, a chord bearing and distance of South 79°25'28" West, 1,399.27 feet;

With said curve to the left, an arc distance of 1,406.35 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set in the south line of the above-mentioned Parks at Wilson Creek tract same being common with the north line of that tract of land conveyed to Belknap FP, LTD, according to the document filed of record in Document No. 98-0123880 (D.R.C.C.T.) for corner of this tract;

THENCE South 89°59'30" West, with said common line, a distance of 198.32 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

THENCE leaving said common line over and across the above-mentioned Parks at Wilson Creek tract the seventy-seven (77) courses and distances:

North 0°01'00" West, a distance of 74.15 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 19°17'00" East, a distance of 125.68 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°45'05" West, a distance of 15.70 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 25°47'06" East, a distance of 39.50 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the right having a central angle of 64°11'54", a radius of 175.00 feet, a chord bearing and distance of North 32°06'57" West, 185.99 feet;

With said curve to the right, an arc distance of 196.08 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°01'00" West, a distance of 13.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 33°42'08", a radius of 59.50 feet, a chord bearing and distance of North 16°52'04" West, 34.50 feet;

With said curve to the left, an arc distance of 35.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°01'00" West, a distance of 288.25 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 53°20'47", a radius of 59.50 feet, a chord bearing and distance of North 26°39'24" East, 53.42 feet;

With said curve to the left, an arc distance of 55.40 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°01'00" West, a distance of 230.50 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 44°59'00" East, a distance of 14.14 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°59'00" East, a distance of 151.89 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 21°27'23", a radius of 400.00 feet, a chord bearing and distance of North 79°15'18" East, 148.92 feet;

With said curve to the left, an arc distance of 149.79 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 69°24'36" East, a distance of 14.68 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

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South 26°37'56" East, a distance of 111.19 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the right having a central angle of 26°36'57", a radius of 224.00 feet, a chord bearing and distance of South 13°19'28" East, 103.12 feet;

With said curve to the right, an arc distance of 104.06 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 0°01'00" East, a distance of 63.29 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°59'00" East, a distance of 50.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 0°01'00" East, a distance of 9.50 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 45°01'00" East, a distance of 14.14 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°59'00" East, a distance of 10.36 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°01'00" West, a distance of 130.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°55'27" East, a distance of 59.77 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 79°19'17" East, a distance of 59.51 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 68°42'43" East, a distance of 48.61 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 84°25'55" East, a distance of 100.47 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 82°39'44" East, a distance of 50.41 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 88°52'15" East, a distance of 96.10 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 74°08'46" East, a distance of 58.97 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 71°47'29" East, a distance of 58.97 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 69°55'04" East, a distance of 135.86 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 73°42'14" East, a distance of 50.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 57°24'52" East, a distance of 27.52 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 60°41'20" East, a distance of 300.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 57°04'00" East, a distance of 195.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for

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corner of this tract;

North 51°36'59" East, a distance of 48.76 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 48°51'25" East, a distance of 380.81 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 6°50'27", a radius of 1,462.50 feet, a chord bearing and distance of North 44°57'48" West, 174.51 feet;

With said curve to the left, an arc distance of 174.62 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 48°23'02" West, a distance of 1,384.33 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the right having a central angle of 27°33'26", a radius of 1,039.82 feet, a chord bearing and distance of North 34°32'21" West, 495.31 feet;

With said curve to the right, an arc distance of 500.11 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 2°01'38", a radius of 684.50 feet, a chord bearing and distance of North 21°44'34" West, 24.22 feet;

With said curve to the left, an arc distance of 24.22 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; North 29°53'35" West, a distance of 17.98 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 11°20'04", a radius of 682.50 feet, a chord bearing and distance of North 29°55'17" West, 134.79 feet;

With said curve to the left, an arc distance of 135.01 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; North 35°35'18" West, a distance of 15.71 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 18°14'07", a radius of 22.50 feet, a chord bearing and distance of North 44°42'22" West, 7.13 feet;

With said curve to the left, an arc distance of 7.16 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; North 53°49'25" West, a distance of 33.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 20°54'23", a radius of 52.50 feet, a chord bearing and distance of North 64°16'37" West, 19.05 feet; With said curve to the left, an arc distance of 19.16 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; North 0°22'23" West, a distance of 112.15 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; North 73°37'28" East, a distance of 16.80 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; North 72°21'44" East, a distance of 41.26 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 33°14'54", a radius of 21.50 feet, a chord bearing and distance of North 55°44'15" East, 12.30 feet;

With said curve to the left, an arc distance of 12.48 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; North 39°06'48" East, a distance of 12.80 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 23°02'50", a radius of 51.50 feet, a chord bearing and distance of North 27°35'23" East, 20.58 feet;

With said curve to the left, an arc distance of 20.72 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; South 89°34'21" East, a distance of 105.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 5°42'23", a radius of 491.50 feet, a chord bearing and distance of South 17°51'23" East, 48.93 feet;

With said curve to the left, an arc distance of 48.95 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a compound curve to the left having a central angle of 33°22'24", a radius of 21.50 feet, a chord bearing and distance of South 37°23'47" East, 12.35 feet;

With said curve to the left, an arc distance of 12.52 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; South 56°46'24" East, a distance of 10.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 23°10'06", a radius of 51.50 feet, a chord bearing and distance of South 68°21'27" East, 20.68 feet;

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With said curve to the left, an arc distance of 20.82 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; South 5°37'50" East, a distance of 104.28 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 6°12'32", a radius of 411.50 feet, a chord bearing and distance of South 65°55'51" West, 44.57 feet;

With said curve to the left, an arc distance of 44.59 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a compound curve to the left having a central angle of 38°50'36", a radius of 21.50 feet, a chord bearing and distance of South 43°24'17" West, 14.30 feet;

With said curve to the left, an arc distance of 14.58 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; South 23°59'00" West, a distance of 7.88 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 44°18'41", a radius of 51.50 feet, a chord bearing and distance of South 1°49'39" West, 38.84 feet;

With said curve to the left, an arc distance of 39.83 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; South 20°19'41" East, a distance of 61.90 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; South 13°07'29" East, a distance of 24.96 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the right having a central angle of 3°33'57", a radius of 525.50 feet, a chord bearing and distance of South 17°16'25" East, 32.70 feet;

With said curve to the right, an arc distance of 32.71 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a reverse curve to the left having a central angle of 14°16'40", a radius of 494.50 feet, a chord bearing and distance of South 22°37'46" East, 122.91 feet;

With said curve to the left, an arc distance of 123.23 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a compound curve to the left having a central angle of 18°36'55", a radius of 962.50 feet, a chord bearing and distance of South 39°04'34" East, 311.34 feet;

With said curve to the left, an arc distance of 312.72 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner; South 48°23'02" East, a distance of 1383.70 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the right having a central angle of 17°54'58", a radius of 1,537.50 feet, a chord bearing and distance of South 39°25'33" East, 478.81 feet;

With said curve to the right, an arc distance of 480.77 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 59°31'36" East, a distance of 13.08 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 41°38'43" East, a distance of 736.15 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 53°37'24" East, a distance of 118.57 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 67°35'47" East, a distance of 50.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°35'50" East, a distance of 1,021.96 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 0°24'10" East, a distance of 26.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°35'50" East, a distance of 130.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set in the west line of the above-mentioned Parks at Wilson Creek tract being common with the east line of the above-mentioned Bilinda Cox tract for corner of this tract from which an iron rod found for the westerly line of said Parks at Wilson Creek tract being common with the northwest corner of said Bilinda Cox tract bears North 0°24'10” East, 1,203.03 feet;

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THENCE South 0°24'10" East, with said common line, a distance of 1,426.55 feet to the **POINT OF BEGINNING** and containing 111.631 acres or 4,862,646 square feet of land, more or less.

SAVE AND EXCEPT

2.419 ACRES

BEING a tract of land situated in the J.B. Wilmeth Survey, Abstract Number 983 and the Levin Routh Survey, Abstract Number 779, City of Celina, Collin County, Texas and being a portion of that tract of land conveyed to The Parks At Wilson Creek, L.P., according to the document filed of record in Document Number 20130830001229380, Deed Records Collin County, Texas (D.R.C.C.T.), said tract being more particularly described as follows:

BEGINNING at a point in the northwest intersection of Eden Way and Lakeside Drive for the southeast corner of this tract;
THENCE with said Lakeside Drive the following three (3) courses and distances:

South 53°49'57" West, a distance of 255.49 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 112°00'01", a radius of 175.00 feet, a chord bearing and distance of North 70°01'19" West, 290.16 feet;
With said curve to the right, an arc distance of 342.09 feet to a point for corner;
North 14°01'18" West, a distance of 28.28 feet to a point for corner;
THENCE North 60°41'20" East, leaving the above-mentioned Lakeside Drive, a distance of 474.31 feet to a point for corner;
THENCE South 29°18'40" East, a distance of 130.00 feet to a point for corner;
THENCE South 60°41'20" West, a distance of 46.16 feet to a point for corner;
THENCE South 29°18'40" East, a distance of 50.00 feet to a point for corner;
THENCE North 60°41'20" East, a distance of 5.08 feet to a point for corner;
THENCE South 75°11'23" East, a distance of 14.36 feet to a point for corner;
THENCE South 32°47'39" East, a distance of 15.60 feet to a point for corner;
THENCE South 9°39'22" West, a distance of 14.34 feet to the **POINT OF BEGINNING**

and containing 2.419 acres or 105,371 square feet of land, more or less.

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APPENDIX C-3
LEGAL DESCRIPTION - PHASE #1

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METES AND BOUNDS DESCRIPTION
The Parks at Wilson Creek - Phase 1
(approx. 109.2127 acres)

WHEREAS THE PARKS AT WILSON CREEK, L.P., is the owner of a tract of land situated in the Charles P. Rice Survey, Abstract Number 771, the J.B. Wilmeth Survey, Abstract Number 985, the J.B. Wilmeth Survey, Abstract Number 983 and the Levin Routh Survey, Abstract Number 779, City of Celina, Collin County, Texas and being a portion of that tract of land conveyed to The Parks At Wilson Creek, L.P., according to the document filed of record in Document Number 20130830001229380, Deed Records Collin County, Texas, said tract being more particularly described as follows:

BEGINNING at a point in the west line of said The Parks at Wilson Creek tract same being common with the east line of that tract of land described as Tract 4 conveyed to Bilinda Cox Matusex Special Trust, according to the document filed of record in Document No. 20120724000891520 (D.R.C.C.T.) for the southeast corner of this tract from which an iron pipe found in the north line of that tract of land conveyed to Collin County, according to the document filed of record in Document No. 20191003001242980 (D.R.C.C.T.) at the southeast corner of that tract of land conveyed to Collin County, according to the document filed of record in Document No. 20191118001467990 same being common with the southwest corner of that tract of land conveyed to Collin County, according to the document filed of record in Document No. 2019112700151754 (O.P.R.C.C.T.) bears South 0°24'10" East, 568.32 feet;

THENCE leaving said common line over and across the above-mentioned Parks at Wilson Creek tract the following sixteen (16) courses and distances:

South 89°35'50" West, a distance of 753.85 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the right having a central angle of 11°42'08", a radius of 278.29 feet, a chord bearing and distance of North 84°31'20" West, 56.74 feet;

With said curve to the right, an arc distance of 56.84 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 58°53'22" West, a distance of 14.93 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 71°45'57" West, a distance of 51.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 18°38'15", a radius of 224.50 feet, a chord bearing and distance of North 8°54'57" East, 72.70 feet;

With said curve to the left, an arc distance of 73.03 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°24'10" West, a distance of 61.05 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract

North 18°50'16" West, a distance of 15.81 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 89°35'50" West, a distance of 247.01 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 0°24'10" East, a distance of 115.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 6°10'42" East, a distance of 41.52 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

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South 2°19'10" West, a distance of 124.12 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 87°30'12" West, a distance of 115.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 2°29'48" West, a distance of 120.81 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 88°08'58" West, a distance of 6.37 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 167°34'35", a radius of 50.00 feet, a chord bearing and distance of South 85°14'50" West, 99.41 feet;

With said curve to the left, an arc distance of 146.24 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 1°27'33" West, a distance of 89.92 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set in the north line the above-mentioned Collin County tract recorded in 20191118001467990 same being common with the south line of the above-mentioned Parks at Wilson Creek tract at the beginning of a non-tangent curve to the left having a central angle of 2°04'24", a radius of 14,835.50 feet, a chord bearing and distance of North 89°34'39" West, 536.79 feet;

THENCE with said common line the following three (3) courses and distances:

With said curve to the left, an arc distance of 536.82 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 89°23'08" West, a distance of 495.31 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 19°55'22", a radius of 4,044.50 feet, a chord bearing and distance of South 79°25'28" West, 1,399.27 feet;

With said curve to the left, an arc distance of 1,406.35 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set in the south line of the above-mentioned Parks at Wilson Creek tract same being common with the north line of that tract of land conveyed to Belknap FP, LTD, according to the document filed of record in Document No. 98-0123880 (D.R.C.C.T.) for corner of this tract;

THENCE South 89°59'30" West, with said common line, a distance of 198.32 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

THENCE leaving said common line over and across the above-mentioned Parks at Wilson Creek tract the seventy-seven (77) courses and distances:

North 0°01'00" West, a distance of 74.15 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 19°17'00" East, a distance of 125.68 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°45'05" West, a distance of 15.70 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 25°47'06" East, a distance of 39.50 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the right having a central angle of 64°11'54", a radius of 175.00 feet, a chord bearing and distance of North 32°06'57" West, 185.99 feet;

With said curve to the right, an arc distance of 196.08 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

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North 0°01'00" West, a distance of 13.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 33°42'08", a radius of 59.50 feet, a chord bearing and distance of North 16°52'04" West, 34.50 feet;

With said curve to the left, an arc distance of 35.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°01'00" West, a distance of 288.25 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 53°20'47", a radius of 59.50 feet, a chord bearing and distance of North 26°39'24" East, 53.42 feet;

With said curve to the left, an arc distance of 55.40 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°01'00" West, a distance of 230.50 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 44°59'00" East, a distance of 14.14 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°59'00" East, a distance of 151.89 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 21°27'23", a radius of 400.00 feet, a chord bearing and distance of North 79°15'18" East, 148.92 feet;

With said curve to the left, an arc distance of 149.79 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 69°24'36" East, a distance of 14.68 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 26°37'56" East, a distance of 111.19 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the right having a central angle of 26°36'57", a radius of 224.00 feet, a chord bearing and distance of South 13°19'28" East, 103.12 feet;

With said curve to the right, an arc distance of 104.06 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 0°01'00" East, a distance of 63.29 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°59'00" East, a distance of 50.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 0°01'00" East, a distance of 9.50 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 45°01'00" East, a distance of 14.14 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°59'00" East, a distance of 10.36 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 0°01'00" West, a distance of 130.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°55'27" East, a distance of 59.77 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 79°19'17" East, a distance of 59.51 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 68°42'43" East, a distance of 48.61 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 84°25'55" East, a distance of 100.47 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 82°39'44" East, a distance of 50.41 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 88°52'15" East, a distance of 96.10 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 74°08'46" East, a distance of 58.97 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 71°47'29" East, a distance of 58.97 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 69°55'04" East, a distance of 135.86 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 73°42'14" East, a distance of 50.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 57°24'52" East, a distance of 27.52 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 60°41'20" East, a distance of 300.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 57°04'00" East, a distance of 195.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 51°36'59" East, a distance of 48.76 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 48°51'25" East, a distance of 380.81 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 6°50'27", a radius of 1,462.50 feet, a chord bearing and distance of North 44°57'48" West, 174.51 feet;

With said curve to the left, an arc distance of 174.62 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 48°23'02" West, a distance of 1,384.33 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the right having a central angle of 27°33'26", a radius of 1,039.82 feet, a chord bearing and distance of North 34°32'21" West, 495.31 feet;

With said curve to the right, an arc distance of 500.11 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 2°01'38", a radius of 684.50 feet, a chord bearing and distance of North 21°44'34" West, 24.22 feet;

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With said curve to the left, an arc distance of 24.22 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

North 29°53'35" West, a distance of 17.98 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 11°20'04", a radius of 682.50 feet, a chord bearing and distance of North 29°55'17" West, 134.79 feet;

With said curve to the left, an arc distance of 135.01 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

North 35°35'18" West, a distance of 15.71 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 18°14'07", a radius of 22.50 feet, a chord bearing and distance of North 44°42'22" West, 7.13 feet;

With said curve to the left, an arc distance of 7.16 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

North 53°49'25" West, a distance of 33.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 20°54'23", a radius of 52.50 feet, a chord bearing and distance of North 64°16'37" West, 19.05 feet;

With said curve to the left, an arc distance of 19.16 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

North 0°22'23" West, a distance of 112.15 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

North 73°37'28" East, a distance of 16.80 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

North 72°21'44" East, a distance of 41.26 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 33°14'54", a radius of 21.50 feet, a chord bearing and distance of North 55°44'15" East, 12.30 feet;

With said curve to the left, an arc distance of 12.48 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

North 39°06'48" East, a distance of 12.80 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 23°02'50", a radius of 51.50 feet, a chord bearing and distance of North 27°35'23" East, 20.58 feet;

With said curve to the left, an arc distance of 20.72 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

South 89°34'21" East, a distance of 105.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 5°42'23", a radius of 491.50 feet, a chord bearing and distance of South 17°51'23" East, 48.93 feet;

With said curve to the left, an arc distance of 48.95 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a compound curve to the left having a central angle of 33°22'24", a radius of 21.50 feet, a chord bearing and distance of South 37°23'47" East, 12.35 feet;

With said curve to the left, an arc distance of 12.52 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

South 56°46'24" East, a distance of 10.94 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 23°10'06", a radius of 51.50 feet, a chord

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bearing and distance of South 68°21'27" East, 20.68 feet;

With said curve to the left, an arc distance of 20.82 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

South 5°37'50" East, a distance of 104.28 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the left having a central angle of 6°12'32", a radius of 411.50 feet, a chord bearing and distance of South 65°55'51" West, 44.57 feet;

With said curve to the left, an arc distance of 44.59 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a compound curve to the left having a central angle of 38°50'36", a radius of 21.50 feet, a chord bearing and distance of South 43°24'17" West, 14.30 feet;

With said curve to the left, an arc distance of 14.58 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

South 23°59'00" West, a distance of 7.88 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the left having a central angle of 44°18'41", a radius of 51.50 feet, a chord bearing and distance of South 1°49'39" West, 38.84 feet;

With said curve to the left, an arc distance of 39.83 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

South 20°19'41" East, a distance of 61.90 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

South 13°07'29" East, a distance of 24.96 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a non-tangent curve to the right having a central angle of 3°33'57", a radius of 525.50 feet, a chord bearing and distance of South 17°16'25" East, 32.70 feet;

With said curve to the right, an arc distance of 32.71 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a reverse curve to the left having a central angle of 14°16'40", a radius of 494.50 feet, a chord bearing and distance of South 22°37'46" East, 122.91 feet;

With said curve to the left, an arc distance of 123.23 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a compound curve to the left having a central angle of 18°36'55", a radius of 962.50 feet, a chord bearing and distance of South 39°04'34" East, 311.34 feet;

With said curve to the left, an arc distance of 312.72 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner;

South 48°23'02" East, a distance of 1383.70 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the beginning of a tangent curve to the right having a central angle of 17°54'58", a radius of 1,537.50 feet, a chord bearing and distance of South 39°25'33" East, 478.81 feet;

With said curve to the right, an arc distance of 480.77 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 59°31'36" East, a distance of 13.08 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 41°38'43" East, a distance of 736.15 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 53°37'24" East, a distance of 118.57 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

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North 67°35'47" East, a distance of 50.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°35'50" East, a distance of 1,021.96 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

South 0°24'10" East, a distance of 26.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set for corner of this tract;

North 89°35'50" East, a distance of 130.00 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set in the west line of the above-mentioned Parks at Wilson Creek tract being common with the east line of the above-mentioned Bilinda Cox tract for corner of this tract from which an iron rod found for the westerly line of said Parks at Wilson Creek tract being common with the northwest corner of said Bilinda Cox tract bears North 0°24'10” East, 1,203.03 feet;

THENCE South 0°24'10" East, with said common line, a distance of 1,426.55 feet to the **POINT OF BEGINNING** and containing 111.6312 acres or 4,862,657 square feet of land, more or less.

SAVE AND EXCEPT
2.4185 ACRES

BEING a tract of land situated in the J.B. Wilmeth Survey, Abstract Number 983 and the Levin Routh Survey, Abstract Number 779, City of Celina, Collin County, Texas and being a portion of that tract of land conveyed to The Parks At Wilson Creek, L.P., according to the document filed of record in Document Number 20130830001229380, Deed Records Collin County, Texas (D.R.C.C.T.), said tract being more particularly described as follows:

BEGINNING at a point in the northeast intersection of Eden Way and Lakeside Drive for the southeast corner of this tract;

THENCE South 60°41'20" West, a distance of 526.16 feet to a point at the beginning of a tangent curve to the left having a central angle of 67°29'59", a radius of 50.00 feet, a chord bearing and distance of South 26°56'21" West, 55.56 feet;

THENCE with said Lakeside Drive the following three (3) courses and distances:

South 53°49'57" West, a distance of 255.49 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 112°00'01", a radius of 175.00 feet, a chord bearing and distance of North 70°01'19" West, 290.16 feet;

With said curve to the right, an arc distance of 342.09 feet to a point for corner;

North 14°01'18" West, a distance of 28.28 feet to a point for corner;

THENCE North 60°41'20" East, leaving the above-mentioned Lakeside Drive, a distance of 474.31 feet to a point for corner;

THENCE South 29°18'40" East, a distance of 130.00 feet to a point for corner;

THENCE South 60°41'20" West, a distance of 46.16 feet to a point for corner;

THENCE South 29°18'40" East, a distance of 50.00 feet to a point for corner;

THENCE North 60°41'20" East, a distance of 5.08 feet to a point for corner;

THENCE South 75°11'23" East, a distance of 14.36 feet to a point for corner;

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THENCE South 32°47'39" East, a distance of 15.60 feet to a point for corner;

THENCE South 9°39'22" West, a distance of 14.34 feet to the **POINT OF BEGINNING**
and containing 2.4185 acres or 105,349 square feet of land, more or less.

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APPENDIX D
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

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APPENDIX E
HOMEBUYER DISCLOSURE

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

AFTER RECORDING RETURN TO:

_____
_____
_____
_____
_____][1]

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF CELINA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: $_____

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Celina, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***The Parks at Wilson Creek Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

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[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

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[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF COLLIN §

The foregoing instrument was acknowledged before me by_____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF Collin §

The foregoing instrument was acknowledged before me by _____ and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX F
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE EQUIVALENTS

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix F

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of three Lot Types.

"Lot Type 1" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 74 feet, as provided by Zoning Ordinance.

"Lot Type 2" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 60 feet, as provided by Zoning Ordinance.

"Lot Type 3" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet, as provided by Zoning Ordinance.

"Lot Type 4" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 40 feet, as provided by Zoning Ordinance.

A) Proposed Development

The following table shows the proposed residential units to be developed within the PID.

Table F-1
Proposed Development within the PID

Description	Proposed Development	
74 Ft Lots	271	Units
60 Ft Lots	698	Units
50 Ft Lots	1,012	Units
40 Ft Lots	183	Units
Total	**2,164**	**Units**

Table F-2 below shows the proposed residential units within Phase #1.

Table F-2
Proposed Development - Phase #1

Description	Proposed Development	
74 Ft Lots	-	Units
60 Ft Lots	100	Units
50 Ft Lots	132	Units
40 Ft Lots	126	Units
Total	**358**	**Units**

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Table F-3 below shows the proposed residential Lot Types within The Major Improvement Area.

Table F-3
Proposed Development - Major Improvement Area

Description	Proposed Development	
74 Ft Lots	271	Units
60 Ft Lots	598	Units
50 Ft Lots	880	Units
40 Ft Lots	57	Units
Total	**1,806**	**Units**

B) Calculation of Equivalent Units

As explained under Section IV.D, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Major Improvement Area Projects to be financed with the Initial Major Improvement Area Bonds shall be allocated to the Major Improvement Area 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 Major Improvement Area 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 accomplished by creating classifications of benefited Parcels based on the "Lot Types" defined above. These classifications (from Lot Type 1 (74 Ft Lots) representing the highest value to Lot Type 4 (40 Ft Lot) representing the lowest value for residential lots are set forth in Table F-4 on the following page. 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 (74 Ft Lots) to 1.0.

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Table F-4
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor	
Lot Type 1 (74 Ft Lot)	$625,000	1.00	per dwelling unit
Lot Type 2 (60 Ft Lot)	$550,000	0.88	per dwelling unit
Lot Type 3 (50 Ft Lot)	$475,000	0.76	per dwelling unit
Lot Type 4 (40 Ft Lot)	$425,000	0.68	per dwelling unit

The total estimated Equivalent Units for Phase #1 are shown in Table F-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 #1.

Table F-5
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (74 Ft Lot)	-	1.00	-
Lot Type 2 (60 Ft Lot)	100	0.88	88.00
Lot Type 3 (50 Ft Lot)	132	0.76	100.32
Lot Type 4 (40 Ft Lot)	126	0.68	85.68
Total Equivalent Units	**358**		**274.00**

The total estimated Equivalent Units for The Major Improvement Area is shown in Table F-6 below as calculated based on the Equivalent Unit factors shown in Table F-4, estimated Lot Types and number of units estimated to be built within The Major Improvement Area.

Table F-6
Estimated Equivalent Units -Major Improvement Area

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (74 Ft Lot)	271	1.00	271.00
Lot Type 2 (60 Ft Lot)	598	0.88	526.24
Lot Type 3 (50 Ft Lot)	880	0.76	668.80
Lot Type 4 (40 Ft Lot)	57	0.68	38.76
Total Equivalent Units	**1,806**		**1,504.80**

C) Allocation of Assessments to Lots within Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #1 Bonds and obligation related to Phase #1's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement, which represents the total Assessment to

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be allocated on all Parcels within Phase #1, is $16,452,050. As shown in Table F-5, there are a total of 274.00 estimated Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of $60,043.98.

The Assessment per dwelling unit or acre is calculated as the product of (i) $60,043.98 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is $52,838.70 (i.e. $60,043.98 × 0.88). The Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is $45,633.42 (i.e. $60,043.98× 0.76).The Assessment for a Lot Type 4 (40 Ft Lot) dwelling unit is $40,829.91 (i.e. $60,043.98 × 0.68). Table F-7 below sets forth the Assessment per dwelling unit for each Lot Type in Phase #1.

Table F-7
Assessment Per Unit - Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (74 Ft Lot)	-	$60,043.98	1.00	$60,043.98	per dwelling unit	-
Lot Type 2 (60 Ft Lot)	100	$60,043.98	0.88	$52,838.70	per dwelling unit	$5,283,870
Lot Type 3 (50 Ft Lot)	132	$60,043.98	0.76	$45,633.42	per dwelling unit	$6,023,612
Lot Type 4 (40 Ft Lot)	126	$60,043.98	0.68	$40,829.91	per dwelling unit	$5,144,568
Total	**358**					**$16,452,050**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table F-8 below.

Table F-8
Projected Leverage - Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit[1]	Leverage (Lot Value)	Leverage (Home Value)
74 Ft Lots	-	-	-	-	-	-
60 Ft Lots	100	$110,000	$550,000	$52,838.70	2.08	10.41
50 Ft Lots	132	$95,000	$475,000	$45,633.42	2.08	10.41
40 Ft Lots	126	$85,000	$425,000	$40,829.91	2.08	10.41

1 - Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table F-9 below.

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Table F-9
Estimated Tax Rate Equivalent per unit - Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
74 Ft Lots	-	-	-	-	-	-
60 Ft Lots	100	$110,000	$550,000	$3,783	$3.44	$0.69
50 Ft Lots	132	$95,000	$475,000	$3,267	$3.44	$0.69
40 Ft Lots	126	$85,000	$425,000	$2,923	$3.44	$0.69

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements, attached as Appendix I and the Phase #1 Assessment Roll - Additional Major Improvements, attached as Appendix J, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

D) Allocation of Major Improvement Area Assessments to Lot Types in the Major Improvement Area

As shown in Section IV of this Service and Assessment Plan, the total amount of the Initial Major Improvement Area Bonds and obligation related to the Major Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement, which represents the total Assessment to be allocated on all Parcels within the Major Improvement Area is $26,030,092. As shown in Table F-6, there are a total of 1,504.80 estimated Equivalent Units in the Major Improvement Area, resulting in an Assessment per Equivalent Unit of $17,298.04.

The Assessment per dwelling unit or acre is calculated as the product of (i) $17,298.04multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (74 Ft Lot) dwelling unit is $17,298.04 (i.e. $17,298.04 × 1.00). The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is $15,222.28 (i.e. $17,298.04× 0.88). The Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is $13,146.51 (i.e. $17,298.04× 0.76).The Assessment for a Lot Type 4 (40 Ft Lot) dwelling unit is $11,762.67 (i.e. $17,298.04× 0.68). Table F-10 below sets forth the Assessment per dwelling unit for each Lot Type in the Major Improvement Area.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Table F-10
Assessment Per Unit –Major Improvement Area

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (74 Ft Lot)	271	$17,298.04	1.00	$17,298.04	per dwelling unit	$4,687,769
Lot Type 2 (60 Ft Lot)	598	$17,298.04	0.88	$15,222.28	per dwelling unit	$9,102,921
Lot Type 3 (50 Ft Lot)	880	$17,298.04	0.76	$13,146.51	per dwelling unit	$11,568,930
Lot Type 4 (40 Ft Lot)	57	$17,298.04	0.68	$11,762.67	per dwelling unit	$670,472
Total	**1,806**					**$26,030,092**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within the Major Improvement Area is shown in Table F-11 on the following page.

Table F-11
Projected Leverage - Major Improvement Area

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit[1]	Leverage (Lot Value)	Leverage (Home Value)
74 Ft Lots	271	$125,000	$625,000	$17,298.04	7.23	36.13
60 Ft Lots	598	$110,000	$550,000	$15,222.28	7.23	36.13
50 Ft Lots	880	$95,000	$475,000	$13,146.51	7.23	36.13
40 Ft Lots	57	$85,000	$425,000	$11,762.67	7.23	36.13

1 - Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit within the Major Improvement Area is shown in Table F-12 on the below.

Table F-12
Estimated Tax Rate Equivalent per unit - Major Improvement Area

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
74 Ft Lots	271	$125,000	$625,000	$1,168	$0.93	$0.19
60 Ft Lots	598	$110,000	$550,000	$1,028	$0.93	$0.19
50 Ft Lots	880	$95,000	$475,000	$887	$0.93	$0.19
40 Ft Lots	57	$85,000	$425,000	$794	$0.93	$0.19

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area is shown on the Major Improvement Area Assessment Roll - Initial Major Improvements, attached as Appendix G, and the Major Improvement Area Assessment Roll - Additional Major Improvements, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX G
PROPOSED MAJOR IMPROVEMENT AREA ASSESSMENT ROLL - INITIAL MAJOR IMPROVEMENTS

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix G-1
Proposed Major Improvement Area Assessment Roll - Initial Major Improvements

Parcel	
Assessment	**All Parcels**
Equivalent Units	**$13,250,000**
	1,504.80

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$629,375	$0	$0	($629,375)	$0
9/30/2023	$0	$629,375	$30,600	$66,250	($629,375)	$96,850
9/30/2024	$235,000	$629,375	$31,212	$66,250	$0	$961,837
9/30/2025	$250,000	$618,213	$31,836	$65,075	$0	$965,124
9/30/2026	$260,000	$606,338	$32,473	$63,825	$0	$962,635
9/30/2027	$270,000	$593,988	$33,122	$62,525	$0	$959,635
9/30/2028	$285,000	$581,163	$33,785	$61,175	$0	$961,122
9/30/2029	$300,000	$567,625	$34,461	$59,750	$0	$961,836
9/30/2030	$310,000	$553,375	$35,150	$58,250	$0	$956,775
9/30/2031	$325,000	$538,650	$35,853	$56,700	$0	$956,203
9/30/2032	$345,000	$523,213	$36,570	$55,075	$0	$959,857
9/30/2033	$360,000	$506,825	$37,301	$53,350	$0	$957,476
9/30/2034	$375,000	$489,725	$38,047	$51,550	$0	$954,322
9/30/2035	$395,000	$471,913	$38,808	$49,675	$0	$955,396
9/30/2036	$410,000	$453,150	$39,584	$47,700	$0	$950,434
9/30/2037	$430,000	$433,675	$40,376	$45,650	$0	$949,701
9/30/2038	$450,000	$413,250	$41,184	$43,500	$0	$947,934
9/30/2039	$475,000	$391,875	$42,007	$41,250	$0	$950,132
9/30/2040	$495,000	$369,313	$42,847	$38,875	$0	$946,035
9/30/2041	$520,000	$345,800	$43,704	$36,400	$0	$945,904
9/30/2042	$545,000	$321,100	$44,578	$33,800	$0	$944,478
9/30/2043	$570,000	$295,213	$45,470	$31,075	$0	$941,757
9/30/2044	$595,000	$268,138	$46,379	$28,225	$0	$937,742
9/30/2045	$625,000	$239,875	$47,307	$25,250	$0	$937,432
9/30/2046	$655,000	$210,188	$48,253	$22,125	$0	$935,566
9/30/2047	$685,000	$179,075	$49,218	$18,850	$0	$932,143
9/30/2048	$720,000	$146,538	$50,203	$15,425	$0	$932,165
9/30/2049	$750,000	$112,338	$51,207	$11,825	$0	$925,369
9/30/2050	$785,000	$76,713	$52,231	$8,075	$0	$922,018
9/30/2051	$830,000	$39,425	$53,275	$4,150	$0	$926,850
Total	**$13,250,000**	**$12,234,813**	**$1,187,042**	**$1,221,625**	**($1,258,750)**	**$26,634,730**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.

2 - The interest is calculated assuming an estimated 4.75% interest rate on the Initial Major Improvement Area Bonds and will be updated at the time of Bond issuance.

3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix G-2
Proposed Major Improvement Area - Initial Major Improvements Assessment Roll by Lot Type

Lot Type	**Lot Type 1 (74 Ft)**
Assessment	**$8,805**
Equivalent Unit	**1.00**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$418	$0	$0	($418)	$0
9/30/2023	$0	$418	$20	$44	($418)	$64
9/30/2024	$156	$418	$21	$44	$0	$639
9/30/2025	$166	$411	$21	$43	$0	$641
9/30/2026	$173	$403	$22	$42	$0	$640
9/30/2027	$179	$395	$22	$42	$0	$638
9/30/2028	$189	$386	$22	$41	$0	$639
9/30/2029	$199	$377	$23	$40	$0	$639
9/30/2030	$206	$368	$23	$39	$0	$636
9/30/2031	$216	$358	$24	$38	$0	$635
9/30/2032	$229	$348	$24	$37	$0	$638
9/30/2033	$239	$337	$25	$35	$0	$636
9/30/2034	$249	$325	$25	$34	$0	$634
9/30/2035	$262	$314	$26	$33	$0	$635
9/30/2036	$272	$301	$26	$32	$0	$632
9/30/2037	$286	$288	$27	$30	$0	$631
9/30/2038	$299	$275	$27	$29	$0	$630
9/30/2039	$316	$260	$28	$27	$0	$631
9/30/2040	$329	$245	$28	$26	$0	$629
9/30/2041	$346	$230	$29	$24	$0	$629
9/30/2042	$362	$213	$30	$22	$0	$628
9/30/2043	$379	$196	$30	$21	$0	$626
9/30/2044	$395	$178	$31	$19	$0	$623
9/30/2045	$415	$159	$31	$17	$0	$623
9/30/2046	$435	$140	$32	$15	$0	$622
9/30/2047	$455	$119	$33	$13	$0	$619
9/30/2048	$478	$97	$33	$10	$0	$619
9/30/2049	$498	$75	$34	$8	$0	$615
9/30/2050	$522	$51	$35	$5	$0	$613
9/30/2051	$552	$26	$35	$3	$0	$616
Total	**$8,805**	**$8,131**	**$789**	**$812**	**($836)**	**$17,700**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an estimated 4.75% interest rate on the Initial Major Improvement Area Bonds and will be updated at the time of Bond issuance.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix G-3
Proposed Major Improvement Area - Initial Major Improvements Assessment Roll by Lot Type

Lot Type	**Lot Type 2 (60 Ft)**
Assessment	**$7,749**
Equivalent Unit	**0.88**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$368	$0	$0	($368)	$0
9/30/2023	$0	$368	$18	$39	($368)	$57
9/30/2024	$137	$368	$18	$39	$0	$562
9/30/2025	$146	$362	$19	$38	$0	$564
9/30/2026	$152	$355	$19	$37	$0	$563
9/30/2027	$158	$347	$19	$37	$0	$561
9/30/2028	$167	$340	$20	$36	$0	$562
9/30/2029	$175	$332	$20	$35	$0	$562
9/30/2030	$181	$324	$21	$34	$0	$560
9/30/2031	$190	$315	$21	$33	$0	$559
9/30/2032	$202	$306	$21	$32	$0	$561
9/30/2033	$211	$296	$22	$31	$0	$560
9/30/2034	$219	$286	$22	$30	$0	$558
9/30/2035	$231	$276	$23	$29	$0	$559
9/30/2036	$240	$265	$23	$28	$0	$556
9/30/2037	$251	$254	$24	$27	$0	$555
9/30/2038	$263	$242	$24	$25	$0	$554
9/30/2039	$278	$229	$25	$24	$0	$556
9/30/2040	$289	$216	$25	$23	$0	$553
9/30/2041	$304	$202	$26	$21	$0	$553
9/30/2042	$319	$188	$26	$20	$0	$552
9/30/2043	$333	$173	$27	$18	$0	$551
9/30/2044	$348	$157	$27	$17	$0	$548
9/30/2045	$365	$140	$28	$15	$0	$548
9/30/2046	$383	$123	$28	$13	$0	$547
9/30/2047	$401	$105	$29	$11	$0	$545
9/30/2048	$421	$86	$29	$9	$0	$545
9/30/2049	$439	$66	$30	$7	$0	$541
9/30/2050	$459	$45	$31	$5	$0	$539
9/30/2051	$485	$23	$31	$2	$0	$542
Total	**$7,749**	**$7,155**	**$694**	**$714**	**($736)**	**$15,576**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an estimated 4.75% interest rate on the Initial Major Improvement Area Bonds and will be updated at the time of Bond issuance.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix G-4
Proposed Major Improvement Area - Initial Major Improvements Assessment Roll by Lot Type

Lot Type	**Lot Type 3 (50 Ft)**
Assessment	**$6,692**
Equivalent Unit	**0.76**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$318	$0	$0	($318)	$0
9/30/2023	$0	$318	$15	$33	($318)	$49
9/30/2024	$119	$318	$16	$33	$0	$486
9/30/2025	$126	$312	$16	$33	$0	$487
9/30/2026	$131	$306	$16	$32	$0	$486
9/30/2027	$136	$300	$17	$32	$0	$485
9/30/2028	$144	$294	$17	$31	$0	$485
9/30/2029	$152	$287	$17	$30	$0	$486
9/30/2030	$157	$279	$18	$29	$0	$483
9/30/2031	$164	$272	$18	$29	$0	$483
9/30/2032	$174	$264	$18	$28	$0	$485
9/30/2033	$182	$256	$19	$27	$0	$484
9/30/2034	$189	$247	$19	$26	$0	$482
9/30/2035	$199	$238	$20	$25	$0	$483
9/30/2036	$207	$229	$20	$24	$0	$480
9/30/2037	$217	$219	$20	$23	$0	$480
9/30/2038	$227	$209	$21	$22	$0	$479
9/30/2039	$240	$198	$21	$21	$0	$480
9/30/2040	$250	$187	$22	$20	$0	$478
9/30/2041	$263	$175	$22	$18	$0	$478
9/30/2042	$275	$162	$23	$17	$0	$477
9/30/2043	$288	$149	$23	$16	$0	$476
9/30/2044	$301	$135	$23	$14	$0	$474
9/30/2045	$316	$121	$24	$13	$0	$473
9/30/2046	$331	$106	$24	$11	$0	$473
9/30/2047	$346	$90	$25	$10	$0	$471
9/30/2048	$364	$74	$25	$8	$0	$471
9/30/2049	$379	$57	$26	$6	$0	$467
9/30/2050	$396	$39	$26	$4	$0	$466
9/30/2051	$419	$20	$27	$2	$0	$468
Total	**$6,692**	**$6,179**	**$600**	**$617**	**($636)**	**$13,452**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an estimated 4.75% interest rate on the Initial Major Improvement Area Bonds and will be updated at the time of Bond issuance.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix G-5
Proposed Major Improvement Area - Initial Major Improvements Assessment Roll by Lot Type

Lot Type	**Lot Type 4 (40 Ft)**
Assessment	**$5,988**
Equivalent Unit	**0.68**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$284	$0	$0	($284)	$0
9/30/2023	$0	$284	$14	$30	($284)	$44
9/30/2024	$106	$284	$14	$30	$0	$435
9/30/2025	$113	$279	$14	$29	$0	$436
9/30/2026	$117	$274	$15	$29	$0	$435
9/30/2027	$122	$268	$15	$28	$0	$434
9/30/2028	$129	$263	$15	$28	$0	$434
9/30/2029	$136	$257	$16	$27	$0	$435
9/30/2030	$140	$250	$16	$26	$0	$432
9/30/2031	$147	$243	$16	$26	$0	$432
9/30/2032	$156	$236	$17	$25	$0	$434
9/30/2033	$163	$229	$17	$24	$0	$433
9/30/2034	$169	$221	$17	$23	$0	$431
9/30/2035	$178	$213	$18	$22	$0	$432
9/30/2036	$185	$205	$18	$22	$0	$429
9/30/2037	$194	$196	$18	$21	$0	$429
9/30/2038	$203	$187	$19	$20	$0	$428
9/30/2039	$215	$177	$19	$19	$0	$429
9/30/2040	$224	$167	$19	$18	$0	$428
9/30/2041	$235	$156	$20	$16	$0	$427
9/30/2042	$246	$145	$20	$15	$0	$427
9/30/2043	$258	$133	$21	$14	$0	$426
9/30/2044	$269	$121	$21	$13	$0	$424
9/30/2045	$282	$108	$21	$11	$0	$424
9/30/2046	$296	$95	$22	$10	$0	$423
9/30/2047	$310	$81	$22	$9	$0	$421
9/30/2048	$325	$66	$23	$7	$0	$421
9/30/2049	$339	$51	$23	$5	$0	$418
9/30/2050	$355	$35	$24	$4	$0	$417
9/30/2051	$375	$18	$24	$2	$0	$419
Total	**$5,988**	**$5,529**	**$536**	**$552**	**($569)**	**$12,036**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an estimated 4.75% interest rate on the Initial Major Improvement Area Bonds and will be updated at the time of Bond issuance.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX H
PROPOSED MAJOR IMPROVEMENT AREA ASSESSMENT ROLL - ADDITIONAL MAJOR IMPROVEMENTS

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix H-1
Proposed Major Improvement Area Assessment Roll - Additional Major Improvements

Parcel	**All Parcels**
Assessment	**$12,780,092**
Equivalent Units	**1,504.80**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$226,000	$562,324	$15,000	$803,324
9/30/2024	$236,000	$552,380	$15,300	$803,680
9/30/2025	$247,000	$541,996	$15,606	$804,602
9/30/2026	$257,000	$531,128	$15,918	$804,046
9/30/2027	$269,000	$519,820	$16,236	$805,057
9/30/2028	$281,000	$507,984	$16,561	$805,545
9/30/2029	$293,000	$495,620	$16,892	$805,512
9/30/2030	$306,000	$482,728	$17,230	$805,958
9/30/2031	$319,000	$469,264	$17,575	$805,839
9/30/2032	$333,000	$455,228	$17,926	$806,154
9/30/2033	$348,000	$440,576	$18,285	$806,861
9/30/2034	$363,000	$425,264	$18,651	$806,915
9/30/2035	$379,000	$409,292	$19,024	$807,316
9/30/2036	$396,000	$392,616	$19,404	$808,020
9/30/2037	$413,000	$375,192	$19,792	$807,984
9/30/2038	$432,000	$357,020	$20,188	$809,208
9/30/2039	$451,000	$338,012	$20,592	$809,604
9/30/2040	$470,000	$318,168	$21,004	$809,172
9/30/2041	$491,000	$297,488	$21,424	$809,912
9/30/2042	$513,000	$275,884	$21,852	$810,736
9/30/2043	$535,000	$253,312	$22,289	$810,601
9/30/2044	$559,000	$229,772	$22,735	$811,507
9/30/2045	$583,000	$205,176	$23,190	$811,366
9/30/2046	$609,000	$179,524	$23,653	$812,178
9/30/2047	$636,000	$152,728	$24,127	$812,855
9/30/2048	$664,000	$124,744	$24,609	$813,353
9/30/2049	$693,000	$95,528	$25,101	$813,629
9/30/2050	$723,000	$65,036	$25,603	$813,639
9/30/2051	$755,092	$33,224	$26,115	$814,431
Total	**$12,780,092**	**$10,087,029**	**$581,884**	**$23,449,004**

1 - The 9/30/XX dates represent the fiscal year end.

2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to the Major Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.

3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix H-2
Major Improvement Area - Additional Major Improvements Assessment Roll by Lot Type

Lot Type	**Lot Type 1 (74 Ft)**
Assessment	**$8,493**
Equivalent Unit	**1.00**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$150	$374	$10	$534
9/30/2024	$157	$367	$10	$534
9/30/2025	$164	$360	$10	$535
9/30/2026	$171	$353	$11	$534
9/30/2027	$179	$345	$11	$535
9/30/2028	$187	$338	$11	$535
9/30/2029	$195	$329	$11	$535
9/30/2030	$203	$321	$11	$536
9/30/2031	$212	$312	$12	$536
9/30/2032	$221	$303	$12	$536
9/30/2033	$231	$293	$12	$536
9/30/2034	$241	$283	$12	$536
9/30/2035	$252	$272	$13	$536
9/30/2036	$263	$261	$13	$537
9/30/2037	$274	$249	$13	$537
9/30/2038	$287	$237	$13	$538
9/30/2039	$300	$225	$14	$538
9/30/2040	$312	$211	$14	$538
9/30/2041	$326	$198	$14	$538
9/30/2042	$341	$183	$15	$539
9/30/2043	$356	$168	$15	$539
9/30/2044	$371	$153	$15	$539
9/30/2045	$387	$136	$15	$539
9/30/2046	$405	$119	$16	$540
9/30/2047	$423	$101	$16	$540
9/30/2048	$441	$83	$16	$541
9/30/2049	$461	$63	$17	$541
9/30/2050	$480	$43	$17	$541
9/30/2051	$502	$22	$17	$541
Total	**$8,493**	**$6,703**	**$387**	**$15,583**

1 - The 9/30/XX dates represent the fiscal year end.
2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to the Major Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix H-3
Major Improvement Area - Additional Major Improvements Assessment Roll by Lot Type

Lot Type	**Lot Type 2 (60 Ft)**
Assessment	**$7,474**
Equivalent Unit	**0.88**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$132	$329	$9	$470
9/30/2024	$138	$323	$9	$470
9/30/2025	$144	$317	$9	$471
9/30/2026	$150	$311	$9	$470
9/30/2027	$157	$304	$9	$471
9/30/2028	$164	$297	$10	$471
9/30/2029	$171	$290	$10	$471
9/30/2030	$179	$282	$10	$471
9/30/2031	$187	$274	$10	$471
9/30/2032	$195	$266	$10	$471
9/30/2033	$204	$258	$11	$472
9/30/2034	$212	$249	$11	$472
9/30/2035	$222	$239	$11	$472
9/30/2036	$232	$230	$11	$473
9/30/2037	$242	$219	$12	$473
9/30/2038	$253	$209	$12	$473
9/30/2039	$264	$198	$12	$473
9/30/2040	$275	$186	$12	$473
9/30/2041	$287	$174	$13	$474
9/30/2042	$300	$161	$13	$474
9/30/2043	$313	$148	$13	$474
9/30/2044	$327	$134	$13	$475
9/30/2045	$341	$120	$14	$474
9/30/2046	$356	$105	$14	$475
9/30/2047	$372	$89	$14	$475
9/30/2048	$388	$73	$14	$476
9/30/2049	$405	$56	$15	$476
9/30/2050	$423	$38	$15	$476
9/30/2051	$442	$19	$15	$476
Total	**$7,474**	**$5,899**	**$340**	**$13,713**

1 - The 9/30/XX dates represent the fiscal year end.
2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to the Major Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix H-4
Major Improvement Area - Additional Major Improvements Assessment Roll by Lot Type

Lot Type	**Lot Type 3 (50 Ft)**
Assessment	**$6,455**
Equivalent Unit	**0.76**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$114	$284	$8	$406
9/30/2024	$119	$279	$8	$406
9/30/2025	$125	$274	$8	$406
9/30/2026	$130	$268	$8	$406
9/30/2027	$136	$263	$8	$407
9/30/2028	$142	$257	$8	$407
9/30/2029	$148	$250	$9	$407
9/30/2030	$155	$244	$9	$407
9/30/2031	$161	$237	$9	$407
9/30/2032	$168	$230	$9	$407
9/30/2033	$176	$223	$9	$408
9/30/2034	$183	$215	$9	$408
9/30/2035	$191	$207	$10	$408
9/30/2036	$200	$198	$10	$408
9/30/2037	$209	$189	$10	$408
9/30/2038	$218	$180	$10	$409
9/30/2039	$228	$171	$10	$409
9/30/2040	$237	$161	$11	$409
9/30/2041	$248	$150	$11	$409
9/30/2042	$259	$139	$11	$409
9/30/2043	$270	$128	$11	$409
9/30/2044	$282	$116	$11	$410
9/30/2045	$294	$104	$12	$410
9/30/2046	$308	$91	$12	$410
9/30/2047	$321	$77	$12	$411
9/30/2048	$335	$63	$12	$411
9/30/2049	$350	$48	$13	$411
9/30/2050	$365	$33	$13	$411
9/30/2051	$381	$17	$13	$411
Total	**$6,455**	**$5,094**	**$294**	**$11,843**

1 - The 9/30/XX dates represent the fiscal year end.
2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to the Major Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix H-5
Major Improvement Area - Additional Major Improvements Assessment Roll by Lot Type

Lot Type	**Lot Type 4 (40 Ft)**
Assessment	**$5,775**
Equivalent Unit	**0.68**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$102	$254	$7	$363
9/30/2024	$107	$250	$7	$363
9/30/2025	$112	$245	$7	$364
9/30/2026	$116	$240	$7	$363
9/30/2027	$122	$235	$7	$364
9/30/2028	$127	$230	$7	$364
9/30/2029	$132	$224	$8	$364
9/30/2030	$138	$218	$8	$364
9/30/2031	$144	$212	$8	$364
9/30/2032	$150	$206	$8	$364
9/30/2033	$157	$199	$8	$365
9/30/2034	$164	$192	$8	$365
9/30/2035	$171	$185	$9	$365
9/30/2036	$179	$177	$9	$365
9/30/2037	$187	$170	$9	$365
9/30/2038	$195	$161	$9	$366
9/30/2039	$204	$153	$9	$366
9/30/2040	$212	$144	$9	$366
9/30/2041	$222	$134	$10	$366
9/30/2042	$232	$125	$10	$366
9/30/2043	$242	$114	$10	$366
9/30/2044	$253	$104	$10	$367
9/30/2045	$263	$93	$10	$367
9/30/2046	$275	$81	$11	$367
9/30/2047	$287	$69	$11	$367
9/30/2048	$300	$56	$11	$368
9/30/2049	$313	$43	$11	$368
9/30/2050	$327	$29	$12	$368
9/30/2051	$341	$15	$12	$368
Total	**$5,775**	**$4,558**	**$263**	**$10,596**

1 - The 9/30/XX dates represent the fiscal year end.
2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to the Major Improvement Area's pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX I
PROPOSED PHASE #1 ASSESSMENT ROLL - PHASE #1 IMPROVEMENTS AND INITIAL MAJOR IMPROVEMENTS

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix I-1

Proposed Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements

Parcel	**All Parcels**
Equivalent Units	**$14,125,000**
Assessment	**274.00**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$670,938	$0	$0	($670,938)	$0
9/30/2023	$0	$670,938	$30,600	$70,625	($670,938)	$101,225
9/30/2024	$230,000	$670,938	$31,212	$70,625	$0	$1,002,775
9/30/2025	$245,000	$660,013	$31,836	$69,475	$0	$1,006,324
9/30/2026	$260,000	$648,375	$32,473	$68,250	$0	$1,009,098
9/30/2027	$275,000	$636,025	$33,122	$66,950	$0	$1,011,097
9/30/2028	$285,000	$622,963	$33,785	$65,575	$0	$1,007,322
9/30/2029	$305,000	$609,425	$34,461	$64,150	$0	$1,013,036
9/30/2030	$320,000	$594,938	$35,150	$62,625	$0	$1,012,712
9/30/2031	$335,000	$579,738	$35,853	$61,025	$0	$1,011,615
9/30/2032	$355,000	$563,825	$36,570	$59,350	$0	$1,014,745
9/30/2033	$370,000	$546,963	$37,301	$57,575	$0	$1,011,839
9/30/2034	$390,000	$529,388	$38,047	$55,725	$0	$1,013,160
9/30/2035	$410,000	$510,863	$38,808	$53,775	$0	$1,013,446
9/30/2036	$435,000	$491,388	$39,584	$51,725	$0	$1,017,697
9/30/2037	$455,000	$470,725	$40,376	$49,550	$0	$1,015,651
9/30/2038	$480,000	$449,113	$41,184	$47,275	$0	$1,017,571
9/30/2039	$505,000	$426,313	$42,007	$44,875	$0	$1,018,195
9/30/2040	$530,000	$402,325	$42,847	$42,350	$0	$1,017,522
9/30/2041	$555,000	$377,150	$43,704	$39,700	$0	$1,015,554
9/30/2042	$585,000	$350,788	$44,578	$36,925	$0	$1,017,291
9/30/2043	$615,000	$323,000	$45,470	$34,000	$0	$1,017,470
9/30/2044	$645,000	$293,788	$46,379	$30,925	$0	$1,016,092
9/30/2045	$680,000	$263,150	$47,307	$27,700	$0	$1,018,157
9/30/2046	$715,000	$230,850	$48,253	$24,300	$0	$1,018,403
9/30/2047	$750,000	$196,888	$49,218	$20,725	$0	$1,016,831
9/30/2048	$785,000	$161,263	$50,203	$16,975	$0	$1,013,440
9/30/2049	$825,000	$123,975	$51,207	$13,050	$0	$1,013,232
9/30/2050	$865,000	$84,788	$52,231	$8,925	$0	$1,010,943
9/30/2051	$920,000	$43,700	$53,275	$4,600	$0	$1,021,575
Total	**$14,125,000**	**$13,204,525**	**$1,187,042**	**$1,319,325**	**($1,341,875)**	**$28,494,017**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.

2 - The interest is calculated assuming an estimated 4.75% interest rate on the Phase #1 Bonds and will be updated at the time of Bond issuance.

3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix I-2
Proposed Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements by Lot Type

Lot Type	**Lot Type 2 (60 Ft)**
Assessment	**$45,365**
Equivalent Unit	**0.88**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$2,155	$0	$0	($2,155)	$0
9/30/2023	$0	$2,155	$98	$227	($2,155)	$325
9/30/2024	$739	$2,155	$100	$227	$0	$3,221
9/30/2025	$787	$2,120	$102	$223	$0	$3,232
9/30/2026	$835	$2,082	$104	$219	$0	$3,241
9/30/2027	$883	$2,043	$106	$215	$0	$3,247
9/30/2028	$915	$2,001	$109	$211	$0	$3,235
9/30/2029	$980	$1,957	$111	$206	$0	$3,254
9/30/2030	$1,028	$1,911	$113	$201	$0	$3,253
9/30/2031	$1,076	$1,862	$115	$196	$0	$3,249
9/30/2032	$1,140	$1,811	$117	$191	$0	$3,259
9/30/2033	$1,188	$1,757	$120	$185	$0	$3,250
9/30/2034	$1,253	$1,700	$122	$179	$0	$3,254
9/30/2035	$1,317	$1,641	$125	$173	$0	$3,255
9/30/2036	$1,397	$1,578	$127	$166	$0	$3,269
9/30/2037	$1,461	$1,512	$130	$159	$0	$3,262
9/30/2038	$1,542	$1,442	$132	$152	$0	$3,268
9/30/2039	$1,622	$1,369	$135	$144	$0	$3,270
9/30/2040	$1,702	$1,292	$138	$136	$0	$3,268
9/30/2041	$1,782	$1,211	$140	$128	$0	$3,262
9/30/2042	$1,879	$1,127	$143	$119	$0	$3,267
9/30/2043	$1,975	$1,037	$146	$109	$0	$3,268
9/30/2044	$2,072	$944	$149	$99	$0	$3,263
9/30/2045	$2,184	$845	$152	$89	$0	$3,270
9/30/2046	$2,296	$741	$155	$78	$0	$3,271
9/30/2047	$2,409	$632	$158	$67	$0	$3,266
9/30/2048	$2,521	$518	$161	$55	$0	$3,255
9/30/2049	$2,650	$398	$164	$42	$0	$3,254
9/30/2050	$2,778	$272	$168	$29	$0	$3,247
9/30/2051	$2,955	$140	$171	$15	$0	$3,281
Total	**$45,365**	**$42,409**	**$3,812**	**$4,237**	**($4,310)**	**$91,514**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an estimated 4.75% interest rate on the Phase #1 Bonds and will be updated at the time of Bond issuance.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix I-3
Proposed Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements by Lot Type

Lot Type	**Lot Type 3 (50 Ft)**
Assessment	**$39,179**
Equivalent Unit	**0.76**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$1,861	$0	$0	($1,861)	$0
9/30/2023	$0	$1,861	$85	$196	($1,861)	$281
9/30/2024	$638	$1,861	$87	$196	$0	$2,781
9/30/2025	$680	$1,831	$88	$193	$0	$2,791
9/30/2026	$721	$1,798	$90	$189	$0	$2,799
9/30/2027	$763	$1,764	$92	$186	$0	$2,805
9/30/2028	$791	$1,728	$94	$182	$0	$2,794
9/30/2029	$846	$1,690	$96	$178	$0	$2,810
9/30/2030	$888	$1,650	$97	$174	$0	$2,809
9/30/2031	$929	$1,608	$99	$169	$0	$2,806
9/30/2032	$985	$1,564	$101	$165	$0	$2,815
9/30/2033	$1,026	$1,517	$103	$160	$0	$2,807
9/30/2034	$1,082	$1,468	$106	$155	$0	$2,810
9/30/2035	$1,137	$1,417	$108	$149	$0	$2,811
9/30/2036	$1,207	$1,363	$110	$143	$0	$2,823
9/30/2037	$1,262	$1,306	$112	$137	$0	$2,817
9/30/2038	$1,331	$1,246	$114	$131	$0	$2,822
9/30/2039	$1,401	$1,182	$117	$124	$0	$2,824
9/30/2040	$1,470	$1,116	$119	$117	$0	$2,822
9/30/2041	$1,539	$1,046	$121	$110	$0	$2,817
9/30/2042	$1,623	$973	$124	$102	$0	$2,822
9/30/2043	$1,706	$896	$126	$94	$0	$2,822
9/30/2044	$1,789	$815	$129	$86	$0	$2,818
9/30/2045	$1,886	$730	$131	$77	$0	$2,824
9/30/2046	$1,983	$640	$134	$67	$0	$2,825
9/30/2047	$2,080	$546	$137	$57	$0	$2,820
9/30/2048	$2,177	$447	$139	$47	$0	$2,811
9/30/2049	$2,288	$344	$142	$36	$0	$2,810
9/30/2050	$2,399	$235	$145	$25	$0	$2,804
9/30/2051	$2,552	$121	$148	$13	$0	$2,834
Total	**$39,179**	**$36,626**	**$3,293**	**$3,659**	**($3,722)**	**$79,035**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an estimated 4.75% interest rate on the Phase #1 Bonds and will be updated at the time of Bond issuance.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix I-4
Proposed Phase #1 Assessment Roll - Phase #1 Improvements and Initial Major Improvements by Lot Type

Lot Type	**Lot Type 4 (40 Ft)**
Assessment	**$35,055**
Equivalent Unit	**0.68**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/2022	$0	$1,665	$0	$0	($1,665)	$0
9/30/2023	$0	$1,665	$76	$175	($1,665)	$251
9/30/2024	$571	$1,665	$77	$175	$0	$2,489
9/30/2025	$608	$1,638	$79	$172	$0	$2,497
9/30/2026	$645	$1,609	$81	$169	$0	$2,504
9/30/2027	$682	$1,578	$82	$166	$0	$2,509
9/30/2028	$707	$1,546	$84	$163	$0	$2,500
9/30/2029	$757	$1,512	$86	$159	$0	$2,514
9/30/2030	$794	$1,476	$87	$155	$0	$2,513
9/30/2031	$831	$1,439	$89	$151	$0	$2,511
9/30/2032	$881	$1,399	$91	$147	$0	$2,518
9/30/2033	$918	$1,357	$93	$143	$0	$2,511
9/30/2034	$968	$1,314	$94	$138	$0	$2,514
9/30/2035	$1,018	$1,268	$96	$133	$0	$2,515
9/30/2036	$1,080	$1,220	$98	$128	$0	$2,526
9/30/2037	$1,129	$1,168	$100	$123	$0	$2,521
9/30/2038	$1,191	$1,115	$102	$117	$0	$2,525
9/30/2039	$1,253	$1,058	$104	$111	$0	$2,527
9/30/2040	$1,315	$998	$106	$105	$0	$2,525
9/30/2041	$1,377	$936	$108	$99	$0	$2,520
9/30/2042	$1,452	$871	$111	$92	$0	$2,525
9/30/2043	$1,526	$802	$113	$84	$0	$2,525
9/30/2044	$1,601	$729	$115	$77	$0	$2,522
9/30/2045	$1,688	$653	$117	$69	$0	$2,527
9/30/2046	$1,774	$573	$120	$60	$0	$2,527
9/30/2047	$1,861	$489	$122	$51	$0	$2,524
9/30/2048	$1,948	$400	$125	$42	$0	$2,515
9/30/2049	$2,047	$308	$127	$32	$0	$2,515
9/30/2050	$2,147	$210	$130	$22	$0	$2,509
9/30/2051	$2,283	$108	$132	$11	$0	$2,535
Total	**$35,055**	**$32,770**	**$2,946**	**$3,274**	**($3,330)**	**$70,715**

1 - The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an estimated 4.75% interest rate on the Phase #1 Bonds and will be updated at the time of Bond issuance.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

APPENDIX J
PROPOSED PHASE #1 ASSESSMENT ROLL - ADDITIONAL MAJOR IMPROVEMENTS

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix J-1
Proposed Phase #1 Assessment Roll - Additional Major Improvements

Parcel	**All Parcels**
Assessment	**$2,327,050**
Equivalent Units	**274.00**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$45,000	$104,717	$15,000	$164,717
9/30/2024	$47,000	$102,692	$15,300	$164,992
9/30/2025	$49,000	$100,577	$15,606	$165,183
9/30/2026	$50,000	$98,372	$15,918	$164,290
9/30/2027	$52,000	$96,122	$16,236	$164,359
9/30/2028	$54,000	$93,782	$16,561	$164,343
9/30/2029	$56,000	$91,352	$16,892	$164,245
9/30/2030	$58,000	$88,832	$17,230	$164,063
9/30/2031	$60,000	$86,222	$17,575	$163,797
9/30/2032	$63,000	$83,522	$17,926	$164,449
9/30/2033	$65,000	$80,687	$18,285	$163,972
9/30/2034	$68,000	$77,762	$18,651	$164,413
9/30/2035	$70,000	$74,702	$19,024	$163,726
9/30/2036	$73,000	$71,552	$19,404	$163,956
9/30/2037	$76,000	$68,267	$19,792	$164,059
9/30/2038	$79,000	$64,847	$20,188	$164,035
9/30/2039	$82,000	$61,292	$20,592	$163,884
9/30/2040	$85,000	$57,602	$21,004	$163,606
9/30/2041	$88,000	$53,777	$21,424	$163,201
9/30/2042	$92,000	$49,817	$21,852	$163,669
9/30/2043	$96,000	$45,677	$22,289	$163,966
9/30/2044	$100,000	$41,357	$22,735	$164,092
9/30/2045	$104,000	$36,857	$23,190	$164,047
9/30/2046	$108,000	$32,177	$23,653	$163,831
9/30/2047	$112,000	$27,317	$24,127	$163,444
9/30/2048	$117,000	$22,277	$24,609	$163,886
9/30/2049	$122,000	$17,012	$25,101	$164,114
9/30/2050	$127,000	$11,522	$25,603	$164,126
9/30/2051	$129,050	$5,807	$26,115	$160,973
Total	**$2,327,050**	**$1,846,506**	**$581,884**	**$4,755,439**

1 - The 9/30/XX dates represent the fiscal year end.
2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to Phase #1s pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix J-2
Proposed Phase #1 Assessment Roll - Additional Major Improvements by Lot Type

Lot Type	**Lot Type 2 (60 Ft)**
Assessment	**$7,474**
Equivalent Unit	**0.88**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$145	$336	$48	$529
9/30/2024	$151	$330	$49	$530
9/30/2025	$157	$323	$50	$531
9/30/2026	$161	$316	$51	$528
9/30/2027	$167	$309	$52	$528
9/30/2028	$173	$301	$53	$528
9/30/2029	$180	$293	$54	$528
9/30/2030	$186	$285	$55	$527
9/30/2031	$193	$277	$56	$526
9/30/2032	$202	$268	$58	$528
9/30/2033	$209	$259	$59	$527
9/30/2034	$218	$250	$60	$528
9/30/2035	$225	$240	$61	$526
9/30/2036	$234	$230	$62	$527
9/30/2037	$244	$219	$64	$527
9/30/2038	$254	$208	$65	$527
9/30/2039	$263	$197	$66	$526
9/30/2040	$273	$185	$67	$525
9/30/2041	$283	$173	$69	$524
9/30/2042	$295	$160	$70	$526
9/30/2043	$308	$147	$72	$527
9/30/2044	$321	$133	$73	$527
9/30/2045	$334	$118	$74	$527
9/30/2046	$347	$103	$76	$526
9/30/2047	$360	$88	$77	$525
9/30/2048	$376	$72	$79	$526
9/30/2049	$392	$55	$81	$527
9/30/2050	$408	$37	$82	$527
9/30/2051	$414	$19	$84	$517
Total	**$7,474**	**$5,930**	**$1,869**	**$15,273**

1 - The 9/30/XX dates represent the fiscal year end.
2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to Phase #1s pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix J-3
Proposed Phase #1 Assessment Roll - Additional Major Improvements by Lot Type

Lot Type	**Lot Type 3 (50 Ft)**
Assessment	**$6,455**
Equivalent Unit	**0.76**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$125	$290	$42	$457
9/30/2024	$130	$285	$42	$458
9/30/2025	$136	$279	$43	$458
9/30/2026	$139	$273	$44	$456
9/30/2027	$144	$267	$45	$456
9/30/2028	$150	$260	$46	$456
9/30/2029	$155	$253	$47	$456
9/30/2030	$161	$246	$48	$455
9/30/2031	$166	$239	$49	$454
9/30/2032	$175	$232	$50	$456
9/30/2033	$180	$224	$51	$455
9/30/2034	$189	$216	$52	$456
9/30/2035	$194	$207	$53	$454
9/30/2036	$202	$198	$54	$455
9/30/2037	$211	$189	$55	$455
9/30/2038	$219	$180	$56	$455
9/30/2039	$227	$170	$57	$455
9/30/2040	$236	$160	$58	$454
9/30/2041	$244	$149	$59	$453
9/30/2042	$255	$138	$61	$454
9/30/2043	$266	$127	$62	$455
9/30/2044	$277	$115	$63	$455
9/30/2045	$288	$102	$64	$455
9/30/2046	$300	$89	$66	$454
9/30/2047	$311	$76	$67	$453
9/30/2048	$325	$62	$68	$455
9/30/2049	$338	$47	$70	$455
9/30/2050	$352	$32	$71	$455
9/30/2051	$358	$16	$72	$446
Total	**$6,455**	**$5,122**	**$1,614**	**$13,190**

1 - The 9/30/XX dates represent the fiscal year end.
2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to Phase #1s pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Appendix J-4
Proposed Phase #1 Assessment Roll - Additional Major Improvements by Lot Type

Lot Type	**Lot Type 4 (40 Ft)**
Assessment	**$5,775**
Equivalent Unit	**0.68**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$0	$0	$0	$0
9/30/2023	$112	$260	$37	$409
9/30/2024	$117	$255	$38	$409
9/30/2025	$122	$250	$39	$410
9/30/2026	$124	$244	$40	$408
9/30/2027	$129	$239	$40	$408
9/30/2028	$134	$233	$41	$408
9/30/2029	$139	$227	$42	$408
9/30/2030	$144	$220	$43	$407
9/30/2031	$149	$214	$44	$407
9/30/2032	$156	$207	$44	$408
9/30/2033	$161	$200	$45	$407
9/30/2034	$169	$193	$46	$408
9/30/2035	$174	$185	$47	$406
9/30/2036	$181	$178	$48	$407
9/30/2037	$189	$169	$49	$407
9/30/2038	$196	$161	$50	$407
9/30/2039	$204	$152	$51	$407
9/30/2040	$211	$143	$52	$406
9/30/2041	$218	$133	$53	$405
9/30/2042	$228	$124	$54	$406
9/30/2043	$238	$113	$55	$407
9/30/2044	$248	$103	$56	$407
9/30/2045	$258	$91	$58	$407
9/30/2046	$268	$80	$59	$407
9/30/2047	$278	$68	$60	$406
9/30/2048	$290	$55	$61	$407
9/30/2049	$303	$42	$62	$407
9/30/2050	$315	$29	$64	$407
9/30/2051	$320	$14	$65	$399
Total	**$5,775**	**$4,583**	**$1,444**	**$11,802**

1 - The 9/30/XX dates represent the fiscal year end.
2 - The interest is calculated assuming an estimated 4.50% interest rate on the obligation related to Phase #1s pro-rata share of the costs of the Additional Major Improvements under the Reimbursement Agreement and will be updated at the time of Assessment levy.
3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

EXHIBIT B

CITY OF CELINA, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT four public hearings will be conducted by the City Council of Celina, Texas on November 9, 2021, at or after 5:00 p.m. at the Celina City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009. The public hearings will be held to consider proposed assessments to be levied against the respective assessable property within The Parks at Wilson Creek Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended.

The proposed Authorized Improvements to be initially undertaken for the benefit of Phase #1 of the District (the "Phase #1 Projects") include roadway improvements, water improvements, sanitary sewer improvements, storm drainage improvements, related soft costs, and costs related to the establishment, administration and operation of the District.

The total costs of the Phase #1 Projects, including administrative costs and the costs of issuing related bonds, is $13,245,000.

The proposed Authorized Improvements to be initially undertaken for the benefit of the Major Improvement Area of the District (the "Initial Major Improvements") include roadway improvements, water improvements, sanitary sewer improvements, storm drainage improvements, related soft costs, and costs related to the establishment, administration and operation of the District.

The total costs of the Initial Major Improvements, including administrative costs and the costs of issuing related bonds, is $8,490,000.

The proposed Authorized Improvements to be undertaken for the benefit of Phase #1 of the District following the construction of the initial improvements (the "Phase #1 Additional Major Improvements") include roadway improvements, water improvements, sanitary sewer improvements, storm drainage improvements, related soft costs, and costs related to the establishment, administration and operation of the District.

The total costs of the Phase #1 Additional Major Improvements, including administrative costs, is $2,089,052.

The proposed Authorized Improvements to be undertaken for the benefit of the Major Improvement Area of the District following the construction of the initial improvements (the "Additional Major Improvements") include roadway improvements, water improvements, sanitary sewer improvements, storm drainage improvements, related soft costs, and costs related to the establishment, administration and operation of the District.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

The total costs of the Additional Major Improvements, including administrative costs, is $11,473,014.

The boundaries of the District include approximately 646.967 acres of land generally located north of County Road 88, east of County Road 90, south of County Road 98, and west of Custer Road, as more particularly described by a metes and bounds description available at Celina City Hall located at 142 N. Ohio Street, Celina, Texas 75009 and available for public inspection.

All written or oral objections on the assessments proposed to be levied against property located within the District will be considered at the public hearing.

Copies of the proposed (i) Phase #1 Assessment Roll, which includes the assessments proposed to be levied against each assessable parcel of land within Phase #1 of the District that benefits from the Phase #1 Projects, (ii) Phase #1 Additional Major Improvements Assessment Roll, which includes the assessments proposed to be levied against each assessable parcel of land within Phase #1 of the District that benefits from the Phase #1 Additional Major Improvements, (iii) Initial Major Improvements Assessment Roll, which includes the assessments proposed to be levied against each assessable parcel of land within the Major Improvement Area of the District that benefits from the Initial Major Improvements, and (iv) Additional Major Improvements Assessment Roll, which includes the assessments proposed to be levied against each assessable parcel of land within the Major Improvement Area of the District that benefits from the Additional Major Improvements, are each available for public inspection at the office of the City Secretary, 142 N. Ohio Street, Celina, Texas 75009.

Attachment: Draft Resolution (Parks at Wilson Creek - PID Pre-SAP & Calling 4 Assessment Public Hearings)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Hills PID Phase # 1A Landowner Agreement

Action Requested:
Consider and authorize the Mayor Pro-Tem to execute a Landowner Agreement, by and between the City of Celina and MM Celina 294, LLC, in connection with the development of Phase #1A of the Legacy Hills Public Improvement District. (Legacy Hills PID Phase # 1A Landowner Agreement) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT
PHASE #1A LANDOWNER AGREEMENT

This **LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT PHASE #1A LANDOWNER AGREEMENT** (the "Agreement"), is entered into as of October 12, 2021, between the City of Celina, Texas (the "City"), a home rule municipality of the State of Texas (the "State"), and MM Celina 294, LLC, a Texas limited liability company (the "Landowner").

RECITALS:

WHEREAS, Landowner owns the Assessed Parcels described by a metes and bounds description attached as **Exhibit I** to this Agreement and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land described in **Exhibit I** (the "Landowner's Parcel") which is located within the Legacy Hills Public Improvement District (the "District") in the City; and

WHEREAS, the City Council has adopted an assessment ordinance for the Phase #1A Improvements (including all exhibits and attachments thereto, the "Phase #1A Assessment Ordinance") and the Service and Assessment Plan included as an exhibit to the Phase #1A Assessment Ordinance (the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on Assessed Property in Phase #1A of the District (as identified in the Service and Assessment Plan**)** that will be used to reimburse the Landowner for the costs of constructing the Phase #1A Improvements or pledged as the security for the payment of the North Parkway Municipal Management District No. 1 Special Assessment Contract Revenue Bonds, Series 2021 (Legacy Hills Public Improvement District Phase #1A-1B Improvements) (the "Bonds") to be issued for the purpose of paying the costs of constructing the Phase #1A Improvements that will benefit the Phase #1A Assessed Property (as defined in the Service and Assessment Plan); and

WHEREAS, the Covenants, Conditions and Restrictions attached to this Agreement as **Exhibit II** and which are incorporated herein for all purposes**,** include the statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended (the "PID Act"), to the purchaser.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits hereinafter set forth, the City and the Landowner hereby contract, covenant and agree as follows:

DEFINITIONS; APPROVAL OF AGREEMENTS

Definitions. Capitalized terms used but not defined herein (including each exhibit hereto) shall have the meanings ascribed to them in the Service and Assessment Plan.

Affirmation of Recitals. The findings set forth in the Recitals of this Agreement are hereby incorporated as the official findings of the City Council.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

I.
AGREEMENTS OF LANDOWNER

A. Affirmation and Acceptance of Agreements and Findings of Benefit. Landowner hereby ratifies, confirms, accepts, agrees to, and approves:

(i) the creation and boundaries of the District, and the boundaries of the Landowner's Parcel which are within the District, all as shown on **Exhibit I,** and the location and development of the Phase #1A Improvements on the Landowner's Parcel and on the property within Phase #1A of the District;

(ii) the determinations and findings as to the benefits by the City Council in the Service and Assessment Plan and the Phase #1A Assessment Ordinance; and

(iii) the Phase #1A Assessment Ordinance and the Service and Assessment Plan.

B. Acceptance and Approval of Assessments and Lien on Property. Landowner consents to, agrees to, acknowledges and accepts the following:

(i) each Assessment levied by the City on the Landowner's Parcel within Phase #1A of the District, as shown on the assessment roll attached as Appendix G to the Service and Assessment Plan (the "Phase #1A Assessment Roll");

(ii) the Phase #1A Improvements specially benefit Phase #1A of the District, and the Landowner's Parcel, in an amount in excess of the Assessment levied on the Landowner's Parcel within Phase #1A of the District, as such Assessment is shown on the Phase #1A Assessment Roll;

(iii) each Assessment is final, conclusive and binding upon Landowner and any subsequent owner of the Landowner's Parcel, regardless of whether such landowner may be required to prepay a portion of, or the entirety of, such Assessment upon the occurrence of a mandatory prepayment event as provided in the Service and Assessment Plan;

(iv) the obligation to pay the Assessment levied on the Landowner's Parcel owned by it when due and in the amount required by and stated in the Service and Assessment Plan and the Phase #1A Assessment Ordinance;

(v) each Assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Landowner's Parcel, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Landowner's Parcel regardless of whether such owner is named;

(vi) the Assessment lien on the Landowner's Parcel is a lien and covenant that runs with the land and is effective from the date of the Phase #1A Assessment Ordinance and continues until the Assessment is paid and may be enforced by the governing body of

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

the City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

(vii) delinquent installments of the Assessment shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) the owner of Assessed Property may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as defined in the Service and Assessment Plan and Phase #1A Assessment Roll) may be adjusted, decreased and extended; and, the assessed parties shall be obligated to pay their respective revised amounts of the annual installments, when due, and without the necessity of further action, assessments or reassessments by the City, the same as though they were expressly set forth herein;

(x) Landowner has received, or hereby waives, all notices required to be provided to it under State law, including the PID Act, prior to the Effective Date (defined herein); and

(xi) Landowner is responsible for prepayments required by the Service and Assessment Plan.

C. Mandatory Prepayment of Assessments. Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the City and as provided in the Service and Assessment Plan, as amended or updated or upon sale of property in the PID to a party not subject to Assessments.

D. Notice of Assessments. Landowner further agrees as follows:

(i) the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Phase #1A Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the City), in the records of the County Clerk of Collin County, as a lien and encumbrance against such Landowner's Parcel, and Landowner hereby authorizes the City to so record such documents against the Landowner's Parcel owned by Landowner;

(ii) reference to the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be included on all recordable subdivision plats and such plats shall be recorded in the real property records of Collin County, Texas;

(iii) in the event of any subdivision, sale, transfer or other conveyance by the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Landowner's Parcel owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on **Exhibit III** to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a "Builder") but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner's request and the City's consent, in the City's sole and absolute discretion, the Covenants, Conditions and Restrictions may be included with other written restrictions running with the land on property within the District, provided they contain all the material provisions and provide the same material notice to prospective property owners as does the document attached as **Exhibit II**.

II.
OWNERSHIP AND CONSTRUCTION OF PHASE #1A IMPROVEMENTS

A. Ownership and Transfer of Phase #1A Improvements. Landowner acknowledges that all of the Phase #1A Improvements and the land (or easements, as applicable) needed therefor shall be owned by the City once accepted by and conveyed to the City, following construction and Landowner will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the property within the District.

B. Grant of Easement and License, Construction of Phase #1A Improvements.

(i) Any subsequent owner of the Landowner's Parcel shall, upon the request of the City or Developer, grant and convey to the City or Developer and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Phase #1A Improvements on the property within Phase #1A of the District, to stage on the property within Phase #1A of the District construction trailers, building materials and equipment to be used in connection with such construction of the Phase #1A Improvements and for passage and use over and across parts of the property within Phase #1A of the District as shall be reasonably necessary during the construction of the Phase #1A Improvements. Any subsequent owner of the Landowner's Parcel may require that each contractor constructing the Phase #1A Improvements cause such owner of the Landowner's Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner's Parcel. The right to

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

use and enjoy any easement and license provided above shall continue until the construction of the Phase #1A Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner's Parcel in the real property records of Collin County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement, or other agreement, with respect to the Assessment has been satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

III.
COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner.

Landowner represents and warrants to the City as follows:

(i) Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner, constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which Landowner is a party, or by which Landowner or Landowner's Parcel is otherwise bound.

(iv) Landowner is, subject to all matters of record in the Collin County, Texas Real Property Records, the sole owner of the Landowner's Parcel.

(v) The Landowner's Parcel owned by Landowner is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments and the priority of the lien related to the assessments as described in this Agreement, or (iii) the construction of the Phase #1A Improvements on those portions of the property within Phase #1A of the District which are to be owned by the City, as generally described on the current plats of the

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such Landowner by virtue of execution thereof.

B. Waiver of Claims Concerning Phase #1A Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the Phase #1A Improvements.

C. Notices.

Any notice or other communication to be given to the City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City:	Attn: City Manager City of Celina, Texas 142 N. Ohio Street Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald 6371 Preston Road, Suite 200 Frisco, Texas 75034
To the Landowner:	Attn: Mehrdad Moayedi MM Celina 294, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, or sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same time as such electronic or facsimile transmission, or personally delivered to an officer of the recipient as the address set forth herein.

Each recipient may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this provision shall be deemed to be given when so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication

so delivered in person shall be deemed to be given when receipted for, or actually received by, the addressee.

D. Parties in Interest.

This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of Bonds issued by the North Parkway Municipal Management District No. 1 (the "MMD") to finance the costs of the Phase #1A Improvements and which are secured by a pledge of the Assessments or any part thereof pursuant to the "Interlocal Agreement" dated as of October 12, 2021 between the City and the MMD, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Collin County, Texas.

E. Amendments.

This Agreement may be amended only by written instrument executed by the City and the Landowner. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the property within the District and recorded in the Real Property Records of Collin County, Texas.

F. Effective Date.

This Agreement shall become and be effective (the "Effective Date") upon the date of final execution by the latter of the City and the Landowner and shall be valid and enforceable on said date and thereafter.

G. Estoppels.

Within 10 business days after written request from a party hereto, the other party shall provide a written certification, indicating whether this Agreement remains in effect as to the Landowner's Parcel.

H. Termination.

This Agreement shall terminate and be of no further force and effect as to the Landowner's Parcel upon payment in full of the Assessment(s) against such Landowner's Parcel.

I. No Boycott of Israel.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

The Landowner 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 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or 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 Landowner understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

J. No Business With Sanctioned Countries.

The Landowner represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, 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 Landowner and any of its respective parent companies, 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 Landowner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

K. Verification Regarding Energy Company Boycotts.

To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Landowner hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. The Landowner understands "affiliate" to mean an entity that

controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

L. Verification Regarding Discrimination Against Firearm Entity or Trade Association.

To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislative Session, "SB 19"), Texas Government Code, as amended, the Landowner hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. The Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

[Signature pages to follow]

EXECUTED by the City and Landowner on the respective dates stated below.

Date: _____

CITY OF CELINA, TEXAS

By: _____
Mindy Koehne, Mayor Pro-Tem

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 12th day of October, 2021 by Mindy Koehne, the Mayor Pro-Tem of the City of Celina, Texas on behalf of said City.

_____
Notary Public, State of Texas

(SEAL)

_____
Name printed or typed

Commission Expires:_____

[Signature Page Landowner Agreement]

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

LANDOWNER

MM Celina 294, LLC
a Texas limited liability company

By: MM Celina 3200, LLC
a Texas limited liability company
Its Manager

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of October, 2021 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of MM Celina 3200, LLC, as Manager of MM Celina 294, LLC a Texas limited liability company on behalf of said company.

_____
Notary Public, State of Texas

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

LANDOWNER AGREEMENT - EXHIBIT I

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

LEGAL DESCRIPTION

Being a 120.651 acres of land situated in the James Cumba Survey, Abstract No. 242, and in the Joab Biggs Survey, Abstract No. 51, Collin County, Texas and being a part of that certain called 579.400-acre tract of land, described as Tract II, conveyed to Dynavest Joint Venture, by deed of record in Volume 2288, Page 119, Deed Records of Collin County, Texas and being more particularly described by metes and bounds and follows:

Beginning at a point in the most Northern Westerly Northwest corner of said 122.853 acre tract of land, same being the West line of said 579.400 acre tract, same being the East right-of-way line of Dallas North Tollway (Variable width right-of-way), conveyed to the North Texas Tollway Authority County Road Parcel 42-9 NBSR-1, Document No. 20200720011269 30 of the Official Public records of Collin County, Texas, and being in the south line of that certain called 1215.843 acre tract of land, conveyed to Dynavest Joint Venture, recorded in Volume 2288, page 110, Deed Records of Collin County, Texas; from which a 5/8-inch iron rod with aluminum cap stamped "North Texas Tollway Authority" found in said East right-of-way line of Dallas North Tollway (Variable width right-of-way), bears S00°26'30"W, a distance of 2351.24 feet;

THENCE severing said 579.400-acre tract, the following Thirty-Five (35) courses:

1. N90°00'00"E, a distance of 1000.01 feet to a point;
2. S00°26'51"W, a distance of 5.49 feet to a point;
3. S89°33'09"E, a distance of 125.43 feet to a point;
4. N00°26'51"E, a distance of 9.50 feet to a point;
5. S89°33'09"E, a distance of 50.00 feet to a point;
6. S00°26'51"W, a distance of 9.50 feet to a point;
7. S89°33'09"E, a distance of 258.00 feet to a point;
8. N00°26'51"E, a distance of 9.50 feet to a point;
9. S89°33'09"E, a distance of 50.00 feet to a point;
10. S00°26'51"W, a distance of 9.50 feet to a point;
11. S89°33'09"E, a distance of 630.00 feet to a point;
12. N00°26'51"E, a distance of 9.50 feet to a point;
13. S89°33'09"E, a distance of 50.00 feet to a point;

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14. S00°26'51"W, a distance of 9.50 feet to a point;

15. S89°33'09"E, a distance of 258.00 feet to a point;

16. N00°26'51"E, a distance of 9.50 feet to a point;

17. S89°33'09"E, a distance of 50.00 feet to a point;

18. S00°26'51"W, a distance of 9.50 feet to a point;

19. S89°33'09"E, a distance of 125.00 feet to a point for corner;

20. S00°26'51"W, a distance of 50.00 feet to a point for corner;

21. N89°33'09"W, a distance of 125.00 feet to a point for corner;

22. S00°26'51"W, a distance of 62.15 feet to a point for corner;

23. S89°33'09"E, a distance of 240.00 feet to a point for corner;

24. N00°26'51"E, a distance of 100.70 feet to a point for corner;

25. S89°33'09"E, a distance of 94.15 feet to a point;

26. N42°05'33"E, a distance of 183.68 feet to a point;

27. N00°26'51"E, a distance of 34.56 feet to a point;

28. N21°27'31"W, a distance of 96.60 feet to a point for corner;

29. S89°33'09"E, a distance of 198.96 feet to a point for corner;

30. S19°17'22"W, a distance of 29.68 feet to a point;

31. S09°24'41"W, a distance of 333.41 feet to a point;

32. S13°59'33"E, a distance of 234.35 feet to a point;

33. S47°40'23"W, crossing through that certain remainder of a called 218.360-acre tract of land described as Tract No. 1, conveyed to Dynavest Joint Venture, recorded in Volume 2288, Page 125, Deed Records of Collin County, Texas, a distance of 264.27 feet to a point;

34. S16°59'14"W, continuing through said remainder of a called 218.360-acre tract of land, a distance of 348.90 feet to a point;

35. S07°47'51"W, a distance of 499.92 feet to a point;

THENCE S15°12'20"W, continuing with the East line of said 579.400-acre tract of land and the West line of said 1215.843-acre tract of land, a distance of 1659.85 feet to a point;

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THENCE S33°44'35"W, continuing with the East line of said 579.400-acre tract of land and the West line of said 1215.843-acre tract of land, a distance of 215.20 feet to a point;

THENCE S56°45'49"W, continuing with the East line of said 579.400-acre tract of land and the West line of said 1215.843-acre tract of land, a distance of 314.03 feet to a point, same being the North line of Farm-to-Market Road 455 (Variable width right-of-way), described as Parcel 1, conveyed to the State of Texas, recorded in Document No. 2005-0062934, Volume 5917, Page 591, Official Public Records of Collin County, Texas;

THENCE with the South line of said 579.400-acre tract of land and the North line of said Farm-to-Market Road 455, the following Six (6) calls;

1. S87°25'43"W, a distance of 84.55 feet to a point;
2. N89°00'54"W, a distance of 83.16 feet to a point and the beginning of a non-tangential curve to the right;
3. An arc distance of 150.44 feet with said non-tangential curve to the right, with a radius of 1545.00 feet, a central angle of 05°34'44", a chord bearing of N86°11'32"W, and a chord distance of 150.38 feet to a point;
4. N83°24'10"W, a distance of 111.05 feet to a point;
5. S06°40'13"W, a distance of 10.03 feet to a point at which Farm-to-Market Road 455 changes from a variable width right-of-way to a 90-foot-wide right-of-way.
6. N83°19'47"W, a distance of 339.20 feet to a point for corner;

THENCE departing the South line of said 579.400-acre tract of land and the North line of said Farm-to-Market Road 455, and severing said 579.400-acre tract of land the following Seven (7) courses:

1. N00°03'01"W, a distance of 1631.21 feet to a point for an interior ell corner of the herein described tract;
2. S89°57'41"W, a distance of 1147.34 feet to a point in said east right-of-way line of the Dallas North Tollway (Variable width right-of-way);
3. N00°26'50"E, along said east right-of-way line of the Dallas North Tollway (Variable width right-of-way), a distance of 60.00 feet to a point for corner;
4. N89°57'41"E, a distance of 1000.00 feet to a point for an interior ell corner of the herein described tract;
5. N00°26'51"E, a distance of 1509.51 feet to a point for an interior ell corner of the herein described tract;

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6. N90°00'00"W, a distance of 1000.01 feet to a point for an interior ell corner of the herein described tract;

7. N00°26'50"W, along the west line of said 579.400-acre tract, and said East right-of-way line of Dallas North Tollway (Variable width right-of-way), a distance of 60.00 feet to the POINT OF BEGINNING and containing 120.651 acres of land, more or less.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

LANDOWNER AGREEMENT - EXHIBIT II

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS** (as it may be amended from time to time, this "Declaration") is made as of October 12, 2021 by MM Celina 294, LLC, a Texas limited liability company (the "Landowner").

RECITALS:

A. The Landowner holds record title to that portion of the real property located in Collin County, Texas, which is described in the attached Exhibit I (the "Landowner's Parcel").

B. The City Council of the City of Celina (the "City Council") upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the Legacy Hills Public Improvement District (the "District") by the then owners of more than 50% of the appraised value of the taxable real property and owners of more than 50% of the area of all taxable real property within the area requested to be included in the District created such District, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act").

C. The City Council has adopted an Phase #1A Assessment Ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the "Phase #1A Assessment Ordinance") and the Service and Assessment Plan included as an exhibit to the Phase #1A Assessment Ordinance (as amended from time to time, the "Service and Assessment Plan"), and has levied the assessments (as amended from time to time, the "Assessments") on property in Phase #1A of the District.

D. The statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into these Covenants, Conditions and Restrictions.

DECLARATIONS:

NOW, THEREFORE, the Landowner hereby declares that the Landowner's Parcel is and shall be subject to, and hereby imposes on the Landowner's Parcel, the following covenants, conditions and restrictions:

1. Acceptance and Approval of Assessments and Lien on Property:

(a) Landowner accepts each Assessment levied on the Landowner's Parcel owned by such Landowner.

(b) The Assessment (including any reassessment, the expense of collection, and reasonable attorney's fees, if incurred) is (a) a first and prior lien (the "Assessment Lien") against the property assessed, superior to all other liens or claims except for

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

liens or claims for state, county, school district or municipality ad valorem property taxes whether now or hereafter payable, and (b) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Phase #1A Assessment Ordinance until the Assessments are paid and may be enforced by the City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City. The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within Phase #1A of the District will not extinguish the Assessment or any unpaid but not yet due annual installments of the Assessment, and will not accelerate the due date for any unpaid and not yet due annual installments of the Assessment.

It is the clear intention of all parties to these Declarations of Covenants, Conditions and Restrictions, that the Assessments, including any annual installments of the Assessments (as such annual installments may be adjusted, decreased or extended), are covenants that run with the Landowner's Parcel and specifically binds the Landowner, its successors and assigns.

In the event of delinquency in the payment of any annual installment of the Assessment, the City is empowered to order institution of an action in district court to foreclose the related Assessment Lien, to enforce personal liability against the owner of the real property for the Assessment, or both. In such action the real property subject to the delinquent Assessment may be sold at judicial foreclosure sale for the amount of such delinquent property taxes and Assessment, plus penalties, interest and costs of collection.

2. Landowner or any subsequent owner of the Landowner's Parcel waives:

(a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;

(b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the City Council concerning the Assessments;

(c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Phase #1A Assessment Ordinance by the City Council;

(d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the City's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and

(e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the City Council's levy of the Assessments.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

3. **Amendments:** This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and the City. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the real Property Records of Collin County, Texas.

4. **Third Party Beneficiary:** The City is a third party beneficiary to this Declaration and may enforce the terms hereof.

5. **Notice to Subsequent Purchasers:** Upon the sale of a dwelling unit within the District, the purchaser of such property shall be provided a written notice that reads substantially similar to the following:

TEXAS PROPERTY CODE SECTION 5.014

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS CONCERNING THE PROPERTY AT [Street Address]

As the purchaser of this parcel of real property, you are obligated to pay an assessment to the City of Celina, Texas, for improvement projects undertaken by a public improvement district under Chapter 372 of the Texas Local Government Code, as amended. The assessment may be due in periodic installments.

The amount of the assessment against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessment in full, it will be due and payable in annual installments (including interest and collection costs). More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Celina, 142 N. Ohio, Celina, Texas 75009.

Your failure to pay the assessment or the annual installments could result in a lien on and the foreclosure of your property.

Signature of Purchaser(s) _____ Date: _____

The seller shall deliver this notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the notice prescribed by this section, the references to the street address and date in the notice, and the purchaser's signature on the notice may be omitted.

EXECUTED by the undersigned on the date set forth below to be effective as of the date first above written.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

LANDOWNER

MM Celina 294, LLC
a Texas limited liability company

By: MM Celina 3200, LLC
a Texas limited liability company
Its Manager

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of _____, 2021 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of MM Celina 3200, LLC, as Manager of MM Celina 294, LLC a Texas limited liability company on behalf of said company.

_____
Notary Public, State of Texas

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

LANDOWNER AGREEMENT - EXHIBIT III

HOMEBUYER EDUCATION PROGRAM

As used in this Exhibit III, the recorded Phase #1A Assessment Ordinance and the Covenants, Conditions and Restrictions in **Exhibit II** of this Agreement are referred to as the "Recorded Notices."

1. Any Landowner who is a Builder shall attach the Recorded Notices and the final Phase #1A Assessment Roll for such Assessed Parcel (or if the Phase #1A Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30 year payment for such Assessed Parcel) as an addendum to any residential homebuyer's contract.

2. Any Landowner who is a Builder shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the City.

3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.

4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1A Landowner Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD

Action Requested:
Consider and act to authorize the Legacy Hills Public Improvement District Phase #1A Reimbursement Agreement between the City of Celina, Texas and North Parkway Municipal Management District No. 1 regarding reimbursements for Phase #1A assessment Revenues, and other matters related thereto. (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT
PHASE #1A REIMBURSEMENT AGREEMENT

This Legacy Hills Public Improvement District Phase #1A Reimbursement Agreement (this "Reimbursement Agreement") is executed by and between the **CITY OF CELINA, TEXAS** (the "City"), and **NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1**, a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution and Chapter 3986, Texas Special District Local Laws Code (the "MMD Act"), formerly known as NORTH CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 3 (the "MMD") (individually referred to as a "Party" and collectively as the "Parties") to be effective October 12, 2021 (the "Effective Date").

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in this Reimbursement Agreement or in the *Legacy Hills Public Improvement District Service and Assessment Plan*, dated October 12, 2021, as the same may be amended, supplemented, and updated from time to time (the "SAP") approved by Ordinance No. _____ passed and approved by the City Council on October 12, 2021; and

WHEREAS, on September 14, 2021 the City Council passed and approved Resolution No. 2021-84R authorizing the creation of the Legacy Hills Public Improvement District (the "District") covering approximately 331.531 acres of land described by metes and bounds in said Resolution (the "District Property"); and

WHEREAS, the purpose of the District is to finance public improvements (the "Authorized Improvements") as provided by Chapter 372, Texas Local Government Code, as amended (the "PID Act") that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in accordance with that certain Development, Settlement and Annexation Agreement, between the City and Dynavest Joint Venture, a joint venture formed under the laws of the State of Texas with its principal place of business in Dallas, Texas, effective as of September 8, 2020, as amended by the First Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, LLC, a Texas limited liability company ("MM Celina 3200"), and the MMD, effective on August 2, 2021, as amended by the Second Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, and the MMD, effective as of September 14, 2021, and as may be further amended (the "Development Agreement"); and

WHEREAS, the District Property is being developed in phases, and special assessments for each phase have been or will be levied against the Assessed Property within such phase to pay the costs of Authorized Improvements that confer a special benefit on the Assessed Property within such phase; and

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

WHEREAS, Phase #1A Improvements (as defined in the SAP) are to be constructed within Phase #1A of the District Property ("Phase #1A"), as described and depicted in the SAP; and

WHEREAS, following construction of the Phase #1A Improvements, MM Celina 294, LLC (the "Developer") will convey to the MMD the completed Phase #1A Improvements and the MMD will dedicate, convey or otherwise provide to the City the completed Phase #1A Improvements, in accordance with the PID and the terms of the Construction Funding Agreement; and

WHEREAS, on September 28, 2021, the City Council passed and approved Resolution No. 2021-78 determining, among other things, the estimated costs of the Phase #1A Improvements; and

WHEREAS, on October 12, 2021, the City Council passed and approved Ordinance No. _____ (the "Assessment Ordinance") which, among other things, approved the SAP (including the Phase #1A Assessment Roll), levied assessments, and established the dates upon which interest on assessments will begin to accrue and collection of assessments will begin; and

WHEREAS, in addition to approving the SAP, the Assessment Ordinance levied assessments against property within Phase #1A of the District (the "Phase #1A Assessed Property") for the Phase #1A Improvements in accordance with the Phase #1A Assessment Roll attached as Appendix G to the SAP; and

WHEREAS, the City, the MMD, and the Developer have entered into that certain "Legacy Hills Public Improvement District Phase #1A Construction, Funding, and Acquisition Agreement" dated as of October 12, 2021 (the "Construction Funding Agreement") for the construction of the Phase #1A Improvements; and

WHEREAS, the SAP established $9,718,212 as the portion of the cost of the Phase #1A Improvements to be assessed against the Phase #1A Assessed Property (the "Phase #1A Improvements Costs"); and

WHEREAS, the SAP allocated the Phase #1A Improvements Costs to the Phase #1A Assessed Property, and the SAP contemplated the allocation of the Phase #1A Improvements Costs among the single family residential lots to be created from the subdivision of the Phase #1A Assessed Property; and

WHEREAS, assessments against the Phase #1A Assessed Property ("Phase #1A Assessments") are reflected on the Phase #1A Assessment Roll as approved by the City Council; and

WHEREAS, the SAP and the Assessment Ordinance provide, in part, that an assessment or assessments may be paid in full, and if an assessment is not paid in full, it shall be due and

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

payable in Annual Installments plus interest for a period of 30 years or until the assessment is paid in full; and

WHEREAS, the Phase #1A Assessment Revenue (as defined in the Interlocal Agreement and Administrative Expenses shall be deposited as required by the PID Act and as directed by this Agreement and the Interlocal Agreement (as defined herein) into an assessment fund created pursuant to the terms of the Interlocal Agreement that is segregated from all other funds of the City (the "Phase #1A Assessment Fund"); and

WHEREAS, the MMD is authorized by Section 3986.0504 and Section 3986.0505 of the MMD Act to issue bonds secured by contract revenues; and

WHEREAS, the Phase #1A Assessment Revenue deposited into the Phase #1A Assessment Fund shall be used transferred to the MMD in accordance with the terms hereof and the terms of the Interlocal Agreement to secure contract revenue bonds by the MMD (the "Contract Revenue Bonds"), the proceeds of which will pay or reimburse the Developer and its assigns for the Phase #1A Improvements Costs advanced by the Developer, in an amount not to exceed $9,718,212, plus interest; and

WHEREAS, the MMD and the City have entered into that "Interlocal Agreement Between the City of Celina, Texas and North Parkway Municipal Management District No. 1" dated as of October 12, 2021 (the "Interlocal Agreement") pertaining to certain matters related to the Contract Revenue Bonds and the Assessments; and

WHEREAS, the obligations of the City to use the Phase #1A Assessments hereunder is authorized by the PID Act;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS OF THE PARTIES SET FORTH IN THIS REIMBURSEMENT AGREEMENT AND FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. The recitals in the "WHEREAS" clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.

2. Strictly subject to the terms, conditions, and requirements and solely from the Phase #1A Assessment Revenues as herein provided and in the Interlocal Agreement, the City agrees to pay the MMD, and the MMD shall be entitled to receive from the City, the amount equal to the actual costs of the Phase #1A Improvements paid by the Developer for the Phase #1A Improvements Costs that were within budgeted costs, or authorized overrun costs, that were paid by the Developer and for which a Certification of Payment form has been submitted and approved, pursuant to the Construction Funding Agreement, plus interest on

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

the unpaid balance in accordance with the terms of this Reimbursement Agreement until September 1, 2051 or the last date on which any bonds issued by the MMD and secured by the Phase #1A Assessments are outstanding (the "Maturity Date"), and which shall be paid to the MMD in a principal amount not to exceed $9,718,212 (the "Reimbursement Amount"), plus interest accrued, as hereinafter provided. The City has created the Phase #1A Assessment Fund. The Reimbursement Amount is payable from monies to be deposited in the Phase #1A Assessment Fund, as described below:

a. The Reimbursement Amount is payable solely from the Phase #1A Assessment Revenue received and collected by the City and deposited into the Phase #1A Assessment Fund. The Phase #1A Assessment Revenue shall be received, collected and deposited into the Phase #1A Assessment Fund as provided in the Interlocal Agreement.

b. The unpaid Reimbursement Amount shall bear simple interest per annum at the rate of 4.50%. The interest rate has been approved by the City Council and is authorized by the PID Act and was determined based upon the *S&P High Yield Municipal Bond Index*, a daily publication that publishes this interest rate index, which the highest average index rate for tax-exempt bonds reported in the previous month was ____%. The interest rate of 4.50% contained herein complies with Subsections 372.023(e)(1) and (e)(2) of the PID Act.

3. The amount of the Reimbursement Amount that has not been paid, plus the interest accrued as described in Section 2(b) above, are collectively, the "Unpaid Balance." The Unpaid Balance is secured by and payable solely from the Phase #1A Assessment Revenue received and collected by the City and deposited into the Phase #1A Assessment Fund. No other City funds, revenue, taxes, or income of any kind shall be used to pay the Unpaid Balance, even if the Unpaid Balance is not paid in full by the Maturity Date. This Reimbursement 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 Phase #1A Assessment Revenue received, collected and deposited into the Phase #1A Assessment Fund. The MMD further agrees to look solely to the Phase #1A Assessment Revenue, and not the City's general fund or any other revenues, taxes, income, property, or other funds of the City for reimbursement of the Unpaid Balance. The City covenants that it will comply with the provisions of this Reimbursement Agreement, the Interlocal Agreement, the Construction Funding Agreement, the Development Agreement, and the PID Act, including provisions relating to the administration of the District and the enforcement and collection of taxes and assessments, and all other covenants provided therein. Notwithstanding its collection efforts, if, solely as a result of nonpayment by any owner of any Phase #1A Assessed Parcel, the City fails to receive all or any part of the Phase #1A Assessment Revenue and, as a result, is unable to make transfers from the Phase #1A Assessment Revenue Fund for

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

payments to the MMD as required under this Reimbursement Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Reimbursement Agreement.

4. The City shall have the right to refund or repay the Unpaid Balance under this Reimbursement Agreement through the issuance of bonds by the City (the "City Bonds"); provided that such City Bonds may not be secured by any portion of the Phase #1A Assessment Revenues unless the City Bonds are issued in an amount sufficient, when combined with any available funds of the MMD to repay the portion of principal of and interest on the Contract Revenue Bonds applicable to the Unpaid Balance (including any accrued interest to the date of redemption thereof). If City Bonds are issued, the net proceeds of such City Bonds shall be used, in accordance with the terms of the indenture of trust relating to the City Bonds.

5. Assignment

   a. This Agreement may only be assigned by the MMD (i) to a trustee in connection with a trust indenture relating to the issuance of the Contract Revenue Bonds as contemplated herein; or (ii) to the Developer as provided in Section 5(b), provided that no such assignment to the Developer may be made while the Contract Revenue Bonds are outstanding. If assigned to the Developer, the Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the City and the MMD, the Developer's right, title, or interest under this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five days after notice of the Transfer is received by the City, including for each Transferee the information required by Section 9 below. The City may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer.

   b. The MMD and the City have entered into this Reimbursement Agreement for the sole purpose of the MMD's issuance of the Contract Revenue Bonds by February 15, 2022. This Agreement is a contract to which the MMD is a party and such assigned Phase #1A Assessment Revenue shall be provided as contract revenues, as outlined herein and the Interlocal Agreement, to secure the payment of debt service for the Contract Revenue Bonds issued by MMD pursuant to the MMD Act and in order to reimburse the Developer for costs of the Phase #1A Improvements paid for by the Developer. If the MMD does not issue the Contract Revenue Bonds by February 15, 2022, the City and the MMD agree to terminate the Interlocal Agreement, and the MMD shall (i) assign all rights, title, and interest to this

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

Reimbursement Agreement to the Developer within three (3) business days of the Developer's request, and (ii) the MMD shall have no claim to amounts collected in the Phase #1A Assessment Fund and shall not be obligated to issue the Contract Revenue Bonds. Upon such Assignment, the MMD shall no longer be a party to this Agreement, and the City and the Developer shall enter into any amendments or amendments and restatements to this Reimbursement Agreement necessary to effect payment of the Unpaid Balance to the Developer.

6. **Issuance of Contract Revenue Bonds by the MMD.** The Interlocal Agreement describes the issuance of the Contract Revenue Bonds by the MMD and provides:

(i) The obligation of the City to pledge the Phase #1A Assessment Revenue to the MMD and the MMD's obligation to issue contract revenue bonds secured by the pledge of the Phase #1A Assessment Revenue, and any conditions relating thereto;

(ii) City, Administrator, MMD, and bond trustee responsibilities with respect to the deposit, use, and investment of Phase #1A Assessment Revenue, including annual installments, prepayments of Phase #1A Assessment Revenue and foreclosure proceeds (net of delinquency costs);

(iii) The method and timing of payment of Administrative Expenses from that portion of the Phase #1A Assessment Revenue that is budgeted to pay Administrative Expenses;

(iv) City, Administrator, MMD, and bond trustee responsibilities with respect to the billing and collection procedures for the Assessments, enforcement of the Assessments, and the collection of delinquent Assessments or annual installments, and the timing thereof;

(v) The procedures for disbursement of bond proceeds for Costs of the Phase #1A Improvements;

(vi) The timing for termination of assignment of the Phase #1A Assessment Revenue and procedures related thereto;

(vii) The events of default under the Interlocal Agreement and remedies available to the parties; and

(viii) Any other provisions deemed necessary to fully evidence and secure the pledge of the assigned Phase #1A Assessment Revenue to payment of the Contract Revenue Bonds, to conform to procedures and terms in a related trust indenture, or to obtain Attorney General approval of such Contract Revenue Bonds.

7. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from the Phase #1A Assessment Fund and such obligations do not create a debt or other obligation payable from any other City revenues, taxes, income, or property. None of the City or any of its elected or appointed officials or any of its officers or

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

employees shall incur any liability hereunder to the MMD or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.

8. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against the MMD, any Transferee, or any other person or entity involved in the design, construction or installation of the Phase #1A Improvements. Nothing herein shall be constructed, nor is intended, to affect the City's or MMD's rights and duties to perform their respective obligations under other agreements, regulations and ordinances.

9. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Collin County, Texas.

10. Any notice required or contemplated by this Reimbursement Agreement shall be signed by or on behalf of the Party giving the Notice, and shall be deemed effective as follows: (i) when delivered by a national company such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person was the named addressee; or (ii) 72 hours after the notice was deposited with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section. All Notices given pursuant to this Section shall be addressed as follows:

To the City:	Attn: City Manager City of Celina, Texas 142 N. Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald 6371 Preston Road, Suite 200 Frisco, Texas 75034
And to:	Attn: Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the MMD:	Attn: Ross Martin Winstead PC 2728 N. Harwood Street, Suite 500

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

Dallas, Texas 75201
Email: rmartin@winstead.com

11. Notwithstanding anything herein to the contrary, nothing herein shall otherwise authorize or permit the use by the City of the Phase #1A Assessments contrary to the provisions of the PID Act.

12. Remedies:

    a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement 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 and all Transferees of 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 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 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 an additional 30 day period so long as the non-performing Party is diligently pursuing a cure. Any Transferee shall have the same rights as the Developer to enforce the obligations of the City under this Reimbursement Agreement and shall also have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer but shall not obligate the Transferee to be bound by this Reimbursement Agreement with respect to Developer obligations under this Reimbursement Agreement unless the Transferee agrees to be bound.

    b. If the MMD is in Default, the City shall have available all remedies at law or in equity, provided that no Default by the MMD shall: (1) affect the obligations of the City to use the amounts transferred to the Phase #1A Assessment Fund as provided in Sections 2 and 3 of this Reimbursement Agreement; or (2) entitle the City to terminate this Reimbursement Agreement.

    c. If the City is in Default, the MMD's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; or (2) seek specific enforcement of this Reimbursement Agreement.

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

13. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.

14. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the MMD to enforce its remedies under this Reimbursement Agreement.

15. Nothing in this Reimbursement Agreement, express 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 MMD any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the MMD.

16. The Parties acknowledge that each has been actively involved in negotiating this Reimbursement Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Reimbursement Agreement. In the event of any dispute over the meaning or application of any provision of this Reimbursement 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.

17. In this Reimbursement Agreement, time is of the essence and compliance with the times for performance herein is required.

18. The City represents and warrants that this Reimbursement 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 Reimbursement Agreement on behalf of the City has been duly authorized to do so. The MMD represents and warrants that this Reimbursement Agreement has been approved by appropriate action of the MMD, and that the individual executing this Reimbursement Agreement on behalf of the MMD has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Reimbursement 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.

19. This Reimbursement Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Reimbursement Agreement. This Reimbursement Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Reimbursement Agreement is determined by a court of competent jurisdiction to be unenforceable for any

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

reason, then: (a) such unenforceable provision shall be deleted from this Reimbursement 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 Reimbursement Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

20. This Reimbursement Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

21. The Parties agree that at any time after execution of this Reimbursement 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 Reimbursement 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 Reimbursement Agreement is executed or any future City Council.

22. The term of this Reimbursement Agreement is thirty (30) years, or until the Unpaid Balance is paid in full, whichever occurs first.

23. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Reimbursement 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 Reimbursement Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three (3) 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.

[SIGNATURE PAGES TO FOLLOW]

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

Executed by MMD and City to be effective on the Effective Date.

CITY OF CELINA

_____

Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____

Vicki Tarrant, City Secretary

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

[Signature Page for Legacy Hills PID Phase #1A Reimbursement Agreement]

MMD:

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By:_____
Name: Greg Leveling
Its: President

ATTEST:

By:_____
Robert Klarer, Secretary

Attachment: Draft Agreement (Legacy Hills PID Phase 1A Reimbursement Agreement with NPMMD)

[Signature Page for Legacy Hills PID Phase #1A Reimbursement Agreement]

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD

Action Requested:
Consider and act to authorize the Legacy Hills Public Improvement District Phase #1B Reimbursement Agreement between the City of Celina, Texas and North Parkway Municipal Management District No. 1 regarding reimbursements for Phase #1B assessment Revenues, and other matters related thereto. (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT
PHASE #1B REIMBURSEMENT AGREEMENT

This Legacy Hills Public Improvement District Phase #1B Reimbursement Agreement (this "Reimbursement Agreement") is executed by and between the **CITY OF CELINA, TEXAS** (the "City"), and **NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1**, a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution and Chapter 3986, Texas Special District Local Laws Code (the "MMD Act"), formerly known as NORTH CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 3 (the "MMD") (individually referred to as a "Party" and collectively as the "Parties") to be effective October 12, 2021 (the "Effective Date").

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in this Reimbursement Agreement or in the *Legacy Hills Public Improvement District Service and Assessment Plan*, dated October 12, 2021, as the same may be amended, supplemented, and updated from time to time (the "SAP") approved by Ordinance No. _____ passed and approved by the City Council on October 12, 2021; and

WHEREAS, on September 14, 2021 the City Council passed and approved Resolution No. 2021-84R authorizing the creation of the Legacy Hills Public Improvement District (the "District") covering approximately 331.531 acres of land described by metes and bounds in said Resolution (the "District Property"); and

WHEREAS, the purpose of the District is to finance public improvements (the "Authorized Improvements") as provided by Chapter 372, Texas Local Government Code, as amended (the "PID Act") that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in accordance with that certain Development, Settlement and Annexation Agreement, between the City and Dynavest Joint Venture, a joint venture formed under the laws of the State of Texas with its principal place of business in Dallas, Texas, effective as of September 8, 2020, as amended by the First Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, LLC, a Texas limited liability company ("MM Celina 3200"), and the MMD, effective on August 2, 2021, as amended by the Second Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, and the MMD, effective as of September 14, 2021, and as may be further amended (the "Development Agreement"); and

WHEREAS, the District Property is being developed in phases, and special assessments for each phase have been or will be levied against the Assessed Property within such phase to pay the costs of Authorized Improvements that confer a special benefit on the Assessed Property within such phase; and

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

WHEREAS, Phase #1B Improvements (as defined in the SAP) are to be constructed within Phase #1B of the District Property ("Phase #1B"), as described and depicted in the SAP; and

WHEREAS, following construction of the Phase #1B Improvements, MM Celina 40, LLC (the "Developer") will convey to the MMD the completed Phase #1B Improvements and the MMD will dedicate, convey or otherwise provide to the City the completed Phase #1B Improvements, in accordance with the PID and the terms of the Construction Funding Agreement; and

WHEREAS, on September 28, 2021, the City Council passed and approved Resolution No. 2021-78 determining, among other things, the estimated costs of the Phase #1B Improvements; and

WHEREAS, on October 12, 2021, the City Council passed and approved Ordinance No. _____ (the "Assessment Ordinance") which, among other things, approved the SAP (including the Phase #1B Assessment Roll), levied assessments, and established the dates upon which interest on assessments will begin to accrue and collection of assessments will begin; and

WHEREAS, in addition to approving the SAP, the Assessment Ordinance levied assessments against property within Phase #1B of the District (the "Phase #1B Assessed Property") for the Phase #1B Improvements in accordance with the Phase #1B Assessment Roll attached as Appendix H to the SAP; and

WHEREAS, the City, the MMD, and the Developer have entered into that certain "Legacy Hills Public Improvement District Phase #1B Construction, Funding, and Acquisition Agreement" dated as of October 12, 2021 (the "Construction Funding Agreement") for the construction of the Phase #1B Improvements; and

WHEREAS, the SAP established $3,581,788 as the portion of the cost of the Phase #1B Improvements to be assessed against the Phase #1B Assessed Property (the "Phase #1B Improvements Costs"); and

WHEREAS, the SAP allocated the Phase #1B Improvements Costs to the Phase #1B Assessed Property, and the SAP contemplated the allocation of the Phase #1B Improvements Costs among the single family residential lots to be created from the subdivision of the Phase #1B Assessed Property; and

WHEREAS, assessments against the Phase #1B Assessed Property ("Phase #1B Assessments") are reflected on the Phase #1B Assessment Roll as approved by the City Council; and

WHEREAS, the SAP and the Assessment Ordinance provide, in part, that an assessment or assessments may be paid in full, and if an assessment is not paid in full, it shall be due and payable in Annual Installments plus interest for a period of 30 years or until the assessment is paid in full; and

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

WHEREAS, the Phase #1B Assessment Revenue (as defined in the Interlocal Agreement and Administrative Expenses shall be deposited as required by the PID Act and as directed by this Agreement and the Interlocal Agreement (as defined herein) into an assessment fund created pursuant to the terms of the Interlocal Agreement that is segregated from all other funds of the City (the "Phase #1B Assessment Fund"); and

WHEREAS, the MMD is authorized by Section 3986.0504 and Section 3986.0505 of the MMD Act to issue bonds secured by contract revenues; and

WHEREAS, the Phase #1B Assessment Revenue deposited into the Phase #1B Assessment Fund shall be used transferred to the MMD in accordance with the terms hereof and the terms of the Interlocal Agreement to secure contract revenue bonds by the MMD (the "Contract Revenue Bonds"), the proceeds of which will pay or reimburse the Developer and its assigns for the Phase #1B Improvements Costs advanced by the Developer, in an amount not to exceed $3,581,788, plus interest; and

WHEREAS, the MMD and the City have entered into that "Interlocal Agreement Between the City of Celina, Texas and North Parkway Municipal Management District No. 1" dated as of October 12, 2021 (the "Interlocal Agreement") pertaining to certain matters related to the Contract Revenue Bonds and the Assessments; and

WHEREAS, the obligations of the City to use the Phase #1B Assessments hereunder is authorized by the PID Act;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS OF THE PARTIES SET FORTH IN THIS REIMBURSEMENT AGREEMENT AND FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. The recitals in the "WHEREAS" clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.

2. Strictly subject to the terms, conditions, and requirements and solely from the Phase #1B Assessment Revenues as herein provided and in the Interlocal Agreement, the City agrees to pay the MMD, and the MMD shall be entitled to receive from the City, the amount equal to the actual costs of the Phase #1B Improvements paid by the Developer for the Phase #1B Improvements Costs that were within budgeted costs, or authorized overrun costs, that were paid by the Developer and for which a Certification of Payment form has been submitted and approved, pursuant to the Construction Funding Agreement, plus interest on the unpaid balance in accordance with the terms of this Reimbursement Agreement until September 1, 2051 or the last date on which any bonds issued by the MMD and secured by the Phase #1B Assessments are outstanding (the "Maturity Date"), and which shall be paid

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

to the MMD in a principal amount not to exceed $3,581,788 (the "Reimbursement Amount"), plus interest accrued, as hereinafter provided. The City has created the Phase #1B Assessment Fund. The Reimbursement Amount is payable from monies to be deposited in the Phase #1B Assessment Fund, as described below:

a. The Reimbursement Amount is payable solely from the Phase #1B Assessment Revenue received and collected by the City and deposited into the Phase #1B Assessment Fund. The Phase #1B Assessment Revenue shall be received, collected and deposited into the Phase #1B Assessment Fund as provided in the Interlocal Agreement.

b. The unpaid Reimbursement Amount shall bear simple interest per annum at the rate of 4.50%. The interest rate has been approved by the City Council and is authorized by the PID Act and was determined based upon the *S&P High Yield Municipal Bond Index*, a daily publication that publishes this interest rate index, which the highest average index rate for tax-exempt bonds reported in the previous month was ____%. The interest rate of 4.50% contained herein complies with Subsections 372.023(e)(1) and (e)(2) of the PID Act.

3. The amount of the Reimbursement Amount that has not been paid, plus the interest accrued as described in Section 2(b) above, are collectively, the "Unpaid Balance." The Unpaid Balance is secured by and payable solely from the Phase #1B Assessment Revenue received and collected by the City and deposited into the Phase #1B Assessment Fund. No other City funds, revenue, taxes, or income of any kind shall be used to pay the Unpaid Balance, even if the Unpaid Balance is not paid in full by the Maturity Date. This Reimbursement 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 Phase #1B Assessment Revenue received, collected and deposited into the Phase #1B Assessment Fund. The MMD further agrees to look solely to the Phase #1B Assessment Revenue, and not the City's general fund or any other revenues, taxes, income, property, or other funds of the City for reimbursement of the Unpaid Balance. The City covenants that it will comply with the provisions of this Reimbursement Agreement, the Interlocal Agreement, the Construction Funding Agreement, the Development Agreement, and the PID Act, including provisions relating to the administration of the District and the enforcement and collection of taxes and assessments, and all other covenants provided therein. Notwithstanding its collection efforts, if, solely as a result of nonpayment by any owner of any Phase #1B Assessed Parcel, the City fails to receive all or any part of the Phase #1B Assessment Revenue and, as a result, is unable to make transfers from the Phase #1B Assessment Revenue Fund for payments to the MMD as required under this Reimbursement Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Reimbursement Agreement.

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

4. The City shall have the right to refund or repay the Unpaid Balance under this Reimbursement Agreement through the issuance of bonds by the City (the "City Bonds"); provided that such City Bonds may not be secured by any portion of the Phase #1B Assessment Revenues unless the City Bonds are issued in an amount sufficient, when combined with any available funds of the MMD to repay the portion of principal of and interest on the Contract Revenue Bonds applicable to the Unpaid Balance (including any accrued interest to the date of redemption thereof). If City Bonds are issued, the net proceeds of such City Bonds shall be used, in accordance with the terms of the indenture of trust relating to the City Bonds.

5. Assignment

   a. This Agreement may only be assigned by the MMD (i) to a trustee in connection with a trust indenture relating to the issuance of the Contract Revenue Bonds as contemplated herein; or (ii) to the Developer as provided in Section 5(b), provided that no such assignment to the Developer may be made while the Contract Revenue Bonds are outstanding. If assigned to the Developer, the Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the City and the MMD, the Developer's right, title, or interest under this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five days after notice of the Transfer is received by the City, including for each Transferee the information required by Section 9 below. The City may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer.

   b. The MMD and the City have entered into this Reimbursement Agreement for the sole purpose of the MMD's issuance of the Contract Revenue Bonds by February 15, 2022. This Agreement is a contract to which the MMD is a party and such assigned Phase #1B Assessment Revenue shall be provided as contract revenues, as outlined herein and the Interlocal Agreement, to secure the payment of debt service for the Contract Revenue Bonds issued by MMD pursuant to the MMD Act and in order to reimburse the Developer for costs of the Phase #1B Improvements paid for by the Developer. If the MMD does not issue the Contract Revenue Bonds by February 15, 2022, the City and the MMD agree to terminate the Interlocal Agreement, and the MMD shall (i) assign all rights, title, and interest to this Reimbursement Agreement to the Developer within three (3) business days of the Developer's request, and (ii) the MMD shall have no claim to amounts collected in the Phase #1B Assessment Fund and shall not be obligated to issue the Contract Revenue Bonds. Upon such Assignment, the MMD shall no longer be a party to

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

this Agreement, and the City and the Developer shall enter into any amendments or amendments and restatements to this Reimbursement Agreement necessary to effect payment of the Unpaid Balance to the Developer.

6. **Issuance of Contract Revenue Bonds by the MMD.** The Interlocal Agreement describes the issuance of the Contract Revenue Bonds by the MMD and provides:

(i) The obligation of the City to pledge the Phase #1B Assessment Revenue to the MMD and the MMD's obligation to issue contract revenue bonds secured by the pledge of the Phase #1B Assessment Revenue, and any conditions relating thereto;

(ii) City, Administrator, MMD, and bond trustee responsibilities with respect to the deposit, use, and investment of Phase #1B Assessment Revenue, including annual installments, prepayments of Phase #1B Assessment Revenue and foreclosure proceeds (net of delinquency costs);

(iii) The method and timing of payment of Administrative Expenses from that portion of the Phase #1B Assessment Revenue that is budgeted to pay Administrative Expenses;

(iv) City, Administrator, MMD, and bond trustee responsibilities with respect to the billing and collection procedures for the Assessments, enforcement of the Assessments, and the collection of delinquent Assessments or annual installments, and the timing thereof;

(v) The procedures for disbursement of bond proceeds for Costs of the Phase #1B Improvements;

(vi) The timing for termination of assignment of the Phase #1B Assessment Revenue and procedures related thereto;

(vii) The events of default under the Interlocal Agreement and remedies available to the parties; and

(viii) Any other provisions deemed necessary to fully evidence and secure the pledge of the assigned Phase #1B Assessment Revenue to payment of the Contract Revenue Bonds, to conform to procedures and terms in a related trust indenture, or to obtain Attorney General approval of such Contract Revenue Bonds.

7. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from the Phase #1B Assessment Fund and such obligations do not create a debt or other obligation payable from any other City revenues, taxes, income, or property. None of the City or any of its elected or appointed officials or any of its officers or employees shall incur any liability hereunder to the MMD or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

8. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against the MMD, any Transferee, or any other person or entity involved in the design, construction or installation of the Phase #1B Improvements. Nothing herein shall be constructed, nor is intended, to affect the City's or MMD's rights and duties to perform their respective obligations under other agreements, regulations and ordinances.

9. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Collin County, Texas.

10. Any notice required or contemplated by this Reimbursement Agreement shall be signed by or on behalf of the Party giving the Notice, and shall be deemed effective as follows: (i) when delivered by a national company such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person was the named addressee; or (ii) 72 hours after the notice was deposited with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section. All Notices given pursuant to this Section shall be addressed as follows:

To the City:	Attn: City Manager City of Celina, Texas 142 N. Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald 6371 Preston Road, Suite 200 Frisco, Texas 75034
And to:	Attn: Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the MMD:	Attn: Ross Martin Winstead PC 2728 N. Harwood Street, Suite 500 Dallas, Texas 75201 Email: rmartin@winstead.com

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

11. Notwithstanding anything herein to the contrary, nothing herein shall otherwise authorize or permit the use by the City of the Phase #1B Assessments contrary to the provisions of the PID Act.

12. Remedies:

    a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement 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 and all Transferees of 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 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 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 an additional 30 day period so long as the non-performing Party is diligently pursuing a cure. Any Transferee shall have the same rights as the Developer to enforce the obligations of the City under this Reimbursement Agreement and shall also have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer but shall not obligate the Transferee to be bound by this Reimbursement Agreement with respect to Developer obligations under this Reimbursement Agreement unless the Transferee agrees to be bound.

    b. If the MMD is in Default, the City shall have available all remedies at law or in equity, provided that no Default by the MMD shall: (1) affect the obligations of the City to use the amounts transferred to the Phase #1B Assessment Fund as provided in Sections 2 and 3 of this Reimbursement Agreement; or (2) entitle the City to terminate this Reimbursement Agreement.

    c. If the City is in Default, the MMD's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; or (2) seek specific enforcement of this Reimbursement Agreement.

13. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.

14. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the MMD to enforce its remedies under this Reimbursement Agreement.

15. Nothing in this Reimbursement Agreement, express 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 MMD any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the MMD.

16. The Parties acknowledge that each has been actively involved in negotiating this Reimbursement Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Reimbursement Agreement. In the event of any dispute over the meaning or application of any provision of this Reimbursement 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.

17. In this Reimbursement Agreement, time is of the essence and compliance with the times for performance herein is required.

18. The City represents and warrants that this Reimbursement 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 Reimbursement Agreement on behalf of the City has been duly authorized to do so. The MMD represents and warrants that this Reimbursement Agreement has been approved by appropriate action of the MMD, and that the individual executing this Reimbursement Agreement on behalf of the MMD has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Reimbursement 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.

19. This Reimbursement Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Reimbursement Agreement. This Reimbursement Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Reimbursement 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 Reimbursement 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

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

the Parties; and (c) the remainder of this Reimbursement Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

20. This Reimbursement Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

21. The Parties agree that at any time after execution of this Reimbursement 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 Reimbursement 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 Reimbursement Agreement is executed or any future City Council.

22. The term of this Reimbursement Agreement is thirty (30) years, or until the Unpaid Balance is paid in full, whichever occurs first.

23. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Reimbursement 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 Reimbursement Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three (3) 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.

[SIGNATURE PAGES TO FOLLOW]

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

Executed by MMD and City to be effective on the Effective Date.

CITY OF CELINA

_____

Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____

Vicki Tarrant, City Secretary

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

[Signature Page for Legacy Hills PID Phase #1B Reimbursement Agreement]

MMD:

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By:_____
Name: Greg Leveling
Its: President

ATTEST:

By:_____
Robert Klarer, Secretary

Attachment: Draft Agreement (Legacy Hills PID Phase 1B Reimbursement Agreement with NPMMD)

[Signature Page for Legacy Hills PID Phase #1B Reimbursement Agreement]

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	NPMMD1 - Exclusion of Land - Resolution

Action Requested:
Consider and act upon a resolution of the City of Celina, Texas, consenting to the exclusion of 55.751 acres of land from North Parkway Municipal Management District No. 1; providing for severability and declaring an effective date. (NPMMD1 – Exclusion of Land – Resolution) (Lopez)

Background Information:
Please refer to the attached resolution for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Resolution

Staff Recommendation:
Staff recommends approval.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, CONSENTING TO THE EXCLUSION OF 55.751 ACRES OF LAND FROM NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1; PROVIDING FOR SEVERABILITY AND DECLARING AN EFFECTIVE DATE.

WHEREAS, pursuant to applicable law, **COW MOUNTAIN INVESTORS, L.P.** (the "Cow Mountain Owner"), and **RUTLEDGE HAGGARD** and **MICHAEL H. HALL** (the "Haggard/Hall Owner", together with the Cow Mountain Owner, the "Owners"), have petitioned the City of Celina, Texas (the "City") for consent to the exclusion of approximately 55.751 acres of land (the "Property") from the boundaries of North Parkway Municipal Management District No. 1 (the "District"); and

WHEREAS, all or a portion of the Property is located within the corporate limits of the City; and

WHEREAS, Section 3986.0308, Special District Local Laws Code provides that the District may not exclude land from the District unless the governing body of the City approves such exclusion by affirmative vote; and

WHEREAS, the District has provided the City with a copy of the Owners' petitions for the exclusion of the Property from the District and requested that the City provide a consent resolution evidencing the City Council's consent to such exclusion of the Property from the District;

WHEREAS, the City Council finds that it is in the public interest to grant consent to the exclusion of the Property from the District, taking into consideration the public health, safety and general welfare;

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

Section 1. The City hereby consents to the exclusion of the Property from the District, in accordance with the Owners' petitions to the District for such exclusion. A copy of the Owners' petitions, including the legal description of the Property, is attached hereto and incorporated herein by reference as Exhibit "A".

Section 2. The consent of the City to the exclusion of the Property from the District does not in any way release the Property or any portion of the Property from the corporate limits of the City.

Section 3. The terms and provisions of this Resolution shall be deemed to be severable and if the validity of any section, subsection, sentence, clause, or phrase of this Resolution should be

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

declared to be invalid, the same shall not affect the validity of any other section, subsection, sentence, clause or phrase of this Resolution.

Section 4. This Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED by the City Council of the City of Celina, Texas on the 12th day of October, 2021.

_____
Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____
Vicki Tarrant, City Secretary

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

EXHIBIT A

PETITION TO THE DISTRICT AND LEGAL DESCRIPTION OF THE PROPERTY

PETITION FOR CONSENT TO EXCLUDE LANDS FROM NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

STATE OF TEXAS §
§
COUNTY OF COLLIN §

TO THE HONORABLE MAYOR AND
CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

COW MOUNTAIN INVESTORS, L.P., being the holder of title to all of, and therefore a majority in value of, the land hereinafter described, as such values are indicated by the tax rolls of the central appraisal district of Collin County, Texas ("Landowners" or "Petitioners"), acting pursuant to the provisions of the Section 3986.0308, Special District Local Laws Code, respectfully petition for consent to exclude lands from North Parkway Municipal Management District No. 1 (the "District"). In support of this petition, Petitioners show as follows:

I.

The District exists under the terms and provisions of Article XVI, Section 59 and Article III, Sections 52 and 52-a of the Constitution of Texas; Chapter 375, Texas Local Government Code; and Chapter 3986, Texas Special District Local Laws Code. Landowner is the sole owner and holder of fee simple title to the land sought to be excluded from the District, as indicated by the tax rolls of the central appraisal district of Collin County, Texas. Landowner represents and warrants that there are no holders of liens against said land.

II.

The land sought to be excluded from the District contains approximately 53.860 acres of land, more or less, as described in Exhibit "A", attached hereto and incorporated herein by reference, and lies wholly within the corporate limits of the City of Celina, Collin County, Texas.

III.

The exclusion of said lands from the District will not impede the ability of the District to accomplish its purposes to, among other things, promote and protect the purity and sanitary condition of the State's waters and the public health and welfare of the community, by and through the construction, extension, improvement, maintenance and operation of water, sanitary sewer, drainage and road facilities.

WHEREFORE, Petitioners respectfully pray that this petition be granted in all respects and that the City of Celina give its consent to the exclusion of the aforesaid land from said District.

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

RESPECTFULLY SUBMITTED this September 3, 2021.

COW MOUNTAIN INVESTORS, L.P.,
a Texas limited partnership

By: Cow Mountain GP, LLC
a Texas limited liability company
its General Partner

By: _____
Name: Rex Glendenning
Title: Sole Member

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the 1st day of October, 2021, by Rex Glendenning, Sole Member of Cow Mountain GP, LLC, General Partner of Cow Mountain Investors, L.P., a Texas limited partnership.

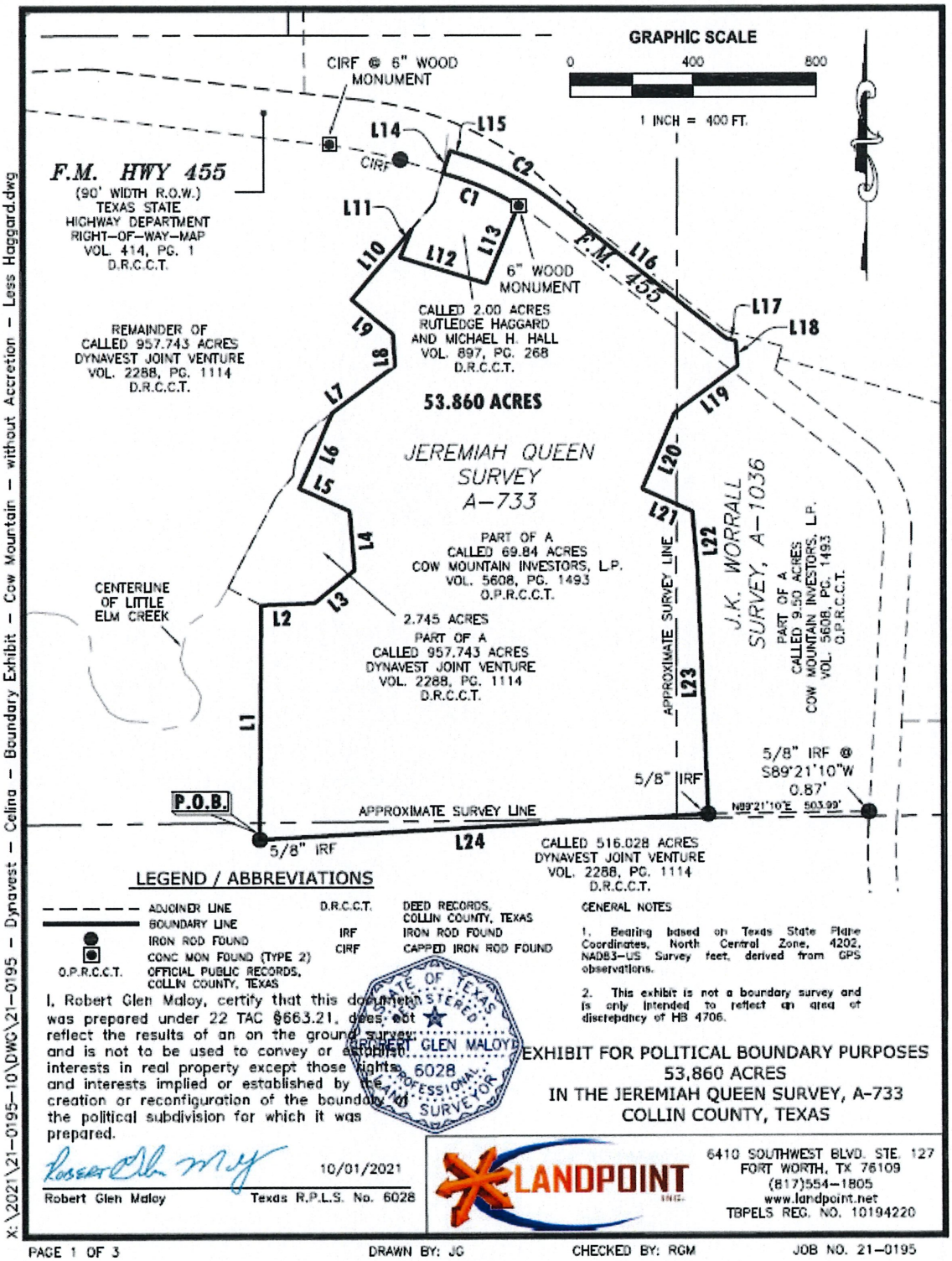
ALICE D BUETO
NOTARY PUBLIC
ID# 1556079
State of Texas
Comm. Exp. 07-25-2022

(NOTARY SEAL)

_____
Notary Public in and for the State of Texas

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

EXHIBIT "A"



Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

LEGAL DESCRIPTION

Being 53.860 acres of land situated in the Jeremiah Queen Survey, Abstract No. 733, in Collin County, Texas and being a part of that certain called 69.84 acre tract of land conveyed to Dynavest Joint Venture, by deed of record Volume 5608, Page 1493 of the Deed Records of Collin County, Texas and being more particularly described by metes and bounds and follows:

BEGINNING at a 5/8-inch iron rod found for the Southwest corner of said 69.84 acre tract of land and severing the following Twenty-Six (26) courses:

1. N00°30'19"E, a distance of 762.96 feet to a point for corner;
2. N87°42'51"E, a distance of 172.47 feet to a point for corner;
3. N50°43'48"E, a distance of 169.49 feet to a point for corner;
4. N04°43'47"W, a distance of 193.80 feet to a point for corner;
5. N65°50'33"W, a distance of 178.82 feet to a point for corner;
6. N23°26'44"E, a distance of 269.21 feet to a point for corner;
7. N53°17'03"E, a distance of 256.14 feet to a point for corner;
8. N04°21'15"W, a distance of 103.17 feet to a point for corner;
9. N50°02'12"W, a distance of 174.16 feet to a point for corner;
10. N40°37'27"E, a distance of 301.55 feet to a point for corner;
11. S22°44'48"W, a distance of 99.24 feet to a point for corner;
12. S73°09'02"E, a distance of 295.66 feet to a point for corner;
13. N22°44'48"E, a distance of 274.67 feet to a point for corner;
14. Along a curve to the left having a radius of 957.55 feet, an arc length of 270.11 feet, a delta angle of 16°09'43" and a chord which bears N66°52'37"W a distance of 269.21 feet to a point;
15. N17°13'41"E, a distance of 76.93 feet to a point for corner;
16. S72°45'05"E, a distance of 36.07 feet to a point for corner;
17. Along a curve to the left, having a radius of 986.86 feet, an arc length of 363.14 feet, a delta angle of 21°04'59", and a chord which bears S62°12'35"E a distance of 361.09 feet to a point of tangency;
18. S51°40'05"E, a distance of 697.67 feet to a point for corner;
19. S74°09'58"E, a distance of 30.56 feet to a point for corner;
20. S04°36'13"E, a distance of 80.51 feet to a point for corner;
21. S53°02'05"W, a distance of 256.14 feet to a point for corner;
22. S23°11'46"W, a distance of 269.21 feet to a point for corner;
23. S66°05'31"E, a distance of 178.82 feet to a point for corner;
24. S04°58'45"E, a distance of 193.80 feet to a point for corner;
25. S02°18'25"E, a distance of 794.31 feet to a point for corner;
26. S86°48'56"W, a distance of 1465.45 feet to the POINT OF BEGINNING and containing 53.860 acres of land.

I, Robert Glen Maloy, certify that this document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

STATE OF TEXAS REGISTERED ROBERT GLEN MALOY 6028 PROFESSIONAL SURVEYOR

Robert Glen Maloy 10/01/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

EXHIBIT FOR POLITICAL BOUNDARY PURPOSES
53.860 ACRES
IN THE JEREMIAH QUEEN SURVEY, A-733
COLLIN COUNTY, TEXAS

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554-1805
www.landpoint.net
TBPELS REG. NO. 10194220

x:\2021\21-0195-10\DWG\21-0195 - Dynavest - Celina - Boundary Exhibit - Cow Mountain - without Accretion - Less Haggard.dwg

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N00°30'19"E	762.96'
L2	N87°42'51"E	172.47'
L3	N50°43'48"E	169.69'
L4	N04°43'47"W	193.80'
L5	N65°50'33"W	178.82'
L6	N23°26'44"E	269.21'
L7	N53°17'03"E	256.14'
L8	N04°21'15"W	103.17'
L9	N50°02'12"W	174.16'
L10	N40°37'27"E	301.55'
L11	S22°44'48"W	99.24'
L12	S73°09'02"E	295.66'
L13	N22°44'48"E	274.67'
L14	N17°13'41"E	76.93'
L15	S72°45'05"E	36.07'
L16	S51°40'05"E	697.67'
L17	S74°09'58"E	30.56'
L18	S04°36'13"E	80.51'
L19	S53°02'05"W	256.14'
L20	S23°11'46"W	269.21'
L21	S66°05'31"E	178.82'
L22	S04°58'45"E	193.80'
L23	S02°18'25"E	794.31'
L24	S26°48'56"W	1465.45'

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD LENGTH
C1	270.11'	957.55'	16°09'43"	N66°52'37"W	269.21'
C2	363.14'	986.86'	21°04'59"	S62°12'35"E	361.09'

I, Robert Glen Maloy, certify that this document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundaries of the political subdivision for which it was prepared.

STATE OF TEXAS REGISTERED ROBERT GLEN MALOY 6028 PROFESSIONAL LAND SURVEYOR

Robert Glen Maloy 10/01/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

EXHIBIT FOR POLITICAL BOUNDARY PURPOSES
53,860 ACRES
IN THE JEREMIAH QUEEN SURVEY, A-733
COLLIN COUNTY, TEXAS

LANDPOINT INC.
6410 SOUTHWEST BLVD, STE. 127
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X:\2021\21-0195-10\DWG\21-0195 - Dynavest - Celina - Boundary Exhibit - Cow Mountain - without Accretion - Less Haggard.dwg

PAGE 3 OF 3 DRAWN BY: JG CHECKED BY: RGM JOB NO. 21-0195

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

PETITION FOR CONSENT TO EXCLUDE LANDS FROM NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

STATE OF TEXAS §

COUNTY OF COLLIN §

TO THE HONORABLE MAYOR AND
CITY COUNCIL OF THE CITY OF CELINA, TEXAS: §

Rutledge Haggard and Michael H. Hall being the holders of title to all of, and therefore, a majority in value of the land hereinafter described, as such values are indicated by the tax rolls of the central appraisal district of Collin County, Texas ("Landowners" or "Petitioners"), acting pursuant to the provisions of the Section 3986.0308, Special District Local Laws Code, respectfully petition for consent to exclude lands from North Parkway Municipal Management District No. 1 (the "District"). In support of this petition, Petitioners show as follows:

I.

The District exists under the terms and provisions of Article XVI, Section 59 and Article III, Sections 52 and 52-a of the Constitution of Texas; Chapter 375, Texas Local Government Code; and Chapter 3986, Texas Special District Local Laws Code. Landowner is the sole owner and holder of fee simple title to the land sought to be excluded from the District, as indicated by the tax rolls of the central appraisal district of Collin County, Texas. Landowner represents and warrants that there are no holders of liens against said land.

II.

The land sought to be excluded from the District contains approximately 2.00 acres of land, more or less, as described in Exhibit "A", attached hereto and incorporated herein by reference, and lies wholly within the corporate limits of the City of Celina, Collin County, Texas.

III.

The exclusion of said lands from the District will not impede the ability of the District to accomplish its purposes to, among other things, promote and protect the purity and sanitary condition of the State's waters and the public health and welfare of the community, by and through the construction, extension, improvement, maintenance and operation of water, sanitary sewer, drainage and road facilities.

WHEREFORE, Petitioners respectfully pray that this petition be granted in all respects and that the City of Celina give its consent to the exclusion of the aforesaid land from said District.

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

RESPECTFULLY SUBMITTED this September 23, 2021.

RUTLEDGE HAGGARD, an individual

MICHAEL H. HALL, an individual

THE STATE OF TEXAS §

COUNTY OF Collin §

This instrument was acknowledged before me on the 23rd day of September, 2021, by RUTLEDGE HAGGARD, an individual.

L EDWARD JONES JR
Notary ID #128774610
My Commission Expires
October 14, 2023

(NOTARY SEAL)

Notary Public in and for the State of Texas

THE STATE OF TEXAS §

COUNTY OF Collin §

This instrument was acknowledged before me on the 23rd day of September, 2021, by MICHAEL H. HALL, an individual.

L EDWARD JONES JR
Notary ID #128774610
My Commission Expires
October 14, 2023

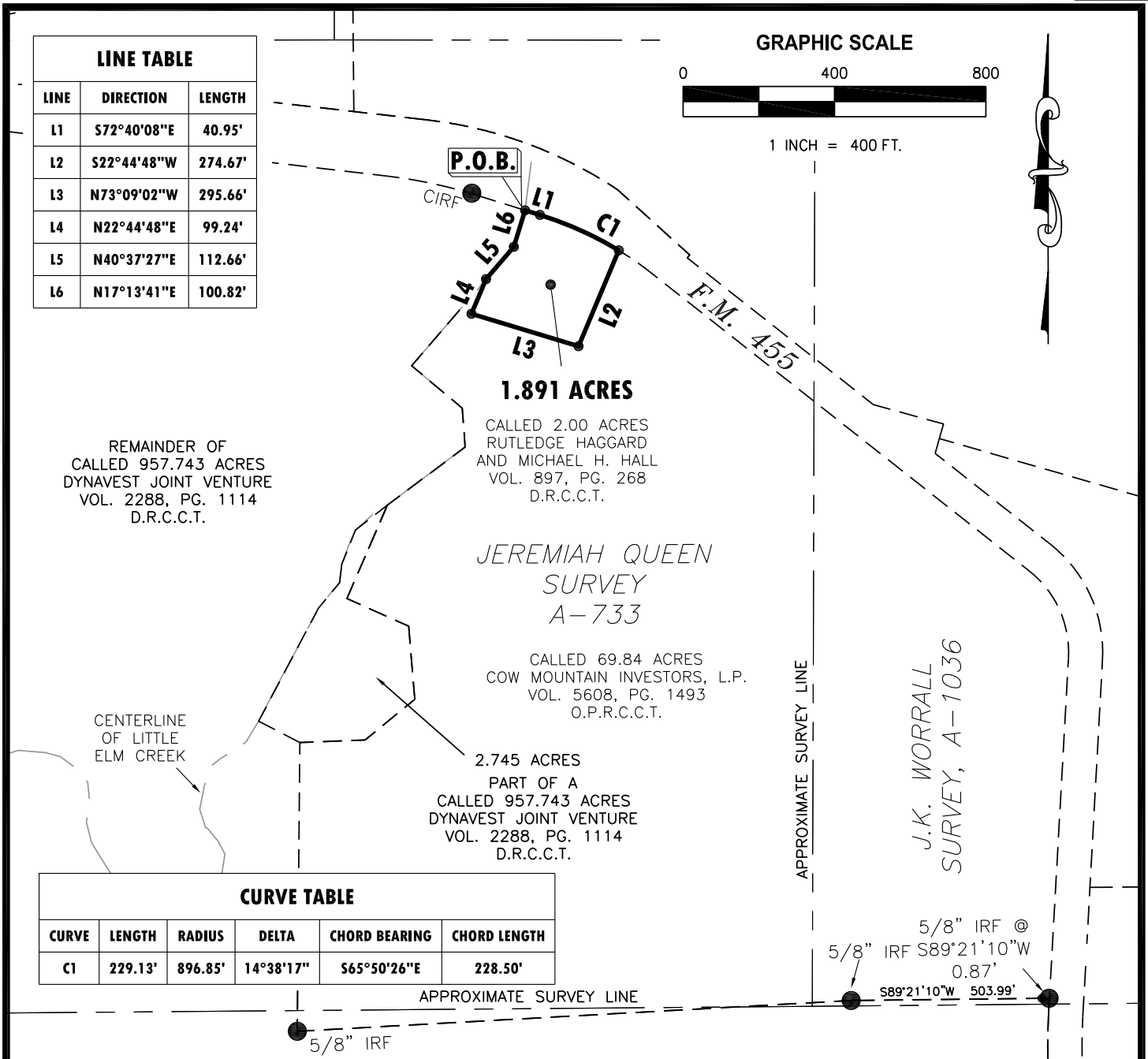
(NOTARY SEAL)

Notary Public in and for the State of Texas

4828-6993-3051v.1

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S72°40'08"E	40.95'
L2	S22°44'48"W	274.67'
L3	N73°09'02"W	295.66'
L4	N22°44'48"E	99.24'
L5	N40°37'27"E	112.66'
L6	N17°13'41"E	100.82'



CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD LENGTH
C1	229.13'	896.85'	14°38'17"	S65°50'26"E	228.50'

LEGEND / ABBREVIATIONS

- ADJOINER LINE
- BOUNDARY LINE
- IRON ROD FOUND
- BOUNDARY CORNER
- O.P.R.C.C.T. — OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
- D.R.C.C.T. — DEED RECORDS, COLLIN COUNTY, TEXAS
- IRF — IRON ROD FOUND
- CIRF — CAPPED IRON ROD FOUND

GENERAL NOTES

1. Bearing based on Texas State Plane Coordinates, North Central Zone, 4202, NAD83-US Survey feet, derived from GPS observations.

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground in January 2021, that this plat correctly represents the facts found at the time of said survey.

PRELIMINARY - FOR REVIEW PURPOSES ONLY

Robert Glen Maloy Texas R.P.L.S. No. 6028

BOUNDARY EXHIBIT
1.891 ACRES
IN THE JEREMIAH QUEEN SURVEY, A-733
COLLIN COUNTY, TEXAS

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554-1805
www.landpoint.net
TBPELS REG. NO. 10194220

X:\2021\21-0195-10\DWG\21-0195 Dynavest - Celina - Cow Mountain Exhibit - 2 Acres - Haggard Tract.dwg

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

LEGAL DESCRIPTION

Being 1.891 acres of land situated in the Jeremiah Queen Survey, Abstract No. 733, in Collin County, Texas and being a part of that certain called 69.84 acre tract of land conveyed to Dynavest Joint Venture, by deed of record Volume 5608, Page 1493 of the Deed Records of Collin County, Texas and being more particularly described by metes and bounds and follows:

BEGINNING at a point for the Northwest corner of said 2.000 acre tract of land, along the Southerly right-of-way line of FM 455, the following Two (2) courses;

1. S72°40'08"E, along the Northerly line of said 2.000 acre tract of land, same being the Southerly right-of-way line of FM 455, a distance of 40.95 feet to a point for corner;

2. Along a curve to the left, having a radius of 896.85 feet, an arc length of 229.13 feet, a delta angle of 14°38'17", and a chord which bears S65°50'26"E a distance of 228.50 feet to a corner for a point of tangency;

THENCE S22°44'48"W, along the Easterly line of said 2.000 acre tract, a distance of 274.67 feet to a point for corner;

THENCE N73°09'02"W, with the Southerly line of said 2.000 acre tract, a distance of 295.66 feet to a point for corner;

THENCE with the Westerly line of said 2.000 acre tract of land, common with the approximate centerline of Little Elem Creek, the following Three (3) courses;

1. N22°44'48"E, a distance of 99.24 feet to a point for corner;

2. N40°37'27"E, a distance of 112.66 feet to a point for corner;

3. N17°13'41"E, a distance of 100.82 feet to the POINT OF BEGINNING and containing 1.891 acres of land.

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground in January 2021, that this plat correctly represents the facts found at the time of said survey.

PRELIMINARY - FOR REVIEW PURPOSES ONLY

Robert Glen Maloy Texas R.P.L.S. No. 6028

BOUNDARY EXHIBIT
1.891 ACRES
IN THE JEREMIAH QUEEN SURVEY, A-733
COLLIN COUNTY, TEXAS

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
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X:\2021\21-0195-10\DWG\21-0195 Dynavest - Celina - Cow Mountain Exhibit - 2 Acres - Haggard Tract.dwg

Attachment: Draft Resolution (NPMMD1 – Exclusion of Land – Resolution)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Bella Lopez, Senior Planner
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: NPMMD1 - Interlocal Agreement

Action Requested:
Consider and act to authorize an Interlocal Agreement between the City of Celina, Texas, and North Parkway Municipal Management District No. 1 establishing provisions for the District to finance and acquire the Phase #1A-1B Improvements and convey to the City; the apportionment, levying, collection of Assessments on the Assessed Parcels; and the pledge of Assessment Revenues to payment of the Bonds. (NPMMD1 – Interlocal Agreement) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

INTERLOCAL AGREEMENT
BETWEEN THE CITY OF CELINA, TEXAS AND
NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

THIS INTERLOCAL AGREEMENT (this "Agreement") is entered into by and between the City of Celina, Texas (the "City" or "Celina") a home rule the City organized, created and established pursuant to Article XI, Section 5 of the Constitution of the State of Texas, and the North Parkway Municipal Management District No. 1 (the "District"), a political subdivision of the State of Texas created and operating under Article XVI, Section 59 and Article III, Sections 52 and 52-a of the Constitution of the State of Texas (collectively known as the "Parties"), and will take effect as of October 12, 2021.

WHEREAS, capitalized terms used but not otherwise defined in these recitals shall have the meanings given to them in Section 1.1 hereof;

WHEREAS, the District was created in 2019 by the Texas Legislature as a municipal management district pursuant to Chapter 3986, Texas Special District Local Laws Code (the "District Legislation"), and operates in accordance with (i) the District Legislation and (ii) Chapter 375, Texas Local Government Code (except as otherwise provided by the District Legislation) (the "MMD Act", together with the District Legislation, the "Act");

WHEREAS, pursuant to the District Legislation, the District was originally created as the North Celina Municipal Management District No. 3 and, pursuant to a resolution adopted by the Board of Directors of the District, has changed its name to North Parkway Municipal Management District No. 1;

WHEREAS, pursuant to Section 3986.0302(a) of the District Legislation, the District has the power to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance any improvement project authorized under the Act;

WHEREAS, the City and Dynavest Joint Venture entered into that certain "Development, Settlement, and Annexation Agreement" as of September 8, 2020, as amended by the "First Amendment to Development, Settlement, and Annexation Agreement" between the City, the District, and MM Celina 3200, LLC, and by the "Second Amendment to Development, Settlement, and Annexation Agreement" between the City, the District, and MM Celina 3200, LLC (collectively, the "Development Agreement") for the design, construction, and financing of a mixed-use residential and commercial development within the City and the District;

WHEREAS, Section 5.1 of the Development Agreement provides that the City would consider the creation of a public improvement district to finance the improvements described in a service and assessment plan pursuant to Chapter 372, Texas Local Government Code (the "PID Act") upon request;

WHEREAS, pursuant to the PID Act, the City authorized creation of the Legacy Hills Public Improvement District (the "PID");

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

WHEREAS, property within the PID will be developed in phases, and assessments for each phase have been or will be levied against the assessed property within such phase to pay the costs of improvements that confer a special benefit on the assessed property within such phase;

WHEREAS, Phase #1A and Phase #1B of the PID will be the first phases to be developed and financed;

WHEREAS, Service and Assessment Plan (as defined herein) for the PID was prepared and reviewed by the staff of the City and/or the administrator of the PID and submitted to the City Council of the City for review;

WHEREAS, based upon the method of apportionment in the Service and Assessment Plan, the City prepared and filed an assessment roll setting forth the assessment to be levied against each parcel of assessed property within Phase #1A-1B of the PID, as provided in Section 372.016 of the PID Act;

WHEREAS, the Service and Assessment Plan provides that the cost of the Phase #1A Improvements and the Phase #1B Improvements, as applicable (collectively, the "Phase #1A-1B Improvements"), as authorized by Section 372.003 of the PID Act and described in the Service and Assessment Plan will be paid by assessments levied against parcels of assessed property located within Phase #1A of the PID (the "Phase #1A Assessments") and by assessments levied against parcels of assessed property located within Phase #1B of the PID (the "Phase #1B Assessments" and, together with the Phase #1A Assessments, the "Assessments"), as applicable, and that following the collection of the Phase #1A Assessments and the Phase #1B Assessments by the City, the Phase #1A Assessment Revenues and the Phase #1B Assessment Revenues will be transferred to the District in accordance with the provisions of this Agreement;

WHEREAS, the City Council of the City adopted the Assessment Ordinance approving the Service and Assessment Plan and levied the Phase #1A Assessments and the Phase #1B Assessments, all as provided in Section 372.017 of the PID Act;

WHEREAS, pursuant to the Assessment Ordinance, the City permitted the Assessments to be paid in installments, fixed the rate of interest on installment payments, established the penalties and interest on delinquent installments, and established the procedure for collection of the Assessments; and the Assessment Ordinance provides the mechanism and procedure that will be utilized to collect and enforce the Assessments in periodic installments;

WHEREAS, the Phase #1A-1B Improvements are authorized improvements of the District pursuant to Section 375.112 of the MMD Act, will benefit the PID, the District and the City, respectively, and upon completion, the Phase #1A-1B Improvements will be conveyed to the District for subsequent conveyance to the City;

WHEREAS, the District is authorized by Section 3986.0302 of the District Legislation to finance the Phase #1A-1B Improvements by contracting with a governmental entity to carry out such financing;

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

WHEREAS, pursuant to Section 3986.0302(c) of the District Legislation, the implementation of the Phase #1A-1B Improvements is a governmental function or service for the purposes of Chapter 791, Texas Government Code ("Chapter 791"), and therefore, the City is authorized pursuant to Chapter 791 to enter into this Agreement for the provision of the facilities, improvements and services which the City and the District have lawful authority to provide and to cover the expenses necessary to administer, maintain and operate the improvements and facilities;

WHEREAS, the City is further authorized to enter into this Agreement with the District pursuant to Section 375.281 of the MMD Act;

WHEREAS, the District and the City intend to enter into this Agreement pursuant to which the City has agreed to remit all Assessment Revenues to the District to secure the District's issuance of contract revenue bonds, the proceeds of which will be used to finance the construction of the Phase #1A-1B Improvements;

WHEREAS, the District has the authority pursuant to Section 3986.0504 of the District Legislation to issue bonds payable wholly or partly from contract payments to pay for any authorized District purpose;

WHEREAS, on October 6, 2021, the Board of Directors of the District has adopted that certain order (the "Bond Order") authorizing the issuance of the $13,300,000 North Parkway Municipal Management District No. 1 Special Assessment Contract Revenue Bonds, Series 2021 (Legacy Hills Public Improvement District Phase #1A-1B Improvements) (the "Bonds");

WHEREAS, the terms and conditions of the Bonds, and the pledge of the Assessment Revenues derived from this Agreement while any of the Bonds remain outstanding will be controlled by the provisions of the Indenture, the Bond Order, this Agreement, the Act, and the PID Act;

NOW, THEREFORE, for and in consideration of the mutual covenants hereinafter set forth, the City and the District hereby contract, covenant and agree as follows:

ARTICLE 1
DEFINITIONS

SECTION 1.01. RECITALS. The Parties hereto contract, covenant and agree that all matters set forth in the recitals of this Agreement are accurate and true to the extent permitted by law.

SECTION 1.02. DEFINITIONS. Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth. Capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Service and Assessment Plan or the Indenture.

"**Additional Bonds**" shall mean the additional parity bonds issued for the purpose of refunding the Bonds and authorized to be issued in accordance with the terms of the Indenture.

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

"**Administrative Expenses**" shall have the meaning assigned to such term in the Service and Assessment Plan.

"**Administrator**" shall mean any entity that the City contracts with to administer the Service and Assessment Plan.

"**Agreement**" shall mean this instrument as originally executed or as it may from time to time be supplemented or amended by one or more agreements supplemental hereto entered into pursuant to the applicable provisions hereof.

"**Annual Installment**" shall have the meaning ascribed to such term in the Service and Assessment Plan.

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

"**Assessed Parcel**" shall mean any Parcel within Phase #1A or Phase #1B of the PID, as applicable, against which an Assessment is levied (Assessed Parcel does not include Non-Benefited Property).

"**Assessment Ordinance**" shall mean the ordinance authorizing the levy of Assessments by the City and passed and approved by the City Council on October 12, 2021.

"**Assessment Revenues**" shall mean, collectively, the Phase #1A Assessment Revenues and the Phase #1B Assessment Revenues.

"**Assessment Rolls**" shall mean collectively, the Phase #1A Assessment Roll and the Phase #1B Assessment Roll.

"**Assessments**" shall mean, collectively, the Phase #1A Assessments and Phase #1B Assessments.

"**Bonds**" shall mean the District's Special Assessment Contract Revenue Bonds, Series 2021 (Legacy Hills Public Improvement District Phase #1A-1B Improvements).

"**Debt**" shall mean any bond, note, or other evidence of indebtedness incurred, entered into, or issued by the City related exclusively to the PID.

"**Delinquent Collection Costs**" shall have the meaning set forth in the Service and Assessment Plan.

"**District**" shall mean the North Parkway Municipal Management District No. 1.

"**Foreclosure Proceeds**" shall mean the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments against any Assessed Parcel or Assessed Parcels, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

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"**Indenture**" shall mean the Indenture of Trust by and between the District and the Trustee and dated as of October 1, 2021, and any supplement or amendment thereto, relating to the Bonds.

"**Non-Benefited Property**" shall mean Parcels within the boundaries of Phase #1A-1B of the PID that accrue no special benefit from the Phase #1A-1B Improvements, including Public Property.

"**Parcel**" shall mean a property identified by either a tax map identification number assigned by the Collin Central Appraisal District for real property tax purpose, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the Official Public Records of Collin County, or by any other means determined by the City.

"**Phase #1A**" shall have the meaning given to it in the Service and Assessment Plan.

"**Phase #1A Assessment Fund**" shall mean the fund to which Phase #1A Assessment Revenues shall be deposited pursuant to this Agreement.

"**Phase #1A Assessment Revenues**" shall mean all revenue received and collected by the City from the collection of the Phase #1A Assessments and Annual Installments thereof, including foreclosure proceeds and prepayments.

"**Phase #1A Assessment Roll**" shall mean collectively, the Phase #1A Assessment Roll attached as Appendix G to the Service and Assessment Plan or any other assessment roll for each of the Phase #1A Improvements in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, and related the Phase #1A Improvements and the Phase #1A Reimbursement Agreement, 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 #1A Assessments**" shall mean the assessments levied in Phase #1A as provided for in the Assessment Ordinance and in the Service and Assessment Plan, including any supplemental assessments or reallocation of such assessments levied in accordance with Sections 372.019 and 372.020 of the PID Act.

"**Phase #1A Construction, Funding, and Acquisition Agreement**" means the Legacy Hills Public Improvement District Phase #1A Construction, Funding, and Acquisition Agreement by and between the District, MM Celina 294, LLC, and the City dated as of October 12, 2021.

"**Phase #1A Improvements**" shall have the meaning given to it in the Service and Assessment Plan

"**Phase #1A Reimbursement Agreement**" shall mean the Legacy Hills Public Improvement District Phase #1A Reimbursement Agreement by and between the City and the District dated as of October 12, 2021.

"**Phase #1B**" shall have the meaning given to it in the Service and Assessment Plan.

"**Phase #1B Assessment Fund**" shall mean the fund to which Phase #1B Assessment Revenues shall be deposited pursuant to this Agreement.

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"**Phase #1B Assessment Revenues**" shall mean all revenue received and collected by the City from the collection of the Phase #1B Assessments and Annual Installments thereof, including foreclosure proceeds and prepayments.

"**Phase #1B Assessment Roll**" shall mean collectively, the Phase #1B Assessment Roll attached as Appendix [H] to the Service and Assessment Plan or any other assessment roll for each of the Phase #1B Improvements in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, and related the Phase #1B Improvements and the Phase #1B Reimbursement Agreement, 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 #1B Assessments**" shall mean the assessments levied in Phase #1B as provided for in the Assessment Ordinance and in the Service and Assessment Plan, including any supplemental assessments or reallocation of such assessments levied in accordance with Sections 372.019 and 372.020 of the PID Act.

"**Phase #1B Construction, Funding, and Acquisition Agreement**" means the Legacy Hills Public Improvement District Phase #1B Construction, Funding, and Acquisition Agreement by and between the District, MM Celina 40, LLC, and the City dated as of October 12, 2021.

"**Phase #1B Improvements**" shall have the meaning given to it in the Service and Assessment Plan.

"**Phase #1B Reimbursement Agreement**" shall mean the Legacy Hills Public Improvement District Phase #1B Reimbursement Agreement by and between the City and the District dated as of October 12, 2021.

"**Phase #1A-1B Improvements**" shall have the meaning given to it in the recitals hereto.

"**PID**" shall mean the Legacy Hills Public Improvement District created by the City.

"**PID Act**" shall mean Chapter 372, Texas Local Government Code, as amended.

"**Public Property**" shall mean property, real property, right of way and easements located 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, a public utility provider or any other political subdivision or public agency, whether in fee simple, through an easement, or by plat.

"**Reimbursement Agreements**" shall mean, collectively, the Phase #1A Reimbursement Agreement and the Phase #1B Reimbursement Agreement.

"**Service and Assessment Plan**" shall mean that certain Legacy Hills Public Improvement District Service and Assessment Plan, approved by the City Council of the City pursuant to the Assessment Ordinance dated October 12, 2021, as amended or updated from time to time, including in any Annual Service Plan Update.

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"**Trustee**" shall mean Wilmington Trust, National Association, in its role as Trustee for the Bonds, and its successors and assigns.

ARTICLE I

INCORPORATION OF RECITALS

The RECITALS set forth in the Preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Article.

ARTICLE II

SCOPE OF AGREEMENT

This Agreement establishes provisions for the District to finance and acquire the Phase #1A-1B Improvements and convey the Phase #1A-1B Improvements to the City (Article III), the apportionment, levying, collection of Assessments on the Assessed Parcels (Article IV), and the pledge of Assessment Revenues to payment of the Bonds (Article V).

ARTICLE III

DISTRICT'S AGREEMENT TO ACQUIRE PHASE #1A-1B IMPROVEMENTS AND ISSUE BONDS

Pursuant to Section 4.1 of the Development Agreement, the District will acquire the Phase #1A Improvements from MM Celina 294, LLC and the Phase #1B Improvements from MM Celina 40, LLC and convey them to the City. The District shall reimburse MM Celina 294, LLC and MM Celina 40, LLC for any advances or, if bond proceeds are available, pay costs of construction using such proceeds of the Bonds.

In accordance with the Development Agreement, the City hereby requests, and the District hereby agrees, that it will proceed, as promptly as it deems practicable, with the financing of Phase #1A-1B Improvements, all in the manner hereinafter described, for the benefit of the City and the District. The District agrees to pursue, as appropriate, the approvals necessary to issue the aggregate principal amount of Bonds to finance the Phase #1A-1B Improvements, to pay costs of issuance, and to pay Administrative Expenses, if applicable. The District further agrees that it will proceed, as and when appropriate, with the issuance of bonds to refund the Bonds, and to pay all costs of issuance relating to any such refunding bonds.

ARTICLE IV

ASSESSMENTS

Section 4.01 Preliminary Matters.

(a) The City shall update the Service and Assessment Plan at least once per year in the manner described in the PID Act.

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(b) Assessments on any portion of the Assessed Parcels will bear a direct proportional relationship to and be less than or equal to the special benefit received by such Assessed Parcels from the Phase #1A Improvements and the Phase #1B Improvements, as applicable.

(c) The City, through its City Manager, may request any additions to the Phase #1A-1B Improvements or any component thereof whenever the City deems such changes to be necessary and appropriate; provided, however, that no such change shall (a) impair the ability of the District to make scheduled principal and interest payments when due on Bonds, (b) reduce the amount of the Assessments or cause the benefit to be received by the Assessed Property from the Phase #1A-1B Improvements to be less than the amount of the Assessments, (c) cause to be included in the Phase #1A-1B Improvements any property not constituting property useful in the performance of the City's powers, projects and purposes, (d) cause the Phase #1A-1B Improvements or any such component thereof to have an estimated useful life materially shorter than the estimated useful life of the Phase #1A-1B Improvements or such component prior to such change, or (e) include any property or improvement not authorized by the PID Act or the Act. Any such change shall be implemented by the City's filing with the District a description of such change and the adoption of an updated Service and Assessment Plan. Upon such filing, the description of the Phase #1A-1B Improvements contained in the Service and Assessment Plan shall be deemed to have been modified in accordance therewith. No such change shall constitute an amendment, change, modification or alteration of this Agreement.

Section 4.02 Payment of Costs of Phase #1A Improvements and the Phase #1B Improvements. The District and the City hereby agree to review and approve disbursement requests to pay costs of (i) the Phase #1A Improvements consistent with the terms of the Phase #1A Construction, Funding, and Acquisition Agreement and (ii) the Phase #1B Improvements consistent with the terms of the Phase #1B Construction, Funding, and Acquisition Agreement.

Section 4.03 Collection of Assessments.

(a) The City, as authorized by the PID Act and other applicable law, shall continuously collect or cause to be collected Assessments levied pursuant to the Assessment Ordinance and the Service and Assessment Plan during the term of this Agreement in the manner and to the extent permitted or required by the PID Act and any applicable law. The City will not permit a reduction, abatement, or exemption in the Assessments due on any portion of the Assessed Parcels until the Assessments related to that particular portion of the Assessed Parcels are no longer outstanding, whether as a result of payment in full, defeasance, or otherwise. The City or the Collin County Tax Assessor-Collector (as described below) shall collect the Assessments consistent with the requirements of the PID Act and the City's policies and standard practices applicable to the collection of the City taxes and assessments, as required by law. All Administrative Expenses incurred by the City shall be paid by the District, or by the Trustee on behalf of the District, in accordance with invoices submitted by the City or the Administrator to the District for such purpose, from the Administrative Expense portion of the Annual Installment of the Assessments.

(b) Notwithstanding anything to the contrary contained herein or in the Service and Assessment Plan, the Phase #1A Assessment Revenues collected annually will be deposited by the City in the Phase #1A Assessment Fund and the Phase #1B Assessment Revenues collected annually

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will be deposited by the City in the Phase #1B Assessment Fund within seven business days of receipt thereof and used thereafter to pay debt service due on the Bonds and to make other authorized expenditures in accordance with this Agreement, the Service and Assessment Plan, and the PID Act.

(c) Further notwithstanding anything to the contrary contained herein, the City agrees to use best efforts to contract with Collin County Tax-Assessor Collector for the collection of the Assessments such that the Assessments will be included on the ad valorem tax bill(s) for the Assessed Parcels and will be collected as part of and in the same manner as ad valorem taxes. All Administrative Expenses incurred by the City and the Collin County Tax Assessor-Collector shall be paid by the District, or by the Trustee on behalf of the District, in accordance with invoices submitted by the City or the Administrator to the District for such purpose from the Administrative Expense portion of the Annual Installments of the Assessments.

Section 4.04 Assessment Funds.

(a) The City shall establish the Phase #1A Assessment Fund and the Phase #1B Assessment Fund. The Phase #1A Assessment Fund and the Phase #1B Assessment Fund shall each be maintained, administered and controlled (including signatory authority) by the City and shall not be commingled with any other funds of the City except as provided herein. The funds in the Phase #1A Assessment Fund and the Phase #1B Assessment Fund shall be dedicated solely to the payment of debt service due on the Bonds, Delinquent Collection Costs, and Administrative Expenses. Funds in the Phase #1A Assessment Fund and the Phase #1B Assessment Fund shall be deposited and disbursed in accordance with this Agreement and the Indenture.

(b) On or before February 15 of each year, the City shall withdraw (i) from the Phase #1A Assessment Fund an amount equal to all collected and not previously transferred Phase #1A Assessment Revenues and shall pay such aggregate amount to the District and (ii) from the Phase #1B Assessment Fund an amount equal to all collected and not previously transferred Phase #1B Assessment Revenues and shall pay such aggregate amount to the District. Unless otherwise so requested by the District, the District hereby directs the City to deposit such Assessment Revenues, and the City agrees to deposit the Assessment Revenues and any other payment under this Agreement, on the dates specified herein, with the Trustee in accordance with written instructions delivered to the City by the District.

Section 4.05 Mandatory Prepayment of Bonds from Assessment Prepayments.

(a) The Bonds shall be subject to mandatory prepayment from any prepaid Assessment as provided in the Indenture.

(b) The City shall give the District and the Trustee written notice of the receipt by the City of prepaid Assessments within seven business days of such receipt and shall specify in such written notice the date on which such prepaid Assessments will be transferred to the District. The City shall deposit any amount received as a prepayment of a Phase #1A Assessment in the Phase #1A Assessment Fund or as a prepayment of a Phase #1B Assessment in the Phase #1B Assessment Fund within seven business days of receipt thereof and shall transfer such prepayment to the District,

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for deposit in the District account specified in the manner provided in Section 4.04(b) hereof, within fifteen business days of the City's receipt thereof.

Section 4.06 Approval of Assessments through Landowner Consent. The owners of the Assessed Parcels **(**"**Owners**") will execute one or more "Landowner Consent(s)" (herein so called) in which the Owners approved and accepted the apportionment of Assessments in the Service and Assessment Plan and the levy of the Assessments by the City. The Landowner Consent(s) further (a) evidences that the Assessments are covenants running with the land that will bind any and all current and successor owners of the applicable Assessed Parcels to the Assessments, including applicable penalties and interest thereon, as and when due and payable thereunder, (b) provides that subsequent purchasers of such land take their title subject to and expressly assume the terms and provisions of the Assessments; and (c) provides that the lien created by the levy of the Assessments is a first and prior lien on the Assessed Parcels, subject only to liens for ad valorem taxes of the City, Collin County, school district, special district or other political subdivision, or a lien of the Department of Treasury of the United States of America.

Section 4.07 Transfer to Trustee Permitted. The District's right, title and interest to the Assessment Revenues shall be the sole and exclusive property of District and no other third party shall have any claim or right to such funds unless the District transfers its rights to the Trustee. The District has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part, all or any portion of the District's right, title, or interest under this Agreement including, but not limited to, any right, title or interest of the District in and to payment of the Assessment Revenues to the Trustee for the benefit of the holders of the Bonds.

Section 4.08 Obligation Absolute.

(a) Neither the faith and credit nor the taxing power of the City, the District, the State of Texas nor any political subdivision or agency thereof is pledged to the payment of the Bonds and the on-going administrative expenses of the District relating to the Bonds.

(b) The obligation of the City to make the payments required to be made by it pursuant hereto, solely from the sources and in the manner provided herein, is absolute and unconditional, and until such time as the debt service due on the Bonds and such other payments for Bond-related administrative costs shall have been paid in full, the City shall not discontinue or suspend any unpaid Assessment or dissolve the PID. The City's liability for payment of any funds under this Agreement is limited to payment of funds in the Assessment Fund. The City shall have no obligation to pay funds from any other source including the City's general operating funds.

Section 4.09 Pledge. Subject only to the provisions of this Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein, in order to secure the payment of the Bonds in accordance with the provisions of this Agreement, the Act, and the PID Act, the City hereby pledges to the District, and grants thereto a lien on and a security interest in all of the Assessment Revenues. Said pledge shall constitute a first lien on and security interest in such assets, which shall immediately attach to such assets and be effective, binding and enforceable against the City, its successors, purchasers of any of such assets, creditors and all others asserting rights therein, to the extent set forth in, and in accordance with, this Agreement,

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irrespective of whether those parties have notice of the pledge of, lien on and security interest in such assets and without the need for any physical delivery, recordation, filing or further act.

Section 4.10 Summary of the City Responsibilities. The City's responsibilities with respect to the Assessments are as specified herein and as follows:

(a) The City shall have the responsibility for administration, assessment, collection or payment of any amounts (subject to the limitations described herein) as provided in this Agreement, the Assessment Ordinance and the Service and Assessment Plan.

(b) In addition to the obligations specified herein, the City's obligations with respect to the Assessments are to:

(i) Use its best efforts to enter into an agreement with the Collin County Tax Assessor-Collector or other third party to collect the Assessments;

(ii) Establish the assessment account provided in the Service and Assessment Plan (referred to herein as the Assessment Fund) to receive the funds collected from Assessments;

(iii) Direct the Administrator to take all reasonable efforts to collect Annual Installments and Assessments including foreclosure of any lien securing any delinquent Assessment or Annual Installment thereof as provided in Section 6.01 and Exhibit "A";

(iv) Deposit Phase #1A Assessment Revenues into the Phase #1A Assessment Fund;

(v) Deposit Phase #1B Assessment Revenues into the Phase #1B Assessment Fund; and

(vi) Transfer funds out of the Phase #1A Assessment Fund and the Phase #1B Assessment Fund to the Trustee as provided in this Agreement.

ARTICLE V

ACQUISITION AND CONVEYANCE OF THE PHASE #1A-1B IMPROVEMENTS

Section 5.01 Acquisition and Conveyance of Phase #1A-1B Improvements. When in accordance with applicable City ordinances, the City hereby agrees to accept one or more conveyances from the District, and the District hereby agrees to convey to the City, from time to time, one or more of the Phase #1A-1B Improvements in accordance with the provisions of the Development Agreement and the Reimbursement Agreements. Upon acceptance by the City of Phase #1A-1B Improvements or portion thereof, all right, title and interest in such Phase #1A-1B Improvements or portion thereof shall vest in the City without further action on the part of the City or the District.

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ARTICLE VI

REPRESENTATIONS, WARRANTIES, AND COVENANTS; ADDITIONAL AGREEMENTS

Section 6.01 Covenants, Representations and Warranties of the City; Additional Agreements. The City makes the following covenants, representations and warranties and additional agreements for the benefit of the District:

(a) The City is a home-rule municipal corporation and political subdivision of the State of Texas, duly incorporated, organized and existing under the Constitution and general laws of the State, and has full legal right, power and authority under the PID Act and other applicable law (i) to enter into, execute and deliver this Agreement, (ii) to adopt the Assessment Ordinance, and (iii) to carry out and consummate the transactions contemplated by this Agreement.

(b) The City shall, to the extent authorized by applicable law, approve all necessary documents and orders required to effectuate the Service and Assessment Plan and Assessment Ordinance.

(c) The City shall comply with all requirements of the PID Act so as to assure the timely collection of Assessments and the Annual Installments thereof. The City agrees that the basic expected timeline for the collection of Assessments and the anticipated procedures for pursuing the collection of delinquent Assessments is set forth in Exhibit A, which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments.

(d) The City shall determine or cause to be determined, in accordance with Exhibit A attached hereto, whether or not any Owners are delinquent in the payment of their Assessments and, if such delinquencies exist, the City shall order and cause to be commenced, substantially as described in Exhibit A, after the determination of such delinquency, and thereafter diligently cause to be prosecuted pursuant to any then-existing contract with the Collin County Tax Assessor-Collector or, if no contract, pursuant to Texas law, an action for the enforcement of the City's assessment liens, an action in court to foreclose the lien of any Assessment or Annual Installment thereof not paid when due.

(e) The City shall not issue or incur any Debt payable from the Assessments.

(f) The City shall not initiate proceedings under the PID Act to modify the amount of the Assessments if such modification would adversely affect the security for the Bonds.

(g) The City shall provide, or cause to be provided to, the District information needed regarding the PID and the Assessments as may be needed for the District's compliance with any continuing disclosure agreement relating to the Bonds, including, but not limited to the information set forth on Exhibit "B" hereto not later than February 15 of each year beginning February 15, 2022 and continuing until the Bonds are no longer outstanding.

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(h) Regarding the use or disposition of the Phase #1A-1B Improvements, the City shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of interest on the Bonds under section 103 of the Internal Revenue Code of 1986. Without limiting the generality of the foregoing, the City shall comply with the requirements of a federal tax certificate to be provided to the City by the District and, if required by bond counsel to the District, evidence the City's agreement to comply with the provisions of a federal tax certificate related to the City's use of the Phase #1A-1B Improvements.

All representations, covenants and warranties of the City under this Agreement survive the issuance of the Bonds.

Section 6.02 Representations of District. The District makes the following representations for the benefit of the City:

(a) The District represents that the District is a duly authorized political subdivision of the State, created under authority of Section 59, Article XVI and Sections 52 and 52-a, Article III of the Texas Constitution, and pursuant to the District Legislation has the ability to issue the Bonds.

(b) The District represents that the District has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the District.

ARTICLE VII

DEFAULT AND REMEDIES

Section 7.01 Event of Default. The occurrence, from time to time, of any one or more of the following events shall constitute an "Event of Default" under this Agreement:

(a) A failure by the City to remit any Assessment Revenues to the District when and as the same shall become due and payable to the District in accordance with the provisions of this Agreement.

(b) Either of the City or the District (a "Party") shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such Party fails to materially perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

Section 7.02 District Remedies. If an Event of Default shall have occurred and be continuing, the District and the Trustee, either collectively or individually, shall have the right:

(a) by mandamus, suit, action or proceeding, to compel the City and its officers, agents or employees to perform each and every term, provision and covenant of the City contained in this Agreement, and to require the carrying out of any or all such covenants and agreements of the City and the fulfillment of all duties imposed upon it by this Agreement;

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(b) to the extent permitted by applicable law, by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the rights of the District or the Trustee; or

(c) to the extent permitted by applicable law, by suit, action or proceeding in any court of competent jurisdiction in Collin County, Texas, to require the City and its officers and employees to account as if it and they were the trustees of an express trust.

Section 7.03 City Remedies. If an Event of Default shall have occurred and be continuing, the City shall have the right:

(a) by mandamus, suit, action or proceeding, to compel the District and its officers, agents or employees to perform each and every term, provision and covenant of the District contained in this Agreement, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it by this Agreement; or

(b) to the extent permitted by applicable law, by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the rights of the City.

Section 7.04 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the City, the District, or the Trustee is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

Section 7.05 Termination of Proceedings. In case any proceedings taken on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the party bringing such proceedings, then in every such case, subject to any determination in such proceedings, the parties shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the parties hereto shall continue as though no such proceedings had been taken.

Section 7.06 No Waiver of Default. No delay or omission of the City, the District or the Trustee to exercise any right or power arising upon the occurrence of any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or an acquiescence therein, and every power and remedy given by this Agreement to the City, the District, or the Trustee may be exercised from time to time and as often as may be deemed expedient.

ARTICLE VIII

GENERAL PROVISIONS

Section 8.01 Term. This Agreement shall terminate upon the later of the payment in full of (i) the outstanding Bonds or (ii) any bonds issued by the District and secured by the Assessment Revenues to be received by the District pursuant to this Agreement, if such bonds are not issued pursuant to the Indenture.

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Section 8.02 Notices. Any notice, communication, or disbursement required to be given or made hereunder shall be in writing and shall be given or made by e-mail, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below or at such other addresses as any be specified in writing by any Party hereto to the other parties hereto. Each notice which shall be mailed or delivered in the manner described above shall be deemed sufficiently given, served, sent, and received for all purpose at such time as it is received by the addressee (with return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such receipt) at the following addresses:

To the City:
Attn: City Manager
City of Celina, Texas
142 N. Ohio
Celina, Texas 75009
Email: jlaumer@celina-tx.gov

With a copy to:
Attn: Julie Fort
Messer, Fort & McDonald
6371 Preston Road, Suite 200
Frisco, Texas 75034
Email: julie@txmunicipallaw.com

To the MMD:
Attn: Ross Martin
Winstead PC
2728 N. Harwood Street, Suite 500
Dallas, Texas 75201
Email: rmartin@winstead.com

To the Trustee:
Wilmington Trust, National Association
15950 North Dallas Parkway
Suite 550
Dallas, Texas 75248
Attn: Regina Velasquez
rvelasquez@wilmingtontrust.com

Section 8.03 Construction of Certain Terms. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction shall apply:

(a) Words importing a gender include either gender.

(b) Words importing the singular include the plural and vice versa.

(c) A reference to a document includes an amendment, supplement, or addition to, or replacement, substitution, or novation of, that document but, if applicable, only if such amendment, supplement, addition, replacement, substitution, or novation is permitted by and in accordance with that applicable document.

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(d) Any term defined herein by reference to another instrument or document shall continue to have the meaning ascribed thereto whether or not such other instrument or document remains in effect.

(e) A reference to any Party includes that Party's permitted successors and assigns, if any.

(f) All references in this Agreement to designated "Articles," "Sections," and other subdivisions are to the designated Articles, Sections, and other subdivisions of this Agreement. All references in this Agreement to "Exhibits" are to the designated Exhibits to this Agreement.

(g) The words "herein," "hereof," "hereto," "hereby," "hereunder," and other words of similar import refer to this Agreement as a whole and not to the specific Section or provision where such word appears.

(h) The words "including" and "includes," and words of similar import, are deemed to be followed by the phrase "without limitation."

(i) Unless the context otherwise requires, a reference to the "Assessed Parcels" or the "Phase #1A-1B Improvements" is deemed to be followed by the phrase "or a portion thereof."

(j) Every "request," "order," "demand," "direction," "application," "appointment," "notice," "statement," "certificate," "consent," "approval," "waiver," "identification," or similar action under this Agreement by any Party shall, unless the form of such instrument is specifically provided, be in writing duly signed by a duly authorized representative of such Party.

(k) The Parties hereto acknowledge that each such Party and their respective counsel have participated in the drafting and revision of this Agreement. Accordingly, the Parties agree that any rule of construction that disfavors the drafting Party shall not apply in the interpretation of this Agreement.

(l) This Agreement and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

Section 8.04 Titles and Headings. The titles of the Articles, and the headings of the sections of this Agreement are solely for convenience of reference, are not a part of this Agreement, and shall not be deemed to affect the meaning, construction, or effect of any of its provisions.

Section 8.05 Amendments. This Agreement may be amended, modified, revised or changed by written instrument executed by the Parties.

Section 8.06 Time. In computing the number of days for purposes of this Agreement, all days will be counted, including Saturdays, Sundays, and legal holidays; however, if the final day of any time period falls on a Saturday, Sunday, or legal holiday, then the final day will be deemed to be the next day that is not a Saturday, Sunday, or legal holiday.

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

Section 8.07 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument.

Section 8.08 Entire Agreement. This Agreement contains the entire agreement of the Parties.

Section 8.09 Severability; Waiver. If any provision of this Agreement is illegal, invalid, or unenforceable, under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected and, in lieu of each illegal, invalid, or unenforceable provision, a provision be added to this Agreement which is legal, valid, and enforceable and is as similar in terms to the illegal, invalid, or enforceable provision as is possible.

Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement will not be deemed a waiver or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

Section 8.10 Third Party Beneficiary. The Trustee is a third party beneficiary of this Agreement and is entitled to the rights and benefits hereunder and may enforce the provisions hereof as if the Trustee was a party hereto.

[Signature Page Follows]

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this Agreement to be duly executed in several counterparts, each of which shall constitute an original.

THE CITY OF CELINA

Date Approved: _____

By:_____
Name:
Title:

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

Date Approved: _____

By:_____
Name:
Title:

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

EXHIBIT "A"

BASIC EXPECTED TIMELINE FOR ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES[1]

Date	Delinquency Clock (Days)	Activity
January 31		Annual Installments of Assessments are due.
February 1	1	Annual Installments of Assessments Delinquent if not received.
February 15	15	The City forwards payment to District for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter. The City and/or Administrator should be aware of actual and specific delinquencies. District and/or Administrator should be aware if Reserve Fund needs to be utilized for debt service payments on March 1. **If there is to be a shortfall, the Trustee and Dissemination Agent should be immediately notified in writing.** District and/or Administrator should also be aware if, based on collections, there will be a shortfall for September payment. District 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 Annual Installments of Assessments except that the City and the 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 Account of such amounts as shall be required for the full March and September payments, the collection-foreclosure**

[1] Illustrates anticipated dates and procedures for pursuing the collection of delinquent Annual Installments of Assessments, which dates and procedures are subject to adjustment by the Issuer.

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

		procedure will proceed against all delinquent properties.
March 1	28/29	Trustee pays bond interest payments to bondholders.
		Reserve Fund payment to Bond Fund may be required if Assessments are below approximately 50% collection rate.
		District, or the Trustee, on behalf of the District, 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 Reserve Fund for debt service.
		Use of Reserve Fund for debt service payment should trigger commencement of foreclosure on delinquent properties.
July 1	150/151	The City determines whether any Annual Installments of Assessments are delinquent and, if such delinquencies exist, the City commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments of Assessments.
		The City to notify the District, and the District and/or Administrator to notify Dissemination Agent of any delinquencies to be included in the Annual Report.
		If any property owner with ownership of property responsible for more than $10,000 of the Annual Installments of 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 District shall work with The City Attorney's office, or the appropriate designee, to satisfy payment of all delinquent Annual Installments of Assessments.
		Preliminary Foreclosure activity commences, and The City to notify the District. District to notify Trustee and Dissemination Agent of the commencement of preliminary foreclosure activity.
		If Trustee has not received Foreclosure Schedule and Plan of Collections, Trustee to request same.
		If the City has not provided the District with a Foreclosure Schedule and Plan of Collections, and the District has not provided the Trustee with Foreclosure Schedule and Plan of Collections, and if instructed by the bondholders to begin foreclosure under Section 7.2 of the Indenture, Trustee requests that the District commence

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

		foreclosure or provide plan for collection.
August 15	195/196	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination through the MSRB. The goal for the foreclosure actions is a filing by no later than June 1 (day 121/122). **Foreclosure action to be filed with the court.** **City notifies Trustee and Dissemination Agent of Foreclosure filing status in writing.** Dissemination Agent notifies bondholders. 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 twenty-five (25%) of the Owners may request a meeting with the Mayor, the City Manager, or other responsible official of the City to discuss the City'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 five percent (5%), Owners may also request a meeting with the City at any time to discuss the City's plan and progress on collection and foreclosure activity. If the City is not diligently proceeding with the foreclosure process, the Owners may seek an action for mandamus or specific performance to direct the City to pursue the collections of delinquent Annual Installments of Assessments.

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

EXHIBIT "B"

CONTINUING DISCLOSURE INFORMATION

(i) A copy of any update or amendment to the Service and Assessment Plan, including each Annual Update

(ii) The aggregate taxable assessed valuation for parcels or lots within Phase #1A-1B of the PID based on the most recent certified tax roll available to the City.

(iii) With respect to single-family residential lots, until building permits have been issued for parcels or lots representing, in the aggregate, 95% of the total Assessments levied within each of Phase #1A-1B of the PID, such SAP Update shall include the following:

(A) The aggregate number of building permits issued with the District;

(B) the number of new homes in Phase #1A-1B of the PID for which a certificate of occupancy has been issued during such Fiscal Year; and

(C) the aggregate number of new homes within Phase #1A-1B of the PID for which a certificate of occupancy has been issued since filing the initial Annual Issuer Report for Fiscal Year ended September 30, 2021.

(iv) Listing of any property or property owners in the District representing more than twenty percent (20%) of the levy of Assessments, the amount of the levy of Assessments against such landowners, and the percentage of such Assessments relative to the entire levy of Assessments within the District, all as of the October 1 billing date for the Fiscal Year.

(v) Collection and delinquency history of the Assessments within Phase #1A-1B of the PID for the past five Fiscal Years, in the following format:

Collection and Delinquent History of Assessments in Phase #1A-1B of the PID

Collected in Fiscal Year Ending 9/30	Assessment Billed	Parcels Levied	Delinquent Amount as of 3/1	Delinquent Percentage as of 3/1	Delinquent Amount as of 9/1	Delinquent Percentage as of 9/1	Total Assessments Collected[(1)]
20__	$			—	—		$

[(1)] Collected as of _____, 20__. Includes $_____ attributable to Prepayments.

(vi) Total amount of Prepayments collected, as of the April 1 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).

(vii) The amount of delinquent Assessments by Fiscal Year:

(A) which are subject to institution of foreclosure proceedings (but as to which such proceedings have not been instituted);

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

(B) which are currently subject to foreclosure proceedings which have not been concluded;

(C) which have been reduced to judgment but not collected;

(D) which have been reduced to judgment and collected; and

(E) the result of any foreclosure sales of assessed property within Phase #1A-1B of the PID if such assessed property represents more than one percent (1%) of the total amount of Assessments.

Attachment: Draft Agreement (NPMMD1 – Interlocal Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	NPMMD1 Capital Recovery fee Project- (CFA) Construction, Funding, and Acquisition Agreement

Action Requested:
Consider and act to authorize the Capital Recovery Fee Projects Construction, Funding and Acquisition Agreement between the City of Celina, Texas, MM Celina 3200, LLC and North Parkway Municipal Management District No. 1 regarding construction and funding of Capital Recovery Fee Projects, and other matters related thereto. (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

CAPITAL RECOVERY FEE PROJECTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT

THIS CAPITAL RECOVERY FEE PROJECTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this "Agreement"), dated as of October 12, 2021 (the "Effective Date"), is by and between the **CITY OF CELINA, TEXAS**, a home rule municipality of the State of Texas (the "City"), **MM CELINA 3200, LLC**, a Texas limited liability company (the "Developer"), and **NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1**, a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution and Chapter 3986, Texas Special District Local Laws Code, formerly known as NORTH CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 3 (the "MMD") (individually referred to as a "Party" and collectively as the "Parties").

ARTICLE I
DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Indenture (as hereinafter defined).

"Actual Cost(s)" means the costs of the Capital Recovery Fee Projects actually paid or incurred for the design, construction and installation of the Capital Recovery Fee Projects.

"Bonds" means the North Parkway Municipal Management District No. 1 Contract Revenue Bonds, Series 2021 (Capital Recovery Fee Projects) to be issued by the MMD and secured by the Indenture and the Capital Recovery Fees to be received under the Capital Recovery Fee Agreement.

"Budgeted Cost(s)" means the costs shown on **Exhibit A** attached hereto.

"**Capital Recovery Fee Projects Account**" means that account of such name created in the Project Fund pursuant to the Indenture.

"Capital Recovery Fee Projects" mean, collectively, the Capital Recovery Fee Projects listed in **Exhibit A** to be constructed in compliance with City standards and conveyed to the MMD for conveyance to the City pursuant to the Development Agreement. An individual Capital Recovery Fee Project, including a completed segment or part, shall be referred to as a **Capital Recovery Fee Project**.

"Capital Recovery Fees" means those fees charged and collected by the City as described in Section 4 of the Capital Recovery Fees Agreement and Section 3.1 of the Development Agreement.

"Capital Recovery Fees Agreement" means the "Amended and Restated Capital

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Recovery Fees Economic Development Agreement" entered into by the City and the District dated as of September 14, 2021.

"**Certification for Payment"** means a certificate, substantially in the form of **Exhibit C** hereto or otherwise agreed to by the Developer, the MMD Representative, and the City Representative, executed by the Developer, provided to the City Representative and the MMD Representative, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Trustee to request payment for Capital Recovery Fee Projects Cost(s).

"City Manager" means the City Manager of the City, or its designee.

"City Inspector" means an individual employed by or an agent of the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

"City Representative" means City Manager of the City, or any other official or agent of the City later authorized by the City to undertake the action referenced herein.

"**Closing Disbursement Request"** means the certificate, substantially in the form of **Exhibit B** hereto or otherwise mutually agreed to by the Developer, MMD Representative and City Representative, specifying the amounts to be disbursed for the costs of issuance of the Bonds or other costs of the Major Improvements.

"Construction Contracts" means the contracts for the construction of the Capital Recovery Fee Projects. "Construction Contract" means any one of the Construction Contracts.

"Cost(s)" means the Budgeted Cost(s) or the Actual Cost(s) of a Capital Recovery Fee Project as reflected in a construction contract, if greater than the Budgeted Cost(s).

"Cost Overrun" means, with respect to each Capital Recovery Fee Project, the Cost(s) or Actual Cost(s) as appropriate of such Capital Recovery Fee Project in excess the Budgeted Cost(s).

"Cost Underrun" means, with respect to each Capital Recovery Fee Project, the amount by which the Budgeted Cost(s) exceeds the Actual Cost(s), as appropriate, of such Capital Recovery Fee Project.

"**Development Agreement"** means that certain Development, Settlement and Annexation Agreement, between the City and Dynavest Joint Venture, a joint venture formed under the laws of the State of Texas with its principal place of business in Dallas, Texas, effective as of September 8, 2020, as amended by the First Amendment to Development, Settlement and Annexation Agreement, between the City, the Developer, and the MMD, effective on August 2, 2021, as amended by the Second Amendment to Development, Settlement and Annexation Agreement, between the City, the Developer, and the MMD, and as may be amended.

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

"Final Completion" means completion of a Capital Recovery Fee Project (including a section or segment of a Capital Recovery Fee Project) in compliance with existing City standards for dedication to the MMD and subsequent transfer to the City in accordance with the Development Agreement.

"Force Majeure" means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Agreement or delays such affected Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) pandemics and epidemics in which a governmental entity issues a stop work order with respect to residential and commercial construction within the Development; (g) governmental shutdowns, and (h) actions or omissions of a governmental entity (including the actions of the City in its capacity as a governmental entity) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (u) economic hardship; (v) changes in market condition; (w) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or nationwide strikes or labor disputes; or (x) the occurrence of any manpower, material or equipment shortages beyond the reasonable control of the Developer.

"Indenture" means that certain Indenture of Trust between the MMD and Wilmington Trust, National Association, Dallas, Texas, as trustee, dated as of October 1, 2021 relating to the Bonds.

"**MMD Act**" means, collectively, Chapter 3986, Texas Special District Local Laws and Chapter 375, Texas Local Government Code.

"MMD Representative" means President or Vice President of the Board of Directors of the MMD, or any other official or agent of the MMD later authorized by the MMD to undertake the action referenced herein.

"Plans" means the plans, specifications, schedules and related construction contracts for the Capital Recovery Fee Projects, respectively, approved pursuant to the applicable standards and ordinances of the City, the Development Agreement, and any other applicable governmental entities.

"Project Fund" means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Bonds, excluding those deposited in other funds in accordance with the Indenture, and interest and gains therefrom, shall be deposited, and the fund by such name created under the Indenture.

"Substantial Completion" means the time at which the construction of a Capital Recovery

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Fee Project (or specified part thereof) has progressed to the point where such Capital Recovery Fee Project (or a specified part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Capital Recovery Fee Project (or a specified part thereof) can be utilized for the purposes for which it is intended.

"**Trustee"** means Wilmington Trust, National Association acting in its capacity as Trustee for the Bonds pursuant to the Indenture.

ARTICLE II
RECITALS

Section 2.01. The MMD and the Capital Recovery Fee Projects.

(a) The MMD was created in 2019 by the Texas Legislature as a municipal management district pursuant to Chapter 3986, Texas Special District Local Laws Code (the "District Legislation"), under the authority provided in Sections 52 and 52-a, Article III, Texas Constitution, and Section 59, Article XVI, Texas Constitution, and operates in accordance with (i) the District Legislation and (ii) the MMD Act.

(b) The Capital Recovery Fee Projects are eligible to be financed with the issuance of the Bonds secured by the collection of Capital Recovery Fees to the extent specified in the Capital Recovery Fees Agreement and the Indenture and subject to the provisions of the Development Agreement.

(c) The Developer will undertake the construction and installation of the Capital Recovery Fee Projects for dedication to and acceptance by the City in accordance with the terms and conditions contained in the Development Agreement.

(d) The proceeds from the issuance and sale of the Bonds shall be deposited in accordance with the Indenture.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, the MMD, and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III
FUNDING

Section 3.01. Reimbursements.

(a) The MMD shall reimburse the Developer for the Budgeted Cost(s) of the Capital Recovery Fee Projects, from the proceeds of the Bonds from amounts on deposit within the Project Fund for the payment of cost(s) of the Capital Recovery Fee Projects as described in the Indenture. The Developer agrees and acknowledges that it is responsible for all Actual

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Costs, Cost Overruns, except to the extent as provided for in Section 4.03 below, and all expenses related to the Capital Recovery Fee Projects.

(b) The MMD and the City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project Fund to pay the Costs of the Capital Recovery Fee Projects in the MMD.

(c) The Developer acknowledges that any lack of availability of amounts in the Capital Recovery Fee Projects Account of the Project Fund or otherwise available from other sources, including the net proceeds of the Bonds, to pay the costs of the Capital Recovery Fee Projects shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Capital Recovery Fee Projects required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the MMD is subject.

(d) The Developer acknowledges that some funds may not be immediately available for reimbursement for Actual Costs of the Capital Recovery Fee Projects submitted and approved with an approved Certification for Payment. The Parties hereto acknowledge that these remaining amounts will be disbursed, to the extent of available monies in the Project Fund under the terms of the Indenture, as money is deposited into the Project Fund for the payment of such Costs. Both Parties acknowledge that the availability of funds in the Project Fund does not relieve the Developer from its responsibility to construct or ensure the construction of the Capital Recovery Fee Projects

(e) The MMD shall not be required to make any payment to the Developer under this Agreement unless all of the following conditions are met: (1) the Developer is current on the payment of all taxes, assessments, fees and other obligations to the MMD; (2) the Developer is not in default under this Agreement, the Development Agreement, the Capital Recovery Fees Agreement, or a Developer Continuing Disclosure Agreement; and (3) the City has inspected and approved any portion of Capital Recovery Fee Projects for which the Developer seeks reimbursement.

(f) The City shall not be required to make payment to the Developer pursuant to this Agreement.

Section 3.02. Disbursements; Transfers at Bond Closing.

(a) The City, the MMD and the Developer agree that from the proceeds of the Bonds and upon the presentation of evidence satisfactory to the MMD and the City, the MMD will cause

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the Trustee to pay at closing of the Bonds from the Costs of Issuance Account of the Project Fund and/or the Capital Recovery Fee Projects Account of the Project Fund, an amount not to exceed the amount set forth in the Indenture to the persons entitled to the payment for costs of issuance as of the date of delivery of the Bonds.

(b) The MMD, the City and the Developer agree that upon the presentation of evidence satisfactory to the MMD Representative and the City Representative, the MMD will, on an monthly basis if a Certification for Payment is approved by the MMD and the City, cause the payment for cost(s) of Capital Recovery Fee Projects, to the Developer or its assignees from funds available in the Capital Recovery Fee Projects Account. These payments will be delivered to the Developer or its assignees pursuant to the submission of a Certification for Payment, in substantially the form of **Exhibit B** and **Exhibit C**, as applicable, attached hereto.

Section 3.03. Accounts. In addition to the Costs of Issuance Account, there shall be the Capital Recovery Fee Projects Account in the Project Fund administered by the Trustee in accordance with the Indenture.

(a) The Capital Recovery Fee Projects Account of the Project Fund. Certain proceeds from the issuance and sale of the Bonds attributable to the Capital Recovery Fee Projects shall be deposited into the Capital Recovery Fee Projects Account of the Project Fund in the amount shown in the Indenture.

ARTICLE IV
CONSTRUCTION OF CAPITAL RECOVERY FEE PROJECTS

Section 4.01. Duty of Developer to Construct.

(a) All Capital Recovery Fee Projects shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform or caused to be performed all of its obligations and shall conduct all operations with respect to the construction of Capital Recovery Fee Projects in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of the Capital Recovery Fee Projects to be acquired and accepted by the MMD from the Developer and conveyed to the City by the MMD as provided in this Agreement and the Development Agreement.

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Capital Recovery Fee Project and, upon completion, inspection, and acceptance, convey each Capital Recovery Fee Project to the MMD for conveyance to the City in accordance with the terms hereof, even if there are insufficient funds to pay the Actual Cost(s) of the Capital Recovery Fee Projects in the Capital Recovery Fee Projects Account of the Project Fund.

Section 4.02. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City or the MMD with respect to the Capital Recovery Fee Projects.

Section 4.03. Remaining Funds after Completion of a Capital Recovery Fee Project. Upon the Final Completion of a Capital Recovery Fee Project (or its completed segment or phase thereof) and payment of all outstanding invoices for such Capital Recovery Fee Project, if the Actual Cost(s) of such Capital Recovery Fee Project (or its completed segment or phase thereof) is less than the Budgeted Cost(s) (a "Cost Underrun"), any remaining Budgeted Cost(s) will be available to pay Cost Overruns on any other Capital Recovery Fee Project (or its completed segment or phase thereof) with the approval of the City Representative and the MMD Representative. Any Cost Underrun for any Capital Recovery Fee Project (or its completed segment or phase thereof) is available to pay Cost Overruns on any other Capital Recovery Fee Project (or its completed segment or phase thereof), and may be added to the amount approved for payment in any Certification for Payment if approved by the City Representative and the MMD Representative. Any net balance remaining in the Project Fund, after a reconciliation of Cost Overruns and Cost Underruns related to Capital Recovery Fee Projects (or its completed segment or phase thereof) will be distributed in accordance with the terms of the Indenture.

Section 4.04. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Capital Recovery Fee Projects. The Developer may approve and implement any change orders, even if such change order would increase the Cost of a Capital Recovery Fee Project, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders, except for amounts available and approved pursuant to Section 4.03.

ARTICLE V
ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Closing Disbursement Request. In order to receive the disbursement from the Project Fund at closing of the Bonds described in Section 3.02, the Developer shall cause to be delivered to the Trustee at closing a Closing Disbursement Request, substantially in the form of **Exhibit B** hereto or otherwise acceptable and agreed to by the Developer, Administrator, the City Representative, and the MMD for the disbursements described in Section 3.02.

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Section 5.02. Payment Requests for the Capital Recovery Fee Projects.

(a) No payment hereunder shall be made from the Project Fund for a Capital Recovery Fee Project (or its completed segment or phase thereof), until a Certification for Payment is received from the Developer for work with respect to a Capital Recovery Fee Project (or its completed segment or phase thereof) and approved for payment by the City, and the MMD. Upon receipt of a Certification for Payment, substantially in the form of **Exhibit C** hereto (along with all accompanying documentation required by the City and the MMD from the Developer, the City Inspector (for a Capital Recovery Fee Project to be conveyed to the City by the MMD after conveyance thereto) shall conduct a review in order to confirm that such request is complete, to confirm that the work with respect to such Capital Recovery Fee Project identified therein for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement and the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"), and shall, upon the conclusion of the review, forward the request to the City Representative. The City Inspector and/or City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the City Inspector and/or City Representative in conducting each such review and to provide the City Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the City Inspector and/or City Representative to conclude each such review.

(b) Within fifteen (15) business days of receipt of any Certification for Payment, the City Representative shall either (i) approve and execute the Certification for Payment and forward the Certification for Payment to the MMD Representative who shall forward it to the Trustee for payment in accordance with Section 5.03 hereof, or (ii) in the event the City Representative disapproves the Certification for Payment, give written notification to the Developer of the City Representative's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the City Representative shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the MMD Representative who shall forward it to the Trustee for payment in accordance with Section 5.03 hereof, and any such partial work shall be processed for payment under Section 5.03, notwithstanding such partial denial.

(c) If the City Representative denies or partially denies the Certification for Payment, the denial must be in writing, stating the reason(s) for denial. The denial may be appealed to

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the City Council by the Developer in writing within 30 days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer. The Certification for Payment shall not be forwarded to the City Representative or the MMD Representative or the Trustee, as applicable, for payment until the dispute is resolved by the City and the Developer.

Section 5.03. Payment for Capital Recovery Fee Project.

(a) The City shall forward each reviewed and approved Certification for Payment, as evidence by the signature of the City Representative to the MMD Representative who shall forward it to the Trustee with instructions to make payment from the Capital Recovery Fee Projects Account of the Project Fund, for such approved Certification for Payment pursuant to the terms of the Certification for Payment in an amount not to exceed the Budgeted Cost(s), except as provided for in Section 4.03. In the event of any conflict between this provision and Section 6.5 of the Indenture, Section 6.5 of the Indenture shall control.

(b) Approved Certificates for Payment that await reimbursement shall not accrue interest.

(c) Notwithstanding any other provisions of this Agreement, the Trustee, shall make payment directly to the person or entity specified by the Developer in an approved Certification for Payment, including: (1) a general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment; (2) to the Developer or any assignee of the Developer if an unconditional lien release is attached to such Certification for Payment; and, (3) to the Developer, or to the third party contractor directly, at Developer's request as specified in the Certification for Payment, in the event the Developer provides a general contractor's or suppliers of materials unconditional lien release for a portion of the work covered by the Developer or any assignee of the Developer to the extent of such lien release. Neither the MMD, the MMD Representative, nor the City, City Council, City Manager, or City Representative shall have any liability for relying on the accuracy of the payee information in any Certification for Payment as presented by the Developer or its assignees.

(d) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of any such remedy, so long as such delay in performance shall not subject the Capital

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Recovery Fee Projects to foreclosure, forfeiture, or sale. In the event that any such mechanics or materialman's lien and/or judgment with respect to any Capital Recovery Fee Project is contested, the Developer shall post or cause delivery of a surety bond in the amount determined by the City or City may decline to accept the Capital Recovery Fee Project until such mechanics or materialman's lien and/or judgment is satisfied.

ARTICLE VI
OWNERSHIP AND TRANSFER OF CAPITAL RECOVERY FEE PROJECT

Section 6.01. Capital Recovery Fee Project to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with respect to the Capital Recovery Fee Projects, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the City from the MMD after conveyance of such Capital Recovery Fee Projects to the MMD by the Developer and not previously dedicated or otherwise conveyed to the City by the MMD after conveyance to the MMD by the Developer, for review and approval at least 30 calendar days prior to the transfer of title of a Capital Recovery Fee Project to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's clean title or use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Capital Recovery Fee Project until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Capital Recovery Fee Project Constructed on City Land or Developer Land. If the Capital Recovery Fee Project is on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Capital Recovery Fee Project. If the Capital Recovery Fee Project is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Capital Recovery Fee Project. The grant of the permanent easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Capital Recovery Fee Project as required by the Development Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Capital Recovery Fee Project. The provisions for inspection and acceptance of such Capital Recovery Fee Project otherwise provided herein shall apply.

ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City and the MMD as follows:

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(a) Organization. The Developer entities are Texas limited liability companies duly formed, organized and validly existing under the laws of the State of Texas, are in compliance with the laws of the State of Texas, and have the power and authority to own their properties and assets and to carry on their business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer has the power and authority to enter into this Agreement, and haves taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the MMD or the Capital Recovery Fee Projects in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the MMD or the Capital Recovery Fee Projects.

(e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Project Fund for the acquisition or construction of any improvement that are not part of the Capital Recovery Fee Projects, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.

(f) Financial Records. For a period of two years after completion of the Capital Recovery Fee Projects, the Developer covenants to maintain proper books of record and account for the construction of the Capital Recovery Fee Projects and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City and the MMD or their respective agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Capital Recovery Fee Projects will be constructed in full compliance with such Plans and any change orders thereto consistent with the PID Act and the Development Agreement.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the MMD, the MMD Representative, the City Manager or the City Representative related to the status of construction of the Capital Recovery Fee Projects.

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(i) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement and the Development Agreement.

(j) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer, the Administrator, and MuniCap, Inc. as Dissemination Agent, dated as October 1, 2021 in connection with the Bonds.

(k) Tax Certificate. The MMD will deliver a certificate relating to the Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the "Tax Certificate") containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Bonds within the meaning of 26 U.S. Code Section 148 (collectively, "Bond Proceeds").

(l) The Developer covenants to provide, or cause to be provided, such facts and estimates as the MMD reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Developer will make reasonable inquires to ensure such truth, correctness and completeness. The Developer covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds (including, but not limited to, the use of the Capital Recovery Fee Projects) that would cause any of the covenants or agreements of the MMD contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the Bonds for federal income tax purposes.

Section 7.02. City Authority; Representations. The City represents and warrants to the Developer and the MMD that (1) the City has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the City has been duly authorized to do so; (3) this Agreement is binding upon the City in accordance with its terms; and (4) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

Section 7.03. MMD Representations. The MMD represents and warrants to the Developer and the City that (1) the MMD has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the MMD has been duly

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authorized to do so; (3) this Agreement is binding upon the MMD in accordance with its terms; and (4) the execution of this Agreement and the performance by the MMD of its obligations under this Agreement do not constitute a breach or event of default by the MMD under any other agreement, instrument, or order to which the MMD is a party or by which the MMD is bound.

Section 7.04. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE INSPECTORS, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS; AND THE MMD, ITS OFFICIALS, 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 CAPITAL RECOVERY FEE PROJECTS 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 OF THE CAPITAL RECOVERY FEE PROJECTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE CAPITAL RECOVERY FEE PROJECTS; 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, GRANTEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE CAPITAL RECOVERY FEE PROJECTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE CAPITAL RECOVERY FEE PROJECTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR 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 OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AND MMD AGAINST ALL SUCH CLAIMS, AND CITY AND MMD ARE REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, EACH OF THE CITY AND MMD SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND

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INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY OR MMD 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 OR MMD-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) 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 ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.04 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.

Section 7.05. Use of Monies by MMD. . The MMD agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the money held in the Project Fund and any money to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Capital Recovery Fee Projects, the MMD agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of money that would otherwise have been available under the Indenture for disbursement for the Costs of the Capital Recovery Fee Projects is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer are or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer are or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

ARTICLE VIII
TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City, the MMD, and the Developer, in which event the MMD and the City may either execute contracts for or perform any remaining work related to the Capital Recovery Fee Projects not accepted by the MMD or the City or other appropriate entity and use all or any portion

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of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Cost(s) of a Capital Recovery Fee Project hereunder, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to Developer and the MMD and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer and the MMD if the Developer or the MMD shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer and the MMD, and the Developer agrees to promptly meet and confer with the City Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Capital Recovery Fee Projects. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) and the MMD of the grounds for such termination and allow the Developer and the MMD a minimum of 45 days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer and the MMD, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer and the MMD have not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to a Capital Recovery Fee Project only as provided for under the terms of an indenture and this Agreement prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer and the MMD, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the trustee to cease making payments for the Actual Costs of Capital Recovery Fee Projects, provided that the Developer shall receive payment of the Actual Costs of any Capital Recovery Fee Projects that were accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement and this Indenture.

(c) If this Agreement is terminated by the MMD and the City for cause, the MMD and the City may either execute contracts for or perform any remaining work related to the Capital Recovery Fee Projects not accepted by the MMD or the City and the MMD may use all or any

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portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Capital Recovery Fee Projects hereunder, except as otherwise may be provided upon the mutual written consent of the City, the MMD, and the Developer. The MMD and the City shall have no obligation to perform any work related to a Capital Recovery Fee Project or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. Termination Upon Redemption or Defeasance of Bonds. This Agreement will terminate automatically and with no further action by the MMD, the City or the Developer upon the redemption or defeasance of all outstanding Bonds issued under the Indenture.

Section 8.04. Construction of the Capital Recovery Fee Projects Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Capital Recovery Fee Projects in accordance with this Agreement and the Development Agreement.

Section 8.05. 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 fifteen (15) 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.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Limited Liability of City and MMD. The Developer agrees that any and all obligations of each of the City and the MMD arising out of or related to this Agreement are special obligations of the City and the MMD, and the MMD's obligations to make any payments hereunder are restricted entirely to the monies, in the Project Fund and, subject in all respects to Article III hereof, from no other source. Neither the MMD, the MMD Representative, nor any other MMD officer, official, or agent or City, the City Inspector, the City Representative, nor any other City employee, officer, official, or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The MMD, the MMD Representative, the City Inspector or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer

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pertaining to Costs and expenses incurred by the Developer only with respect to any of the Capital Recovery Fee Projects and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. 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 twenty-four (24) hours after such transmission) or seventy-two (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, Texas 142 N. Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald 6371 Preston Road, Suite 200 Frisco, Texas 75034
And to:	Attn: Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the Developer:	Attn: Mehrdad Moayedi MM Celina 3200, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234
To the MMD:	Attn: Ross Martin Winstead PC 2728 N. Harwood Street, Suite 500 Dallas, Texas 75201 Email: rmartin@winstead.com

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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.

The City shall advise the Developer and the MMD of the name and address of any person who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City and the MMD pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City or the MMD. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Manager and the MMD, except pursuant to a collateral assignment to any person or entity providing financing to the Developer for the Developer for a Capital Recovery Fee Project, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Capital Recovery Fee Project. In connection with any consent of the City or the MMD, the City and the MMD may condition their respective consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City or the MMD deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a Party hereto and not as an owner of property in the MMD. Nothing herein shall be construed as affecting the MMD's, the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the MMD, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, the Development Agreement shall control. To the extent there is a conflict between this Agreement, the Development Agreement, and the Indenture, the Indenture shall control.

Section 9.07. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party, or the failure by a Party to exercise its rights upon the default of any other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any Party or any employee, officer or agent of any Party with respect to any matters covered hereby that is not in writing and signed by all the Parties to this Agreement shall be binding.

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Section 9.09. Parties in Interest. 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 Parties hereto any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the Parties shall be for the sole and exclusive benefit of the Parties.

Section 9.10. Amendment. This Agreement may be amended upon Agreement of the Parties, from time to time in a manner consistent with the PID Act and the MMD Act, in writing hereto and executed in counterparts, each of which shall be deemed an original.

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 9.12. Effective Date. This Agreement shall become effective upon its execution and delivery, by the Parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Effective Date.

Section 9.13. Term. The term of this Agreement, other than the provisions contained in Section 7.02, which shall survive the termination of this Agreement, shall be thirty (30) years or the later of the date on which (i) all amounts under this Agreement have been paid upon the redemption or defeasance of all outstanding Bonds issued under the Indenture.

Section 9.14 No Waiver of Powers or Immunity. Each of the City and the MMD does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 9.15. No Boycott 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 9.16. Not a Listed Company. The Developer hereby 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

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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.

Section 9.17 Verification Regarding Energy Company Boycotts. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. 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 9.18 Verification Regarding Discrimination Against Firearm Entity or Trade Association. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislative Session, "SB 19"), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. 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.

[Execution pages follow]

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF CELINA

By: _____
Name: Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____
Vicki Tarrant, City Secretary

[Signature Page for CFA]

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DEVELOPER:

MM CELINA 3200, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

[Signature Page for CFA]

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

MMD:

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By:_____
Name: Greg Leveling
Its: President

ATTEST:

By:_____
Robert Klarer, Secretary

[Signature Page for CFA]

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Exhibit A

Capital Recovery Fee Projects and Budgeted Costs

KFM ENGINEERING & DESIGN

OPINION OF PROBABLE COST

Project Name: Legacy Hills
Client Name: Centurion American
City: Celina, TX
County: Collin
Date: July 16, 2021
Project Number: 001.0028.006

LEGACY HILLS COMMERCIAL/MULTI-FAMILY BENEFIT BUDGETS

Master Infrastructure Phase 1 (2021)

NUMBER	DESCRIPTION	COMMERCIAL/MF BENEFIT PERCENTAGE	COMMERCIAL/MF BENEFIT	TOTAL COST
1	O'BRIEN DRIVE ONSITE (2-LANE CONSTRUCTION)	0%	$0.00	$5,255,692.99
2	O'BRIEN DRIVE OFFSITE (2-LANE CONSTRUCTION)**	0%	$0.00	$1,578,978.43
3	LEGACY DRIVE ONSITE (2-LANE CONSTRUCTION)	0%	$0.00	$2,106,457.13
4	LEGACY DRIVE OFFSITE (2-LANE CONSTRUCTION)**	0%	$0.00	$3,090,758.14
5	J. FRED SMITH PARKWAY (2-LANE CONSTRUCTION)	0%	$0.00	$5,383,496.64
6	OFFSITE WATER*	15%	$142,045.13	$946,967.50
7	OFFSITE WASTEWATER	25%	$880,692.14	$3,522,768.55
8	DALLAS NORTH TOLLWAY 1 OFFSITE WATER LINE*	15%	$151,103.75	$1,007,358.31
9	DALLAS NORTH TOLLWAY 2 OFFSITE WATER LINE*	15%	$215,956.80	$1,439,712.03
416A	DALLAS NORTH TOLLWAY 3 OFFSITE WATER LINE*	15%	$252,207.98	$1,681,386.54
416B	LEGACY DRIVE NORTH OFFSITE WATER LINE FROM O'BRIEN DRIVE TO G. A. MOORE PARKWAY*	25%	$211,462.11	$845,848.43
416C	G. A. MOORE PARKWAY OFFSITE WATER LINE FROM DALLAS NORTH TOLLWAY TO LEGACY DRIVE*	25%	$313,062.50	$1,252,250.00
416D	NORTH OFFSITE WASTEWATER FOR PARCELS 13 & 14	15%	$264,546.91	$1,763,646.09
11	LEGACY DRIVE NORTH OFFSITE WATER LINE FROM G. A. MOORE PARKWAY TO CELINA PARKWAY EXTENDING OFFSITE*	25%	$994,006.81	$3,976,027.25
12	G. A. MOORE PARKWAY OFFSITE WATER LINE FROM LEGACY DRIVE TO CELINA PARKWAY*	30%	$234,645.20	$782,150.65
13A	WASTEWATER FOR PARCELS 10 & 11	0%	$0.00	$500,150.00
15	LEGACY DRIVE THROUGH DYNAVEST NORTH (2-LANE CONSTRUCTION)**	0%	$0.00	$7,183,000.00
16	CELINA PARKWAY ADJACENT TO SF PODS 6 & 7 (2-LANE CONSTRUCTION INCLUDING WATER LINE)	50%	$1,946,750.00	$3,893,500.00
17	CELINA PARKWAY ADJACENT TO SF POD 5 (2-LANE CONSTRUCTION INCLUDING WATER LINE)	50%	$1,410,500.00	$2,821,000.00
20	OFFSITE WASTEWATER FOR G.A. MOORE MIXED USE	0%	$0.00	$713,316.25
21	G. A. MOORE FROM LEGACY DRIVE TO CELINA PARKWAY (2-LANE CONSTRUCTION)**	50%	$3,346,200.00	$6,692,400.00
	DISTRICT COSTS	0%	$0.00	$3,050,000.00
	ROW/PARK/PUBLIC UTILITY LAND DEDICATION	0%	$0.00	$5,000,000.00
	WWTP & WATER PUMP STATION CONTRIBUTION	25%	$2,500,000.00	$10,000,000.00
		MI PHASE 1 TOTALS	**$12,863,179.32**	**$74,486,864.93**

*WATER LINE ABOVE 18" DIAMETER OVERSIZE TO BENEFIT OF THE CITY
**ROUNDABOUT AT O'BRIEN DRIVE/LEGACY DRIVE AND G. A. MOORE PKWY/LEGACY DRIVE ARE DIRECT BENEFIT TO THE CITY

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Exhibit B

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for MM Celina 3200, LLC, a Texas limited liability company (the "Developer") and requests payment from:

[the Costs of Issuance Account of the Project Fund][the Capital Recovery Fee Projects Account of the Project Fund] from Wilmington Trust, National Association, (the "Trustee") in the amount of _____DOLLARS ($_____) for costs incurred in the issuance of the Bonds by the North Parkway Municipal Management District No. 1 (the "MMD"), as follows:

Closing Costs Description	Cost
TOTAL	

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Capital Recovery Fee Projects Construction, Funding, and Acquisition Agreement (the "CFA Agreement").

In connection to the above referenced payments, the Developer represents and warrants to the City and the MMD as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the above referenced costs at the time of the delivery of the Bonds has not been the subject of any prior payment request.

3. The amount listed for the below itemized costs is a true and accurate representation of the costs incurred by Developer at the time of the delivery of the Bonds, and such costs are in compliance with and within the costs as set forth in the CFA Agreement.

4. The Developer is in compliance with the terms and provisions of the CFA Agreement the Development Agreement, and the Indenture.

5. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.

6. The Developer agrees to cooperate with the City and the MMD in conducting their review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City and the MMD to complete said review.

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Payments requested hereunder shall be made as directed below:

a. X amount to Person or Account Y for Z goods or services.

b. Payment Instructions

I hereby declare that the above representations and warranties are true and correct.

DEVELOPER:

MM CELINA 3200, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY MMD

The MMD is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the MMD approves the Closing Disbursement Request.

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Exhibit C

FORM OF CERTIFICATION FOR PAYMENT

The undersigned is an agent for MM Celina 3200, LLC, a Texas limited liability company (the "Developer") and requests payment from the Capital Recovery Fee Projects Account of the Project Fund (as defined in the CFA Agreement) from the Wilmington Trust, National Association (the "Trustee") for the Bonds in the amount of $_____ for labor, materials, fees, and/or other general costs related to the construction of certain Capital Recovery Fee Projects related to the North Parkway Municipal Management District No. 1 (the "Capital Recovery Fee Projects"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Capital Recovery Fee Projects Construction, Funding, and Acquisition Agreement (the "CFA Agreement").

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certification for Payment on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced Capital Recovery Fee Projects have not been the subject of any prior payment request submitted to the City or, if previously requested, no disbursement was made with respect thereto.

3. The amount listed for the Capital Recovery Fee Projects below is a true and accurate representation of the costs associated with the installation, acquisition, or construction of said Capital Recovery Fee Project, and such costs are in compliance with the CFA Agreement and the Indenture.

4. The Developer is in compliance with the terms and provisions of the CFA Agreement, the Development Agreement and the Indenture.

5. All conditions set forth in the CFA Agreement, and the Development Agreement for the payment hereby requested have been satisfied.

6. The work with respect to the Capital Recovery Fee Project referenced below (or its completed segment) has been completed and the City may begin inspection of the Capital Recovery Fee Project.

7. The Developer agrees to cooperate with the City and the MMD in conducting their review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City and the MMD to complete said review.

Payments requested should include the following:

Payee / Description of Capital Recovery Fee Project	Total Cost of Capital Recovery Fee Project	Budgeted Cost of Capital Recovery Fee Project	Amount to be paid from the Capital Recovery Fee Projects Account

Attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments.

Pursuant to the CFA Agreement, after receiving this Certification for Payment, the City is authorized to inspect the Capital Recovery Fee Project (or completed segment or phase) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans. Afterwards, the City must then accept or deny this Certification for Payment.

Payments requested hereunder shall be made as directed below:

c. X amount to Person or Account Y for Z goods or services.

d. Etc.

I hereby declare that the above representations and warranties are true and correct.

_____

By:_____
Name: _____
Title: _____
Date: _____

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the City approves the Certification for Payment.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY MMD

The MMD is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the MMD approves the Certification for Payment.

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Agreement (NPMMD1 Capital Recovery fee Project– (CFA) Construction, Funding, and Acquisition Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD

Action Requested:
Consider and act to authorize the Major Improvements Construction, Funding and Acquisition Agreement between the City of Celina, Texas, MM Celina 3200, LLC and North Parkway Municipal Management District No. 1 regarding reimbursements for Major Improvements as described in the Service and Assessment Plan, and other matters related thereto. (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

MAJOR IMPROVEMENTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT

THIS MAJOR IMPROVEMENTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this "Agreement"), dated as of October 12, 2021 (the "Effective Date"), is by and between the **CITY OF CELINA, TEXAS**, a home rule municipality of the State of Texas (the "City"), **MM CELINA 3200, LLC**, a Texas limited liability company (the "Developer"), and **NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1**, a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution and Chapter 3986, Texas Special District Local Laws Code, formerly known as NORTH CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 3 (the "MMD") (individually referred to as a "Party" and collectively as the "Parties").

ARTICLE I
DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Service and Assessment Plan (as hereinafter defined).

"Actual Cost(s)" means the costs of the Major Improvements actually paid or incurred for the design, construction and installation of the Major Improvements.

"Administrator" means, initially, Municap, Inc., or any other individual or entity designated by the MMD to administer the MMD.

"Annual Service Plan Update" means the annual update to the Service and Assessment Plan conducted by the Administrator pursuant to Section VII of the Service and Assessment Plan.

"Assessed Property" means any property that benefits from the Major Improvements within the MMD 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 MMD other than Non-Benefited Property.

"Bonds" means the North Parkway Municipal Management District No. 1 Special Assessment Revenue Bonds, Series 2021 (Major Improvements Project) to be issued by the MMD and secured by the Indenture and the Assessments.

"Budgeted Cost(s)" means the costs shown on **Exhibit A** attached hereto.

"**Certification for Payment"** means a certificate, substantially in the form of **Exhibit C** hereto or otherwise agreed to by the Developer, the MMD Representative, and the City Representative, executed by the Developer, provided to the City Representative and the

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Administrator, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Administrator to request payment for Major Improvements Cost(s).

"City Manager" means the City Manager of the City, or its designee.

"City Inspector" means an individual employed by or an agent of the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

"City Representative" means City Manager of the City, or any other official or agent of the City later authorized by the City to undertake the action referenced herein.

"**Closing Disbursement Request"** means the certificate, substantially in the form of **Exhibit B** hereto or otherwise mutually agreed to by the Developer, Administrator and City Representative,), specifying the amounts to be disbursed for the costs related to the creation of the MMD and the costs of issuance of the Bonds.

"Construction Contracts" means the contracts for the construction of the Major Improvements. "Construction Contract" means any one of the Construction Contracts.

"Cost(s)" means the Budgeted Cost(s) or the Actual Cost(s) of a Major Improvement as reflected in a construction contract, if greater than the Budgeted Cost(s).

"Cost Overrun" means, with respect to each Major Improvement, the Cost(s) or Actual Cost(s) as appropriate of such Major Improvement in excess the Budgeted Cost(s).

"Cost Underrun" means, with respect to each Major Improvement, the amount by which the Budgeted Cost(s) exceeds the Actual Cost(s), as appropriate, of such Major Improvement.

"**Development Agreement"** means that certain Development, Settlement and Annexation Agreement, between the City and Dynavest Joint Venture, a joint venture formed under the laws of the State of Texas with its principal place of business in Dallas, Texas, effective as of September 8, 2020, as amended by the First Amendment to Development, Settlement and Annexation Agreement, between the City, the Developer, and the MMD, effective on August 2, 2021, as amended by the Second Amendment to Development, Settlement and Annexation Agreement, between the City, the Developer, and the MMD, and as may be amended.

"Final Completion" means completion of a Major Improvement (including a section or segment of a Major Improvement) in compliance with existing City standards for dedication to the MMD and subsequent transfer to the City in accordance with the Development Agreement.

"Force Majeure" means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Agreement or delays such affected

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) pandemics and epidemics in which a governmental entity issues a stop work order with respect to residential and commercial construction within the Development; (g) governmental shutdowns, and (h) actions or omissions of a governmental entity (including the actions of the City in its capacity as a governmental entity) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (u) economic hardship; (v) changes in market condition; (w) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or nationwide strikes or labor disputes; or (x) the occurrence of any manpower, material or equipment shortages beyond the reasonable control of the Developer.

"Indenture" means that certain Indenture of Trust between the MMD and Wilmington Trust, National Association, Dallas, Texas, as trustee, dated as of October 1, 2021 relating to the Bonds.

"**MMD Act**" means, collectively, Chapter 3986, Texas Special District Local Laws and Chapter 375, Texas Local Government Code.

"MMD Representative" means President or Vice President of the Board of Directors of the MMD, or any other official or agent of the MMD later authorized by the MMD to undertake the action referenced herein.

"**Major Improvements Account**" means that account of such name created in the Project Fund pursuant to the Indenture.

"Major Improvements" mean, collectively, the Major Improvements listed in **Exhibit A** to be constructed in compliance with City ordinances. An individual Major Improvement, including a completed segment or part, shall be referred to as a **Major Improvement**.

"PID Act" means the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended.

"Plans" means the plans, specifications, schedules and related construction contracts for the Major Improvements, respectively, approved pursuant to the applicable standards and ordinances of the City, the Development Agreement, and any other applicable governmental entities.

"Project Fund" means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Bonds, excluding those deposited in other

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

funds in accordance with the Indenture, and interest and gains therefrom, shall be deposited, and the fund by such name created under the Indenture.

"Service and Assessment Plan" means the Service and Assessment Plan, adopted by the Board of Directors of the MMD on October 6, 2021, as the same may be updated, amended, or supplemented, for the purpose of assessing allocated cost(s) against the property located within the boundaries of the MMD having terms, provisions and findings approved and agreed to by the Developer and the MMD, as required by this Agreement and in accordance with the MMD Act.

"Substantial Completion" means the time at which the construction of a Major Improvement (or specified part thereof) has progressed to the point where such Major Improvement (or a specified part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Major Improvement (or a specified part thereof) can be utilized for the purposes for which it is intended.

"**Trustee"** means Wilmington Trust, National Association acting in its capacity as Trustee for the Bonds pursuant to the Indenture.

ARTICLE II
RECITALS

Section 2.01. The MMD and the Major Improvements.

(a) The MMD was created in 2019 by the Texas Legislature as a municipal management district pursuant to Chapter 3986, Texas Special District Local Laws Code (the "District Legislation"), under the authority provided in Sections 52 and 52-a, Article III, Texas Constitution, and Section 59, Article XVI, Texas Constitution, and operates in accordance with (i) the District Legislation and (ii) the MMD Act for the financing of, among other things, the acquisition, construction and installation of the Major Improvements.

(b) The Major Improvements are eligible to be financed with the collection of Assessments from property within the MMD to the extent specified in the Service and Assessment Plan and subject to the provisions of the Development Agreement.

(c) The Developer will undertake the construction and installation of the Major Improvements for dedication to and acceptance by the City in accordance with the terms and conditions contained in the Development Agreement.

(d) The proceeds from the issuance and sale of the Bonds shall be deposited in accordance with the Indenture.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, the MMD, and the Developer agree that the foregoing recitals, as

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III
FUNDING

Section 3.01. Reimbursements.

(a) The MMD shall reimburse the Developer for the Budgeted Cost(s) of the Major Improvements, from the proceeds of the Bonds from amounts on deposit within the Project Fund for the payment of cost(s) of the Major Improvements as described in the Service and Assessment Plan. The Developer agrees and acknowledges that it is responsible for all Actual Costs, Cost Overruns, except to the extent as provided for in Section 4.04 below, and all expenses related to the Major Improvements.

(b) The obligation of owners of Assessed Property within the MMD, including the Developer to the extent it owns any Assessed Property in the MMD, to pay Assessments is not in any way dependent on the availability of amounts in the Project Fund, or otherwise available from other sources, including the net proceeds of the Bonds, to pay for all or any portion of the Major Improvement Cost(s) hereunder.

(c) The MMD and the City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project Fund to pay the Costs of the Major Improvements in the MMD.

(d) The Developer acknowledges that any lack of availability of amounts in the Major Improvements Account of the Project Fund or otherwise available from other sources, including the net proceeds of the Bonds, to pay the costs of the Major Improvements shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Major Improvements required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the MMD is subject.

(e) The Developer acknowledges that some funds may not be immediately available for reimbursement for Actual Costs of the Major Improvements submitted and approved with an approved Certification for Payment. The Parties hereto acknowledge that these remaining amounts will be disbursed, to the extent of available monies in the Project Fund under the terms of the Indenture, as money is deposited into the Project Fund for the payment of such Costs. Both Parties acknowledge that the availability of funds in the Project Fund does not relieve the Developer from its responsibility to construct or ensure the construction of the Major Improvements

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

(f) The MMD shall not be required to make any payment to the Developer under this Agreement unless all of the following conditions are met: (1) the Developer is current on all Assessments and the payment of all taxes, assessments, fees and other obligations to the MMD; (2) the Developer is not in default under this Agreement, the Development Agreement or a Developer Continuing Disclosure Agreement; and (3) the City has inspected and approved any portion of Major Improvements for which the Developer seeks reimbursement.

(g) The City shall not be required to make payment to the Developer pursuant to this Agreement.

Section 3.02. Disbursements; Transfers at Bond Closing.

(a) The City, the MMD and the Developer agree that from the proceeds of the Bonds and upon the presentation of evidence satisfactory to the MMD and the City, the MMD will cause the Trustee to pay at closing of the Bonds from the Costs of Issuance Account of the Project Fund and/or the Major Improvements Account of the Project Fund, an amount not to exceed the amount set forth in the Indenture to the persons entitled to the payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the MMD as of the date of delivery of the Bonds, as described in the Service and Assessment Plan.

(b) The MMD, the City and the Developer agree that upon the presentation of evidence satisfactory to the MMD Representative andthe City Representative, the MMD will, on an monthly basis if a Certification for Payment is approved by the MMD and the City, cause the payment for cost(s) of Major Improvements, to the Developer or its assignees from funds available in the Major Improvements Account. These payments will be delivered to the Developer or its assignees pursuant to the submission of a Certification for Payment, in substantially the form of **Exhibit B** and **Exhibit C**, as applicable, attached hereto.

Section 3.03. Accounts. In addition to the Costs of Issuance Account, there shall be the Major Improvements Account in the Project Fund administered by the Trustee in accordance with the Indenture.

(a) The Major Improvements Account of the Project Fund. Certain proceeds from the issuance and sale of the Bonds attributable to the Major Improvements shall be deposited into the Major Improvements Account of the Project Fund in the amount shown in the Indenture.

ARTICLE IV
CONSTRUCTION OF MAJOR IMPROVEMENTS

Section 4.01. Duty of Developer to Construct.

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

(a) All Major Improvements shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform or cause to be performed all of its obligations and shall conduct all operations with respect to the construction of Major Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of the Major Improvements to be acquired and accepted by the MMD from the Developer and conveyed to the City by the MMD as provided in this Agreement and the Development Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Major Improvement and, upon completion, inspection, and acceptance, convey each Major Improvement to the MMD for conveyance to the City in accordance with the terms hereof, even if there are insufficient funds to pay the Actual Cost(s) of the Major Improvements in the Major Improvements Account of the Project Fund.

Section 4.02. No Competitive Bidding. The Major Improvements shall not require competitive bidding pursuant to Section 252.022(9) of the Texas Local Government Code, as amended.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City or the MMD with respect to the Major Improvements.

Section 4.04. Remaining Funds after Completion of a Major Improvement. Upon the Final Completion of a Major Improvement (or its completed segment or phase thereof) and payment of all outstanding invoices for such Major Improvement, if the Actual Cost(s) of such Major Improvement (or its completed segment or phase thereof) is less than the Budgeted Cost(s) (a "Cost Underrun"), any remaining Budgeted Cost(s) will be available to pay Cost Overruns on any other Major Improvement (or its completed segment or phase thereof) with the approval of the City Representative and the MMD Representative and provided that all Major Improvements as set forth in the Service and Assessment Plan are undertaken at least in part. Any Cost Underrun for any Major Improvement (or its completed segment or phase thereof) is available to pay Cost Overruns on any other Major Improvement (or its completed segment or phase thereof), and may be added to the amount approved for payment in any Certification for Payment if approved by the City Representative and the MMD Representative. Any net balance remaining in the Project Fund, after a reconciliation of Cost Overruns and Cost Underruns related to Major Improvements (or its completed segment or phase thereof) will be distributed in accordance with the terms of the

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Indenture.

Section 4.05. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Major Improvements. The Developer may approve and implement any change orders, even if such change order would increase the Cost of a Major Improvement, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders, except for amounts available and approved pursuant to Section 4.04.

ARTICLE V
ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Closing Disbursement Request. In order to receive the disbursement from the Project Fund at closing of the Bonds described in Section 3.02, the Developer shall cause to be delivered to the Trustee at closing a Closing Disbursement Request, substantially in the form of **Exhibit B** hereto or otherwise acceptable and agreed to by the Developer, Administrator, the City Representative, and the MMD for the disbursements described in Section 3.02.

Section 5.02. Payment Requests for the Major Improvements.

(a) No payment hereunder shall be made from the Project Fund for a Major Improvement (or its completed segment or phase thereof), until a Certification for Payment is received from the Developer for work with respect to a Major Improvement (or its completed segment or phase thereof) and approved for payment by the City, and the MMD. Upon receipt of a Certification for Payment, substantially in the form of **Exhibit C** hereto (along with all accompanying documentation required by the City and the MMD from the Developer, the City Inspector (for a Major Improvement to be conveyed to the City by the MMD after conveyance thereto) shall conduct a review in order to confirm that such request is complete, to confirm that the work with respect to such Major Improvement identified therein for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement and the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"), and shall, upon the conclusion of the review, forward the request to the City Representative. The City Inspector and/or City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the City Inspector and/or City Representative in conducting each such review and to provide the City Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the City Inspector and/or City Representative to conclude each such review.

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(b) Within fifteen (15) business days of receipt of any Certification for Payment, the City Representative shall either (i) approve and execute the Certification for Payment and forward the Certification for Payment to the MMD Representative who shall forward it to the Trustee for payment in accordance with the provisions of Section 5.03 hereof, or (ii) in the event the City Representative disapproves the Certification for Payment, give written notification to the Developer of the City Representative's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the City Representative shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the MMD Representative who shall forward it to the Trustee in accordance with payment provisions of 5.03 hereof, and any such partial work shall be processed for payment under Section 5.03, notwithstanding such partial denial.

(c) If the City Representative denies or partially denies the Certification for Payment, the denial must be in writing, stating the reason(s) for denial. The denial may be appealed to the City Council by the Developer in writing within 30 days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer. The Certification for Payment shall not be forwarded to the City Representative or the MMD Representative or the Trustee, as applicable, for payment until the dispute is resolved by the City and the Developer.

Section 5.03. Payment for Major Improvement.

(a) The City shall forward each reviewed and approved Certification for Payment, as evidence by the signature of the City Representative to the MMD Representative who shall forward it to the Trustee with instructions to make payment from the Major Improvements Account of the Project Fund, for such approved Certification for Payment pursuant to the terms of the Certification for Payment in an amount not to exceed the Budgeted Cost(s), except as provided for in Section 4.04. In the event of any conflict between this provision and Section 6.5 of the Indenture, Section 6.5 of the Indenture shall control.

(b) Approved Certificates for Payment that await reimbursement shall not accrue interest.

(c) Notwithstanding any other provisions of this Agreement, the Trustee, shall make payment directly to the person or entity specified by the Developer in an approved Certification for Payment, including: (1) a general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or

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supplier of materials or services, as indicated in an approved Certification for Payment; (2) to the Developer or any assignee of the Developer if an unconditional lien release is attached to such Certification for Payment; and, (3) to the Developer, or to the third party contractor directly, at Developer's request as specified in the Certification for Payment, in the event the Developer provides a general contractor's or suppliers of materials unconditional lien release for a portion of the work covered by the Developer or any assignee of the Developer to the extent of such lien release. If the request for payment results in ninety percent (90%) or more of the Budgeted Costs for such Major Improvement identified in such request for payment being paid, then the Administrator shall hold the payment until work with respect to that Major Improvement has been completed by the Developer and accepted by the City. Neither the Administrator, the MMD, the MMD Representative, nor the City, City Council, City Manager, or City Representative shall have any liability for relying on the accuracy of the payee information in any Certification for Payment as presented by the Developer or its assignees.

(d) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of any such remedy, so long as such delay in performance shall not subject the Major Improvements to foreclosure, forfeiture, or sale. In the event that any such mechanics or materialman's lien and/or judgment with respect to any Major Improvement is contested, the Developer shall post or cause delivery of a surety bond in the amount determined by the City or City may decline to accept the Major Improvement until such mechanics or materialman's lien and/or judgment is satisfied.

ARTICLE VI
OWNERSHIP AND TRANSFER OF MAJOR IMPROVEMENT

Section 6.01. Major Improvement to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with respect to the Major Improvements, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the City from the MMD after conveyance of such Major Improvements to the MMD by the Developer and not previously dedicated or otherwise conveyed to the City by the MMD after conveyance to the MMD by the Developer, for review and approval at least 30 calendar days prior to the transfer of title of a Major Improvement to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's clean title or use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Major Improvement

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until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Major Improvement Constructed on City Land or Developer Land. If the Major Improvement is on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Major Improvement. If the Major Improvement is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Major Improvement. The grant of the permanent easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Major Improvement as required by the Development Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Major Improvement. The provisions for inspection and acceptance of such Major Improvement otherwise provided herein shall apply.

ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City and the MMD as follows:

(a) Organization. The Developer entities are Texas limited liability companies duly formed, organized and validly existing under the laws of the State of Texas, are in compliance with the laws of the State of Texas, and have the power and authority to own their properties and assets and to carry on their business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer entities have the power and authority to enter into this Agreement, and haves taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the MMD or the Major Improvements in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the MMD or the Major Improvements.

(e) Requests for Payment. The Developer represents and warrants that (i) it will not request

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payment from the Project Fund for the acquisition or construction of any improvement that are not part of the Major Improvements, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.

(f) Financial Records. For a period of two years after completion of the Major Improvements, the Developer covenants to maintain proper books of record and account for the construction of the Major Improvements and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City and the MMD or their respective agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Major Improvements will be constructed in full compliance with such Plans and any change orders thereto consistent with the PID Act and the Development Agreement.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the MMD, the MMD Representative, the City Manager or the City Representative related to the status of construction of the Major Improvements within the MMD and the anticipated completion dates for future Major Improvements.

(i) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement and the Development Agreement.

(j) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer, the Administrator, and MuniCap, Inc. as Dissemination Agent, dated as October 1, 2021 in connection with the Bonds.

(k) Tax Certificate. The MMD will deliver a certificate relating to the Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the "Tax Certificate") containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Bonds within the meaning of 26 U.S. Code Section 148 (collectively, "Bond Proceeds").

(l) The Developer covenants to provide, or cause to be provided, such facts and estimates as the MMD reasonably considers necessary to enable it to execute and deliver its Tax

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Certificate. The Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Developer will make reasonable inquires to ensure such truth, correctness and completeness. The Developer covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds (including, but not limited to, the use of the Major Improvements) that would cause any of the covenants or agreements of the MMD contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the Bonds for federal income tax purposes.

Section 7.02. City Authority; Representations. The City represents and warrants to the Developer and the MMD that (1) the City has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the City has been duly authorized to do so; (3) this Agreement is binding upon the City in accordance with its terms; and (4) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

Section 7.03. MMD Representations. The MMD represents and warrants to the Developer and the City that (1) the MMD has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the MMD has been duly authorized to do so; (3) this Agreement is binding upon the MMD in accordance with its terms; and (4) the execution of this Agreement and the performance by the MMD of its obligations under this Agreement do not constitute a breach or event of default by the MMD under any other agreement, instrument, or order to which the MMD is a party or by which the MMD is bound.

Section 7.04. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE INSPECTORS, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS; AND THE MMD, ITS OFFICIALS, 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 MAJOR 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 OF THE MAJOR

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IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE MAJOR IMPROVEMENTS; 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, GRANTEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE MAJOR IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE MAJOR IMPROVEMENTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR 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 OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AND MMD AGAINST ALL SUCH CLAIMS, AND CITY AND MMD ARE REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, EACH OF THE CITY AND MMD 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 OR MMD 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 OR MMD-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) 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 ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.04 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.

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Section 7.05. Use of Monies by MMD. . The MMD agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the money held in the Project Fund and any money to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Major Improvements, the MMD agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of money that would otherwise have been available under the Indenture for disbursement for the Costs of the Major Improvements is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer are or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer are or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

Section 7.06. No Reduction of Assessments. The MMD and the Developer agree not to take any action or actions to reduce the total amount of such Assessments to be levied as of the effective date of this Agreement.

ARTICLE VIII
TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City, the MMD, and the Developer, in which event the MMD and the City may either execute contracts for or perform any remaining work related to the Major Improvements not accepted by the MMD or the City or other appropriate entity and use all or any portion of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Cost(s) of a Major Improvement hereunder, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to Developer and the MMD and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer and the MMD if the Developer or the MMD shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer and the MMD, and the Developer agrees to promptly meet and confer with the City Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Major Improvements. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing

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by the Developer to the City to receive such notice) and the MMD of the grounds for such termination and allow the Developer and the MMD a minimum of 45 days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer and the MMD, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer and the MMD have not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to a Major Improvement only as provided for under the terms of an indenture and this Agreement prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer and the MMD, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the trustee to cease making payments for the Actual Costs of Major Improvements, provided that the Developer shall receive payment of the Actual Costs of any Major Improvements that were accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement.

(c) If this Agreement is terminated by the MMD and the City for cause, the MMD and the City may either execute contracts for or perform any remaining work related to the Major Improvements not accepted by the MMD or the City and the MMD may use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Major Improvements hereunder, except as otherwise may be provided upon the mutual written consent of the City, the MMD, and the Developer . The MMD and the City shall have no obligation to perform any work related to a Major Improvement or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. Termination Upon Redemption or Defeasance of Bonds. This Agreement will terminate automatically and with no further action by the MMD, the City or the Developer upon the redemption or defeasance of all outstanding Bonds issued under the Indenture.

Section 8.04. Construction of the Major Improvements Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Major Improvements in accordance with this Agreement and the Development Agreement.

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Section 8.05. 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 fifteen (15) 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.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Limited Liability of City and MMD. The Developer agrees that any and all obligations of each of the City and the MMD arising out of or related to this Agreement are special obligations of the City and the MMD, and the MMD's obligations to make any payments hereunder are restricted entirely to the monies, in the Project Fund and, subject in all respects to Article III hereof, from no other source. Neither the MMD, the MMD Representative, nor any other MMD officer, official, or agent or City, the City Inspector, the City Representative, nor any other City employee, officer, official, or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The MMD, the MMD Representative, the City Inspector or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to Costs and expenses incurred by the Developer only with respect to any of the Major Improvements and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. 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 twenty-four (24) hours after such transmission) or seventy-two (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, Texas
142 N. Ohio
Celina, Texas 75009

With a copy to: Attn: Julie Fort
Messer, Fort & McDonald

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	6371 Preston Road, Suite 200 Frisco, Texas 75034
And to:	Attn: Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the Developer:	Attn: Mehrdad Moayedi MM Celina 3200, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234
To the MMD:	Attn: Ross Martin Winstead PC 2728 N. Harwood Street, Suite 500 Dallas, Texas 75201 Email: rmartin@winstead.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.

The City shall advise the Developer and the MMD of the name and address of any person who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City and the MMD pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City or the MMD. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Manager and the MMD, except pursuant to a collateral assignment to any person or entity providing financing to the Developer for the Developer for a Major Improvement, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Major Improvement. In

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connection with any consent of the City or the MMD, the City and the MMD may condition their respective consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City or the MMD deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a Party hereto and not as an owner of property in the MMD. Nothing herein shall be construed as affecting the MMD's, the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the MMD, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, the Development Agreement shall control. To the extent there is a conflict between this Agreement, the Development Agreement, and the Indenture, the Indenture shall control.

Section 9.07. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party, or the failure by a Party to exercise its rights upon the default of any other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any Party or any employee, officer or agent of any Party with respect to any matters covered hereby that is not in writing and signed by all the Parties to this Agreement shall be binding.

Section 9.09. Parties in Interest. 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 Parties hereto any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the Parties shall be for the sole and exclusive benefit of the Parties.

Section 9.10. Amendment. This Agreement may be amended upon Agreement of the Parties, from time to time in a manner consistent with the PID Act and the MMD Act, in writing hereto and executed in counterparts, each of which shall be deemed an original.

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 9.12. Effective Date. This Agreement shall become effective upon its execution and delivery, by the Parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Effective Date.

Section 9.13. Term. The term of this Agreement, other than the provisions contained in Section 7.02, which shall survive the termination of this Agreement, shall be thirty (30) years or

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the later of the date on which (i) all amounts under this Agreement have been paid upon the redemption or defeasance of all outstanding Bonds issued under the Indenture.

Section 9.14 No Waiver of Powers or Immunity. Each of the City and the MMD does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 9.15. No Boycott 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 9.16. Not a Listed Company. The Developer hereby 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.

Section 9.17 Verification Regarding Energy Company Boycotts. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Government Code. 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 9.18 Verification Regarding Discrimination Against Firearm Entity or Trade Association. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislative Session, "SB 19"), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. 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.

[Execution pages follow]

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF CELINA

By: _____
Name: Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____
Vicki Tarrant, City Secretary

[Signature Page for CFA]

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

DEVELOPER:

MM CELINA 3200, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

[Signature Page for CFA]

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

MMD:

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By:_____
Name: Greg Leveling
Its: President

ATTEST:

By:_____
Robert Klarer, Secretary

[Signature Page for CFA]

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Exhibit A

Major Improvements and Budgeted Costs

KFM ENGINEERING & DESIGN

OPINION OF PROBABLE COST

Project Name: Legacy Hills
Client Name: Centurion American
City: Celina, TX
County: Collin
Date: July 16, 2021
Project Number: 001.0028.006

LEGACY HILLS SINGLE FAMILY RESIDENTIAL BENEFIT BUDGETS

Master Infrastructure Phase 1 (2021)

NUMBER	DESCRIPTION	SF RESIDENTIAL BENEFIT PERCENTAGE	SF RESIDENTIAL BENEFIT	TOTAL COST
1	O'BRIEN DRIVE ONSITE (2-LANE CONSTRUCTION)	100%	$5,255,692.99	$5,255,692.99
2	O'BRIEN DRIVE OFFSITE (2-LANE CONSTRUCTION)**	100%	$1,578,978.43	$1,578,978.43
3	LEGACY DRIVE ONSITE (2-LANE CONSTRUCTION)	100%	$2,106,457.13	$2,106,457.13
4	LEGACY DRIVE OFFSITE (2-LANE CONSTRUCTION)**	100%	$3,090,758.14	$3,090,758.14
5	J. FRED SMITH PARKWAY (2-LANE CONSTRUCTION)	100%	$5,383,496.64	$5,383,496.64
6	OFFSITE WATER*	85%	$804,922.38	$946,967.50
7	OFFSITE WASTEWATER	75%	$2,642,076.41	$3,522,768.55
8	DALLAS NORTH TOLLWAY 1 OFFSITE WATER LINE*	85%	$856,254.56	$1,007,358.31
9	DALLAS NORTH TOLLWAY 2 OFFSITE WATER LINE*	85%	$1,223,755.23	$1,439,712.03
416A	DALLAS NORTH TOLLWAY 3 OFFSITE WATER LINE*	85%	$1,429,178.56	$1,681,386.54
416B	LEGACY DRIVE NORTH OFFSITE WATER LINE FROM O'BRIEN DRIVE TO G. A. MOORE PARKWAY*	75%	$634,386.32	$845,848.43
416C	G. A. MOORE PARKWAY OFFSITE WATER LINE FROM DALLAS NORTH TOLLWAY TO LEGACY DRIVE*	75%	$939,187.50	$1,252,250.00
416D	NORTH OFFSITE WASTEWATER FOR PARCELS 13 & 14	85%	$1,499,099.18	$1,763,646.09
11	LEGACY DRIVE NORTH OFFSITE WATER LINE FROM G. A. MOORE PARKWAY TO CELINA PARKWAY EXTENDING OFFSITE*	75%	$2,982,020.44	$3,976,027.25
12	G. A. MOORE PARKWAY OFFSITE WATER LINE FROM LEGACY DRIVE TO CELINA PARKWAY*	70%	$547,505.46	$782,150.65
13A	WASTEWATER FOR PARCELS 10 & 11	100%	$500,150.00	$500,150.00
15	LEGACY DRIVE THROUGH DYNAVEST NORTH (2-LANE CONSTRUCTION)**	100%	$7,183,000.00	$7,183,000.00
16	CELINA PARKWAY ADJACENT TO SF PODS 6 & 7 (2-LANE CONSTRUCTION INCLUDING WATER LINE)	50%	$1,946,750.00	$3,893,500.00
17	CELINA PARKWAY ADJACENT TO SF POD 5 (2-LANE CONSTRUCTION INCLUDING WATER LINE)	50%	$1,410,500.00	$2,821,000.00
20	OFFSITE WASTEWATER FOR G.A. MOORE MIXED USE	100%	$713,316.25	$713,316.25
21	G. A. MOORE FROM LEGACY DRIVE TO CELINA PARKWAY (2-LANE CONSTRUCTION)**	50%	$3,346,200.00	$6,692,400.00
	DISTRICT COSTS	100%	$3,050,000.00	$3,050,000.00
	ROW/PARK/PUBLIC UTILITY LAND DEDICATION	100%	$5,000,000.00	$5,000,000.00
	WWTP & WATER PUMP STATION CONTRIBUTION	75%	$7,500,000.00	$10,000,000.00
		MI PHASE 1 TOTALS	**$61,623,685.61**	**$74,486,864.93**

*WATER LINE ABOVE 18" DIAMETER OVERSIZE TO BENEFIT OF THE CITY
**ROUNDABOUT AT O'BRIEN DRIVE/LEGACY DRIVE AND G. A. MOORE PKWY/LEGACY DRIVE ARE DIRECT BENEFIT TO THE CITY

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Exhibit B

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for MM Celina 3200, LLC, a Texas limited liability company (the "Developer") and requests payment from:

[the Costs of Issuance Account of the Project Fund][the Major Improvements Account of the Project Fund] from Wilmington Trust, National Association, (the "Trustee") in the amount of _____DOLLARS ($_____) for costs incurred in the establishment, administration, and operation of the North Parkway Municipal Management District No. 1 (the "MMD"), as follows:

Closing Costs Description	Cost	PID Allocated Cost
TOTAL		

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Major Improvements Construction, Funding, and Acquisition Agreement (the "CFA Agreement").

In connection to the above referenced payments, the Developer represents and warrants to the City and the MMD as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the above referenced establishment, administration, and operation of the MMD at the time of the delivery of the Bonds has not been the subject of any prior payment request submitted to the City.

3. The amount listed for the below itemized costs is a true and accurate representation of the Actual Costs incurred by Developer with the establishment of the MMD at the time of the delivery of the Bonds, and such costs are in compliance with and within the costs as set forth in the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the CFA Agreement, the Indenture, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

6. The Developer agrees to cooperate with the City and the MMD in conducting their review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City and the MMD to complete said review.

Payments requested hereunder shall be made as directed below:

a. X amount to Person or Account Y for Z goods or services.

b. Payment Instructions

I hereby declare that the above representations and warranties are true and correct.

DEVELOPER:

MM CELINA 3200, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY MMD

The MMD is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the MMD approves the Closing Disbursement Request.

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Exhibit C

FORM OF CERTIFICATION FOR PAYMENT

The undersigned is an agent for MM Celina 3200, LLC, a Texas limited liability company (the "Developer") and requests payment from the Major Improvements Account of the Project Fund (as defined in the CFA Agreement) from the Wilmington Trust, National Association (the "Trustee") for the Bonds in the amount of $_____ for labor, materials, fees, and/or other general costs related to the construction of certain Major Improvements related to the North Parkway Municipal Management District No. 1 (the "Major Improvements"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Major Improvements Construction, Funding, and Acquisition Agreement (the "CFA Agreement").

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certification for Payment on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced Major Improvements have not been the subject of any prior payment request submitted to the City or, if previously requested, no disbursement was made with respect thereto.

3. The amount listed for the Major Improvements below is a true and accurate representation of the costs associated with the creation, acquisition, or construction of said Major Improvement, and such costs are in compliance with the CFA Agreement and the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the CFA Agreement, the Development Agreement and the Service and Assessment Plan.

5. All conditions set forth in the CFA Agreement, and the Development Agreement for the payment hereby requested have been satisfied.

6. The work with respect to the Major Improvement referenced below (or its completed segment) has been completed and the City may begin inspection of the Major Improvement.

7. The Developer agrees to cooperate with the City and the MMD in conducting their review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City and the MMD to complete said review.

8. As required by Texas Local Government Code, Section 252.051, as amended, the Developer has provided the City with an independent appraisal of any Major Improvement consisting of any real property, or any interest in real property including easements and rights-of-way

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

and open space if any, to be acquired by the City including specifically monies on deposit in the Project Fund.

Payments requested should include the following:

Payee / Description of Major Improvement	Total Cost of Major Improvement	Budgeted Cost of Major Improvement	Amount to be paid from the Major Improvements Account

Attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments.

Pursuant to the CFA Agreement, after receiving this Certification for Payment, the City is authorized to inspect the Major Improvement (or completed segment or phase) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans. Afterwards, the City must then accept or deny this Certification for Payment.

Payments requested hereunder shall be made as directed below:

c. X amount to Person or Account Y for Z goods or services.

d. Etc.

I hereby declare that the above representations and warranties are true and correct.

_____

By:_____
Name: _____
Title: _____
Date: _____

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the City approves the Certification for Payment.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY MMD

The MMD is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the MMD approves the Certification for Payment.

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Agreement (Legacy Hills MIA - (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Hills PID - Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD

Action Requested:
Consider and act to authorize the Legacy Hills Public Improvement District Phase #1A Construction, Funding and Acquisition Agreement between the City of Celina, Texas, MM Celina 294, LLC, and North Parkway Municipal Management District No. 1 regarding reimbursements for Phase #1A Improvements as described in the Service and Assessment Plan, and other matters related thereto. (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT PHASE #1A CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT

THIS LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT PHASE #1A CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this "Agreement"), dated as of October 12, 2021 (the "Effective Date"), is by and between the **CITY OF CELINA, TEXAS**, a home rule municipality of the State of Texas (the "City"), **MM CELINA 294, LLC**, a Texas limited liability company (the "Developer"), and **NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1**, a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution and Chapter 3986, Texas Special District Local Laws Code, formerly known as NORTH CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 3 (the "MMD") (individually referred to as a "Party" and collectively as the "Parties").

ARTICLE I
DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Service and Assessment Plan (as hereinafter defined).

"Actual Cost(s)" means the costs of the Phase #1A Improvements actually paid or incurred for the design, construction and installation of the Phase #1A Improvements.

"Administrator" means, initially, MuniCap, Inc., or any other individual or entity designated by the City to administer the District.

"Annual Service Plan Update" means the annual update to the Service and Assessment Plan prepared by the Administrator pursuant to Section VII of the Service and Assessment Plan and approved by the City.

"Budgeted Cost(s)" means the costs shown on **Exhibit A** attached hereto.

"**Certification for Payment"** means a certificate, substantially in the form of **Exhibit C** hereto or otherwise agreed to by the Developer, the MMD Representative, and the City Representative, executed by the Developer, provided to the City Representative, the MMD and Trustee, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Trustee to request payment from the Phase #1A Improvements Account or the Phase #1A Developer Improvement Account of the Project Fund, as applicable, for the Actual Costs of the Phase #1A Improvements in accordance with the Indenture.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

"City Manager" means the City Manager of the City, or its designee.

"City Inspector" means an individual employed by or an agent of the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

"City Representative" means City Manager of the City, or any other official or agent of the City later authorized by the City to undertake the action referenced herein.

"**Closing Disbursement Request"** means the certificate, substantially in the form of **Exhibit B** hereto or otherwise mutually agreed to by the Developer, Administrator, the MMD Representative, and City Representative, specifying the amounts to be disbursed for the costs related to the creation of the District and the costs of issuance of the Bonds.

"Construction Contracts" means the contracts for the construction of the Phase #1A Improvements. "Construction Contract" means any one of the Construction Contracts.

"Contract Revenue Bonds" means the North Parkway Municipal Management District No. 1 Special Assessment Contract Revenue Bonds, Series 2021 (Legacy Hills Public Improvement District Phase #1A-1B Improvements) to be issued by the MMD and secured by the Indenture and payments under the Interlocal Agreement, a portion of which payments are to be derived from the Phase #1A Assessments.

"Cost(s)" means the Budgeted Cost(s) or the Actual Cost(s) of a Phase #1A Improvement as reflected in a construction contract, if greater than the Budgeted Cost(s).

"Cost Overrun" means, with respect to each Phase #1A Improvement, the Cost(s) or Actual Cost(s) as appropriate of such Phase #1A Improvement in excess the Budgeted Cost(s).

"Cost Underrun" means, with respect to each Phase #1A Improvement, the amount by which the Budgeted Cost(s) exceeds the Actual Cost(s), as appropriate, of such Phase #1A Improvement.

"**Development Agreement"** means that certain Development, Settlement and Annexation Agreement, between the City and Dynavest Joint Venture, a joint venture formed under the laws of the State of Texas with its principal place of business in Dallas, Texas, effective as of September 8, 2020, as amended by the First Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, LLC, a Texas limited liability company ("MM Celina 3200"), and the MMD, effective on August 2, 2021, as amended by the Second Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, and the MMD, and as may be amended.

"District" means the Legacy Hills Public Improvement District created by the City on September 14, 2021.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

"Final Completion" means completion of a Phase #1A Improvement (including a section or segment of a Phase #1A Improvement) in compliance with existing City standards for dedication to the MMD and subsequent transfer to the City in accordance with the Development Agreement.

"Force Majeure" means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Agreement or delays such affected Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) pandemics and epidemics in which a governmental entity issues a stop work order with respect to residential and commercial construction within the Development; (g) governmental shutdowns, and (h) actions or omissions of a governmental entity (including the actions of the City in its capacity as a governmental entity) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (u) economic hardship; (v) changes in market condition; (w) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or nationwide strikes or labor disputes; or (x) the occurrence of any manpower, material or equipment shortages beyond the reasonable control of the Developer.

"Indenture" means that certain Indenture of Trust between the MMD and Wilmington Trust, National Association, Dallas, Texas, as trustee, dated as of October 1, 2021 relating to the Contract Revenue Bonds.

"**Interlocal Agreement**" means the "Interlocal Agreement" dated as of October 12, 2021 between the City and the MMD relating to the Contract Revenue Bonds and Phase #1A-1B Improvements.

"MMD Act" means, collectively, Chapter 3986, Texas Special District Local Laws and Chapter 375, Texas Local Government Code.

"MMD Representative" means President or Vice President of the Board of Directors of the MMD, or any other official or agent of the MMD later authorized by the MMD to undertake the action referenced herein.

"Phase #1A Assessed Property" means any property that benefits from the Phase #1A Improvements within the District on which Assessments have been imposed as shown in the Phase #1A Assessment Roll, as the Phase #1A Assessment Roll is updated each year by the Annual Service Plan Update. Phase #1A Assessed Property includes Parcels within the District other than Non-Benefited Property.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

"Phase #1A Assessment Fund" means an interest-bearing fund by such name created pursuant to the Interlocal Agreement into which the City shall deposit the collected Phase #1A Assessment Revenues, which shall be utilized as described in the Interlocal Agreement.

"**Phase #1A Developer Improvement Account**" means that account of such name created in the Project Fund pursuant to the Indenture.

"Phase #1A Improvements" mean, collectively, the Phase #1A Improvements listed in **Exhibit A** to be constructed in compliance with City ordinances. An individual Phase #1A Improvement, including a completed segment or part, shall be referred to as a **Phase #1A Improvement**.

"**Phase #1A Improvements Account**" means that account of such name created in the Project Fund pursuant to the Indenture.

"Phase #1A Reimbursement Agreement" means the Legacy Hills Public Improvement District Phase #1A Reimbursement Agreement dated as of October 12, 2021, by and between the City and the District.

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

"Plans" means the plans, specifications, schedules and related construction contracts for the Phase #1A Improvements, respectively, approved pursuant to the applicable standards and ordinances of the City, the Development Agreement, and any other applicable governmental entities.

"Project Fund" means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Contract Revenue Bonds, excluding those deposited in other funds in accordance with the Indenture, and interest and gains therefrom, shall be deposited, and the fund by such name created under the Indenture.

"Service and Assessment Plan" means the Legacy Hills Public Improvement District Service and Assessment Plan, adopted by the City Council on October 12, 2021, as the same may be updated, amended, or supplemented, for the purpose of assessing allocated cost(s) against the property located within the boundaries of the District having terms, provisions and findings approved and agreed to by the Developer and the City, as required by this Agreement and in accordance with the PID Act.

"Substantial Completion" means the time at which the construction of a Phase #1A Improvement (or specified part thereof) has progressed to the point where such Phase #1A Improvement (or a specified part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Phase #1A Improvement (or a specified part

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

thereof) can be utilized for the purposes for which it is intended.

"**Trustee"** means Wilmington Trust, National Association acting in its capacity as Trustee for the Contract Revenue Bonds pursuant to the Indenture.

ARTICLE II
RECITALS

Section 2.01. The District and the Phase #1A Improvements.

(a) The City has created the District under the PID Act for the financing of, among other things, the acquisition, construction and installation of the Phase #1A Improvements.

(b) The Phase #1A Improvements are eligible to be financed with the collection of Assessments from property within the District to the extent specified in the Service and Assessment Plan and subject to the provisions of the Development Agreement.

(c) The Developer will undertake the construction and installation of the Phase #1A Improvements for dedication to and acceptance by the City in accordance with the terms and conditions contained in the Development Agreement.

(d) The proceeds from the issuance and sale of the Contract Revenue Bonds shall be deposited in accordance with the Indenture.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, the MMD, and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III
FUNDING

Section 3.01. Reimbursements.

(a) The MMD shall reimburse the Developer for the Budgeted Cost(s) of the Phase #1A Improvements, from the proceeds of the Contract Revenue Bonds, which Contract Revenue Bonds are secured by payments to be made by the City to the MMD pursuant to the Interlocal Agreement. Payments by the City under the Interlocal Agreement shall be made from amounts on deposit within the Phase #1A Assessment Fund for the payment of cost(s) of the Phase #1A Improvements as provided in the Interlocal Agreement. The Developer agrees and acknowledges that it is responsible for all Actual Costs, Cost Overruns, except to the extent as provided for in Section 4.04 below, and all expenses related to the Phase #1A Improvements.

(b) The obligation of owners of Phase #1A Assessed Property within the District, including

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the Developer to the extent it owns any Phase #1A Assessed Property in the District, to pay Assessments is not in any way dependent on the availability of amounts in the Phase #1A Improvements Account of the Project Fund or the Phase #1A Assessment Fund to make payments under the Interlocal Agreement, or otherwise available from other sources, including the net proceeds of the Contract Revenue Bonds, to pay for all or any portion of the Actual Cost(s) of the Phase #1A Improvement hereunder.

(c) The MMD and the City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project Fund to pay the Costs of the Phase #1A Improvements in the District.

(d) The Developer acknowledges that any lack of availability of amounts in the Phase #1A Improvements Account of the Project Fund or the Assessment Fund to make payments under the Interlocal Agreement or otherwise available from other sources, including the net proceeds of the Contract Revenue Bonds, to pay the costs of the Phase #1A Improvements shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Phase #1A Improvements required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.

(e) The Developer acknowledges that some funds may not be immediately available for reimbursement for Actual Costs of the Phase #1A Improvements submitted and approved with an approved Certification for Payment. The Parties hereto acknowledge that these remaining amounts will be disbursed, to the extent of available monies in the Project Fund under the terms of the Indenture, as money is deposited into the Project Fund for the payment of such Costs. Both Parties acknowledge that the availability of funds in the Project Fund does not relieve the Developer from its responsibility to construct or ensure the construction of the Phase #1A Improvements

(f) The MMD shall not be required to make any payment to the Developer under this Agreement unless all of the following conditions are met: (1) the Developer is current on all Phase #1A Assessments and the payment of all taxes, assessments, fees and other obligations to the MMD; (2) the Developer is not in default under this Agreement, the Development Agreement or a Developer Continuing Disclosure Agreement; and (3) the City has inspected and approved any portion of Phase #1A Improvements for which the Developer seeks reimbursement.

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(g) The City shall not be required to make payment to the Developer pursuant to this Agreement. This City's obligation shall be limited to the obligations set forth in the Interlocal Agreement and the Phase #1A Reimbursement Agreement.

Section 3.02. Disbursements; Transfers at Contract Revenue Bond Closing.

(a) The City, the MMD and the Developer agree that from the proceeds of the Contract Revenue Bonds and upon the presentation of evidence satisfactory to the MMD and the City, the MMD will cause the Trustee to pay at closing of the Contract Revenue Bonds from the Costs of Issuance Account of the Project Fund and/or the Phase #1A Improvements Account of the Project Fund, an amount not to exceed the amount set forth in the Indenture to the persons entitled to the payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the District as of the date of delivery of the Bonds, as described in the Service and Assessment Plan.

(b) The MMD, the City and the Developer agree that upon the presentation of evidence satisfactory to the MMD Representative and the City Representative, the MMD will, on an monthly basis if a Certification for Payment is approved by the MMD and the City, cause the payment for Actual Cost(s) of Phase #1A Improvements, to the Developer or its assignees from funds available in the Phase #1A Improvements Account and the Phase #1A Developer Improvement Account of the Project Fund. These payments will be delivered to the Developer or its assignees pursuant to the submission of a Certification for Payment, substantially in the form of **Exhibit B** and **Exhibit C**, as applicable, attached hereto. .

Section 3.03. Accounts. In addition to the Costs of Issuance Account, there shall be two subaccounts, the Phase #1A Improvements Account and the Phase #1A Developer Improvement Account, in the Project Fund administered by the Trustee in accordance with the Indenture:

(a) The Phase #1A Improvements Account of the Project Fund. Certain proceeds from the issuance and sale of the Bonds attributable to the Phase #1A Improvements shall be deposited into the Phase #1A Improvements Account of the Project Fund in the amount shown in the Indenture.

(b) The Phase #1A Developer Improvement Account of the Project Fund. On the Closing Date and pursuant to the terms of the Indenture and the Interlocal Agreement, the Developer shall make an initial deposit to the Phase #1A Developer Improvement Account of the Project Fund in the amount shown in the Indenture.

ARTICLE IV
CONSTRUCTION OF PHASE #1A IMPROVEMENTS

Section 4.01. Duty of Developer to Construct.

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(a) All Phase #1A Improvements shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform or cause to be performed all of its obligations and shall conduct all operations with respect to the construction of Phase #1A Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of the Phase #1A Improvements to be acquired and accepted by the MMD from the Developer and conveyed to the City by the MMD as provided in this Agreement and the Development Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Phase #1A Improvement and, upon completion, inspection, and acceptance, convey each Phase #1A Improvement to the MMD for conveyance to the City in accordance with the terms hereof, even if there are insufficient funds to pay the Actual Cost(s) of the Phase #1A Improvements in the Phase #1A Improvements Account of the Project Fund to make payments as provided in the Interlocal Agreement.

Section 4.02. No Competitive Bidding. The Phase #1A Improvements shall not require competitive bidding pursuant to Section 252.022(9) of the Texas Local Government Code, as amended.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City or the MMD with respect to the Phase #1A Improvements.

Section 4.04. Remaining Funds after Completion of a Phase #1A Improvement. Upon the Final Completion of a Phase #1A Improvement (or its completed segment or phase thereof) and payment of all outstanding invoices for such Phase #1A Improvement, if the Actual Cost(s) of such Phase #1A Improvement (or its completed segment or phase thereof) is less than the Budgeted Cost(s) (a "Cost Underrun"), any remaining Budgeted Cost(s) will be available to pay Cost Overruns on any other Phase #1A Improvement (or its completed segment or phase thereof) with the approval of the City Representative and the MMD Representative and provided that all Phase #1A Improvements as set forth in the Service and Assessment Plan are undertaken at least in part. Any Cost Underrun for any Phase #1A Improvement (or its completed segment or phase thereof) is available to pay Cost Overruns on any other Phase #1A Improvement (or its completed segment or phase thereof), and may be added to the amount approved for payment in any Certification for Payment if approved by the City Representative and the MMD Representative. Any net balance remaining in the Phase #1A Improvements Account of the Project Fund, after a reconciliation of

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Cost Overruns and Cost Underruns related to Phase #1A Improvements (or its completed segment or phase thereof) will be distributed in accordance with the terms of the Indenture.

Section 4.05. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Phase #1A Improvements. The Developer may approve and implement any change orders, even if such change order would increase the Cost of a Phase #1A Improvement, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders, except for amounts available and approved pursuant to Section 4.04.

ARTICLE V
ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Closing Disbursement Request. In order to receive the disbursement from the Project Fund at closing of the Contract Revenue Bonds described in Section 3.02, the Developer shall cause to be delivered to the Trustee at closing a Closing Disbursement Request, substantially in the form of **Exhibit B** hereto or otherwise acceptable and agreed to by the Developer, Administrator, the City Representative, and the MMD for the disbursements described in Section 3.02.

Section 5.02. Payment Requests for the Phase #1A Improvements.

(a) No payment hereunder shall be made from the Project Fund for a Phase #1A Improvement (or its completed segment or phase thereof), until a Certification for Payment is received from the Developer for work with respect to a Phase #1A Improvement (or its completed segment or phase thereof) and approved for payment by the City and the MMD. Upon receipt of a Certification for Payment, substantially in the form of **Exhibit C** hereto (along with all accompanying documentation required by the City and the MMD from the Developer, the City Inspector (for a Phase #1A Improvement to be conveyed to the City by the MMD after conveyance thereto) shall conduct a review in order to confirm that such request is complete, to confirm that the work with respect to such Phase #1A Improvement identified therein for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement and the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"), and shall, upon the conclusion of the review, forward the request to the City Representative. The City Inspector and/or City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate

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with the City Inspector and/or City Representative in conducting each such review and to provide the City Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the City Inspector and/or City Representative to conclude each such review.

(b) Within fifteen (15) business days of receipt of any Certification for Payment, the City Representative shall either (i) approve and execute the Certification for Payment and forward the Certification for Payment to the MMD Representative who shall forward it to the Trustee for payment in accordance with the provisions of Section 5.03 hereof, or (ii) in the event the City Representative disapproves the Certification for Payment, give written notification to the Developer of the City Representative's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the City Representative shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the MMD Representative who shall forward it to the Trustee for payment in accordance with the provisions of Section 5.03 hereof, and any such partial work shall be processed for payment under Section 5.03, notwithstanding such partial denial.

(c) If the City Representative denies or partially denies the Certification for Payment, the denial must be in writing delivered to the Developer, stating the reason(s) for denial. The denial may be appealed to the City Council by the Developer in writing within 30 days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer. The Certification for Payment shall not be forwarded by the City Representative to the MMD Representative or the Trustee, as applicable, for payment until the dispute is resolved by the City and the Developer. Upon approval of a previously denied or partially denied Certificate for Payment, the approved portions of such Certificate for Payment shall be forwarded to the MMD Representative for approval and subsequent submission to the Trustee for payment in accordance with the provisions of Section 5.02(b) hereof.

Section 5.03. Payment for Phase #1A Improvement.

(a) The City shall forward each reviewed and approved Certification for Payment, as evidence by the signature of the City Representative to the MMD Representative who shall approve such Certification for Payment, and forward it to the Trustee with instructions to make payment: (i) first, from the Phase #1A Improvements Account until the funds on deposit therein have been expended, and (ii) thereafter, from funds on deposit in the Phase #1A

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Developer Improvement Account, for such approved Certification for Payment pursuant to the terms of the Certification for Payment, in an amount not to exceed the Budgeted Cost(s), except as provided for in Section 4.04. In the event of any conflict between this provision and Section 6.5 of the Indenture, Section 6.5 of the Indenture shall control.

(b) Notwithstanding any other provisions of this Agreement, the Trustee, shall make payment directly to the person or entity specified by the Developer in an approved Certification for Payment, including: (1) a general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment; (2) to the Developer or any assignee of the Developer if an unconditional lien release is attached to such Certification for Payment; and, (3) to the Developer, or to the third party contractor directly, at Developer's request as specified in the Certification for Payment, in the event the Developer provides a general contractor's or suppliers of materials unconditional lien release for a portion of the work covered by the Developer or any assignee of the Developer to the extent of such lien release. Neither the MMD, the MMD Representative, nor the City, City Council, City Manager, or City Representative shall have any liability for relying on the accuracy of the payee information in any Certification for Payment as presented by the Developer or its assignees.

(c) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of any such remedy, so long as such delay in performance shall not subject the Phase #1A Improvements to foreclosure, forfeiture, or sale. In the event that any such mechanics or materialman's lien and/or judgment with respect to any Phase #1A Improvement is contested, the Developer shall post or cause delivery of a surety bond in the amount determined by the City or City may decline to accept the Phase #1A Improvement until such mechanics or materialman's lien and/or judgment is satisfied.

ARTICLE VI
OWNERSHIP AND TRANSFER OF PHASE #1A IMPROVEMENT

Section 6.01. Phase #1A Improvement to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with respect to the Phase #1A Improvements, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the City from the MMD after conveyance of such Phase #1A Improvements to the MMD by the Developer and not previously dedicated or otherwise conveyed to the City by the MMD after conveyance to the MMD by the Developer, for review and approval

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at least 30 calendar days prior to the transfer of title of a Phase #1A Improvement to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's clean title or use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Phase #1A Improvement until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Phase #1A Improvement Constructed on City Land or Developer Land. If the Phase #1A Improvement is on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Phase #1A Improvement. If the Phase #1A Improvement is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Phase #1A Improvement. The grant of the permanent easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Phase #1A Improvement as required by the Development Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Phase #1A Improvement. The provisions for inspection and acceptance of such Phase #1A Improvement otherwise provided herein shall apply.

ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City and the MMD as follows:

(a) Organization. The Developer entities are Texas limited liability companies duly formed, organized and validly existing under the laws of the State of Texas, are in compliance with the laws of the State of Texas, and have the power and authority to own their properties and assets and to carry on their business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer entities have the power and authority to enter into this Agreement, and haves taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the District or the Phase #1A

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Improvements in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Phase #1A Improvements.

(e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Project Fund for the acquisition or construction of any improvement that are not part of the Phase #1A Improvements, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.

(f) Financial Records. For a period of two years after completion of the Phase #1A Improvements, the Developer covenants to maintain proper books of record and account for the construction of the Phase #1A Improvements and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City and the MMD or their respective agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Phase #1A Improvements will be constructed in full compliance with such Plans and any change orders thereto consistent with the PID Act and the Development Agreement.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the MMD, the MMD Representative, the City Manager or the City Representative related to the status of construction of the Phase #1A Improvements within the District.

(i) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement and the Development Agreement.

(j) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer, the Administrator, and MuniCap, Inc. as Dissemination Agent, dated as October 1, 2021 in connection with the Contract Revenue Bonds.

(k) Tax Certificate. The MMD will deliver a certificate relating to the Contract Revenue Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the "Tax Certificate") containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Contract Revenue Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts

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created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Contract Revenue Bonds within the meaning of 26 U.S. Code Section 148 (collectively, "Bond Proceeds").

(l) The Developer covenants to provide, or cause to be provided, such facts and estimates as the MMD reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Developer will make reasonable inquires to ensure such truth, correctness and completeness. The Developer covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds (including, but not limited to, the use of the Phase #1A Improvements) that would cause any of the covenants or agreements of the MMD contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the Contract Revenue Bonds for federal income tax purposes.

Section 7.02. City Authority; Representations. The City represents and warrants to the Developer and the District that (1) the City has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the City has been duly authorized to do so; (3) this Agreement is binding upon the City in accordance with its terms; and (4) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

Section 7.03. MMD Representations. The MMD represents and warrants to the Developer and the City that (1) the MMD has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the MMD has been duly authorized to do so; (3) this Agreement is binding upon the MMD in accordance with its terms; and (4) the execution of this Agreement and the performance by the MMD of its obligations under this Agreement do not constitute a breach or event of default by the MMD under any other agreement, instrument, or order to which the MMD is a party or by which the MMD is bound.

Section 7.04. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE INSPECTORS;, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS; AND THE MMD, ITS OFFICIALS, 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,

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ENGINEERING, AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE PHASE #1A 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 OF THE PHASE #1A IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE PHASE #1A IMPROVEMENTS; 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, GRANTEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE PHASE #1A IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PHASE #1A IMPROVEMENTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR 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 OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AND MMD AGAINST ALL SUCH CLAIMS, AND CITY AND MMD ARE REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, EACH OF THE CITY AND MMD 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 OR MMD 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 OR MMD-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) 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 ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.04 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.

Section 7.05. Use of Monies by MMD. . The MMD agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the money held in the Project Fund and any money to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Phases #1A Improvements, the MMD agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of money that would otherwise have been available under the Indenture for disbursement for the Costs of the Phase #1A Improvements is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer are or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer are or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

Section 7.06. No Reduction of Assessments. The City and the Developer agree not to take any action or actions to reduce the total amount of such Assessments to be levied as of the effective date of this Agreement.

ARTICLE VIII
TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City, the MMD, and the Developer, in which event the MMD and the City may either execute contracts for or perform any remaining work related to the Phase #1A Improvements not accepted by the MMD or the City or other appropriate entity and use all or any portion of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Cost(s) of a Phase #1A Improvement hereunder, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to Developer and the MMD and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer and the MMD if the Developer or the MMD shall breach any material covenant or default in the performance of any material obligation hereunder.

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(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer and the MMD, and the Developer agrees to promptly meet and confer with the City Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Phase #1A Improvements. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) and the MMD of the grounds for such termination and allow the Developer and the MMD a minimum of 45 days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer and the MMD, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer and the MMD have not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to a Phase #1A Improvement only as provided for under the terms of an indenture and this Agreement prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer and the MMD, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the trustee to cease making payments for the Actual Costs of Phase #1A Improvements, provided that the Developer shall receive payment of the Actual Costs of any Phase #1A Improvements that were accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement, the Indenture, and the Development Agreement.

(c) If this Agreement is terminated by the MMD and the City for cause, the MMD and the City may either execute contracts for or perform any remaining work related to the Phase #1A Improvements not accepted by the MMD or the City and the MMD may use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Phase #1A Improvements hereunder, except as otherwise may be provided upon the mutual written consent of the City, the MMD, and the Developer or as provided for in the Phase #1A Reimbursement Agreement. The MMD and the City shall have no obligation to perform any work related to a Phase #1A Improvement or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. Termination Upon Redemption or Defeasance of Bonds. This Agreement will terminate automatically and with no further action by the MMD, the City or the Developer upon the redemption or defeasance of all outstanding Contract Revenue Bonds issued under the Indenture.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Section 8.04. Construction of the Phase #1A Improvements Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Phase #1A Improvements in accordance with this Agreement and the Development Agreement.

Section 8.05. 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 fifteen (15) 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.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Limited Liability of City and MMD. The Developer agrees that any and all obligations of each of the City and the MMD arising out of or related to this Agreement are special obligations of the City and the MMD, and the MMD's obligations to make any payments hereunder are restricted entirely to the monies, in the Project Fund and, subject in all respects to Article III hereof, from no other source. Neither the MMD, the MMD Representative, nor any other MMD officer, official, or agent or City, the City Inspector, the City Representative, nor any other City employee, officer, official, or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The MMD, the MMD Representative, the City Inspector or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to Costs and expenses incurred by the Developer only with respect to any of the Phase #1A Improvements and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. 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 twenty-four (24) hours after such transmission) or seventy-two (72) hours following deposit

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

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, Texas 142 N. Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald 6371 Preston Road, Suite 200 Frisco, Texas 75034
And to:	Attn: Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the Developer:	Attn: Mehrdad Moayedi MM Celina 294, LLC; 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234
To the MMD:	Attn: Ross Martin Winstead PC 2728 N. Harwood Street, Suite 500 Dallas, Texas 75201 Email: rmartin@winstead.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.

The City shall advise the Developer and the MMD of the name and address of any person who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Agreement may be assigned by the Developer without the consent of, but upon written notice to the City and the MMD pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City or the MMD. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Manager and the MMD, except pursuant to a collateral assignment to any person or entity providing financing to the Developer for the Developer for a Phase #1A Improvement, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Phase #1A Improvement. In connection with any consent of the City or the MMD, the City and the MMD may condition their respective consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City or the MMD deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a Party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the MMD's, the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the District, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, the Development Agreement shall control. To the extent there is a conflict between this Agreement and the Phase #1A Reimbursement Agreement, the Phase #1A Reimbursement Agreement shall control. To the extent there is a conflict between this Agreement, and the Indenture, the Indenture shall control.

Section 9.07. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party, or the failure by a Party to exercise its rights upon the default of any other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any Party or any employee, officer or agent of any Party with respect to any matters covered hereby that is not in writing and signed by all the Parties to this Agreement shall be binding.

Section 9.09. Parties in Interest. 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 Parties hereto any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the Parties shall be for the sole and exclusive benefit of the Parties.

Section 9.10. Amendment. This Agreement may be amended upon Agreement of the Parties, from time to time in a manner consistent with the PID Act and the MMD Act, in writing hereto and executed in counterparts, each of which shall be deemed an original.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 9.12. Effective Date. This Agreement shall become effective upon its execution and delivery, by the Parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Effective Date.

Section 9.13. Term. The term of this Agreement, other than the provisions contained in Section 7.02, which shall survive the termination of this Agreement, shall be thirty (30) years or the later of the date on which all amounts under the Phase #1A Reimbursement Agreement have been paid upon the redemption or defeasance of all outstanding Contract Revenue Bonds issued under the Indenture.

Section 9.14 No Waiver of Powers or Immunity. Each of the City and the MMD does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 9.15. No Boycott 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 9.16. Not a Listed Company. The Developer hereby 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.

Section 9.17 Verification Regarding Energy Company Boycotts. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. 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 9.18 Verification Regarding Discrimination Against Firearm Entity or Trade Association. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislative Session, "SB 19"), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. 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.

[Execution pages follow]

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF CELINA

By: _____
Name: Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____
Vicki Tarrant, City Secretary

[Signature Page for Phase #1A CFA]

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

DEVELOPER:

MM Celina 294, LLC
a Texas limited liability company

By: MM Celina 3200, LLC
a Texas limited liability company
Its Manager

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

[Signature Page for Phase #1A CFA]

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

MMD:

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By:_____
Name: Greg Leveling
Its: President

ATTEST:

By:_____
Robert Klarer, Secretary

[Signature Page for Phase #1A CFA]

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Exhibit A

Phase #1A Improvements and Budgeted Costs

HALFF ASSOCIATES, Inc.
AVO: 043789.001

CLIENT: Dynavest
PROJECT: Legacy Ridge
DATE: 9/3/2021

40s	114
50s	213
60s	94
TOTAL LOTS	421
AREA (ACRES)	91

CIVIL COST ESTIMATE

ENGINEERS EXPLORATORY OPINION OF PROBABLE CONSTRUCTION COST *: Preliminary Site Development - Phase 1

Item No.	Description	Unit	Total Quantity	Average Unit Price	Total Amount
	Erosion Control				
1	Inlet Protection - Curb	EA	95	$118.00	$11,210
2	Erosion Control Silt Fence	LF	20,000	$1.55	$31,000
3	Storm Water Pollution Prevention Plan (SW3P)	LS	1	$11,000.00	$11,000
4	Over Seeding Lots	Acre	91	$295.00	$26,845
	Subtotal Erosion Control				**$80,055**
	Earthwork				
5	Clearing and Grubbing	Acre	91	$1,650.00	$150,150
6	Cut	CY	220,000	$2.00	$440,000
7	Fill	CY	220,000	$2.00	$440,000
8	Import (potential import from Ph 2 and 3)	CY	0	$10.00	$0
9	Export	CY	0	$10.00	$0
10	Lot Grading - Rough	LOT	421	$150.00	$63,150
11	Lot Grading - Final	LOT	421	$125.00	$52,625
12	40s Lot Moisture Conditoning - (7'-10' Depth)	LOT	114	$2,560.00	$291,840
13	50s Lot Moisture Conditoning - (7'-10' Depth)	LOT	213	$3,000.00	$639,000
14	60s Lot Moisture Conditoning - (7'-10' Depth)	LOT	94	$3,600.00	$338,400
	Subtotal Earthwork				**$2,415,165**
	Retaining Walls				
15	Variable Height (4-Foot or Less) Retaining Wall (Not Included)	SF	10,000	$15.00	$150,000
16	Variable Height (Greater Than 4-Foot) Retaining Wall (Not Included)	SF	32,000	$20.00	$640,000
	Subtotal Retaining Walls				**$790,000**
	Pavement and Road Improvements				
17	Reinforced Concrete Pavement - 29' B-B (7-inch, 4000 PSI)	SY	68,000	$38.00	$2,584,000
18	MOISTURE CONDITIONED SUBGRADE (48-INCH DEPTH)	SY	77,520	$3.00	$232,560
19	Lime (Hydrated; Dry)	TON	12,907	$140.00	$1,806,980
20	5" Thick Sidewalk	SY	22,500	$38.00	$855,000
21	Curb Ramp	EA	68	$1,500.00	$102,000
22	12-ft wide Reinforced Conc.Pavement -SUP Trail (6-inch thick, 3,600PSI)	SY	5,066	$60.00	$303,960
	Subtotal Private Road Improvements				**$5,884,500**
	Storm Drainage				
23	18-Inch Class III RCP	LF	6,000	$50.00	$300,000
24	24-Inch Class III RCP	LF	2,500	$64.00	$160,000
25	30-Inch Class III RCP	LF	800	$80.00	$64,000
26	36-Inch Class III RCP	LF	500	$105.00	$52,500
27	42-Inch Class III RCP	LF	1,300	$140.00	$182,000
28	48-Inch Class III RCP	LF	950	$160.00	$152,000
29	54-Inch Class III RCP	LF	400	$180.00	$72,000
30	60-Inch Class III RCP	LF	200	$225.00	$45,000
31	5x5 Class III RCB	LF	300	$250.00	$75,000
32	Junction Box - 4'x4'	EA	22	$5,500.00	$121,000
33	Junction Box - 5'x5'	EA	9	$9,500.00	$85,500
34	Junction Box - 6'x6'	EA	2	$10,000.00	$20,000
35	Standard Curb Inlet	EA	95	$3,500.00	$332,500
36	Type "B' Headwall	EA	11	$30,000.00	$330,000
	Subtotal Storm Drainage System				**$1,991,500**

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Item No.	Description	Unit	Total Quantity	Average Unit Price	Total Amount
	Water				
37	8-inch PVC Water Line (including bends)	LF	13,000	$25.50	$331,500
38	12-inch PVC Water Line (including bends)	LF	8,000	$30.00	$240,000
39	Trench Safety	LF	21,000	$1.00	$21,000
40	Testing (Excluding Geopack)	LF	21,000	$1.00	$21,000
41	12"x8" Tee	EA	8	$1,300.00	$10,400
42	8"x8" Tee	EA	11	$1,250.00	$13,750
43	8"X8" Cross	EA	3	$1,300.00	$3,900
44	8"X12" Cross	EA	3	$1,250.00	$3,750
45	8-inch Gate Valve	EA	59	$1,280.00	$75,520
46	12-inch Gate Valve	EA	23	$2,200.00	$50,600
47	1 Inch Water Service	EA	420	$540.00	$226,800
48	Fire Hydrant Assembly (TEE, VALVE, 6" DI)	EA	10	$4,250.00	$42,500
	Subtotal Water System				**$1,040,720**
	Sanitary Sewer				
49	8-inch PVC SDR-35 Sanitary Sewer Line	LF	16,200	$33.00	$534,600
50	12-inch PVC SDR-35 Sanitary Sewer Line	LF	4,000	$38.00	$152,000
51	Trench Safety	LF	20,200	$1.00	$20,200
52	Testing (Excluding Geopack)	LF	20,200	$1.00	$20,200
53	4-foot Diameter Standard Sanitary Sewer Manhole	EA	94	$5,500.00	$517,000
54	6" Service Lines	LOT	421	$690.00	$290,490
	Subtotal Sanitary Sewer System				**$1,534,490**
	Soft Costs				
55	Entry Monumentation	LS	2	$50,000.00	$100,000
56	Landscape & Irrigation	LS	1	$570,000.00	$570,000
57	Hardscape	LF	3,770	$95.00	$358,150
58	3% Inspection Fees	%	1	$313,536.30	$313,536
59	2% PP&M Bonds	%	1	$209,024.20	$209,024
	Subtotal Soft Costs				**$1,550,711**
			Subtotal		**$15,287,141**
			Contracted Engineering and Testing		**$1,581,500**
			2.5% Contingency		**$382,179**
			TOTAL	$40,975.82	**$17,250,819**

This statement was prepared utilizing standard cost estimate practices. This statement excludes "soft" costs including, but not limited to, administrative costs, financing costs, construction management, surveying, geotechnical investigations, and construction materials testing. It is understood and agreed that this is an estimate only, and that Engineer shall not be liable to Owner or to a third party for any failure to accurately estimate the cost of the project, or any part thereof.

*Franchise utilities such as gas, telecommunication and electrical are excluded from this estimate.

**Electric service, wiring and light poles with light fixtures to be provided by electric utility company; therefore, they are excluded from this estimate.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Exhibit B

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for MM Celina 294, LLC, a Texas limited liability company (the "Developer") and requests payment from:

[the Costs of Issuance Account of the Project Fund][the Phase #1A Projects Account of the Project Fund] from Wilmington Trust, National Association, (the "Trustee") in the amount of _____DOLLARS ($_____) for costs incurred in the establishment, administration, and operation of the Legacy Hills Public Improvement District (the "District"), as follows:

Closing Costs Description	Cost	PID Allocated Cost
TOTAL		

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Legacy Hills Public Improvement District Phase #1A Construction, Funding, and Acquisition Agreement (the "Phase #1A CFA Agreement").

In connection to the above referenced payments, the Developer represents and warrants to the City and the MMD as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the above referenced establishment, administration, and operation of the District at the time of the delivery of the Contract Revenue Bonds has not been the subject of any prior payment request submitted to the City.

3. The amount listed for the below itemized costs is a true and accurate representation of the Actual Costs incurred by Developer with the establishment of the District at the time of the delivery of the Contract Revenue Bonds, and such costs are in compliance with and within the costs as set forth in the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the Phase #1A CFA Agreement, the Indenture, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

6. The Developer agrees to cooperate with the City and the MMD in conducting their review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City and the MMD to complete said review.

Payments requested hereunder shall be made as directed below:

a. X amount to Person or Account Y for Z goods or services.

b. Payment Instructions

I hereby declare that the above representations and warranties are true and correct.

DEVELOPER:

MM Celina 294, LLC
a Texas limited liability company

By: MM Celina 3200, LLC
a Texas limited liability company
Its Manager

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY MMD

The MMD is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the MMD approves the Closing Disbursement Request.

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Exhibit C

FORM OF CERTIFICATION FOR PAYMENT

The undersigned is an agent for MM Celina 294, LLC, a Texas limited liability company (the "Developer") and requests payment from the [Phase #1A Improvements Account][Phase #1A Developer Improvement Account] of the Project Fund (as defined in the Phase #1A CFA Agreement) from the Wilmington Trust, National Association (the "Trustee") for the Contract Revenue Bonds in the amount of $_____ for labor, materials, fees, and/or other general costs related to the construction of certain Phase #1A Improvements related to the Legacy Hills Public Improvement District (the "Phase #1A Improvements"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Legacy Hills Public Improvement District Phase #1A Construction, Funding, and Acquisition Agreement (the "Phase #1A CFA Agreement").

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certification for Payment on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced Phase #1A Improvements have not been the subject of any prior payment request submitted to the City or, if previously requested, no disbursement was made with respect thereto.

3. The amount listed for the Phase #1A Improvements below is a true and accurate representation of the costs associated with the creation, acquisition, or construction of said Phase #1A Improvement, and such costs are in compliance with the Phase #1A CFA Agreement and the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the Phase #1A CFA Agreement, the Development Agreement and the Service and Assessment Plan.

5. All conditions set forth in the Phase #1A CFA Agreement, and the Development Agreement for the payment hereby requested have been satisfied.

6. The work with respect to the Phase #1A Improvement referenced below (or its completed segment) has been completed and the City may begin inspection of the Phase #1A Improvement.

7. The Developer agrees to cooperate with the City and the MMD in conducting their review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City and the MMD to complete said review.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

8. As required by Texas Local Government Code, Section 252.051, as amended, the Developer has provided the City with an independent appraisal of any Phase #1A Improvement consisting of any real property, or any interest in real property including easements and rights-of-way and open space if any, to be acquired by the City.

Payments requested should include the following:

Payee / Description of Phase #1A Improvement	**Total Cost of Phase #1A Improvement**	**Budgeted Cost of Phase #1A Improvement**	**Amount to be paid from the Phase #1A Improvements Account**	**Amount to be paid from the Phase #1A Developer Improvement Account**

Attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments.

Pursuant to the Phase #1A CFA Agreement, after receiving this Certification for Payment, the City is authorized to inspect the Phase #1A Improvement (or completed segment or phase) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans. Afterwards, the City must then accept or deny this Certification for Payment.

Payments requested hereunder shall be made as directed below:

c. X amount to Person or Account Y for Z goods or services.

d. Etc.

I hereby declare that the above representations and warranties are true and correct.

_____

By:_____
Name: _____
Title: _____
Date: _____

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the City approves the Certification for Payment.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY MMD

The MMD is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the MMD approves the Certification for Payment.

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Agreement (Legacy Hills PID – Ph 1A (CFA) Construction, Funding, and Acquisition Agreement with NPMMD)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Hills PID - Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD

Action Requested:
Consider and act to authorize the Legacy Hills Public Improvement District Phase #1B Construction, Funding and Acquisition Agreement between the City of Celina, Texas, MM Celina 40, LLC and North Parkway Municipal Management District No. 1 regarding reimbursements for Phase #1B Improvements as described in the Service and Assessment Plan, and other matters related thereto. (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT PHASE #1B CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT

THIS LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT PHASE #1B CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this "Agreement"), dated as of October 12, 2021 (the "Effective Date"), is by and between the **CITY OF CELINA, TEXAS**, a home rule municipality of the State of Texas (the "City"), **MM CELINA 40, LLC**, a Texas limited liability company (the "Developer"), and **NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1**, a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution and Chapter 3986, Texas Special District Local Laws Code, formerly known as NORTH CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 3 (the "MMD") (individually referred to as a "Party" and collectively as the "Parties").

ARTICLE I
DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Service and Assessment Plan (as hereinafter defined).

"Actual Cost(s)" means the costs of the Phase #1B Improvements actually paid or incurred for the design, construction and installation of the Phase #1B Improvements.

"Administrator" means, initially, MuniCap, Inc., or any other individual or entity designated by the City to administer the District.

"Annual Service Plan Update" means the annual update to the Service and Assessment Plan prepared by the Administrator pursuant to Section VII of the Service and Assessment Plan and approved by the City.

"Budgeted Cost(s)" means the costs shown on **Exhibit A** attached hereto.

"**Certification for Payment"** means a certificate, substantially in the form of **Exhibit C** hereto or otherwise agreed to by the Developer, the MMD Representative, and the City Representative, executed by the Developer, provided to the City Representative, the MMD and Trustee, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Trustee to request payment from the Phase #1B Improvements Account or the Phase #1B Developer Improvement Account of the Project Fund, as applicable, for the Actual Costs of the Phase #1B Improvements in accordance with the Indenture.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

"City Manager" means the City Manager of the City, or its designee.

"City Inspector" means an individual employed by or an agent of the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

"City Representative" means City Manager of the City, or any other official or agent of the City later authorized by the City to undertake the action referenced herein.

"**Closing Disbursement Request"** means the certificate, substantially in the form of **Exhibit B** hereto or otherwise mutually agreed to by the Developer, Administrator, the MMD Representative, and City Representative, specifying the amounts to be disbursed for the costs related to the creation of the District and the costs of issuance of the Bonds.

"Construction Contracts" means the contracts for the construction of the Phase #1B Improvements. "Construction Contract" means any one of the Construction Contracts.

"Contract Revenue Bonds" means the North Parkway Municipal Management District No. 1 Special Assessment Contract Revenue Bonds, Series 2021 (Legacy Hills Public Improvement District Phase #1A-1B Improvements) to be issued by the MMD and secured by the Indenture and payments under the Interlocal Agreement, a portion of which payments are to be derived from the Phase #1B Assessments.

"Cost(s)" means the Budgeted Cost(s) or the Actual Cost(s) of a Phase #1B Improvement as reflected in a construction contract, if greater than the Budgeted Cost(s).

"Cost Overrun" means, with respect to each Phase #1B Improvement, the Cost(s) or Actual Cost(s) as appropriate of such Phase #1B Improvement in excess the Budgeted Cost(s).

"Cost Underrun" means, with respect to each Phase #1B Improvement, the amount by which the Budgeted Cost(s) exceeds the Actual Cost(s), as appropriate, of such Phase #1B Improvement.

"**Development Agreement"** means that certain Development, Settlement and Annexation Agreement, between the City and Dynavest Joint Venture, a joint venture formed under the laws of the State of Texas with its principal place of business in Dallas, Texas, effective as of September 8, 2020, as amended by the First Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, LLC, a Texas limited liability company ("MM Celina 3200"), and the MMD, effective on August 2, 2021, as amended by the Second Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, and the MMD, and as may be amended.

"District" means the Legacy Hills Public Improvement District created by the City on September 14, 2021.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

"Final Completion" means completion of a Phase #1B Improvement (including a section or segment of a Phase #1B Improvement) in compliance with existing City standards for dedication to the MMD and subsequent transfer to the City in accordance with the Development Agreement.

"Force Majeure" means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Agreement or delays such affected Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) pandemics and epidemics in which a governmental entity issues a stop work order with respect to residential and commercial construction within the Development; (g) governmental shutdowns, and (h) actions or omissions of a governmental entity (including the actions of the City in its capacity as a governmental entity) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (u) economic hardship; (v) changes in market condition; (w) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or nationwide strikes or labor disputes; or (x) the occurrence of any manpower, material or equipment shortages beyond the reasonable control of the Developer.

"Indenture" means that certain Indenture of Trust between the MMD and Wilmington Trust, National Association, Dallas, Texas, as trustee, dated as of October 1, 2021 relating to the Contract Revenue Bonds.

"**Interlocal Agreement**" means the "Interlocal Agreement" dated as of October 12, 2021 between the City and the MMD relating to the Contract Revenue Bonds and Phase #1A-1B Improvements.

"MMD Act" means, collectively, Chapter 3986, Texas Special District Local Laws and Chapter 375, Texas Local Government Code.

"MMD Representative" means President or Vice President of the Board of Directors of the MMD, or any other official or agent of the MMD later authorized by the MMD to undertake the action referenced herein.

"Phase #1B Assessed Property" means any property that benefits from the Phase #1B Improvements within the District on which Assessments have been imposed as shown in the Phase #1B Assessment Roll, as the Phase #1B Assessment Roll is updated each year by the Annual Service Plan Update. Phase #1B Assessed Property includes Parcels within the District other than Non-Benefited Property.

"Phase #1B Assessment Fund" means an interest-bearing fund by such name created

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

pursuant to the Interlocal Agreement into which the City shall deposit the collected Phase #1B Assessment Revenues, which shall be utilized as described in the Interlocal Agreement.

"**Phase #1B Developer Improvement Account**" means that account of such name created in the Project Fund pursuant to the Indenture.

"Phase #1B Improvements" mean, collectively, the Phase #1B Improvements listed in **Exhibit A** to be constructed in compliance with City ordinances. An individual Phase #1B Improvement, including a completed segment or part, shall be referred to as a **Phase #1B Improvement**.

"**Phase #1B Improvements Account**" means that account of such name created in the Project Fund pursuant to the Indenture.

"Phase #1B Reimbursement Agreement" means the Legacy Hills Public Improvement District Phase #1B Reimbursement Agreement dated as of October 12, 2021, by and between the City and the District.

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

"Plans" means the plans, specifications, schedules and related construction contracts for the Phase #1B Improvements, respectively, approved pursuant to the applicable standards and ordinances of the City, the Development Agreement, and any other applicable governmental entities.

"Project Fund" means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Contract Revenue Bonds, excluding those deposited in other funds in accordance with the Indenture, and interest and gains therefrom, shall be deposited, and the fund by such name created under the Indenture.

"Service and Assessment Plan" means the Legacy Hills Public Improvement District Service and Assessment Plan, adopted by the City Council on October 12, 2021, as the same may be updated, amended, or supplemented, for the purpose of assessing allocated cost(s) against the property located within the boundaries of the District having terms, provisions and findings approved and agreed to by the Developer and the City, as required by this Agreement and in accordance with the PID Act.

"Substantial Completion" means the time at which the construction of a Phase #1B Improvement (or specified part thereof) has progressed to the point where such Phase #1B Improvement (or a specified part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Phase #1B Improvement (or a specified part thereof) can be utilized for the purposes for which it is intended.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

"**Trustee"** means Wilmington Trust, National Association acting in its capacity as Trustee for the Contract Revenue Bonds pursuant to the Indenture.

ARTICLE II
RECITALS

Section 2.01. The District and the Phase #1B Improvements.

(a) The City has created the District under the PID Act for the financing of, among other things, the acquisition, construction and installation of the Phase #1B Improvements.

(b) The Phase #1B Improvements are eligible to be financed with the collection of Assessments from property within the District to the extent specified in the Service and Assessment Plan and subject to the provisions of the Development Agreement.

(c) The Developer will undertake the construction and installation of the Phase #1B Improvements for dedication to and acceptance by the City in accordance with the terms and conditions contained in the Development Agreement.

(d) The proceeds from the issuance and sale of the Contract Revenue Bonds shall be deposited in accordance with the Indenture.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, the MMD, and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III
FUNDING

Section 3.01. Reimbursements.

(a) The MMD shall reimburse the Developer for the Budgeted Cost(s) of the Phase #1B Improvements, from the proceeds of the Contract Revenue Bonds, which Contract Revenue Bonds are secured by payments to be made by the City to the MMD pursuant to the Interlocal Agreement. Payments by the City under the Interlocal Agreement shall be made from amounts on deposit within the Phase #1B Assessment Fund for the payment of cost(s) of the Phase #1B Improvements as provided in the Interlocal Agreement. The Developer agrees and acknowledges that it is responsible for all Actual Costs, Cost Overruns, except to the extent as provided for in Section 4.04 below, and all expenses related to the Phase #1B Improvements.

(b) The obligation of owners of Phase #1B Assessed Property within the District, including the Developer to the extent it owns any Phase #1B Assessed Property in the District, to pay Assessments is not in any way dependent on the availability of amounts in the Phase #1B

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

Improvements Account of the Project Fund or the Phase #1B Assessment Fund to make payments under the Interlocal Agreement, or otherwise available from other sources, including the net proceeds of the Contract Revenue Bonds, to pay for all or any portion of the Actual Cost(s) of the Phase #1B Improvement hereunder.

(c) The MMD and the City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project Fund to pay the Costs of the Phase #1B Improvements in the District.

(d) The Developer acknowledges that any lack of availability of amounts in the Phase #1B Improvements Account of the Project Fund or the Assessment Fund to make payments under the Interlocal Agreement or otherwise available from other sources, including the net proceeds of the Contract Revenue Bonds, to pay the costs of the Phase #1B Improvements shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Phase #1B Improvements required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.

(e) The Developer acknowledges that some funds may not be immediately available for reimbursement for Actual Costs of the Phase #1B Improvements submitted and approved with an approved Certification for Payment. The Parties hereto acknowledge that these remaining amounts will be disbursed, to the extent of available monies in the Project Fund under the terms of the Indenture, as money is deposited into the Project Fund for the payment of such Costs. Both Parties acknowledge that the availability of funds in the Project Fund does not relieve the Developer from its responsibility to construct or ensure the construction of the Phase #1B Improvements

(f) The MMD shall not be required to make any payment to the Developer under this Agreement unless all of the following conditions are met: (1) the Developer is current on all Phase #1B Assessments and the payment of all taxes, assessments, fees and other obligations to the MMD; (2) the Developer is not in default under this Agreement, the Development Agreement or a Developer Continuing Disclosure Agreement; and (3) the City has inspected and approved any portion of Phase #1B Improvements for which the Developer seeks reimbursement.

(g) The City shall not be required to make payment to the Developer pursuant to this Agreement. This City's obligation shall be limited to the obligations set forth in the Interlocal Agreement and the Phase #1B Reimbursement Agreement.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

Section 3.02. Disbursements; Transfers at Contract Revenue Bond Closing.

(a) The City, the MMD and the Developer agree that from the proceeds of the Contract Revenue Bonds and upon the presentation of evidence satisfactory to the MMD and the City, the MMD will cause the Trustee to pay at closing of the Contract Revenue Bonds from the Costs of Issuance Account of the Project Fund and/or the Phase #1B Improvements Account of the Project Fund, an amount not to exceed the amount set forth in the Indenture to the persons entitled to the payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the District as of the date of delivery of the Bonds, as described in the Service and Assessment Plan.

(b) The MMD, the City and the Developer agree that upon the presentation of evidence satisfactory to the MMD Representative and the City Representative, the MMD will, on an monthly basis if a Certification for Payment is approved by the MMD and the City, cause the payment for Actual Cost(s) of Phase #1B Improvements, to the Developer or its assignees from funds available in the Phase #1B Improvements Account and the Phase #1B Developer Improvement Account of the Project Fund. These payments will be delivered to the Developer or its assignees pursuant to the submission of a Certification for Payment, substantially in the form of **Exhibit B** and **Exhibit C**, as applicable, attached hereto. .

Section 3.03. Accounts. In addition to the Costs of Issuance Account, there shall be two subaccounts, the Phase #1B Improvements Account and the Phase #1B Developer Improvement Account, in the Project Fund administered by the Trustee in accordance with the Indenture:

(a) The Phase #1B Improvements Account of the Project Fund. Certain proceeds from the issuance and sale of the Bonds attributable to the Phase #1B Improvements shall be deposited into the Phase #1B Improvements Account of the Project Fund in the amount shown in the Indenture.

(b) The Phase #1B Developer Improvement Account of the Project Fund. On the Closing Date and pursuant to the terms of the Indenture and the Interlocal Agreement, the Developer shall make an initial deposit to the Phase #1B Developer Improvement Account of the Project Fund in the amount shown in the Indenture.

ARTICLE IV
CONSTRUCTION OF PHASE #1B IMPROVEMENTS

Section 4.01. Duty of Developer to Construct.

(a) All Phase #1B Improvements shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform or cause to be performed all of its obligations

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

and shall conduct all operations with respect to the construction of Phase #1B Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of the Phase #1B Improvements to be acquired and accepted by the MMD from the Developer and conveyed to the City by the MMD as provided in this Agreement and the Development Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Phase #1B Improvement and, upon completion, inspection, and acceptance, convey each Phase #1B Improvement to the MMD for conveyance to the City in accordance with the terms hereof, even if there are insufficient funds to pay the Actual Cost(s) of the Phase #1B Improvements in the Phase #1B Improvements Account of the Project Fund to make payments as provided in the Interlocal Agreement.

Section 4.02. No Competitive Bidding. The Phase #1B Improvements shall not require competitive bidding pursuant to Section 252.022(9) of the Texas Local Government Code, as amended.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City or the MMD with respect to the Phase #1B Improvements.

Section 4.04. Remaining Funds after Completion of a Phase #1B Improvement. Upon the Final Completion of a Phase #1B Improvement (or its completed segment or phase thereof) and payment of all outstanding invoices for such Phase #1B Improvement, if the Actual Cost(s) of such Phase #1B Improvement (or its completed segment or phase thereof) is less than the Budgeted Cost(s) (a "Cost Underrun"), any remaining Budgeted Cost(s) will be available to pay Cost Overruns on any other Phase #1B Improvement (or its completed segment or phase thereof) with the approval of the City Representative and the MMD Representative and provided that all Phase #1B Improvements as set forth in the Service and Assessment Plan are undertaken at least in part. Any Cost Underrun for any Phase #1B Improvement (or its completed segment or phase thereof) is available to pay Cost Overruns on any other Phase #1B Improvement (or its completed segment or phase thereof), and may be added to the amount approved for payment in any Certification for Payment if approved by the City Representative, and the MMD Representative. Any net balance remaining in the Phase #1B Improvements Account of the Project Fund, after a reconciliation of Cost Overruns and Cost Underruns related to Phase #1B Improvements (or its completed segment or phase thereof) will be distributed in accordance with the terms of the Indenture.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

Section 4.05. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Phase #1B Improvements. The Developer may approve and implement any change orders, even if such change order would increase the Cost of a Phase #1B Improvement, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders, except for amounts available and approved pursuant to Section 4.04.

ARTICLE V
ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Closing Disbursement Request. In order to receive the disbursement from the Project Fund at closing of the Contract Revenue Bonds described in Section 3.02, the Developer shall cause to be delivered to the Trustee at closing a Closing Disbursement Request, substantially in the form of **Exhibit B** hereto or otherwise acceptable and agreed to by the Developer, Administrator, the City Representative, and the MMD for the disbursements described in Section 3.02.

Section 5.02. Payment Requests for the Phase #1B Improvements.

(a) No payment hereunder shall be made from the Project Fund for a Phase #1B Improvement (or its completed segment or phase thereof), until a Certification for Payment is received from the Developer for work with respect to a Phase #1B Improvement (or its completed segment or phase thereof) and approved for payment by the City and the MMD. Upon receipt of a Certification for Payment, substantially in the form of **Exhibit C** hereto (along with all accompanying documentation required by the City and the MMD from the Developer, the City Inspector (for a Phase #1B Improvement to be conveyed to the City by the MMD after conveyance thereto) shall conduct a review in order to confirm that such request is complete, to confirm that the work with respect to such Phase #1B Improvement identified therein for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement and the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"), and shall, upon the conclusion of the review, forward the request to the City Representative. The City Inspector and/or City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the City Inspector and/or City Representative in conducting each such review and to provide the City Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the City Inspector and/or City Representative

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

to conclude each such review.

(b) Within fifteen (15) business days of receipt of any Certification for Payment, the City Representative shall either (i) approve and execute the Certification for Payment and forward the Certification for Payment to the MMD Representative who shall forward it to the Trustee for payment in accordance with the provisions of Section 5.03 hereof, or (ii) in the event the City Representative disapproves the Certification for Payment, give written notification to the Developer of the City Representative's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the City Representative shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the MMD Representative who shall forward it to the Trustee for payment in accordance with the provisions of Section 5.03 hereof, and any such partial work shall be processed for payment under Section 5.03, notwithstanding such partial denial.

(c) If the City Representative denies or partially denies the Certification for Payment, the denial must be in writing delivered to the Developer, stating the reason(s) for denial. The denial may be appealed to the City Council by the Developer in writing within 30 days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer. The Certification for Payment shall not be forwarded by the City Representative to the MMD Representative or the Trustee, as applicable, for payment until the dispute is resolved by the City and the Developer. Upon approval of a previously denied or partially denied Certificate for Payment, the approved portions of such Certificate for Payment shall be forwarded to the MMD Representative for approval and subsequent submission to the Trustee for payment in accordance with the provisions of Section 5.02(b) hereof.

Section 5.03. Payment for Phase #1B Improvement.

(a) The City shall forward each reviewed and approved Certification for Payment, as evidence by the signature of the City Representative to the MMD Representative who shall approve such Certification for Payment, and forward it to the Trustee with instructions to make payment: (i) first, from the Phase #1B Improvements Account until the funds on deposit therein have been expended, and (ii) thereafter, from funds on deposit in the Phase #1B Developer Improvement Account, for such approved Certification for Payment pursuant to the terms of the Certification for Payment, in an amount not to exceed the Budgeted Cost(s), except as provided for in Section 4.04. In the event of any conflict between this

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provision and Section 6.5 of the Indenture, Section 6.5 of the Indenture shall control.

(b) Notwithstanding any other provisions of this Agreement, the Trustee, shall make payment directly to the person or entity specified by the Developer in an approved Certification for Payment, including: (1) a general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment; (2) to the Developer or any assignee of the Developer if an unconditional lien release is attached to such Certification for Payment; and, (3) to the Developer, or to the third party contractor directly, at Developer's request as specified in the Certification for Payment, in the event the Developer provides a general contractor's or suppliers of materials unconditional lien release for a portion of the work covered by the Developer or any assignee of the Developer to the extent of such lien release. Neither the MMD, the MMD Representative, nor the City, City Council, City Manager, or City Representative shall have any liability for relying on the accuracy of the payee information in any Certification for Payment as presented by the Developer or its assignees.

(c) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of any such remedy, so long as such delay in performance shall not subject the Phase #1B Improvements to foreclosure, forfeiture, or sale. In the event that any such mechanics or materialman's lien and/or judgment with respect to any Phase #1B Improvement is contested, the Developer shall post or cause delivery of a surety bond in the amount determined by the City or City may decline to accept the Phase #1B Improvement until such mechanics or materialman's lien and/or judgment is satisfied.

ARTICLE VI
OWNERSHIP AND TRANSFER OF PHASE #1B IMPROVEMENT

Section 6.01. Phase #1B Improvement to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with respect to the Phase #1B Improvements, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the City from the MMD after conveyance of such Phase #1B Improvements to the MMD by the Developer and not previously dedicated or otherwise conveyed to the City by the MMD after conveyance to the MMD by the Developer, for review and approval at least 30 calendar days prior to the transfer of title of a Phase #1B Improvement to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's clean title or use and enjoyment of any part

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of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Phase #1B Improvement until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Phase #1B Improvement Constructed on City Land or Developer Land. If the Phase #1B Improvement is on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Phase #1B Improvement. If the Phase #1B Improvement is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Phase #1B Improvement. The grant of the permanent easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Phase #1B Improvement as required by the Development Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Phase #1B Improvement. The provisions for inspection and acceptance of such Phase #1B Improvement otherwise provided herein shall apply.

ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City and the MMD as follows:

(a) Organization. The Developer entities are Texas limited liability companies duly formed, organized and validly existing under the laws of the State of Texas, are in compliance with the laws of the State of Texas, and have the power and authority to own their properties and assets and to carry on their business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer entities have the power and authority to enter into this Agreement, and haves taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the District or the Phase #1B Improvements in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Phase #1B Improvements.

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(e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Project Fund for the acquisition or construction of any improvement that are not part of the Phase #1B Improvements, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.

(f) Financial Records. For a period of two years after completion of the Phase #1B Improvements, the Developer covenants to maintain proper books of record and account for the construction of the Phase #1B Improvements and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City and the MMD or their respective agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Phase #1B Improvements will be constructed in full compliance with such Plans and any change orders thereto consistent with the PID Act and the Development Agreement.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the MMD, the MMD Representative, the City Manager or the City Representative related to the status of construction of the Phase #1B Improvements within the District.

(i) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement and the Development Agreement.

(j) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer, the Administrator, and MuniCap, Inc. as Dissemination Agent, dated as October 1, 2021 in connection with the Contract Revenue Bonds.

(k) Tax Certificate. The MMD will deliver a certificate relating to the Contract Revenue Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the "Tax Certificate") containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Contract Revenue Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Contract Revenue Bonds within the meaning of 26 U.S. Code Section 148 (collectively, "Bond Proceeds").

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(l) The Developer covenants to provide, or cause to be provided, such facts and estimates as the MMD reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Developer will make reasonable inquires to ensure such truth, correctness and completeness. The Developer covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds (including, but not limited to, the use of the Phase #1B Improvements) that would cause any of the covenants or agreements of the MMD contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the Contract Revenue Bonds for federal income tax purposes.

Section 7.02. City Authority; Representations. The City represents and warrants to the Developer and the District that (1) the City has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the City has been duly authorized to do so; (3) this Agreement is binding upon the City in accordance with its terms; and (4) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

Section 7.03. MMD Representations. The MMD represents and warrants to the Developer and the City that (1) the MMD has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the MMD has been duly authorized to do so; (3) this Agreement is binding upon the MMD in accordance with its terms; and (4) the execution of this Agreement and the performance by the MMD of its obligations under this Agreement do not constitute a breach or event of default by the MMD under any other agreement, instrument, or order to which the MMD is a party or by which the MMD is bound.

Section 7.04. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE INSPECTORS;, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS; AND THE MMD, ITS OFFICIALS, 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 PHASE #1B IMPROVEMENTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER

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AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE PHASE #1B IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE PHASE #1B IMPROVEMENTS; 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, GRANTEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE PHASE #1B IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PHASE #1B IMPROVEMENTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR 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 OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AND MMD AGAINST ALL SUCH CLAIMS, AND CITY AND MMD ARE REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, EACH OF THE CITY AND MMD 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 OR MMD 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 OR MMD-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) 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 ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.04 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

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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.

Section 7.05. Use of Monies by MMD. . The MMD agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the money held in the Project Fund and any money to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Phases #1B Improvements, the MMD agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of money that would otherwise have been available under the Indenture for disbursement for the Costs of the Phase #1B Improvements is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer are or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer are or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

Section 7.06. No Reduction of Assessments. The City and the Developer agree not to take any action or actions to reduce the total amount of such Assessments to be levied as of the effective date of this Agreement.

ARTICLE VIII
TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City, the MMD, and the Developer, in which event the MMD and the City may either execute contracts for or perform any remaining work related to the Phase #1B Improvements not accepted by the MMD or the City or other appropriate entity and use all or any portion of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Cost(s) of a Phase #1B Improvement hereunder, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to Developer and the MMD and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer and the MMD if the Developer or the MMD shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer and the MMD, and the Developer agrees to promptly meet and confer with the City Inspector and other appropriate City staff and

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consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Phase #1B Improvements. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) and the MMD of the grounds for such termination and allow the Developer and the MMD a minimum of 45 days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer and the MMD, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer and the MMD have not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to a Phase #1B Improvement only as provided for under the terms of an indenture and this Agreement prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer and the MMD, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the trustee to cease making payments for the Actual Costs of Phase #1B Improvements, provided that the Developer shall receive payment of the Actual Costs of any Phase #1B Improvements that were accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement, the Indenture, and the Development Agreement.

(c) If this Agreement is terminated by the MMD and the City for cause, the MMD and the City may either execute contracts for or perform any remaining work related to the Phase #1B Improvements not accepted by the MMD or the City and the MMD may use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Phase #1B Improvements hereunder, except as otherwise may be provided upon the mutual written consent of the City, the MMD, and the Developer or as provided for in the Phase #1B Reimbursement Agreement. The MMD and the City shall have no obligation to perform any work related to a Phase #1B Improvement or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. Termination Upon Redemption or Defeasance of Bonds. This Agreement will terminate automatically and with no further action by the MMD, the City or the Developer upon the redemption or defeasance of all outstanding Contract Revenue Bonds issued under the Indenture.

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Section 8.04. Construction of the Phase #1B Improvements Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Phase #1B Improvements in accordance with this Agreement and the Development Agreement.

Section 8.05. 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 fifteen (15) 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.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Limited Liability of City and MMD. The Developer agrees that any and all obligations of each of the City and the MMD arising out of or related to this Agreement are special obligations of the City and the MMD, and the MMD's obligations to make any payments hereunder are restricted entirely to the monies, in the Project Fund and, subject in all respects to Article III hereof, from no other source. Neither the MMD, the MMD Representative, nor any other MMD officer, official, or agent or City, the City Inspector, the City Representative, nor any other City employee, officer, official, or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The MMD, the MMD Representative, the City Inspector or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to Costs and expenses incurred by the Developer only with respect to any of the Phase #1B Improvements and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. 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 twenty-four (24) hours after such transmission) or seventy-two (72) hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

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To the City:	Attn: City Manager City of Celina, Texas 142 N. Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald 6371 Preston Road, Suite 200 Frisco, Texas 75034
And to:	Attn: Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the Developer:	Attn: Mehrdad Moayedi MM Celina 40, LLC; 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234
To the MMD:	Attn: Ross Martin Winstead PC 2728 N. Harwood Street, Suite 500 Dallas, Texas 75201 Email: rmartin@winstead.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.

The City shall advise the Developer and the MMD of the name and address of any person who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City and the MMD pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the

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Developer, or any lien holder on the Property, without prior written consent of the City or the MMD. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Manager and the MMD, except pursuant to a collateral assignment to any person or entity providing financing to the Developer for the Developer for a Phase #1B Improvement, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Phase #1B Improvement. In connection with any consent of the City or the MMD, the City and the MMD may condition their respective consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City or the MMD deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a Party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the MMD's, the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the District, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, the Development Agreement shall control. To the extent there is a conflict between this Agreement and the Phase #1B Reimbursement Agreement, the Phase #1B Reimbursement Agreement shall control. To the extent there is a conflict between this Agreement, and the Indenture, the Indenture shall control.

Section 9.07. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party, or the failure by a Party to exercise its rights upon the default of any other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any Party or any employee, officer or agent of any Party with respect to any matters covered hereby that is not in writing and signed by all the Parties to this Agreement shall be binding.

Section 9.09. Parties in Interest. 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 Parties hereto any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the Parties shall be for the sole and exclusive benefit of the Parties.

Section 9.10. Amendment. This Agreement may be amended upon Agreement of the Parties, from time to time in a manner consistent with the PID Act and the MMD Act, in writing hereto and executed in counterparts, each of which shall be deemed an original.

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

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Section 9.12. Effective Date. This Agreement shall become effective upon its execution and delivery, by the Parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Effective Date.

Section 9.13. Term. The term of this Agreement, other than the provisions contained in Section 7.02, which shall survive the termination of this Agreement, shall be thirty (30) years or the later of the date on which all amounts under the Phase #1B Reimbursement Agreement have been paid upon the redemption or defeasance of all outstanding Contract Revenue Bonds issued under the Indenture.

Section 9.14 No Waiver of Powers or Immunity. Each of the City and the MMD does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 9.15. No Boycott 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 9.16. Not a Listed Company. The Developer hereby 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.

Section 9.17 Verification Regarding Energy Company Boycotts. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative

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Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. 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 9.18 Verification Regarding Discrimination Against Firearm Entity or Trade Association. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislative Session, "SB 19"), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. 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.

[Execution pages follow]

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF CELINA

By: _____
Name: Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____
Vicki Tarrant, City Secretary

[Signature Page for Phase #1B CFA]

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

DEVELOPER:

MM Celina 40, LLC
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

[Signature Page for Phase #1B CFA]

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MMD:

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By:_____
Name: Greg Leveling
Its: President

ATTEST:

By:_____
Robert Klarer, Secretary

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Exhibit A

Phase #1B Improvements and Budgeted Costs

KFM ENGINEERING & DESIGN

OPINION OF PROBABLE COST

Project Name: Legacy Hills
Client Name: Centurion American
City: Celina, TX
County: Collin

Date: August 20, 2021
Project Number: 01.0028.006
Concept Lot Count: 192
Gross Acreage: 40

SINGLE FAMILY POD 10

Water System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
8" P.V.C. WATER LINE	LF	10972	$25.50	$279,786.00
8" GATE VALVE & BOX	EA	56	$1,375.00	$77,000.00
2" FLUSHING VALVE	EA	3	$2,200.00	$6,600.00
1" SINGLE WATER SERVICE	EA	192	$540.00	$103,680.00
CONNECT TO EXISTING WATER LINE	EA	2	$3,000.00	$6,000.00
FIRE HYDRANT ASSEMBLY	EA	24	$4,250.00	$102,000.00
IRRIGATION SERVICES	EA	4	$1,800.00	$7,200.00
2 - 4" P.V.C. IRRIGATION CROSSINGS	LF	500	$17.00	$8,500.00
REMOVE EXISTING FLUSHING VALVE	EA	2	$750.00	$1,500.00
TESTING (EXCLUDING GEOTECH.)	LF	10972	$1.00	$10,972.00
TRENCH SAFETY	LF	10972	$1.00	$10,972.00
			SUB-TOTAL	**$614,210.00**

Note: Water lines include all fittings

Wastewater System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
8" P.V.C. PIPE (0'-10' DEEP)	LF	7840	$33.00	$258,720.00
4' DIA. WW MH W/ INT EPOXY COATING	EA	17	$5,500.00	$93,500.00
5' DIA. WW MH W/ INT EPOXY COATING (ALL MHs OVER 12')	EA	17	$9,600.00	$163,200.00
4" SERVICE LINES	EA	192	$575.00	$110,400.00
CONNECT TO EX. WW MH	EA	1	$2,500.00	$2,500.00
TESTING (EXCLUDING GEOTECH.)	LF	7840	$1.00	$7,840.00
TRENCH SAFETY	LF	7840	$1.00	$7,840.00
			SUB-TOTAL	**$644,000.00**

Storm Drain System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
24" R.C.P.	LF	2194	$64.00	$140,416.00
36" R.C.P.	LF	2743	$105.00	$288,015.00
42" R.C.P.	LF	549	$140.00	$76,860.00
10' CURB INLET	EA	32	$3,500.00	$112,000.00
42" SLOPED HEADWALL	EA	2	$3,000.00	$6,000.00
ROCK RIP-RAP	SY	100	$85.00	$8,500.00
TESTING & TV INSPECTION	LF	5486	$1.50	$8,229.00
TRENCH SAFETY	LF	5486	$1.00	$5,486.00
			SUB-TOTAL	**$645,506.00**

Dry Utility Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
DRY UTILITIES	LOT	192	$1,000.00	$192,000.00
STREET LIGHT	EA	34	$2,500.00	$85,000.00
			SUB-TOTAL	**$277,000.00**

Roadway and Paving Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
7" REINFORCED CONCRETE STREET PVMT. W/ CURB	SY	32606	$38.00	$1,239,028.00
7" REINFORCED CONCRETE ALLEY/MEWS PVMT.	SY	13854	$39.50	$547,233.00
6" LIME-STABILIZED SUBGRADE (INCL. LIME)	SY	53959	$6.00	$323,754.00
BARRIER FREE RAMPS	EA	125	$1,500.00	$187,500.00
STREET SIGN	EA	40	$1,400.00	$56,000.00
TRAFFIC HANDLING	LS	1	$1,500.00	$1,500.00
			SUB-TOTAL	**$2,355,015.00**

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

KFM ENGINEERING & DESIGN

OPINION OF PROBABLE COST

Earthwork and E&S Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
CLEARING AND GRUBBING	ACRE	40	$1,650.00	$66,000.00
MASS GRADING - EXCAVATION	CY	194000	$1.95	$378,300.00
ROUGH LOT GRADING	LOT	192	$100.00	$19,200.00
FINAL LOT GRADING	LOT	192	$185.00	$35,520.00
RETAINING WALL	LOT	192	$2,000.00	$384,000.00
EROSION CONTROL	LOT	192	$350.00	$67,200.00
CONSTRUCTION ENTRANCE	EA	1	$2,000.00	$2,000.00
INLET PROTECTION	EA	32	$150.00	$4,800.00
SILT FENCE	LF	2870	$1.35	$3,874.50
5.5' DEPTH MOISTURE CONDITIONING - 40' LOT	LOT	192	$1,540.00	$295,680.00
TEMPORARY SEDIMENT BASIN	EA	1	$5,000.00	$5,000.00
			SUB-TOTAL	**$1,261,574.50**

Landscape Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
ENTRY MONUMENTATION	EA	1	$50,000.00	$50,000.00
LANDSCAPE AND IRRIGATION	LS	1	$600,000.00	$600,000.00
HARDSCAPE	LF	1000	$95.00	$95,000.00
			SUB-TOTAL	**$745,000.00**

SUMMARY

SUM OF CONSTRUCTION COSTS		$6,542,305.50
CONTINGENCY	2.5%	$163,557.64
SUB-TOTAL		**$6,705,863.14**
ENGINEER, SURVEY, CM/PM, & GEOTECH FEES	10%	$670,586.31
INSPECTION FEE	3%	$201,175.89
PAYMENT AND PERFORMANCE BOND	2%	$134,117.26
TOTAL CONSTRUCTION COST		**$7,711,742.61**

Assumptions:

- At the time of this OPC, geotechnical recommendations for pavement subgrade and soil moisture conditioning were not available.
- The OPC was prepared without the benefit of overall grading, utility, and drainage plans for a 'high level' analysis of the site. The OPC should be updated as additional information and designs are available.
- The OPC does not include any miscellaneous costs for permits, platting, fees (impact, planning, etc.), or any other process or procedure required by the City of Celina or additional governing authorities.
- This OPC does not include costs of offsite water or wastewater utilities necessary to provide service to the site.

This Engineer's opinion of probable cost is made on the basis of the Engineer's experience and best judgment as a design professional. This opinion of probable cost does not include city fees; such as easement acquisition, permits, and application fees among others. It must be recognized that any evaluation of work to be performed to construct this project must be by necessity and is speculative in nature until completion of its actual detailed design. In addition the Engineer has no control over the cost of labor, materials or services to be furnished by others or over market conditions. Accordingly, Knight, Fowler & Millsap, LLC. cannot guarantee that actual costs will not vary from the opinions expressed herein.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

Exhibit B

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for MM Celina 40, LLC, a Texas limited liability company (the "Developer") and requests payment from:

[the Costs of Issuance Account of the Project Fund][the Phase #1B Projects Account of the Project Fund] from Wilmington Trust, National Association, (the "Trustee") in the amount of _____DOLLARS ($_____) for costs incurred in the establishment, administration, and operation of the Legacy Hills Public Improvement District (the "District"), as follows:

Closing Costs Description	Cost	PID Allocated Cost
TOTAL		

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Legacy Hills Public Improvement District Phase #1B Construction, Funding, and Acquisition Agreement (the "Phase #1B CFA Agreement").

In connection to the above referenced payments, the Developer represents and warrants to the City and the MMD as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the above referenced establishment, administration, and operation of the District at the time of the delivery of the Contract Revenue Bonds has not been the subject of any prior payment request submitted to the City.

3. The amount listed for the below itemized costs is a true and accurate representation of the Actual Costs incurred by Developer with the establishment of the District at the time of the delivery of the Contract Revenue Bonds, and such costs are in compliance with and within the costs as set forth in the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the Phase #1B CFA Agreement, the Indenture, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

6. The Developer agrees to cooperate with the City and the MMD in conducting their review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City and the MMD to complete said review.

Payments requested hereunder shall be made as directed below:

a. X amount to Person or Account Y for Z goods or services.

b. Payment Instructions

I hereby declare that the above representations and warranties are true and correct.

DEVELOPER:

MM Celina 40, LLC
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY MMD

The MMD is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the MMD approves the Closing Disbursement Request.

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

Exhibit C

FORM OF CERTIFICATION FOR PAYMENT

The undersigned is an agent for MM Celina 40, LLC, a Texas limited liability company (the "Developer") and requests payment from the [Phase #1B Improvements Account][Phase #1B Developer Improvement Account] of the Project Fund (as defined in the Phase #1B CFA Agreement) from the Wilmington Trust, National Association (the "Trustee") for the Contract Revenue Bonds in the amount of $_____ for labor, materials, fees, and/or other general costs related to the construction of certain Phase #1B Improvements related to the Legacy Hills Public Improvement District (the "Phase #1B Improvements"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Legacy Hills Public Improvement District Phase #1B Construction, Funding, and Acquisition Agreement (the "Phase #1B CFA Agreement").

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certification for Payment on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced Phase #1B Improvements have not been the subject of any prior payment request submitted to the City or, if previously requested, no disbursement was made with respect thereto.

3. The amount listed for the Phase #1B Improvements below is a true and accurate representation of the costs associated with the creation, acquisition, or construction of said Phase #1B Improvement, and such costs are in compliance with the Phase #1B CFA Agreement and the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the Phase #1B CFA Agreement, the Development Agreement and the Service and Assessment Plan.

5. All conditions set forth in the Phase #1B CFA Agreement, and the Development Agreement for the payment hereby requested have been satisfied.

6. The work with respect to the Phase #1B Improvement referenced below (or its completed segment) has been completed and the City may begin inspection of the Phase #1B Improvement.

7. The Developer agrees to cooperate with the City and the MMD in conducting their review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City and the MMD to complete said review.

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

8. As required by Texas Local Government Code, Section 252.051, as amended, the Developer has provided the City with an independent appraisal of any Phase #1B Improvement consisting of any real property, or any interest in real property including easements and rights-of-way and open space if any, to be acquired by the City.

Payments requested should include the following:

Payee / Description of Phase #1B Improvement	**Total Cost of Phase #1B Improvement**	**Budgeted Cost of Phase #1B Improvement**	**Amount to be paid from the Phase #1B Improvements Account**	**Amount to be paid from the Phase #1B Developer Improvement Account**

Attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments.

Pursuant to the Phase #1B CFA Agreement, after receiving this Certification for Payment, the City is authorized to inspect the Phase #1B Improvement (or completed segment or phase) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans. Afterwards, the City must then accept or deny this Certification for Payment.

Payments requested hereunder shall be made as directed below:

c. X amount to Person or Account Y for Z goods or services.

d. Etc.

I hereby declare that the above representations and warranties are true and correct.

_____

By:_____
Name: _____
Title: _____
Date: _____

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the City approves the Certification for Payment.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY MMD

The MMD is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the MMD approves the Certification for Payment.

NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Agreement (Legacy Hills PID – Ph 1B Construction, Funding, and Acquisition Agreement with NPMMD)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Hills PID Phase # 1B Landowner Agreement

Action Requested:
Consider and act to authorize the Mayor Pro-Tem to execute a Landowner Agreement, by and between the City of Celina and MM Celina 40, LLC, in connection with the development of Phase #1B of the Legacy Hills Public Improvement District. (Legacy Hills PID Phase # 1B Landowner Agreement) (Lopez)

Background Information:
Please refer to the attached agreement for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT
PHASE #1B LANDOWNER AGREEMENT

This **LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT PHASE #1B LANDOWNER AGREEMENT** (the "Agreement"), is entered into as of October 12, 2021, between the City of Celina, Texas (the "City"), a home rule municipality of the State of Texas (the "State"), and MM Celina 40, LLC, a Texas limited liability company (the "Landowner").

RECITALS:

WHEREAS, Landowner owns the Assessed Parcels described by a metes and bounds description attached as **Exhibit I** to this Agreement and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land described in **Exhibit I** (the "Landowner's Parcel") which is located within the Legacy Hills Public Improvement District (the "District") in the City; and

WHEREAS, the City Council has adopted an assessment ordinance for the Phase #1B Improvements (including all exhibits and attachments thereto, the "Phase #1B Assessment Ordinance") and the Service and Assessment Plan included as an exhibit to the Phase #1B Assessment Ordinance (the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on Assessed Property in Phase #1B of the District (as identified in the Service and Assessment Plan**)** that will be used to reimburse the Landowner for the costs of constructing the Phase #1B Improvements or pledged as the security for the payment of the North Parkway Municipal Management District No. 1 Special Assessment Contract Revenue Bonds, Series 2021 (Legacy Hills Public Improvement District Phase #1B-1B Improvements) (the "Bonds") to be issued for the purpose of paying the costs of constructing the Phase #1B Improvements that will benefit the Phase #1B Assessed Property (as defined in the Service and Assessment Plan); and

WHEREAS, the Covenants, Conditions and Restrictions attached to this Agreement as **Exhibit II** and which are incorporated herein for all purposes**,** include the statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended (the "PID Act"), to the purchaser.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits hereinafter set forth, the City and the Landowner hereby contract, covenant and agree as follows:

DEFINITIONS; APPROVAL OF AGREEMENTS

Definitions. Capitalized terms used but not defined herein (including each exhibit hereto) shall have the meanings ascribed to them in the Service and Assessment Plan.

Affirmation of Recitals. The findings set forth in the Recitals of this Agreement are hereby incorporated as the official findings of the City Council.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

I.
AGREEMENTS OF LANDOWNER

A. Affirmation and Acceptance of Agreements and Findings of Benefit. Landowner hereby ratifies, confirms, accepts, agrees to, and approves:

(i) the creation and boundaries of the District, and the boundaries of the Landowner's Parcel which are within the District, all as shown on **Exhibit I,** and the location and development of the Phase #1B Improvements on the Landowner's Parcel and on the property within Phase #1B of the District;

(ii) the determinations and findings as to the benefits by the City Council in the Service and Assessment Plan and the Phase #1B Assessment Ordinance; and

(iii) the Phase #1B Assessment Ordinance and the Service and Assessment Plan.

B. Acceptance and Approval of Assessments and Lien on Property. Landowner consents to, agrees to, acknowledges and accepts the following:

(i) each Assessment levied by the City on the Landowner's Parcel within Phase #1B of the District, as shown on the assessment roll attached as Appendix H to the Service and Assessment Plan (the "Phase #1B Assessment Roll");

(ii) the Phase #1B Improvements specially benefit Phase #1B of the District, and the Landowner's Parcel, in an amount in excess of the Assessment levied on the Landowner's Parcel within Phase #1B of the District, as such Assessment is shown on the Phase #1B Assessment Roll;

(iii) each Assessment is final, conclusive and binding upon Landowner and any subsequent owner of the Landowner's Parcel, regardless of whether such landowner may be required to prepay a portion of, or the entirety of, such Assessment upon the occurrence of a mandatory prepayment event as provided in the Service and Assessment Plan;

(iv) the obligation to pay the Assessment levied on the Landowner's Parcel owned by it when due and in the amount required by and stated in the Service and Assessment Plan and the Phase #1B Assessment Ordinance;

(v) each Assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Landowner's Parcel, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Landowner's Parcel regardless of whether such owner is named;

(vi) the Assessment lien on the Landowner's Parcel is a lien and covenant that runs with the land and is effective from the date of the Phase #1B Assessment Ordinance and continues until the Assessment is paid and may be enforced by the governing body of

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

the City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

(vii) delinquent installments of the Assessment shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) the owner of Assessed Property may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as defined in the Service and Assessment Plan and Phase #1B Assessment Roll) may be adjusted, decreased and extended; and, the assessed parties shall be obligated to pay their respective revised amounts of the annual installments, when due, and without the necessity of further action, assessments or reassessments by the City, the same as though they were expressly set forth herein;

(x) Landowner has received, or hereby waives, all notices required to be provided to it under State law, including the PID Act, prior to the Effective Date (defined herein); and

(xi) Landowner is responsible for prepayments required by the Service and Assessment Plan.

C. Mandatory Prepayment of Assessments. Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the City and as provided in the Service and Assessment Plan, as amended or updated or upon sale of property in the PID to a party not subject to Assessments.

D. Notice of Assessments. Landowner further agrees as follows:

(i) the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Phase #1B Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the City), in the records of the County Clerk of Collin County, as a lien and encumbrance against such Landowner's Parcel, and Landowner hereby authorizes the City to so record such documents against the Landowner's Parcel owned by Landowner;

(ii) reference to the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be included on all recordable subdivision plats and such plats shall be recorded in the real property records of Collin County, Texas;

(iii) in the event of any subdivision, sale, transfer or other conveyance by the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Landowner's Parcel owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on **Exhibit III** to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a "Builder") but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner's request and the City's consent, in the City's sole and absolute discretion, the Covenants, Conditions and Restrictions may be included with other written restrictions running with the land on property within the District, provided they contain all the material provisions and provide the same material notice to prospective property owners as does the document attached as **Exhibit II**.

II.
OWNERSHIP AND CONSTRUCTION OF PHASE #1B IMPROVEMENTS

A. Ownership and Transfer of Phase #1B Improvements. Landowner acknowledges that all of the Phase #1B Improvements and the land (or easements, as applicable) needed therefor shall be owned by the City once accepted by and conveyed to the City, following construction and Landowner will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the property within the District.

B. Grant of Easement and License, Construction of Phase #1B Improvements.

(i) Any subsequent owner of the Landowner's Parcel shall, upon the request of the City or Developer, grant and convey to the City or Developer and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Phase #1B Improvements on the property within Phase #1B of the District, to stage on the property within Phase #1B of the District construction trailers, building materials and equipment to be used in connection with such construction of the Phase #1B Improvements and for passage and use over and across parts of the property within Phase #1B of the District as shall be reasonably necessary during the construction of the Phase #1B Improvements. Any subsequent owner of the Landowner's Parcel may require that each contractor constructing the Phase #1B Improvements cause such owner of the Landowner's Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner's Parcel. The right to

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

use and enjoy any easement and license provided above shall continue until the construction of the Phase #1B Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner's Parcel in the real property records of Collin County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement, or other agreement, with respect to the Assessment has been satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

III.
COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner.

Landowner represents and warrants to the City as follows:

(i) Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner, constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which Landowner is a party, or by which Landowner or Landowner's Parcel is otherwise bound.

(iv) Landowner is, subject to all matters of record in the Collin County, Texas Real Property Records, the sole owner of the Landowner's Parcel.

(v) The Landowner's Parcel owned by Landowner is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments and the priority of the lien related to the assessments as described in this Agreement, or (iii) the construction of the Phase #1B Improvements on those portions of the property within Phase #1B of the District which are to be owned by the City, as generally described on the current plats of the

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such Landowner by virtue of execution thereof.

B. Waiver of Claims Concerning Phase #1B Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the Phase #1B Improvements.

C. Notices.

Any notice or other communication to be given to the City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City:	Attn: City Manager City of Celina, Texas 142 N. Ohio Street Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald 6371 Preston Road, Suite 200 Frisco, Texas 75034
To the Landowner:	Attn: Mehrdad Moayedi MM Celina 40, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, or sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same time as such electronic or facsimile transmission, or personally delivered to an officer of the recipient as the address set forth herein.

Each recipient may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this provision shall be deemed to be given when so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication

so delivered in person shall be deemed to be given when receipted for, or actually received by, the addressee.

D. Parties in Interest.

This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of Bonds issued by the North Parkway Municipal Management District No. 1 (the "MMD") to finance the costs of the Phase #1B Improvements and which are secured by a pledge of the Assessments or any part thereof pursuant to the "Interlocal Agreement" dated as of October 12, 2021 between the City and the MMD, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Collin County, Texas.

E. Amendments.

This Agreement may be amended only by written instrument executed by the City and the Landowner. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the property within the District and recorded in the Real Property Records of Collin County, Texas.

F. Effective Date.

This Agreement shall become and be effective (the "Effective Date") upon the date of final execution by the latter of the City and the Landowner and shall be valid and enforceable on said date and thereafter.

G. Estoppels.

Within 10 business days after written request from a party hereto, the other party shall provide a written certification, indicating whether this Agreement remains in effect as to the Landowner's Parcel.

H. Termination.

This Agreement shall terminate and be of no further force and effect as to the Landowner's Parcel upon payment in full of the Assessment(s) against such Landowner's Parcel.

I. No Boycott of Israel.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

The Landowner 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 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or 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 Landowner understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

J. No Business With Sanctioned Countries.

The Landowner represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, 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 Landowner and any of its respective parent companies, 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 Landowner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

K. Verification Regarding Energy Company Boycotts.

To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Landowner hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. The Landowner understands "affiliate" to mean an entity that

controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

L. Verification Regarding Discrimination Against Firearm Entity or Trade Association.

To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislative Session, "SB 19"), Texas Government Code, as amended, the Landowner hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. The Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

[Signature pages to follow]

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

EXECUTED by the City and Landowner on the respective dates stated below.

Date: _____

CITY OF CELINA, TEXAS

By: _____
Mindy Koehne, Mayor Pro-Tem

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 12th day of October, 2021 by Mindy Koehne, the Mayor Pro-Tem of the City of Celina, Texas on behalf of said City.

_____
Notary Public, State of Texas

(SEAL)

_____
Name printed or typed

Commission Expires:_____

[Signature Page Landowner Agreement]

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

LANDOWNER

MM Celina 40, LLC
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of October, 2021 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of MM Celina 40, LLC, a Texas limited liability company on behalf of said company.

_____
Notary Public, State of Texas

[Signature Page Landowner Agreement]

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

LANDOWNER AGREEMENT - EXHIBIT I

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

LEGAL DESCRIPTION

Being that certain 38.634 tract of land situated in the Jonathan Howard Survey, Abstract-442, the John Davis Survey, Abstract-254, and the William P. Allen Survey, Abstract-24, all in Collin County, Texas, being a part of that certain called 100.474 acre tract of land described in the deed to Dynavest Joint Venture recorded in Volume 2288, Page 119, Deed Records, Collin County, Texas and being more particularly described by metes and bounds and follows:

BEGINNING at a 5/8-inch iron rod with plastic cap stamped "Landpoint" set (herein referred to as capped iron rod set) in the North line of said 100.474 acre tract, same being in the West line of a 947.705 acre tract of land described to Jody Furlong Lawler recorded in Instrument No. 20180828001079900 of the Official Public Records of Collin County, Texas, from which a 1/2-inch iron rod found at the Northeast corner of said 100.474 acre tract bears, S89°47'54"E a distance of 1191.68 feet;

THENCE S16°14'08"E, severing said 100.474 acre tract, a distance of 1248.38 feet to a capped iron rod set in the South line of said 100.474 acre tract, same being the north line of a remainder of 100 acre tract of described in the deed to Marvin L. Bunch, or Linda K. Rodgers, Trustee of the Bunch Living Trust recorded in Volume 5843, Page 1120 of the Deed Records of Collin County, Texas;

THENCE S89°50'48"W, with the South line of 100.474 acre tract, same being the North line of said remainder of 100 acre tract a distance of 1578.33 feet to a capped iron rod set for corner;

THENCE N00°26'50"E, severing said 100.474 acre tract, a distance of 1207.15 feet to a capped iron rod set, from which a found nail near the Northwest corner of the 100.474 acre tract bears, N89°47'54"W a distance of 1169.57 feet;

THENCE S89°47'54"E, with the North line of the 100.474 acre tract, same being the West line of the 947.705 acre tract a distance of 1219.89 feet to the POINT OF BEGINNING and containing 38.634 acres of land.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

LANDOWNER AGREEMENT - EXHIBIT II

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS** (as it may be amended from time to time, this "Declaration") is made as of October 12, 2021 by MM Celina 40, LLC, a Texas limited liability company (the "Landowner").

RECITALS:

A. The Landowner holds record title to that portion of the real property located in Collin County, Texas, which is described in the attached Exhibit I (the "Landowner's Parcel").

B. The City Council of the City of Celina (the "City Council") upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the Legacy Hills Public Improvement District (the "District") by the then owners of more than 50% of the appraised value of the taxable real property and owners of more than 50% of the area of all taxable real property within the area requested to be included in the District created such District, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act").

C. The City Council has adopted an Phase #1B Assessment Ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the "Phase #1B Assessment Ordinance") and the Service and Assessment Plan included as an exhibit to the Phase #1B Assessment Ordinance (as amended from time to time, the "Service and Assessment Plan"), and has levied the assessments (as amended from time to time, the "Assessments") on property in Phase #1B of the District.

D. The statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into these Covenants, Conditions and Restrictions.

DECLARATIONS:

NOW, THEREFORE, the Landowner hereby declares that the Landowner's Parcel is and shall be subject to, and hereby imposes on the Landowner's Parcel, the following covenants, conditions and restrictions:

1. Acceptance and Approval of Assessments and Lien on Property:

(a) Landowner accepts each Assessment levied on the Landowner's Parcel owned by such Landowner.

(b) The Assessment (including any reassessment, the expense of collection, and reasonable attorney's fees, if incurred) is (a) a first and prior lien (the "Assessment Lien") against the property assessed, superior to all other liens or claims except for liens or claims for state, county, school district or municipality ad valorem property

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

taxes whether now or hereafter payable, and (b) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Phase #1B Assessment Ordinance until the Assessments are paid and may be enforced by the City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City. The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within Phase #1B of the District will not extinguish the Assessment or any unpaid but not yet due annual installments of the Assessment, and will not accelerate the due date for any unpaid and not yet due annual installments of the Assessment.

It is the clear intention of all parties to these Declarations of Covenants, Conditions and Restrictions, that the Assessments, including any annual installments of the Assessments (as such annual installments may be adjusted, decreased or extended), are covenants that run with the Landowner's Parcel and specifically binds the Landowner, its successors and assigns.

In the event of delinquency in the payment of any annual installment of the Assessment, the City is empowered to order institution of an action in district court to foreclose the related Assessment Lien, to enforce personal liability against the owner of the real property for the Assessment, or both. In such action the real property subject to the delinquent Assessment may be sold at judicial foreclosure sale for the amount of such delinquent property taxes and Assessment, plus penalties, interest and costs of collection.

2. Landowner or any subsequent owner of the Landowner's Parcel waives:

(a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;

(b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the City Council concerning the Assessments;

(c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Phase #1B Assessment Ordinance by the City Council;

(d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the City's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and

(e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the City Council's levy of the Assessments.

3. Amendments: This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

the City. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the real Property Records of Collin County, Texas.

4. **Third Party Beneficiary:** The City is a third party beneficiary to this Declaration and may enforce the terms hereof.

5. **Notice to Subsequent Purchasers:** Upon the sale of a dwelling unit within the District, the purchaser of such property shall be provided a written notice that reads substantially similar to the following:

TEXAS PROPERTY CODE SECTION 5.014

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS CONCERNING THE PROPERTY AT [Street Address]

As the purchaser of this parcel of real property, you are obligated to pay an assessment to the City of Celina, Texas, for improvement projects undertaken by a public improvement district under Chapter 372 of the Texas Local Government Code, as amended. The assessment may be due in periodic installments.

The amount of the assessment against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessment in full, it will be due and payable in annual installments (including interest and collection costs). More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Celina, 142 N. Ohio, Celina, Texas 75009.

Your failure to pay the assessment or the annual installments could result in a lien on and the foreclosure of your property.

Signature of Purchaser(s) _____ Date: _____

The seller shall deliver this notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the notice prescribed by this section, the references to the street address and date in the notice, and the purchaser's signature on the notice may be omitted.

EXECUTED by the undersigned on the date set forth below to be effective as of the date first above written.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

LANDOWNER

MM Celina 40, LLC
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of October, 2021 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of MM Celina 40, LLC, a Texas limited liability company on behalf of said company.

_____
Notary Public, State of Texas

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

LANDOWNER AGREEMENT - EXHIBIT III

HOMEBUYER EDUCATION PROGRAM

As used in this Exhibit III, the recorded Phase #1B Assessment Ordinance and the Covenants, Conditions and Restrictions in **Exhibit II** of this Agreement are referred to as the "Recorded Notices."

1. Any Landowner who is a Builder shall attach the Recorded Notices and the final Phase #1B Assessment Roll for such Assessed Parcel (or if the Phase #1B Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30 year payment for such Assessed Parcel) as an addendum to any residential homebuyer's contract.

2. Any Landowner who is a Builder shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the City.

3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.

4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

Attachment: Draft Agreement (Legacy Hills PID Phase # 1B Landowner Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills)

Action Requested:
Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving the Final Project and Reinvestment Zone Financing Plan for Reinvestment Zone Number Thirteen, City of Celina, Texas.(Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills)) (Lopez)

Background Information:
Please refer to the attached ordinance for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft 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 THE FINAL REINVESTMENT ZONE PROJECT PLAN AND FINANCING PLAN FOR REINVESTMENT ZONE NUMBER THIRTEEN, CITY OF CELINA, TEXAS INCLUDING PERCENT OF PARTICPATION; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (hereinafter referred to as the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (hereinafter referred to as the "Act"), may designate a geographic area within the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, pursuant to and as required by Section 311.003(b) of the Act, the governing body of the City (hereinafter referred to as the "City Council") prepared a *Preliminary Reinvestment Zone Project Plan and Financing Plan for Reinvestment Zone Number Thirteen, City of Celina, Texas*, dated September 14, 2021, approved by Ordinance No. 2021-74 adopted September 14, 2021, for a proposed tax increment reinvestment zone containing approximately 3,132.302 acres of real property located within the City; and

WHEREAS, notice of the public hearing on the creation of the proposed zone was published in the official newspaper of the City on August 16, 2021, which date is not later than the seventh (7^{th}) day before the public hearing held on September 14, 2021; and

WHEREAS, at the public hearing on September 14, 2021, interested persons were allowed to speak for or against the creation of the zone, the boundaries of the zone, and the concept of tax increment financing, and owners of property in the proposed zone were given a reasonable opportunity to protest the inclusion of their property in the zone; and

WHEREAS, after the public hearing on September 14, 2021, the City Council approved Ordinance 2021-74, establishing Reinvestment Zone Number Thirteen, City of Celina (herein after referred to as the "Zone"); and

WHEREAS, in compliance with the Act, the Board of Directors for the Zone has prepared and recommends the City Council approve the Final Reinvestment Zone Project Plan and Financing Plan, a copy of which is attached hereto as **Exhibit A** (hereinafter referred to as the "Final Project and Financing Plan"); and

WHEREAS, pursuant to Section 311.011(b) of the Act, the recommended final reinvestment zone project plan includes, (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-

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

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, the recommended final financing plan includes (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; and

WHEREAS, the City Council hereby finds and determines that the adoption of this Ordinance, approving the Final 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.

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 Project and Financing Plan conforms with and satisfies all requirements set forth in Sections 311.011 of the Act. Specifically, the final reinvestment zone 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 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. The final financing 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)

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

the estimated captured appraised valued of the Zone during each year of its existence, and (9) the duration of the Zone.

SECTION 3. FEASIBILITY. The City Council, pursuant to Section 311,011 of the Act, finds that the Final Project and Financing Plan is feasible.

SECTION 4. APPROVING FINAL PROJECT AND FINANCING PLAN. The Board of Directors for the Zone have prepared and recommended adoption of this Final Project and Financing Plan, and have submitted it to this City Council for approval. The City Council hereby approves the Final Project and Financing 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 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 12TH DAY OF OCTOBER, 2021.

_____
Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____
Vicki Tarrant, City Secretary

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Exhibit A
Final Reinvestment Zone Plan and Financing Plan

TAX INCREMENT REINVESTMENT ZONE NO. 13

CITY OF CELINA, TEXAS

FINAL PROJECT PLAN
AND
FINANCING PLAN

DRAFT

SEPTEMBER 28, 2021

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

TAX INCREMENT REINVESTMENT ZONE NO. 13

CITY OF CELINA, TEXAS

FINAL PROJECT PLAN AND FINANCING PLAN

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Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

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EXHIBIT H - ZONING ORDINANCE

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

1. INTRODUCTION

1.1. AUTHORITY AND PURPOSE

The City of Celina, Texas, 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 when designated as a tax increment reinvestment zone as 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. However, pursuant to Section 311.005 (a) (4) and 311.006 (e) of the Act, such designation of a Zone is not subject to the 30% residential property restriction if "…the petition is submitted to the governing body of the municipality or county by the owners of property constituting at least 50 % of the appraised value of the property in the area according to the most recent certified appraisal roll for the county in which the area is located." The City has received a petition from the Owners representing over 50% of the Property. As a result, the Zone is not subject to the 30% proposed residential property restriction.

The Zone. By City Council action on September 14, 2021, the City created a tax increment reinvestment zone to be known as "Tax Increment Reinvestment Zone No. 13, City of Celina" (the "Zone") that includes approximately 3,132.302 acres depicted on **Exhibit A** and described on **Exhibit B** (the "Property"). The Property meets the eligibility requirements of the Act. The Property is undeveloped, and due to its size, location, and physical characteristics, development will not occur solely through private investment in the foreseeable future. The Property substantially impairs and arrests the sound growth of the City because it is predominately underdeveloped due to factors such as no 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

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opportunities for residents of the City and the region. If the public works, public improvements, programs, and other projects are financed as contemplated by the Final Plan (hereinafter defined), the City envisions that the Property will be developed to take full advantage of the opportunity to bring to the City and to all of the region quality developments.

1.3. 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, on September 14, 2021, 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, and the concept of tax increment financing, and at which hearing the owners of the Property (collectively the "Owners") were 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 September 14, 2021 (the "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 are to be undertaken and financed is being determined by this Final Plan and by the Development Agreement (both hereinafter defined), which require approval by the Board (hereinafter defined) and by the City Council.

1.4. CREATION OF THE ZONE

Subsequent to the above-referenced public hearing, the City Council adopted Ordinance No. 2021-74 on September 14, 2021 (the "Creation 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 initially consisting of six (6) members (the "Board").

1.5. BOARD RECOMMENDATIONS

Upon the creation of the Zone, the Board, during its September 28, 2021, meeting, reviewed this Final Plan and approved and recommended to the City Council to approve this *Final Project and Finance Plan for Increment Reinvestment Zone No. __, City of Celina* (the "Final Plan") pursuant to which the City will contribute a portion of the ad valorem tax increment (the "Tax Increment") attributable to new development in the Zone into a tax increment fund created by the City and segregated from all other funds of the City (the "TIRZ Fund") to the costs of public works, public improvements, programs, and other projects benefiting the Zone into the TIRZ Fund to pay such costs.

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1.6. COUNCIL ACTION

The City Council, taking into consideration the recommendations of the Board, considered and approved this Final Plan on September 28, 2021.

1.7. SUMMARY OF RESULTS

As real property taxes are generated on an ad valorem basis from assessed values, it is first necessary to estimate the future assessed value resulting from the Zone. This Final Plan provides assessed value information based on the following:

- The development is completed as proposed by MM Celina 3200, LLC, a Texas Limited Liability Company (the "Developer");
- The units are sold according to the development pace estimated by the Developer, as summarized in subsequent sections of this Final Plan;
- Property values are assumed to grow at a rate of 1% per year for the duration of the Zone;
- The TIRZ is anticipated to include the 3,132.302 acres comprising the Property; and
- The City has committed to each use **$0.10** of the city tax rate for the payment of the Project costs from the incremental revenues generated from the Zone.

In summary, the TIRZ financing analysis indicates that, assuming 1% percent annual inflation through 2056 (and after completion of all phases), the Zone is estimated to have an incremental value of $4,993,671,041.

Table 1-A below provides the projected total and incremental assessed value for the Zone in 2057. Refer to **Exhibit C**, attached hereto, for more information on the projected incremental value for each year.

Table 1-A
Projected Assessed Values

Year	Projected Value	Base Value[(a)]	Incremental Value
2057	$4,994,053,673	$382,632	$4,993,671,041

[(a)] The base value of $382,632 represents the allocable share of the 2021 taxable assessed value shown in CCAD records allocated based on the proportional acreage of the applicable parcels within the Zone.

The assessed values displayed in Table 1-A above are the basis for estimating incremental real property taxes. The projected incremental taxes are shown in Table 1-B on the following page. The Property is anticipated to be fully built out by December 31, 2037, and such fully built-out values are anticipated to be reflected in the 2038 property appraisal and the related incremental taxes will become fully available on taxes dues as of January 31, 2039. Table 1-B illustrates the projected incremental assessed value for taxes due as of January 31, 2039, assuming one percent (1%) inflation.

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Table 1-B
Projected Incremental Tax Revenue

Jurisdiction	Total Projected Incremental Appraised Value at Buildout as of January 1, 2038	Total Projected Incremental Tax Revenue as of January 31, 2039
City of Celina	$4,174,732,707	$26,927,026

Refer to **Exhibit C** for projected tax increment revenues for each year.

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2. ASSESSMENT AND TAX COLLECTION PROCEDURES

2.1 AUTHORITY AND PURPOSE

Pursuant to Texas Tax Code, all taxable property is appraised at its market value as of January 1 of each year. Each county in Texas is served by an appraisal district, which determines the value of all that county's taxable property. Generally, local governments that collect property taxes, such as counties, cities and school districts, are members of the appraisal district.

2.2 METHODOLOGY

Each county appraisal district determines the value of all taxable property within the county boundaries. Texas Tax Code Section 25.18 requires appraisal districts to reappraise all property in its jurisdiction at least once every three years. Tax Code Section 23.01 requires that appraisal districts comply with the Uniform Standards of Professional Appraisal Practice if mass appraisal is used and that the same appraisal methods and techniques be used in appraising the same or similar kinds of property. Individual characteristics that affect the property's market value must be evaluated in determining the property's market value.

Before appraisals begin, the appraisal district compiles a list of taxable property. The list contains a description and the name and address of the owner for each property. In a mass appraisal, the appraisal district then classifies properties according to a variety of factors, such as size, use and construction type. Using data from recent property sales, the appraisal district appraises the value of typical properties in each class. Taking into account differences such as age or location, the appraisal district uses typical property values to appraise all the properties in each class.

With few exceptions, Texas Tax Code Section 23.01 requires taxable property to be appraised at market value as of January 1. Market value is the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- it is exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

Source: https://comptroller.texas.gov/taxes/property-tax/valuing-property.php

2.3 APPEALS

According to the Collin County Appraisal District ("CCAD"), property owners may utilize the CCAD appeal procedures if they have a concern about:

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- the market or appraised value of the property;
- unequal appraisal of the property compared to other properties;
- the inclusion of the property on the appraisal roll;
- any exemptions that may apply to the property owner;
- the qualification for an agricultural or timber appraisal;
- the taxable status of the property;
- the local governments which should be taxing the property;
- the ownership of property;
- a change of use of land receiving special appraisal; and/or
- any action taken by the chief appraiser, CCAD or Appraisal Review Board ("ARB") that applies to and adversely affects the property.

If property owners cannot resolve their concern informally with the CCAD staff, they may have their cases heard by the ARB. The ARB is an independent board of citizens that review problems with appraisals or other concerns listed above. It has the power to order the CCAD to make the necessary changes to solve problems. If a property owner files a written request for an ARB hearing (called a notice of protest) on or before May 31 (or 30 days after the notice of appraised value was mailed to the property owner, whichever is later), the ARB will set the case for a hearing. The property owner will receive written notice of the time, date, and place of the hearing. After it decides the case, the ARB must send them a copy of its order by certified mail. If the property owner is not satisfied with the decision, it has the right to appeal. If it chooses to go to court, the property owner must start the process by filing a petition within 60 days of the date it receives the ARB's order. In certain cases, as an alternative to filing an appeal in district court, the property owner may file not later than the 45th day after it receives notice of the ARB order a request for binding arbitration with the CCAD. In certain cases, originating in certain counties, as an alternative to filing an appeal in district court, the property owner may appeal to the State Office of Administrative Hearings (SOAH). An appeal to SOAH is initiated by not later than the 30th day after the property owner receives notice of the ARB's order by filing with the chief appraiser of the CCAD a notice of appeal.

2.4 TAXATION PROCEDURES

The assessment and property tax process for each tax year includes the steps shown in Table 2-A on the following page.

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Table 2-A
Property Tax Timeline

Date(s)	Event
January 1	CADs are required to appraise property on this date. A lien attaches to each taxable property to ensure property tax payment.
January 1 - April 30	CAD completes appraisals and processes applications for exemptions.
April - May	Appraisal districts send notices of appraised value.
May 1	Appraisal review board begins hearing protests from property owners.
July 1	Local taxing units may impose additional penalties for legal costs related to collecting unpaid taxes.
August - September	Local taxing units adopt tax rates.
October 1	Local taxing units (or county tax assessor-collector, acting on their behalf) begin sending tax bills to property owners.
January 1	Taxes due to local taxing units (or county tax assessor-collector, if acting on their behalf).
February 1	Local taxing units begin charging penalty and interest for unpaid tax bills.

2.5 Penalties and Interest

According to the Texas Comptroller, if taxes are not paid by January 31st, penalties and interest will accrue are shown in Table 2-B.

Table 2-B
Penalties and Interest

If Tax Paid In:	Penalty		Interest		Total
February	6%	+	1%	=	7%
March	7%	+	2%	=	9%
April	8%	+	3%	=	11%
May	9%	+	4%	=	13%
June	10%	+	5%	=	15%
July	12%	+	6%	=	18%

Penalties reach a maximum of 12% and interest of 1% is added each month after the due date. All real property accounts not paid in full by June 30th of the year in which they become delinquent will be referred to the delinquent tax attorney for enforced collection and will incur an additional penalty equal to 15% - 20% of the total taxes, penalties, and interest due.

2.6 Tax Sale

According to the Collin County Tax Collector's website, tax sales are held once orders of sale are issued from the district courts in reference to tax judgments for delinquent taxes. Real property being sold as a result of a foreclosure to satisfy delinquent taxes is required by Texas law to be sold on the first Tuesday of the month. All counties have sales on the same day.

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2.7 TAX RATES

Tax rates are set on an annual basis by the City. For fiscal year 2020, the real property tax rate in the City is $0.645 per $100 of assessed value.

The City tax rates have fluctuated in past years. It is likely that the tax rate will continue to change overtime; for purposes of this study, however, it is assumed that the tax rate will remain at its current level in future years.

Table 2-C on the below provides historical tax rates from fiscal years 2015 to 2020.

Table 2-C
Historical Tax Rates 2015-2020

Fiscal Year	City Tax Rate Per $100 Assessed Value (M&O)	City Tax Rate Per $100 Assessed Value (I&S)	City Tax Rate Per $100 Assessed Value (Total)
2015-16	$0.433512	$0.211488	$0.645000
2016-17	$0.423269	$0.221731	$0.645000
2017-18	$0.427800	$0.217200	$0.645000
2018-19	$0.385416	$0.259584	$0.645000
2019-20	$0.453683	$0.191317	$0.645000
2020-21	$0.453125	$0.191875	$0.645000

Source: CCAD

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3. PROJECT PLAN

3.1. DESCRIPTIONS AND MAPS

Existing Uses and Conditions. The Property in the Zone is contiguous and is currently located within the City's corporate limits. The Property is comprised of 3,132.302 acres inclusive of property zoned as Planned Development #117 as amended on August 10, 2021 and more fully described in the City of Celina Zoning Ordinance (the "Zoning Ordinance") attached hereto as **Exhibit H**.

The Property is undeveloped, and there is limited public infrastructure to support development. Development will require public infrastructure that: (1) the City cannot provide; and (2) will not be provided solely through private investment in the foreseeable future. A map of the Property and the Zone are shown on **Exhibit A**.

Proposed Uses. The Property is zoned consistent with the Zoning Ordinance, and the uses permitted by Planned Development #117. A map of the Property is shown on **Exhibit D** and description of the proposed uses within the Property are shown on Table 3-A below.

Table 3-A
Description of Proposes Uses

Property Type	Estimated Completion	Quantity	Measurement
Residential			
Single Family - 60 Ft	2030	1,095	Units
Single Family - 50 Ft	2036	3,637	Units
Single Family - 40 Ft	2035	2,223	Units
Subtotal – Single Family		*6,955*	*Units*
Multi-Family	2037	4,074	Units
Commercial - Retail	2036	673,000	Square Feet
Commercial - Office	2036	665,010	Square Feet

Metes and Bounds Description. Metes and bounds descriptions of the various tracts that comprise the Property are provided on **Exhibit B**. The list of Parcels in the Zone is shown in **Exhibit E.**

3.2. PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES AND REGULATIONS

Development of the Property will involve only those changes established by the City pursuant to the applicable Zoning Ordinances.

3.3. ESTIMATED NON-PROJECT COSTS

Non-project costs are funds that will be spent to develop in the Zone but will not be financed by the Zone. The Non-Project costs to be funded from sources other than incremental taxes are estimated at approximately $319,000,000 for the total property within the Zone.

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3.4. RELOCATION OF DISPLACED PERSONS

No persons will be displaced or relocated due to the creation of the Zone or implementation of the Final Plan.

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4. FINANCING PLAN

4.1. ESTIMATED PROJECT COSTS

The total project costs of the Zone (the "Project Costs") include the Administrative Costs defined below and the costs of the initial Public Improvements (as defined herein) as well as related interest expense are estimated to be approximately $106,494,281 (the "Maximum TIRZ Contribution Amount"), as set forth in **Exhibit F**. The Project Costs for administration of the Zone shall be the actual, direct costs paid or incurred by or on behalf of the City to administer of 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, including the costs of conducting studies, 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 (hereinafter defined) before any other Project Costs are paid.

4.2. PROPOSED PUBLIC IMPROVEMENTS

The categories of public works and public improvements (the "Public Improvements") that are proposed to be financed within the Zone include the economic development grant.

4.3. ECONOMIC FEASIBILITY

The development is proposed to be developed on vacant land. As shown in **Exhibit G**, the current aggregate taxable assessed value of the property in the development based on the proportional acreage of the applicable parcels is $382,632 (shown as assessed value in the CCAD records). The development is projected to be fully built out by December 31, 2049 based on the preliminary absorption estimated by the Developer.

For purposes of this Final Plan, economic feasibility has been evaluated over the term of the Zone based on the projected taxable value growth as shown in the projected absorption, projected incremental assessed values and projected incremental taxes shown in **Exhibit C**. This evaluation focuses only on 'direct' financial benefits (i.e., projected tax revenues from new development in the Zone) of the Public Improvements to be constructed within the Zone and does not take into consideration the potential 'multiplier effect' of this development towards new development outside the Zone and the non-property tax revenue-related benefits like job creation to the properties within and outside of the Zone. The new proposed development could not occur without the Public Improvements required to be constructed within the Zone. The total projected value of the new development at build-out as of January 1, 2038 is $4,175,115,339, with an incremental value of $4,174,732,707. The new development is projected to generate approximately $26,927,026 in annual projected incremental real property taxes at build-out and approximately $752,741,406 during the anticipated term of the Zone as shown in Table 4-A below.

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Table 4-A
Projected Incremental Tax Revenue

Jurisdiction	Total Projected Incremental Appraised Value at Buildout as of January 1, 2050	Total Projected Annual Incremental Tax Revenue at Build-Out (Due by January 31, 2051)	Total Projected Incremental Tax Revenue during the Term of the TIRZ
City of Celina	$4,174,732,707	$26,927,026	$752,741,406

Approximately 84.5% of the new tax revenue generated from the new development within the Zone will be retained by the City. The remaining approximately 15.5% of the new tax revenue generated by the new development within the Zone will be available to pay for Project Costs until the earlier of (i) Maximum TIRZ Contribution Amount is paid, or (ii) the term of the Zone expires in 2057. Upon expiration or termination of the Zone, 100% of all tax revenue generated within the Zone will be retained by the City.

These projections assume no annual property value inflation factor. As shown in **Exhibit C-3**, the total anticipated Maximum TIRZ Contribution Amount towards the Public Improvements is projected to be $106,494,281. As a result, the TIRZ is anticipated to generate $646,247,125 (i.e. $752,741,406 - $106,494,281) in excess incremental real property taxes during the anticipated term of the Zone for payment of costs of the City, demonstrating economic feasibility of the proposed TIRZ structure.

Table 4-B below shows the projected maximum TIRZ contribution by each participating jurisdiction.

Table 4-B
Projected Maximum TIRZ Contribution

Jurisdiction	Total Projected Incremental Tax Revenue during the Term of the TIRZ[(a)]	Total Projected Incremental Tax Revenue Available for payment of Project Costs (Maximum TIRZ Contribution Amount) [(b)]	Total Projected Incremental Tax Revenue Retained by the City[(c)]
City of Celina	$752,741,406	$106,494,281	$646,247,125

[(a)] Represents the projected incremental tax revenues generated from the Property.
[(b)] Represents the total projected incremental tax revenue available for the payment of the Project Costs.
[(c)] Represents the total projected incremental tax revenue available for the City.

4.4. TIRZ PARTICIPATION LEVEL

For properties within the TIRZ, $0.10/ $100 taxable assessed value of the total City incremental real property tax revenue will be pledged to the TIRZ Fund as shown in Table 4-C below.

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Table 4-C
TIRZ Participation by Entity

Jurisdiction	TIRZ Participation level
City of Celina	$0.10/ $100 taxable assessed value

4.5. Estimated Bonded Indebtedness

There are no bonds anticipated to be issued for the TIRZ.

4.6. Estimated Time for Costs or Obligations

The Project Costs are estimated to be incurred within 36 years (432) months. The Administrative Costs will be incurred annually and will continue to be collected until all Project Costs are reimbursed or the term of the Zone has expired.

4.7. Method of Financing

The City, in the future, will pay (using the TIRZ funds) the Project Costs as annual TIRZ contributions paid to the Developer. The Final Plan shall obligate the City to pay from the TIRZ Fund annual TIRZ contributions related to the Project Costs, which shall be reviewed and approved by the City. 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 pay or reimburse the 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 the respective governing body, and the TIRZ Fund shall only be used to pay the Project Costs. This Final Plan shall obligate the City to deposit into the TIRZ Fund each year for the duration of the Zone a portion of the Tax Increment calculated as a millage rate per $100 of taxable assessed value in the Zone that equals $**0.10/ $100** of taxable assessed value in the Zone from the City incremental property taxes collected in the Zone for years one through thirty-six (1-36).

4.8. Total Appraised Value

The current preliminary total taxable assessed value of taxable real property in the Zone is $382,632 as shown in **Exhibit G**. It is estimated that upon expiration of the term of the Zone, the total appraised value of taxable real property in the Zone is estimated to be $4,994,053,673.

4.9. Estimated Captured Appraised Value Taxable by the City

The captured appraised value of the Property taxable by the City for a year is the total taxable value of the Property for that year 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. If the Zone is created during calendar year 2021, the tax increment base of the Property will be $382,632 as shown in **Exhibit G**.

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4.10. DURATION OF THE ZONE; TERMINATION

The stated term of the Zone shall be thirty-six (36) years and commence on September 14, 2021 (based value as of January 1, 2021), and shall continue until fiscal year ending September 30, 2057, unless otherwise terminated in accordance with this section and Section 4.3 above. The City shall have the right to terminate the Zone prior to the expiration of its stated term if all of the Project Costs have been paid. If upon expiration of the stated term of the Zone, Project Costs have not been paid, the City has no obligation to pay the shortfall. The provisions of this section shall be included in the ordinance that creates the Zone. Nothing in this section is intended to prevent the City from extending the term of the Zone in accordance with the Act.

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5. ASSUMPTION AND LIMITATIONS

The valuation of property for real property tax purposes is determined by the CCAD. This plan attempts to estimate how the CCAD may estimate the value of the subject properties in the future. The values estimated by the CCAD will almost certainly differ from the estimates included in this report. Values can change significantly over time, and these changes can be significantly higher or lower than values in previous years. Determining property values for tax purposes is not as straight forward or as simple as the analysis in this report. Many factors not considered in this report may impact actual future values. Furthermore, property values are not likely to be consistent from year to year.

The CCAD often relies on market data to estimate the value of property. Property values can be appealed, competition can be greater, national or local market conditions can change; in short, there are many factors that can affect the valuation of property. These factors make the projection of future values an imprecise exercise. The successful development of the subject properties is critical to the values estimated in the report.

This report has assumed property taxes are paid as due. This report does not include an analysis to determine if the owners of property within the Zone will be able or willing to pay property taxes or if the tax collector will be able to collect unpaid taxes. The actual delinquencies in the payment of real property taxes in the Zone will likely be different than assumed in this report and a significant increase in the failure to pay property taxes would materially affect the tax increment revenues available for the payment of Project Costs.

This report estimates future tax increment revenues based on current real property tax rates. Scenarios do not assume real property tax rates in the future will be different than tax rates for fiscal year 2020 as shown in Table 2-D. Real property tax rates have varied over the years and have declined over the years. Real property tax rates will likely vary significantly in future years and be different than assumed in this report and a significant decrease in real property tax rates could materially affect the tax increment revenues available for the payment of Project Costs.

This report includes projections of tax increment revenues based on zero percent annual appreciation for real property. Changes in values will not be consistent from year to year. Future values are estimated based on values in 2020. Values in any future year may be less than values in 2020.

This report assumes that the subject properties will be developed as projected in this report. A delay in the development of properties or changes to the program of development would reduce tax increment revenues during the years of the delay and could result in there being inadequate tax increment revenues to pay the Project Costs. No analysis has been conducted to determine if the subject properties are likely to be developed as projected.

Numerous sources of information were relied on in the preparation of this report. These sources are believed to be reliable; however, no effort has been made to verify information obtained from other sources.

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In summary, this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions will inevitably not materialize, and unanticipated events and circumstance will occur. As a result, actual results will vary from the estimates in this report and the variations may be material.

Other assumptions made in the preparation of this report and limiting conditions to this report are as follows:

1. There are no zoning, building, safety, environmental or other federal, state, or local laws, regulations, or codes that would prohibit or impair the development, marketing or operation of the subject properties in the manner contemplated in this report, and the subject properties will be developed, marketed and operated in compliance with all applicable laws, regulations, and codes.

2. No material changes will occur in (a) any federal, state or local law, regulation or code affecting the subject properties or (b) any federal, state or local grant, financing or other program to be utilized in connection with the subject properties.

3. The local, national and international economies will not deteriorate and there will be no significant changes in interest rates or in rates of inflation or deflation.

4. The subject properties will be served by adequate transportation, utilities and governmental facilities.

5. The subject properties will not be subjected to any war, energy crises, embargo, strike, earthquake, flood, fire or other casualty or act of God.

6. The subject properties will be developed, marketed, and operated in a highly professional manner.

7. There are no existing, impending or threatened litigation that could hinder the development, marketing, or operation of the subject properties.

8. MuniCap, Inc. does not have expertise in and has no responsibility for legal, environmental, architectural, geologic, engineering, and other matters related to the development and operation of the subject properties.

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6. LIST OF EXHIBITS

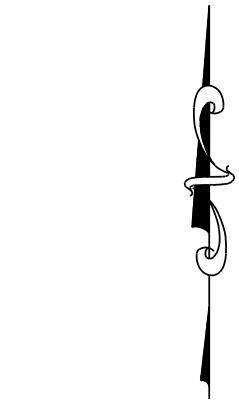
Unless otherwise stated, all references to "Exhibits" contained in this Final Plan shall mean and refer to the following exhibits, all of which are attached to and made a part of this Final Plan for all purposes.

Exhibit A	Map of the Property and TIRZ Zone
Exhibit B	Metes and Bounds Description of Property in the Zone
Exhibit C-1	Projected Absorption
Exhibit C-2	Projected Assessed Value
Exhibit C-3	Projected Incremental Assessed Values and Incremental Real Property Taxes
Exhibit C-4	Comparable Properties
Exhibit D	Map and Description of the Proposed Uses of the Property
Exhibit E	List of Parcels in the Zone
Exhibit F	Project Costs
Exhibit G	Current Appraised Value of the Zone
Exhibit H	Zoning Ordinance

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

EXHIBIT A
MAP OF THE PROPERTY AND TIRZ ZONE

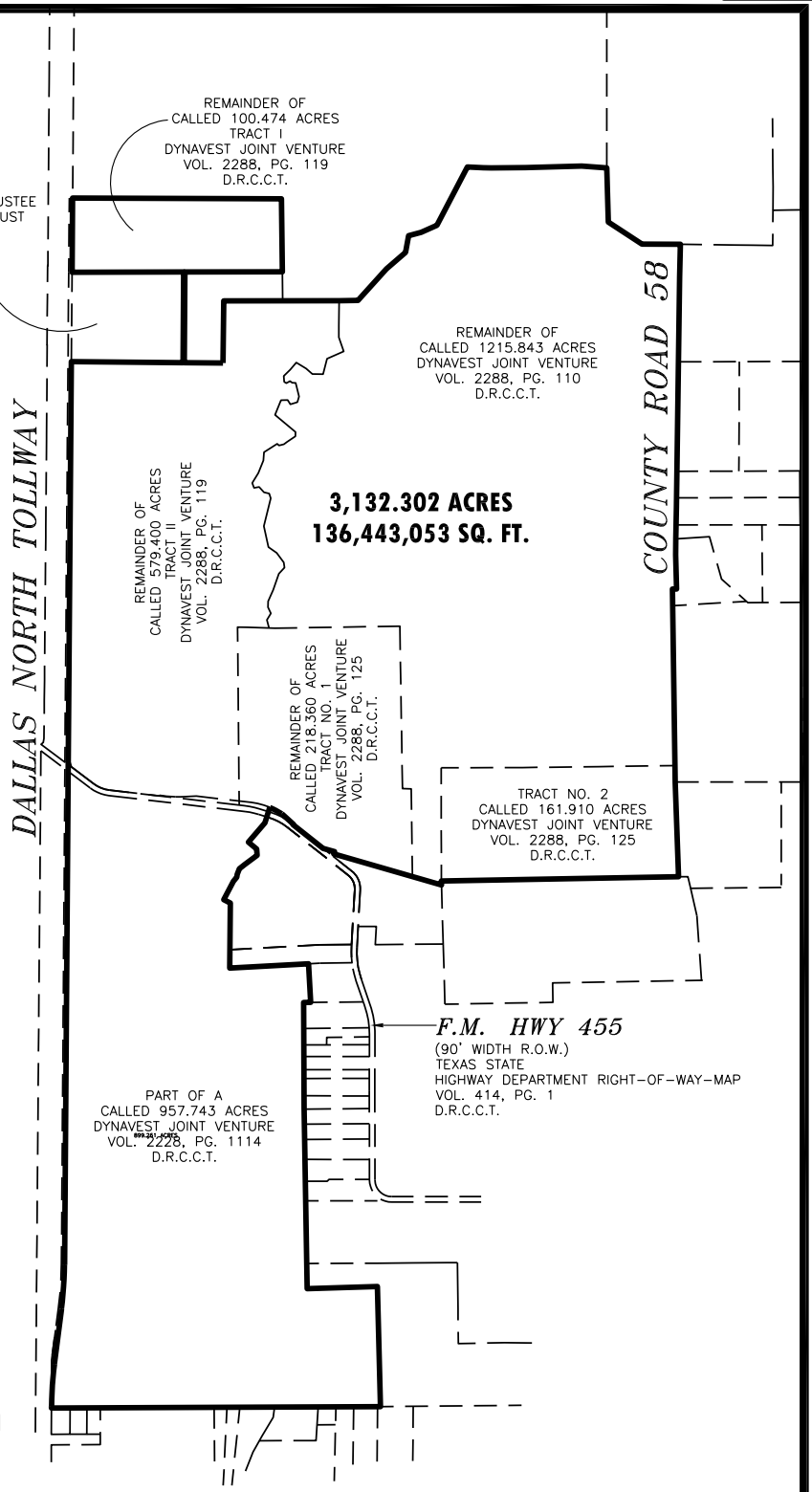
Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))



GRAPHIC SCALE

0 3000' 6000'

1 INCH = 3000 FT.



LEGEND / ABBREVIATIONS

— — — —	ADJOINER/DEED LINE
———	BOUNDARY LINE
O.P.R.C.C.T.	OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
R.P.R.C.C.T.	REAL PROPERTY RECORDS, COLLIN COUNTY, TEXAS
D.R.C.C.T.	DEED RECORDS, COLLIN COUNTY, TEXAS

3,132.302 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, A-24, S.A. & M.G. RR CO. SURVEY, A-876, STILLMAN B. RICE SURVEY, A-1054, PHINEAS NEWSOM SURVEY, A-665, B.B.B. & C.R.R. CO. SURVEY, A-131, JONATHAN HOWARD SURVEY, A-442, ELIAS ALEXANDER SURVEY, A-19, JOHN DAVIS SURVEY, A-254, JAMES CUMBA SURVEY, A-242, JOAB H. BIGGS, A-51, HENRY COCHRAN SURVEY, A-192, J.F. SMILEY SURVEY, A-869, J. WORRALL SURVEY, A-1036, JEREMIAH QUEEN SURVEY, A-733, GERMAN EMIGRATION CO. SURVEY, A-356, J. RAGSDALE SURVEY, A-735, H. COCHRAN SURVEY, A-191, JOHN W. HAYNES SURVEY, A-453,
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NOTE: This exhibit was created to only reflect the overall boundary limits shown herein, and is not a boundary survey.

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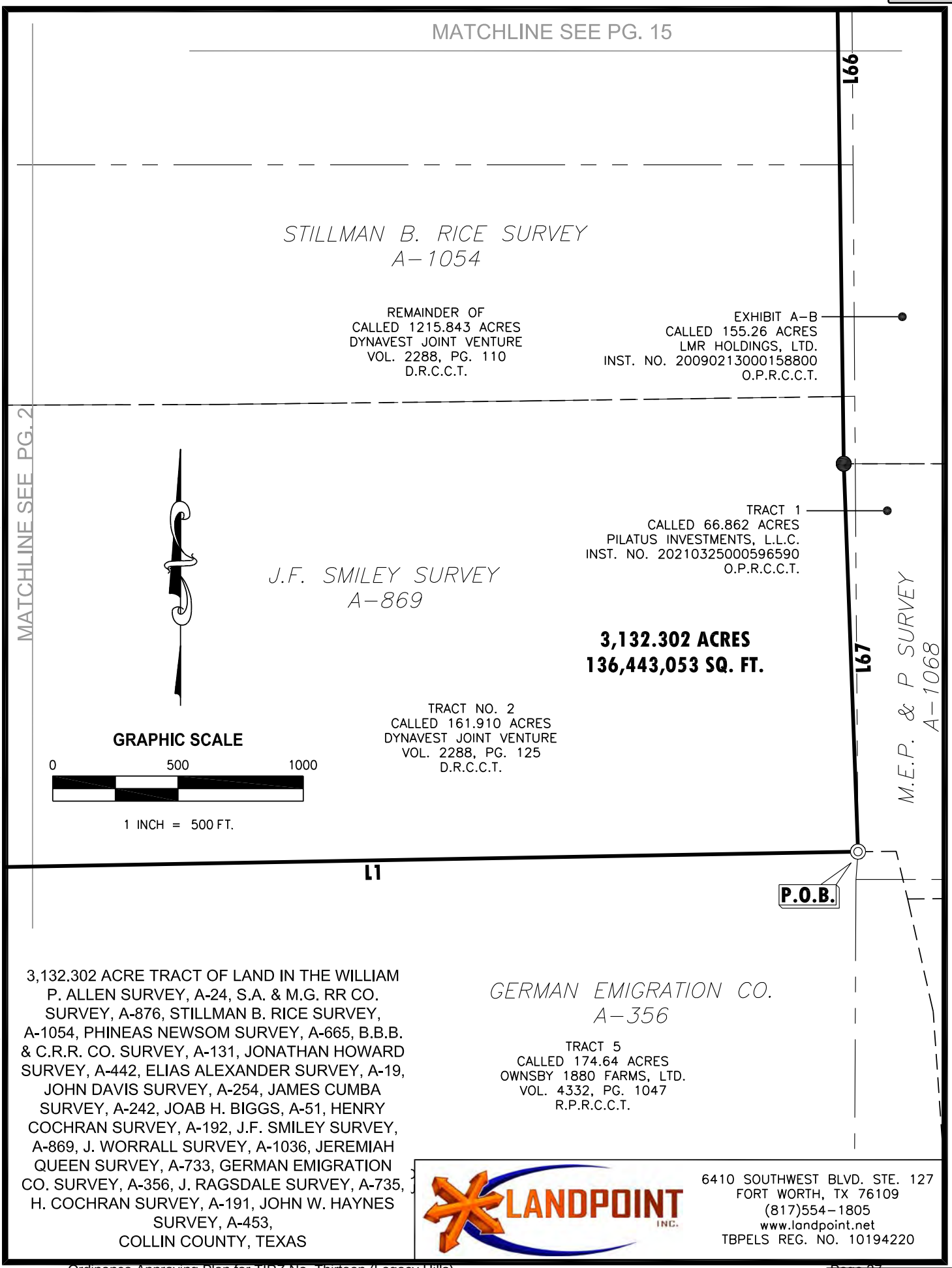
EXHIBIT B
METES AND BOUNDS DESCRIPTION OF THE PROPERTY

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))



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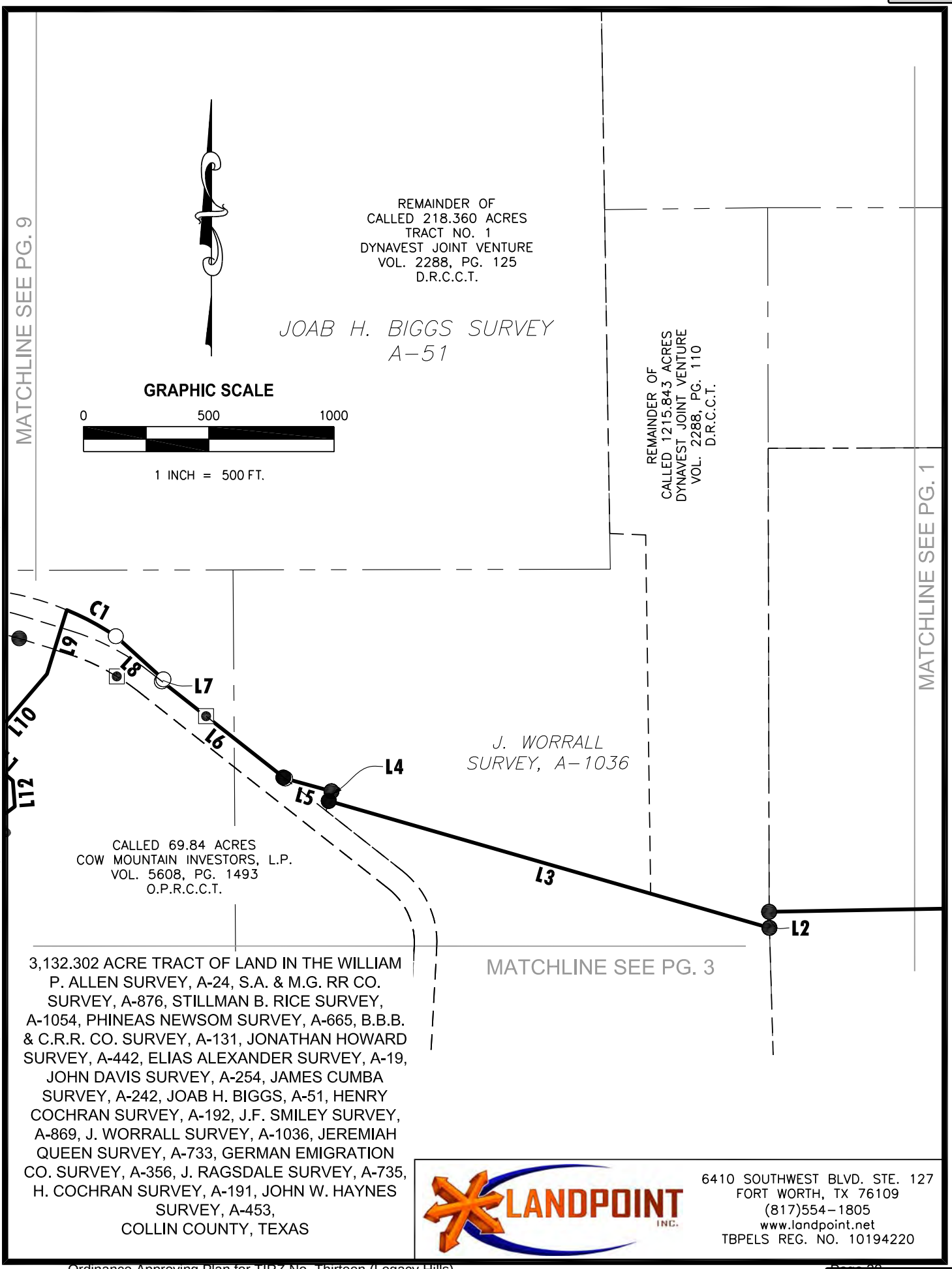

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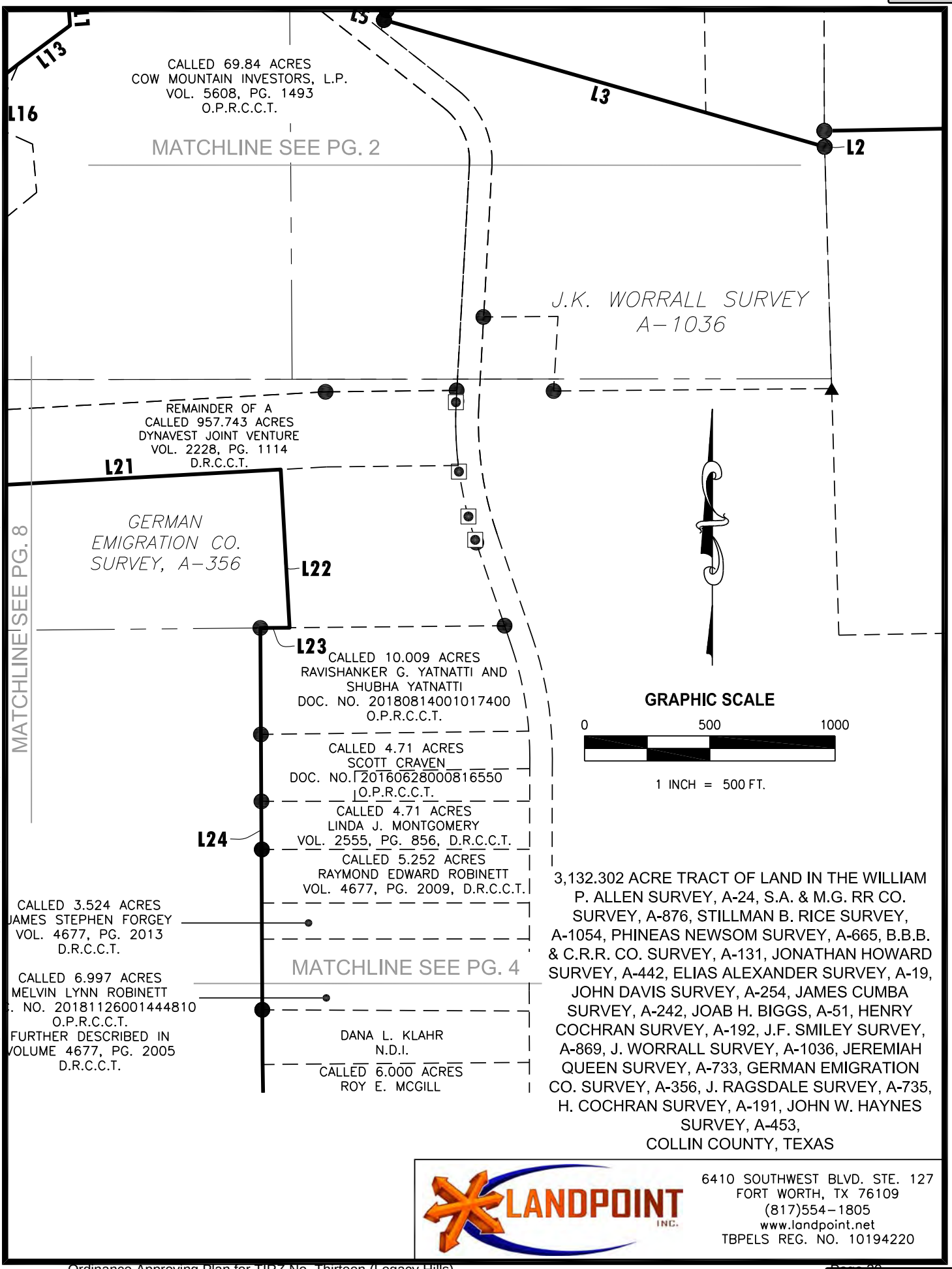

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CALLED 3.524 ACRES
JAMES STEPHEN FORGEY
VOL. 4677, PG. 2013
D.R.C.C.T.

CALLED 6.997 ACRES
MELVIN LYNN ROBINETT
DOC. NO. 20181126001444810
O.P.R.C.C.T.
FURTHER DESCRIBED IN
VOLUME 4677, PG. 2005
D.R.C.C.T.

J. RAGSDALE
SURVEY, A-735

MATCHLINE SEE PG. 3

DANA L. KLAHR
N.D.I.

CALLED 6.000 ACRES
ROY E. MCGILL
DOC. NO. 96-0069953
O.P.R.C.C.T.

CALLED 6.09 ACRES
LARRY LEMAY
VOL. 5415, PG. 5914
O.P.R.C.C.T.

RICHARD DOTTER AND
DEANNA L. DOTTER
N.D.I.

CALLED 8.07 ACRES
TRACT 1
TOMMY E. POOLE AND
MARIAN L. POOLE
DOC. NO. 20150413000411390
O.P.R.C.C.T.

MATCHLINE SEE PG. 7

L25

CALLED 8.081 ACRES
TODD L. BLANKS AND
CASSYE C. BLANKS
DOC. NO. 20130410000485330
O.P.R.C.C.T.

GRAPHIC SCALE

0 500 1000

1 INCH = 500 FT.

CALLED 27.30 ACRES
PAIR OF DICE PROPERTIES, LLC
DOC. NO. 20181102001367960
O.P.R.C.C.T.

MATCHLINE SEE PG. 5

CALLED 108.150 ACRES
HORIZON CELINA PARTNERS LLC
DOC. NO. 20200228000289210
O.P.R.C.C.T.

L26

3,132.302 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, A-24, S.A. & M.G. RR CO. SURVEY, A-876, STILLMAN B. RICE SURVEY, A-1054, PHINEAS NEWSOM SURVEY, A-665, B.B.B. & C.R.R. CO. SURVEY, A-131, JONATHAN HOWARD SURVEY, A-442, ELIAS ALEXANDER SURVEY, A-19, JOHN DAVIS SURVEY, A-254, JAMES CUMBA SURVEY, A-242, JOAB H. BIGGS, A-51, HENRY COCHRAN SURVEY, A-192, J.F. SMILEY SURVEY, A-869, J. WORRALL SURVEY, A-1036, JEREMIAH QUEEN SURVEY, A-733, GERMAN EMIGRATION CO. SURVEY, A-356, J. RAGSDALE SURVEY, A-735, H. COCHRAN SURVEY, A-191, JOHN W. HAYNES SURVEY, A-453,
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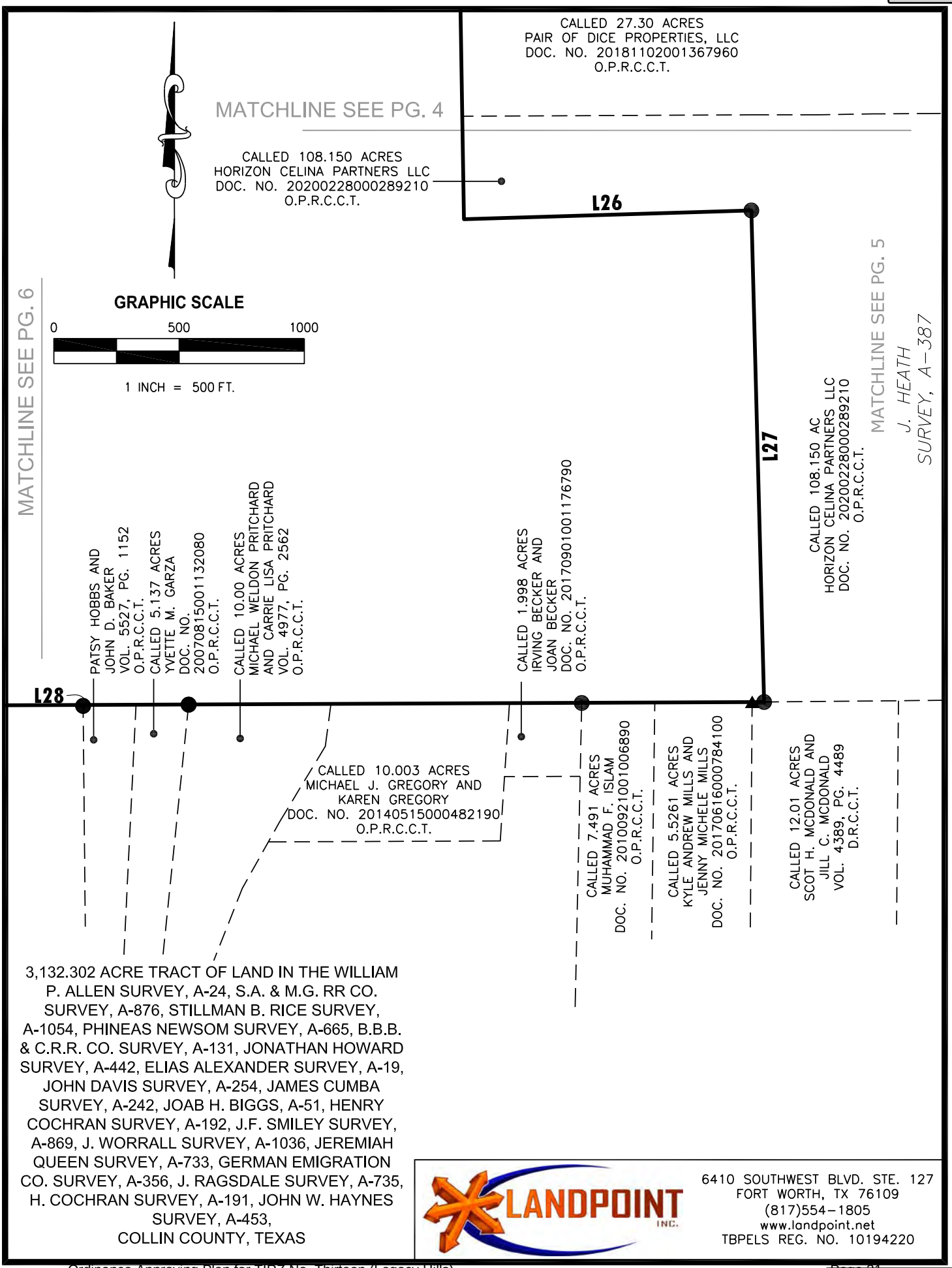

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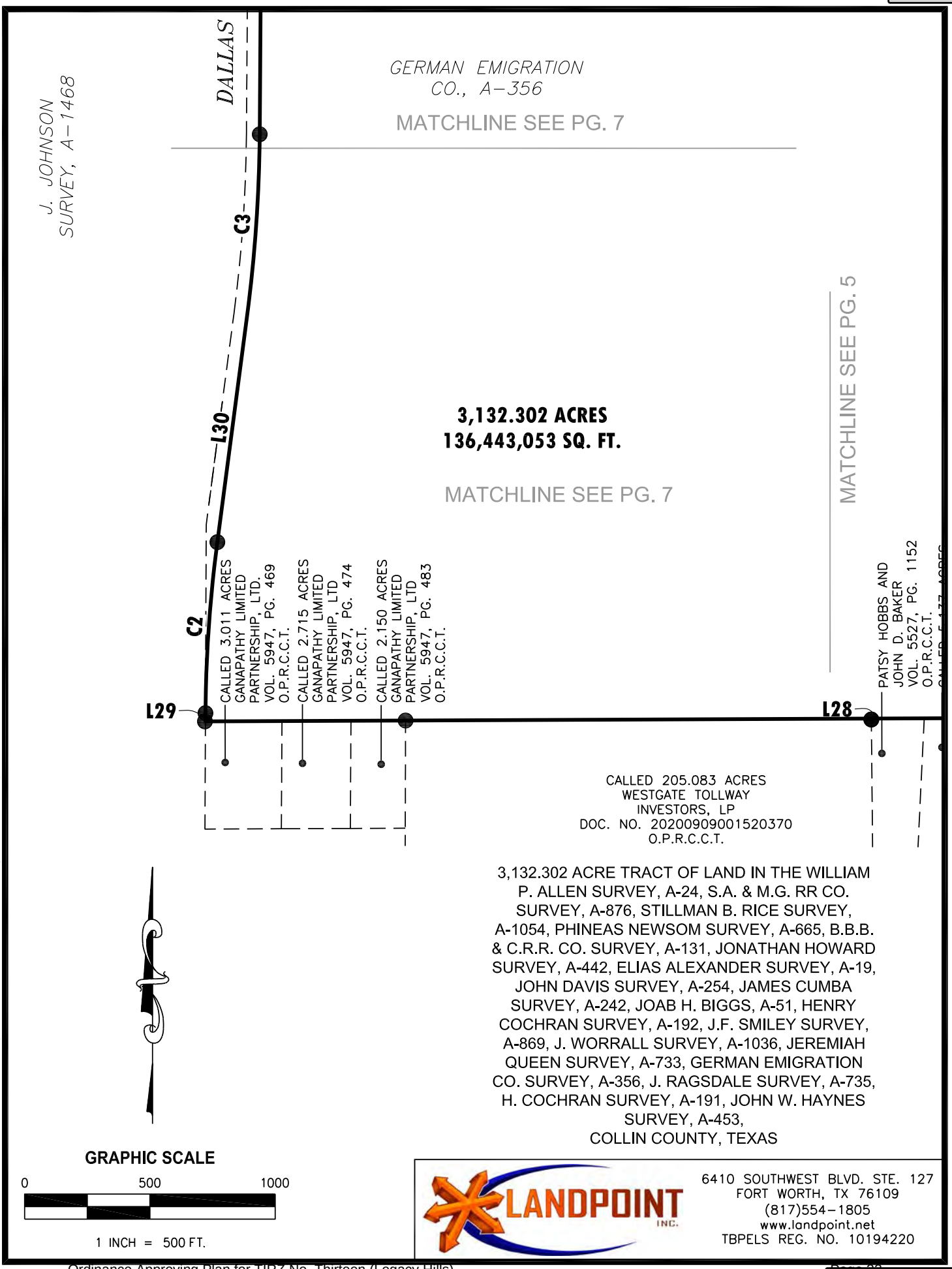

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GRAPHIC SCALE

0 500 1000

1 INCH = 500 FT.

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MATCHLINE SEE PG. 8

CALLED 3.5
JAMES STEPH
VOL. 4677,
D.R.C

CALLED 6.9
MELVIN LYN
DOC. NO. 2018
O.P.R.
FURTHER DE
VOLUME 467
D.R.C

J. RAG
SURVEY,

899.261 ACRES

PART OF A
CALLED 957.743 ACRES
DYNAVEST JOINT VENTURE
VOL. 2228, PG. 1114
D.R.C.C.T.

GERMAN EMIGRATION CO.
A-356

DALLAS NORTH TOLLWAY

C3

GERMAN EMIGRATION
CO., A-356

MATCHLINE SEE PG. 6

MATCHLINE SEE PG. 4

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GRAPHIC SCALE

0 500 1000

1 INCH = 500 FT.

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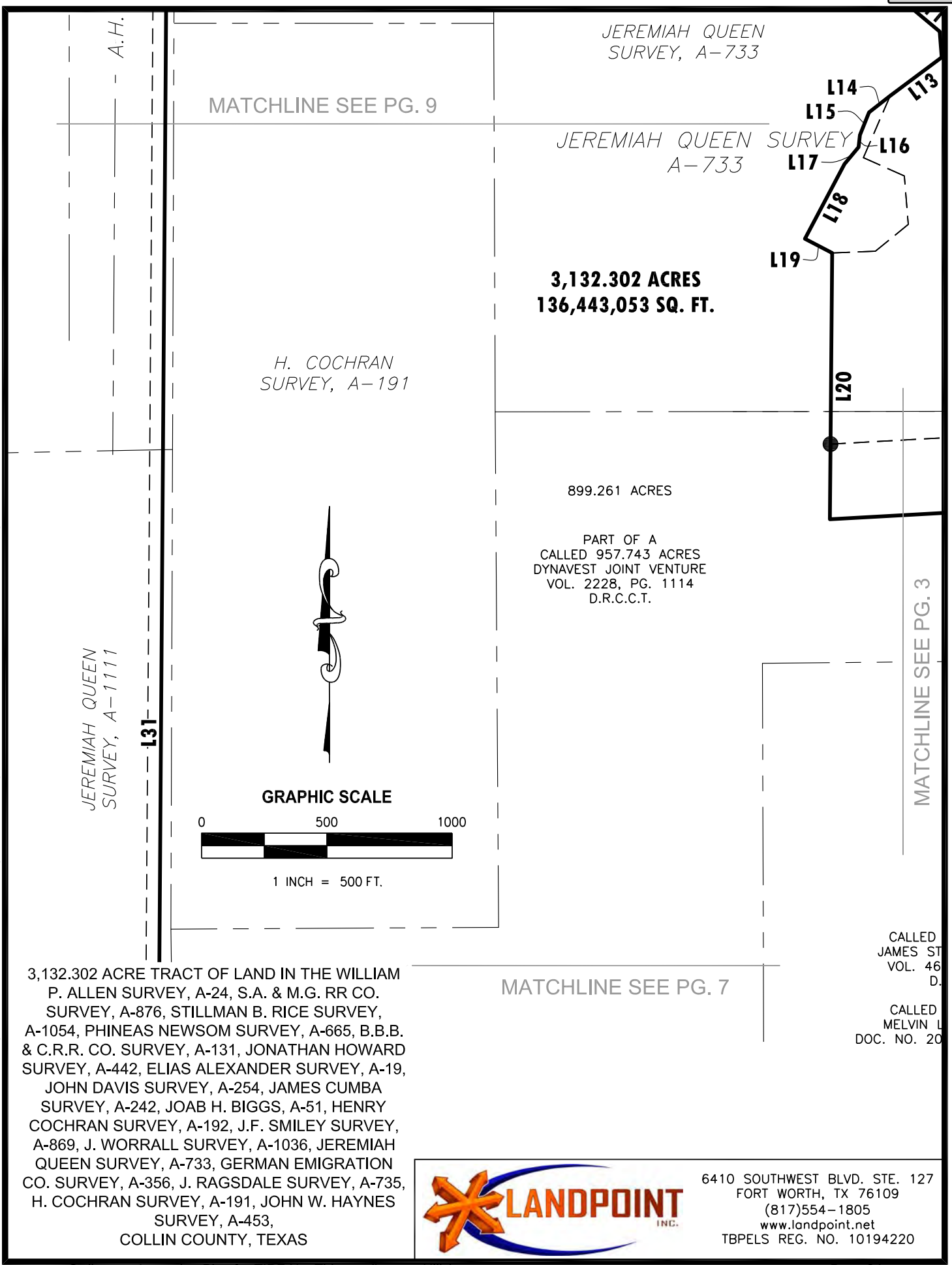

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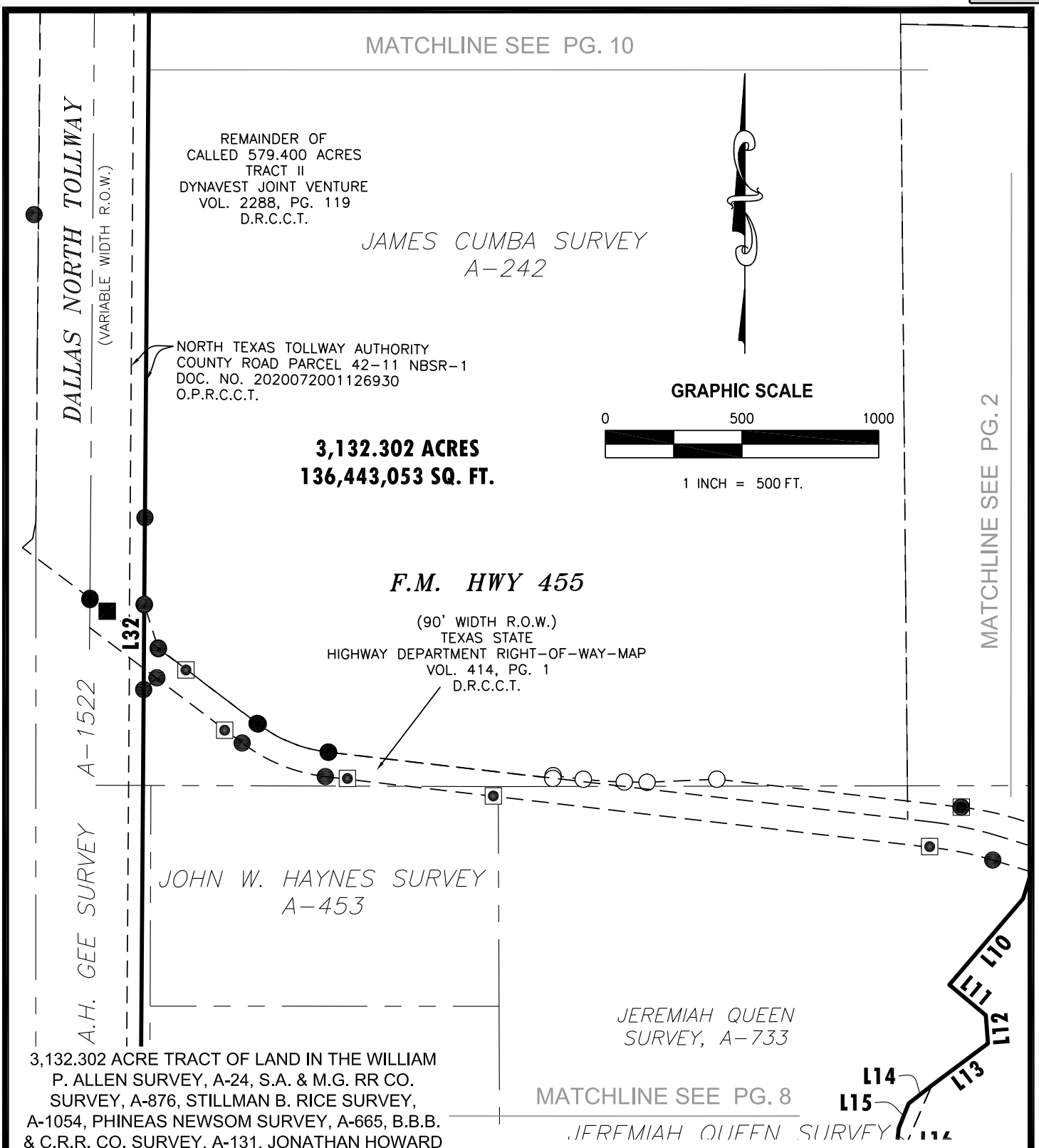

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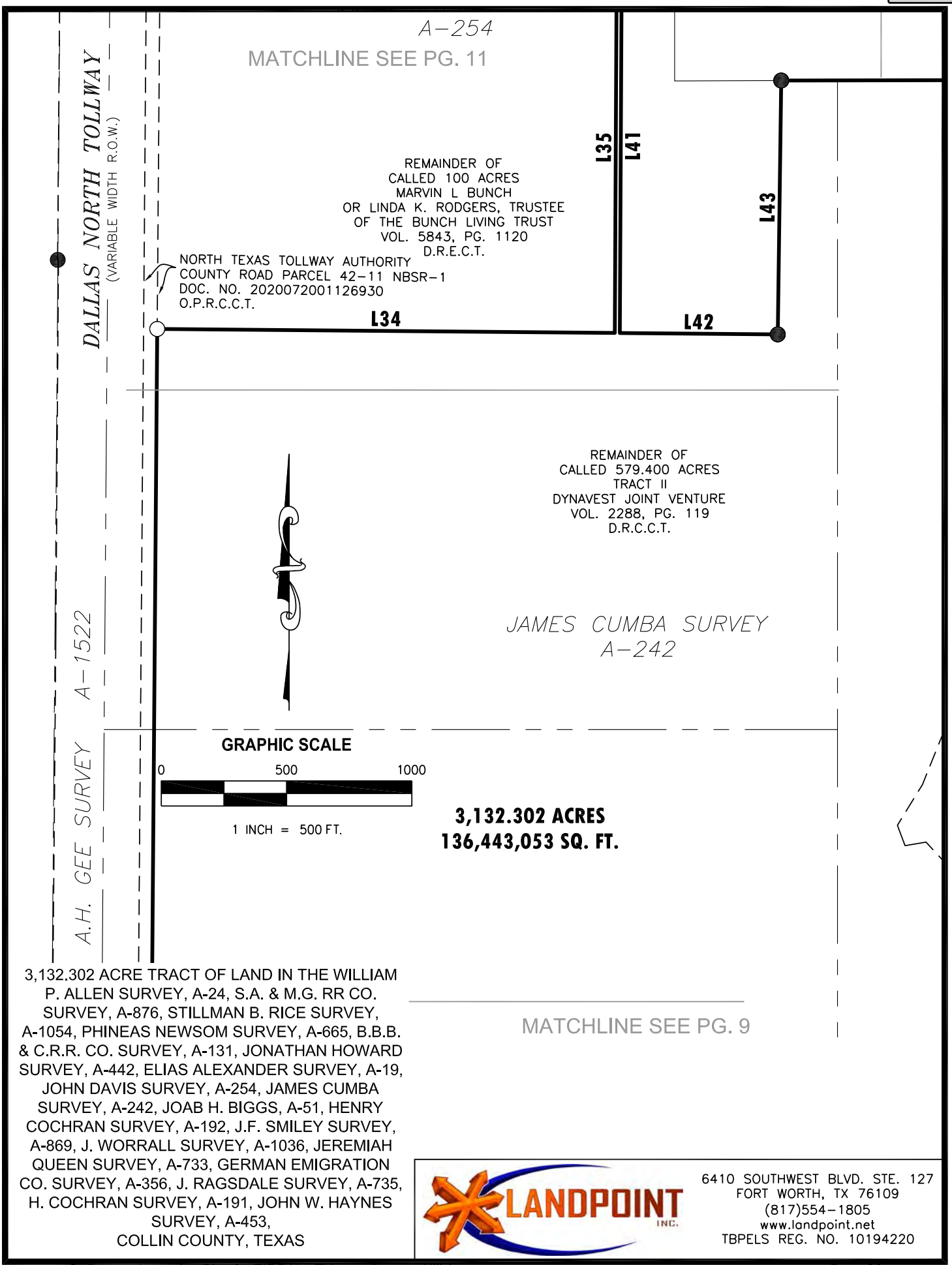

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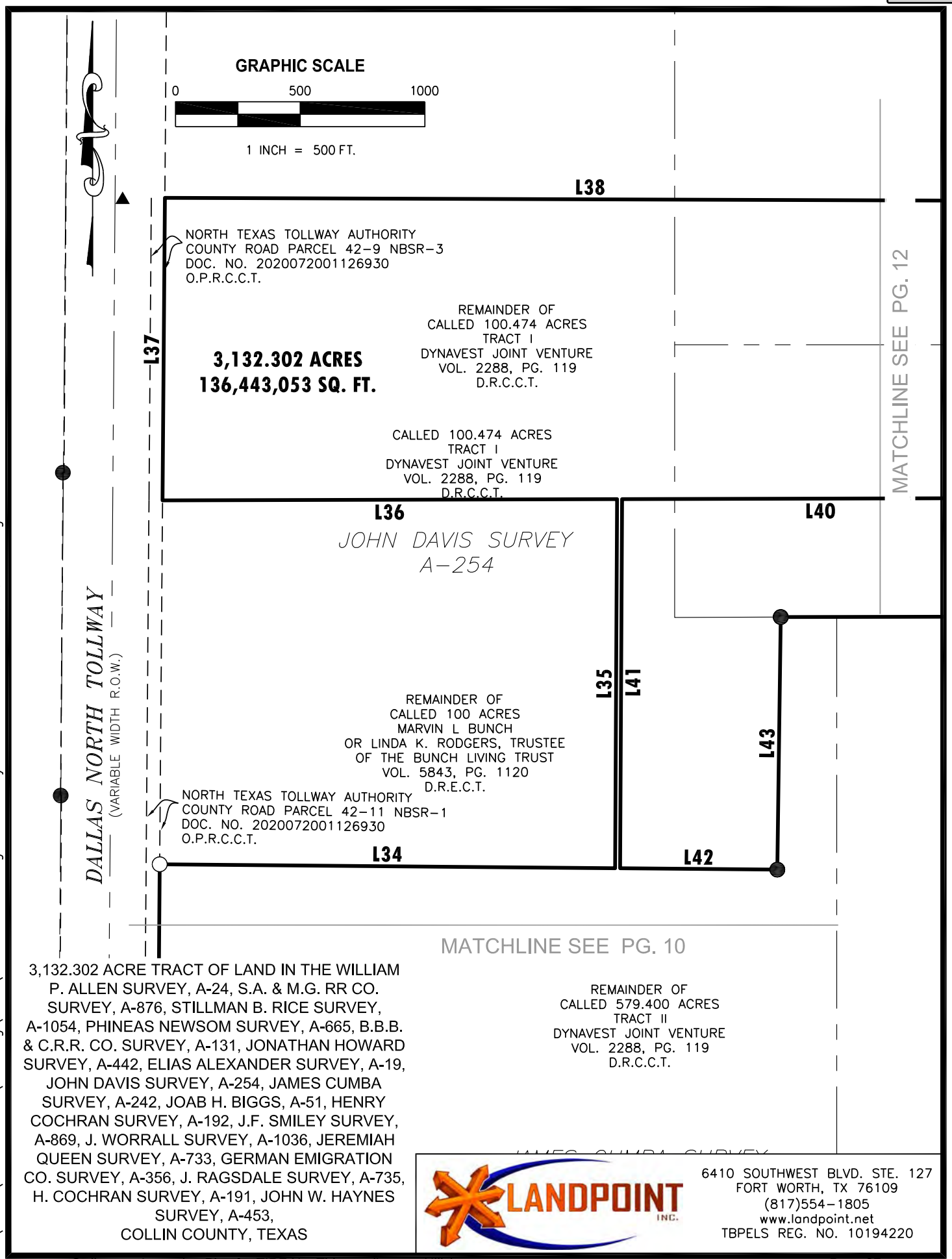

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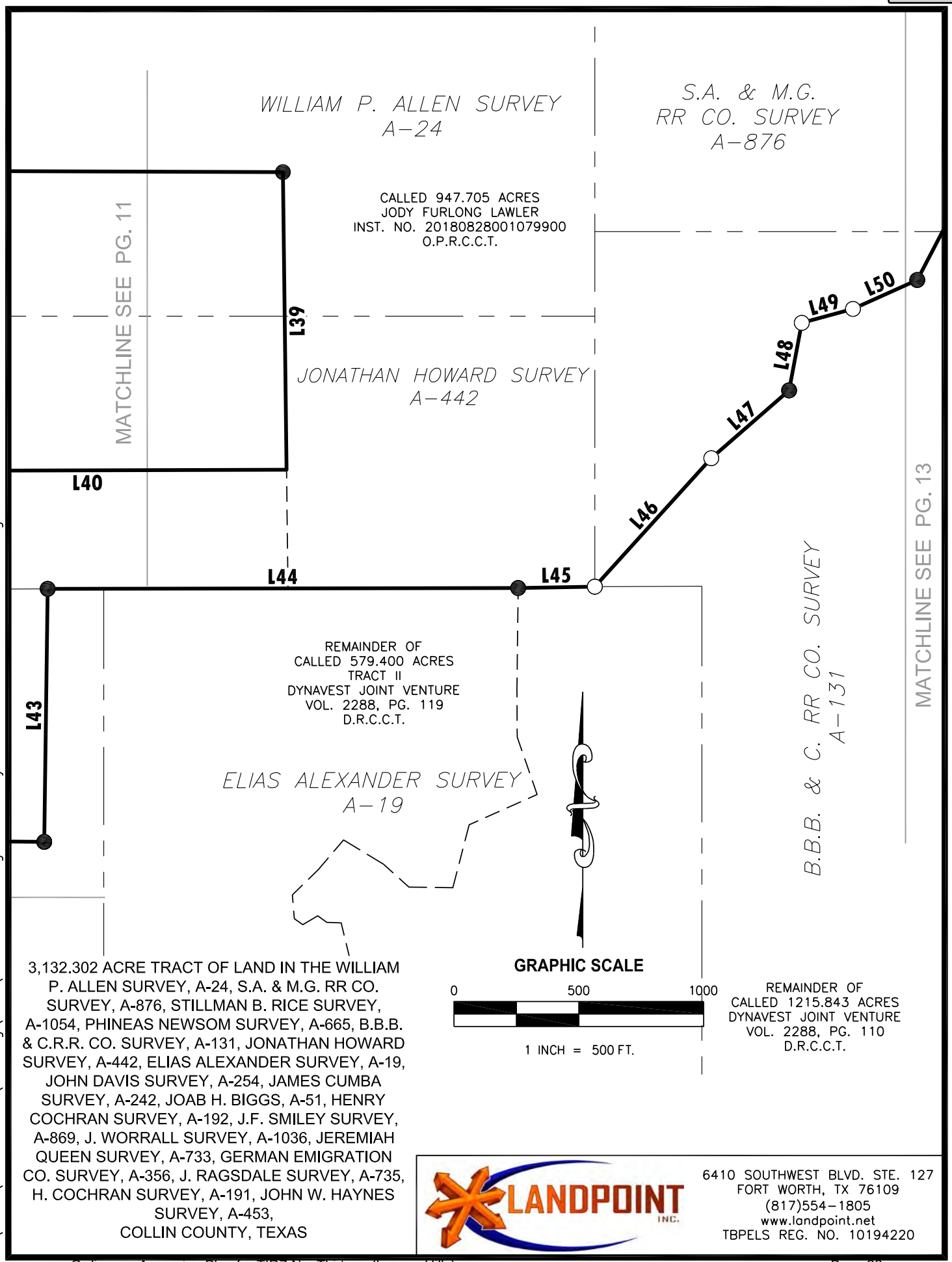

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COLLIN COUNTY, TEXAS

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
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TBPELS REG. NO. 10194220

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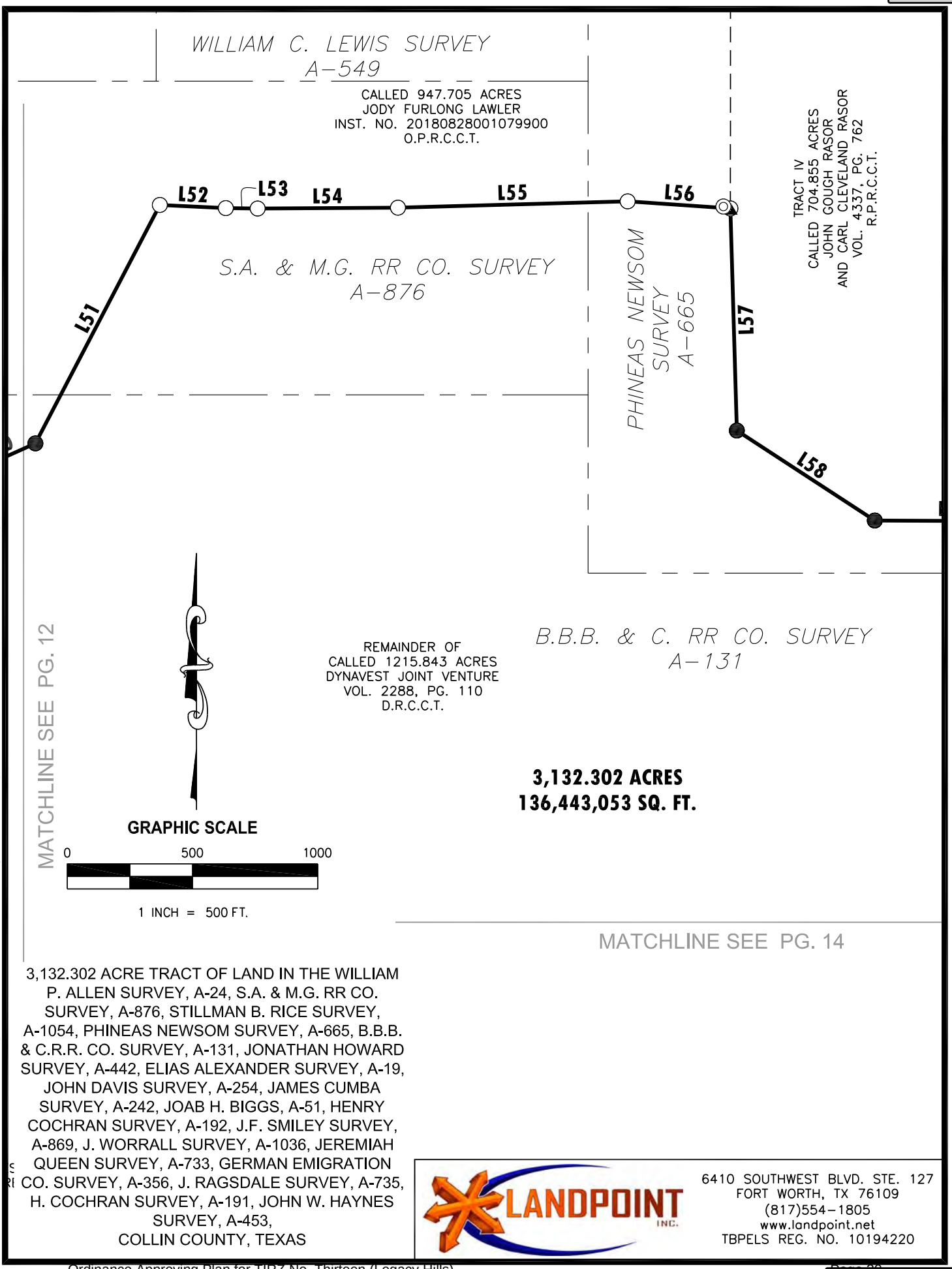

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3,132.302 ACRES
136,443,053 SQ. FT.

MATCHLINE SEE PG. 13

TRACT I
CALLED 115.412
JOHN GOUGH R
AND CARL CLEVELAN
VOL. 4337, PG.
R.P.R.C.C.T.

COUNTY ROAD 58
(NO RECORD FOUND)

L61

CALLED 41.202 ACRES
DALLAS CELINA LAND PARTNERS LLC
INST. NO. 20080516000595410
O.P.R.C.C.T.

B.B.B. & C. RR CO. SURVEY
A-131

GRAPHIC SCALE

0 500 1000

1 INCH = 500 FT.

CALLED 20.000 ACRES
DANI HOME LLC
INST. NO.
20200116000071410
O.P.R.C.C.T.

CALLED 20.707
SHAH SAFI AND LAILUMA SAFI,
HUSBAND AND WIFE;
HOMAYUN SAFI
INST. NO. 20100803000797400
O.P.R.C.C.T.

L62

MATCHLINE SEE PG. 15

CALLED 22.57 ACRES
MOLLY ANN HUIE
INST. NO. 20110531000556580
O.P.R.C.C.T.

REMAINDER OF
CALLED 1215.843 ACRES
DYNAVEST JOINT VENTURE
VOL. 2288, PG. 110
D.R.C.C.T.

L63

ES
L 0

3,132.302 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, A-24, S.A. & M.G. RR CO. SURVEY, A-876, STILLMAN B. RICE SURVEY, A-1054, PHINEAS NEWSOM SURVEY, A-665, B.B.B. & C.R.R. CO. SURVEY, A-131, JONATHAN HOWARD SURVEY, A-442, ELIAS ALEXANDER SURVEY, A-19, JOHN DAVIS SURVEY, A-254, JAMES CUMBA SURVEY, A-242, JOAB H. BIGGS, A-51, HENRY COCHRAN SURVEY, A-192, J.F. SMILEY SURVEY, A-869, J. WORRALL SURVEY, A-1036, JEREMIAH QUEEN SURVEY, A-733, GERMAN EMIGRATION CO. SURVEY, A-356, J. RAGSDALE SURVEY, A-735, H. COCHRAN SURVEY, A-191, JOHN W. HAYNES SURVEY, A-453,
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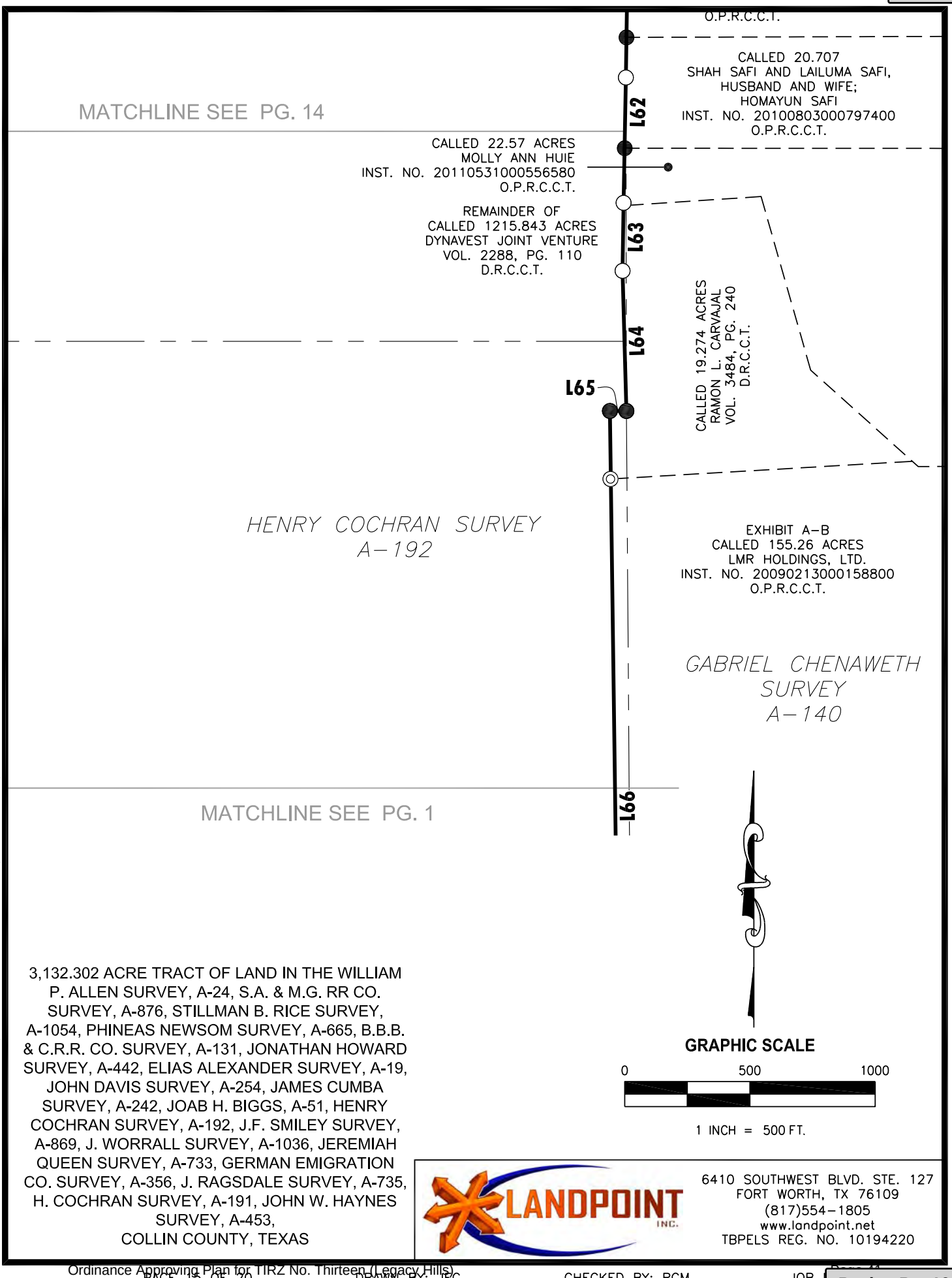

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LEGEND / ABBREVIATIONS

—— – – ——	ABSTRACT LINE
— — — — —	ADJOINER LINE
▬▬▬▬▬	BOUNDARY LINE
■	CONC MON FOUND (TYPE 1)
●	IRON ROD FOUND
○	CAPPED IRON ROD SET
◎	IRON PIPE FOUND
▲	NAIL FOUND
O.P.R.C.C.T.	OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
R.P.R.C.C.T.	REAL PROPERTY RECORDS, COLLIN COUNTY, TEXAS
D.R.C.C.T.	DEED RECORDS, COLLIN COUNTY, TEXAS
IRF	IRON ROD FOUND
CIRF	CAPPED IRON ROD FOUND
IPF	IRON PIPE FOUND
CIRS	CAPPED IRON ROD SET
CMONF	CONCRETE MONUMENT FOUND

LINE TABLE

LINE	DIRECTION	LENGTH
L1	S88°58'02"W	3875.51'
L2	S01°04'44"E	63.89'
L3	N73°55'39"W	1830.27'
L4	N16°00'52"E	40.00'
L5	N74°36'15"W	192.09'
L6	N51°44'59"W	626.29'
L7	N38°19'50"E	10.12'
L8	N47°51'38"W	256.41'
L9	S17°13'41"W	267.36'
L10	S40°37'27"W	414.21'
L11	S50°02'12"E	174.16'
L12	S04°21'15"E	103.17'
L13	S53°17'03"W	256.14'
L14	S51°53'58"W	107.37'
L15	S21°48'09"W	97.62'
L16	S06°43'01"W	48.67'
L17	S39°44'41"W	87.61'
L18	S27°53'00"W	337.61'
L19	S62°34'37"E	122.61'
L20	S00°30'19"W	1063.09'
L21	N86°48'50"E	1289.24'
L22	S03°11'10"E	632.52'
L23	S89°27'53"W	116.62'
L24	S00°17'11"E	1724.68'
L25	S00°56'38"E	2951.35'
L26	N88°16'05"E	1147.55'
L27	S01°29'07"E	1961.95'
L28	S89°45'01"W	5375.00'
L31	N00°24'17"E	7981.16'
L32	N00°25'53"E	311.13'
L33	N00°26'50"E	6459.92'
L34	S89°30'00"E	1826.10'

LINE TABLE

LINE	DIRECTION	LENGTH
L35	N00°18'32"E	1480.32'
L36	S89°50'48"W	1822.62'
L37	N00°26'50"E	1213.34'
L38	S89°47'54"E	3411.58'
L39	S00°41'47"E	1192.20'
L40	S89°50'48"W	1592.91'
L42	S89°30'00"E	630.52'
L43	N00°46'50"E	1013.39'
L44	N89°53'37"E	1884.13'
L45	N89°01'13"E	307.00'
L46	N42°11'13"E	694.59'
L47	N48°56'13"E	413.26'
L48	N10°35'01"E	275.42'
L49	N74°49'01"E	212.62'
L50	N65°47'01"E	282.00'
L51	N27°33'05"E	1073.55'
L52	S87°13'55"E	263.52'
L53	S89°13'55"E	127.00'
L54	N89°38'05"E	560.00'
L55	N88°26'05"E	917.00'
L56	S86°02'55"E	411.00'
L57	S01°39'02"E	886.80'
L58	S56°53'31"E	657.24'
L59	S89°45'11"E	627.65'
L60	S01°19'43"W	529.15'
L61	S00°48'42"W	3775.00'
L62	S01°03'35"W	500.00'
L63	S00°49'35"W	271.50'
L64	S01°34'34"E	559.27'
L66	S00°46'36"E	3152.31'
L67	S02°06'34"E	1548.60'

CURVE TABLE

CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD LENGTH
C1	222.00'	1130.00'	11°15'23"	N61°45'58"W	221.64'
C2	684.70'	5530.00'	7°05'39"	N03°56'53"E	684.26'
C3	725.80'	5929.99'	7°00'46"	N03°58'30"E	725.35'

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LEGAL DESCRIPTION

Being a 3,132.302 acre tract of land situated in the John Davis Survey Abstract No. 254, the James Cumbia Survey Abstract No. 242, the Elias Alexander Survey Abstract No. 19, the Joab H. Bigss Survey Abstract No. 51, the Jeremiah Queen Survey, Abstract No. 733, the J.K. Worrall Survey Abstract No. 1036, the S.A. and M.G. RR Co. Survey, Abstract No. 876, the Phineas Newsom Survey, Abstract No. 665, the B.B.B. and C. RR Co. Survey Abstract No. 131, the Henry Cochran Survey Abstract No. 192, the Stillman B. Rice Survey Abstract No. 1054 and the J.F. Smiley Survey Abstract No. 869, being all of a called 161.910 acre tract of land described as Tract No. 2, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 125, Deed Records of Collin County, Texas, all of a called 1215.843 acre tract of land, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 110, said Deed Records, the remainder of a called 218.360 acre tract of land described as Tract No. 1, as conveyed to Dynavest Joint Ventures by deed of record in Volume 228, Page 125, said Deed Records, and the remainder of a called 579.400 acre tract of land described as Tract II, as conveyed in the deed to Dynavest Joint Ventures by deed of record in Volume 2288, Page 119, said Deed Records, and being more particularly described as follows:

BEGINNING at an iron pipe found for the southeast corner of said 161.910 acre tract, common to a salient corner in the west line of a called 66.862 acre tract of land described as Tract 1, as conveyed to Pilatus Investments, LLC, by deed of record in Instrument No. 20210325000596590, Official Public Records of Collin County, Texas, and in the northerly line of a called 174.64 acre tract of land described as Tract 5, as conveyed to Ownsby 1880 Farms, LTD, by deed of record in Volume 4332, Page 1047, Real Property Records of Collin County, Texas;

THENCE S88°58'02"W, with the southerly line of said 161.910 acre tract and the northerly line of said 174.64 acre tract, a distance of 3875.51 feet to an iron rod with a cap found for the Southwest corner of said 161.910 acre tract, common to the northwest corner of said 174.64 acre tract and in an easterly line of said 1215.843 acre tract;

THENCE S01°04'44"E, with the easterly line of said 1215.843 acre tract and the westerly line of said 174.64 acre tract, a distance of 63.89 feet to an iron rod with a cap found for the most southerly southeast corner of said 1215.843 acre tract;

THENCE N73°55'39"W, with a southerly line of said 1215.843 acre tract, passing the southwest corner of said 1215.843 acre tract, common to the southeast corner of southeast corner of said 218.360 acre tract, continuing on said course with the southerly line of said 218.360 acre tract a total distance of 1830.27 feet to an iron rod with a cap found for a salient corner in the southerly line of said 218.360 acre tract and in the northeasterly right-of-way line of F.M. Highway 455;

THENCE with the southerly line of said 218.360 acre tract and the northeasterly right-of-way line of said F.M. Highway 455, the following Three (3) courses:

1. N16°00'52"E, a distance of 40.00 feet to an iron rod with a cap found for corner;
2. N74°36'15"W, a distance of 192.09 feet to a point for corner;
3. N51°44'59"W, passing at a distance of 8.26 feet an iron rod with a cap found, continuing on said course, a total distance of 626.29 feet to 5/8-inch iron rod with a cap stamped "Landpoint" set (hereinafter referred to as capped iron rod set) at the southeast corner of a tract of land described as Parcel 1, as conveyed to State of Texas by deed of record in Instrument No. 2005-0062934, said Official Public Records;

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COLLIN COUNTY, TEXAS

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision, no survey was made on the ground and is based on recorded deeds only for a political subdivision.

07/30/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

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LEGAL DESCRIPTION (continued)

THENCE S17°13'41"W, leaving the said northeasterly right-of-way line of said F.M. Highway 455 and the northeasterly line of said Parcel 1, a distance of 267.36 feet to a point for corner;

THENCE S40°37'27"W, a distance of 414.21 feet to a point for corner;

THENCE S50°02'12"E, a distance of 174.16 feet to a point for corner;

THENCE S04°21'15"E, a distance of 103.17 feet to a point for corner;

THENCE S53°17'03"W, a distance of 256.14 feet to a point for corner;

THENCE S51°53'58"W, a distance of 107.37 feet to a point for corner;

THENCE S21°48'09"W, a distance of 97.62 feet to a point for corner;

THENCE S06°43'01"W, a distance of 48.67 feet to a point for corner;

THENCE S39°44'41"W, a distance of 87.61 feet to a point for corner;

THENCE S27°53'00"W, a distance of 337.61 feet to a point for corner;

THENCE S62°34'37"E, a distance of 122.61 feet to a point for corner;

THENCE S00°30'19"W, a distance of 1063.09 feet to a point for corner;

THENCE N86°48'50"E, a distance of 1289.24 feet to a point for corner;

THENCE S89°27'53"W, a distance of 116.62 feet to a point for corner;

THENCE S00°17'11"E, a distance of 1724.68 feet to a point for corner;

THENCE S00°56'38"E, a distance of 2951.35 feet to a point for corner;

THENCE N88°16'05"E, a distance of 1147.55 feet to a point for corner;

THENCE S01°29'07"E, a distance of 1961.95 feet to a point for corner;

THENCE S89°45'01"W, a distance of 5375.00 feet to a point for the Southwest corner of said tract herein described;

THENCE N00°25'04"E, a distance of 32.89 feet to a point for the beginning of a curve to the right;

THENCE with said curve to the right, an arc length of 684.70 feet, a central angle of 07°05'39", a radius of 5530.00 feet and a chord that bears N03°56'53"E, a distance of 684.26 feet to a point at the end of said curve;

THENCE N07°29'26"E, a distance of 911.82 feet to a point for the beginning of a curve to the left;

THENCE with said curve to the left, an arc length of 725.80 feet, a central angle of 07°00'46", a radius of 5929.99 feet and a chord that bears N03°58'30"E, a distance of 725.35 feet to a point at the end of said curve;

THENCE N00°24'17"E, a distance of 7981.16 feet to a point for the corner;

THENCE N00°26'50"E, continuing with the easterly right-of-way line of said North Texas Tollway Authority County Road Parcel 42-9 NBSR-1, a distance of 6,459.92 feet to a capped iron rod set for the northeast corner of said Parcel 42-9 NBSR-1 in a northerly line of said 579.400 acre tract and in the southerly line of a called 100 acre tract of land as conveyed to Marvin L. Bunch or Linda K. Rodgers, Trustee of the Bunch Living Trust, by deed of record in Volume 5843, Page 1120, said Deed Records;

THENCE N00°25'53"E, continuing with the said easterly right-of-way line, a distance of 311.13 feet to a point for the corner;

THENCE S89°30'00" East, with the northerly line of said 579.400 acre tract and the southerly line of said 100 acre tract, a distance of 1826.10 feet to a point for the corner;

THENCE N00°18'32"E, crossing a remainder of a called 100 acre tract of land conveyed to Marvin L. Bunch or Linda K. Rodgers, Trustee of The Bunch Living Trust, recorded in Volume 5843, Page 1120, Official Public Records of Collin County, Texas, a distance of 1480.32 feet to a point for the corner;

THENCE S89°50'48"W, along the South line of a called 100.474 acre tract of land, conveyed to Dynavest Joint Venture, recorded in Volume 2288, Page 119, Official Public Records of Collin County, Texas, a distance of 1822.62 feet to a point for the corner;

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COLLIN COUNTY, TEXAS

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision, no survey was made on the ground and is based on recorded deeds only for a political subdivision.

07/30/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

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LEGAL DESCRIPTION (continued)

THENCE N00°26'50"E, along the West line of said 100.474 acre tract of land, a distance of 1213.34 feet to a point for the corner;

THENCE S89°47'54"E, along the North line of said 100.474 acre tract of land, a distance of 3411.58 feet to a point for the corner;

THENCE S00°41'47"E, along the East line of said 100.474 acre tract of land, a distance of 1192.20 feet to a point for the corner;

THENCE S89°50'48"W, along the said South line of said 100.474 acre tract of land, a distance of 1592.91 feet to a point for the corner;

THENCE S00°18'38"W, leaving the said 100.474 acre tract of land and crossing through said 100 acre tract of land conveyed to Marvin L. Bunch or Linda K. Rodgers, Trustee of The Bunch Living Trust, a distance of 1480.55 feet to a point for the corner;

THENCE S89°30'00" East, with the northerly line of said 579.400 acre tract and the southerly line of said 100 acre tract, a distance of 630.52 feet to an iron rod with a cap found for corner;

THENCE N00°46'50"E, with a westerly line of said 579.400 acre tract and an easterly line of said 100 acre tract, a distance of 1,013.39 feet to an iron rod with a cap found for corner;

THENCE N89°53'37"E, with a northerly line of said 579.400 acre tract and a southerly line of said 100 acre tract, passing the southeast corner of said 100 acre tract, continuing on said course, a total distance of 1,884.13 feet to a 1/2-inch iron rod found for the northeast corner of said 579.400 acre tract, common to the northwest corner of said 1215.843 acre tract;

THENCE with the northerly line of said 1215.843 acre tract, the following Twelve (12) courses:

1. N89°01'13"E, a distance of 307.00 feet to a capped iron rod set;
2. N42°11'13"E, a distance of 694.59 feet to a capped iron rod set;
3. N48°56'13"E, a distance of 413.26 feet to 1/2-inch iron rod found;
4. N10°35'01"E, a distance of 275.42 feet to a capped iron rod set;
5. N74°49'01"E, a distance of 212.62 feet to a capped iron rod set;
6. N65°47'01"E, a distance of 282.00 feet to a 1/2-inch iron rod found;
7. N27°33'05" East, a distance of 1,073.55 feet to a capped iron rod set;
8. S87°13'55" East, a distance of 263.52 feet to a capped iron rod set;
9. S89°13'55" East, a distance of 127.00 feet to a capped iron rod set;
10. N89°38'05" East, a distance of 560.00 feet to a capped iron rod set;
11. N88°26'05" East, a distance of 917.00 feet to a capped iron rod set;
12. S86°02'55" East, a distance of 411.00 feet to nail found in County Road 58 for the northeast corner of said 1215.843 acre tract in the westerly line of a called 704.855 acre tract of land described as Tract 4, as conveyed to Rasor Family Ranch, LP, by deed of record recorded in Instrument No. 20071231001718360, said Official Public Records;

3,132.302 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, A-24, S.A. & M.G. RR CO. SURVEY, A-876, STILLMAN B. RICE SURVEY, A-1054, PHINEAS NEWSOM SURVEY, A-665, B.B.B. & C.R.R. CO. SURVEY, A-131, JONATHAN HOWARD SURVEY, A-442, ELIAS ALEXANDER SURVEY, A-19, JOHN DAVIS SURVEY, A-254, JAMES CUMBA SURVEY, A-242, JOAB H. BIGGS, A-51, HENRY COCHRAN SURVEY, A-192, J.F. SMILEY SURVEY, A-869, J. WORRALL SURVEY, A-1036, JEREMIAH QUEEN SURVEY, A-733, GERMAN EMIGRATION CO. SURVEY, A-356, J. RAGSDALE SURVEY, A-735, H. COCHRAN SURVEY, A-191, JOHN W. HAYNES SURVEY, A-453,
COLLIN COUNTY, TEXAS

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision, no survey was made on the ground and is based on recorded deeds only for a political subdivision.

Robert Glen Maloy 07/30/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554-1805
www.landpoint.net
TBPELS REG. NO. 10194220

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

X:\2021\21-0195-6\Working\DWG\21-0195 Zoning Overall Dynavest - Without Accretion.dwg

LEGAL DESCRIPTION (continued)

THENCE with the common lines of said 1215.843 acre tract and said 704.855 acre tract, the following Three (3) courses:

1. S01°39'02"E, in said County Road 58, a distance of 886.80 feet to an iron rod with a cap found for corner;

2. S56°53'31"E, continuing in said County Road 58, a distance of 657.24 feet to an iron rod with a cap found for corner;

3. S89°45'11"E, a distance of 627.65 feet to a 1/2-inch iron rod found for the eastern most northeast corner of said 1215.843 acre tract, common to the northwest corner of a called 115.412 acre tract of land described as Tract I, as conveyed to John Gough Rasor and Carl Cleveland Rasor, by deed of record in Volume 4337, Page 762, said Real Property Records;

THENCE with the easterly line of said 1215.843 acre tract, the following Eight (8) courses:

1. S01°19'43"W, a distance of 529.15 feet to a nail found in said County Road 58;

2. S00°48'42"W, continuing in said County Road 58 with the westerly lines of said 115.412 acre tract and a called 41.202 acre tract of land, as conveyed to Dallas Celina Land Partners LLC, by deed of record in Instrument No. 20080516000595410, said Official Public Records, passing at a distance of 3181.45 feet a 1/2-inch iron rod found for the southwest corner of said 41.202 acre tract, common to the northwest corner of a called 20.000 acre tract of land, as conveyed to Dani Home LLC, by deed of record in Instrument No. 20200116000071410, said Official Public Records, continuing on said course with the westerly line of said 20.000 acre tract, passing at a distance of 3614.89 feet a 1/2-inch iron rod found for the southwest corner of said 20.000 acre tract, common to the northwest corner of a called 20.707 acre tract of land, as conveyed to Shah Safi and Lailuma Safi, husband and wife, and Homayun Saif, by deed of record in Instrument No. 20100803000797400, said Official Public Records, continuing on said course with the westerly line of said 20.707 acre tract, a total distance of 3,775.00 feet to a nail set;

3. S01°03'35"W, continuing in said County Road 58, with the westerly line of said 20.707 acre tract, passing a 1/2-inch iron rod found at a distance of 282.20 feet for the southwest corner of said 20.707 acre tract, common to the northwest corner of a called 22.57 acre tract of land, as conveyed to Molly Ann Huie, by deed of record in Instrument No. 20110531000556580, said Official Public Records, continuing on said course with the westerly line of said 22.57 acre tract, continuing on course with the westerly line of said 22.57 acre tract, a total distance of 500.00 feet to a capped iron rod set on the south side of said County Road 58 for the western-most southwest corner of said 22.57 acre tract, common to the northwest corner of a called 19.274 acre tract of land, as conveyed to Ramon L. Carvajal, by deed of record in Volume 3484, Page 240, said Deed Records;

4. S00°49'35"W, with the 19.274 acre tract, a distance of 271.50 feet to a capped iron rod set;

5. S01°34'34"E, continuing with the westerly line of said 19.274 acre tract, a distance of 559.27 feet to an iron with a cap found for a salient corner in the easterly line of said 1215.843 acre tract, common to a re-entrant corner of said 19.274 acre tract;

6. N89°47'43"W, continuing with the westerly line of said 19.274 acre tract, a distance of 66.05 feet to an iron rod with a cap found for a re-entrant corner of said 1215.843 acre tract, common to a salient corner of said 19.274 acre tract;

7. S00°46'36"E, continuing with the westerly line of said 19.274 acre tract, at a distance of 271.42 feet passing an iron pipe found for the southwest corner of said 19.274 acre tract, common to the northwest corner of a called 155.26 acre tract of land described as Exhibit A-B, as conveyed to LMR Holdings, LTD, by deed of record in Instrument No. 20090213000158800, said Official Public Records, continuing on said course with the westerly line of said 155.26 acre tract, a total distance of 3,152.31 feet to a 1/2-inch iron rod found for the southwest corner of said 155.26 acre tract, common to the northwest corner of said 66.862 acre tract;

8. S02°06'34"E, with the westerly line of said 66.862 acre tract, a distance of 1,548.60 feet to the POINT OF BEGINNING and containing 3,132.302 acres of land.

3,132.302 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, A-24, S.A. & M.G. RR CO. SURVEY, A-876, STILLMAN B. RICE SURVEY, A-1054, PHINEAS NEWSOM SURVEY, A-665, B.B.B. & C.R.R. CO. SURVEY, A-131, JONATHAN HOWARD SURVEY, A-442, ELIAS ALEXANDER SURVEY, A-19, JOHN DAVIS SURVEY, A-254, JAMES CUMBA SURVEY, A-242, JOAB H. BIGGS, A-51, HENRY COCHRAN SURVEY, A-192, J.F. SMILEY SURVEY, A-869, J. WORRALL SURVEY, A-1036, JEREMIAH QUEEN SURVEY, A-733, GERMAN EMIGRATION CO. SURVEY, A-356, J. RAGSDALE SURVEY, A-735, H. COCHRAN SURVEY, A-191, JOHN W. HAYNES SURVEY, A-453, COLLIN COUNTY, TEXAS

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision, no survey was made on the ground and is based on recorded deeds only for a political subdivision.

07/30/2021

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x:\2021\21-0195-6\Working\DWG\21-0195 Zoning Overall Dynavest - Without Accretion.dwg

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

EXHIBIT C
PROJECTED ABSORPTION, INCREMENTAL ASSESSED VALUES, INCREMENTAL REAL PROPERTY TAXES, AND COMPARABLE PROPERTIES

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

TIRZ Reinvestment Zone No. ___
Celina, Texas

Exhibit C-1: Projected Absorption[1]

Development Year Ending	Assessed As of[4]	Single Family - 60 Ft Units[2]	Single Family - 60 Ft Cumulative	Single Family - 50 Ft Units[2]	Single Family - 50 Ft Cumulative	Single Family - 40 Ft Units[2]	Single Family - 40 Ft Cumulative	Multi-Family Units[2]	Multi-Family Cumulative	Commercial - Retail GSF[2]	Commercial - Retail Cumulative	Commercial - Office GSF[2]	Commercial - Office Cumulative
31-Dec-20	1-Jan-21	0	0	0	0	0	0	0	0	0	0	0	0
31-Dec-21	1-Jan-22	0	0	0	0	0	0	0	0	0	0	0	0
31-Dec-22	1-Jan-23	0	0	0	0	0	0	0	0	0	0	0	0
31-Dec-23	1-Jan-24	45	45	78	78	51	51	0	0	36,375	36,375	23,394	23,394
31-Dec-24	1-Jan-25	140	185	245	323	160	211	300	300	36,375	72,750	23,863	47,257
31-Dec-25	1-Jan-26	157	342	274	597	179	390	0	300	36,375	109,125	23,960	71,217
31-Dec-26	1-Jan-27	168	510	294	891	192	582	300	600	36,375	145,500	49,712	120,929
31-Dec-27	1-Jan-28	168	678	294	1,185	192	774	450	1,050	51,800	197,300	50,284	171,213
31-Dec-28	1-Jan-29	168	846	294	1,479	192	966	0	1,050	51,800	249,100	50,551	221,764
31-Dec-29	1-Jan-30	168	1,014	294	1,773	192	1,158	500	1,550	51,800	300,900	51,177	272,941
31-Dec-30	1-Jan-31	81	1,095	294	2,067	169	1,327	350	1,900	51,800	352,700	54,124	327,065
31-Dec-31	1-Jan-32	0	1,095	294	2,361	192	1,519	0	1,900	51,800	404,500	54,803	381,868
31-Dec-32	1-Jan-33	0	1,095	294	2,655	192	1,711	425	2,325	53,700	458,200	55,373	437,241
31-Dec-33	1-Jan-34	0	1,095	294	2,949	192	1,903	400	2,725	53,700	511,900	55,945	493,186
31-Dec-34	1-Jan-35	0	1,095	294	3,243	192	2,095	0	2,725	53,700	565,600	56,608	549,794
31-Dec-35	1-Jan-36	0	1,095	294	3,537	128	2,223	475	3,200	53,700	619,300	57,268	607,062
31-Dec-36	1-Jan-37	0	1,095	100	3,637	0	2,223	450	3,650	53,700	673,000	57,948	665,010
31-Dec-37	1-Jan-38	0	1,095	0	3,637	0	2,223	424	4,074	0	673,000	0	665,010
31-Dec-38	1-Jan-39	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-39	1-Jan-40	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-40	1-Jan-41	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-41	1-Jan-42	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-42	1-Jan-43	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-43	1-Jan-44	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-44	1-Jan-45	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-45	1-Jan-46	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-46	1-Jan-47	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-47	1-Jan-48	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-48	1-Jan-49	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-49	1-Jan-50	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-50	1-Jan-51	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-51	1-Jan-52	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-52	1-Jan-53	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-53	1-Jan-54	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-54	1-Jan-55	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
31-Dec-55	1-Jan-56	0	1,095	0	3,637	0	2,223	0	4,074	0	673,000	0	665,010
Total		**1,095**		**3,637**		**2,223**		**4,074**		**673,000**		**665,010**	

MuniCap, Inc. *C:\Users\Devon.Whitlock\Dropbox (MuniCap)\MuniCap Team Folder\tx-municap\texas\Celina\Dynavest MMD\CONSULTING\TIRZ\[Dynavest TIRZ Projection No. 4.2.xlsx]Exhibit C-1*
31-Aug-21

[1]According to the Collin County Appraisal District property is assessed as of January 1 annually. During construction, the assessed value represents the portion of the building completed as of January 1. Assumes no
[2]Provided by Developer per Market Study prepared by Zonda as of July 2021.

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

TIRZ Reinvestment Zone No. ___
Celina, Texas

Exhibit C-2: Projected Assessed Value

Assessed As Of	Tax Year Ending[1]	1.0% Inflation Factor[2]	Single Family - 60 Ft Units[3]	Value Per Unit[4]	Projected Assessed Value	Single Family - 50 Ft Units[3]	Value Per Unit[4]	Projected Assessed Value	Single Family - 40 Ft Units[3]	Value Per Unit[4]	Projected Assessed Value	Multi-Family Units[3]	Value Per Unit[5]	Projected Assessed Value	Commercial - Retail GSF	Value Per GSF[5]	Projected Assessed Value	Commercial - Office GSF	Value Per GSF[5]	Projected Assessed Value	Total Projected Assessed Value
1-Jan-21	31-Jan-22	100%	0	$438,284	$0	0	$390,376	$0	0	$342,490	$0	0	$144,170	$0	0	$225	$0	0	$189	$0	$0
1-Jan-22	31-Jan-23	101%	0	$442,667	$0	0	$394,280	$0	0	$345,915	$0	0	$145,612	$0	0	$227	$0	0	$191	$0	$0
1-Jan-23	31-Jan-24	102%	0	$447,094	$0	0	$398,223	$0	0	$349,374	$0	0	$147,068	$0	0	$229	$0	0	$193	$0	$0
1-Jan-24	31-Jan-25	103%	45	$451,564	$20,320,400	78	$402,205	$31,371,973	51	$352,868	$17,996,257	0	$148,539	$0	36,375	$231	$8,414,094	23,394	$195	$4,561,505	$82,664,230
1-Jan-25	31-Jan-26	104%	185	$456,080	$84,374,816	323	$406,227	$131,211,266	211	$356,396	$75,199,655	300	$150,024	$45,007,166	72,750	$234	$16,996,471	47,257	$197	$9,306,603	$362,095,978
1-Jan-26	31-Jan-27	105%	342	$460,641	$157,539,184	597	$410,289	$244,942,592	390	$359,960	$140,384,569	300	$151,524	$45,457,238	109,125	$236	$25,749,653	71,217	$199	$14,165,441	$628,238,677
1-Jan-27	31-Jan-28	106%	510	$465,247	$237,276,122	891	$414,392	$369,223,263	582	$363,560	$211,591,941	600	$153,039	$91,823,621	145,500	$238	$34,676,200	120,929	$201	$24,293,957	$968,885,104
1-Jan-28	31-Jan-29	107%	678	$469,900	$318,592,045	1,185	$418,536	$495,965,054	774	$367,196	$284,209,423	1,050	$154,570	$162,298,250	197,300	$241	$47,491,618	171,213	$203	$34,739,688	$1,343,296,076
1-Jan-29	31-Jan-30	108%	846	$474,599	$401,510,558	1,479	$422,721	$625,204,757	966	$370,868	$358,258,095	1,050	$156,115	$163,921,232	249,100	$243	$60,559,876	221,764	$205	$45,446,621	$1,654,901,140
1-Jan-30	31-Jan-31	109%	1,014	$479,345	$486,055,583	1,773	$426,948	$756,979,659	1,158	$374,576	$433,759,320	1,550	$157,677	$244,398,752	300,900	$246	$73,884,751	272,941	$207	$56,493,789	$2,051,571,852
1-Jan-31	31-Jan-32	110%	1,095	$484,138	$530,131,333	2,067	$431,218	$891,327,537	1,327	$378,322	$502,033,336	1,900	$159,253	$302,581,422	352,700	$248	$87,470,067	327,065	$209	$68,373,430	$2,381,917,126
1-Jan-32	31-Jan-33	112%	1,095	$488,980	$535,432,646	2,361	$435,530	$1,028,286,676	1,519	$382,105	$580,417,878	1,900	$160,846	$305,607,236	404,500	$250	$101,319,701	381,868	$211	$80,628,381	$2,631,692,518
1-Jan-33	31-Jan-34	113%	1,095	$493,869	$540,786,973	2,655	$439,885	$1,167,895,864	1,711	$385,926	$660,319,907	2,325	$162,454	$377,706,417	458,200	$253	$115,918,254	437,241	$213	$93,243,147	$2,955,870,563
1-Jan-34	31-Jan-35	114%	1,095	$498,808	$546,194,842	2,949	$444,284	$1,310,194,408	1,903	$389,786	$741,761,935	2,725	$164,079	$447,115,048	511,900	$256	$130,798,646	493,186	$215	$106,225,347	$3,282,290,227
1-Jan-35	31-Jan-36	115%	1,095	$503,796	$551,656,791	3,243	$448,727	$1,455,222,133	2,095	$393,683	$824,766,772	2,725	$165,720	$451,586,199	565,600	$258	$145,965,055	549,794	$218	$119,602,096	$3,548,799,044
1-Jan-36	31-Jan-37	116%	1,095	$508,834	$557,173,359	3,537	$453,214	$1,603,019,393	2,223	$397,620	$883,909,832	3,200	$167,377	$535,606,089	619,300	$261	$161,421,711	607,062	$220	$133,380,769	$3,874,511,153
1-Jan-37	31-Jan-38	117%	1,095	$513,922	$562,745,092	3,637	$457,747	$1,664,824,243	2,223	$401,596	$892,748,931	3,650	$169,051	$617,034,953	673,000	$263	$177,172,905	665,010	$222	$147,573,955	$4,062,100,078
1-Jan-38	31-Jan-39	118%	1,095	$519,062	$568,372,543	3,637	$462,324	$1,681,472,485	2,223	$405,612	$901,676,420	4,074	$170,741	$695,599,562	673,000	$266	$178,944,634	665,010	$224	$149,049,695	$4,175,115,339
1-Jan-39	31-Jan-40	120%	1,095	$524,252	$574,056,269	3,637	$466,947	$1,698,287,210	2,223	$409,669	$910,693,184	4,074	$172,449	$702,555,558	673,000	$269	$180,734,080	665,010	$226	$150,540,192	$4,216,866,492
1-Jan-40	31-Jan-41	121%	1,095	$529,495	$579,796,831	3,637	$471,617	$1,715,270,082	2,223	$413,765	$919,800,116	4,074	$174,173	$709,581,113	673,000	$271	$182,541,421	665,010	$229	$152,045,594	$4,259,035,157
1-Jan-41	31-Jan-42	122%	1,095	$534,790	$585,594,800	3,637	$476,333	$1,732,422,783	2,223	$417,903	$928,998,117	4,074	$175,915	$716,676,924	673,000	$274	$184,366,835	665,010	$231	$153,566,049	$4,301,625,509
1-Jan-42	31-Jan-43	123%	1,095	$540,138	$591,450,748	3,637	$481,096	$1,749,747,011	2,223	$422,082	$938,288,098	4,074	$177,674	$723,843,694	673,000	$277	$186,210,503	665,010	$233	$155,101,710	$4,344,641,764
1-Jan-43	31-Jan-44	124%	1,095	$545,539	$597,365,255	3,637	$485,907	$1,767,244,481	2,223	$426,303	$947,670,979	4,074	$179,451	$731,082,131	673,000	$279	$188,072,608	665,010	$236	$156,652,727	$4,388,088,182
1-Jan-44	31-Jan-45	126%	1,095	$550,994	$603,338,908	3,637	$490,766	$1,784,916,926	2,223	$430,566	$957,147,689	4,074	$181,245	$738,392,952	673,000	$282	$189,953,335	665,010	$238	$158,219,254	$4,431,969,063
1-Jan-45	31-Jan-46	127%	1,095	$556,504	$609,372,297	3,637	$495,674	$1,802,766,095	2,223	$434,871	$966,719,166	4,074	$183,058	$745,776,881	673,000	$285	$191,852,868	665,010	$240	$159,801,447	$4,476,288,754
1-Jan-46	31-Jan-47	128%	1,095	$562,069	$615,466,020	3,637	$500,631	$1,820,793,756	2,223	$439,220	$976,386,358	4,074	$184,888	$753,234,650	673,000	$288	$193,771,397	665,010	$243	$161,399,461	$4,521,051,642
1-Jan-47	31-Jan-48	130%	1,095	$567,690	$621,620,680	3,637	$505,637	$1,839,001,693	2,223	$443,612	$986,150,221	4,074	$186,737	$760,766,997	673,000	$291	$195,709,111	665,010	$245	$163,013,456	$4,566,262,158
1-Jan-48	31-Jan-49	131%	1,095	$573,367	$627,836,887	3,637	$510,693	$1,857,391,710	2,223	$448,048	$996,011,724	4,074	$188,604	$768,374,667	673,000	$294	$197,666,202	665,010	$248	$164,643,591	$4,611,924,780
1-Jan-49	31-Jan-50	132%	1,095	$579,101	$634,115,256	3,637	$515,800	$1,875,965,627	2,223	$452,529	$1,005,971,841	4,074	$190,491	$776,058,413	673,000	$297	$199,642,864	665,010	$250	$166,290,026	$4,658,044,027
1-Jan-50	31-Jan-51	133%	1,095	$584,892	$640,456,408	3,637	$520,958	$1,894,725,284	2,223	$457,054	$1,016,031,559	4,074	$192,395	$783,818,997	673,000	$300	$201,639,292	665,010	$253	$167,952,927	$4,704,624,468
1-Jan-51	31-Jan-52	135%	1,095	$590,741	$646,860,972	3,637	$526,168	$1,913,672,537	2,223	$461,625	$1,026,191,875	4,074	$194,319	$791,657,187	673,000	$303	$203,655,685	665,010	$255	$169,632,456	$4,751,670,712
1-Jan-52	31-Jan-53	136%	1,095	$596,648	$653,329,582	3,637	$531,430	$1,932,809,262	2,223	$466,241	$1,036,453,794	4,074	$196,263	$799,573,759	673,000	$306	$205,692,242	665,010	$258	$171,328,781	$4,799,187,419
1-Jan-53	31-Jan-54	137%	1,095	$602,615	$659,862,878	3,637	$536,744	$1,952,137,355	2,223	$470,903	$1,046,818,332	4,074	$198,225	$807,569,497	673,000	$309	$207,749,165	665,010	$260	$173,042,068	$4,847,179,294
1-Jan-54	31-Jan-55	139%	1,095	$608,641	$666,461,507	3,637	$542,111	$1,971,658,728	2,223	$475,612	$1,057,286,515	4,074	$200,207	$815,645,192	673,000	$312	$209,826,656	665,010	$263	$174,772,489	$4,895,651,087
1-Jan-55	31-Jan-56	140%	1,095	$614,727	$673,126,122	3,637	$547,532	$1,991,375,315	2,223	$480,369	$1,067,859,380	4,074	$202,210	$823,801,644	673,000	$315	$211,924,923	665,010	$265	$176,520,214	$4,944,607,597
1-Jan-56	31-Jan-57	142%	1,095	$620,874	$679,857,383	3,637	$553,008	$2,011,289,069	2,223	$485,172	$1,078,537,974	4,074	$204,232	$832,039,660	673,000	$318	$214,044,172	665,010	$268	$178,285,416	$4,994,053,673

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[1]According to the Collin County Appraisal District, real property taxes are due without penalty as of January 31st in the year following the year in which property is assessed.
[2]Assumes an annual inflation factor of 1.0%.
[3]Unit count estimates as provided by the Developer as of 8.30.21
[4]Provided by Developer per Market Study prepared by Zonda as of July 2021.
[5]See Exhibit C-4 for comparable properties used for estimateing average values per Unit or GSF.

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

TIRZ Reinvestment Zone No. ___
Celina, Texas

Exhibit C-3: Projected Incremental Real Property Taxes Available for Debt Service - City of Celina

Tax Year Ending	Bond Year Ending	Inflation Factor[1]	Total Projected Assessed Value	Base Value	Estimated Incremental Value	City of Celina Property Tax Rate (Per $100 A.V.)[2]	Total Incremental Tax Revenues	City of Celina Committed Tax Rate (Per $100 A.V.)[3]	Total Committed Incremental Tax Revenues	TIRZ Increments Retained by the City
31-Jan-22	1-Sep-22	100%	$0	($382,632)	$0	$0.645000	$0	$0.100000	$0	$0
31-Jan-23	1-Sep-23	101%	$0	($382,632)	$0	$0.645000	$0	$0.100000	$0	$0
31-Jan-24	1-Sep-24	102%	$0	($382,632)	$0	$0.645000	$0	$0.100000	$0	$0
31-Jan-25	1-Sep-25	103%	$82,664,230	($382,632)	$82,281,598	$0.645000	$530,716	$0.100000	$82,282	$448,435
31-Jan-26	1-Sep-26	104%	$362,095,978	($382,632)	$361,713,346	$0.645000	$2,333,051	$0.100000	$361,713	$1,971,338
31-Jan-27	1-Sep-27	105%	$628,238,677	($382,632)	$627,856,045	$0.645000	$4,049,671	$0.100000	$627,856	$3,421,815
31-Jan-28	1-Sep-28	106%	$968,885,104	($382,632)	$968,502,472	$0.645000	$6,246,841	$0.100000	$968,502	$5,278,338
31-Jan-29	1-Sep-29	107%	$1,343,296,076	($382,632)	$1,342,913,444	$0.645000	$8,661,792	$0.100000	$1,342,913	$7,318,878
31-Jan-30	1-Sep-30	108%	$1,654,901,140	($382,632)	$1,654,518,508	$0.645000	$10,671,644	$0.100000	$1,654,519	$9,017,126
31-Jan-31	1-Sep-31	109%	$2,051,571,852	($382,632)	$2,051,189,220	$0.645000	$13,230,170	$0.100000	$2,051,189	$11,178,981
31-Jan-32	1-Sep-32	110%	$2,381,917,126	($382,632)	$2,381,534,494	$0.645000	$15,360,897	$0.100000	$2,381,534	$12,979,363
31-Jan-33	1-Sep-33	112%	$2,631,692,518	($382,632)	$2,631,309,886	$0.645000	$16,971,949	$0.100000	$2,631,310	$14,340,639
31-Jan-34	1-Sep-34	113%	$2,955,870,563	($382,632)	$2,955,487,931	$0.645000	$19,062,897	$0.100000	$2,955,488	$16,107,409
31-Jan-35	1-Sep-35	114%	$3,282,290,227	($382,632)	$3,281,907,595	$0.645000	$21,168,304	$0.100000	$3,281,908	$17,886,396
31-Jan-36	1-Sep-36	115%	$3,548,799,044	($382,632)	$3,548,416,412	$0.645000	$22,887,286	$0.100000	$3,548,416	$19,338,869
31-Jan-37	1-Sep-37	116%	$3,874,511,153	($382,632)	$3,874,128,521	$0.645000	$24,988,129	$0.100000	$3,874,129	$21,114,000
31-Jan-38	1-Sep-38	117%	$4,062,100,078	($382,632)	$4,061,717,446	$0.645000	$26,198,078	$0.100000	$4,061,717	$22,136,360
31-Jan-39	1-Sep-39	118%	$4,175,115,339	($382,632)	$4,174,732,707	$0.645000	$26,927,026	$0.100000	$4,174,733	$22,752,293
31-Jan-40	1-Sep-40	120%	$4,216,866,492	($382,632)	$4,216,483,860	$0.645000	$27,196,321	$0.100000	$4,216,484	$22,979,837
31-Jan-41	1-Sep-41	121%	$4,259,035,157	($382,632)	$4,258,652,525	$0.645000	$27,468,309	$0.100000	$4,258,653	$23,209,656
31-Jan-42	1-Sep-42	122%	$4,301,625,509	($382,632)	$4,301,242,877	$0.645000	$27,743,017	$0.100000	$4,301,243	$23,441,774
31-Jan-43	1-Sep-43	123%	$4,344,641,764	($382,632)	$4,344,259,132	$0.645000	$28,020,471	$0.100000	$4,344,259	$23,676,212
31-Jan-44	1-Sep-44	124%	$4,388,088,182	($382,632)	$4,387,705,550	$0.645000	$28,300,701	$0.100000	$4,387,706	$23,912,995
31-Jan-45	1-Sep-45	126%	$4,431,969,063	($382,632)	$4,431,586,431	$0.645000	$28,583,732	$0.100000	$4,431,586	$24,152,146
31-Jan-46	1-Sep-46	127%	$4,476,288,754	($382,632)	$4,475,906,122	$0.645000	$28,869,594	$0.100000	$4,475,906	$24,393,688
31-Jan-47	1-Sep-47	128%	$4,521,051,642	($382,632)	$4,520,669,010	$0.645000	$29,158,315	$0.100000	$4,520,669	$24,637,646
31-Jan-48	1-Sep-48	130%	$4,566,262,158	($382,632)	$4,565,879,526	$0.645000	$29,449,923	$0.100000	$4,565,880	$24,884,043
31-Jan-49	1-Sep-49	131%	$4,611,924,780	($382,632)	$4,611,542,148	$0.645000	$29,744,447	$0.100000	$4,611,542	$25,132,905
31-Jan-50	1-Sep-50	132%	$4,658,044,027	($382,632)	$4,657,661,395	$0.645000	$30,041,916	$0.100000	$4,657,661	$25,384,255
31-Jan-51	1-Sep-51	133%	$4,704,624,468	($382,632)	$4,704,241,836	$0.645000	$30,342,360	$0.100000	$4,704,242	$25,638,118
31-Jan-52	1-Sep-52	135%	$4,751,670,712	($382,632)	$4,751,288,080	$0.645000	$30,645,808	$0.100000	$4,751,288	$25,894,520
31-Jan-53	1-Sep-53	136%	$4,799,187,419	($382,632)	$4,798,804,787	$0.645000	$30,952,291	$0.100000	$4,798,805	$26,153,486
31-Jan-54	1-Sep-54	137%	$4,847,179,294	($382,632)	$4,846,796,662	$0.645000	$31,261,838	$0.100000	$4,846,797	$26,415,042
31-Jan-55	1-Sep-55	139%	$4,895,651,087	($382,632)	$4,895,268,455	$0.645000	$31,574,482	$0.100000	$4,623,351	$26,951,130
31-Jan-56	1-Sep-56	140%	$4,944,607,597	($382,632)	$4,944,224,965	$0.645000	$31,890,251	$0.100000	$0	$31,890,251
31-Jan-57	1-Sep-57	142%	$4,994,053,673	($382,632)	$4,993,671,041	$0.645000	$32,209,178	$0.100000	$0	$32,209,178
Total							**$752,741,406**		**$106,494,281**	**$646,247,125**

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31-Aug-21

[1]Assumes an annual inflation factor of 1.0%.

[2]Represents the City of Celina real property tax rate for tax year 2020. Source: Collin County Tax Assessor-Collector.

[3]Represents the committed tax rate for TIRZ contribution by the City of Celina.

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Exhbit C-4: Calculation of Market Value - Comparables (Retail/Office/Multi-Family)[1]

Property Type	Account Identifier	Year Built	Class	Address	Municipality	County	Distance (Miles)	Assessed Value - 2021 Land	Improvement	Total	Improvement Area GSF	Units	Acres	Assessed Value Per GSF	Unit	Land Assessed Value Per GSF	Unit
Multi-Family																	
The Travis	697005	2019	-	900 Gordon Heights Ln	Frisco	Denton	15	$2,123,267	$45,353,455	47,476,722	406,229	345	7.50	$117	$137,614	$5	$6,154
Newman Village	714503	2019	-	4444 Felix Way	Frisco	Denton	15	$3,990,967	$43,204,440	47,195,407	366,732	300	15.10	$129	$157,318	$11	$13,303
The Mansions 3Eighty	706734	2015	-	26850 E U.S. 380	Little Elm	Denton	15	$14,973,655	$57,510,585	72,484,240	444,118	431	63.66	$163	$168,177	$34	$34,742
The Estates 3Eighty	757971	2015	-	27040 E U.S. 380	Little Elm	Denton	15	$10,688,927	$37,011,073	47,700,000	352,554	420	30.67	$135	$113,571	$30	$25,450
Average value per GSF/unit														$136	***$144,170***	$20	$19,912
Office																	
Office 1	2830931	2020	B	2250 E Prosper Trl	Prosper	Collin	10	$531,868	$1,084,748	$1,616,616	9,903	-	1.11	$163	-	$54	-
Office 2	2759604	2017	B	301 S Coleman St	Prosper	Collin	10	$212,189	$1,537,811	$1,750,000	7,253	-	0.61	$241	-	$29	-
Office 3	2806628	2019	B	322 W Walnut St	Celina	Collin	3	$151,589	$1,751,770	$1,903,359	12,585	-	0.29	$151	-	$12	-
Office 4	2743114	2017	B	130 N Preston Rd	Prosper	Collin	10	$544,326	$7,438,122	$7,982,448	39,666	-	1.56	$201	-	$14	-
Average value per GSF														***$189***		$27	
Retail																	
Shopping Center 1	2628270	2006	B	1180 E Prosper Trl	Prosper	Collin	9	$815,443	$1,724,457	$2,539,900	10,350	-	1.04	$245	-	$79	-
Shopping Center 2	2742824	2015	B	1061 N Coleman St	Prosper	Collin	10	$1,527,214	$8,110,179	$9,637,393	37,310	-	3.51	$258	-	$41	-
Shopping Center 3	2811796	2019	B	2281 E University Dr	Prosper	Collin	13	$928,786	$1,663,384	$2,592,170	14,706	-	1.52	$176	-	$63	-
Shopping Center 4	2629149	2006	B	170 N Preston Rd	Prosper	Collin	10	$574,992	$1,573,279	$2,148,271	9,851	-	1.32	$218	-	$58	-
Average value per GSF														***$225***		$60	

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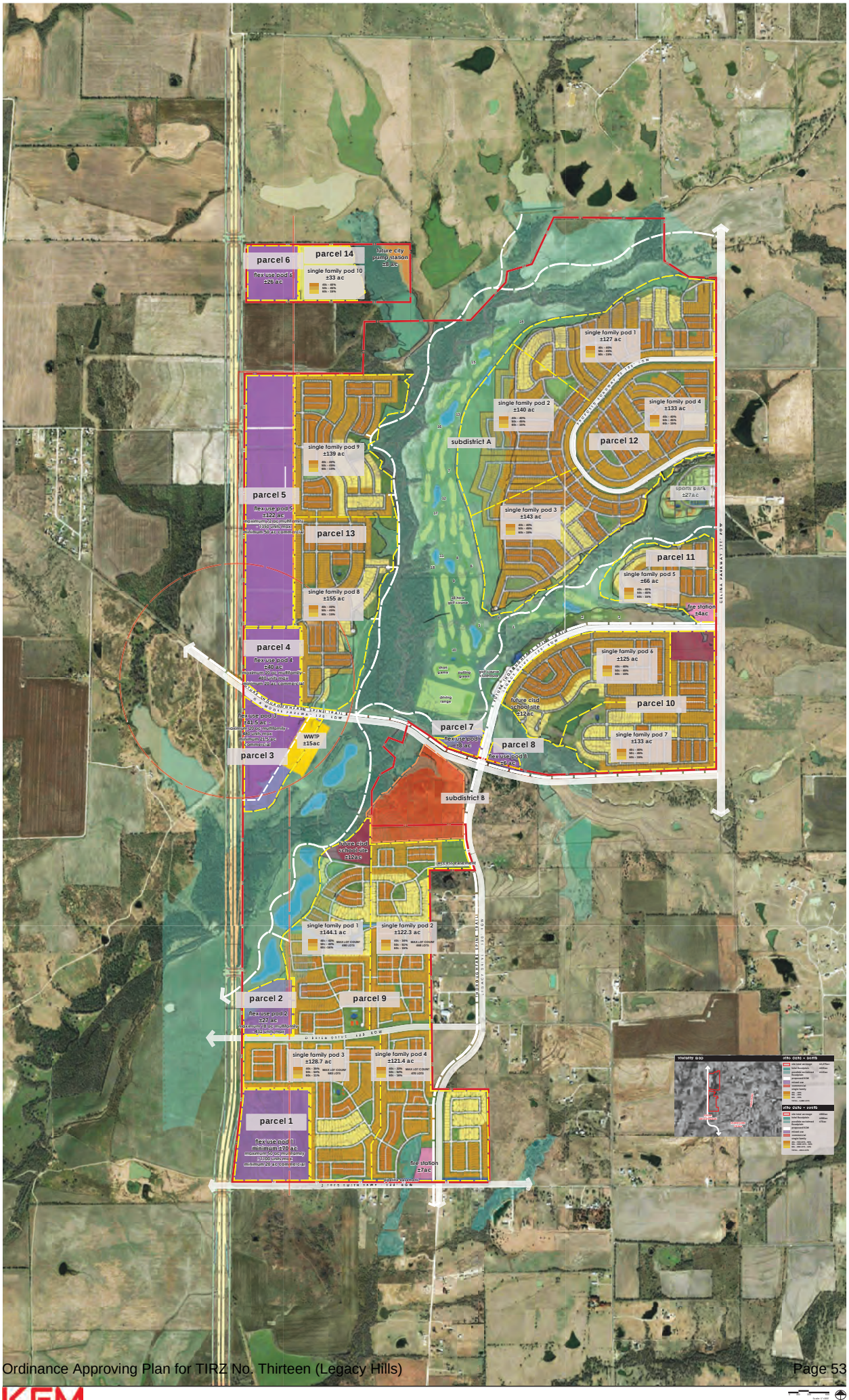
[1]Information illustrated for each property based on information provided by Collin County Appraisal District online records. Average value is calculated for each type of development.

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

EXHIBIT D
MAP AND DESCRIPTION OF THE PROPOSED USES OF THE PROPERTY

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))



KFM ENGINEERING & DESIGN

DYNAVEST ILLUSTRATIVE CONCEPT PLAN

Packe

EXHIBIT E
LIST OF PARCELS IN THE ZONE

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

TIRZ Reinvestment Zone No. ___
Celina, Texas

Exhibit E: Parcels in the Zone

Property ID	Owner	Property Address	Value As Of[1]	Tract Acres	Total Assessed Value[2]		
					Market Value	Ag Reduction	Assessed Value
1010391	Dynavest Joint Venture	-	January 1, 2021	175.67	$3,162,060	($3,140,027)	$22,033
1003835	Dynavest Joint Venture	-	January 1, 2021	516.03	$9,288,508	($9,224,373)	$64,135
993045	Dynavest Joint Venture	-	January 1, 2021	109.25	$1,966,500	($1,952,008)	$14,492
1156992	Dynavest Joint Venture	-	January 1, 2021	7.42	$133,560	($132,788)	$772
1096708	Dynavest Joint Venture	-	January 1, 2021	5.78	$104,040	($103,428)	$612
2121192	Dynavest Joint Venture	-	January 1, 2021	24.86	$447,480	($444,155)	$3,325
1010373	Dynavest Joint Venture	-	January 1, 2021	80.38	$1,446,840	($1,437,549)	$9,291
1014315	Dynavest Joint Venture	-	January 1, 2021	35.00	$630,000	($625,611)	$4,389
1014324	Dynavest Joint Venture	-	January 1, 2021	39.47	$710,460	($705,510)	$4,950
997201	Dynavest Joint Venture	-	January 1, 2021	161.91	$2,914,380	($2,894,074)	$20,306
1014440	Dynavest Joint Venture	-	January 1, 2021	71.75	$1,291,500	($1,282,476)	$9,024
993054	Dynavest Joint Venture	-	January 1, 2021	217.54	$3,915,720	($3,888,437)	$27,283
989700	Dynavest Joint Venture	-	January 1, 2021	160.00	$2,880,000	($2,859,933)	$20,067
2575347	Dynavest Joint Venture	-	January 1, 2021	309.73	$5,576,034	($5,542,602)	$33,432
989345	Dynavest Joint Venture	-	January 1, 2021	206.70	$3,720,600	($3,694,675)	$25,925
989336	Dynavest Joint Venture	-	January 1, 2021	146.08	$2,629,440	($2,611,118)	$18,322
990967	Dynavest Joint Venture	-	January 1, 2021	642.79	$11,570,274	($11,489,654)	$80,620
984956	Dynavest Joint Venture	-	January 1, 2021	92.52	$1,665,391	($1,655,698)	$9,693
985660	Dynavest Joint Venture	-	January 1, 2021	19.75	$355,500	($353,023)	$2,477
2575351	Dynavest Joint Venture	-	January 1, 2021	10.58	$190,440	($189,340)	$1,100
1695945	Dynavest Joint Venture	-	January 1, 2021	0.83	$14,980	($14,841)	$139
995178	Dynavest Joint Venture	-	January 1, 2021	1.71	$30,780	($30,565)	$215
995089	Dynavest Joint Venture	-	January 1, 2021	37.97	$683,532	($679,441)	$4,091
989372	Dynavest Joint Venture	-	January 1, 2021	6.50	$117,000	($116,300)	$700
984938	Dynavest Joint Venture	-	January 1, 2021	50.50	$909,043	($903,804)	$5,239
Total				**3,130.732**	**$56,354,062**	**($55,971,430)**	**$382,632**

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31-Aug-21

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

EXHIBIT F
PROJECT COSTS AND TIRZ CONTRIBUTION SUMMARY

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Exhibit F
Project Costs and TIRZ Contributon Summary

Description	Estimated Cost
Economic Development Grant	$106,494,281

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

EXHIBIT G
CURRENT APPRAISED VALUE OF THE ZONE

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

TIRZ Reinvestment Zone No. ___
Celina, Texas

Exhibit G: Base Value

Property ID	Owner	Property Address	Value As Of[1]	Tract Acres	Total Assessed Value[2]		
					Market Value	Ag Reduction	Assessed Value
1010391	Dynavest Joint Venture	-	January 1, 2021	175.67	$3,162,060	($3,140,027)	$22,033
1003835	Dynavest Joint Venture	-	January 1, 2021	516.03	$9,288,508	($9,224,373)	$64,135
993045	Dynavest Joint Venture	-	January 1, 2021	109.25	$1,966,500	($1,952,008)	$14,492
1156992	Dynavest Joint Venture	-	January 1, 2021	7.42	$133,560	($132,788)	$772
1096708	Dynavest Joint Venture	-	January 1, 2021	5.78	$104,040	($103,428)	$612
2121192	Dynavest Joint Venture	-	January 1, 2021	24.86	$447,480	($444,155)	$3,325
1010373	Dynavest Joint Venture	-	January 1, 2021	80.38	$1,446,840	($1,437,549)	$9,291
1014315	Dynavest Joint Venture	-	January 1, 2021	35.00	$630,000	($625,611)	$4,389
1014324	Dynavest Joint Venture	-	January 1, 2021	39.47	$710,460	($705,510)	$4,950
997201	Dynavest Joint Venture	-	January 1, 2021	161.91	$2,914,380	($2,894,074)	$20,306
1014440	Dynavest Joint Venture	-	January 1, 2021	71.75	$1,291,500	($1,282,476)	$9,024
993054	Dynavest Joint Venture	-	January 1, 2021	217.54	$3,915,720	($3,888,437)	$27,283
989700	Dynavest Joint Venture	-	January 1, 2021	160.00	$2,880,000	($2,859,933)	$20,067
2575347	Dynavest Joint Venture	-	January 1, 2021	309.73	$5,576,034	($5,542,602)	$33,432
989345	Dynavest Joint Venture	-	January 1, 2021	206.70	$3,720,600	($3,694,675)	$25,925
989336	Dynavest Joint Venture	-	January 1, 2021	146.08	$2,629,440	($2,611,118)	$18,322
990967	Dynavest Joint Venture	-	January 1, 2021	642.79	$11,570,274	($11,489,654)	$80,620
984956	Dynavest Joint Venture	-	January 1, 2021	92.52	$1,665,391	($1,655,698)	$9,693
985660	Dynavest Joint Venture	-	January 1, 2021	19.75	$355,500	($353,023)	$2,477
2575351	Dynavest Joint Venture	-	January 1, 2021	10.58	$190,440	($189,340)	$1,100
1695945	Dynavest Joint Venture	-	January 1, 2021	0.83	$14,980	($14,841)	$139
995178	Dynavest Joint Venture	-	January 1, 2021	1.71	$30,780	($30,565)	$215
995089	Dynavest Joint Venture	-	January 1, 2021	37.97	$683,532	($679,441)	$4,091
989372	Dynavest Joint Venture	-	January 1, 2021	6.50	$117,000	($116,300)	$700
984938	Dynavest Joint Venture	-	January 1, 2021	50.50	$909,043	($903,804)	$5,239
Total				**3,130.732**	**$56,354,062**	**($55,971,430)**	**$382,632**

MuniCap, Inc. *Devon.Whitlock\Dropbox (MuniCap)\MuniCap Team Folder\tx-municap\texas\Celina\Dynavest MMD\CONSULTING\TIRZ\[Dynavest TIRZ Projection No. 4.2.xlsx]Exhibit H*
31-Aug-21

[1]Assumes the Tax Increment Reinvestment Zone is created in 2021. As a result, the base value will be based on the assessed value as of January 1, 2021.

[2]According to the Collin County Appraisal District records.

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

EXHIBIT H
ZONING ORDINANCE

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

CITY OF CELINA, TEXAS

ORDINANCE 2021-67
DYNAVEST

AN AMENDMENT TO PLANNED DEVELOPMENT #117
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, 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 LAND THAT IS APPROXIMATELY 3,150 ACRES LOCATED IN THE JONATHAN HOWARD SURVEY, ABSTRACT NO. A-442, THE JOHN DAVIS SURVEY, ABRSTRACT NO. 254, THE JAMES CUMBIA SURVEY, ABSTRACT NO. 242, THE ELIAS ALEXANDER SURVEY, ABSTRACT NO. 19, THE JOAB H. BIGSS SURVEY, ABSTRACT NO. 51, THE JEREMIAH QUEEN SURVEY, ABSTRACT NO. 733, THE J.K. WORRALL SURVEY, ABSTRACT NO. 1036, THE S.A. AND M.G. RR CO. SURVEY, ABSTRACT NO 131, THE HENRY COCHRAN SURVEY, ABSTRACT NO. 192, THE STILLMAN B. RICE SURVEY, ABSTRACT NO. 1054, THE J.F. SMILEY SURVEY, ABSTRACT NO. 869, THE J.W. HAYNES SURVEY, ABSTRACT NO. 435, THE A.H. GEE SURVEY, ABSTRACT NO. 1104, THE JEREMIAH QUEEN SURVEY, ABSTRACT NO. 1111, THE HENRY COCHRAN SURVEY, ABSTRACT NO. 191, THE J. RAGSDALE SURVEY, ABSTRACT NO. 735, AND THE GERMAN EMIGRATION CO., ABSTRACT NUMBER 365, CITY OF CELINA, COLLIN COUNTY, TEXAS, AND GENERALLY LOCATED NORTH OF J FRED SMITH PARKWAY, WEST OF CELINA PARKWAY, EAST OF DALLAS PARKWAY, AND SOUTH OF MARILEE ROAD; AS DESCRIBED IN EXHIBIT "A" AND INCORPORATED HEREIN TO AMEND "PD" PLANNED DEVELOPMENT DISTRICT NO. 117; PROVIDING FOR INCORPORATION OF PREMISES, FINDINGS, AMENDMENT OF ZONING CLASSIFICATION, ZONING DESIGNATION AND DEVELOPMENT REGULATIONS, REVISION OF ZONING MAP, COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00 PER OFFENSE AND OTHER ENFORCEMENT MECHANISMS; PROVIDING CUMULATIVE REPEALER, SAVINGS AND SEVERABILITY CLAUSES; 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 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 (the "City Council") 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, Section 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, the zoning is in conformance with the existing Development Agreement approved in September 2020 and amended in May 2021 which outlined the annexation and zoning; and

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically described in Exhibit "A" and depicted in Exhibit "B", attached hereto and incorporated as though fully set forth herein (the "Property"); and

WHEREAS, the Concept Plan, Open Space Plan, and Development Regulations, set forth in Exhibit "C", "D", and "E," respectively, attached hereto and incorporated herein, define the base zoning districts and provide for certain modifications to such district regulations.

WHEREAS, this ordinance repeals Ordinance 2005-68 for Cow Mountain, the same being Planned Development #19.

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the Celina 2040 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina, have given the requisite notices by publication and otherwise, and have held public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

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
AMENDMENT OF ZONING CLASSIFICATION

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended to amend "PD" Planned Development District No. 117 and is subject to the following PD regulations, which exhibits are incorporated as if fully set forth herein:

Exhibit B:	Depiction of Property
Exhibit C:	Concept Plan
Exhibit D:	Open Space Plan
Exhibit E:	Development Regulations

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

SECTION 4
ZONING DESIGNATION AND DEVELOPMENT REGULATIONS

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein as PD No. 117, and incorporates the Concept Plan, Open Space Plan, and Development Regulations, attached hereto as Exhibit "C", "D", and "E," respectively.

SECTION 5
REVISION OF ZONING MAP

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6
COMPLIANCE REQUIRED

That the property described on Exhibit "A" and depicted in Exhibit "B" hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance, of the City of Celina as amended.

SECTION 7
PENALTY

7.01 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 ($2,000.00) for each offense.

7.02 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
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 9
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 regulation 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.

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

SECTION 10
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 11
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 of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 12
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 13
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication as required by law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 10th day of August, 2021.

Mindy Koehne, Mayor Pro Tem
City of Celina, Texas

ATTEST:

Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

THE CITY OF CELINA TEXAS

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

APPROVED AS TO FORM:

City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Exhibit A
Legal Description

LEGAL DESCRIPTION

Being that certain 94.525 tract of land situated in the Jonathan Howard Survey, A-442, and the John Davis Survey, Abstract-254, both in Collin County, Texas, being a part of that certain called 100.474 acre tract of land described in the deed to Dynavest Joint Venture recorded in Volume 2288, Page 119, Deed Records, Collin County, Texas and being more particularly described by metes and bounds and follows:

BEGINNING at the Northeast corner of the tract being described herein at a 1/2-inch iron rod at the Northeast corner of said 100.474 acre tract, same being an angle point of a 947.705 acre tract described the deed to Jody Furlong recorded in Instrument No. 20180828001079900 of the Official Public Records of Collin County, Texas;

THENCE S00°41'47"E, with the East line of said 100.474 acre tract, same being the West line of said 947.705 acre tract, a distance of 1192.20 feet to 5/8-inch iron rod with plastic cap stamped "Landpoint" set (herein referred to as capped iron rod set)

THENCE S89°50'48"W, with the South line of 100.474 acre tract, same being the North line of said remainder of 100 acre tract of described in the deed to Marvin L. Bunch, or Linda K. Rodgers, Trustee of the Bunch Living Trust recorded in Volume 5843, Page 1120 of the Deed Records of Collin County, Texas, a distance of 3435.53 feet to a capped iron rod set in the the East right-of-way line of the Dallas North Tollway same being the East line of a tract of land described as County Road Parcel 42-9 NBSR-2 conveyed to North Texas Tollway Authority in deed of record in Document No. 20200720011269 30, Official Public Records of Collin County, Texas;

THENCE N00°26'50"E, with the East right-of-way line of the Dallas North Tollway, same being the East line of the tract of land described as County Road Parcel 42-9 NBSR-2 conveyed to North Texas Tollway Authority, a distance of 1213.34 feet to a capped iron rod set, from which a found nail near the Northwest corner of the 100.474 acre tract bears, N89°47'54"W a distance of 169.56 feet;

THENCE S89°47'54"E, with the North line of the 100.474 acre tract, same being the West line of the 947.705 acre tract a distance of 3411.58 feet to the POINT OF BEGINNING and containing 94.525 acres of land.

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision, no survey was made on the ground and is based on recorded deeds only for a political subdivision.

06/29/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

94.525 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
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TBPLS REG. NO. 10194220

X:\2021\21-0195\Dwg\21-0195 Zoning Notes North Tract 1.dwg

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

LEGAL DESCRIPTION

Being a 2142.401 acre tract of land situated in the John Davis Survey Abstract No. 254, the James Cumbia Survey Abstract No. 242, the Elias Alexander Survey Abstract No. 19, the Joab H. Biggs Survey Abstract No. 51, the Jeremiah Queen Survey, Abstract No. 733, the J.K. Worrall Survey Abstract No. 1036, the S.A. and M.G. RR Co. Survey, Abstract No. 876, the Phineas Newsom Survey, Abstract No. 665, the B.B.B. and C. RR Co. Survey Abstract No. 131, the Henry Cochran Survey Abstract No. 192, the Stillman B. Rice Survey Abstract No. 1054 and the J.F. Smiley Survey Abstract No. 869, being all of a called 161.910 acre tract of land described as Tract No. 2, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 125, Deed Records of Collin County, Texas, all of a called 1215.843 acre tract of land, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 110, said Deed Records, the remainder of a called 218.360 acre tract of land described as Tract No. 1, as conveyed to Dynavest Joint Ventures by deed of record in Volume 228, Page 125, said Deed Records, and the remainder of a called 579.400 acre tract of land described as Tract II, as conveyed in the deed to Dynavest Joint Ventures by deed of record in Volume 2288, Page 119, said Deed Records, and being more particularly described as follows:

BEGINNING at an iron pipe found for the southeast corner of said 161.910 acre tract, common to a salient corner in the west line of a called 66.862 acre tract of land described as Tract 1, as conveyed to Pilotus Investments, LLC, by deed of record in Instrument No. 20210325000596590, Official Public Records of Collin County, Texas, and in the northerly line of a called 174.64 acre tract of land described as Tract 5, as conveyed to Ownsby 1880 Farms, LTD, by deed of record in Volume 4332, Page 1047, Real Property Records of Collin County, Texas;

THENCE S88°58'02"W, with the southerly line of said 161.910 acre tract and the northerly line of said 174.64 acre tract, a distance of 3875.51 feet to an iron rod with a cap found for the Southwest corner of said 161.910 acre tract, common to the northwest corner of said 174.64 acre tract and in an easterly line of said 1215.843 acre tract;

THENCE S01°04'44"E, with the easterly line of said 1215.843 acre tract and the westerly line of said 174.64 acre tract, a distance of 63.89 feet to an iron rod with a cap found for the most southerly southeast corner of said 1215.843 acre tract;

THENCE N73°55'39"W, with a southerly line of said 1215.843 acre tract, passing the southwest corner of said 1215.843 acre tract, common to the southeast corner of southeast corner of said 218.360 acre tract, continuing on said course with the southerly line of said 218.360 acre tract a total distance of 1830.27 feet to an iron rod with a cap found for a salient corner in the southerly line of said 218.360 acre tract and in the northeasterly right-of-way line of F.M. Highway 455;

THENCE with the southerly line of said 218.360 acre tract and the northeasterly right-of-way line of said F.M. Highway 455, the following Three (3) courses:

1. N16°00'52"E, a distance of 40.00 feet to an iron rod with a cap found for corner;
2. N74°36'15"W, a distance of 192.09 feet to a point for corner;
3. N51°44'59"W, passing at a distance of 8.26 feet an iron rod with a cap found, continuing on said course, a total distance of 626.29 feet to 5/8-inch iron rod with a cap stamped "Landpoint" set (hereinafter referred to as capped iron rod set) at the southeast corner of a tract of land described as Parcel 1, as conveyed to State of Texas by deed of record in Instrument No. 2005-0062934, said Official Public Records;

THENCE continuing with the northeasterly right-of-way line of said F.M. Highway 455 and the northeasterly line of said Parcel 1, the following Nine (9) courses:

1. N38°19'50"E, a distance of 10.12 feet to a capped iron rod set for corner;
2. N47°51'38"W, a distance of 256.41 feet to a capped iron rod set for at the beginning of non-tangential curve the left;
3. Along said non-tangential curve to the left having a radius of 1,130.00 feet, an arc length of 538.88 feet, a delta angle of 27°19'24", a chord bearing of N69°47'57"W, and a distance of 533.79 feet to a 1/2-inch iron rod found at a 6-inch wood right-of-way monument for the point of tangency;
4. N83°27'41"W, a distance of 899.11 feet to capped iron rod set for corner;
5. S87°25'43"W, a distance of 255.47 feet to a point of non-tangency;
6. North 89°00'54" West, 83.16 feet to a capped iron rod set for at the beginning of tangential curve the right;
7. Along said tangential curve to the right having a radius of 1545.00 feet, a delta angle of 05°34'44", a chord bearing of N86°11'32"W, and a distance of 150.38 feet to a capped iron rod set for the point of tangency;
8. N83°24'10"W, a distance of 111.05 feet to a capped iron rod set for corner;
9. S06°40'13"W, a distance of 10.03 feet to a capped iron rod set for the southwest corner of said Parcel 1;

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision, no survey was made on the ground and is based on recorded deeds only for a political subdivision.

06/29/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

2142.401 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

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X:\2021\21-0195\Dwg\21-0195 Zoning Notes North Tract 2.dwg

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

LEGAL DESCRIPTION (continued)

THENCE continuing with the northeasterly right-of-way line of said F.M. Highway 455, the following Three (3) courses:

1. N83°19'47"W, a distance of 825.41 feet to an iron rod with a cap stamped "Adams" found at the beginning of a tangential curve to the right;
2. Along said tangential curve to the right having a radius of 528.70 feet, a delta angle of 30°24'00", an arc length of 280.52 feet, a chord bearing of N68°07'47"E, and a distance of 277.24 feet to an iron rod with a cap stamped "Adams" found for the point of tangency
3. N52°56'37"W, a distance of 457.27 feet to a 5/8-inch iron rod with an aluminum cap stamped "North Texas Tollway Authority" found at the intersection of the easterly right-of-way line of the North Texas Tollway Authority County Road Parcel 42-9 NBSR-1 conveyed by instrument of record in Document No. 20200720001126930, Official Public Records, Collin County, Texas and the northerly right-of-way line of said F.M. Highway 455;

THENCE N17°47'09" W, with the easterly right-of-way line of said North Texas Tollway Authority County Road Parcel 42-9 NBSR-1, a distance of 169.29 feet to a 5/8-inch iron rod with an aluminum cap stamped "North Texas Tollway Authority" found for corner;

THENCE N00°26'50"E, continuing with the easterly right-of-way line of said North Texas Tollway Authority County Road Parcel 42-9 NBSR-1, a distance of 6,459.92 feet to a capped iron rod set for the northeast corner of said Parcel 42-9 NBSR-1 in a northerly line of said 579.400 acre tract and in the southerly line of a called 100 acre tract of land as conveyed to Marvin L. Bunch or Linda K. Rodgers, Trustee of the Bunch Living Trust, by deed of record in Volume 5843, Page 1120, said Deed Records

THENCE S89°30'00" East, with the northerly line of said 579.400 acre tract and the southerly line of said 100 acre tract, a distance of 2,476.57 feet to an iron rod with a cap found for corner;

THENCE N00°46'50"E, with a westerly line of said 579.400 acre tract and an easterly line of said 100 acre tract, a distance of 1,013.39 feet to an iron rod with a cap found for corner;

THENCE N89°53'37"E, with a northerly line of said 579.400 acre tract and a southerly line of said 100 acre tract, passing the southeast corner of said 100 acre tract, continuing on said course, a total distance of 1,884.13 feet to a 1/2-inch iron rod found for the northeast corner of said 579.400 acre tract, common to the northwest corner of said 1215.843 acre tract;

THENCE with the northerly line of said 1215.843 acre tract, the following Twelve (12) courses:

1. N89°01'13"E, a distance of 307.00 feet to a capped iron rod set;
2. N42°11'13"E, a distance of 694.59 feet to a capped iron rod set;
3. N48°56'13"E, a distance of 413.26 feet to 1/2-inch iron rod found;
4. N10°35'01"E, a distance of 275.42 feet to a capped iron rod set;
5. N74°49'01"E, a distance of 212.62 feet to a capped iron rod set;
6. N65°47'01"E, a distance of 282.00 feet to a 1/2-inch iron rod found;
7. N27°33'05" East, a distance of 1,073.55 feet to a capped iron rod set;
8. S87°13'55" East, a distance of 263.52 feet to a capped iron rod set;
9. S89°13'55" East, a distance of 127.00 feet to a capped iron rod set;
10. N89°38'05" East, a distance of 560.00 feet to a capped iron rod set;
11. N88°26'05" East, a distance of 917.00 feet to a capped iron rod set;
12. S86°02'55" East, a distance of 411.00 feet to nail found in County Road 58 for the northeast corner of said 1215.843 acre tract in the westerly line of a called 704.855 acre tract of land described as Tract 4, as conveyed to Rasor Family Ranch, LP, by deed of record recorded in Instrument No. 20071231001718360, said Official Public Records;

THENCE with the common lines of said 1215.843 acre tract and said 704.855 acre tract, the following Three (3) courses:

1. S01°39'02"E, in said County Road 58, a distance of 886.80 feet to an iron rod with a cap found for corner;
2. S56°53'31"E, continuing in said County Road 58, a distance of 657.24 feet to an iron rod with a cap found for corner;
3. S89°45'11"E, a distance of 627.65 feet to a 1/2-inch iron rod found for the eastern most northeast corner of said 1215.843 acre tract, common to the northwest corner of a called 115.412 acre tract of land described as Tract I, as conveyed to John Gough Rasor and Carl Cleveland Rasor, by deed of record in Volume 4337, Page 762, said Real Property Records;

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision, no survey was made on the ground and is based on recorded deeds only for a political subdivision.

06/29/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

2142.401 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

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X:\2021\21-0195\Dwg\21-0195 Zoning Notes North Tract 2.dwg

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

LEGAL DESCRIPTION (continued)

THENCE with the easterly line of said 1215.843 acre tract, the following Six (6) courses:

1. S01°19'43"W, a distance of 529.15 feet to a nail found in said County Road 58;
2. S00°48'42"W, continuing in said County Road 58 with the westerly lines of said 115.412 acre tract and a called 41.202 acre tract of land, as conveyed to Dallas Celina Land Partners LLC, by deed of record in Instrument No. 20080516000595410, said Official Public Records, passing at a distance of 3181.45 feet a 1/2-inch iron rod found for the southwest corner of said 41.202 acre tract, common to the northwest corner of a called 20.000 acre tract of land, as conveyed to Dani Home LLC, by deed of record in Instrument No. 20200116000071410, said Official Public Records, continuing on said course with the westerly line of said 20.000 acre tract, passing at a distance of 3614.89 feet a 1/2-inch iron rod found for the southwest corner of said 20.000 acre tract, common to the northwest corner of a called 20.707 acre tract of land, as conveyed to Shah Safi and Lailuma Safi, husband and wife, and Homayun Saif, by deed of record in Instrument No. 20100803000797400, said Official Public Records, continuing on said course with the westerly line of said 20.707 acre tract, a total distance of 3,775.00 feet to a nail set;
3. S01°03'35"W, continuing in said County Road 58, with the westerly line of said 20.707 acre tract, passing a 1/2-inch iron rod found at a distance of 282.20 feet for the southwest corner of said 20.707 acre tract, common to the northwest corner of a called 22.57 acre tract of land, as conveyed to Molly Ann Huie, by deed of record in Instrument No. 20110531000556580, said Official Public Records, continuing on said course with the westerly line of said 22.57 acre tract, continuing on course with the westerly line of said 22.57 acre tract, a total distance of 500.00 feet to a capped iron rod set on the south side of said County Road 58 for the western-most southwest corner of said 22.57 acre tract, common to the northwest corner of a called 19.274 acre tract of land, as conveyed to Ramon L. Carvajal, by deed of record in Volume 3484, Page 240, said Deed Records;
4. S00°49'35"W, with the 19.274 acre tract, a distance of 271.50 feet to a capped iron rod set;
5. S01°34'34"E, continuing with the westerly line of said 19.274 acre tract, a distance of 559.27 feet to an iron with a cap found for a salient corner in the easterly line of said 1215.843 acre tract, common to a re-entrant corner of said 19.274 acre tract;
6. N89°47'43"W, continuing with the westerly line of said 19.274 acre tract, a distance of 66.05 feet to an iron rod with a cap found for a re-entrant corner of said 1215.843 acre tract, common to a salient corner of said 19.274 acre tract;

THENCE S00°46'36"E, continuing with the westerly line of said 19.274 acre tract, at a distance of 271.42 feet passing an iron pipe found for the southwest corner of said 19.274 acre tract, common to the northwest corner of a called 155.26 acre tract of land described as Exhibit A-B, as conveyed to LMR Holdings, LTD, by deed of record in Instrument No. 20090213000158800, said Official Public Records, continuing on said course with the westerly line of said 155.26 acre tract, passing the eastern-most southeast corner of said 1215.843 acre tract, common to the northeast corner of said 161.910 are tract, continuing on said course with the easterly line of said 161.910 acre tract, a total distance of 3,152.31 feet to a 1/2-inch iron rod found for the southwest corner of said 155.26 acre tract, common to the northwest corner of said 66.862 acre tract;

THENCE S02°06'34"E, continuing with the easterly line of said 161.910 acre tract and with the westerly line of said 66.862 acre tract, a distance of 1,548.60 feet to the POINT OF BEGINNING and containing 2142.401 acres of land.

2142.401 ACRE TRACT OF LAND IN THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision, no survey was made on the ground and is based on recorded deeds only for a political subdivision.

06/29/2021

Robert Glen Maloy — Texas R.P.L.S. No. 6028

LANDPOINT
6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554-1805
www.landpoint.net
TBPELS REG. NO. 10194220

X:\2021\21-0195\Dwg\21-0195 Zoning Notes North Tract 2.dwg

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

LEGAL DESCRIPTION

Being all that certain 912.940 acre tract or parcel of land situated in the James Cumba Survey, Abstract No. 242, the J.W. Haynes Survey, Abstract No. 453, the Jeremiah Queen Survey, Abstract No. 733, the A.H. Gee Survey, Abstract No. 1104, the Jeremiah Queen Survey, Abstract No. 1111, the H. Cochran Survey, Abstract No. 191, the J. Ragsdale Survey, Abstract No. 735 and the German Emigration Co., Abstract No. 356, Collin County, Texas, being a part of that certain called 957.743 acre tract of land described in the deed to Dynavest joint Venture, recorded in Volume 2228, Page 1114, Deed Records, Collin County, Texas and being more particularly described by metes and bounds and follows:

BEGINNING at the Southeast corner of the tract being described herein at a railroad spike found in the approximate centerline of County Road 9 same being the north line of that certain called 12.01 acre tract of land described in the deed to Scot H. McDonald and Jill C. McDonald, recorded in Volume 4389, Page 4489, Deed Records, Collin County, Texas, from which a 1/2-inch iron rod found 30 feet north of the intersection of the centerline of County Road 9 and the west right-of-way line of F.M. Hwy 455 bears N88°46'55"E a distance of 2532.11 feet;

THENCE S89°45'01"W, a distance of 5375.00 feet to a point for the Southwest corner of said tract herein described;

THENCE N00°25'04"E, a distance of 32.89 feet to a point for the beginning of a curve to the right;

THENCE with said curve to the right, an arc length of 684.70 feet, a central angle of 07°05'39", a radius of 5530.00 feet and a chord that bears N03°56'53"E, a distance of 684.26 feet to a point at the end of said curve;

THENCE N07°29'26"E, a distance of 911.82 feet to a point for the beginning of a curve to the left;

THENCE with said curve to the left, an arc length of 725.80 feet, a central angle of 07°00'46", a radius of 5929.99 feet and a chord that bears N03°58'30"E, a distance of 725.35 feet to a point at the end of said curve;

THENCE N00°24'17"E, a distance of 7981.16 feet to a point for the Northwest corner of said tract herein described;

THENCE N48°06'14"E, a distance of 63.35 feet to a point for corner;

THENCE S52°54'18"E, a distance of 397.11 feet to a point for the beginning of a curve to the left;

THENCE with said curve to the left, an arc length of 329.19 feet, a central angle of 30°29'08", a radius of 618.70 feet and a chord that bears S68°08'52"E, a distance of 325.33 feet to a point at the end of said curve;
THENCE S83°19'47"E, a distance of 777.84 feet to a point for corner;

THENCE S83°18'24"E, a distance of 1453.60 feet to a point for the beginning on a curve to the right;

THENCE with said curve to the right, an arc length of 237.45 feet, a central angle of 10°39'00", a radius of 1277.43 feet and a chord that bears S77°59'38"E, a distance of 237.10 feet to a point at the end of said curve;

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

THENCE S72°40'08"E, a distance of 137.81 feet to a point for the most Northerly Northeast corner of said tract herein described;

THENCE S17°13'41"W, a distance of 100.82 feet to a point for corner;

THENCE S40°37'27"W, a distance of 414.21 feet to a point for corner;

THENCE S50°02'12"E, a distance of 174.16 feet to a point for corner;

THENCE S04°21'15"E, a distance of 103.17 feet to a point for corner;

THENCE S53°17'03"W, a distance of 256.14 feet to a point for corner;

THENCE S23°26'44"W, a distance of 269.21 feet to a point for corner;

THENCE S65°50'33"E, a distance of 178.82 feet to a point for corner;

THENCE S04°43'47"E, a distance of 193.80 feet to a point for corner;

THENCE S50°43'48"W, a distance of 169.49 feet to a point for corner;

THENCE S87°42'51"W, a distance of 172.47 feet to a point for corner;

THENCE S00°30'19"W, a distance of 762.96 feet to a point for corner;

THENCE N86°48'56"E, a distance of 1465.45 feet to a point for corner;

THENCE N89°21'10"E, a distance of 524.04 feet to a point for the most Easterly Northeast corner of said tract herein described, said point being in a curve to the left;

THENCE S03°11'58"W a distance of 40.85 feet to a point for corner;

THENCE with said curve to the left, an arc length of 569.36 fee, a central angle of 22°04'50", a radius of 1477.39 feet and a chord that bears S07°50'27"E, a distance of 565.84 feet to a point at the end of said curve;

THENCE S18°51'52"E, a distance of 357.17 feet to a point for corner;

THENCE S89°27'53"W, a distance of 974.48 feet to a point for corner;

THENCE S00°17'11"E, a distance of 1724.68 feet to a point for corner;

THENCE S00°56'38"E, a distance of 2951.35 feet to a point for corner;

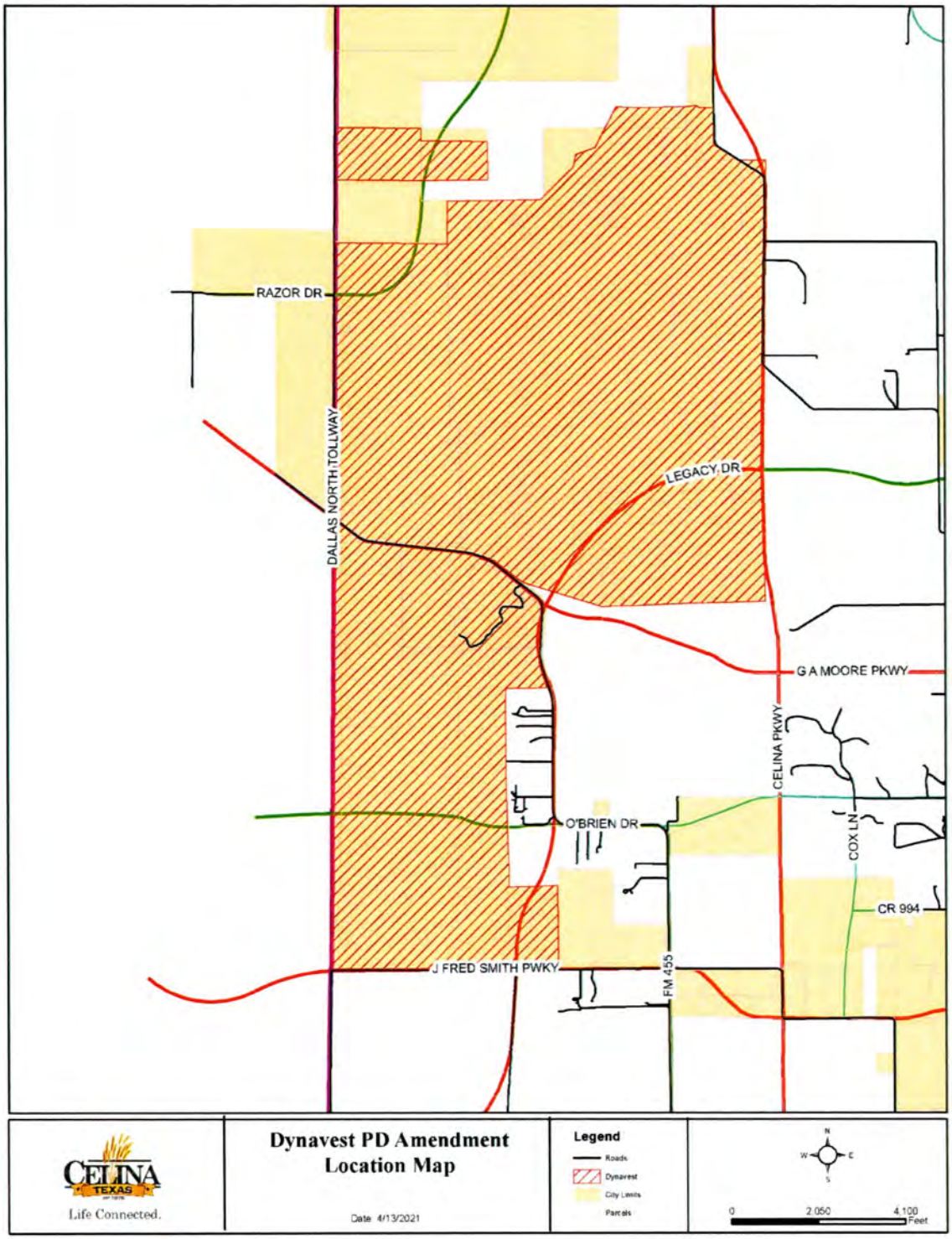
Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

THENCE N88°16'05"E, a distance of 1147.55 feet to a point for corner;

THENCE S01°29'07"E, a distance of 1961.95 feet to the POINT OF BEGINNING and containing 912.940 acres of land.

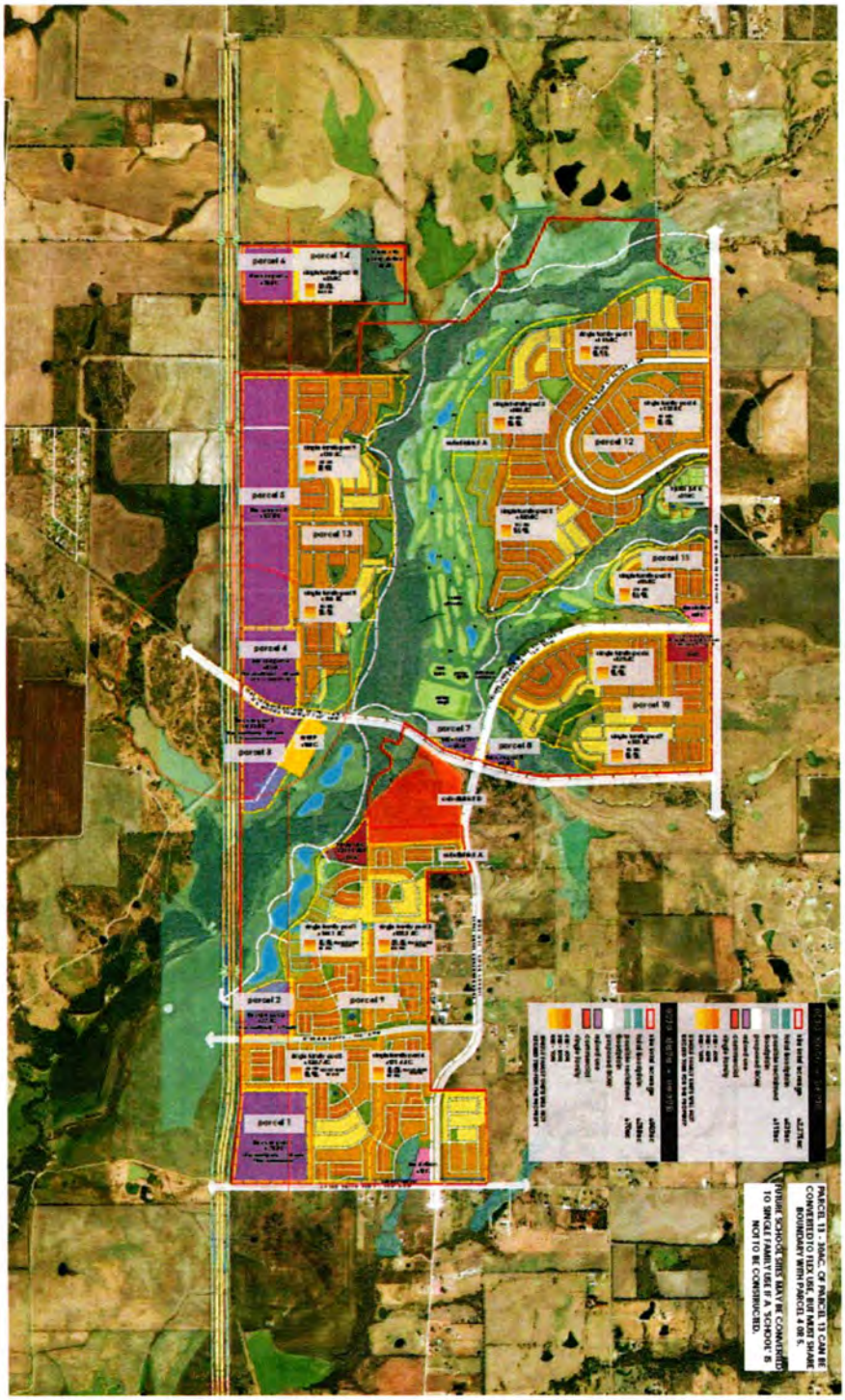
Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Exhibit B
Depiction of Property



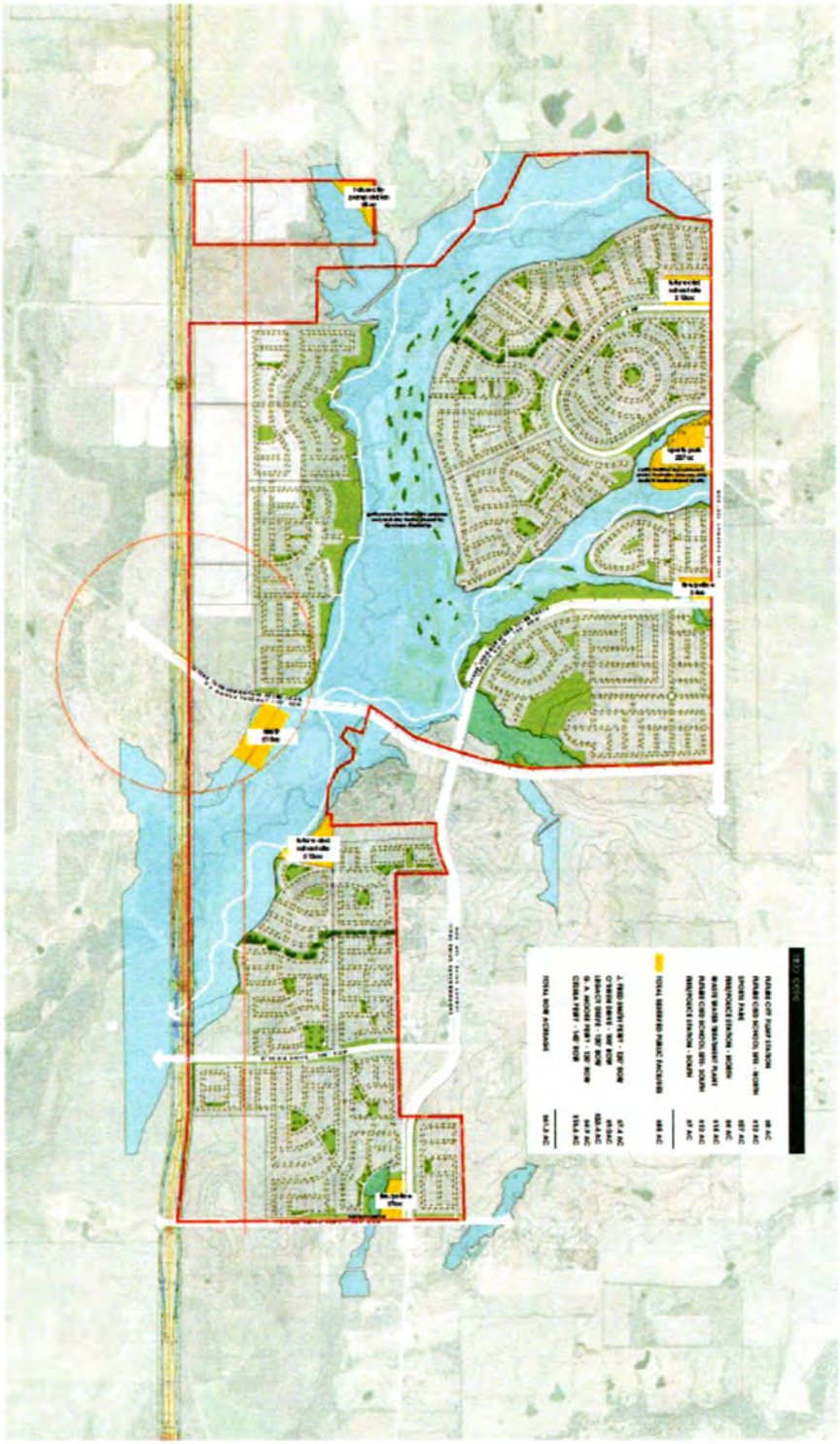
Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Exhibit C
Concept Plan



Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Exhibit D
Open Space Plan



Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Exhibit E
Development Regulations

Being approximately 3,268.6 acres generally located along the future expansion of Dallas North Tollway Phase 4B in Collin County, Celina, TX and as further described by metes and bounds and depicted in Exhibit 'A' attached hereto (the "Property"), this Planned Development Ordinance ("PD" or "Planned Development") provides the ability to encourage and accommodate the development of a variety of uses for the Property. These uses include commercial, retail, office, mixed-use and residential uses within the City of Celina.

It is the intent of this PD to amend Planned Development #117 and adopt the City's base zoning districts SF-R, C, Flex, MF-2, and MF-3 at set forth in the City regulations, together with the uses and development regulations as designated therein, subject to modifications in this PD. Any conflict between this PD and the Zoning Ordinance or Neighborhood Vision Book shall be resolved in favor of those regulations set forth in this PD, or as may be ascertained through the intent of this PD. Uses and development regulations which otherwise are not specifically modified in this PD shall be controlled by the Zoning Ordinance, as it may be amended from time to time.

This PD, and all attachments or exhibits, amends Planned Development #117 and supersedes any existing zoning, use and development regulations for the Property. The following development regulations shall apply to the entire Property and vary the Zoning Ordinance as set forth in this PD herein.

Concept Plan

The subject property shall generally develop per the Concept Plan attached as Exhibit 'B'. The Concept Plan displays the general location and configuration of land uses, arterials, and other area features. Minor modifications for pragmatic purposes are contemplated at time of plan review and permitting, and such modifications shall not be unreasonably withheld, subject to review and approval by the Director of Development Services. Major modifications, such as major relocations of various land uses, shall require a revision to the governing Planned Development (PD) district zoning. If the PD requires an amendment, either via text or exhibit, only the areas being amended, including Subdistricts or individual Parcels, must be noticed and included in the rezoning process.

The vision for the community includes extensive open space and amenities dispersed throughout the development, and activating the floodplain areas with concrete trails that preserve the public view of the natural beauty. Below are the required elements:

Open Space

1. Meaningful incorporation of open space in alignment with the Neighborhood Vision Book through use of pocket parks and activated open space throughout the community, per the Master Open Space Exhibit.
2. Parties will work together to create a Master Linear Park Plan to satisfy Park Dedication requirements, including determinations of private and public ownership and maintenance, along with a golf course or alternate public park improvements and amenities along the creek (if the golf course is not constructed).
3. The open space requirements for all SF-R tracts within the development for Subdistrict 'A' shall be a minimum of 10% open space within each 'Parcel', as shown on the Concept Plan attached as Exhibit B; provided, however, that other than the percentage of open space provided here, the development of the open space shall generally comply with the City's Neighborhood Vision Book.

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

4. Open space and neighborhood green space will not be required to build parking

Amenities

The amenities set forth herein satisfy all amenity requirements for the all SF-R tracts within the development for Subdistrict 'A'. Below are the required elements for the amenities:

1. A minimum of 7 amenity centers shall be dispersed throughout the development. There shall be a minimum of 5 amenity centers, each of which shall contain the following elements: a swimming pool, restrooms, shade structures, and a playscape area. In addition, there shall be a minimum of 2 large amenity centers, each of which shall contain the following elements: indoor air-conditioned space, restrooms, a swimming pool, and a playground.

2. Neighborhood Trails
   a. Developer agrees to construct or cause the construction of a network of neighborhood concrete trails with main spine trails being twelve feet (12') in width and side trails and connections being eight feet (8') in width, in conformance with the Master Parks & Trails Plan.

Zoning

The following development regulations shall apply to all of the Property, other than the portion known as Cow Mountain, which is Parcels 1-14 as shown on the Concept Plan ("Subdistrict A") and the portion of the Property known as Cow Mountain, which is Subdistrict B as shown on the Concept Plan ("Subdistrict B") and vary the Zoning Ordinance as set forth in this PD herein. The base zoning shall be per the land use categories displayed on the Concept Plan, and shall abide by the design standards of the City, as found in the Zoning Ordinance, Subdivision Ordinance, and other applicable regulations. The project shall abide by all City regulations, and as may be amended, except as follows:

1. **Subdistrict A - SF-R (Parcels 9-14)**
   Areas designated as Single Family Detached Residential may contain any detached single-family unit (including patio/zero-lot-line), or single-family attached, whereas the total Development Area density shall not exceed 6 (six) units per net developable acre or maximum of 7,000 lots as illustrated on the Concept Plan.

   The below lot mix shall govern the SF-R areas of Parcel 10, Parcel 11, Parcel 12, Parcel 13, and Parcel 14 of the development:

	Lot Type A	Lot Type B	Lot Type C
Min. Width	40'	50'	60'
Lot % (Min/Max)	(0/40)	N/A	(15/0)

   Parcel 9 shall not exceed 2,011 lots; provided, however, that such lot count may increase if any site reserved for CISD schools is converted to SF-R. The below lot mix shall govern the SF-R areas of Parcel 9 of the development:

	Lot Type A	Lot Type B	Lot Type C
Min. Width	40'	50'	60'
Lot % (Min/Max)	(0/45)	N/A	(10/0)

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

a. Any lot less than 50' in width shall be alley rear entry garage served, and any lot 50' in width or greater may be front entry garage.
b. Architectural flexibility shall be provided for roof pitches, modern color schemes (specifically white), and incorporation of stucco as an exterior building material, so long as the front façade's materials remain primarily brick/stone (except for 100% stucco homes attempting a Mediterranean style).
c. Sites reserved for CISD schools may develop as SF-R per the above lot mix if the school district fails to exercise rights within the development agreement.
d. Single family shall be allowed to encroach into the DNTO overlay as shown on the attached Concept Plan.
e. Any townhomes count against the 40's in the lot mix table.

2. **Subdistrict A - Flex Tracts (Parcels 1-8 and Parcel 13)**

The flex tracts are generally located along the Dallas North Tollway. These tracts may develop as Flex, MF-2 (Urban Edge multi-family), MF-3 (Urban Living multi-family), or C (Commercial, Office, & Retail). Parcels located within the Dallas North Tollway Overlay District shall comply with the Zoning Ordinance, except as provided herein.

a. C (Commercial, Office, Retail)

The City's base non-residential district anticipates a broad range of retail, office, and commercial land uses that are allowed within 100% of the Flex Tracts. Government facilities, medical office, hospital, general office, and childcare uses are allowed by right. A wholesale/distribution center requires an SUP. No less than 100 acres shall be reserved for commercial, office, and retail land uses along the DNT. 30 acres north of GA Moore in Parcel 13 may be converted to Flex if not used for single-family purposes.

b. MF-2 & MF-3 (Urban Edge & Urban Living)

The maximum number of multi-family units within the Flex Tracts of Subdistrict A shall not exceed 4,100 units and shall develop per the regulations of the MF-2 and MF-3 districts. The maximum density is 80 units per acre. "Dwelling, senior living, assisted living facility" and "Dwelling, senior living, advanced care" shall be allowed by Specific Use Permit in these Parcels, and such units shall not count towards the 4,100 maximum units as set forth herein. "Dwelling, senior living, independent living" shall be allowed by right in these Parcels, and such units shall count towards the 4,100 maximum units as set forth herein. The out-parcel commonly known as Cow Mountain (Subdistrict B below) shall not count toward the 4,100 units in Subdistrict A.

(i) Parcel (1) will not exceed 1,100 units
(ii) Parcel (2) will not exceed 432 units
(iii) Parcel (3) will not exceed 480 units
(iv) Parcel (4) will not exceed 480 units

c. Dallas North Tollway Overlay District (DNTO)

i. The following permitted uses are allowed by right within all Subzones, unless otherwise stated herein, of the Dallas North Tollway Overlay District:
   1. Alcohol sales, primary

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

2. Dwelling, senior living, independent living
3. Gas pumps/ fuel sales – Suburban Subzone only

ii. The following permitted uses are allowed by Specific Use Permit within all Subzones of the Dallas North Tollway Overlay District
1. Dwelling, senior living, assisted living facility
2. Dwelling, senior living, advanced care

iii. Single family residential is a prohibited use except as identified in Pod 3 and Pod 1 of Parcel 9 on the Concept Plan

3. **Subdistrict B.**
Subdistrict B is generally located at the SW corner of the intersection of G. A. Moore Pkwy and Legacy Drive. This tract may develop as MF-2 (Urban Edge multi-family), or MF-3 (Urban Living multi-family), or C (Commercial, Office, & Retail).

4. **Overall**
Some land uses are allowed in all areas, such as churches, schools, government facilities, and critical infrastructure necessary to serve the area.

5. **Architecture; Screening**
The subject Property is an architecturally, historically, and culturally significant tract of land that is meaningfully located along a principal regional waterway and along a regionally significant thoroughfare; thus, all structures shall abide by the City's architectural standards, landscape standards, screening standards, and neighborhood design, and as may be amended, except as set forth below.

a. **Screening**

i. Required screening between residential and non-residential or multifamily uses will be constructed by owners of non-residential or multifamily uses in accordance with City regulations and by owners of residential uses at time of vertical construction.

Attachment: Draft Ordinance (Ordinance Approving Final TIRZ No. 13PFP (Legacy Hills))

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Bella Lopez, Senior Planner
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: Dynavest (Legacy Hills) - TIRZ 380 Agreement

Action Requested:
Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina, MM Celina 3200, LLC and TIRZ No. 13 Board of Directors for Chapter 380 economic incentive funding using tax increment funds under Chapter 380 of the Texas Local Government code. (Dynavest (Legacy Hills) - TIRZ 380 Agreement) (Lopez)

Owner:
MM Celina Dynavest 3200, LLC
1800 Valley View Lane, Suite 300
Farmers Branch, TX 75234

Background Information:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Agreement

Staff Recommendation:
Staff recommends approval.

TIRZ NO. 13 ECONOMIC DEVELOPMENT AGREEMENT

This TIRZ No. 13 Economic Development Agreement (the "Agreement") is entered into as of the 28th day of September, 2021 (the "Effective Date"), by and between the **CITY OF CELINA, TEXAS**, a home-rule municipality situated in Collin and Denton Counties, Texas (the "City"), **MM CELINA 3200, LLC**, a Texas limited liability company (the "Developer"), and the **BOARD OF DIRECTORS** (the "Board") of Reinvestment Zone Number Thirteen, City of Celina, Texas (the "TIRZ") created pursuant to the provisions of Chapter 311, Texas Tax Code, as amended (the "Act").

RECITALS

WHEREAS, the City, the Developer, and the Board are sometimes collectively referenced in this Agreement as "Parties" or, each individually, as a "Party"; and

WHEREAS, the TIRZ was created pursuant to Ordinance No. 2021-74, adopted by the City Council of the City (the "City Council") on September 14, 2021, pursuant to the Act; and

WHEREAS, on October 13, 2021, pursuant to Ordinance No. _____, the City Council approved a Final Project and Finance Plan for the TIRZ (the "Project and Financing Plan"); and

WHEREAS, the boundaries of the TIRZ are described by metes and bounds and depicted on Exhibit "A" attached hereto and made a part hereof for all purposes (the "Property"); and

WHEREAS, the Project and Financing Plan provides for the collection of $0.10/$100 of the City's collected ad valorem tax increment based on the City's tax rate in effect on the date of the establishment of the TIRZ (i) for a period of up to thirty-six (36) years, or (ii) until the aggregate amount of the City's TIRZ increment placed into the TIRZ Fund, including interest on any balance, totals $106,494,281, whichever comes first; and

WHEREAS, the TIRZ Revenues are intended by the Board and the City to be dedicated to the payment of a Chapter 380 grant to the Developer as set forth in the Project and Finance Plan as consideration for the Developer's undertaking of a mixed use development for the Property (the "Development") as set forth in that certain Development, Settlement and Annexation Agreement between the City and Dynavest Joint Venture, a joint venture formed under the laws of the State of Texas with its principal place of business in Dallas, Texas, effective as of September 8, 2020, as amended by that certain First Amendment to Development, Settlement and Annexation Agreement between the City, the Developer, and North Parkway Municipal Management District No. 1 (the "MMD"), effective as of August 2, 2021, as amended by that certain Second Amendment to Development, Settlement and Annexation Agreement between the City, the Developer, and the MMD, and as may be amended from time to time (the "Development Agreement"); and

WHEREAS, Article III, Section 52-a of the Texas Constitution and Chapter 380 of Texas Local Government Code provide constitutional and statutory authority for establishing and administering the Program (hereinafter defined) to provide grants or incentives of public money to promote local economic development and to stimulate business and commercial activity in the City; and

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

WHEREAS, Article III, Section 52-a of the Texas Constitution provides that the development and diversification of the economy of the state is a public purpose; and

WHEREAS, the City has found that providing a grant of funds to Developer in exchange for Developer's undertaking of the Development will promote local economic development and stimulate business and commercial activity and create jobs within the City (the "Program"); and

WHEREAS, the City has determined that the Program will directly establish a public purpose and that all transactions involving the use of public funds and resources in the establishment and administration of the Program contain controls likely to ensure that public purpose is accomplished; and

WHEREAS, the Parties have agreed for the Developer to undertake the Development as set forth in the Development Agreement, and the Development Agreement and documents related to the TIRZ contain controls to ensure the public purpose is accomplished; and

WHEREAS, but for the Developer undertaking the Development, the TIRZ would not generate sufficient TIRZ increment to provide the grant to the Developer as set forth in the Project and Financing Plan; and

WHEREAS, pursuant to Section 311.010(h) of the Act, the Board may establish and provide for the administration of one or more programs, including the Program, for the public purposes of developing and diversifying the economy of the zone, eliminating unemployment and underemployment in the zone, and developing or expanding transportation, business, and commercial activity in the zone, including programs to make grants and loans from the tax increment fund of the zone in an aggregate amount not to exceed the amount of the tax increment produced by the municipality and paid into the tax increment fund for the zone for activities that benefit the zone and stimulate business and commercial activity in the zone, and the Board has all the powers of a municipality under Chapter 380, Texas Local Government Code; and

WHEREAS, the City and the Board intend for the TIRZ Revenues collected from the City ad valorem TIRZ increment to provide an economic development grant to the Developer pursuant to Chapter 380, Texas Local Government Code, as amended ("Chapter 380"), to be paid annually for the remaining balance of the monies in the TIRZ Fund after payment of TIRZ administrative expenses; and

WHEREAS, capitalized terms used but not defined herein shall have the meanings given to them in the Project and Financing Plan.

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 and agreed by the Parties, the Parties agree as follows:

ARTICLE I
THE DEVELOPMENT

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

Section 1.01. Completion of the Public Infrastructure. The City agrees to the construction and completion of the Public Infrastructure within the Development, which construction is authorized and provided for in the Development Agreement.

Section 1.02. Use of TIRZ Revenues. Obligation of the Board and the City to dedicate the TIRZ Revenues and commence payments of grant funds.

(a) The City and the Board agree to dedicate $0.10/$100 of the City's collected ad valorem tax increment based on the City's tax rate in effect on the date of the establishment of the TIRZ (i) for a period of up to thirty-six (36) years, or (ii) until the aggregate amount of the City's TIRZ increment placed into the TIRZ Fund, including interest on any balance, totals $106,494,281, whichever comes first.

(b) The City and the Board agree to allocate or dedicate the TIRZ Revenues collected from the City ad valorem TIRZ increment to the City, and such TIRZ Revenues shall be used in the following order of priority:

(i) First, to pay administrative expenses of the TIRZ;

(ii) Second, to provide a grant to the Developer in the form of a Chapter 380 grant each year on or before May 1. Such grant shall be provided as set forth in the Project and Financing Plan as consideration for the undertaking of the Development, which serves the public purpose of economic development under the Program. The grant is authorized by Article III, Section 52-a of the Texas Constitution, Chapter 380, and by Section 311.010(h) of the Act.

(c) Chapter 380 grant payments under item (iii) above to the Developer shall be contingent upon Developer's on-going compliance with the terms and conditions of the Development Agreement and 380 payments hereunder may be suspended during any period of non-compliance.

ARTICLE II

MISCELLANEOUS PROVISIONS

Section 2.01. Term. This Agreement shall be in force and effect from the date of execution hereof until the expiration of the term of the TIRZ, which is the earlier of: (i) thirty-six (36) years, or (ii) until the aggregate amount of the City's TIRZ increment placed into the TIRZ Fund, including interest on any balance, totals $106,494,281, whichever comes first.

Section 2.02 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; and (c) 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.

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

Section 2.03 Successors and Assigns. All covenants and agreements contained by or on behalf of the TIRZ in this Agreement shall bind its successors and assigns and shall inure to the benefit of the Developer and its successors and assigns. This Agreement and the right to monies available in the TIRZ Fund, including the grant, set forth herein may be assigned, from time to time and in whole or in part, by the Developer to any person or entity and collaterally assigned to any lender. The assignment must be in writing. A copy of the assignment shall be given to the City within thirty (30) days after such assignment; however, City consent to the assignment is not required. Upon any such assignment and notice to the City, Developer shall not be released from performing the duties or obligations that are assigned and that arise after the effective date of the assignment or the date that the City receives notice of the assignment, whichever later occurs; further, the Developer is not released from any liabilities that arose prior to the effective date or date of notice to the City, whichever later occurs, unless the City and the Board agree. The Developer's rights under this Agreement are a personal obligation and do not constitute a covenant running with the land.

Section 2.04 Notices. Any notice, submittal, 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 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:	City of Celina, Texas Attn: City Manager 142 N. Ohio Celina, Texas 75009
With a Copy to:	Julie Fort Messer, Fort, & McDonald, PLLC 6371 Preston Rd. Suite 200 Frisco, Texas 75034
To the Developer:	Mehrdad Moayedi MM CELINA 3200, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, TX 75234
With a Copy to:	J. Prabha Cinclair Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, TX 75234

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.

Section 2.05 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

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

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.

Section 2.06 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is necessary and required.

Section 2.07 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action of the City Council 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 and is duly authorized to do so. The Board represents and warrants that this Agreement has been approved by official action of the Board 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 Board has been and is 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 and is 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.

Section 2.08 Severability. This Agreement shall not be modified or amended except in writing signed by the Parties. 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.

Section 2.09 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 related to, arising out of, or brought in connection with this Agreement shall be in the Collin County State District Court.

Section 2.10 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 in 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.

Section 2.11 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.

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

Section 2.12 Complete Agreement. This Agreement embodies the entire Agreement between the Parties and cannot be varied or terminated except as set forth in this Agreement, or by written agreement of the City and the Developer expressly amending the terms of this Agreement.

Section 2.13 Consideration. This Agreement is executed by the Parties without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

Section 2.14 Developer Indemnification. In the event of any litigation challenging the validity or enforceability of this Agreement, Developer agrees to indemnify the City or the TIRZ Board, as applicable, for its reasonable attorneys' fees and costs spent on defending the validity or enforceability of the Agreement. Developer shall reimburse the City or the TIRZ Board for any grant payments that are made by the City or the TIRZ Board to the Developer, if such payments are deemed by a court with jurisdiction to be illegal or a violation of state or federal law.

[SIGNATURE PAGES FOLLOW]

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

EXECUTED BY THE PARTIES TO BE EFFECTIVE ON THE EFFECTIVE DATE:

CITY OF CELINA, TEXAS

By: _____
Name: Mindy Koehne
Title: Mayor Pro Tem

ATTEST:

By: _____
Name: Vicki Tarrant
Title: City Secretary

TIRZ NO. 13 BOARD:

REINVESTMENT ZONE NUMBER
THIRTEEN, CITY OF CELINA, TEXAS

By:_____
Name: Chad Anderson
Title: Chairman

ATTEST:

By:_____
Name: Vicki Tarrant
Title: City Secretary

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

DEVELOPER:

MM Celina 3200, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

EXHIBIT A

Metes and Bounds Description and Depiction of the TIRZ

Being a 3,132.302 acre tract of land situated in the John Davis Survey Abstract No. 254, the James Cumbia Survey Abstract No. 242, the Elias Alexander Survey Abstract No. 19, the Joab H. Bigss Survey Abstract No. 51, the Jeremiah Queen Survey, Abstract No. 733, the J.K. Worrall Survey Abstract No. 1036, the S.A. and M.G. RR Co. Survey, Abstract No. 876, the Phineas Newsom Survey, Abstract No. 665, the B.B.B. and C. RR Co. Survey Abstract No. 131, the Henry Cochran Survey Abstract No. 192, the Stillman B. Rice Survey Abstract No. 1054 and the J.F. Smiley Survey Abstract No. 869, being all of a called 161.910 acre tract of land described as Tract No. 2, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 125, Deed Records of Collin County, Texas, all of a called 1215.843 acre tract of land, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 110, said Deed Records, the remainder of a called 218.360 acre tract of land described as Tract No. 1, as conveyed to Dynavest Joint Ventures by deed of record in Volume 228, Page 125, said Deed Records, and the remainder of a called 579.400 acre tract of land described as Tract II, as conveyed in the deed to Dynavest Joint Ventures by deed of record in Volume 2288, Page 119, said Deed Records, and being more particularly described as follows:

BEGINNING at an iron pipe found for the southeast corner of said 161.910 acre tract, common to a salient corner in the west line of a called 66.862 acre tract of land described as Tract 1, as conveyed to Pilatus Investments, LLC, by deed of record in Instrument No. 20210325000596590, Official Public Records of Collin County, Texas, and in the northerly line of a called 174.64 acre tract of land described as Tract 5, as conveyed to Ownsby 1880 Farms, LTD, by deed of record in Volume 4332, Page 1047, Real Property Records of Collin County, Texas;

THENCE S88°58'02”W, with the southerly line of said 161.910 acre tract and the northerly line of said 174.64 acre tract, a distance of 3875.51 feet to an iron rod with a cap found for the Southwest corner of said 161.910 acre tract, common to the northwest corner of said 174.64 acre tract and in an easterly line of said 1215.843 acre tract;

THENCE S01°04'44”E, with the easterly line of said 1215.843 acre tract and the westerly line of said 174.64 acre tract, a distance of 63.89 feet to an iron rod with a cap found for the most southerly southeast corner of said 1215.843 acre tract;

THENCE N73°55'39”W, with a southerly line of said 1215.843 acre tract, passing the southwest corner of said 1215.843 acre tract, common to the southeast corner of southeast corner of said 218.360 acre tract, continuing on said course with the southerly line of said 218.360 acre tract a total distance of 1830.27 feet to an iron rod with a cap found for a salient corner in the southerly line of said 218.360 acre tract and in the northeasterly right-of-way line of F.M. Highway 455;

THENCE with the southerly line of said 218.360 acre tract and the northeasterly right-of-way line of said F.M. Highway 455, the following Three (3) courses:

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

1. N16°00'52”E, a distance of 40.00 feet to an iron rod with a cap found for corner;

2. N74°36'15”W, a distance of 192.09 feet to a point for corner;

3. N51°44'59”W, passing at a distance of 8.26 feet an iron rod with a cap found, continuing on said course, a total distance of 626.29 feet to 5/8-inch iron rod with a cap stamped “Landpoint” set (hereinafter referred to as capped iron rod set) at the southeast corner of a tract of land described as Parcel 1, as conveyed to State of Texas by deed of record in Instrument No. 2005-0062934, said Official Public Records;

THENCE continuing with the northeasterly right-of-way line of said F.M. Highway 455 and the northeasterly line of said Parcel 1, the following Three (3) courses:

1. N38°19'50"E, a distance of 10.12 feet to a capped iron rod set for corner;

2. N47°51'38”W, a distance of 256.41 feet to a capped iron rod set for at the beginning of non-tangential curve the left;

3. Along said non-tangential curve to the left having a radius of 1,130.00 feet, an arc length of 222.00 feet, a delta angle of 11°15'23”, a chord bearing of N61°45'58”W, and a distance of 221.64 feet to a 1/2-inch iron rod found at a 6-inch wood right-of-way monument for the point of tangency;

THENCE S17°13'41"W, leaving the said northeasterly right-of-way line of said F.M. Highway 455 and the northeasterly line of said Parcel 1, a distance of 267.36 feet to a point for corner;

THENCE S40°37'27"W, a distance of 414.21 feet to a point for corner;

THENCE S50°02'12"E, a distance of 174.16 feet to a point for corner;

THENCE S04°21'15"E, a distance of 103.17 feet to a point for corner;

THENCE S53°17'03"W, a distance of 256.14 feet to a point for corner;

THENCE S51°53'58"W, a distance of 107.37 feet to a point for corner;

THENCE S21°48'09"W, a distance of 97.62 feet to a point for corner;

THENCE S06°43'01"W, a distance of 48.67 feet to a point for corner;

THENCE S39°44'41"W, a distance of 87.61 feet to a point for corner;

THENCE S27°53'00"W, a distance of 337.61 feet to a point for corner;

THENCE S62°34'37"E, a distance of 122.61 feet to a point for corner;

THENCE S00°30'19"W, a distance of 1063.09 feet to a point for corner;

THENCE N86°48'50"E, a distance of 1289.24 feet to a point for corner;

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

THENCE S89°27'53"W, a distance of 116.62 feet to a point for corner;

THENCE S00°17'11"E, a distance of 1724.68 feet to a point for corner;

THENCE S00°56'38"E, a distance of 2951.35 feet to a point for corner;

THENCE N88°16'05"E, a distance of 1147.55 feet to a point for corner;

THENCE S01°29'07"E, a distance of 1961.95 feet to a point for corner;

THENCE S89°45'01"W, a distance of 5375.00 feet to a point for the Southwest corner of said tract herein described;

THENCE N00°25'04"E, a distance of 32.89 feet to a point for the beginning of a curve to the right;

THENCE with said curve to the right, an arc length of 684.70 feet, a central angle of 07°05'39", a radius of 5530.00 feet and a chord that bears N03°56'53"E, a distance of 684.26 feet to a point at the end of said curve;

THENCE N07°29'26"E, a distance of 911.82 feet to a point for the beginning of a curve to the left;

THENCE with said curve to the left, an arc length of 725.80 feet, a central angle of 07°00'46", a radius of 5929.99 feet and a chord that bears N03°58'30"E, a distance of 725.35 feet to a point at the end of said curve;

THENCE N00°24'17"E, a distance of 7981.16 feet to a point for the corner;

THENCE N00°26'50"E, continuing with the easterly right-of-way line of said North Texas Tollway Authority County Road Parcel 42-9 NBSR-1, a distance of 6,459.92 feet to a capped iron rod set for the northeast corner of said Parcel 42-9 NBSR-1 in a northerly line of said 579.400 acre tract and in the southerly line of a called 100 acre tract of land as conveyed to Marvin L. Bunch or Linda K. Rodgers, Trustee of the Bunch Living Trust, by deed of record in Volume 5843, Page 1120, said Deed Records;

THENCE N00°25'53"E, continuing with the said easterly right-of-way line, a distance of 311.13 feet to a point for the corner;

THENCE S89°30'00" East, with the northerly line of said 579.400 acre tract and the southerly line of said 100 acre tract, a distance of 1826.10 feet to a point for the corner;

THENCE N00°18'32"E, crossing a remainder of a called 100 acre tract of land conveyed to Marvin L. Bunch or Linda K. Rodgers, Trustee of The Bunch Living Trust, recorded in Volume 5843, Page 1120, Official Public Records of Collin County, Texas, a distance of 1480.32 feet to a point for the corner;

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THENCE S89°50'48"W, along the South line of a called 100.474 acre tract of land, conveyed to Dynavest Joint Venture, recorded in Volume 2288, Page 119, Official Public Records of Collin County, Texas, a distance of 1822.62 feet to a point for the corner;

THENCE N00°26'50"E, along the West line of said 100.474 acre tract of land, a distance of 1213.34 feet to a point for the corner;

THENCE S89°47'54"E, along the North line of said 100.474 acre tract of land, a distance of 3411.58 feet to a point for the corner;

THENCE S00°41'47"E, along the East line of said 100.474 acre tract of land, a distance of 1192.20 feet to a point for the corner;

THENCE S89°50'48"W, along the said South line of said 100.474 acre tract of land, a distance of 1592.91 feet to a point for the corner;

THENCE S00°18'38"W, leaving the said 100.474 acre tract of land and crossing through said 100 acre tract of land conveyed to Marvin L. Bunch or Linda K. Rodgers, Trustee of The Bunch Living Trust, a distance of 1480.55 feet to a point for the corner;

THENCE S89°30'00" East, with the northerly line of said 579.400 acre tract and the southerly line of said 100 acre tract, a distance of 630.52 feet to an iron rod with a cap found for corner;

THENCE N00°46'50"E, with a westerly line of said 579.400 acre tract and an easterly line of said 100 acre tract, a distance of 1,013.39 feet to an iron rod with a cap found for corner;

THENCE N89°53'37"E, with a northerly line of said 579.400 acre tract and a southerly line of said 100 acre tract, passing the southeast corner of said 100 acre tract, continuing on said course, a total distance of 1,884.13 feet to a 1/2-inch iron rod found for the northeast corner of said 579.400 acre tract, common to the northwest corner of said 1215.843 acre tract;

THENCE with the northerly line of said 1215.843 acre tract, the following Twelve (12) courses:

1. N89°01'13"E, a distance of 307.00 feet to a capped iron rod set;
2. N42°11'13"E, a distance of 694.59 feet to a capped iron rod set;
3. N48°56'13"E, a distance of 413.26 feet to 1/2-inch iron rod found;
4. N10°35'01"E, a distance of 275.42 feet to a capped iron rod set;
5. N74°49'01"E, a distance of 212.62 feet to a capped iron rod set;
6. N65°47'01"E, a distance of 282.00 feet to a 1/2-inch iron rod found;
7. N27°33'05" East, a distance of 1,073.55 feet to a capped iron rod set;
8. S87°13'55" East, a distance of 263.52 feet to a capped iron rod set;
9. S89°13'55" East, a distance of 127.00 feet to a capped iron rod set;
10. N89°38'05" East, a distance of 560.00 feet to a capped iron rod set;

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11. N88°26'05" East, a distance of 917.00 feet to a capped iron rod set;

12. S86°02'55" East, a distance of 411.00 feet to nail found in County Road 58 for the northeast corner of said 1215.843 acre tract in the westerly line of a called 704.855 acre tract of land described as Tract 4, as conveyed to Rasor Family Ranch, LP, by deed of record recorded in Instrument No. 20071231001718360, said Official Public Records;

THENCE with the common lines of said 1215.843 acre tract and said 704.855 acre tract, the following Three (3) courses:

1. S01°39'02"E, in said County Road 58, a distance of 886.80 feet to an iron rod with a cap found for corner;

2. S56°53'31"E, continuing in said County Road 58, a distance of 657.24 feet to an iron rod with a cap found for corner;

3. S89°45'11"E, a distance of 627.65 feet to a 1/2-inch iron rod found for the eastern most northeast corner of said 1215.843 acre tract, common to the northwest corner of a called 115.412 acre tract of land described as Tract I, as conveyed to John Gough Rasor and Carl Cleveland Rasor, by deed of record in Volume 4337, Page 762, said Real Property Records;

THENCE with the easterly line of said 1215.843 acre tract, the following Eight (8) courses:

1. S01°19'43"W, a distance of 529.15 feet to a nail found in said County Road 58;

2. S00°48'42"W, continuing in said County Road 58 with the westerly lines of said 115.412 acre tract and a called 41.202 acre tract of land, as conveyed to Dallas Celina Land Partners LLC, by deed of record in Instrument No. 20080516000595410, said Official Public Records, passing at a distance of 3181.45 feet a 1/2-inch iron rod found for the southwest corner of said 41.202 acre tract, common to the northwest corner of a called 20.000 acre tract of land, as conveyed to Dani Home LLC, by deed of record in Instrument No. 20200116000071410, said Official Public Records, continuing on said course with the westerly line of said 20.000 acre tract, passing at a distance of 3614.89 feet a 1/2-inch iron rod found for the southwest corner of said 20.000 acre tract, common to the northwest corner of a called 20.707 acre tract of land, as conveyed to Shah Safi and Lailuma Safi, husband and wife, and Homayun Saif, by deed of record in Instrument No. 20100803000797400, said Official Public Records, continuing on said course with the westerly line of said 20.707 acre tract, a total distance of 3,775.00 feet to a nail set;

3. S01°03'35"W, continuing in said County Road 58, with the westerly line of said 20.707 acre tract, passing a 1/2-inch iron rod found at a distance of 282.20 feet for the southwest corner of said 20.707 acre tract, common to the northwest corner of a called 22.57 acre tract of land, as conveyed to Molly Ann Huie, by deed of record in Instrument No. 20110531000556580, said Official Public Records, continuing on said course with the westerly line of said 22.57 acre tract, continuing on course with the westerly line of said 22.57 acre tract, a total distance of 500.00 feet to a capped iron rod set on the south side of said County Road 58 for the western-most southwest corner of said 22.57 acre tract, common to the northwest corner of a called 19.274 acre tract of

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

land, as conveyed to Ramon L. Carvajal, by deed of record in Volume 3484, Page 240, said Deed Records;

4. S00°49'35"W, with the 19.274 acre tract, a distance of 271.50 feet to a capped iron rod set;

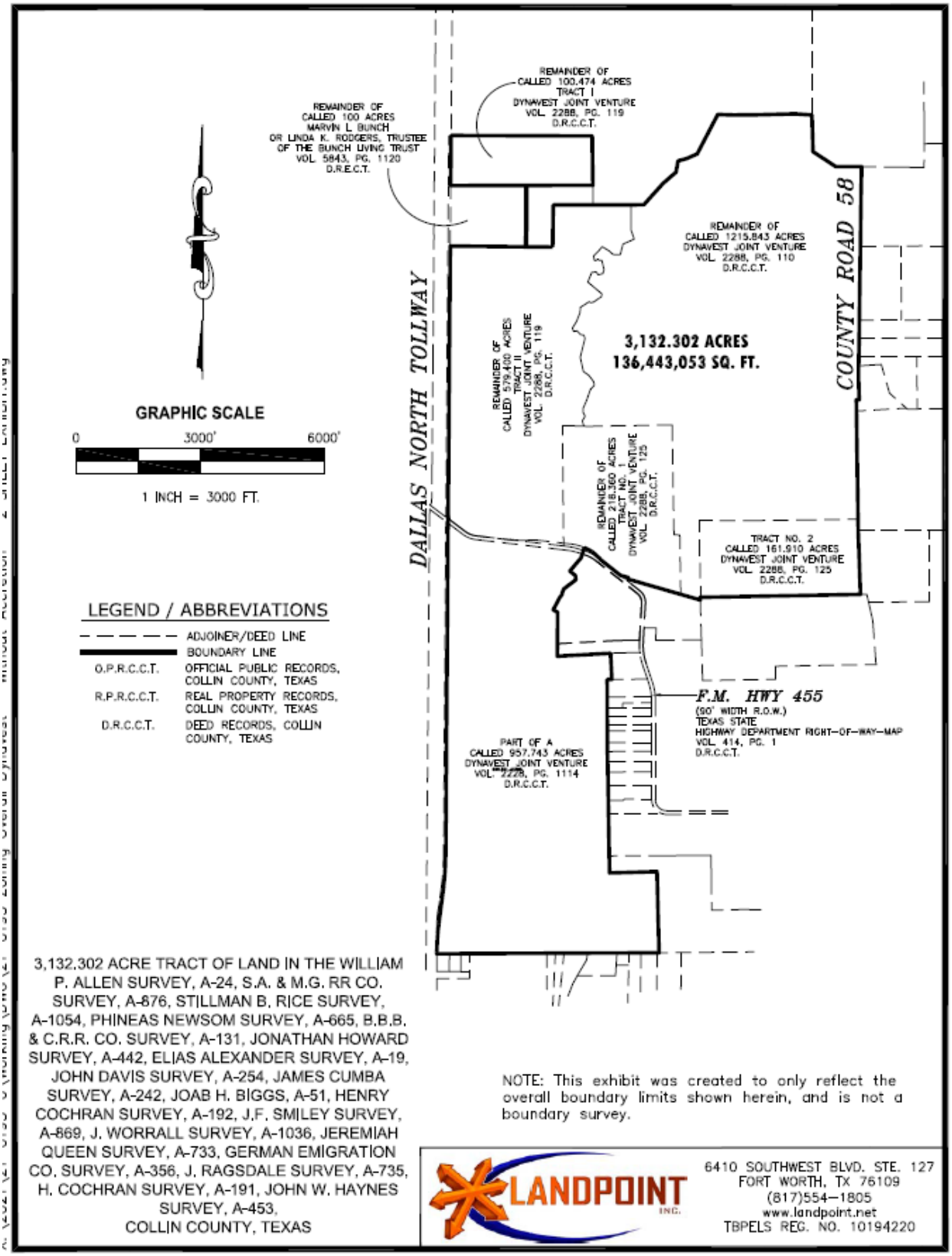
5. S01°34'34"E, continuing with the westerly line of said 19.274 acre tract, a distance of 559.27 feet to an iron with a cap found for a salient corner in the easterly line of said 1215.843 acre tract, common to a re-entrant corner of said 19.274 acre tract;

6. N89°47'43"W, continuing with the westerly line of said 19.274 acre tract, a distance of 66.05 feet to an iron rod with a cap found for a re-entrant corner of said 1215.843 acre tract, common to a salient corner of said 19.274 acre tract;

7. S00°46'36"E, continuing with the westerly line of said 19.274 acre tract, at a distance of 271.42 feet passing an iron pipe found for the southwest corner of said 19.274 acre tract, common to the northwest corner of a called 155.26 acre tract of land described as Exhibit A-B, as conveyed to LMR Holdings, LTD, by deed of record in Instrument No. 20090213000158800, said Official Public Records, continuing on said course with the westerly line of said 155.26 acre tract, a total distance of 3,152.31 feet to a 1/2-inch iron rod found for the southwest corner of said 155.26 acre tract, common to the northwest corner of said 66.862 acre tract;

8. S02°06'34"E, with the westerly line of said 66.862 acre tract, a distance of 1,548.60 feet to the POINT OF BEGINNING and containing 3,132.302 acres of land.

Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)



Attachment: Draft Agreement (Dynavest (Legacy Hills) - TIRZ 380 Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Hillside Village - PID Dissolution - Petition

Action Requested:
Consider and act upon a resolution of the City of Celina, Texas, accepting a petition seeking the dissolution of the existing Hillside Village Public Improvement District, and calling for a public hearing for the City Council's November 9, 2021 meeting. (Hillside Village – PID Dissolution – Petition) (Lopez)

Background Information:
Please refer to the attached resolution for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Resolution

Staff Recommendation:
Staff recommends approval.

CITY OF CELINA, TEXAS
RESOLUTION NO. __

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, ACCEPTING A PETITION TO DISSOLVE THE HILLSIDE VILLAGE PUBLIC IMPROVEMENT DISTRICT SUBJECT TO THE CREATION OF A NEW PUBLIC IMPROVEMENT DISTRICT FOR THE HILLSIDE VILLAGE DEVELOPMENT WITHIN THE CORPORATE LIMITS OF THE CITY OF CELINA; AND CALLING FOR A PUBLIC HEARING REGARDING THE PROPOSED DISSOLUTION; AND AUTHORIZING THE ISSUANCE OF NOTICE BY THE CITY SECRETARY OF CELINA, TEXAS REGARDING THE PUBLIC HEARING.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "***Act***") authorizes the creation of public improvement districts; and

WHEREAS, on August 10, 2021, the City Council (the "***City Council***") of the City of Celina, Texas (the "***City***") authorized the creation of the Hillside Village Public Improvement District (the "***District***") by approving Resolution No. 2021-59R in accordance with the Act; and

WHEREAS, on September 28, 2021, the owners of real property delivered to the City of Celina, Texas a petition (the "***Dissolution Petition***"), which is attached hereto as **Exhibit A** and is incorporated herein for all purposes, requesting the City Council dissolve the District, subject to the creation of a new public improvement district for the Hillside Village development consisting of approximately 71.336 acres as described in that certain "*Petition for the Creation of a Public Improvement District within the City of Celina, Texas, for the Hillside Village Development*" submitted to the City on September 28, 2021; and

WHEREAS, the Dissolution Petition was signed by: (i) the owners of taxable real property representing more than fifty percent (50%) of the appraised value of the taxable real property liable for assessment, as determined by the current roll of the Collin County Appraisal District, and (ii) the record owners of real property who: (A) constitute more than fifty percent (50%) of all record owners of property that is liable for assessment within the District; or (B) own taxable real property that constitutes more than fifty percent (50%) of the area of all taxable real property that is liable for assessment; and

Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

WHEREAS, as provided by Section 372.011 of the Act, the City Council may hold a public hearing on the advisability of dissolving the District in the same manner as a public hearing under Section 372.009 of the Act if a petition requesting dissolution meeting the requirements of the Act is filed in accordance with the Act; and

WHEREAS, the City Council wishes to accept the Dissolution Petition and call a public hearing on the advisability of dissolving the District subject to the creation of a new public improvement district for the Hillside Village development.

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

Section 1. The findings set forth in the recitals of this Resolution are found to be true and correct and are hereby approved and incorporated by reference as though fully set forth herein.

Section 2. City staff reviewed the Dissolution Petition and determined that the same complied with the requirements of the Act; and, the City Council accepts the Dissolution Petition. The Petition is filed in the office of the City Secretary and is available for public inspection.

Section 3. The City Council calls a public hearing to be scheduled at or after 5:00 p.m. on November 9, 2021, to be held at 112 N. Colorado Street, Celina, Texas on the advisability of dissolving the District subject to creation of a new public improvement district for the Hillside Village development. Attached hereto as **Exhibit B** is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved. All residents and property owners within the district, and all other persons, are hereby invited to appear in person, or by their attorney, and speak on the dissolution of the District. Following adjournment of the public hearing the City Council may dissolve the District.

Section 4. The City Council hereby authorizes and directs the City Secretary, on or before October 22, 2021, in accordance with the Act, to: (a) publish notice of the public hearing in a newspaper of general circulation in the City on October 18, 2021; and, (b) mail notice of the public hearing to the owners of property located in the proposed District as reflected on the tax rolls.

Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

Section 5. If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the City Council hereby determines that it would have adopted this Resolution without the invalid provision.

Section 6. This Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

[*Remainder of page left blank intentionally.*]

Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

PASSED AND APPROVED THIS THE 12th DAY OF OCTOBER, 2021.

CITY OF CELINA, TEXAS

_____

SEAN TERRY, MAYOR

ATTEST:

_____

VICKI TARRANT, CITY SECRETARY

Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

EXHIBIT A
DISSOLUTION PETITION

PETITION FOR THE DISSOLUTION OF THE HILLSIDE VILLAGE PUBLIC IMPROVEMENT DISTRICT WITHIN THE CITY OF CELINA, TEXAS, SUBJECT TO THE CREATION OF A NEW PUBLIC IMPROVEMENT DISTRICT FOR THE HILLSIDE VILLAGE DEVELOPMENT

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CELINA, TEXAS, COLLIN COUNTY, TEXAS:

Celina Land Investors, Ltd., a Texas limited partnership ("Owner"), is the owner of the approximately 71.314 acres described by metes and bounds on **Exhibit A** and depicted on **Exhibit B** (the "Property") that lies within the boundaries of the Hillside Village Public Improvement District (the "Existing District") related to the development known as "Hillside Village" (the "Development"). The City Council of the City of Celina, Texas (the "City") created the Existing District by Resolution No. 2021-59R adopted on August 10, 2021, pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act").

Concurrently with this petition (the "Dissolution Petition"), Owner submitted and filed with the City Secretary of the City a "Petition for the Creation of a Public Improvement District Within the City of Celina, Texas, for Hillside Village Development", dated September 28, 2021 (the "PID Creation Petition") requesting the creation of a public improvement district related to the Development and consisting of all of the Property and adding approximately 0.22 acres that was unintentionally excluded from the Existing District due to a surveying error. The property consisting of the 71.336 acres to be included in the new public improvement district (the "New District") is described and depicted in the exhibits to the PID Creation Petition. Owner, pursuant to Section 372.011 of the Act and subject to the creation of the New District as described in the PID Creation Petition, hereby respectfully petitions the City, to dissolve the Existing District after a public hearing meeting the requirements of Sections 372.009 and 372.011 of the Act.

This Dissolution Petition has been signed by (1) the owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and (2) record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.

Exhibits referenced in this Dissolution Petition are attached hereto and made a part hereof for all purposes.

[*Remainder of page left blank intentionally. Signature page follows.*]

Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

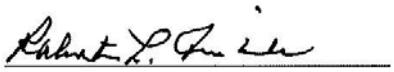
EXHIBIT A
DISSOLUTION PETITION

RESPECTFULLY SUBMITTED, on this the 28th day of September, 2021.

OWNER:

CELINA LAND INVESTORS, LTD

By: Catlyn Celina GP, LLC
its General Partner

By: 

Name: Robert L. Trimble

Title: Manager

Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

EXHIBIT A
DISSOLUTION PETITION

Exhibit A
Metes and Bounds Description of the Property
(approximately 71.314 acres)

BEING A 71.314 ACRE TRACT OF LAND SITUATED IN THE COLLIN COUNTY SCHOOL LAND SURVEY # 14, ABSTRACT NO. 167, CITY OF CELINA, COLLIN COUNTY, TEXAS, AND BEING ALL OF A 71.296 ACRE TRACT OF LAND, CONVEYED TO CELINA LAND INVESTORS, LTD., AS RECORDED IN COUNTY CLERK'S FILE NO. 20150116000051930, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS. SAID 71.314 ACRE TRACT, WITH BEARING BASIS BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE NAD83, (NAD83 (2011) EPOCH 2010), DETERMINED BY GPS OBSERVATIONS, CALCULATED FROM COLLIN CORS ARP (PID-DF8982), AND DENTON CORS ARP (PID-DF8986), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD WITH CAP STAMPED "SHIELDS" FOUND FOR THE NORTHWEST CORNER OF SAID 71.296 ACRE TRACT AND THE COMMON NORTHEAST CORNER OF A 3.50 ACRE TRACT OF LAND CONVEYED TO AL-RAZA ENTERPRISES INC., AS RECORDED IN COUNTY CLERK'S FILE NO. 20080312000296050, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS. SAID POINT BEING ON THE SOUTH LINE OF LOT 3R-1, BLOCK A OF THE REPLAT OF CELINA TOWN CENTER ADDITION-PHASE 2, AN ADDITION TO THE CITY OF CELINA, AS RECORDED IN COUNTY CLERK'S FILE NO. 20140312010000780, IN CABINET 2014, PAGE 117, AND IN SLIDE 9415-1-2, PLAT RECORDS, COLLIN COUNTY, TEXAS;

THENCE, NORTH 89 DEGREES 09 MINUTES 16 SECONDS EAST, ALONG THE NORTH LINE OF SAID 71.296 ACRE TRACT AND THE COMMON SOUTH LINE OF SAID LOT 3R-1, BLOCK A, THE SOUTH LINE OF LOT 6, BLOCK A OF CELINA TOWN CENTER ADDITION, PHASE 2, AN ADDITION TO THE CITY OF CELINA, AS RECORDED IN COUNTY CLERK'S FILE NO. 20070803010002610, IN CABINET 2007, PAGE 393, AND IN SLIDE 9415, PLAT RECORDS, COLLIN COUNTY, TEXAS, AND THE SOUTH LINE OF A 9.831 ACRE TRACT OF LAND CONVEYED AS "TRACT 2" TO CELINA COMMERCIAL INVESTMENTS, LLC., AS RECORDED IN COUNTY CLERK'S FILE NO. 20191101001383960, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A DISTANCE OF 1237.36 FEET TO A 1/2" IRON ROD FOUND FOR THE NORTHEAST CORNER OF SAID 71.296 ACRE TRACT AND THE COMMON SOUTHEAST CORNER OF SAID "TRACT2". SAID POINT BEING ON THE WEST LINE OF A 2.74 ACRE TRACT OF LAND CONVEYED TO ROBERT C. LOFTICE, AS RECORDED IN COUNTY CLERK'S FILE NO. 19940404000314370, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS AND BEING WITHIN COUNTY ROAD NO. 89, (PRESCRIPTIVE RIGHT-OF-WAY);

THENCE, SOUTH 00 DEGREES 52 MINUTES 36 SECONDS EAST, ALONG THE EAST LINE OF SAID 71.296 ACRE TRACT AND THE COMMON WEST LINE SAID 2.74 ACRE TRACT, A 5.000 ACRE TRACT OF LAND CONVEYED TO MRN SQUARED, LLC, AS RECORDED IN COUNTY CLERK'S FILE NO. 20210210000284360, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A 6.000 ACRE TRACT OF LAND CONVEYED TO BILLY JOHN CARTER, JR. AND RITA S. CARTER, AS RECORDED IN COUNTY CLERK'S FILE NO. 19960415000307290, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A 5.000 ACRE TRACT OF LAND CONVEYED TO BILLY JOHN CARTER, JR. AND RITA S. CARTER, AS RECORDED IN COUNTY CLERK'S FILE NO. 20060112000054370, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A 5.000 ACRE TRACT OF LAND CONVEYED TO DALA A. BRUTON AND TAMARA D. BRUTON, AS RECORDED COUNTY CLERK'S FILE NO. 20040907001319390, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A 5.572 ACRE TRACT OF LAND CONVEYED TO PAUL A. DAVIS, AS RECORDED IN COUNTY CLERK'S FILE NO. 20040615000873230 OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, AND A 5.84 ACRE TRACT OF LAND CONVEYED TO VERA LUCILLE JINKS, AS RECORDED IN VOLUME 1102, PAGE 761, DEED RECORDS, COLLIN COUNTY, TEXAS, WITH SAID COUNTY ROAD NO. 89, A DISTANCE OF 2499.93 FEET TO A 5/8" IRON ROD FOUND FOR THE SOUTHEAST CORNER OF SAID 71.296 ACRE TRACT AND THE COMMON NORTHEAST CORNER OF A 77.694 ACRE TRACT OF LAND CONVEYED TO VERA LUCILLE JINKS, AS RECORDED IN VOLUME 1102, PAGE 752, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE, SOUTH 89 DEGREES 22 MINUTES 07 SECONDS WEST, ALONG THE SOUTH LINE OF SAID 71.296 ACRE TRACT AND THE COMMON NORTH LINE OF SAID 77.694 ACRE TRACT, WITH THE APPROXIMATE CENTER OF SAID COUNTY ROAD NO. 89, A DISTANCE OF 1250.18 FEET TO A 3/8" IRON ROD FOUND, (BENT) FOR THE SOUTHWEST CORNER OF SAID 71.296 ACRE TRACT AND THE COMMON SOUTHEAST CORNER OF A 20.00 ACRE TRACT OF LAND CONVEYED TO SUMMIT CENTER AT PRESTON, LLC., AS RECORDED IN COUNTY CLERK'S FILE NO. 20130708000945990, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS;

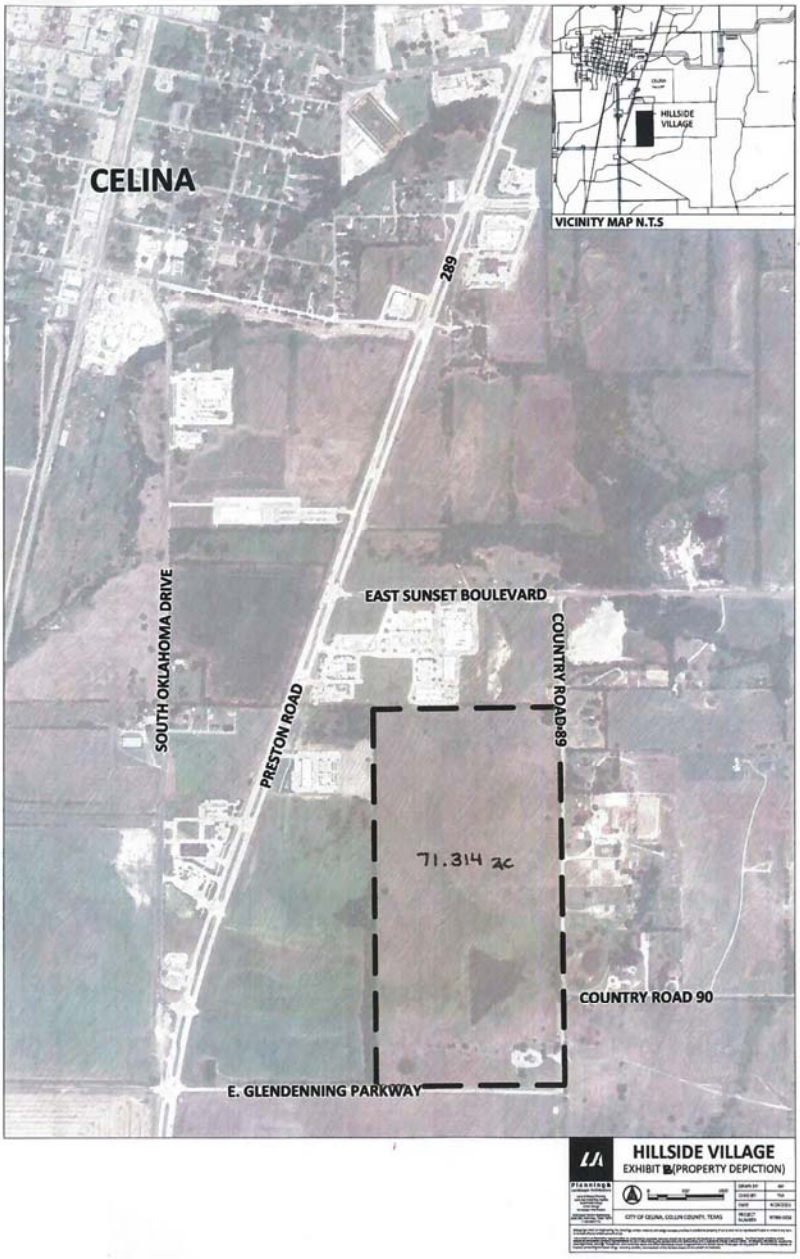
THENCE, NORTH 00 DEGREES 34 MINUTES 57 SECONDS WEST, ALONG THE WEST LINE OF SAID 71.296 ACRE TRACT AND THE COMMON EAST LINE OF SAID 20.00 ACRE TRACT, THE EAST LINE OF A 16.987 ACRE TRACT OF LAND CONVEYED TO JEOU-SHYONG HUANG AND MEI-FU LIN HUANG, AS RECORDED IN COUNTY CLERK'S FILE NO. 20120703000803140, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, THE EAST LINE OF A 4.321 ACRE TRACT OF LAND CONVEYED TO PRESTON TEP, LLC., AS RECORDED IN COUNTY CLERK'S FILE NO. 20200311000356960, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, THE EAST LINE OF LOT 1, BLOCK A OF THE KELLER WILLIAMS ADDITION, PHASE 1, AN ADDITION TO THE CITY OF CELINA, AS RECORDED IN COUNTY CLERK'S FILE NO. 20190412010001750 AND IN CABINET 2019, PAGE 291, PLAT RECORDS, COLLIN COUNTY, TEXAS, AND THE EAST LINE OF AFORESAID 3.50 ACRE TRACT, A DISTANCE OF 2495.28 FEET TO THE **POINT OF BEGINNING** AND CONTAINING A CALCULATED AREA OF 3,106,432 SQUARE FEET OR 71.314 ACRES OF LAND.

2261.017\100596.2

Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

EXHIBIT A
DISSOLUTION PETITION

Exhibit B
Depiction of the Property



Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

EXHIBIT B

CITY OF CELINA, TEXAS
NOTICE OF PUBLIC HEARING REGARDING THE DISSOLUTION OF A PUBLIC IMPROVEMENT DISTRICT

Pursuant to Sections 372.009(c) and (d) and Section 372.011 of the Texas Local Government Code, as amended, notice is hereby given that the City Council of the City of Celina, Texas ("Celina"), will hold a public hearing to accept public comments and discuss the petition (the "Petition"), filed by Celina Land Investors, Ltd., a Texas limited partnership, (the "Petitioner"), requesting that Celina dissolve the existing Hillside Village Public Improvement District (the "District") that was created by Resolution No. 2021-59R adopted on August 10, 2021 so that Celina may create a new public improvement district for the Hillside Village development to include the property owned by the Petitioner located wholly within the corporate limits of Celina as described in the Petition. The Petition is available for inspection during normal business hours at the City Hall of Celina, 142 N. Ohio St., Celina, Texas.

Time and Place of the Hearing. The public hearing will start at or after 5:00 p.m. on November 9, 2021 at 112 N. Colorado Street, Celina, Texas 75009.

Attachment: Draft Resolution (Hillside Village – PID Dissolution – Petition)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Hillside Village - PID Petition Resolution

Action Requested:
Consider and act upon a resolution of the City of Celina, Texas, accepting a petition seeking the creation of the Hillside Village Public Improvement District within the corporate boundaries of the City and calling for a public hearing for the City Council's November 9, 2021 meeting. (Hillside Village – PID Petition Resolution) (Lopez)

Background Information:
Please refer to the attached resolution for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Resolution

Staff Recommendation:
Staff recommends approval.

CITY OF CELINA, TEXAS
RESOLUTION NO. __

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, ACCEPTING A PETITION TO CREATE THE HILLSIDE VILLAGE PUBLIC IMPROVEMENT DISTRICT; CALLING FOR A PUBLIC HEARING UNDER SEC. 372.009 OF THE TEXAS LOCAL GOVERNMENT CODE FOR THE CREATION OF THE HILLSIDE VILLAGE PUBLIC IMPROVEMENT DISTRICT WITHIN THE CORPORATE LIMITS OF THE CITY OF CELINA, TEXAS; AND AUTHORIZING THE ISSUANCE OF NOTICE BY THE CITY SECRETARY OF CELINA, TEXAS REGARDING THE PUBLIC HEARING.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "***Act***") authorizes the creation of public improvement districts; and

WHEREAS, on September 28, 2021, the owners of real property delivered to the City of Celina, Texas (the "***City***") a petition for the property described in Exhibit A thereto (the "***Petition***", which is attached as **Exhibit A** and incorporated herein for all purposes) meeting the requirements of the Act and indicating: (i) the owners of more than fifty percent (50%) of the appraised value of the taxable real property liable for assessment, and (ii) the owners of more than fifty percent (50%) of the area of all taxable real property liable for assessment within the District have executed the Petition requesting that the City Council create the Hillside Village Public Improvement District (the "***District***"); and

WHEREAS, the Act states that the Petition is sufficient if signed by owners of more than fifty percent (50%) of the taxable real property, according to appraised value, and either of the following: more than fifty percent (50%) of the area of all taxable real property liable for assessment under the proposal, or more than fifty percent (50%) of all record owners of property liable for assessment; and

WHEREAS, the Act further requires that prior to the adoption of the resolution creating the District, the City Council must hold a public hearing on the advisability of the improvements, the nature of the improvements contemplated, the estimated costs of the improvements, the boundaries of the District, the method of assessment, and the apportionment, if any, of the costs between the District and the City.

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

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

Section 1. The findings set forth in the recitals of this Resolution are found to be true and correct and are hereby approved and incorporated by reference as though fully set forth herein.

Section 2. City staff reviewed the Petition and determined that same complied with the requirements of the Act and the City Council accepts the Petition. The Petition is filed with the office of the City Secretary and is available for public inspection.

Section 3. The City Council calls a public hearing to be scheduled at or after 5:00 p.m. on November 9, 2021, to be held at 112 N. Colorado Street, Celina, Texas on the advisability of the improvements, the nature of the improvements contemplated, the estimated costs of the improvements, the boundaries of the District, the method of assessment, and the apportionment, if any, of the costs between the District and the City. Attached hereto as **Exhibit B** is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and speak on the creation of the District.

Section 4. The City Council hereby authorizes and directs the City Secretary, on or before October 22, 2021, in accordance with the Act, to: (a) publish notice of the public hearing in a newspaper of general circulation in the City on October 18, 2021; and, (b) mail notice of the public hearing to the owners of property located in the proposed District as reflected on the tax rolls.

Section 5. If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the City Council hereby determines that it would have adopted this Resolution without the invalid provision.

Section 6. This Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

[*Remainder of page left blank intentionally.*]

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

PASSED AND APPROVED THIS THE 12th DAY OF OCTOBER, 2021.

CITY OF CELINA, TEXAS

_____

SEAN TERRY, MAYOR

ATTEST:

_____

VICKI TARRANT, CITY SECRETARY

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

EXHIBIT A
PETITION FOR CREATION

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT WITHIN
THE CITY OF CELINA, TEXAS,
FOR THE HILLSIDE VILLAGE DEVELOPMENT

This petition (the "Petition") is submitted and filed with the City Secretary of the City of Celina, Texas (the "City"), by Celina Land Investors, Ltd., a Texas limited partnership (the "Owner"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), requesting that the City create a public improvement district (the "District") to include property owned by the Owner and located within the corporate limits of the City (the "Property"), more particularly described in ***Exhibit A*** and depicted in ***Exhibit B***. In support of this Petition, the Owner would present the following:

Section 1. General Nature of the Authorized Improvements. The purposes of the District include the design, acquisition, and construction of public improvement projects authorized by §372.003(b) of the Act that are necessary for development of the Property, which public improvements will include, but not be limited to: (1) design, construction and other allowed costs related to street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, and rights-of-way; (2) design, construction and other allowed costs related to storm drainage improvements; (3) design, construction and other allowed costs related to water, wastewater and drainage (including detention) improvements and facilities; (4) design, construction and other allowed costs related to erection of fountains, distinctive lighting and signs, screening walls and acquisition and installation of pieces of art; (5) design, construction and other allowed costs related to parks, open space, and recreational improvements, including trails, landscaping, and irrigation related thereto; (6) design, construction and other allowed costs related to off-street parking facilities, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and rights-of-way; (7) design, construction and other allowed costs related to projects similar to those listed in subsections (1) - (6) above authorized by the Act, including similar off-site projects that provide a benefit to the Property within the District; (8) payment of expenses incurred in the establishment, administration and operation of the District; and (9) payment of expenses associated with financing such public improvement projects, which may include but are not limited to, costs associated with issuance and sale of revenue bonds secured by assessments levied against the Property (collectively, the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the Property.

Section 2. Estimated Cost of the Authorized Improvements. The Owner estimates that the cost to design, acquire, and construct the Authorized Improvements is $12,000,000.

Section 3. Boundaries of the Proposed District. The District is proposed to include the Property.

Section 4. Proposed Method of Assessment. The City shall levy an assessment on each residential lot within the District to pay the cost of the Authorized Improvements in a manner that results in imposing equal shares of the cost on property similarly benefited. Each assessment may be paid in full at any time (including accrued and unpaid interest) or may be paid in annual installments (including interest and debt). The installments must be paid in amounts necessary to meet annual costs for the Authorized Improvements and must continue for a period necessary to retire the indebtedness on the Authorized Improvements.

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

EXHIBIT A
PETITION FOR CREATION

Section 5. Proposed Apportionment of Cost between the District and the City. The City shall not be obligated to provide any funds to finance the Authorized Improvements. The cost of the Authorized Improvements will be paid from the assessments and from other sources of funds, if any, available to the Owner.

Section 6. Management of the District. The Owner proposes that the District be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

Section 7. Owner Requests Establishment of the District. The person signing this Petition requests the establishment of the District.

Section 8. Advisory Board. The Owner proposes that the District be established and managed without the creation of an advisory body.

This Petition has been signed by (1) the owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and (2) record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.

This Petition is hereby filed with the City Secretary of the City in support of the creation of the District by the City Council as herein provided. The undersigned requests that the City Council grant its consent as above stated.

RESPECTFULLY SUBMITTED, on this the 28th day of September, 2021.

CELINA LAND INVESTORS, LTD

By: Catlyn Celina GP, LLC
its General Partner

By: _____

Name: Robert L. Trimble

Title: Manager

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

EXHIBIT A
PETITION FOR CREATION

Exhibit A

Metes and Bounds Description of the Property
(approximately 71.336 acres)

BEING A 71.336 ACRE TRACT OF LAND SITUATED IN THE COLLIN COUNTY SCHOOL LAND SURVEY # 14, ABSTRACT NO. 167, CITY OF CELINA, COLLIN COUNTY, TEXAS, AND BEING ALL OF A 71.296 ACRE TRACT OF LAND, CONVEYED TO CELINA LAND INVESTORS, LTD., AS RECORDED IN COUNTY CLERK'S FILE NO. 20150116000051930, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS. SAID 71.336 ACRE TRACT, WITH BEARING BASIS BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE NAD83, (NAD83 (2011) EPOCH 2010), DETERMINED BY GPS OBSERVATIONS, CALCULATED FROM COLLIN CORS ARP (PID-DF8982), AND DENTON CORS ARP (PID-DF8986), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD WITH CAP STAMPED "SHIELDS" FOUND FOR THE NORTHWEST CORNER OF SAID 71.296 ACRE TRACT AND THE COMMON NORTHEAST CORNER OF A 3.50 ACRE TRACT OF LAND CONVEYED TO AL-RAZA ENTERPRISES INC., AS RECORDED IN COUNTY CLERK'S FILE NO. 20080312000296050, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS. SAID POINT BEING ON THE SOUTH LINE OF LOT 3R-1, BLOCK A OF THE REPLAT OF CELINA TOWN CENTER ADDITION-PHASE 2, AN ADDITION TO THE CITY OF CELINA, AS RECORDED IN COUNTY CLERK'S FILE NO. 20140312010000780, IN CABINET 2014, PAGE 117, AND IN SLIDE 9415-1-2, PLAT RECORDS, COLLIN COUNTY, TEXAS;

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THENCE, SOUTH 00 DEGREES 52 MINUTES 36 SECONDS EAST, ALONG THE EAST LINE OF SAID 71.296 ACRE TRACT AND THE COMMON WEST LINE SAID 2.74 ACRE TRACT, A 5.000 ACRE TRACT OF LAND CONVEYED TO MRN SQUARED, LLC, AS RECORDED IN COUNTY CLERK'S FILE NO. 20210210000284360, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A 6.000 ACRE TRACT OF LAND CONVEYED TO BILLY JOHN CARTER, JR. AND RITA S. CARTER, AS RECORDED IN COUNTY CLERK'S FILE NO. 19960415000307290, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A 5.000 ACRE TRACT OF LAND CONVEYED TO BILLY JOHN CARTER, JR. AND RITA S. CARTER, AS RECORDED IN COUNTY CLERK'S FILE NO. 20060112000054370, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A 5.000 ACRE TRACT OF LAND CONVEYED TO DALA A. BRUTON AND TAMARA D. BRUTON, AS RECORDED COUNTY CLERK'S FILE NO. 20040907001319390, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, A 5.572 ACRE TRACT OF LAND CONVEYED TO PAUL A. DAVIS, AS RECORDED IN COUNTY CLERK'S FILE NO. 20040615000873230 OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, AND A 5.84 ACRE TRACT OF LAND CONVEYED TO VERA LUCILLE JINKS, AS RECORDED IN VOLUME 1102, PAGE 761, DEED RECORDS, COLLIN COUNTY, TEXAS, WITH SAID COUNTY ROAD NO. 89, A DISTANCE OF 2500.31 FEET TO A 5/8" IRON ROD FOUND FOR THE SOUTHEAST CORNER OF SAID 71.296 ACRE TRACT AND THE COMMON NORTHEAST CORNER OF A 77.694 ACRE TRACT OF LAND CONVEYED TO VERA LUCILLE JINKS, AS RECORDED IN VOLUME 1102, PAGE 752, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE, SOUTH 89 DEGREES 22 MINUTES 07 SECONDS WEST, ALONG THE SOUTH LINE OF SAID 71.296 ACRE TRACT AND THE COMMON NORTH LINE OF SAID 77.694 ACRE TRACT, WITH THE APPROXIMATE CENTER OF SAID COUNTY ROAD NO. 89, A DISTANCE OF 1250.37 FEET TO A 3/8" IRON ROD FOUND, (BENT) FOR THE SOUTHWEST CORNER OF SAID 71.296 ACRE TRACT AND THE COMMON SOUTHEAST CORNER OF A 20.00 ACRE TRACT OF LAND CONVEYED TO SUMMIT CENTER AT PRESTON, LLC., AS RECORDED IN COUNTY CLERK'S FILE NO. 20130708000945990, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS;

THENCE, NORTH 00 DEGREES 34 MINUTES 57 SECONDS WEST, ALONG THE WEST LINE OF SAID 71.296 ACRE TRACT AND THE COMMON EAST LINE OF SAID 20.00 ACRE TRACT, THE EAST LINE OF A 16.987 ACRE TRACT OF LAND CONVEYED TO JEOU-SHYONG HUANG AND MEI-FU LIN HUANG, AS RECORDED IN COUNTY CLERK'S FILE NO. 20120703000803140, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, THE EAST LINE OF A 4.321 ACRE TRACT OF LAND CONVEYED TO PRESTON TEP, LLC., AS RECORDED IN COUNTY CLERK'S FILE NO. 20200311000356960, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS, THE EAST LINE OF LOT 1, BLOCK A OF THE KELLER WILLIAMS ADDITION, PHASE 1, AN ADDITION TO THE CITY OF CELINA, AS RECORDED IN COUNTY CLERK'S FILE NO. 20190412010001750 AND IN CABINET 2019, PAGE 291, PLAT RECORDS, COLLIN COUNTY, TEXAS, AND THE EAST LINE OF AFORESAID 3.50 ACRE TRACT, A DISTANCE OF 2495.66 FEET TO THE **POINT OF BEGINNING** AND CONTAINING A CALCULATED AREA OF 3,107,381 SQUARE FEET OR 71.336 ACRES OF LAND.

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

EXHIBIT A
PETITION FOR CREATION

Exhibit B
Depiction of the Property

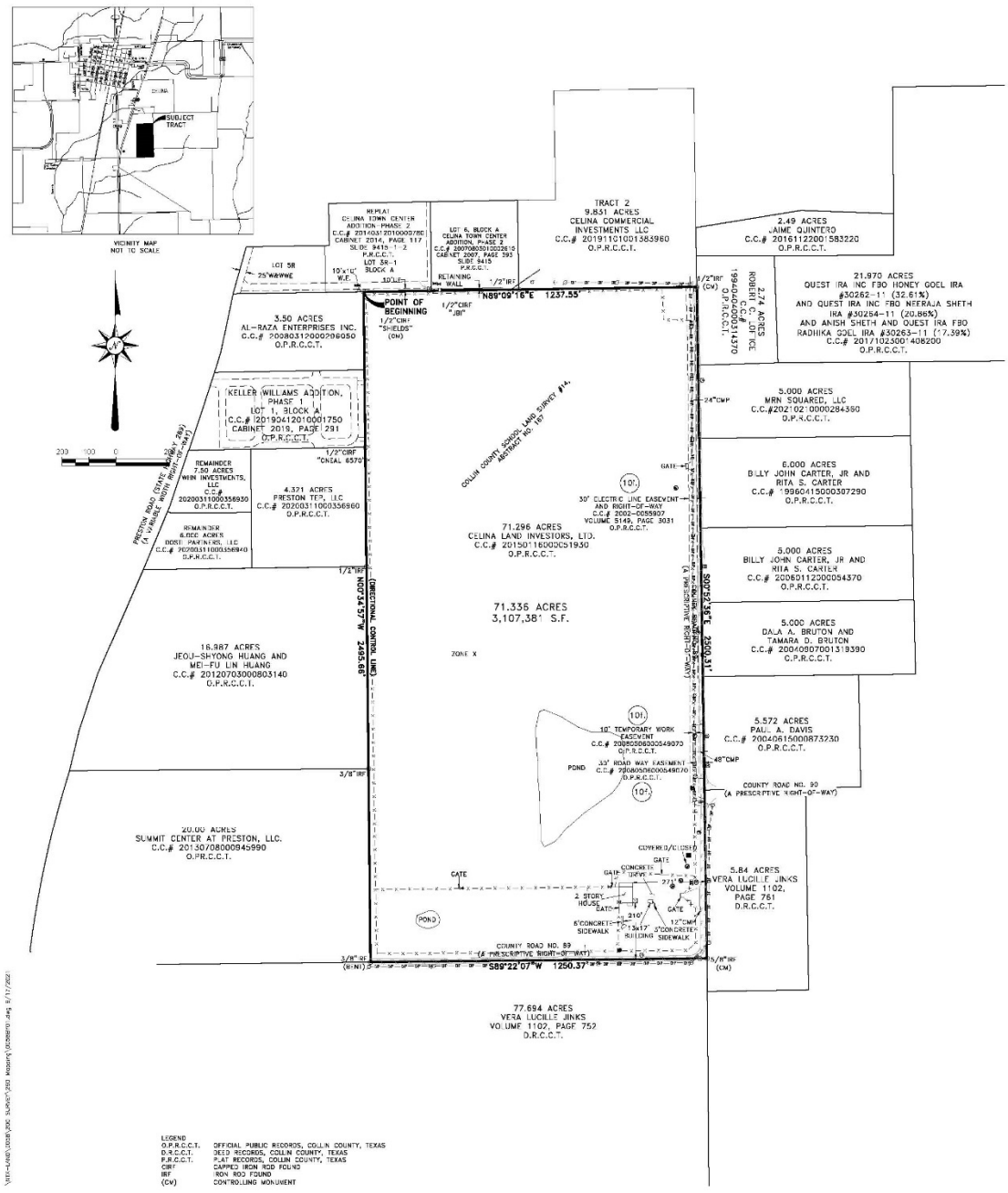

Exhibit B to the Hillside Village PID Petition

2261.017\96562.4

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

EXHIBIT A
PETITION FOR CREATION

EXHIBIT B

CITY OF CELINA, TEXAS
NOTICE OF PUBLIC HEARING REGARDING
THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT

Pursuant to Section 372.009(c) and (d) of the Texas Local Government Code, as amended, notice is hereby given that the City Council of the City of Celina, Texas ("Celina"), will hold a public hearing to accept public comments and discuss the petition (the "Petition"), filed by Celina Land Investors, Ltd., a Texas limited partnership (the "Owner"), requesting that Celina create the Hillside Village Public Improvement District (the "District") to include property owned by the Owner.

Time and Place of the Hearing. The public hearing will start at or after 5:00 p.m. on November 9, 2021, at 112 N. Colorado Street, Celina, Texas 75009.

General Nature of the Proposed Authorized Improvements. The purposes of the District include the design, acquisition, construction, and improvement of public improvement projects authorized by the Public Improvement District Assessment Act, codified as Chapter 372, Texas Local Government Code, as amended (the "Act"), that are necessary for the development of the property within the District, which public improvements may include, but not be limited to: (1) design, construction and other allowed costs related to street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, and rights-of-way; (2) design, construction and other allowed costs related to storm drainage improvements; (3) design, construction and other allowed costs related to water, wastewater and drainage (including detention) improvements and facilities; (4) design, construction and other allowed costs related to erection of fountains, distinctive lighting and signs, screening walls and acquisition and installation of pieces of art; (5) design, construction and other allowed costs related to parks, open space, and recreational improvements, including trails, landscaping, and irrigation related thereto; (6) design, construction and other allowed costs related to off-street parking facilities, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and rights-of-way; (7) design, construction and other allowed costs related to projects similar to those listed in subsections (1) - (6) above authorized by the Act, including similar off-site projects that provide a benefit to the Property within the District; (8) payment of expenses incurred in the establishment, administration and operation of the District; and (9) payment of expenses associated with financing such public improvement projects, which may include but are not limited to, costs associated with issuance and sale of revenue bonds secured by assessments levied against the Property (collectively, the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the Property.

Estimated Cost of the Authorized Improvements. The estimated cost to design, acquire and construct the Authorized Improvements, including eligible costs related to the establishment, administration and operation of the District and expenses associated with financing Authorized Improvements is $12,000,000.

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

EXHIBIT A
PETITION FOR CREATION

Proposed District Boundaries. The District is proposed to include approximately 71.336 acres of land generally located 1/4 mile east of Preston Road and adjacent to the north of East Glendenning Parkway and adjacent to the west of County Road 89, as more particularly described by a metes and bounds description available at Celina City Hall located at 142 N. Ohio Street, Celina, Texas 75009 and available for public inspection during regular business hours.

Proposed Method of Assessment. Celina shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. All assessments may be paid in full at any time (including interest and debt), and certain assessments may be paid in annual installments (including interest and debt). If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessments and must continue for a period necessary to retire the indebtedness issued to finance or refinance those Authorized Improvements (including interest).

Proposed Apportionment of Cost between the District and Celina. Celina will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on the District property. No municipal property in the District shall be assessed. The Owner may also pay certain costs of the improvements from other funds available to it as developer of the District.

Attachment: Draft Resolution (Hillside Village – PID Petition Resolution)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Celina Mosaic - PID Petition

Action Requested:
Consider and act upon a resolution of the City of Celina, Texas, accepting a petition seeking the creation of the Mosaic Public Improvement District within the extraterritorial jurisdiction of the City and calling for a public hearing for the City Council's November 9, 2021 meeting. (Celina Mosaic – PID Petition) (Lopez)

Background Information:
Please refer to the attached resolution for further information.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Resolution

Staff Recommendation:
Staff recommends approval.

CITY OF CELINA, TEXAS
RESOLUTION NO. __

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, ACCEPTING A PETITION TO CREATE THE MOSAIC PUBLIC IMPROVEMENT DISTRICT; CALLING FOR A PUBLIC HEARING UNDER SECTION 372.009 OF THE TEXAS LOCAL GOVERNMENT CODE FOR THE CREATION OF THE MOSAIC PUBLIC IMPROVEMENT DISTRICT WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF CELINA, TEXAS; TO CONSIDER THE FEASIBILITY AND ADVISABILITY OF ESTABLISHING THE DISTRICT; AUTHORIZING AND DIRECTING THE PUBLICATION AND MAILING OF NOTICES OF THE PUBLIC HEARING; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "***Act***") authorizes the creation of public improvement districts; and

WHEREAS, on September 27, 2021, the owners of real property delivered to the City of Celina, Texas (the "***City***") a petition for the property described in Exhibit A thereto (the "***Petition***", which is attached as **Exhibit A** and incorporated herein for all purposes) meeting the requirements of the Act and indicating: (i) the owners of more than fifty percent (50%) of the appraised value of the taxable real property liable for assessment, and (ii) the owners of more than fifty percent (50%) of the area of all taxable real property liable for assessment within the District have executed the Petition requesting that the City Council create the Mosaic Public Improvement District (the "***District***"); and

WHEREAS, the Act states that the Petition is sufficient if signed by owners of more than fifty percent (50%) of the taxable real property, according to appraised value, and either of the following: more than fifty percent (50%) of the area of all taxable real property liable for assessment under the proposal, or more than fifty percent (50%) of all record owners of property liable for assessment; and

WHEREAS, the Act further requires that prior to the adoption of the resolution creating the District, the City Council must hold a public hearing on the advisability of the improvements, the nature of the improvements contemplated, the estimated costs of the improvements, the boundaries of the District, the method of assessment, and the apportionment, if any, of the costs between the District and the City.

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

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

Section 1. The findings set forth in the recitals of this Resolution are found to be true and correct and are hereby approved and incorporated by reference as though fully set forth herein.

Section 2. City staff reviewed the Petition and determined that same complied with the requirements of the Act and the City Council accepts the Petition. The Petition is filed with the office of the City Secretary and is available for public inspection.

Section 3. The City Council calls a public hearing to be scheduled at or after 5:00 p.m. on November 9, 2021, to be held at 112 N. Colorado Street, Celina, Texas 75009 on the advisability of the improvements, the nature of the improvements contemplated, the estimated costs of the improvements, the boundaries of the District, the method of assessment, and the apportionment, if any, of the costs between the District and the City. Attached hereto as **Exhibit B** is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and speak on the creation of the District.

Section 4. The City Council hereby authorizes and directs the City Secretary, on Monday, October 18, 2021, or on such other date that is on or before October 24, 2021, in accordance with the Act, to: (a) publish notice of the public hearing in a newspaper of general circulation in the City and in the extraterritorial jurisdiction in which the proposed District is to be located; and (b) mail notice of the public hearing to the owners of property located in the proposed District as reflected on the tax rolls.

Section 5. If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the City Council hereby determines that it would have adopted this Resolution without the invalid provision.

Section 6. This Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

[*Remainder of page left blank intentionally.*]

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA THIS THE 12TH DAY OF OCTOBER, 2021.

CITY OF CELINA

SEAN TERRY, MAYOR

ATTEST:

VICKI TARRANT, CITY SECRETARY

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

PETITION FOR THE CREATION OF A
PUBLIC IMPROVEMENT DISTRICT WITHIN THE
EXTRATERRITORIAL JURISDICTION OF
CELINA, TEXAS

This petition (the "Petition") is submitted and filed with the City Secretary of the City of Celina, Texas (the "City"), by Tellus Texas I, LLC, Merritt/Thornton Management Company, L.L.C., James H. Merritt, III, W. Keith Thornton, Margaret M. Thornton and Susanna Parker (collectively, "Owners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), requesting that the City create a public improvement district (the "District") to include property owned by the Owners and located within the extraterritorial jurisdiction of the City (the "Property"), more particularly described in ***Exhibit A*** and depicted in ***Exhibit B***. In support of this Petition, the Owners present the following:

Section 1. General Nature of the Authorized Improvements. The purposes of the District include the design, acquisition, construction, and improvement of public improvement projects authorized by §372.003(b) of the Act that are necessary for the development of the Property, which public improvements may include, but not be limited to: (1) design, construction and other allowed costs related to street and roadway improvements, including related earthwork, sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, and rights-of-way; (2) design, construction and other allowed costs related to storm drainage improvements; (3) design, construction and other allowed costs related to water, wastewater and drainage (including detention) improvements and facilities; (4) design, construction and other allowed costs related to erection of fountains, distinctive lighting and signs, and acquisition and installation of pieces of art; (5) design, construction and other allowed costs related to parks, open space, and recreational improvements, including trails, landscaping, and irrigation related thereto; (6) design, construction and other allowed costs related to off-street parking facilities, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and rights-of-way; (7) design, construction and other allowed costs related to projects similar to those listed in subsections (1) - (6) above authorized by the Act, including similar off-site projects that provide a benefit to the Property within the District; (8) payment of expenses incurred in the establishment, administration and operation of the District; and (9) payment of expenses associated with financing such public improvement projects, which may include but are not limited to, costs associated with issuance and sale of revenue bonds secured by assessments levied against the Property (collectively, the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the Property.

Section 2. Estimated Cost of the Authorized Improvements. The Owners estimate that the total cost of the Authorized Improvements is $130,000,000.

Section 3. Boundaries of the Proposed District. The District is proposed to include the Property.

Section 4. Proposed Method of Assessment. The City shall levy an assessment on each lot within the District to pay the cost of the Authorized Improvements in a manner that results in imposing equal shares of the cost on property similarly benefited. Each assessment may be paid in

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

full (including accrued and unpaid interest) without penalty at any time or may be paid in annual installments (including interest and debt). If paid in annual installments, such installments must be paid in amounts necessary to meet annual costs for the Authorized Improvements and must continue for a period necessary to retire any indebtedness incurred to pay the costs of the Authorized Improvements.

Section 5. Proposed Apportionment of Cost between the District and the City. The City shall not be obligated to provide any funds to finance the Authorized Improvements. The cost of the Authorized Improvements will be paid from the assessments and from other sources of funds, if any, available to the Owners.

Section 6. Management of the District. The Owners propose that the District be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

Section 7. Owners Request Establishment of the District. The persons signing this Petition request the establishment of the District. This petition may be signed in multiple counterparts which, when taken together, shall be deemed one original.

Section 8. Advisory Board. The Owners propose that the District be established and managed without the creation of an advisory body.

This Petition has been signed by (1) the owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and (2) record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.

This Petition is hereby filed with the City Secretary of the City in support of the creation of the District by the City Council as herein provided. The undersigned requests that the City Council grant its consent as above stated.

[SIGNATURE PAGES TO FOLLOW]

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

EXECUTED, on this the 27th day of SEPTEMBER, 2021.

OWNER:

TELLUS TEXAS I, LLC,
a Texas limited liability company

By: Tellus-Celina, LLC,
a Texas limited liability company,
its Manager

By: _____
David R. Blom, its Manager

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

OWNER:

MERRITT/THORNTON FARM PARTNERSHIP, L.P.,
a Texas limited partnership

By: Merritt/Thornton Management Company, L.L.C.,
a Texas limited liability company,
its general partner

By: Margaret M. Thornton
Name: Margaret M. Thornton
Title: Manager

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

OWNER:

James H. Merritt, III

2063.010\99326.4

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

OWNER:

W. Keith Thornton

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

OWNER:

Margaret M. Thornton

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

OWNER:

Susanna Parker

Susanna Parker

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

2063.010\99326.4

EXHIBIT A
PETITION FOR CREATION

EXHIBIT A
Metes and Bounds Description of the Property

LEGAL DESCRIPTION
757.571 ACRES WITH
72.819 ACRES SAVE AND EXCEPT
684.752 ACRES

BEING a tract of land situated in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN MORTON SURVEY, ABSTRACT NO. 791, the JOHN M. McKIM SURVEY, ABSTRACT NO. 889, the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028 and the A. THOMASON SURVEY, ABSTRACT NO. 1265, Denton County, Texas, and being all of that tract of land conveyed in Deed to W. Keith Thornton and James H. Merritt, III, according to the document of record filed in Document Number 95-0068384, Deed Records, Denton County, Texas, and being all of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas and being part of Lot 3, SMILEY ACRES, an Addition to the City of Celina, Denton County, Texas, according to the Plat of record filed in Cabinet D, Page 324, Plat Records, Denton County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8" iron rod found for a common interior ell corner of said Merritt/Thornton Farm Partnership, L.P. tract and the southwest corner of that tract of land described as a Right-Of-Way Dedication as conveyed in Deed to City of Celina, according to the document of record filed in Document Number 2008-9821, Official Records, Denton County, Texas;

THENCE N 89° 28' 44" E, with the common line of said Merritt tract/Thornton Farm Partners, L.P. tract and said City of Celina Tract, a distance of 1,738.53 feet to a point near the intersection of Legacy Road (County Road 6) with Frontier Parkway (County Road 5), at the most easterly northeast corner of said Merritt/Thornton Farm Partnership, L.P. tract, from which a 5/8" iron rod found bears N 78° 19' 21" E, 0.20 feet;

THENCE S 00° 29' 24" W, with the approximate centerline of said Legacy Road, a distance of 189.17 feet to a point for the common northeast corner of that tract of land described as Right-Of-Way Dedication as conveyed in Deed to Denton County, Texas, according to the document of record filed in Document Number 2010-62874, Official Records, Denton County, Texas and the northwest corner of that tract of land described as Right-Of-Way as conveyed in Deed to Town of Prosper, Texas, according to the document of record filed in Document Number 20100518000498080, Official Public Records, Collin County, Texas;

THENCE N 89° 48' 43" W, leaving the approximate centerline of said Legacy Road and with the north line of said Denton County, Texas tract, a distance of 40.79 feet for the northwest corner of said Denton County, Texas tract;

THENCE S 00° 11' 17" W, with the west line of said Denton County, Texas tract, a distance of 320.00 feet to a 5/8" iron rod found for the southwest corner of said Denton County, Texas tract;

THENCE S 89° 48' 43" E, with the south line of said Denton County, Texas tract, a distance of 39.10 feet, returning to the approximate centerline of said Legacy Road, for the common southeast corner of said Denton County, Texas tract and the southwest corner of the above mentioned Town of Prosper, Texas tract;

THENCE S 00° 29' 24" W, with the approximate center line of said Legacy Road, a distance of 1,942.34 feet to a 1/2" iron rod found in the west line of that tract of land conveyed in Deed to Prosper Independent School District (Prosper ISD), according to the document of record filed in Document Number 20200817001344070, Official Public Records, Collin County, Texas, for the common southeast corner of the above mentioned Merritt/Thornton Farm Partners, L.P. tract and the northeast corner of that tract of land conveyed in Deed to Patricia Ann Burnett Krov, according to the document of record filed in Document Number 2014-15524, Official Records, Denton County, Texas;

THENCE S 74° 57' 09" W, with the common south line of said Merritt/Thornton Farm Partners, L.P. tract and the north line of said Patricia Ann Burnett Krov tract, a distance of 866.35 feet to the common northwest corner of said Patricia Ann Burnett Krov tract and the northeast corner of that tract of land conveyed in Deed to The Leonard and

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

EXHIBIT A
Metes and Bounds Description of the Property

Norma E. McCasland Revocable Living Trust, according to the document of record filed in Volume 4683, Page 1919, Deed Records, Denton County, Texas;

THENCE S 89° 07' 59" W, with the common south line of said Merritt/Thornton Farm Partners, L.P. tract and the north line of said The Leonard and Norma E. McCasland Revocable Living Trust tract, a distance of 776.28 feet to a 1/2" iron rod found for the common northwest corner of said The Leonard and Norma E. McCasland Revocable Living Trust tract and the northeast corner of that tract of land conveyed in Deed to Prosper Meadows LP, according to the document of record filed in Document Number 2019-65177, Official Records, Denton County, Texas;

THENCE S 89° 07' 21" W, with the common south line of said Merritt/Thornton Farm Partners, L.P. tract and the north line of said Prosper Meadows LP tract, a distance of 1,549.59 feet to a 1/2" iron rod found for the common northwest corner of said Prosper Meadows LP tract and the northeast corner of that tract of land conveyed in Deed to Prosper Independent School District (Prosper ISD), according to the document of record filed in Document Number 2017-34540, Official Records, Denton County, Texas;

THENCE S 89° 08' 17" W, with the common south line of said Merritt/Thornton Farm Partners, L.P. tract and the north line of said Prosper ISD tract, a distance of 3,173.39 feet to a 5/8" iron rod with cap stamped "RPLS 5674" found for the common southwest corner of said Merritt/Thornton Farm Partners, L.P. tract and the southeast corner of that tract of conveyed in Deed to Frontier Mini Storage, LLC, according to the document of record filed in Document Number 2018-77026, (Correction Deed Document Number 2018-121216), Official Records, Denton County, Texas;

THENCE N 00° 35' 32" W, with the common west line of said Merritt/Thornton Farm Partners, L.P. tract and the east line said Frontier Mini Storage, LLC tract, a distance of 1,156.84 feet to a 1/2" iron rod with a yellow cap stamped "DAA" found;

THENCE N 03° 12' 09" W, continuing with the common line of said Merritt/Thornton Farm Partners, L.P. tract and said Frontier Mini Storage, LLC tract, a distance of 225.36 feet to a 1/2" iron rod found for the common northeast corner of said Frontier Mini Storage, LLC tract and an exterior ell corner of that tract of land conveyed in Deed to Teel Lakes LLC, according to the document of record filed in Document Number 2009-126512, Official Records, Denton County, Texas;

THENCE With the common west line of said Merritt/Thornton Farm Partners, L.P. tract and the east line of said Teel Lakes, LLC tract, the following courses and distances:

N 01° 49' 22" W, a distance of 105.75 feet to a 5/8" iron rod with cap stamped "RPLS 5674" found;

N 64° 25' 33" E, a distance of 414.33 feet to a 5/8" iron rod with cap stamped "RPLS 5674" found;

N 00° 43' 47" W, a distance of 828.43 feet to a 1/2" iron rod found for the common northeast corner of said Teel Lakes, LLC tract and the southeast corner of Lot 4 of the above mentioned SMILEY ACRES Addition;

THENCE N 00° 01' 44" W, with the common west line of said Merritt/Thornton Farm Partners, L.P. tract and the east line of said SMILEY ACRES Addition, a distance of 705.25 feet to a 1/2" iron rod found in the above mentioned Lot 3 of said SMILEY ACRES Addition;

THENCE S 89° 59' 12" W, a distance of 477.09 feet to a point in the common west line of said Lot 3 and the east right-of-way line of Old Dairy Farm Road;

THENCE N 00° 05' 34" W, with the common line of said Lot 3 and said Old Dairy Farm Road, a distance of 442.82 feet to the southeast corner of Lot 2 of said SMILEY ACRES Addition;

THENCE N 00° 08' 51" W, with the common west line of said Lot 3 and the east line of said Lot 2, a distance of 422.32 feet to a 1/2" iron rod found in the south line of that tract of land described as Tract II as conveyed in Deed to Prosper 30 Partners, LLC, according to the document of record filed in Document Number 2018-111804, Official Records, Denton County, Texas, for the common northwest corner of said Lot 3 and the northeast corner of said Lot 2;

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

EXHIBIT A
Metes and Bounds Description of the Property

THENCE N 89° 53' 33" E, a distance of 449.54 feet to a point in the west line of the above mentioned Merritt/Thornton Farm Partners, L.P. tract, for the common northeast corner of said Lot 3 and the southeast corner of said Prosper 30 Partners, LLC tract;

THENCE N 02° 58' 07" W, with the common west line of said Merritt/Thornton Farm Partners, L.P. tract and the east line of said Tract II, a distance of 686.27 feet to a 1/2" iron rod found for the common southeast corner of the above mentioned W. Keith Thornton and James H. Merritt, III tract and the northeast corner of said Tract II;

THENCE S 89° 53' 38" W, with the south line of said W. Keith Thornton and James H. Merritt, III tract, a distance of 1,889.96 feet to a point in the east line of that tract of land conveyed in Deed to Smiley Road, LTD., according to the document of record filed in Document Number 2005-77986, Official Records, Denton County, Texas, for the southwest corner of said W. Keith Thornton and James H. Merritt, III tract;

THENCE N 00° 06' 49" W, with the common west line of said W. Keith Thornton and James H. Merritt, III tract and the east line said Smiley Road, LTD. tract, a distance of 690.33 feet to a 1/2" iron rod found for the common northwest corner of said W. Keith Thornton and James H. Merritt, III tract and the southwest corner of that tract of land conveyed in Deed to Smiley Road, LTD., according to the document of record filed in Document Number 2006-45938, Official Records, Denton County, Texas;

THENCE N 89° 53' 30" E, with the common north line of said W. Keith Thornton and James H. Merritt, III tract and the south line of said Smiley Road, LTD. tract, a distance of 1,903.70 feet to a 1" iron pipe found in the west line of the above mentioned Merritt/Thornton Farm Partnership, L.P. tract, for the common northeast corner of said W. Keith Thornton and James H. Merritt, III tract and the southeast corner of said Smiley Road, LTD. tract;

THENCE N 01° 49' 48" E, with the common west line of said Merritt/Thornton Farm Partnership, L.P. tract and the east line of said Smiley Road, LTD. tract, a distance of 654.45 feet to a 1/2" iron rod found in the south line of that tract of land conveyed in Deed to Smiley Road, LTD., according to the document of record filed in Document Number 2006-2173, Official Records, Denton County, Texas, for the common northwest corner of said Merritt/Thornton Farm Partnership, L.P. tract and the northeast corner of said Smiley Road, LTD. (Document Number 2006-45938) tract;

THENCE N 89° 13' 47" E, with the common north line of said Merritt/Thornton Farm Partnership, L.P. tract and the south line of said Smiley Road, LTD. (Document Number 2006-2173) tract, a distance of 1,501.71 feet to a 1/2" iron rod found for the common southeast corner of said Smiley Road, LTD. tract and the southwest corner of that tract of land conveyed in Deed to West Celina 86 Partners, LTD., according to the document of record filed in Document Number 2015-23235, Official Records, Denton County, Texas;

THENCE N 89° 06' 09" E, continuing with the north line of said Merritt/Thornton Farm Partnership, L.P. tract, a distance of 2,842.45 feet to a point in the south line of that tract of land conveyed in Deed to Roys Glenn Allen and Randy Allen, Co-Trustees of the RG Allen Revocable Trust, according to the document of record filed in Document Number 2015-46639, Official Records, Denton County, Texas, for the common northeast corner of said Merritt/Thornton Farm Partnership, L.P. tract and the northwest corner of CREEKS OF LEGACY WEST PHASE 1, an Addition to the City of Celina, Denton County, Texas, according to the Plat of record filed in Cabinet 2018, Page 394, Plat Records, Denton County, Texas;

THENCE S 00° 29' 21" W, with the east line of said Merritt/Thornton Farm Partnership, L.P. tract , a distance of 3,416.82 feet to the POINT OF BEGINNING, and containing 757.571 acres of land, more or less.

SAVE AND EXCEPT:

BEING a tract of land in the C. COPENHAVER SURVEY, ABSTRACT NO. 253, the JOHN M. McKIM SURVEY, ABSTRACT NO. 889 and the ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028, Denton County, Texas, and being all of Lots 1 and 2, MERRITT PARK ADDITION, an Addition to the City of Celina, Collin County, Texas, according to the Plat of record filed in Document Number 2013-303, Official Records, Collin County, Texas, and being part of that tract of land conveyed in Deed to Merritt/Thornton Farm Partnership, L.P., according to the

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

EXHIBIT A
Metes and Bounds Description of the Property

document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas, and being more particularly described as follows:

COMMENCING at a point for a common interior ell corner of said Merritt/Thornton Farm Partnership, L.P. tract and the most easterly southeast corner of that tract of land conveyed in Deed to Teel Lakes LLC, according to the document of record filed in Document Number 2009-126512, Official Records, Denton County, Texas, from which a 1/2" iron rod found in the west line of said Merritt/Thornton Farm Partnership, L.P. tract, for the common most southerly southeast corner of said Teel Lakes, LLC tract and the northeast corner of that tract of land conveyed in Deed to Frontier Mini Storage, LLC, according to the document of record filed in Document Number 2018-77026 (Correction Deed, Document Number 2018-121216), Official Records, Denton County, Texas, bears S 52° 30' 13" W, 467.16 feet;

THENCE Over and across said Merritt/Thornton Farm Partnership, L.P. tract, the following courses and distances:
N 00° 00' 00" E, a distance of 63.68 feet to the POINT OF BEGINNING of the tract of land described herein;

N 54° 52' 24" E, a distance of 40.69 feet;

N 32° 26' 23" E, a distance of 70.08 feet;

N 02° 32' 44" W, a distance of 13.69 feet;

N 89° 34' 08" E, a distance of 47.37 feet;

N 68° 41' 04" E, a distance of 49.27 feet;

N 72° 37' 27" E, a distance of 73.57 feet;

N 54° 03' 27" E, a distance of 45.73 feet;

N 09° 19' 17" E, a distance of 32.10 feet;

N 15° 43' 34" W, a distance of 40.22 feet;

N 32° 25' 42" W, a distance of 28.72 feet;

N 40° 58' 09" W, a distance of 69.41 feet;

N 18° 32' 55" W, a distance of 90.82 feet;

N 00° 57' 01" E, a distance of 112.83 feet;

N 16° 47' 39" W, a distance of 74.65 feet;

N 35° 42' 19" W, a distance of 102.42 feet;

N 20° 28' 35" W, a distance of 86.29 feet;

N 10° 48' 26" W, a distance of 82.16 feet;

N 19° 38' 00" W, a distance of 93.54 feet;

N 00° 00' 00" E, a distance of 62.22 feet;

N 39° 10' 53" E, a distance of 34.03 feet;

N 11° 13' 02" E, a distance of 129.62 feet;

N 44° 27' 46" E, a distance of 100.32 feet;

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EXHIBIT A
PETITION FOR CREATION

EXHIBIT A
Metes and Bounds Description of the Property

N 15° 23' 43" E, a distance of 44.07 feet;

N 06° 13' 09" E, a distance of 130.16 feet;

N 60° 23' 08" W, a distance of 109.36 feet;

N 06° 46' 51" E, a distance of 140.95 feet;

N 34° 29' 43" E, a distance of 115.46 feet;

N 40° 38' 06" E, a distance of 136.02 feet;

N 86° 44' 10" E, a distance of 215.82 feet;

N 16° 07' 11" E, a distance of 144.61 feet;

N 37° 40' 40" E, a distance of 204.49 feet;

N 57° 39' 24" E, a distance of 121.37 feet;

N 48° 05' 13" E, a distance of 267.21 feet;

N 17° 46' 03" E, a distance of 126.38 feet;

S 70° 22' 42" E, a distance of 652.06 feet;

S 12° 34' 43" E, a distance of 1,028.18 feet to a point at the beginning of a curve to the right having a central angle of 50° 22' 16", a radius of 125.00 feet and a chord bearing and distance of S 11° 46' 54" W, 106.39 feet;

With said curve to the right, an arc distance of 109.89 feet;

S 33° 08' 43" W, a distance of 1522.09 feet;

S 79° 00' 07" W, a distance of 260.45 feet;

N 68° 47' 46" W, a distance of 401.09 feet;

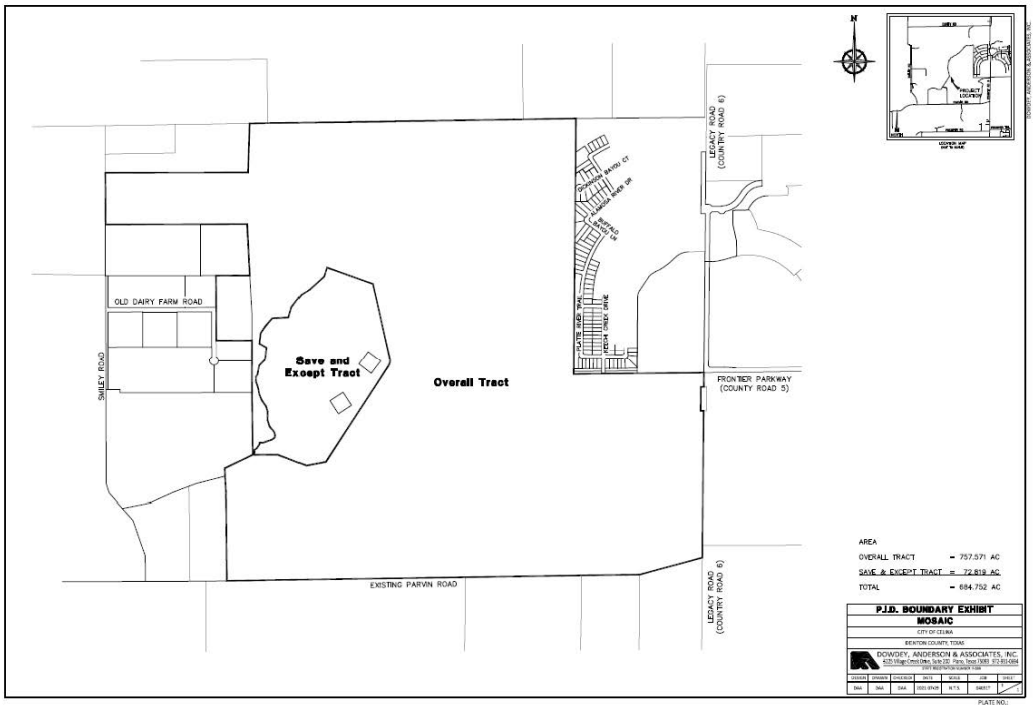
N 90° 00' 00" W, a distance of 312.21 feet to the POINT OF BEGINNING, and containing 72.819 acres of land, more or less.

2063.010\99326.4

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT A
PETITION FOR CREATION

EXHIBIT B
Depiction of the Property



2063.010\99326.4

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

EXHIBIT B
FORM OF NOTICE

CITY OF CELINA, TEXAS
NOTICE OF PUBLIC HEARING REGARDING
THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT

Pursuant to Section 372.009(c) and (d) of the Texas Local Government Code, as amended, notice is hereby given that the City Council of the City of Celina, Texas ("City"), will hold a public hearing to accept public comments and discuss the petition (the "Petition"), filed by Tellus Texas, LLC, Merritt/Thornton Management Company, L.L.C., James H. Merritt, III , W. Keith Thornton, Margaret M. Thornton and Susanna Parker (the "Petitioners"), requesting that the City create the Mosaic Public Improvement District (the "District") to include property owned by the Petitioner.

Time and Place of the Hearing. The public hearing will start at or after 5:00 p.m. November 9, 2021, at 112 N. Colorado Street, Celina, Texas 75009.

General Nature of the Proposed Authorized Improvements. The purposes of the District include the design, acquisition, construction, and improvement of public improvement projects authorized by the Public Improvement District Assessment Act, codified as Chapter 372, Texas Local Government Code, as amended (the "Act"), that are necessary for the development of the property within the District, which public improvements may include, but not be limited to: (1) design, construction and other allowed costs related to street and roadway improvements, including related earthwork, sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, and rights-of-way; (2) design, construction and other allowed costs related to storm drainage improvements; (3) design, construction and other allowed costs related to water, wastewater and drainage (including detention) improvements and facilities; (4) design, construction and other allowed costs related to erection of fountains, distinctive lighting and signs, and acquisition and installation of pieces of art; (5) design, construction and other allowed costs related to parks, open space, and recreational improvements, including trails, landscaping, and irrigation related thereto; (6) design, construction and other allowed costs related to off-street parking facilities, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and rights-of-way; (7) design, construction and other allowed costs related to projects similar to those listed in subsections (1) - (6) above authorized by the Act, including similar off-site projects that provide a benefit to the Property within the District; (8) payment of expenses incurred in the establishment, administration and operation of the District; and (9) payment of expenses associated with financing such public improvement projects, which may include but are not limited to, costs associated with issuance and sale of revenue bonds secured by assessments levied against the Property (collectively, the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the Property.

Estimated Cost of the Authorized Improvements. The estimated cost to design, acquire and construct the Authorized Improvements, including eligible costs related to the establishment, administration and operation of the District and expenses associated with financing Authorized Improvements is $130,000,000.

Proposed District Boundaries. The District is proposed to include approximately 684.752 acres of land generally located one mile west of Dallas Parkway, 2.5 miles north of US 380, adjacent to and west of Legacy Drive, and adjacent to and north of Parvin Road; and, as more particularly described by a metes and bounds description available at Celina City Hall located at 142 N. Ohio Street, Celina, Texas 75009 and available for public inspection during regular business hours.

Proposed Method of Assessment. City shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. Each assessment may be paid in full at any time (including accrued and unpaid interest), and certain assessments may be paid in annual installments (including interest and debt). If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those

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EXHIBIT B
FORM OF NOTICE

Authorized Improvements financed by the assessments and must continue for a period necessary to retire the indebtedness issued to finance or refinance those Authorized Improvements (including interest).

Proposed Apportionment of Cost between the District and City. City will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on the District property. No municipal property in the District shall be assessed. The Petitioner may also pay certain costs of the improvements from other funds available to it as developer of the District.

Attachment: Draft Resolution (Celina Mosaic – PID Petition)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dawn Berry, Purchasing Manager
Date: October 12, 2021
Re: FY 2022 Computers

Action Requested:
Consider and act to purchase computers through a cooperative contract with State of Texas Department of Information Resources contract DIR-TS0-3763-R in an amount not to exceed $77,485.49. (Berry)

Background Information:
Staff requests authorization to replacement computers and equipment as part of our annual replacement program and to purchase computers for newly funded positions through the following cooperative agreement.

- State of Texas Department of Information Resources
- Contract #: DIR-TS0-3763-R

The City maintains an executed Interlocal Agreement with above the cooperative agency. Chapter 271 of the Local Government Code authorizes cooperative purchases. Use of the contracts satisfies the competitive bidding requirement while saving time and funding in the development of specifications and duplication of work during the process.

Alternatives:
Council may reject the purchase and direct staff.

Financial Considerations:
Funding is available in the current budget. Expenditures will not exceed funds appropriated and funds will be committed at he issuance of a purchase order.

Supporting Documents:
Quote

Staff Recommendation:
Authorize the purchase as recommended.

Quote

GTS Technology Solutions, Inc.
9211 Waterford Centre Blvd
Suite 275
Austin, TX, 78758
Phone: (512) 452-0651

Quote #:	**QT0075813**
Date:	9/16/2021
Delivery Date:	
Expire Date:	10/16/2021
Customer ID:	TXCCEL13001
Sales Contact:	Justin Easton

QUOTE FOR:	SHIP TO:
City of Celina	City of Celina

CUSTOMER P.O. NO.	TERMS	SALES REP
	Net 30 Days	Kelli Petty

SHIPPING TERMS	SHIP VIA

NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE
1	23089-999-879: Gn Netcom Jabra Evolve2 30 - Stereo - USB Type C - Wired - 20 Hz - 20 kHz - On-ear - Binaural - Ear-cup - 4.92 ft Cable - MEMS Technology Microphone - Black STEREC	NON CONTRACT	3.00	EACH	$60.51	$181.53
2	210-BBCC: Dell 24 Monitor - P2422H, 60.5cm (23.8") NOTE: "Dell Limited Hardware Warranty Advanced Exchange Service, 3 Years"	DIR-TSO-3763-R	56.00	EACH	$254.34	$14,243.04
3	210-AZBI: Dell Thunderbolt Dock- WD19TBS NOTE: "Dell Limited Hardware Warranty Advanced Exchange Service, 3 Years"	DIR-TSO-3763-R	25.00	EACH	$292.92	$7,323.00
4	210-AXVO: Dell Latitude 5420 NOTE: Dell Latitude 5420 BTX Base 11th Generation Intel Core i5-1145G7 (4 Core, 8M cache, base 2.6GHz, up to 4.4GHz, vPro) Windows 10 Pro English, French, Spanish I5-1145G7 Vpro, Intel Iris Xe Graphics, Thunderbolt No Microsoft Office License Included – 30 day Trial Offer Only Intel vPro Active Management Technology (for vPro CPU, vPro Capable) 16GB,1x16GB, DDR4 Non-ECC M.2 512GB PCIe NVMe Class 35 Solid State Drive No AutoPilot EPEAT 2018 Registered (Gold) LCD back cover for Latitude 5420 WLAN Only FHD IR Camera Bezel with Mic (ExpressSign-In/Mic) 14" FHD (1920x1080) Non-Touch, Anti-Glare, 250nits Single Pointing Backlit US English Keyboard No Mouse Intel AX201 WLAN Driver Intel Wi-Fi 6 AX201 2x2 .11ax 160MHz + Bluetooth 5.1 No Mobile Broadband Card 4 Cell 63Whr ExpressChargeTM Capable Battery E4 65W Type-C EPEAT Adapter Palmrest, Contacted SmartCard Reader, Thunderbolt 4 US Power Cord Quick start guide for Win 10, Ubuntu No Anti-Virus Software US Order	DIR-TSO-3763-R	23.00	EACH	$1,595.48	$36,696.04

Continued...

Attachment: QT0075813 (COMPUTERS FY 22)

GTS TECHNOLOGY SOLUTIONS

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	No Resource USB Media SERI Guide (ENG/FR/Multi) ENERGY STAR Qualified Fixed Hardware Configuration Packaging BTS 65W Adapter + TGL CPU 11th Gen Intel Core i5 vPro label BTS/BTP Smart Selection Shipment (VS) EAN label No Removable CD/DVD Drive Latitude 5420 Bottom Door Dell Limited Hardware Warranty Extended Year(s) Thank you choosing Dell ProSupport. For tech support, visit //support.dell.com/ProSupport Dell Limited Hardware Warranty ProSupport: 7x24 Technical Support, 5 Years ProSupport: Next Business Day Onsite, 1 Year ProSupport: Next Business Day Onsite, 4 Year Extended OS-Windows Media Not Included SupportAssist Dell(TM) Digital Delivery Cirrus Client Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps) Waves Maxx Audio Dell Power Manager Dell SupportAssist OS Recovery Tool Dell Optimizer Win 10 PKID Label					
5	520-AAOT: Dell Stereo Soundbar – AC511M	DIR-TSO-3763-R	8.00	EACH	$30.32	$242.56
6	452-BCQC: Dell Micro All-in-One Stand	DIR-TSO-3763-R	8.00	EACH	$67.38	$539.04
7	210-AYVG: OptiPlex 7090 Micro BTX	DIR-TSO-3763-R	8.00	EACH	$861.02	$6,888.16
	NOTE: OptiPlex 7090 Micro BTX Intel Core i5-11500T (6 Cores/12MB/12T/1.5GHz to 3.9GHz/35W); supports Windows 10/Linux Windows 10 Pro English, French, Spanish No Microsoft Office License Included – 30 day Trial Offer Only 16GB (1x16GB) DDR4 non ECC memory M.2 512GB PCIe NVMe Class 35 Solid State Drive Thermal Pad M2X3.5 Screw for SSD/DDPE No Additional Hard Drive NO RAID					

Continued...

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NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE

Intel Integrated Graphics, Dell OptiPlex
OptiPlex 7090 Micro 35W, Supports up to 10 Core Processors
90 Watt A/C Adapter
Power Cord
Internal Wireless Antennas
Intel Wi-Fi 6 AX201, Dual-band 2x2 802.11ax with MU-MIMO + Bluetooth 5.1
Intel Wi-Fi 6 AX201 2x2 (Gig+) + Bluetooth 5.2
No Stand Option
No Additional Cable Requested
No PCIe add-in card
Dell Pro Wireless Keyboard and Mouse - KM5221W - English Mouse included with Keyboard
No Cable Cover
Not selected in this configuration
SupportAssist
Dell(TM) Digital Delivery Cirrus Client
Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)
Waves Maxx Audio
Dell SupportAssist OS Recovery Tool
Dell Optimizer
Win 10 PKID Label
OS-Windows Media Not Included
ENERGY STAR Qualified
SERI Guide (ENG/FR/Multi)
Dell Watchdog Timer
Quick Setup Guide 7090 MFF
US Order
Print on Demand Label
Trusted Platform Module (Discrete TPM Enabled)
Ship Material for OptiPlex Micro Form Factor
Shipping Label
Regulatory Label for OptiPlex 7090 MFF 90W
11th Gen Intel Core i5 vPro label
Desktop BTS/BTP Shipment
No Anti-Virus Software
Fixed Hardware Configuration
No Option Included
No AutoPilot
EPEAT 2018 Registered (Gold)

Continued...

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NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE
	Speaker for OptiPlex MFF Intel vPro Technology Enabled Dell Limited Hardware Warranty Plus Service Onsite/In-Home Service After Remote Diagnosis 3 Years					
8	210-AXWQ: Dell Mobile Precision Workstation 3560 CTO	DIR-TSO-3763-R	1.00	EACH	$2,094.77	$2,094.77
	NOTE: Dell Mobile Precision Workstation 3560 CTO Intel® Core™ Processor i5-1145G7 (4 Core, 8MB Cache, 2.6 GHz up to 4.40 GHz Turbo, 17.5W, vPro) Windows 10 Pro English, French, Spanish No Microsoft Office License Included-30 day Trial Offer Only Intel Core Processor i5-1145G7 vPro with UMA graphics, TBT Intel® Iris® Xe Graphics 15.6"FHD, 16x9, 1920x1080, 400 nit,WVA,LBL,100% sRGB,60Hz,Non-Touch,RGB Camera&Mic,WLAN&WWAN Capable 16 GB, 1 x 16 GB, DDR4, 3200Mhz Non-ECC, SODIMM M.2 2280 512 GB, Gen 3 PCIe x4 NVMe, Solid State Drive No Additional Hard Drive Single Pointing Non-Backlit English US Keyboard and 10 Key Numpad Palmrest, No Security, Thunderbolt™ 4 Intel Wi-Fi 6 AX201 Wireless Card with Bluetooth 5.2 No Mobile Broadband Card 4-cell 63 Whr Long Lifecycle Lithium Ion battery with ExpressCharge 90W Type-C Epeat Adapter vPro Manageability Resource Media not Included ENERGY STAR Qualified Not EPEAT Registered No Windows AutoPilot E5 US Power Cord Safety and Regulatory Documents English,French,Dutch No Mouse Wireless Intel AX201 WLAN Driver US No Canada Ship Charge No UPC Label Packaging for 90W Adapter No FGA 11th Gen Intel Core i5 vPro label Dell Applications Windows 10 No Anti-Virus Software					

Continued...

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NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE
	OS-Windows Media Not Included					
	Quick Setup Guide for Mobile Precision 3560					
	Bottom cover					
	5 Years ProSupport with Next Business Day Onsite Service					
	Standard shipment					
9	210-AQPY: Dell Latitude 5424 Rugged	DIR-TSO-3763-R	3.00	EACH	$3,092.45	$9,277.35
	NOTE: 8th Gen Intel Core i5-8350U Processor (Quad Core, 6M Cache, 1.7GHz,15W, vPro)					
	Win 10 Pro 64 English, French, Spanish					
	No Microsoft Office License Included – 30 day Trial Offer Only					
	Intel Core i5-8350U Processor Base with Integrated Intel UHD 620 Graphics					
	No Out-of-Band Systems Management - vPro Disabled					
	16GB, 2x8GB, 2400MHz DDR4 Non-ECC					
	M.2 512GB PCIe NVMe Class 40 Solid State Drive					
	14" FHD WVA (1920 x 1080) Embedded Touch, Outdoor-Readable Screen					
	Dell Top Case and Palmrest without Security					
	Regulatory Label for Keyboard					
	Sealed Internal RGB Backlit English Keyboard					
	Intel Dual Band Wireless AC 8265 (802.11ac) 2x2 + Bluetooth 4.2 Driver					
	Intel Dual Band Wireless AC 8265 (802.11ac) 2x2					
	WLAN Bracket					
	No Mobile Broadband Card					
	3 Cell 51Whr ExpressCharge Capable Battery					
	90 Watt AC Adapter					
	No Anti-Virus Software					
	OS-Windows Media Not Included					
	E5 US Power Cord					
	Setup and Features Guide					
	Factory Installed Rigid handle tied sku					
	Dummy Airbay Cover					
	SERI Guide (English/Spanish)					
	Regulatory Label included					
	TPM Enabled					
	System Driver, Dell Latitude 5424					
	Dell Developed Recovery Environment					
	Shuttle SHIP Material					
	Directship Info Mod					
	No Option Included					
	CMS Software not included					

Continued...

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NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE

No Resource USB Media
ENERGY STAR Qualified
BTO Standard shipment Air
No Additional IO Ports
Primary HD Only, 5424
No Optical Drive
No Option Included
RGB Camera
No PCMCIA Card or Express Card Reader
ProSupport Plus: Next Business Day Onsite, 3 Years
Dell Limited Hardware Warranty Initial Year
ProSupport Plus: Accidental Damage Service, 3 Years ProSupport Plus: Keep Your Hard Drive, 3 Years
ProSupport Plus: 7X24 Technical Support, 3 Years
Thank you for choosing Dell ProSupport Plus. For tech support, visit www.dell.com/contactdell or call 1-866-516-3115

Total Weight (EACH):	0	**Sales Total:**	$77,485.49
Total Volume (EACH):	0	**Freight & Misc.:**	$0.00
		Tax Total:	$0.00
		Total (USD):	$77,485.49

These prices do NOT include taxes, insurance, shipping, delivery, setup fees, or any cables or cabling services or material unless specifically listed above. All prices are subject to change without notice. Supply subject to availability.

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	Net 30 Days	Kelli Petty

SHIPPING TERMS	SHIP VIA

NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE
1	23089-999-879: Gn Netcom Jabra Evolve2 30 - Stereo - USB Type C - Wired - 20 Hz - 20 kHz - On-ear - Binaural - Ear-cup - 4.92 ft Cable - MEMS Technology Microphone - Black STEREC	NON CONTRACT	3.00	EACH	$60.51	$181.53
2	210-BBCC: Dell 24 Monitor - P2422H, 60.5cm (23.8") NOTE: "Dell Limited Hardware Warranty Advanced Exchange Service, 3 Years"	DIR-TSO-3763-R	56.00	EACH	$254.34	$14,243.04
3	210-AZBI: Dell Thunderbolt Dock- WD19TBS NOTE: "Dell Limited Hardware Warranty Advanced Exchange Service, 3 Years"	DIR-TSO-3763-R	25.00	EACH	$292.92	$7,323.00
4	210-AXVO: Dell Latitude 5420 NOTE: Dell Latitude 5420 BTX Base 11th Generation Intel Core i5-1145G7 (4 Core, 8M cache, base 2.6GHz, up to 4.4GHz, vPro) Windows 10 Pro English, French, Spanish I5-1145G7 Vpro, Intel Iris Xe Graphics, Thunderbolt No Microsoft Office License Included – 30 day Trial Offer Only Intel vPro Active Management Technology (for vPro CPU, vPro Capable) 16GB,1x16GB, DDR4 Non-ECC M.2 512GB PCIe NVMe Class 35 Solid State Drive No AutoPilot EPEAT 2018 Registered (Gold) LCD back cover for Latitude 5420 WLAN Only FHD IR Camera Bezel with Mic (ExpressSign-In/Mic) 14" FHD (1920x1080) Non-Touch, Anti-Glare, 250nits Single Pointing Backlit US English Keyboard No Mouse Intel AX201 WLAN Driver Intel Wi-Fi 6 AX201 2x2 .11ax 160MHz + Bluetooth 5.1 No Mobile Broadband Card 4 Cell 63Whr ExpressChargeTM Capable Battery E4 65W Type-C EPEAT Adapter Palmrest, Contacted SmartCard Reader, Thunderbolt 4 US Power Cord Quick start guide for Win 10, Ubuntu No Anti-Virus Software US Order	DIR-TSO-3763-R	23.00	EACH	$1,595.48	$36,696.04

Continued...

Attachment: QT0075813 (COMPUTERS FY 22)

GTS TECHNOLOGY SOLUTIONS

Quote

GTS Technology Solutions, Inc.
9211 Waterford Centre Blvd
Suite 275
Austin, TX, 78758
Phone: (512) 452-0651

Quote #:	**QT0075813**
Date:	9/16/2021
Delivery Date:	
Expire Date:	10/16/2021
Customer ID:	TXCCEL13001
Sales Contact:	Justin Easton

QUOTE FOR:	SHIP TO:
City of Celina	City of Celina

CUSTOMER P.O. NO.	TERMS	SALES REP
	Net 30 Days	Kelli Petty
SHIPPING TERMS		**SHIP VIA**

NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE
	No Resource USB Media SERI Guide (ENG/FR/Multi) ENERGY STAR Qualified Fixed Hardware Configuration Packaging BTS 65W Adapter + TGL CPU 11th Gen Intel Core i5 vPro label BTS/BTP Smart Selection Shipment (VS) EAN label No Removable CD/DVD Drive Latitude 5420 Bottom Door Dell Limited Hardware Warranty Extended Year(s) Thank you choosing Dell ProSupport. For tech support, visit //support.dell.com/ProSupport Dell Limited Hardware Warranty ProSupport: 7x24 Technical Support, 5 Years ProSupport: Next Business Day Onsite, 1 Year ProSupport: Next Business Day Onsite, 4 Year Extended OS-Windows Media Not Included SupportAssist Dell(TM) Digital Delivery Cirrus Client Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps) Waves Maxx Audio Dell Power Manager Dell SupportAssist OS Recovery Tool Dell Optimizer Win 10 PKID Label					
5	520-AAOT: Dell Stereo Soundbar – AC511M	DIR-TSO-3763-R	8.00	EACH	$30.32	$242.56
6	452-BCQC: Dell Micro All-in-One Stand	DIR-TSO-3763-R	8.00	EACH	$67.38	$539.04
7	210-AYVG: OptiPlex 7090 Micro BTX	DIR-TSO-3763-R	8.00	EACH	$861.02	$6,888.16
	NOTE: OptiPlex 7090 Micro BTX Intel Core i5-11500T (6 Cores/12MB/12T/1.5GHz to 3.9GHz/35W); supports Windows 10/Linux Windows 10 Pro English, French, Spanish No Microsoft Office License Included – 30 day Trial Offer Only 16GB (1x16GB) DDR4 non ECC memory M.2 512GB PCIe NVMe Class 35 Solid State Drive Thermal Pad M2X3.5 Screw for SSD/DDPE No Additional Hard Drive NO RAID					

Continued...

Attachment: QT0075813 (COMPUTERS FY 22)

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City of Celina	City of Celina

CUSTOMER P.O. NO.	TERMS	SALES REP
	Net 30 Days	Kelli Petty

SHIPPING TERMS	SHIP VIA

NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE

Intel Integrated Graphics, Dell OptiPlex
OptiPlex 7090 Micro 35W, Supports up to 10 Core Processors
90 Watt A/C Adapter
Power Cord
Internal Wireless Antennas
Intel Wi-Fi 6 AX201, Dual-band 2x2 802.11ax with MU-MIMO + Bluetooth 5.1
Intel Wi-Fi 6 AX201 2x2 (Gig+) + Bluetooth 5.2
No Stand Option
No Additional Cable Requested
No PCIe add-in card
Dell Pro Wireless Keyboard and Mouse - KM5221W - English Mouse included with Keyboard
No Cable Cover
Not selected in this configuration
SupportAssist
Dell(TM) Digital Delivery Cirrus Client
Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)
Waves Maxx Audio
Dell SupportAssist OS Recovery Tool
Dell Optimizer
Win 10 PKID Label
OS-Windows Media Not Included
ENERGY STAR Qualified
SERI Guide (ENG/FR/Multi)
Dell Watchdog Timer
Quick Setup Guide 7090 MFF
US Order
Print on Demand Label
Trusted Platform Module (Discrete TPM Enabled)
Ship Material for OptiPlex Micro Form Factor
Shipping Label
Regulatory Label for OptiPlex 7090 MFF 90W
11th Gen Intel Core i5 vPro label
Desktop BTS/BTP Shipment
No Anti-Virus Software
Fixed Hardware Configuration
No Option Included
No AutoPilot
EPEAT 2018 Registered (Gold)

Continued...

Attachment: QT0075813 (COMPUTERS FY 22)

GTS
TECHNOLOGY SOLUTIONS

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Quote #: QT0075813
Date: 9/16/2021
Delivery Date:
Expire Date: 10/16/2021
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Sales Contact: Justin Easton

QUOTE FOR:	SHIP TO:
City of Celina	City of Celina

CUSTOMER P.O. NO.	TERMS	SALES REP
	Net 30 Days	Kelli Petty

SHIPPING TERMS	SHIP VIA

NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE
	Speaker for OptiPlex MFF Intel vPro Technology Enabled Dell Limited Hardware Warranty Plus Service Onsite/In-Home Service After Remote Diagnosis 3 Years					
8	210-AXWQ: Dell Mobile Precision Workstation 3560 CTO	DIR-TSO-3763-R	1.00	EACH	$2,094.77	$2,094.77
	NOTE: Dell Mobile Precision Workstation 3560 CTO Intel® Core™ Processor i5-1145G7 (4 Core, 8MB Cache, 2.6 GHz up to 4.40 GHz Turbo, 17.5W, vPro) Windows 10 Pro English, French, Spanish No Microsoft Office License Included-30 day Trial Offer Only Intel Core Processor i5-1145G7 vPro with UMA graphics, TBT Intel® Iris® Xe Graphics 15.6"FHD, 16x9, 1920x1080, 400 nit,WVA,LBL,100% sRGB,60Hz,Non-Touch,RGB Camera&Mic,WLAN&WWAN Capable 16 GB, 1 x 16 GB, DDR4, 3200Mhz Non-ECC, SODIMM M.2 2280 512 GB, Gen 3 PCIe x4 NVMe, Solid State Drive No Additional Hard Drive Single Pointing Non-Backlit English US Keyboard and 10 Key Numpad Palmrest, No Security, Thunderbolt™ 4 Intel Wi-Fi 6 AX201 Wireless Card with Bluetooth 5.2 No Mobile Broadband Card 4-cell 63 Whr Long Lifecycle Lithium Ion battery with ExpressCharge 90W Type-C Epeat Adapter vPro Manageability Resource Media not Included ENERGY STAR Qualified Not EPEAT Registered No Windows AutoPilot E5 US Power Cord Safety and Regulatory Documents English,French,Dutch No Mouse Wireless Intel AX201 WLAN Driver US No Canada Ship Charge No UPC Label Packaging for 90W Adapter No FGA 11th Gen Intel Core i5 vPro label Dell Applications Windows 10 No Anti-Virus Software					

Continued...

Attachment: QT0075813 (COMPUTERS FY 22)

GTS
TECHNOLOGY SOLUTIONS

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Quote #:	**QT0075813**
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Customer ID:	TXCCEL13001
Sales Contact:	Justin Easton

QUOTE FOR:	SHIP TO:
City of Celina	City of Celina

CUSTOMER P.O. NO.	TERMS	SALES REP
	Net 30 Days	Kelli Petty

SHIPPING TERMS	SHIP VIA

NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE
	OS-Windows Media Not Included					
	Quick Setup Guide for Mobile Precision 3560					
	Bottom cover					
	5 Years ProSupport with Next Business Day Onsite Service					
	Standard shipment					
9	210-AQPY: Dell Latitude 5424 Rugged	DIR-TSO-3763-R	3.00	EACH	$3,092.45	$9,277.35
	NOTE: 8th Gen Intel Core i5-8350U Processor (Quad Core, 6M Cache, 1.7GHz,15W, vPro)					
	Win 10 Pro 64 English, French, Spanish					
	No Microsoft Office License Included – 30 day Trial Offer Only					
	Intel Core i5-8350U Processor Base with Integrated Intel UHD 620 Graphics					
	No Out-of-Band Systems Management - vPro Disabled					
	16GB, 2x8GB, 2400MHz DDR4 Non-ECC					
	M.2 512GB PCIe NVMe Class 40 Solid State Drive					
	14" FHD WVA (1920 x 1080) Embedded Touch, Outdoor-Readable Screen					
	Dell Top Case and Palmrest without Security					
	Regulatory Label for Keyboard					
	Sealed Internal RGB Backlit English Keyboard					
	Intel Dual Band Wireless AC 8265 (802.11ac) 2x2 + Bluetooth 4.2 Driver					
	Intel Dual Band Wireless AC 8265 (802.11ac) 2x2					
	WLAN Bracket					
	No Mobile Broadband Card					
	3 Cell 51Whr ExpressCharge Capable Battery					
	90 Watt AC Adapter					
	No Anti-Virus Software					
	OS-Windows Media Not Included					
	E5 US Power Cord					
	Setup and Features Guide					
	Factory Installed Rigid handle tied sku					
	Dummy Airbay Cover					
	SERI Guide (English/Spanish)					
	Regulatory Label included					
	TPM Enabled					
	System Driver, Dell Latitude 5424					
	Dell Developed Recovery Environment					
	Shuttle SHIP Material					
	Directship Info Mod					
	No Option Included					
	CMS Software not included					

Continued...

Attachment: QT0075813 (COMPUTERS FY 22)

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Quote #:	**QT0075813**
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	Net 30 Days	Kelli Petty
SHIPPING TERMS		**SHIP VIA**

NO.	ITEM	CONTRACT	QTY.	UOM	PRICE	EXTENDED PRICE

No Resource USB Media
ENERGY STAR Qualified
BTO Standard shipment Air
No Additional IO Ports
Primary HD Only, 5424
No Optical Drive
No Option Included
RGB Camera
No PCMCIA Card or Express Card Reader
ProSupport Plus: Next Business Day Onsite, 3 Years
Dell Limited Hardware Warranty Initial Year
ProSupport Plus: Accidental Damage Service, 3 Years ProSupport Plus: Keep Your Hard Drive, 3 Years
ProSupport Plus: 7X24 Technical Support, 3 Years
Thank you for choosing Dell ProSupport Plus. For tech support, visit www.dell.com/contactdell or call 1-866-516-3115

Total Weight (EACH):	0	**Sales Total:**	$77,485.49
Total Volume (EACH):	0	**Freight & Misc.:**	$0.00
		Tax Total:	$0.00
		Total (USD):	$77,485.49

These prices do NOT include taxes, insurance, shipping, delivery, setup fees, or any cables or cabling services or material unless specifically listed above. All prices are subject to change without notice. Supply subject to availability.

Attachment: QT0075813 (COMPUTERS FY 22)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Barbara Sprinkle, Purchasing
Date: October 12, 2021
Re: Mowing Services for ROW and Medians, Bid 2021-0087

Action Requested:
Consider and act to award bid 2021-0087 for Mowing Services of ROW, medians, and city owned properties to Yellowstone Landscape at the unit prices listed in an amount not to exceed $280,167.00. (Berry/Sprinkle)

Background Information:
On 8/23/2021, the City received responses to bid 2021-0087 for Mowing Services for ROW and Medians. The bid invitation was advertised in the local paper and posted on the City's eProcurement system in which seventy-five vendors were notified. Two No-Bids and four responses were received.

Four submittals were reviewed by Park Department Staff and the Purchasing Department staff.

The contract period is for one-year with four, one-year renewal options.

Alternatives:
Council may reject the award and direct staff.

Financial Considerations:
Funding is available in the current budget. Expenditures will not exceed funds appropriated and funds will be committed at the issuance of a purchase order.

Legal Review:
This award does not have a contact. A purchase order will be issued.

Supporting Documents:
Tab Sheet

Staff Recommendations:
Authorize the purchase as recommended.

Staff Recommendation:
Mowing Services for ROW and Medians, Bid 2021-0087

				Family First Veteran Lawn and Landscape		Yellowstone Landscape		Raul Morales Lawn Service LLC		Brightview Landscaping	
				Total Price	$152,300.00	Total Price	$280,167.00	Total Price	$293,467.08	Total Price	$467,806.18
Line #	Description	QTY	UOM	Unit	Extended	Unit	Extended	Unit	Extended	Unit	Extended
1	**Weekly Mowing - Class B**										
1.1	112 N Colorado St	52	W	$30.00	$1,560.00	$21.64	$1,125.28	**$18.05**	$938.60	$66.73	$3,469.96
1.2	1413 S. Preston Road Fire Station 1	52	W	**$30.00**	$1,560.00	$102.40	$5,324.80	$33.81	$1,758.12	$121.07	$6,295.64
1.3	1803 Light Farms Way Fire Station 2	52	W	**$30.00**	$1,560.00	$145.46	$7,563.92	$31.53	$1,639.56	$177.07	$9,207.64
1.4	201 E Pecan	52	W	**$30.00**	$1,560.00	$36.65	$1,905.80	**$30.00**	$1,560.00	$45.75	$2,379.00
1.5	706 E Pecan	52	W	**$30.00**	$1,560.00	$215.69	$11,215.88	$200.00	$10,400.00	$324.43	$16,870.36
1.6	Founders Park	52	W	$75.00	$3,900.00	$45.04	$2,342.08	**$35.87**	$1,865.24	$58.52	$3,043.04
1.7	Old Celina Park	52	W	**$75.00**	$3,900.00	$189.56	$9,857.12	$425.40	$22,120.80	$438.14	$22,783.28
1.8	Old Celina Park	52	W	$75.00	$3,900.00	**$34.53**	$1,795.56	$425.40	$22,120.80	$438.14	$22,783.28
1.9	Old Celina Park	52	W	**$75.00**	$3,900.00	$592.77	$30,824.04	$425.40	$22,120.80	$438.14	$22,783.28
1.10	Public Works - 10165 County Road 106	52	W	$75.00	$3,900.00	$270.38	$14,059.76	**$58.49**	$3,041.48	$401.00	$20,852.00
1.11	Triangle only	52	W	$400.00	$20,800.00	**$19.60**	$1,019.20	$31.53	$1,639.56	$30.86	$1,604.72
					$48,100.00		**$87,033.44**		**$89,204.96**		**$132,072.20**
2	**Bi-Weekly Mowing - Class C**										
2.1	101 N Arkansas St	26	B	$30.00	$780.00	**$6.84**	$177.84	$30.00	$780.00	$14.03	$364.78
2.2	103 N Arkansas St	26	B	$30.00	$780.00	**$6.38**	$165.88	$30.00	$780.00	$12.88	$334.88
2.3	104 N Colorado St	26	B	$30.00	$780.00	**$24.53**	$637.78	$36.10	$938.60	$58.30	$1,515.80
2.4	111 E Pecan St	26	B	**$30.00**	$780.00	$54.84	$1,425.84	$36.10	$938.60	$34.08	$886.08
2.5	112 E Oak St	26	B	$30.00	$780.00	**$17.24**	$448.24	$36.10	$938.60	$40.05	$1,041.30
2.6	140 N Ohio Dr	26	B	$30.00	$780.00	**$9.29**	$241.54	$36.10	$938.60	$20.16	$524.16
2.7	17099 Celina Rd	26	B	**$30.00**	$780.00	$162.04	$4,213.04	$44.78	$1,164.28	$258.25	$6,714.50
2.8	202 S Arkansas St	26	B	$30.00	$780.00	**$15.94**	$414.44	$36.10	$938.60	$36.82	$957.32
2.9	204 S Arkansas St	26	B	$30.00	$780.00	**$4.64**	$120.64	$36.10	$938.60	$8.51	$221.26
2.10	204 S Tennessee St	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.11	206 S Arkansas	26	B	$30.00	$780.00	**$17.58**	$457.08	$35.00	$910.00	$40.92	$1,063.92
2.12	2071 Frontier Pkwy - Frontier Lift Station	26	B	**$30.00**	$780.00	$48.40	$1,258.40	$36.10	$938.60	$41.82	$1,087.32
2.13	210 S Arkansas	26	B	$30.00	$780.00	**$18.05**	$469.30	$35.00	$910.00	$42.09	$1,094.34
2.14	212 S Arkansas St	26	B	$30.00	$780.00	**$14.90**	$387.40	$35.00	$910.00	$34.20	$889.20
2.15	301 S Arkansas St	26	B	$30.00	$780.00	**$8.73**	$226.98	$35.00	$910.00	$18.76	$487.76
2.16	301 S Oklahoma Dr	26	B	$30.00	$780.00	**$14.24**	$370.24	$35.00	$910.00	$32.55	$846.30
2.17	302 N Ohio Dr	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$18.76	$487.76
2.18	302 S Arkansas St	26	B	$30.00	$780.00	**$14.24**	$370.24	$36.10	$938.60	$32.55	$846.30
2.19	303 W Beech St	26	B	$30.00	$780.00	**$9.01**	$234.26	$36.10	$938.60	$19.45	$505.70
2.20	305 N Colorado St	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.21	305 W Beach St.	26	B	$30.00	$780.00	**$8.83**	$229.58	$36.10	$938.60	$19.01	$494.26
2.22	306 W Maple St	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.23	307 N Colorado Dr	26	B	$30.00	$780.00	**$7.68**	$199.68	$35.00	$910.00	$16.13	$419.38
2.24	307 W Beach St.	26	B	$30.00	$780.00	**$9.19**	$238.94	$36.10	$938.60	$19.90	$517.40
2.25	308 N Ohio	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.26	308 W Maple St.	26	B	$30.00	$780.00	**$9.00**	$234.00	$36.10	$938.60	$19.44	$505.44
2.27	309 S Texas Dr	26	B	$30.00	$780.00	**$6.85**	$178.10	$35.00	$910.00	$14.05	$365.30
2.28	311 N Louisiana Dr (Old Fire Station)	26	B	$30.00	$780.00	**$20.29**	$527.54	$63.06	$1,639.56	$47.70	$1,240.20
2.29	312 E Ash St (Creek behind house)	26	B	$30.00	$780.00	**$9.97**	$259.22	$36.10	$938.60	$21.85	$568.10
2.30	312 N Ohio Dr	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88

Attachment: Mowing Services for ROW and Medians, Bid 2021-0087 (Mowing Services for ROW and Medians)

2.31	312 W Maple St	26	B	$30.00	$780.00	**$10.39**	$270.14	$35.00	$910.00	$22.90	$595.40
2.32	318 E Oak St	26	B	$30.00	$780.00	**$8.71**	$226.46	$35.00	$910.00	$18.71	$486.46
2.33	401 E Ash St	26	B	$30.00	$780.00	**$6.65**	$172.90	$79.20	$2,059.20	$13.55	$352.30
2.34	401 E Oak St	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.35	403 E Ash St	26	B	$30.00	$780.00	**$6.29**	$163.54	$79.20	$2,059.20	$12.65	$328.90
2.36	403 E Oak St	26	B	$30.00	$780.00	**$6.38**	$165.88	$35.00	$910.00	$12.86	$334.36
2.37	404 S Arkansas	26	B	$30.00	$780.00	**$4.97**	$129.22	$35.00	$910.00	$9.35	$243.10
2.38	406 E Oak St	26	B	$30.00	$780.00	**$12.99**	$337.74	$36.10	$938.60	$29.43	$765.18
2.39	407 W Ash St	26	B	$30.00	$780.00	**$6.92**	$179.92	$36.10	$938.60	$14.22	$369.72
2.40	409 E Ash St	26	B	$30.00	$780.00	**$5.13**	$133.38	$36.10	$938.60	$9.75	$253.50
2.41	412 E Oak - parcel west of 414 E Oak	26	B	$30.00	$780.00	**$9.18**	$238.68	$30.00	$780.00	$19.88	$516.88
2.42	413 E Ash St	26	B	$30.00	$780.00	**$6.17**	$160.42	$36.10	$938.60	$12.33	$320.58
2.43	414 E Oak St	26	B	$30.00	$780.00	**$11.93**	$310.18	$30.00	$780.00	$26.77	$696.02
2.44	4299 CR 86 - Coit Water Tower	26	B	**$30.00**	$780.00	$102.24	$2,658.24	$39.60	$1,029.60	$60.78	$1,580.28
2.45	501 E Walnut St	26	B	**$30.00**	$780.00	$61.80	$1,606.80	$36.10	$938.60	$57.73	$1,500.98
2.46	501 S Arkansas St	26	B	$30.00	$780.00	**$8.71**	$226.46	$36.10	$938.60	$18.72	$486.72
2.47	502 S. Oklahoma Dr.	26	B	**$30.00**	$780.00	$95.94	$2,494.44	$36.10	$938.60	$59.97	$1,559.22
2.48	503 E Walnut St	26	B	$30.00	$780.00	**$7.25**	$188.50	$36.10	$938.60	$15.06	$391.56
2.49	503 S Arkansas St	26	B	$30.00	$780.00	**$7.03**	$182.78	$36.10	$938.60	$14.50	$377.00
2.50	504 E Elm St	26	B	$30.00	$780.00	**$16.65**	$432.90	$35.00	$910.00	$38.58	$1,003.08
2.51	507 E Walnut St	26	B	$30.00	$780.00	**$10.58**	$275.08	$35.00	$910.00	$23.38	$607.88
2.52	508 E Elm St	26	B	$30.00	$780.00	**$4.77**	$124.02	$36.10	$938.60	$13.84	$359.84
2.53	508 E Elm St	26	B	$30.00	$780.00	**$6.77**	$176.02	$36.10	$938.60	$8.84	$229.84
2.54	508 E Walnut St	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.55	514 S Oklahoma Dr	26	B	**$30.00**	$780.00	$44.20	$1,149.20	$45.00	$1,170.00	$107.56	$2,796.56
2.56	700 N Florida Drive	26	B	**$30.00**	$780.00	$234.72	$6,102.72	$63.06	$1,639.56	$235.08	$6,112.08
2.57	7707 FM 2478 - Mustang Water Tower	26	B	**$30.00**	$780.00	$47.94	$1,246.44	$45.00	$1,170.00	$47.72	$1,240.72
2.58	Arkansas Street behind 204 S Arkansas Street	26	B	$30.00	$780.00	**$11.98**	$311.48	$35.00	$910.00	$26.89	$699.14
2.59	City Hall	26	B	$30.00	$780.00	**$6.84**	$177.84	$36.10	$938.60	$46.30	$1,203.80
2.60	Dead End of E Oak St next to railroad	26	B	$30.00	$780.00	**$3.91**	$101.66	$36.10	$938.60	$6.69	$173.94
2.61	Downtown Pump Station - 107 E. Elm Street	26	B	$30.00	$780.00	$84.83	$2,205.58	$79.20	$2,059.20	$19.58	$509.08
2.62	Lousiana Dr across railroad from Rollertown	26	B	$30.00	$780.00	**$12.91**	$335.66	$36.10	$938.60	$17.98	$467.48
2.63	Lousiana Dr across railroad from Rollertown	26	B	$30.00	$780.00	$47.94	$1,246.44	$36.10	$938.60	$17.98	$467.48
2.64	Lousiana Dr across railroad from Rollertown	26	B	$30.00	$780.00	$47.94	$1,246.44	$36.10	$938.60	$17.98	$467.48
2.65	Morgan Lakes EST - 1601 Settlers Ridge Road	26	B	**$30.00**	$780.00	$47.94	$1,246.44	$53.92	$1,401.92	$57.28	$1,489.28
2.66	Parcel next to railroad south of Pump Station	26	B	$30.00	$780.00	**$8.19**	$212.94	$79.20	$2,059.20	$17.41	$452.66
2.67	Part of 309 S Texas Dr	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.68	Part of 309 S Texas Dr	26	B	$30.00	$780.00	**$4.97**	$129.22	$30.00	$780.00	$9.35	$243.10
2.69	Part of 309 S Texas Dr	26	B	$30.00	$780.00	**$4.97**	$129.22	$30.00	$780.00	$9.35	$243.10
2.70	Preston Streams Park (Property East of 508 E Elm St)	26	B	**$30.00**	$780.00	$94.63	$2,460.38	$71.74	$1,865.24	$56.35	$1,465.10
2.71	Property East of 302 S Arkansas St	26	B	$30.00	$780.00	**$14.44**	$375.44	$79.20	$2,059.20	$33.04	$859.04
2.72	Property East of 402 S New Mexico Dr	26	B	$30.00	$780.00	**$16.78**	$436.28	$79.20	$2,059.20	$38.92	$1,011.92
2.73	Property east of 403 E Oak St	26	B	$30.00	$780.00	**$5.78**	$150.28	$79.20	$2,059.20	$11.38	$295.88
2.74	Property East of 404 S Arkansas St	26	B	$30.00	$780.00	**$3.24**	$84.24	$79.20	$2,059.20	$15.00	$390.00
2.75	Property east of 406 E Oak St	26	B	$30.00	$780.00	**$9.18**	$238.68	$79.20	$2,059.20	$19.89	$517.14
2.76	Property East of 408 E Ash St	26	B	$30.00	$780.00	**$9.01**	$234.26	$79.20	$2,059.20	$19.45	$505.70
2.77	Property East of 412 E Pecan St	26	B	$30.00	$780.00	**$8.47**	$220.22	$79.20	$2,059.20	$18.11	$470.86
2.78	Property East of 414 E Oak St	26	B	$30.00	$780.00	**$6.94**	$180.44	$79.20	$2,059.20	$14.28	$371.28
2.79	Property North of 111 N Lousiana Dr	26	B	$30.00	$780.00	**$11.26**	$292.76	$79.20	$2,059.20	$25.10	$652.60
2.80	Property North of 204 S Tennessee Dr	26	B	$30.00	$780.00	**$16.06**	$417.56	$79.20	$2,059.20	$37.11	$964.86
2.81	Property North of 210 S Arkansas St	26	B	$30.00	$780.00	**$16.41**	$426.66	$79.20	$2,059.20	$37.99	$987.74

Attachment: Mowing Services for ROW and Medians, Bid 2021-0087 (Mowing Services for ROW and Medians)

2.82	Property South of 501 S Arkansas St	26	B	$30.00	$780.00	**$5.28**	$137.28	$79.20	$2,059.20	$10.12	$263.12
2.83	Property west of 406 E Oak St	26	B	$30.00	$780.00	**$9.18**	$238.68	$79.20	$2,059.20	$19.88	$516.88
2.84	Pump Station - E Elm St	26	B	$30.00	$780.00	**$2.86**	$74.36	$79.20	$2,059.20	$19.88	$516.88
2.85	ROW South of Founders Park	26	B	$30.00	$780.00	**$5.64**	$146.64	$79.20	$2,059.20	$11.02	$286.52
2.86	S Arkansas St - Block 69, Lot 2e	26	B	$30.00	$780.00	**$4.51**	$117.26	$35.00	$910.00	$8.18	$212.68
2.87	Second Property east from 302 S Arkansas St	26	B	$30.00	$780.00	**$9.05**	$235.30	$79.20	$2,059.20	$19.56	$508.56
2.88	Second property east from 408 E Ash St	26	B	$30.00	$780.00	**$9.01**	$234.26	$79.20	$2,059.20	$19.45	$505.70
2.89	Second Property West from 414 E Oak St	26	B	$30.00	$780.00	**$8.97**	$233.22	$79.20	$2,059.20	$19.36	$503.36
2.90	South of existing Gravel Parking 111 E Pecan St	26	B	$30.00	$780.00	**$10.55**	$274.30	$79.20	$2,059.20	$23.31	$606.06
2.91	Strip behind Coit Water Tower	26	B	$30.00	$780.00	**$2.75**	$71.50	$79.20	$2,059.20	$15.00	$390.00
2.92	Tennessee St (parcel south of 204 S Tennessee)	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.93	205 W Main Street	26	B	$30.00	$780.00	**$9.18**	$238.68	$35.00	$910.00	$19.88	$516.88
2.94	309 W Beech St	26	B	$30.00	$780.00	**$9.18**	$238.68	$36.10	$938.60	$19.88	$516.88
					$73,320.00		**$50,325.34**		**$116,998.96**		**$72,391.02**
3	**Monthly Mowing - Class D**										
3.1	403 W Walnut St	12	M	$50.00	$600.00	**$16.86**	$202.32	$78.21	$938.52	$83.12	$997.44
3.2	411 W Walnut St	12	M	$50.00	$600.00	**$16.80**	$201.60	$78.21	$938.52	$83.12	$997.44
3.3	412 W Pecan St	12	M	$50.00	$600.00	**$16.82**	$201.84	$78.21	$938.52	$83.12	$997.44
3.4	408 W Pecan St	12	M	$50.00	$600.00	**$16.86**	$202.32	$78.21	$938.52	$83.12	$997.44
					$2,400.00		**$808.08**		**$3,754.08**		**$3,989.76**
4	**Mowing As Requested - Class E**										
4.1	1386 Private Road 5405	2	YR	**$150.00**	$300.00	$2,312.58	$4,625.16	$3,164.80	$6,329.60	$3,390.86	$6,781.72
4.2	Future Elementary School Site - Sutton Fields	2	YR	**$150.00**	$300.00	$655.54	$1,311.08	$1,029.60	$2,059.20	$960.86	$1,921.72
4.3	Future Fire Station site - Sutton Fields	2	YR	**$150.00**	$300.00	$237.31	$474.62	$1,029.60	$2,059.20	$348.00	$696.00
4.4	Parcel adjacent to Public Works - west side of Public Works	2	YR	**$150.00**	$300.00	$872.77	$1,745.54	$1,194.40	$2,388.80	$1,279.71	$2,559.42
4.5	Public Works - 10165 County Road 106	2	YR	**$500.00**	$1,000.00	$1,242.22	$2,484.44	$3,041.28	$6,082.56	$1,821.43	$3,642.86
					$2,200.00		**$10,640.84**		**$18,919.36**		**$15,601.72**
5	Right of Way / Medians										
6	Right-of-Way Weekly Mowing - Class B										
6.1	Oak St East Celina ROW between 312 402 S Texas St	52	B1	$75.00	$3,900.00	**$8.96**	**$465.92**	$35.87	$1,865.24	$67.56	$3,513.12
6.2	Preston Road (1461 to High School) (~52,500 feet) (medians	52	B1	**$75.00**	**$3,900.00**	$1,490.47	$77,504.44	$500.00	$26,000.00	$3,036.31	$157,888.12
					$7,800.00		**$77,970.36**		**$27,865.24**		**$161,401.24**
7	Right-of-Way Bi-Weekly Mowing - Class C										
7.1	Dallas North Toll Road (428 to Frontier) (~16,700 ft)	26	C1	**$75.00**	**$1,950.00**	$639.52	$16,627.52	$539.17	$14,018.42	$1,285.28	$33,417.28
7.2	Strip of land CR 97	26	C1	$50.00	$1,300.00	$102.82	$2,673.32	**$39.60**	**$1,029.60**	$77.72	$2,020.72
					$3,250.00		**$19,300.84**		**$15,048.02**		**$35,438.00**
8	Right-of-Way Monthly Mowing - Class D										
8.1	Strip of land Settlers Ridge Rd / CR 97	26	D1	$50.00	$1,300.00	**$38.07**	**$989.82**	$85.80	$2,230.80	$106.39	$2,766.14
8.2	Sunset Drainage Channel (Elem. School to 428) (~2300 ft)	12	D1	**$100.00**	**$1,200.00**	$123.35	$1,480.20	$155.43	$1,865.16	$531.20	$6,374.40
8.3	Preston Road ROW 15' wide from Frontier to High School M	12	D1	**$400.00**	**$4,800.00**	$1,871.09	$22,453.08	$1,109.60	$13,315.20	$2,324.20	$27,890.40
					$7,300.00		**$24,923.10**		**$17,411.16**		**$37,030.94**
9	Median Weekly Mowing - Class B										
9.1	Kinship Pkwy	52	B2	$40.00	$2,080.00	**$12.26**	**$637.52**	$25.00	$1,300.00	$43.20	$2,246.40

Attachment: Mowing Services for ROW and Medians, Bid 2021-0087 (Mowing Services for ROW and Medians)

9.2	Choate Pkwy	52	B2	$75.00	$3,900.00	$138.28	$7,190.56	**$41.40**	**$2,152.80**	$107.05	$5,566.60
					$5,980.00		**$7,828.08**		**$3,452.80**		**$7,813.00**
10	Median Bi-Weekly Mowing - Class C										
10.1	Medians on Punk Carter (E of Legacy to E of DNT)	26	C2	$75.00	$1,950.00	$51.42	$1,336.92	**$31.25**	**$812.50**	$79.55	$2,068.30
					$1,950.00		**$1,336.92**		**$812.50**		**$2,068.30**
	TOTAL PRICE				**$152,300.00**		**$280,167.00**		**$293,467.08**		**$467,806.18**

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dawn Berry, Purchasing Manager
Date: October 12, 2021
Re: Pre-Construction Services Law Enforcement Center Phase 1

Action Requested:
Consider and act to award RFQ 2021-0087 for pre-construction services to Lee Lewis Construction, Inc., in an amount not to exceed $5,000. (Berry)

Background Information:
On June 7, 2021, the City received responses to bid 2021-0087 for construction manager at risk (CMAR) services for phase 1 of the Law Enforcement Center project. The bid invitation was advertised in the local paper and posted on the City's eProcurement system in which three hundred fourteen vendors and plan rooms were notified. Two No-Bids and nine responses were received.

The submittals were reviewed by a committee from various departments. Procurement evaluated the financial aspects of the solicitation. The committee reviewed each firms experience and qualifications of the proposed team. Upon initial review, staff selected the top three firms to interview.

Interviews were conducted on September 23, 2021. Staff further discussed the candidates and recommend Lee Lewis Construction.

Staff is requesting authorization to contract with Lee Lewis Construction for pre-construction services. Lee Lewis will work with the architect and staff during the design of the law enforcement center, phase 1. Once the design is complete, staff will present the construction contract and guaranteed maximum price (GMP).

Alternatives:
Council may reject the award and direct staff.

Financial Considerations:
Funding is available in the current budget. Expenditures will not exceed funds appropriated and funds will be committed at the issuance of a purchase order

Legal Review:
Construction Documents will be presented at a later date.

Supporting Documents:
Agreement for pre-construction services

Staff Recommendation:
Award RFQ 2021-0087

CITY OF CELINA

CONSTRUCTION MANAGER AT RISK AGREEMENT

This Agreement is made by and between the **City of Celina, Texas** a home rule municipality (Owner) and **Lee Lewis Construction, Inc.** ("Contractor" or "Construction Manager"), to provide pre-construction services to the City Of Celina, Texas. This Agreement is effective on **October 12, 2021**, and unless earlier terminated pursuant to the provisions hereof, shall continue through the completion of performance of the Work specified hereunder.

WHEREAS, Owner desires to obtain pre-construction services for from Contractor for the **construction of Law Enforcement Center, Phase 1** (Police Building) project ("Project"); and

WHEREAS, Contractor is a construction firm selected to provide such services, based upon Contractor's municipal experience, references, and qualifications, and is willing to undertake the performance of such services for Owner in exchange for payment and fees as hereinafter specified.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein and in the Contract Documents, and subject to the terms and conditions hereinafter stated, Owner and Contractor do mutually agree as follows:

ARTICLE 1. CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE

The term "Contract Documents" shall include and consist of the following documents:

1. This Agreement;
2. Contractors Response to RFP 2021-0078
3. Other amendments and/or modifications to the above documents as are agreed upon by Contractor and Owner.

These Contract Documents are incorporated by reference into this Agreement as if set out herein in their entirety.

ARTICLE 2. EMPLOYMENT OF CONTRACTOR

A. Contractor will perform as an independent contractor all services under this Agreement to the prevailing professional standards consistent with the level of care and skill ordinarily exercised by members of the contractor/construction manager profession, both public and private, currently practicing in the North Texas area under similar conditions including, but not limited to, the exercise of reasonable, informed judgments and prompt, timely action.

B. The Contractor's and Owner's representatives on the Project(s) are listed as follows:

Contact Name & Address

1. **Contractor's Representative:**

   Contact:
   Address:
   Phone #:
   Email:

2. **Owner's Representative:**

   Andy Glasgow
   142 N. Ohio | Celina, TX 75009
   972-382-2686 x 1081
   Contracts@celina-tx.gov

Neither the Owner's nor the Contractor's representative shall be changed without ten (10) days' written notice to the other party.

Attachment: CMAR - PRECONSTRUCTION SERVICES - Lee Lewis (CMAR - Law Enforcement Center Phase 1 - Police Building)

ARTICLE 3. SCOPE OF SERVICES

Contractor shall perform pre-construction services as necessary to the prepare the project for construction bidding including but not limited to:

1. Preparing and Manage the Guaranteed Maximum Price (GPM) Documentation
2. Participate in the design process
3. Provide pre-construction services including constructability and cost advice through the design process.

ARTICLE 4. CONTRACTOR'S LIABILITY

A. Acceptance of the Work by Owner shall not constitute nor be deemed a release of the responsibility and liability of Contractor, its employees, associates, agents or subcontractors for the accuracy and competency of their performance of the Work; nor shall such acceptance be deemed an assumption of responsibility by Owner for any defect in the performance of the Work by said Contractor, its employees, associates, agents or subcontractors.

B. If at any time during the term of this Agreement, Contractor shall fail to perform the Work in accordance with the provisions of this Agreement in an efficient, timely and careful manner and in strict accordance with the provisions of this Agreement or fail to use an adequate number of quality or quality of personnel to complete the Work or fail to perform any of its obligations under this Agreement, then Owner shall have the right, if Contractor shall not cure any such default after thirty (30) days' written notice thereof, to terminate this Agreement. Any such act by Owner shall not be deemed a waiver of any other right or remedy of Owner. If, after exercising any such remedy due to Contractor's non-performance under this Agreement, the cost to Owner to complete the Work to be performed under this Agreement is in excess of that part of the Agreement sum which has not theretofore been paid to Contractor hereunder, Contractor shall be liable for and shall reimburse Owner for such excess.

D. If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten (10) day period after receipt of written notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such deficiencies. In such case, an appropriate Change Order shall be issued deducting from payments then or thereafter due the Contractor the reasonable cost of correcting such deficiencies, including Owner's expenses and compensation for the Architect's additional services, if any, made necessary by such default, neglect or failure. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner.

ARTICLE 5. CONFIDENTIAL INFORMATION

Contractor hereby acknowledges and agrees that its representatives may have access to or otherwise receive information during the furtherance of its obligations in accordance with this Agreement, which is of a confidential, non-public or proprietary nature. Contractor shall treat any such information received in full confidence and will not disclose or appropriate such confidential information for its own use or the use of any third party at any time during or subsequent to this Agreement.

ARTICLE 6. INDEMNITY

NOTWITHSTANDING ANY OTHER PROVISION IN THE CONTRACT DOCUMENTS TO THE CONTRARY:

A. CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS OWNER, ITS TOWN COUNCIL, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LOSSES, PENALTIES OR SUITS, WHICH IN ANY WAY ARISE OUT OF, RELATE TO, OR RESULT FROM THE PERFORMANCE OF THE WORK OR WHICH ARE CAUSED BY THE INTENTIONAL ACTS OR NEGLIGENT ACTS OR OMISSIONS OF CONTRACTOR OR ITS SUBCONTRACTORS, AND ANY OTHER THIRD PARTIES FOR WHOM OR WHICH CONTRACTOR IS LEGALLY RESPONSIBLE (THE "INDEMNIFIED ITEMS"). BY WAY OF EXAMPLE, THE INDEMNIFIED ITEMS MAY INCLUDE

Attachment: CMAR - PRECONSTRUCTION SERVICES - Lee Lewis (CMAR - Law Enforcement Center Phase 1 - Police Building)

PERSONAL INJURY AND DEATH CLAIMS AND PROPERTY DAMAGE CLAIMS, INCLUDING THOSE FOR LOSS OF USE OF PROPERTY. INDEMNIFIED ITEMS SHALL INCLUDE ATTORNEY'S FEES AND COSTS OF COURT, COURT COSTS, AND SETTLEMENT COSTS. INDEMNIFIED ITEMS SHALL ALSO INCLUDE ANY EXPENSES, INCLUDING ATTORNEY'S FEES AND EXPENSES, INCURRED BY AN INDEMNIFIED INDIVIDUAL OR ENTITY IN ATTEMPTING TO ENFORCE THIS INDEMNITY.

B. IN ITS SOLE DISCRETION, THE TOWN SHALL HAVE THE RIGHT TO APPROVE COUNSEL TO BE RETAINED BY CONTRACTOR IN FULFILLING ITS OBLIGATION TO DEFEND AND INDEMNIFY THE TOWN. CONTRACTOR SHALL RETAIN APPROVED COUNSEL FOR THE TOWN WITHIN SEVEN (7) BUSINESS DAYS AFTER RECEIVING WRITTEN NOTICE FROM THE TOWN THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF CONTRACTOR DOES NOT RETAIN COUNSEL FOR THE TOWN WITHIN THE REQUIRED TIME, THEN THE TOWN SHALL HAVE THE RIGHT TO RETAIN COUNSEL AND THE CONTRACTOR SHALL PAY THESE ATTORNEY'S FEES AND EXPENSES. THE TOWN RETAINS THE RIGHT TO PROVIDE AND PAY FOR ANY AND ALL COSTS OF DEFENDING INDEMNIFIED ITEMS, BUT IT SHALL NOT BE REQUIRED TO DO SO.

ARTICLE 7. TERMINATION OR SUSPENSION

A. If the Owner fails to make payments to the Contractor in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Contractor's option, cause for suspension of performance of Work under this Agreement. If the Contractor elects to suspend performance of the Work, the Contractor shall give ten (10) days' written notice to the Owner before suspending performance of the Work. In the event of a suspension of performance of the Work, the Contractor shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of performance of the Work. Before resuming Work, the Contractor shall be paid all sums due prior to suspension and any reasonable expenses incurred in the interruption and resumption of the Contractor's Work.

B. If the Owner suspends the Project, the Contractor shall be compensated for Work performed satisfactorily prior to notice of such suspension. When the Project is resumed, the Contractor may be compensated for expenses incurred in the interruption and resumption of the Contractor's performance of the Work. The Contractor's fee for the remaining Work and the time schedules may be equitably adjusted. If the Owner suspends the Project for more than ninety (90) cumulative days for reasons other than the fault of the Contractor, the Contractor may terminate this Agreement by giving not less than thirty (30) days' written notice.

C. Either party may terminate this Agreement upon not less than thirty (30) days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

D. The Owner may terminate this Agreement upon not less than thirty (30) days' written notice to the Contractor for the Owner's convenience and without cause. In the event of termination not the fault of the Contractor, the Contractor shall be compensated for services performed prior to termination.

ARTICLE 8. CLAIMS AND DISPUTES

A. The Owner and Contractor shall commence all claims and causes of action, whether in contract, tort, or otherwise, against the other party arising out of or related to this Agreement in accordance with the requirements of the method of binding dispute resolution set forth in this Agreement within the period specified by applicable law. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Article. To the extent damages are covered by property insurance, the Owner and Contractor waive all rights against each other and against the contractors, employees, agents, and subcontractors of the other party for damages, except such rights as they may have to the proceeds of such insurance as set forth in the Contract Documents. The Owner or the Contractor, as appropriate, shall require of the contractors, employees, agents, and subcontractors of any of them similar waivers in favor of the other parties enumerated herein.

Attachment: CMAR - PRECONSTRUCTION SERVICES - Lee Lewis (CMAR - Law Enforcement Center Phase 1 - Police Building)

B. Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. The Owner and Contractor shall endeavor to resolve claims, disputes, and other matters in question between them first, informally and, second, by mediation. A request for mediation shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of sixty (60) days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. The parties shall have fifteen (15) days after receipt of a request for mediation to agree on a mediator. If the parties are unable to agree on a mediator within fifteen (15) days, each party shall have an additional five (5) days to designate a mediator. The two mediators so designated shall then designate a third unbiased mediator who shall be the mediator to conduct the mediation. The decision of the mediator shall be nonbinding. The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon by the parties. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

C. If the parties do not resolve a claim, dispute or other matter in question through mediation pursuant to this Article, the method of binding dispute resolution shall be litigation in a court of competent jurisdiction.

ARTICLE 9. INSURANCE AND BONDS

A. The Contractor shall, at its own expense, procure, pay for, and maintain during the term of this Agreement insurance as listed in Exhibit 1.

ARTICLE 10. MISCELLANEOUS

§10.1 Choice of Law

This Agreement shall be governed by the law of the State of Texas, and venue for any dispute shall be in any court of competent jurisdiction in Collin County, Texas.

§10.2 Severability

If any of the provisions contained in this Agreement are held for any reason to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceable provisions shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein; and it is the intention of the parties that in lieu of each provision that is found to be illegal, invalid, or unenforceable, the parties seek to reasonably negotiate a new provision to this Agreement which is legal, valid, and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

§10.3 Notice

Except as otherwise provided in this Agreement or the Contract Documents, all notices and other communications required or permitted to be given under this Agreement, shall be in writing, addressed to the parties at their respective addresses as provided below, and may be delivered in person, sent by overnight express mail or courier service, or by certified mail, postage prepaid, return receipt requested. The addresses of each party are as follows:

If to the Owner: City of Celina
Attn: Contracts
142 N. Ohio
Celina, TX 75009

If to Contractor:

Attachment: CMAR - PRECONSTRUCTION SERVICES - Lee Lewis (CMAR - Law Enforcement Center Phase 1 - Police Building)

Each party may from time to time change its address for receipt of notices by sending notice thereof in the manner provided herein to the other party. Each notice given by certified mail shall be deemed delivered on the date of delivery as shown on the return receipt, or if delivery is attempted, at the last address specified and the notice is returned, notice shall be deemed delivered on the date the notice was originally sent. Each notice delivered in any other manner shall be deemed delivered as of the time of actual receipt thereof. The parties acknowledge and agree to provide to the other party within seventy-two (72) hours of transmission such notice documents bearing the original signatures.

§10.4 Unsatisfactory Work

Nothing contained in this Agreement shall require Owner to pay for any work that is unsatisfactory as determined by Owner or which is not submitted in compliance with the terms of this Agreement, nor shall such failure to withhold payment pursuant to the provisions of this Section constitute a waiver of any right, at law or in equity, which Owner may have if Contractor is in default, including the right to bring legal action for damages or for a specific performance of this Agreement.

§10.5 Conflict of Interest

Contractor covenants and agrees that Contractor and its associates and employees will have no interest, and will acquire no interest, either direct or indirect, which will conflict in any manner with the performance of the services called for under this Agreement. All activities, investigations and other efforts made by Contractor pursuant to this Agreement will be conducted by employees, associates or subcontractors of Contractor.

§10.6 Non-Waiver

The failure of either party to insist upon or enforce strict performance by the other party of any provision of this Agreement, or to exercise any right under this Agreement, shall not be construed as a waiver or relinquishment to any extent of any such party's right to assert or rely upon any such provision or right in that or any other instance, rather, the same shall be and remain in full force and effect.

§10.7 Assignment

The Owner and Contractor, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Contractor shall assign this Agreement without the prior written consent of the other party.

§10.8 Signatures

The undersigned officers and/or agents of the parties hereto are the properly authorized persons and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary motions, resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, the parties execute below:

CITY OF CELINA, TEXAS	**LEE LEWIS CONSTRUCTION, INC.**
_____	_____
Jason Laumer, City Manager	Signature
Date: _____	_____
	Printed Name & Title
	Date: _____

Attachment: CMAR - PRECONSTRUCTION SERVICES - Lee Lewis (CMAR - Law Enforcement Center Phase 1 - Police Building)

Life Connected.

Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Robin Bromiley, Director of Finance
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: Budget Amendment FY2021 - 2022

Action Requested:
Consider and act upon an ordinance of the City of Celina, Texas amending ordinance 2021-75 which adopted and approved the budget for fiscal year beginning October 1, 2021 and ending September 30, 2022, and make appropriations for each department, project and account, by adopting an amended 2021-2022 budget for the City of Celina, Texas, reallocating funds between accounts, attached hereto and incorporated into this ordinance. (Bromiley)

Background Information:
A FY2022 budget amendment is requested for the FY2021-2022 Operating Budget

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:
Ordinance Amending Budget
Exhibit A

Staff Recommendation:
Approval

CITY OF CELINA, TEXAS
ORDINANCE NO. 2021-

AN ORDINANCE OF THE CITY OF CELINA, TEXAS AMENDING ORDINANCE 2021-75, WHICH ADOPTED AND APPROVED THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022, AND MAKE APPROPRIATIONS FOR EACH DEPARTMENT, PROJECT AND ACCOUNT, BY ADOPTING AN AMENDED FISCAL YEAR 2021-2022 BUDGET FOR THE CITY OF CELINA, TEXAS, REALLOCATING FUNDS BETWEEN ACCOUNTS PURSUANT TO EXHIBIT "A", ATTACHED HERETO AND INCORPORATED INTO THIS ORDINANCE; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR FILING OF THE AMENDED BUDGET AND ORDINANCE; PROVIDING A CUMULATIVE CLAUSE; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is conducting business pursuant to a budget for fiscal year 2021-2022, heretofore previously adopted by Ordinance 2021-75; and

WHEREAS, Section 102.010 of the Texas Local Government Code authorizes the governing body of a municipality to make changes in the budget for municipal purposes; and

WHEREAS, the City Council has reviewed various line items within the budget and has determined that a valid municipal purpose is served by reallocating funds between various budget line items; and

WHEREAS, a proposed amendment to the budget has been placed on file with the City Secretary of the City of Celina, Texas.

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

SECTION 1. The above and foregoing premises are incorporated into the body of this Ordinance as if copied herein in their entirety.

SECTION 2. The City's budget for the fiscal year ending September 30, 2022, heretofore previously adopted by Ordinance 2021-75 duly enacted by the City Council of the City of Celina on the 14th day of September, 2021, be and is hereby amended as set out in Exhibit "A" attached hereto and incorporated herein, which amendment is hereby, in all respects, finally approved and adopted as so changed; the remainder of the budget being unchanged and remaining in full force and effect as originally adopted.

SECTION 3. That the amounts specified in Exhibit "A" be hereby appropriated and reallocated as specified for those purposes designated in Exhibit "A".

SECTION 4. The City Manager shall file or cause to be filed a true and correct copy of the amended budget, along with this Ordinance, with the City Secretary and in the office of the County Clerk of Collin County, Texas and Denton County, Texas.

Attachment: 2021-xx Amend Budget ordinance October 12 2021 (FY2022 Budget Amendment October 2021)

SECTION 5. This Ordinance shall be cumulative of all provisions of Ordinances of the City of Celina, Texas, 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 6. The provisions of this 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 decision or enactment.

SECTION 7. The City Secretary of the City of Celina is hereby directed to publish in the official newspaper of the City of Celina, the descriptive caption and effective date of this ordinance as required by Section 52.013 of the Local Government Code.

SECTION 8. 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 9. This Ordinance shall become effective from and after its date of passage in accordance with law.

IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, this the 12th day of October 2021.

_____
Sean Terry, Mayor

ATTEST:

_____
Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

_____
City Attorney

Attachment: 2021-xx Amend Budget ordinance October 12 2021 (FY2022 Budget Amendment October 2021)

Exhibit A

Meeting date: October 12, 2021
FY2022 Budget Amendment Detail

Budget Change # _____

Account #	Account Name	Description	Adjustment
402-123-000-7503	TRANSFERS OUT	Amend the CDC budget for the Transfer for purchase of park land. CDC board will approve in Oct Transfer to Cap Acq Fund	2,250,000.00
120-400-000-4902	TRANSFERS IN	Transfer in for Purchase of Park Land	(2,250,000.00)
120-113-000-8600	LAND ACQUISITION	Purchase of Park Land (funding from CDC)	2,250,000.00
109-113-000-8600	LAND ACQUISITION	Amend the Fund 109 budget for the purchase of park land	1,253,900.00
103-400-000-4101	REVENUE	Amend Fund 103 for additional revenue	(1,103,096.00)
103-400-000-4103	REVENUE	Amend Fund 103 for additional revenue	(7,426.00)
107-111-000-6670	DEVELOPERS AGREEMENT	Lilyana agreement rebate FY 2022 permits (remaining 121)	81,000.00

Description
Budget Amendment Ordinance

Created By	Date			
Robin Bromiley		10/12/2021	Yes	No
Reviewed By	Date		Request Approval by Council	
Entered By	Date		Date	

Attachment: 2021-xx Amend Budget ordinance October 12 2021 (FY2022 Budget Amendment October

Life Connected.

Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Robin Bromiley, Director of Finance
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: Budget Amendment FY2020-2021

Action Requested:
Consider and act upon an ordinance of the City of Celina, Texas amending ordinance 2020-77 which adopted and approved the budget for fiscal year beginning October 1, 2020 and ending September 30, 2021, and make appropriations for each department, project and account, by adopting an amended 2020-2021 budget for the City of Celina, Texas, reallocating funds between accounts, attached hereto and incorporated into this ordinance. (Bromiley)

Background Information:
A FY2021 budget amendment is requested for the FY2020-2021 Operating Budget and CIP Budgets.

Provide update across funds to prepare general ledger for end of fiscal year close.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:
Ordinance Amending Budget
Exhibit A

Staff Recommendation:
Approval

CITY OF CELINA, TEXAS
ORDINANCE NO. 2021-

AN ORDINANCE OF THE CITY OF CELINA, TEXAS AMENDING ORDINANCE 2020-77, WHICH ADOPTED AND APPROVED THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021, AND MAKE APPROPRIATIONS FOR EACH DEPARTMENT, PROJECT AND ACCOUNT, BY ADOPTING AN AMENDED FISCAL YEAR 2020-2021 BUDGET FOR THE CITY OF CELINA, TEXAS, REALLOCATING FUNDS BETWEEN ACCOUNTS PURSUANT TO EXHIBIT "A", ATTACHED HERETO AND INCORPORATED INTO THIS ORDINANCE; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR FILING OF THE AMENDED BUDGET AND ORDINANCE; PROVIDING A CUMULATIVE CLAUSE; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is conducting business pursuant to a budget for fiscal year 2020-2021, heretofore previously adopted by Ordinance 2020-77; and

WHEREAS, Section 102.010 of the Texas Local Government Code authorizes the governing body of a municipality to make changes in the budget for municipal purposes; and

WHEREAS, the City Council has reviewed various line items within the budget and has determined that a valid municipal purpose is served by reallocating funds between various budget line items; and

WHEREAS, a proposed amendment to the budget has been placed on file with the City Secretary of the City of Celina, Texas.

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

SECTION 1. The above and foregoing premises are incorporated into the body of this Ordinance as if copied herein in their entirety.

SECTION 2. The City's budget for the fiscal year ending September 30, 2021, heretofore previously adopted by Ordinance 2020-77 duly enacted by the City Council of the City of Celina on the 8th day of September, 2020, be and is hereby amended as set out in Exhibit "A" attached hereto and incorporated herein, which amendment is hereby, in all respects, finally approved and adopted as so changed; the remainder of the budget being unchanged and remaining in full force and effect as originally adopted.

SECTION 3. That the amounts specified in Exhibit "A" be hereby appropriated and reallocated as specified for those purposes designated in Exhibit "A".

SECTION 4. The City Manager shall file or cause to be filed a true and correct copy of the amended budget, along with this Ordinance, with the City Secretary and in the office of the County Clerk of Collin County, Texas and Denton County, Texas.

Attachment: 2021-xx Amend Budget ordinance October 12 2021 (FY2021 Budget Amendment October 2021)

SECTION 5. This Ordinance shall be cumulative of all provisions of Ordinances of the City of Celina, Texas, 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 6. The provisions of this 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 decision or enactment.

SECTION 7. The City Secretary of the City of Celina is hereby directed to publish in the official newspaper of the City of Celina, the descriptive caption and effective date of this ordinance as required by Section 52.013 of the Local Government Code.

SECTION 8. 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 9. This Ordinance shall become effective from and after its date of passage in accordance with law.

IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, this the 12th day of October 2021.

_____
Sean Terry, Mayor

ATTEST:

_____
Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

_____
City Attorney

Attachment: 2021-xx Amend Budget ordinance October 12 2021 (FY2021 Budget Amendment October 2021)

Exhibit A

Meeting date: October 12, 2021
FY2021 Budget Amendment Detail

Budget Change # _____

Account #	Account Name	Description	Adjustment
107-111-000-6670	Developer Incentive Payment	Development Agreement	43,000.00
107-111-000-6680	Miscellaneous Expense	Engineering & Construction	57,000.00
107-31-3050	Fund Balance	Roadway Fee Fund Balance	(100,000.00)
450-123-000-6670	Developer Incentive Payment	Development Agreement	47,000.00
450-31-3050	Fund Balance	Developer Capital Fee Fund Balance	(47,000.00)
202-120-000-7030	Trash & Recycling Svs	Monthly Service Agreement	65,000.00
202-119-000-6633	Credit Card Fees	Monthly Fees	10,000.00
202-31-3050	Fund Balance	Water/Wastewater Fund Balance	(65,000.00)
102-102-000-6520	Electricity	Monthly Fees	35,000.00
102-31-3050	Fund Balance	General Fund Balance	(35,000.00)
102-110-000-6432	Vehicle Repairs	Insurance Repairs	27,247.00
102-113-000-6432	Vehicle Repairs	Insurance Repairs	306.00
102-112-000-6432	Vehicle Repairs	Insurance Repairs	16,345.00
102-400-000-4707	Insurance Proceeds	TML Insurance Payments	(43,898.00)
202-117-000-6432	Vehicle Repairs	Insurance Repairs	961.00
202-400-000-4707	Insurance Proceeds	TML Insurance Payments	(961.00)
126-123-000-7500	Transfer Out	COVID-19 Funds	396,062.00
102-400-000-4900	Transfer In	COVID-19 Funds	(396,062.00)

Description
Budget Amendment Ordinance

Created By	Date		Yes	No
Robin Bromiley		10/12/2021		
Reviewed By	Date		Approved by Council	
Entered By	Date		Date	

Attachment: 2021-xx Amend Budget ordinance October 12 2021 (FY2021 Budget Amendment October

Life Connected.

Engineering
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Andy Glasgow, Director of Engineering
CC:	Kim Brawner, Executive Director of Public Services
Date:	October 12, 2021
Re:	Sutton Fields HOA License Agreement

Action Requested:
Consider and act to authorize and execute a license agreement between the City of Celina and the Sutton Fields Homeowners Association for the installation of radar signs along Bothwell Boulevard and Sutton Fields Trail. (Glasgow)

Background Information:
This agreement allows Sutton Fields Homeowners Association to install radar signs along Bothwell Boulevard and Sutton Fields Trail, provided that such use complies with the City's ordinances and policy for use of the right-of-way.

Board Review/Citizen Input:
N/A

Alternatives:
N/A

Financial Considerations:
Sutton Fields HOA will be responsible for the cost of the installation.

Legal Review:
This license agreement has been reviewed by the City Attorney.

Supporting Documents:
- Proposed Agreement

Staff Recommendation:
Staff recommends approval.

STATE OF TEXAS §
§
COUNTY OF COLLIN §

REVOCABLE LICENSE AGREEMENT

This Revocable License Agreement (the "**Agreement**") is entered into this 1st day October of 2021 by and between the City of Celina, Texas (the "**City**") and Sutton Fields Homeowners Association Inc., a Texas non-profit corporation (the "**Licensee**").

RECITALS:

WHEREAS, the City is a home rule city possessing the full power of local self-government pursuant to Article 11, Section 5 of the Texas Constitution, Section 51.072, Tex. Loc. Gov. Code, and its Home Rule Charter; and

WHEREAS, under Section 311.001 of the Texas Transportation Code, the City has exclusive control over and under the streets and alleys of the municipality; and

WHEREAS, the City is the lawful owner of certain real property, by way of right-of-way (the "**Property**") generally depicted in **Exhibit A**, attached hereto and incorporated herein; and

WHEREAS, the Licensee desires to install radar signs in three (3) locations on the Property (the "**Improvements**"), in a manner and placement as depicted in both Exhibit A and **Exhibit B**, attached hereto and incorporated herein

WHEREAS, in exchange for the City's approval of Licensee's placement of the Improvements on the Property, Licensee agrees to pay for and install the Improvements; and

WHEREAS, the City and Licensee desire to enter into this Agreement to permit Licensee to utilize the Property in a beneficial manner, provided that such use complies with the City's ordinances and policy for use of the right-of-way; and

NOW, THEREFORE, for and in consideration of the Ten and No/100 Dollars ($10.00), the mutual covenants and obligations set forth herein, and other good and valuable consideration, the City and Licensee do hereby agree as follows:

AGREEMENT:

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.

2. Grant of license. The City does hereby grant to Licensee a revocable, non-exclusive license to occupy that portion of the Property, as shown and described in Exhibit A. Licensee shall occupy this area in full compliance at all times with all of the following conditions:

Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

(a) No use of the Property or the Improvements is permitted except as provided in this Agreement;
(b) Licensee may use the Improvements only as permitted by City ordinances, including those related to the sale of alcohol, if applicable;
(c) City is responsible for maintaining the Improvements and the costs of same;
(d) Licensee is responsible for the costs of any utilities provided to the Improvements;
(e) The Improvements shall be maintained in safe, neat and good physical condition; and
(f) Licensee shall provide written notice, in accordance with Section 12(d), within 24 hours of Licensee' observation of a defect in the pavement or any other condition in the Property that might pose a danger or harm to the public or persons occupying or passing through the Property. If such defect is the result of Licensee' use of the Improvements, Licensee shall reimburse the City for the cost of repair.

3. Installation, Ownership and Maintenance of Improvements. Licensee shall install Improvements within the Property at no cost to the City. Once the Improvements are installed, the City shall own the Improvements, and the City shall be required, at its sole cost, to perpetually maintain the Improvements to ensure that the Improvements remain in good shape and functional. The Licensee specifically acknowledges that this Agreement does not provide exclusive rights to improve the Property.

4. Term/Consideration. This Agreement and the revocable license granted herein shall automatically renew annually, subject to termination as set forth in Section 11 hereof. The consideration to be paid by the Licensee to the City for the License and privilege granted by this Agreement shall be Ten Dollars ($10.00), receipt of which is hereby acknowledged by the City, and other good and valuable consideration as herein provided.

5. Non-exclusive license. This revocable license is not exclusive, and is subject and subordinate to: (a) the right of the City to use the Property for any purpose; (b) any existing utility, drainage or communication facility located in, on, under or upon the Property; (c) all vested rights presently owned by any utility or communication company; (d) any existing license, lease, easement, or other interest heretofore granted by the City; and (e) the terms and conditions of this Agreement.

6. Environmental Protection. To the extent such regulations are applicable, Licensee shall not use or permit the use of the Property for any purpose that may be in violation of any laws of the State of Texas or ordinances of the City. Licensee warrants that the permitted use of the Property will not result in the disposal or other release of any hazardous substance or solid waste on or to the Property, and that it will take all steps necessary to ensure that no such hazardous substance or solid waste will ever be discharged onto the Property. Licensee shall indemnify and hold City harmless against all costs, environmental clean up to the Property and surrounding area resulting from Licensee' use of the Property under this Agreement.

7. Duration of License. This Agreement shall terminate and be of no further force and effect in the event Licensee discontinues or abandons the use of the Improvements or in the event City removes the Improvements from the Property or upon termination by City, whichever event first

Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

occurs; or, in the event that City abandons the Property, then this Agreement shall be of no further effect.

8. Hold Harmless; Relocation. Licensee agrees to hold the City harmless from and against (a) any financial responsibility for removing or relocating the Improvements, if the City determines, in its sole discretion, that the then-current location of the Improvements will unreasonably prevent the City's use and enjoyment of the Property, and (b) any damage to the Improvements.

9. Insurance. Licensee shall purchase and maintain during the term of this Agreement commercial general liability insurance including personal injury liability, premises operations liability, liquor liability (if applicable), and contractual liability, covering, but not limited to, the liability assumed under the indemnification provisions of this Agreement, with limits of liability for bodily injury, death and property damage of not less than $1,000,000. Coverage must be on an "occurrence" basis.

Such insurance shall: (i) be issued by a carrier which is rated "A-1" or better by A.M. Best's Key Rating Guide and licensed to do business in the State of Texas, and (ii) name the City as an additional insured and contain a waiver of subrogation endorsement in favor of the City. Certified copies of all of such policies shall be delivered to the City upon the execution of this Agreement; provided, however, that the City, in its sole discretion and in lieu of certified copies of such policies, may permit the delivery of certificates of insurance together with the declaration page of such policies, along with the endorsement naming the City as an additional insured. Each such policy shall provide that, at least 30 days prior to the cancellation, non-renewal or modification of the same, the City shall receive written notice of such cancellation, non-renewal or modification.

The City reserves the right to review the insurance requirements contained herein and to adjust coverages and limits when deemed necessary and prudent by the City.

10. INDEMNITY. LICENSEE SHALL INDEMNIFY THE CITY, ITS OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS AGAINST, AND HOLD THE CITY, ITS OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS HARMLESS FROM, ANY AND ALL LIABILITY, ACTIONS, CAUSES OF ACTION, LAWSUITS, JUDGMENTS, CLAIMS, DAMAGES, COSTS OR FEES, INCLUDING REASONABLE ATTORNEY'S FEES AND COSTS OF DEFENSE, FOR ANY INJURY TO OR THE DEATH OF ANY PERSON OR DAMAGE TO OR DESTRUCTION OF ANY PROPERTY RESULTING FROM OR BASED UPON, IN WHOLE OR IN PART, ANY ACT OR OMISSION OF LICENSEE, THEIR OFFICERS, EMPLOYEES AND AGENTS UNDER THIS AGREEMENT AND ANY ACT OR OMISSION OF THE CITY, SPECIFICALLY INCLUDING THE CITY'S NEGLIGENCE.

THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS LICENSE AGREEMENT.

11. Termination. This License may be terminated:

(a) By the City:

Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

(i) in the event Licensee fails to comply with any of the terms of this Agreement within ten (10) days after receipt of notice by Licensee from the City of such failure to comply;

(ii) in the event Licensee discontinues or abandons the use of the public rights-of-way for the purposes set forth herein;

(iii) at any time upon thirty (30) days' written notice by the City to Licensee; or

(b) At any time by Licensee upon thirty (30) days' written notice by Licensee to the City.

(c) At such time as this Agreement may be terminated for any reason whatsoever, City may cause the Improvements to be removed or relocated in the Property and shall restore such Property to substantially the condition prior to installation of the Improvements at Licensee's sole expense.

12. Miscellaneous.

(a) Compliance with laws. Licensee agrees to abide by and be governed by all laws, ordinances and regulations of any and all governmental entities having jurisdiction over Licensee and the Improvements.

(b) Assignment. The rights, duties and responsibilities hereunder shall not be assigned, conveyed or otherwise transferred by Licensee without the prior written consent of the City.

(c) Force Majeure. In the event either the City or Licensee shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of fire, casualty, strikes, lockouts, labor trouble, inability to procure materials or supplies, failure of power, governmental authority, riots, pandemics, epidemics, insurrections, war or other reason of like nature, where such delay, hindrance or prevention of performance shall not be within the reasonable control of the party obligated to perform and not be avoidable by diligence, the party so delayed shall promptly give notice to the other party, and thereupon performance of such act shall be excused for such period of delay.

(d) Notices. Any notice provided for herein shall be given by written instrument, personally delivered or sent by certified mail, return receipt requested, and addressed to:

To the City: City of Celina
142 North Ohio Street
Celina, Texas 75009
Attention: City Manager
Telephone: (972) 283-2682
Facsimile: (972) 382-3736
Email: jlaumer@celina-tx.gov

With a copy to: Julie Fort

Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

Messer, Fort & McDonald
6371 Preston Road, Suite 200
Frisco, Texas 75034
Telephone: (972) 668-6400
Email: Julie@txmunicipallaw.com

To the Licensee:

Sutton Fields Homeowners Association Inc.
c/o Essex Management Company
1512 Crescent Drive, Suite 112
Carrollton, Texas 75006
Telephone: (972) 428-2030
Email: sean@essexhoa.com

(e) Governing Law; Venue. This License Agreement shall be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this License Agreement are performable in the county where the Property is located. Venue for any action under this License Agreement shall be in the county where the Property is located.

(f) Legal Construction. In case any one or more of the provisions contained in this License 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 of the License Agreement, and this License Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been included in this License Agreement.

(g) Entire Agreement. This License Agreement represents the entire and integrated agreement between the City and Licensee relative to the Property and Improvements and the Agreement as described herein and supersedes all prior negotiations, representations and/or agreements, either written or oral.

(h) Exhibits. The exhibits attached to this Agreement are incorporated herein by reference.

(i) Amendment. This Agreement may not be altered, waived, amended or extended except by an instrument in writing signed by the City and Licensee.

(j) Authority to execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this License Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

(k) Recitals. The recitals to this Agreement are incorporated herein by reference.

(l) Covenant Running with the Land. The provisions of this Agreement are hereby declared covenants running with the Property and are fully binding on the Licensee and each and

Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

every subsequent owner of all or any portion of the Property but only during the term of such party's ownership thereof (except with respect to defaults that occur during the term of such person's ownership) and shall be binding on all successors, heirs, and assigns of the Licensee which acquire any right, title, or interest in or to the Property, or any part thereof. Any person who acquires any right, title, or interest in or to the Property, or any part hereof, thereby agrees and covenants to abide by and fully perform the provisions of this Agreement with respect to the right, title or interest in such Property.

EXECUTED at Collin County, Texas on the day and year first written above.

CITY OF CELINA, TEXAS

By:_____
Jason Laumer, City Manager

ATTEST:

By:_____
Vicki Tarrant, City Secretary

LICENSEE:

By:_____
Ronald J. Corcoran President, Essex Association Management L.P., on behalf of Sutton Fields Homeowners Association Inc. a Texas non-profit corporation

ATTEST:

By:_____
Name:
Title:,

Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

ACKNOWLEDGEMENTS

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on this ____ day of _____, 20___, by **Jason Laumer, City Manager** of the City of Celina, Texas, on behalf of said City.

(SEAL)

_____
Notary Public in and for
the State of Texas

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on this 1 day of October, 2021 by Ronald Corcoran President of the Licensee, on behalf of said corporation.

(SEAL) Alynn Stapp
Notary Public in and for
the State of Texas

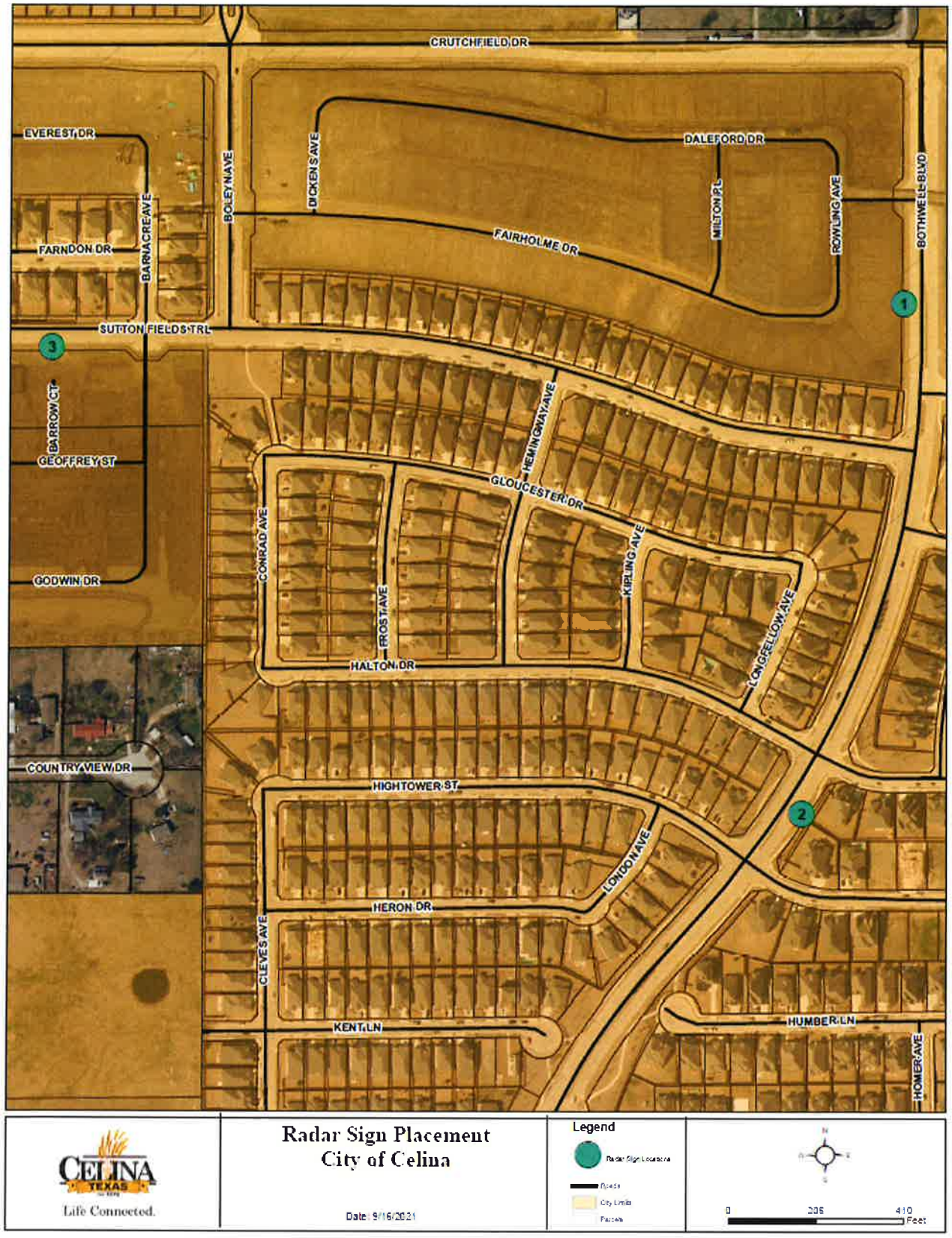
ALYNN STAPP
Notary Public, State of Texas
Comm. Expires 01-16-2024
Notary ID 132317857

After recording, return to:
Vicki Tarrant, City Secretary
City of Celina
142 North Ohio Street
Celina, TX 75009

Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

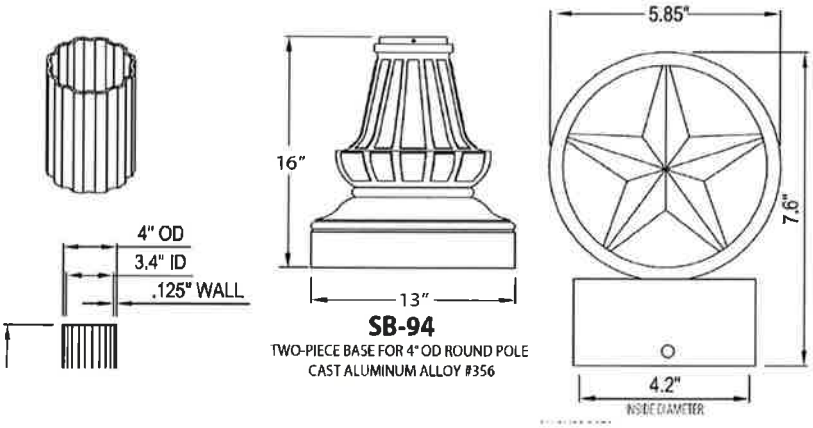
EXHIBIT A
Depiction of Property

Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)



Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

EXHIBIT B
The Improvements



Attachment: Sutton Fields License Agreement_Signed (Sutton Fields HOA Radar Signs License Agreement)

Life Connected.

Celina Economic Development Corporation
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Alexis Jackson, Director of Economic Development
Date: October 12, 2021
Re:

Action Requested:
Consider an act upon a resolution of the City of Celina, Texas ratifying and approving the 2021 Action Plan for the Celina Economic Development Corporation. (Jackson)

Background Information:
The Celina Economic Development Corporation's bylaws states that the Board shall submit to the City Council for it's approval, an economic development plan for the City. The plan shall include both short-term and long-term goals for the economic development of the City. Said plan should take into consideration general development plans and policies of the City Council.

Board Review/Citizen Input:
City Council and the EDC Board both participated in the process of preparing the plan. The EDC Board approved the Action Plan at its regular meeting, September 7th, 2021.

Legal Review:
Legal staff prepared the Resolution.

Supporting Documents:
Resolution No. 2021-

Staff Recommendation:
Approval

CITY OF CELINA, TEXAS
RESOLUTION NO. 2021-_____

A RESOLUTION OF THE CITY OF CELINA, TEXAS RATIFYING AND APPROVING THE 2021 ACTION PLAN FOR THE CELINA ECONOMIC DEVELOPMENT CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, the Celina Economic Development Corporation, hereinafter the "EDC" is a 4B development corporation operating pursuant to the Development Corporation Act of 1979 now codified as Chapter 504 of the Texas Local Government Code; and

WHEREAS, the EDC Board of Directors has approved a comprehensive planning and budget entitled the Economic Development Corporation 2021 Action Plan, attached to this resolution as Exhibit A and incorporated herein for all intents and purposes; and

WHEREAS, the City of Celina desires to approve and ratify the Economic Development Corporation 2021 Action Plan.

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

SECTION 1: The findings and declarations contained in the preamble of this Resolution are incorporated herein as part of this Resolution.

SECTION 2: The City Council hereby ratifies and approves the Economic Development Corporation 2021 Action Plan.

SECTION 3: This Resolution shall be in full force and effect from and after its date of passage.

AND IT IS SO RESOLVED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas on the _____ day of October, 2021.

_____
Sean Terry, Mayor

Attachment: 2021EDCPlan (2021 EDC Action Plan)

ATTEST:

_____
Vicki Tarrant, City Secretary

[Seal]

APPROVED AS TO FORM:

_____
Lance Vanzant
City Attorney

Attachment: 2021EDCPlan (2021 EDC Action Plan)

CELINA
TEXAS
ECONOMIC DEVELOPMENT CORPORATION

2021 Action Plan

2021-09-07

Prepared By

Celina Economic Development Corporation

Kyle Rose
Mindy Koehne
Carmen Roberts
Clint Bissett
Jay Pierce

Submitted To

City Council

Sean Terry, Mayor
Chad Anderson
Justin Steiner
Jay Pierce
Andy Hopkins
Wendie Wigginton
Mindy Koehne,
Mayor P.T.

Contributing Staff

Alexis Jackson, Director of Economic Development
Corbett Howard, Dir. Of Bus. Govmt. Affairs
Lalaina Alvarez, E.D. Coordinator
www.CelinaEDC.com

Assisted By

EDP Best Practices, LLC
Greg Last, CEO
www.EDPBestPractices.com

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

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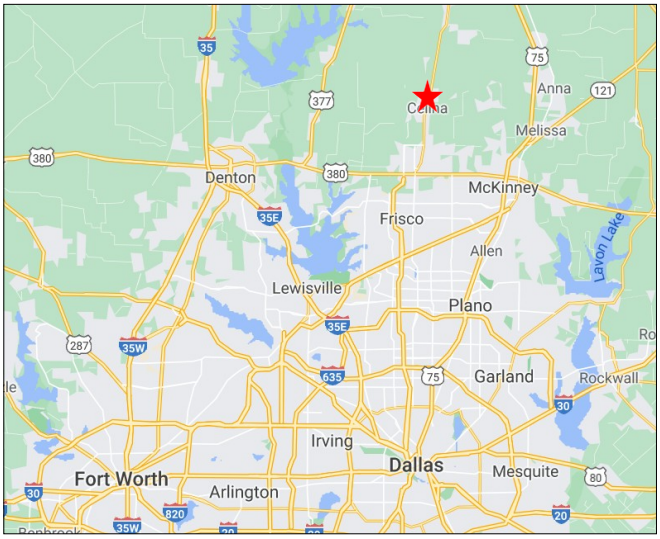
INTRODUCTION

The mission of the City of Celina is to preserve our agricultural heritage and flourish as a close-knit and ever-growing Celina Family during the explosive and planned growth of our City. We will provide a unique and extraordinary Quality of Life complemented by a significant array of high-tech and desirable businesses, agritourism assets, unique places, and connections.

Community Facts: Following are some brief facts about the City of Celina, Texas.

- Incorporated in 1876
- 2010 Census estimated population of 6,028
- 2021 estimated population of 28,413
- Approximately 38 square miles with ETJ of approximately 78 square miles

Location in DFW Region: The City of Celina (City) is located in the Dallas / Fort Worth region of north central Texas as shown below.



Action Plan Purpose: This Action Plan (Plan) is intended to identify, organize and prioritize goals and objectives providing direction for the Celina Economic Development Corporation (CEDC) Board.

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

ESTABLISHMENT

Authorization: The CEDC was authorized for establishment by Section 4A of the Development Corporation Act of 1979 (The Act) as amended.

Sales Tax Election: On May 6, 1995 the residents of the City approved the adoption of an additional one-half of one percent (0.05%) Sales and Use Tax for projects authorized by Section 4A of the Act. On May 4, 2002 the residents passed another sales tax election authorizing the Type A Economic Development Corporation to do Type B projects. This election was confirmed by Council Ordinance 2002-07.

Articles of Incorporation: The Articles of Incorporation (Articles) were approved on July 11, 1995 by City Council Ordinance 1995-12 creating the *Celina Economic Development Corporation,* and appointing its initial directors.

Amended and restated Articles of Incorporation were approved by the CEDC November 12, 1996, approved by City Council on November 12, 1996, and filed with the Texas Secretary of State on November 25, 1996.

> Article IV states that *"The public purpose for which the Corporation is organized is to aid, promote and further economic development within the City of Celina, Collin County, Texas pursuant to the Development Act, and for any other lawful purpose."*

CEDC Bylaws: On December 12, 1996, the City Council approved the Bylaws for the CEDC. Amended and restated Bylaws were approved by City Council, resolution 2019-12R, on February 5, 2019.

> Article VI, Section 1 states that *"The Board shall research, develop, prepare, and submit to the City Council for its approval, an **economic development plan** for the City, which shall include proposed methods and the expected costs of implementation. The plan shall include both short-term and long-term goals for the economic development of the City. Said plan should take into consideration general development plans and policies of the City Council."*

ORGANIZATIONAL

Meetings: The CEDC Board typically meets at the CEDC Building at noon on the first Tuesday of each month.

Staffing: There are currently three Staff members supporting the efforts of the CEDC. The Director of Economic Development is a full-time employee of the CEDC and reports directly to the CEDC Board. The Director of Business & Government Affairs and the Economic Development Coordinator are full-time employees of the City who allocate approximately twenty-five percent (25%) of their time to the CEDC. The CEDC maintains a service agreement with the City to reimburse the City for the wages and benefits of all Staff.

Board Membership: The CEDC Board is composed of five (5) members, appointed by the Council for two-year terms. These members are reflected on the cover of this Action Plan. Board members are not compensated for their commitment. The Council may designate two (2) non-voting Ex Officio Members, one of which shall be a Councilmember and the other the City Manager.

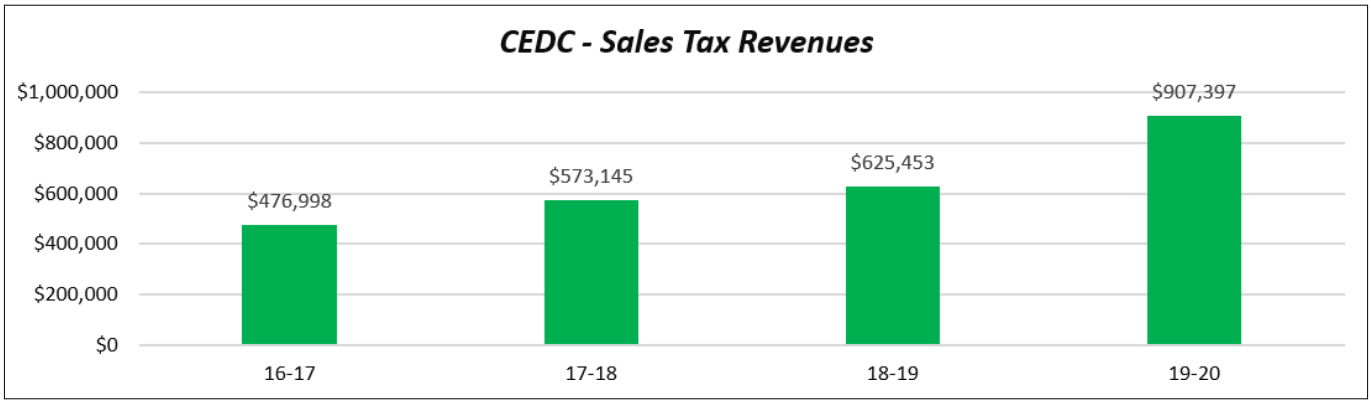
Mission Statement: The Board adopted the following mission statement as a part of this Plan:

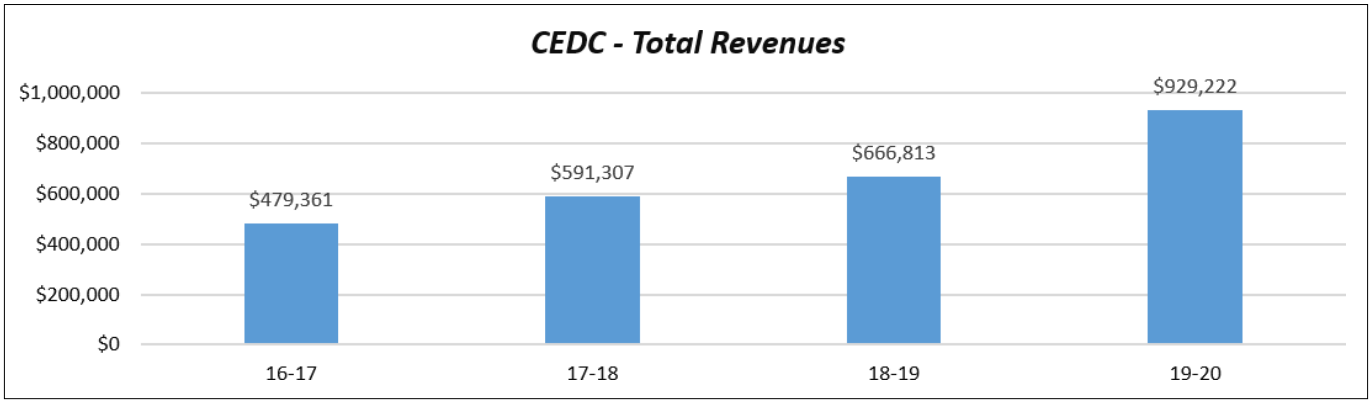
> *"The Celina EDC mission is to expand the local tax base, creating a diversified, vibrant and sustainable economy enhancing the quality of life for residents and the business community."*

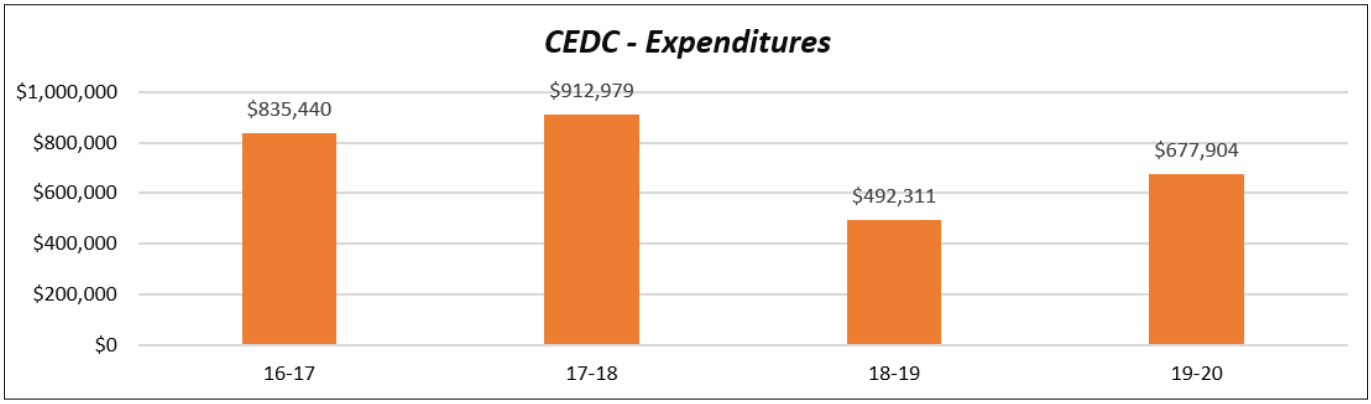
Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

FINANCIALS

Following are major financial aspects of the CEDC. All data reflect a Fiscal Year of October 1 to September 30.







Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

ACTIVITIES-PROJECTS SUMMARY

Economic Development Corporation

Following is a summary of activities and projects currently in progress or completed in recent years.

Date	Activity / Project	Description	Notes
2020	**End of Year Stats**	-New businesses = 31 -New jobs = 150 -New Capital Investment = $12.9 M -New and Renovated SQ FT = 260,000 -Sales tax increased = 46% -Incentives = 6 businesses	
2020	**COVID Response**	Comprehensive COVID response with City and Chamber which	Included zoom meetings, business parade and personalized phone calls
2020	**Newsletter**	A way to keep internal and external partners updated on EDC activities. Launched fall.	
2020	**20 Eats App launch**	Local restaurant support, investment	
2020	**Life in Celina podcast**	Launched January	
2020	**EDC Video Series**	Highlight board and goals	
2020	**Business Spotlight podcast**	Launched May	
2020	**Business Connection Video Series**	Launched October	
2020	**Inaugural Business Roundtable**	Hosted September 24	60 attendees
2020	**City Gigabit designation**	Received from Governor October 22	
2020	**"Things to Do" Downtown Map & QR Code**	Marketing campaign to highlight all of the dining, shopping and entertainment	
2020	**Breshell Lifestyle Blogger**	Marketing Campaign	Breshell spent a "day in Celina" highlighting all of the top attractions
2020	**Identified new developers**		
2020	**Heart Logo**	Improved branding	
2020	**FY 2020-21 Budget approved**		
2020	**Friday Night Market vendor**	Started attending event as a vendor to market the EDC	We learned from the podcast that a lot of people came to Celina for the first time to attend the market
2019	**New EDC Website**	Including, text, graphics, demographics, drive times, mapping, logos, etc.	
2019	**New EDC Facebook Page**	With enhanced marketing and engagement	
2019	**Created EDC Online Interactive Map**		

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

ACTIVITIES-PROJECTS SUMMARY

Economic Development Corporation

Date	Activity / Project	Description	Notes
2019	**CEDC Bylaws Update**	Bylaws had not been updated since adoption.	
2019	**Updated marketing / tradeshow materials**		
2019	**New agendas / minutes format**	In compliance with City Secretary's agenda system	
2019	**News Stories**	Tracking and promotion of Celina news stories and press releases	
2019	**BOD to Collin Co. Days and ICSC**	Coordination of EDC Board travel to Collin County Days and ICSC	
2019	**Received Coserv Grant**	Grant used to print 1,000 copies of promotional map	
2019	**New EDC Map**	Creation and fundraising of printed EDC Map	
2019	**Completed City / EDC Services Agreement**	Office Space and Services Agreement between City and EDC	
2019	**Downtown TIRZ Agreement**	Incentive agreement between the City and EDC	
2019	**Research for tradeshow booth**	Researched tradeshow booth production and cost	
2019	**FY 2019-20 Budget approved**		
2019	**Refinanced Gigabit Loan**	EDC was paying on an interest only, refinanced and significantly reduced debt	
2019	**Hired new legal rep**	Jeff Moore	
2019	**Hired new bookkeeper**	Jason Barth	
2019	**Created Incentives Application**		
2019	**Created Fast Facts**	For marketing	Demographics data
2019	**Created Housing / Lot Inventory**	For marketing and information purposes	
2019	**TWC partnership**	Texas Work Force Solutions partnership	
2019	**Broker Breakfast**	Organized 4 brokers breakfasts	
2019	**End of Year Stats**	-New businesses = 18 -New jobs = 73 -Sales tax increased = City wide – 9%, Downtown – 49% -Incentives = 2 businesses, totaling $50,000	

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

RESOURCES - City

The City and other agencies maintain the following resources which are often beneficial to the CEDC.

City Website - www.Celina-TX.gov

The City maintains a comprehensive website at the URL shown above. *Represents items available on the website.

City Planning Components

The City has adopted the following planning components.

- Zoning Ordinance
- Future Land Use Plan
- Master Thoroughfare Plan
- Master Water Distribution Plan
- Master Wastewater Plan
- Master Drainage Plan
- Master Parks, Recreation & Open Space Plan
- Capital Improvement Plan

City Maps

The City maintains an Interactive GIS Map accessible from the CEDC website. This map is comprehensive and allows the user to show all the normal mapping resources needed for a City.

- Existing Zoning
- Future Land Use Plan
- Parks, Recreation & Open Space
- Thoroughfare Plan
- Flood Plain / Floodway Map
- Fiber Providers

Appraisal District Info

The Appraisal District maintains a GIS mapping system including the following information.

- Parcel maps
- Parcel data

Chamber of Commerce - www.CelinaChamber.org

The Celina Chamber of Commerce provides support for existing businesses in Celina. Their website also includes a robust listing of businesses.

RESOURCES - CEDC

The CEDC maintains the following resources in addition to the City resources.

CEDC Website - www.CelinaEDC.com

The CEDC maintains a professional website dedicated to purposes of the CEDC at the URL shown above. Significant effort is put into the maintenance and update of information available on the website. *Represents items available on the website.

Administrative Policies and Procedures

The CEDC has adopted the following administrative policies and procedures.

- Public Funds Investment Policy
- Check-Signing Policy

Incentives*

The City has not formally adopted any incentive policies, but has used or is willing to use the following incentives.

- Property Tax abatement
- Chapter 380 Agreements - Sales Tax Grants
- Infrastructure incentives
- Building fees
- Expedited development review
- Freeport Exemption: The City, County and school offer a Freeport Exemption for various types of goods if they have been detained in the state for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabricating
- Neighborhood Empowerment Zone No. 1
- Neighborhood Vitality Program

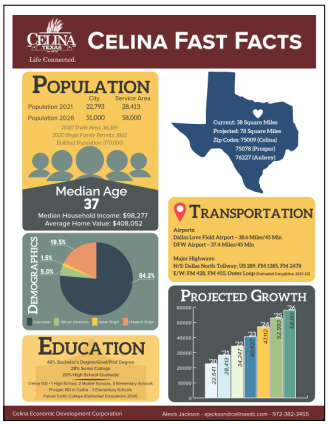
Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

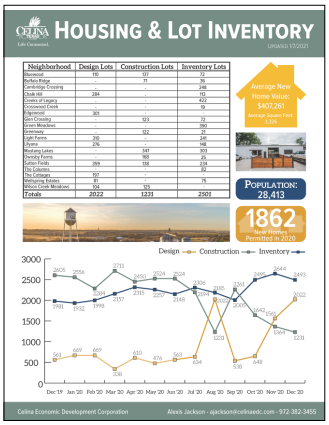
RESOURCES - CEDC cont.

Data

The CEDC maintains the following data on their website:

- Celina Fast Facts: A one-page high level summary of interesting facts / data
- Housing & Lot Inventory: A one-page summary showing all residential developments including the number at each stage of development





Available Properties Listing

- The CEDC does not currently maintain a list of available sites and buildings.
- The CEDC does not currently own or control any properties in the City.

Business Retention & Expansion (BRE)

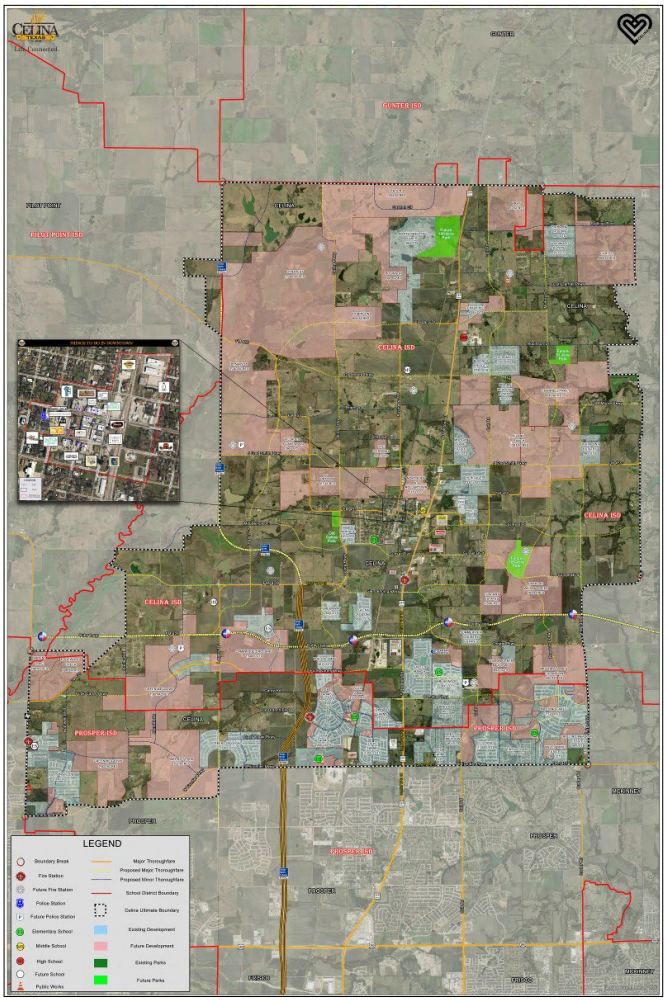
The CEDC has recently began to expand their efforts toward the retention and expansion of existing businesses.

- Business Database: The CEDC has recently acquired Blue Dot database to manage the collection of business information as well as retention data.
- Business Connections: The CEDC prepares a monthly video profiling an existing business on a first-come, first-serve serve basis.

CEDC Maps*

The following CEDC maps are available.

- EDC Interactive Map: The CEDC maintains a GIS-based interactive map that shows parks, schools, multi-family, commercial and residential development
- EDC Map: The CEDC contracts annually to have an aerial map of the City prepared showing developments and major roads.



- Traffic Counts: The CEDC periodically contracts for traffic counts at locations throughout the City and these are reflected in the Traffic Count Map on the website and on the City Interactive Map.

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

RESOURCES - CEDC cont.

Downtown Initiatives

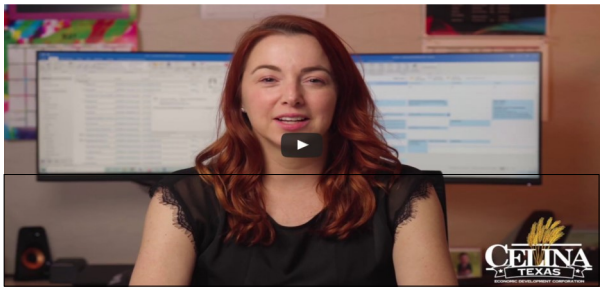
The Celina downtown is a very important part of the City, and as such has had considerable effort spent on supporting downtown businesses and planning for a sustainable and vibrant downtown. Following are some initiatives related to downtown.

- Downtown Master Plan: A Downtown Master Plan was prepared by Ideation Planning and was approved by the City in January of 2019. This Plan sets forth an exciting vision for what Downtown can be in the future and details the roadmap to make it happen.
- Entertainment District Master Plan: The Celina Entertainment District is an extension of the Downtown Master plan and a nod to civic leaders that place value on creating an engaging environment for community members - citizens, businesses and visitors - as they seek entertainment, respite and connected spaces. Designed with the pedestrian realm in mind, the entertainment district will be a destination uniquely positioned between Celina's business district and its vibrant residential neighborhoods.
- Celina Main Street Program: Downtown Celina is part of the Main Street America and Texas Main Street programs that have been helping communities revitalize their downtowns and commercial districts for over 35 years. Celina received National Accreditation from Main Street America for 2018 and 2019. Celina is also a member of the Texas Downtown Association.
- Neighborhood Integrity Program: The City of Celina's Neighborhood Integrity Program (NIP) provides grants to support Celina neighborhood groups in initiatives for the public benefit. The program seeks creative and sustainable projects that enhance the physical and aesthetic conditions of the City's neighborhoods, increase the City's unique identity, and/or increase the quality of life for its residents.
- Downtown Zoning: The Planning Department of the City is currently underway with a Downtown Zoning Code, which would correct the regulatory framework of the downtown so that it is in alignment with the vision of the Downtown Master Plan which was adopted in January 2019. The new Code will provide greater options and flexibility for property owners.

Promotional Videos*

The CEDC has developed a variety of interesting promotional videos which are available on their website.

- Director Overview: Provides an overview of the CEDC and the importance it has in promoting business in the community



- Board of Director Testimonials: These short videos allow the Board Members to introduce themselves and discuss their commitment to the CEDC

Promotional Items

The CEDC maintains a variety of promotional items for use at trade shows and other promotional events. At this point they have acquired T-shirts, cups, stickers, and hand sanitizer.

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

SWOT ANALYSIS

Economic Development Corporation

Participants provided SWOT ideas pre-meeting and with discussion.

STRENGTHS - CEDC	
What are our strengths?	**How do we build upon them?**
• Board works well together	• Establish aspirations for makeup of the Board
• Board / Director alignment	• Adopt an Action Plan and implement objectives
• Strong / capable Director	• Evaluate wages, policies and benefits to retain quality employees
• Approach is creative / visionary / proactive	• Emphasize advantages with marketing and website
• Relationship / partnership with City	• Hold a joint meeting with City Council to discuss direction for EDO
• Existing / efficient processes	• Establish SOPs for administrative processes
• Relationships with Brokers / Developers	• Develop a program to engage builders / brokers / developers
• BRE Programs	• Implement a comprehensive BRE program
• Focus on Downtown	• Develop / implement a Downtown Revitalization Plan
• Existing / creative programs	• Emphasize advantages with marketing and website
• Strong financial position	• Ensure EDO funds are used for authorized expenditures
• Board diversity / make up	• Establish aspirations for makeup of the Board
WEAKNESSES - CEDC	
What are our weaknesses?	**How do we reduce or eliminate them?**
• Lack of clear goals & objectives	• Adopt an Action Plan and implement objectives
• Limited “on-boarding” of new Board members	• Develop orientation / on-boarding for new Board members
• Lack of training for Board / Staff	• Identify training needed / desired by Board and Staff
• Inadequate revenue for aggressive programs	•
• Coordination between City, Chamber and EDC	• Enhance relationships with City and Chamber
• No CEDC owned / controlled real estate	• Evaluate opportunities to acquire EDO properties
• Lack of adequate policies	• Adopt Administrative Policies & Procedures
• Inadequate Marketing Plan	• Develop a Marketing & Promotion Plan
• Inadequate Staffing Plan	•
• Legacy landowners cooperation	• Develop a program to engage local land owners
• Inadequate BRE programs	• Implement a comprehensive BRE program
• Inconsistent application of incentive policies	• Adopt a comprehensive Incentives Policy
• Hesitancy to embrace future growth	•

*Items shown in red text are included in the Objectives Summary

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

SWOT ANALYSIS

Economic Development Corporation

Participants provided SWOT ideas pre-meeting and with discussion.

OPPORTUNITIES - CEDC	
What are our opportunities?	**How do we take advantage of them?**
• Strengthen relationships with partners	• Identify and engage partners, allies and stakeholders
• Engage brokers and developers	• Develop a program to engage builders / brokers / developers
• Undertake desired / needed training	• Identify training needed / desired by Board and Staff
• Implement a robust BRE program	• Implement a comprehensive BRE program
• Downtown revitalization / growth	• Develop / implement a Downtown Revitalization Plan
• Growing reputation as business friendly	• Develop a program to engage builders / brokers / developers
• Taking advantage of growth	•
• Growth in retail sector	• Develop / maintain resources to attract retail and restaurants
• Taking full advantage of Gigabit	• Develop a Gigabit Innovation Fund
• Improving communication systems / efforts	• Enhance communications with local allies / stakeholders
• Adopting adequate / creative incentives	• Adopt a comprehensive Incentives Policy
• Increase leadership presence related to business	• Implement a comprehensive BRE program
• Establish EDC-lead community collaboration teams	•
THREATS - CEDC	
What are our threats?	**How do we overcome or minimize them?**
• Loss of small-town charm	•
• Detrimental Board changes	• Develop orientation / on-boarding for new Board members
• Loss of small / local businesses	• Implement a comprehensive BRE program
• Covid / Pandemic	• Adopt target reserve fund level to maintain
• City takeover of EDC funds	• Ensure EDO funds are used for authorized expenditures
• Inadequate incentives for larger businesses	• Adopt a comprehensive Incentives Policy
• Unfocused investments	• Adopt a comprehensive Incentives Policy
• Inadequate focus on downtown	• Develop / implement a Downtown Revitalization Plan
• Losing control of narrative	• Ensure open communications and transparency to the extent possible
• Competition from adjacent communities	• Monitor activities / programs of competing cities for Best Practices
• Loss of board cohesion	• Develop orientation / on-boarding for new Board members
• Mistrust of government / EDC	• Ensure open communications and transparency to the extent possible
• Economic downturn	• Adopt target reserve fund level to maintain

*Items shown in red text are included in the Objectives Summary

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

SWOT ANALYSIS

City of Celina, Texas

Participants provided SWOT ideas pre-meeting and with discussion.

STRENGTHS - City of Celina	
What are our strengths?	**How do we build upon them?**
• Location in growth corridor	• Emphasize advantages with marketing and website
• Sense of community	• Emphasize advantages with marketing and website
• Ease of doing business	• Develop a program to engage builders / brokers / developers
• Generally receptive to growth	•
• Historic downtown	• Develop / implement a Downtown Revit. Plan
• Land area for expansion	• Develop a comprehensive Sites & Buildings Summary
• Committed to appropriate planning	• Ensure Comprehensive Plan / FLUP identifies opportunities for diverse commercial growth
• Staff	• Evaluate wages, policies and benefits to retain quality employees
• Stable leadership team	• Evaluate wages, policies and benefits to retain quality employees
• Quality development standards	• Support contemporary development regulations
• Gigabit Fiber	• Emphasize advantages with marketing and website
• Existing infrastructure	• Identify / fund infr. that supports business growth
• Integrity of developers	• Program to engage builders-brokers-developers
• Transportation system	• Develop a graphic showing existing and future transportation systems
• Community events	• Partner with tourism allies to the extent it supports businesses
WEAKNESSES - City of Celina	
What are our weaknesses?	**How do we reduce or eliminate them?**
• Water rates	•
• Inadequate communications	• Enhance commun. with local allies-stakeholders
• Infrastructure improvements / maintenance	• Identify and fund infrastructure that supports business growth
• Not enough residential for desired businesses	• Develop / maintain a Residential Growth Report
• Growing pains	•
• Tax rate	•
• Inadequate Downtown parking	• Develop / implement a Downtown Revit. Plan
• Resistance to change	•
• Perception as “far north”	• Develop / maintain a Residential Growth Report
• Legacy land owners	• Develop a program to engage local land owners
• Pervasive misinformation in community	• Ensure open communications and transparency to the extent possible
• Inadequate community marketing	• Develop a Marketing & Promotion Plan
• Inadequate tax base	•
• Perceived lack of government transparency	• Ensure open communications and transparency to the extent possible
• Mistrust of government	• Ensure open communications and transparency to the extent possible
• Stagnate growth ideas due to long-serving board	• Adopt an Action Plan and implement objectives

*Items shown in red text are included in the Objectives Summary

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

SWOT ANALYSIS

City of Celina, Texas

Participants provided SWOT ideas pre-meeting and with discussion.

What are our opportunities?	How do we take advantage of them?
• Transportation corridors	• Develop a graphic showing existing and future transportation systems
• Enhanced message management	• Ensure open communications and transparency to the extent possible
• Take advantage of growth	•
• Enhanced broker / developer engagement	• Develop a program to engage builders / brokers / developers
• Downtown	• Develop / implement a Downtown Revitalization Plan
• Enhanced cooperation with allies	• Enhance communications with local allies / stakeholders
• Continued residential development	• Develop a program to engage builders / brokers / developers
• Adequate planning for managing growth	• Support Planning efforts to manage growth
• Create community focus groups	• Encourage City to enhance communications with residents
• Creation of a quarterly "Town Hall" briefing	• Enhance communications with local allies / stakeholders
• Review / update to board appointment processes	• Adopt Administrative Policies & Procedures
• Create neighborhood communication Board	• Encourage City to enhance communications with residents
THREATS - City of Celina	
What are our threats?	**How do we overcome or minimize them?**
• Unmanaged / unplanned growth	• Ensure Comprehensive Plan / FLUP identifies opportunities for diverse commercial growth
• Major recession	• Adopt target reserve fund level to maintain
• Inadequate communications	• Enhance communications with local allies / stakeholders
• Social media; national, state, and local	• Develop social media marketing program
• Slowdown in residential development	• Develop a program to engage builders / brokers / developers
• Prevalence of misinformation	• Enhance communications with local allies / stakeholders
• Inadequate message management	• Enhance communications with local allies / stakeholders
• Politics	•
• Anti-growth contingent	•
• Staff turnover	• Evaluate wages, policies and benefits to retain quality employees
• Inadequate infrastructure	• Identify and fund infrastructure that supports business growth
• Increases in crime	•
• Challenges developing larger properties	• Develop a program to engage builders / brokers / developers
• Legislative impacts on municipalities	•
• Perceived lack of transparency	• Ensure open communications and transparency to the extent possible

*Items shown in red text are included in the Objectives Summary

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

PRIORITIZED OBJECTIVES

Economic Development Corporation

Following are the results of the prioritization of the Objectives adopted by the participants.

Rank	Score	Priority of Objective Highest ---------- Lowest					Goal	Objective	Description
1	4.40	4	6				M&P	Develop a Marketing & Promotion Plan	*A Plan to identify marketing resources, targets, and budgeting to implement a marketing program*
2	4.20	5	3	1	1		PLAN	Adopt an Action Plan and implement objectives	*A plan of action for the near term (1-3 yrs) for the Board and Staff to advance prioritized objectives*
3-1	4.00	5	2	2		1	RES	Develop a comprehensive and professional Website	*Comprehensive website content accessed in an organized and efficient manner*
3-2	4.00	5	3		1	1	WORK	Partner with education allies to establish workforce programs	*Partner with allies to establish a robust workforce development program to enhance the labor pool*
5	3.90	3	4	2	1		ADM	Ensure open communications and transparency to the extent possible	*Ensure open communications and full transparency while maintaining prospect confidentiality*
6-1	3.80	2	4	4			BRE	Implement a comprehensive BRE program	*Implement a BRE program that includes various programs to support and grow existing businesses*
6-2	3.80	5	1	2	1	1	M&P	Develop marketing initiatives to recruit high-tech / IT businesses	*Develop marketing initiatives targeting high-tech / Information Technology businesses*
8	3.70	2	5	2		1	RED	Identify / develop light industrial land uses	*Identify desired Light Industrial land uses and pursue development of property to meet their needs*
9-2	3.60	4	2		4		ENH	Identify community enhancements that support business growth	*Identify and prioritize community enhancements that have a positive impact on business growth*
9-1	3.60	1	5	3	1		FIN	Ensure EDO funds are used for authorized expenditures	*Ensure that funds received by the CEDC are used for purposes authorized by statutes*
9-3	3.60	5	1	1	1	2	PART	Identify and engage partners, allies and stakeholders	*Identify all EDO allies and stakeholders and engage them through meetings or presentations*
9-4	3.60	3	3	2	1	1	PART	Enhance relationships with City and Chamber	*Implement programs that will enhance the relationships between the EDO, City and Chamber*
9-5	3.60	3	3	2	1	1	RED	Develop a comprehensive Sites & Buildings Summary	*A summary of available sites or buildings, including those with potential for revitalization*
9-6	3.60	3	3	2	1	1	RED	Address downtown parking needs	*Evaluate the necessity of a Downtown Parking Plan to address the need for additional downtown parking*
15-1	3.50	5		2	1	2	BRE	Implement programs to help small businesses	*Implement specific programs to assist small businesses with their growth*
15-2	3.50	5	1	1		3	EDU	Develop orientation / on-boarding for new Board members	*Programs to educate new Board members on the responsibilities and activities of the EDO*
15-3	3.50	3	2	3	1	1	INF	Identify and fund infrastructure that supports business growth	*Identify infrastructure enhancements that will advance development or support business growth*
15-4	3.50	5	1	1		3	PLAN	Develop a Gigabit Innovation Fund	*Develop an Innovation Fund that takes advantage of the existence of Gigabit to grow technology businesses*
15-5	3.50	4		4	1	1	RED	Promote Innovation / Fiber Tech District	*Develop / promote a unique district targeted at innovation and fiber-tech businesses*
20-1	3.40	2	3	3	1	1	ADM	Adopt Resolution stating all Staff / Board shall follow City policies	*Adopt a Resolution clarifying that all Staff and Board shall follow City policies, may also amend agreement*
20-2	3.40	2	3	3	1	1	M&P	Develop marketing initiatives to recruit major employers	*Develop marketing initiatives targeting major employers*
20-3	3.40	1	4	3	2		PLAN	Adopt a comprehensive Incentives Policy	*A Policy that identifies potential incentives, business requirements and administrative processes*

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PRIORITIZED OBJECTIVES

Economic Development Corporation

Following are the results of the prioritization of the Objectives adopted by the participants.

Rank	Score	Priority of Objective Highest ---------- Lowest					Goal	Objective	Description
23-1	3.30	2	2	4	1	1	FIN	Adopt target reserve fund level to maintain	*Determine a reserve adequate to weather economic downturns and take advantage of opportunities*
23-2	3.30	2	3	2	2	1	BRE	Develop / acquire a database to help implement a BRE program	*Develop / acquire a database that summarizes all the business information collected*
23-3	3.30	2	2	4	1	1	M&P	Develop marketing initiatives to recruit corporate office	*Develop marketing initiatives targeting corporate / class A offices*
23-4	3.30	2	4	1	1	2	PART	Develop a program to engage builders / brokers / developers	*Program to identify and engage builders / brokers / developers active in your market area*
27	3.20		5	2	3		EDU	Identify training needed / desired by Board and Staff	*Identify and take training that would be beneficial to the EDO Board and Staff*
28-1	3.10	3		4	1	2	ADM	Establish SOPs for administrative processes	*Establish Standard Operating Procedures for agendas, reports, contracts, responding to prospects*
28-2	3.10	1	4	1	3	1	RES	Develop / maintain a Residential Growth Report	*A report that graphically shows the residential growth in a region accompanied by detailed permit activity*
30	3.00	2	1	4	1	2	RES	Develop / maintain resources to attract retail and restaurants	*Develop / maintain resources and data to attract and retain retail and restaurants*
31-1	2.80	2	1	2	3	2	BRE	Enhance / create Shop Local program	*Create / enhance a program to emphasize shopping at local retailers and restaurants*
31-2	2.80	2	2	1	2	3	M&P	Attend the ICSC trade show / marketing event	*Attend a targeted marketing event (NTCAR, ICSC, NAIOP, CoreNet, etc.)*
31-3	2.80	2	1	1	5	1	PART	Hold a joint meeting with City Council to discuss direction for EDO	*A joint meeting with City Council to discuss activities, goals & objectives for the EDO*
31-4	2.80	3		1	4	2	RED	Evaluate opportunities to acquire EDO properties	*Identify and evaluate potential properties for acquisition and future disposition by the EDO*
35-1	2.70		4		5	1	BRE	Investigate availability of local funding for small businesses	*Research for additional funding options for local small businesses*
35-2	2.70	1	2	3	1	3	M&P	Enhance branding of City and business opportunities	*Enhance the branding of the City and opportunities for business*
35-3	2.70	1	2	3	1	3	PLAN	Support Planning efforts to manage growth	*Assist in funding or preparation of plans that are intended to manage and guide development*
38-1	2.60		2	4	2	2	BRE	Conduct Business Roundtables with local business leaders	*Invite key business stakeholders for a roundtable discussion with the Board one time per year*
38-2	2.60	1		5	2	2	ENH	Assist in funding Legacy Park as a mixed-use park	*Provide full or partial financial assistance towards the construction of ..... (parks / trails / natural areas)*
38-3	2.60		2	4	2	2	PART	Engage the local college representatives	*Implement programs to engage representatives from the local college*
38-4	2.60	1	2	1	4	2	PLAN	Develop / implement a Downtown Revitalization Plan	*Develop and implement a Downtown Revitalization Plan*
42	2.50	1		4	3	2	PART	Develop a program to engage local land owners	*Program to reach out to local land owners with commercial properties and establish a relationship*
43-1	2.40		2	2	4	2	M&P	Enhance communications with local allies / stakeholders	*Implement programs / processes to enhance communications with Staff-Boards-Council-Residents*
43-2	2.40	1		2	6	1	M&P	Develop social media marketing initiative	*Develop a presence on appropriate social media and establish content support strategy*

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

PRIORITIZED OBJECTIVES

Economic Development Corporation

Following are the results of the prioritization of the Objectives adopted by the participants.

Rank	Score	Priority of Objective Highest ---------- Lowest					Goal	Objective	Description
45-1	2.10	1		3	1	5	ADM	Establish aspirations for makeup of the Board	*Establish parameters for makeup of the Board, e.g. Councilmembers, realtors, construction, finance,*
45-2	2.10	1	1		4	4	PART	Partner with tourism allies to the extent it supports businesses	*Partner with tourism allies to the extent it supports existing businesses or attracts new businesses*
45-3	2.10	1		2	3	4	PLAN	Review / amend Bylaws in accordance with practices	*Review / amend Bylaws in accordance with current practices if they are preferred*
45-4	2.10			3	5	2	PLAN	Support contemporary development regulations	*Assist in the research or preparation of zoning, subdivision or other development regulations*
49-1	2.00		3		1	6	ADM	Establish a document to record projects and activities of the EDO	*Establish a document that allows for continuous documentation of projects and activities of the EDO*
49-2	2.00		1	2	3	4	M&P	Monitor activities / programs of competing cities for Best Practices	*Develop a system to identify ED activities / programs of competing cities to determine Best Practices*
49-3	2.00		2	1	2	5	RED	Coordinate real estate tours with Board / Director	*Coordinate periodic BOD tours of local and / or desired real estate availability or developments*
49-4	2.00		2	1	2	5	RES	Acquire professional trade show booth and related exhibits	*Acquire a professional trade show booth as well as related pull-up / collateral displays as needed*
53	1.90	1	1		2	6	RES	Develop a graphic showing existing and future transportation systems	*Develop a graphic showing existing and future highways serving the greater region*

Goals Legend:

ADM - *Enhance administration, management and reporting efforts*
FIN - *Maintain / improve financial management systems and processes*
BRE - *Retain and support existing businesses*
EDU - *Increase the education and training of Staff and Board members*
ENH - *Provide community enhancements that support business development*
INF - *Provide public infrastructure to support business development*
M&P - *Enhance marketing / promotion efforts*
PART - *Enhance relationships with partners, allies and stakeholders*
PLAN - *Update / enhance economic development policies and plans*
PROC - *Enhance development processes to improve Economic Development*
RED - *Analyze and promote real estate development / redevelopment opportunities*
RES - *Identify, develop and enhance Economic Development resources*
WORK - *Implement programs to understand and enhance the workforce*

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

GOALS & OBJECTIVES

Economic Development Corporation

Following is a summary of the Goals & Objectives sorted by Goals (tan rows).

Rank	Objective	Description
	ADM - Enhance administration, management and reporting efforts	
5	**Ensure open communications and transparency to the extent possible**	*Ensure open communications and full transparency while maintaining prospect confidentiality*
20-1	**Adopt Resolution stating all Staff / Board shall follow City policies**	*Adopt a Resolution clarifying that all Staff and Board shall follow City policies, may also amend agreement*
28-1	**Establish SOPs for administrative processes**	*Establish Standard Operating Procedures for agendas, reports, contracts, responding to prospects*
45-1	**Establish aspirations for makeup of the Board**	*Establish parameters for makeup of the Board, e.g. Councilmembers, realtors, construction, finance,*
49-1	**Establish a document to record projects and activities of the EDO**	*Establish a document that allows for continuous documentation of projects and activities of the EDO*
	BRE - Retain and support existing businesses (Business Retention & Expansion)	
6-1	**Implement a comprehensive BRE program**	*Implement a BRE program that includes various programs to support and grow existing businesses*
15-1	**Implement programs to help small businesses**	*Implement specific programs to assist small businesses with their growth*
23-2	**Develop / acquire a database to help implement a BRE program**	*Develop / acquire a database that summarizes all the business information collected*
31-1	**Enhance / create Shop Local program**	*Create / enhance a program to emphasize shopping at local retailers and restaurants*
35-1	**Investigate availability of local funding for small businesses**	*Research for additional funding options for local small businesses*
38-1	**Conduct Business Roundtables with local business leaders**	*Invite key business stakeholders for a roundtable discussion with the Board one time per year*
	EDU - Increase the education and training of Staff and Board members	
15-2	**Develop orientation / on-boarding for new Board members**	*Programs to educate new Board members on the responsibilities and activities of the EDO*
27	**Identify training needed / desired by Board and Staff**	*Identify and take training that would be beneficial to the EDO Board and Staff*
	ENH - Provide community enhancements that support business development	
9-2	**Identify community enhancements that support business growth**	*Identify and prioritize community enhancements that have a positive impact on business growth*
38-2	**Assist in funding Legacy Park as a mixed-use park**	*Provide full or partial financial assistance towards the construction of ….. (parks / trails / natural areas)*
	FIN - Maintain / improve financial management systems and processes	
9-1	**Ensure EDO funds are used for authorized expenditures**	*Ensure that funds received by the CEDC are used for purposes authorized by statutes*
23-1	**Adopt target reserve fund level to maintain**	*Determine a reserve adequate to weather economic downturns and take advantage of opportunities*
	INF - Provide public infrastructure to support business development	
15-3	**Identify and fund infrastructure that supports business growth**	*Identify infrastructure enhancements that will advance development or support business growth*

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

GOALS & OBJECTIVES

Economic Development Corporation

Following is a summary of the Goals & Objectives sorted by Goals (tan rows).

Rank	Objective	Description
	M&P - Enhance marketing / promotion efforts	
1	**Develop a Marketing & Promotion Plan**	*A Plan to identify marketing resources, targets, and budgeting to implement a marketing program*
6-2	**Develop marketing initiatives to recruit high-tech / IT businesses**	*Develop marketing initiatives targeting high-tech / Information Technology businesses*
20-2	**Develop marketing initiatives to recruit major employers**	*Develop marketing initiatives targeting major employers*
23-3	**Develop marketing initiatives to recruit corporate office**	*Develop marketing initiatives targeting corporate / class A offices*
31-2	**Attend the ICSC trade show / marketing event**	*Attend a targeted marketing event (NTCAR, ICSC, NAIOP, CoreNet, etc.)*
35-2	**Enhance branding of City and business opportunities**	*Enhance the branding of the City and opportunities for business*
43-1	**Enhance communications with local allies / stakeholders**	*Implement programs / processes to enhance communications with Staff-Boards-Council-Residents*
43-2	**Develop social media marketing initiative**	*Develop a presence on appropriate social media and establish content support strategy*
49-2	**Monitor activities / programs of competing cities for Best Practices**	*Develop a system to identify ED activities / programs of competing cities to determine Best Practices*
	PART - Enhance relationships with partners, allies and stakeholders	
9-3	**Identify and engage partners, allies and stakeholders**	*Identify all EDO allies and stakeholders and engage them through meetings or presentations*
9-4	**Enhance relationships with City and Chamber**	*Implement programs that will enhance the relationships between the EDO, City and Chamber*
23-4	**Develop a program to engage builders / brokers / developers**	*Program to identify and engage builders / brokers / developers active in your market area*
31-3	**Hold a joint meeting with City Council to discuss direction for EDO**	*A joint meeting with City Council to discuss activities, goals & objectives for the EDO*
38-3	**Engage the local college representatives**	*Implement programs to engage representatives from the local college*
42	**Develop a program to engage local land owners**	*Program to reach out to local land owners with commercial properties and establish a relationship*
45-2	**Partner with tourism allies to the extent it supports businesses**	*Partner with tourism allies to the extent it supports existing businesses or attracts new businesses*

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

GOALS & OBJECTIVES

Economic Development Corporation

Following is a summary of the Goals & Objectives sorted by Goals (tan rows).

Rank	Objective	Description
	PLAN - Update / enhance economic development plans and policies	
2	**Adopt an Action Plan and implement objectives**	*A plan of action for the near term (1-3 yrs) for the Board and Staff to advance prioritized objectives*
15-4	**Develop a Gigabit Innovation Fund**	*Develop an Innovation Fund that takes advantage of the existence of Gigabit to grow technology businesses*
20-3	**Adopt a comprehensive Incentives Policy**	*A Policy that identifies potential incentives, business requirements and administrative processes*
35-3	**Support Planning efforts to manage growth**	*Assist in funding or preparation of plans that are intended to manage and guide development*
38-4	**Develop / implement a Downtown Revitalization Plan**	*Develop and implement a Downtown Revitalization Plan*
45-3	**Review / amend Bylaws in accordance with practices**	*Review / amend Bylaws in accordance with current practices if they are preferred*
45-4	**Support contemporary development regulations**	*Assist in the research or preparation of zoning, subdivision or other development regulations*
	RED - Analyze and promote real estate development / redevelopment opportunities	
8	**Identify / develop light industrial land uses**	*Identify desired Light Industrial land uses and pursue development of property to meet their needs*
9-5	**Develop a comprehensive Sites & Buildings Summary**	*A summary of available sites or buildings, including those with potential for revitalization*
9-6	**Address downtown parking needs**	*Evaluate the necessity of a Downtown Parking Plan to address the need for additional downtown parking*
15-5	**Promote Innovation / Fiber Tech District**	*Develop / promote a unique district targeted at innovation and fiber-tech businesses*
31-4	**Evaluate opportunities to acquire EDO properties**	*Identify and evaluate potential properties for acquisition and future disposition by the EDO*
49-3	**Coordinate real estate tours with Board / Director**	*Coordinate periodic BOD tours of local and / or desired real estate availability or developments*
	RES - Identify, develop and enhance Economic Development resources	
3-1	**Develop a comprehensive and professional Website**	*Comprehensive website content accessed in an organized and efficient manner*
28-2	**Develop / maintain a Residential Growth Report**	*A report that graphically shows the residential growth in a region accompanied by detailed permit activity*
30	**Develop / maintain resources to attract retail and restaurants**	*Develop / maintain resources and data to attract and retain retail and restaurants*
49-4	**Acquire professional trade show booth and related exhibits**	*Acquire a professional trade show booth as well as related pull-up / collateral displays as needed*
53	**Develop a graphic showing existing and future transportation systems**	*Develop a graphic showing existing and future highways serving the greater region*
	WORK - Implement programs to understand and enhance the workforce	
3-2	**Partner with education allies to establish workforce programs**	*Partner with allies to establish a robust workforce development program to enhance the labor pool*

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

M-G-O PROGRESS REPORT

Economic Development Corporation

This ***Mission - Goals - Objectives Progress Report*** summarizes the *Prioritized Objectives* in a format that allows monitoring and reporting of progress on a regular basis.

Prior.	Objective	When	Resp.	%	Notes
1	Develop a Marketing & Promotion Plan				
A					
B					
2	Adopt an Action Plan and implement objectives				
A					
B					
3-1	Develop a comprehensive and professional Website				
A					
B					
3-2	Partner with education allies to establish workforce programs				
A					
B					
5	Ensure open communications and transparency to the extent possible				
A					
B					
6-1	Implement a comprehensive BRE program				
A					
B					
6-2	Develop marketing initiatives to recruit high-tech / IT businesses				
A					
B					
8	Identify / develop light industrial land uses				
A					
B					
9-1	Ensure EDO funds are used for authorized expenditures				
A					
B					
9-2	Identify community enhancements that support business growth				
A					
B					
9-3	Identify and engage partners, allies and stakeholders				
A					
B					
9-4	Enhance relationships with City and Chamber				
A					
B					

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

M-G-O PROGRESS REPORT

Economic Development Corporation

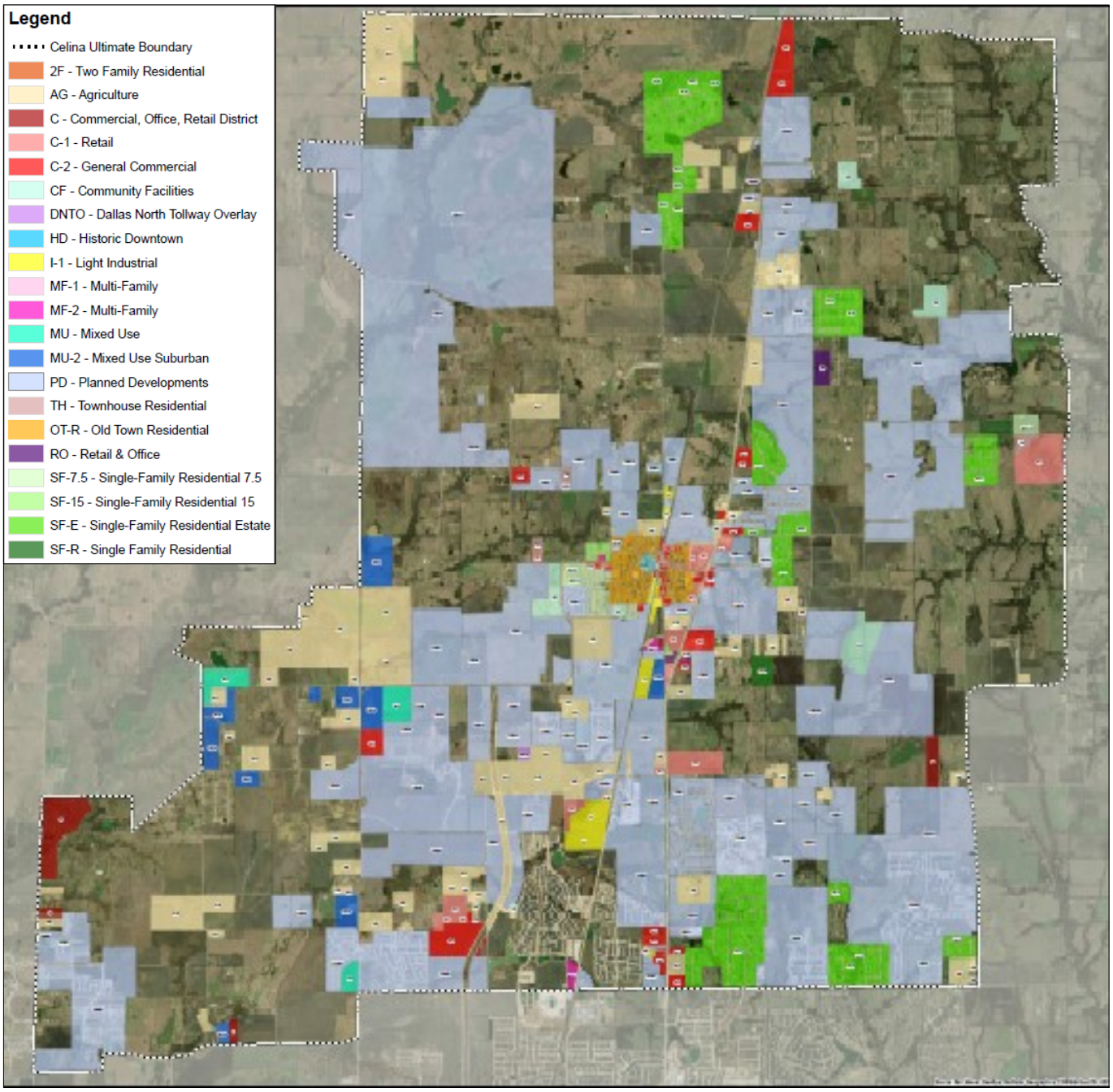
This ***Mission - Goals - Objectives Progress Report*** summarizes the *Prioritized Objectives* in a format that allows monitoring and reporting of progress on a regular basis.

Prior.	Objective	When	Resp.	%	Notes
9-5	Develop a comprehensive Sites & Buildings Summary				
A					
B					
9-6	Address downtown parking needs				
A					
B					
15-1	Implement programs to help small businesses				
A					
B					
15-2	Develop orientation / on-boarding for new Board members				
A					
B					
15-3	Identify and fund infrastructure that supports business growth				
A					
B					
15-4	Develop a Gigabit Innovation Fund				
A					
B					
15-5	Promote Innovation / Fiber Tech District				
A					
B					
20-1	Adopt Resolution stating all Staff / Board shall follow City policies				
A					
B					
20-2	Develop marketing initiatives to recruit major employers				
A					
B					
20-3	Adopt a comprehensive Incentives Policy				
A					
B					
23-1	Adopt target reserve fund level to maintain				
A					
B					
23-2	Develop / acquire a database to help implement a BRE program				
A					
B					
23-3	Develop marketing initiatives to recruit corporate office				
A					
B					

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

Appendix A

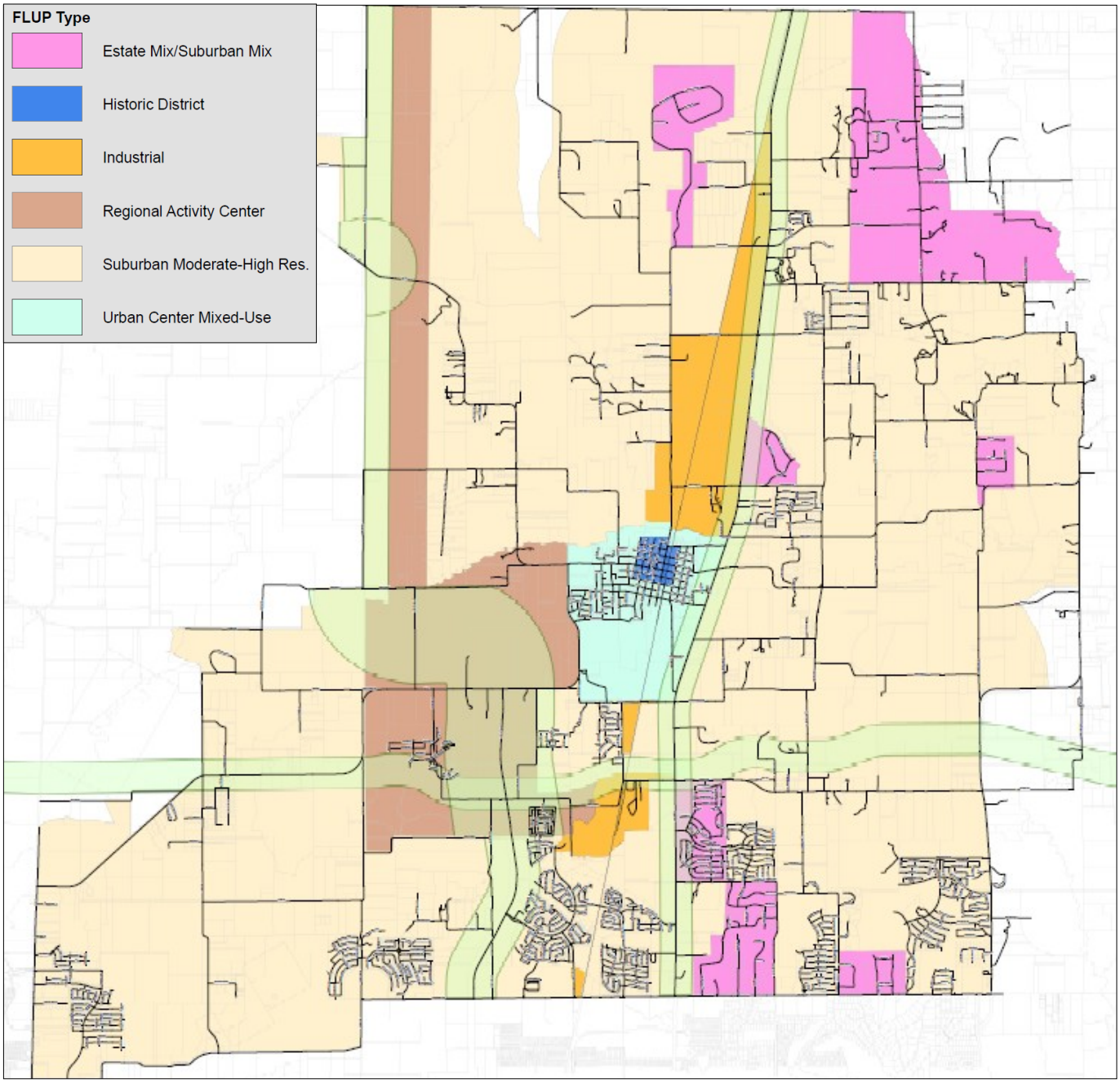
Existing Zoning Map



Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

Appendix B

Future Land Use Plan



Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

Appendix C

Terms & Definitions

Following are terms used in this Action Plan or referenced during development of the Plan.
For a comprehensive list of Economic Development Terms, visit www.EDPBestPractices.com.

Act - Development Corporation Act: The Development Corporation Act of 1979, now codified in Chapters 501-505 of the Texas Local Government Code. This Act authorizes the establishment of EDC's.

Action Plan: A plan developed by an organization to help them focus on goals, objectives, and tasks needed in the near term in order to accomplish their mission.

BRE - Business Retention & Expansion: Programs that support and expand existing businesses.

CIP - Capital Improvement Plan: A plan for funding improvements to public infrastructure.

EDC - Economic Development Corporation: An organization of the City funded by City sales tax.

EDO - Economic Development Organization: A generic description to represent all types of ED agencies.

FLUP - Future Land Use Plan: A map of the City showing the desired ultimate land use for all properties in the City.

Goal: A statement of a high-level action to be accomplished through the completion of objectives.

Incentives: Various inducements that a City might offer a business or developer to invest in their City.

Incentives Policy: A Policy approved by the governing body identifying their receptivity to providing various types of incentives, and administrative processes to implement the incentives.

Infrastructure: Typically means the water, sewer, streets and drainage improvements owned and maintained by the City.

Marketing Collateral: Any number of resources used to help an EDO market their jurisdiction.

Marketing Plan: A Plan identifying the venues, targets, and resources needed to market a jurisdiction. Often includes a schedule and budget of events.

Master Planning Components: Typically a Future Land Use Plan, Thoroughfare Plan, Park Master Plan, Trail System Plan, Water / Sewer Plans.

Mission: A statement identifying the purpose of an organization.

NTCAR - North Texas Commercial Association of Realtors: An organization of commercial brokers in the DFW region. www.NTCAR.org

Objective: A statement identifying what needs to be done to meet a goal.

Prioritization Process: The process of allowing all Board members to rank the identified objectives resulting in a cumulative ranking for the Board.

Prospect: A potential new business.

SCR - Society of Commercial Realtors: An organization of commercial brokers active primarily in Tarrant County.

Sites & Buildings Summary: A document showing graphically the location of all available land sites in the City, with broker contact information and brief notes on zoning, land use plan, utilities, etc.

SOP - Standard Operating Procedure: A procedure pre-established to handle a particular issue consistently.

SWOT Analysis: An analysis of the Strengths, Weaknesses, Opportunities and Threats.

TEDC - Texas Economic Development Council: A state-wide organization of professionals and volunteers in the economic development industry.

Traffic Count Report: A summary of 24 hour, two-way counts of vehicles passing a particular point on a roadway.

TxDOT: The Texas Department of Transportation.

Zoning Map: A map of the City showing the existing zoning for all properties.

Attachment: Celina-Texas-EDC-Action-Plan-2021-FINAL (2021 EDC Action Plan)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Barbara Sprinkle, Purchasing
CC:	Andy Glasgow, Director of Engineering
Date:	October 12, 2021
Re:	2022 Vehicle - Fire Department

Action Requested:
Consider and act to authorize the purchase of a vehicle for the Fire Department from Holiday Auto Group in an amount not to exceed $52,595.00. (Berry)

Background Information:
Staff requests authorization to procure a vehicle for the Fire Department to replace unit 1202. Unit 1202 was totaled and is being replaced through the vehicle replacement fund and insurance reimbursement.

The City maintains an executed Interlocal Agreement with the cooperative agency. Chapter 271 of the Local Government Code authorizes cooperative purchases. Use of the contracts satisfies the competitive bidding requirement while saving time and funding in the development of specifications and duplication of work during the process.

Alternatives:
Council may reject the purchase and direct staff.

Financial Considerations:
Funding is available in the current budget.

Expenditures will not exceed funds appropriated and funds will be committed at the issuance of a purchase order.

Supporting Documents:
Quote

Staff Recommendation:
Authorize the purchase of vehicle.

Holiday Fleet
1017 Hwy 82 West
Whitesboro, Texas 76273
903-771-1671

By accepting this estimate and issuing a purchase order for this purchase you agree payment in full to be made within 3 days of vehicle delivery.
Wire Transfer Information Will Be Provided upon request.

_____
Signature Date

Name_____

Title_____

ESTIMATE

Est. # : CFD-003
Date: 10/1/2021

TO: CITY OF CELINA/ FD
ATT: MARK METDKER
CC:

REFERENCE ON PO:
Model: 2021 F-150 CREW CAB XLT 301A PKG

TOTAL PRICE	
Discount	$0.00
	$0.00
2021 F-150 CREW CAB XLT 301A PKG	$52,595.00
	$0.00
	$0.00
	$0.00
	$0.00
	$0.00
	$0.00
Vehicle Total	**$52,595.00**

Additional Equipment/Up-Fit

	$0.00
	$0.00
	$0.00
	$0.00
	$0.00
Up-Fit/ Equipment Total	**$0.00**

Per Vehicle Sub Total	**$52,595.00**
2 Year Inspection Sticker	
Delivery	$0.00
Documentation Fee	$0.00
Total Per Vehicle Cost	**$52,595.00**
Quantity Ordered With Above Configuration	**0**
Total Vehicle Order Cost	**$0.00**

ALL REBATES INC.
TTL NO INC. IN QUOTE

Attachment: 1202 replacement (FY 2022 Vehicle - Fire)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Barbara Sprinkle, Purchasing
CC:	Dusty McAfee AICP, Director of Development Services
Date:	October 12, 2021
Re:	2022 Vehicles - Development Services

Action Requested:
Consider and act to authorize the purchase of four vehicle for Development Services from Silsbee Ford in an amount not to exceed $106,719.00. (Berry)

Background Information:
Staff requests authorization to procure vehicles for Development Services. Three vehicles are enhancements to the FY 2022 budget and the forth will replace unit 1603 as budgeted in the vehicle and equipment replacement fund (VERF).

The City maintains an executed Interlocal Agreement with the cooperative agency. Chapter 271 of the Local Government Code authorizes cooperative purchases. Use of the contracts satisfies the competitive bidding requirement while saving time and funding in the development of specifications and duplication of work during the process.

Alternatives:
Council may reject the purchase and direct staff.

Financial Considerations:
Funding is available in the current budget.

Expenditures will not exceed funds appropriated and funds will be committed at the issuance of a purchase order.

Supporting Documents:
Quote

Staff Recommendation:
Authorize the purchase of vehicle.

PRODUCT PRICING SUMMARY BUYBOARD CONTRACT #601-19

Vehicles and Heavy Duty Trucks

VENDOR--Silsbee Ford, 1211 Hwy 96 N., Silsbee TX 77656

End User: CITY OF CELINA
Prepared by: RICHARD HYDER
Contact: MIKE GREEN 972.382.2682
Phone: (409) 300-1385
Email: MGREEN@CELINA-TX.GOV
Email: rhyder.cowboyfleet@gmail.com
Product Description: FORD F150
Date: August 18, 2021

A. Bid Series: 113 **A. Base Price:** $ 18,188.00

B. Published Options [Itemize each below]

Code	Options	Bid Price	Code	Options	Bid Price
X1C	2021 F150 SUPERCAB 4X2 6.5' BED	$ 4,280.00			
99B	3.3L V6 GAS	$ -			
YZ	EXTERIOR WHITE	$ -			
AG	INTERIOR VINYL 40/20/40	$ -			
	REAR VIEW CAMERA	$ -			
101A	101A MID PKG	$ 1,530.00			
	CRUISE	$ -			
	POWER EQUIPMENT GROUP	$ -			
	BLUETOOTH	$ -			
	REVERSE SENSING	$ -			

Total of B. Published Options: $ 5,810.00

C. Unpublished Options [Itemize each below, not to exceed 25%] $= 3.2 %

Options	Bid Price	Options	Bid Price
GRILL LEDS AMBER/BLUE X2	$ 270.00		
INSTALLATION	$ 300.00		
HIDDEN LEDS AMBER/BLUE REVERSE LIGHTS	$ 190.00		
4 LIKE THIS INCOMING OCTOBER/NOVEM			

Total of C. Unpublished Options: $ 760.00

D.	**Pre-delivery Inspection:**	$ -
E.	**Texas State Inspection:**	$ -
F.	**Manufacturer Destination/Delivery:**	$ -
G.	**Floor Plan Interest (for in-stock and/or equipped vehicles):**	$ -
H	**Lot Insurance (for in-stock and/or equipped vehicles):**	$ -
I.	**Contract Price Adjustment:**	$ -
J.	**Additional Delivery Charge:** 317 **miles**	$ 475.50
K.	**Subtotal:**	$ 25,233.50
L.	**Quantity Ordered** 1 **x K =**	$ 25,233.50
M.	**Trade in:**	
N.	**BUYBOARD Administrative Fee ($400 per purchase order)**	$ 400.00
O.	**TOTAL PURCHASE PRICE INCLUDING BUYBOARD FEE**	$ 25,633.50

Attachment: Dev Services - Supercab (FY 2022 Vehicle Development Services)

Replaces 1603

PRODUCT PRICING SUMMARY BUYBOARD CONTRACT #601-19

Vehicles and Heavy Duty Trucks

VENDOR--Silsbee Ford, 1211 Hwy 96 N., Silsbee TX 77656

End User: CITY OF CELINA
Contact: MIKE GREEN 972.382.2682
Email: MGREEN@CELINA-TX.GOV
Product Description: FORD F150

Prepared by: RICHARD HYDER
Phone: (409) 300-1385
Email: rhyder.cowboyfleet@gmail.com
Date: August 18, 2021

A. Bid Series: 113 **A. Base Price:** $ 18,188.00

B. Published Options [Itemize each below]

Code	Options	Bid Price	Code	Options	Bid Price
W1C	2021 F150 SUPER CREW 4X2 5.5' BED	$ 9,835.00			
99B	3.3L V6 GAS	$ -			
YZ	EXTERIOR WHITE	$ -			
AG	INTERIOR VINYL 40/20/40	$ -			
	REAR VIEW CAMERA	$ -			
101A	101A MID PKG	$ 160.00			
	CRUISE	$ -			
	POWER EQUIPMENT GROUP	$ -			
	BLUETOOTH	$ -			
	REVERSE SENSING	$ -			

Total of B. Published Options: $ 9,995.00

C. Unpublished Options [Itemize each below, not to exceed 25%] $= 2.7 %

Options	Bid Price	Options	Bid Price
GRILL LEDS AMBER/BLUE X2	$ 270.00		
INSTALLATION	$ 300.00		
HIDDEN LEDS AMBER/BLUE REVERSE LIGHTS	$ 190.00		
3 LIKE THIS INCOMING SEPT/OCT			

Total of C. Unpublished Options: $ 760.00

D.	**Pre-delivery Inspection:**	$ -
E.	**Texas State Inspection:**	$ -
F.	**Manufacturer Destination/Delivery:**	$ -
G.	**Floor Plan Interest (for in-stock and/or equipped vehicles):**	$ -
H	**Lot Insurance (for in-stock and/or equipped vehicles):**	$ -
I.	**Contract Price Adjustment:**	$ -
J.	**Additional Delivery Charge:** 317 **miles**	$ 475.50
K.	**Subtotal:**	$ 29,418.50
L.	**Quantity Ordered** 1 **x K =**	$ 29,418.50
M.	**Trade in:**	
N.	**BUYBOARD Administrative Fee ($400 per purchase order)**	$ 400.00
O.	**TOTAL PURCHASE PRICE INCLUDING BUYBOARD FEE**	$ 29,818.50

Attachment: Dev Services Super Crew replaces 1603 (FY 2022 Vehicle Development Services)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Madhuri Mohan AICP, Planning Manager
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: FM 1385 Retail - Annexation

Action Requested:
Conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of approximately 1.3 acres within the Extraterritorial Jurisdiction (ETJ), generally located east of FM 1385, and approximately 990 feet north of Tudor Place. (FM 1385 Retail – Annexation) (Mohan)

Applicant:
Claymoore Engineering
301 S. Coleman, Suite 40
Prosper, TX 75078

Background Information:
This item is for the annexation of FM 1385 Retail, a future retail use. Please refer to the attached documents for further information, and the accompanying annexation service agreement and zoning agenda items.

Supporting Documents:
- Location Map
- Staff Presentation
- Draft Ordinance

Staff Recommendation:
Staff recommends approval.

CELINA TEXAS EST. 1876

Life Connected.

MAYER PKWY

FRONTIER PKWY

BOTHWELL BLVD

Maxar, Microsoft

Legend

- Subject Property
- City Limits
- Roads
- Parcels

Celina Montessori and Retail Location Map

City of Celina

9/9/2021

N W E S

0 220 440 Feet

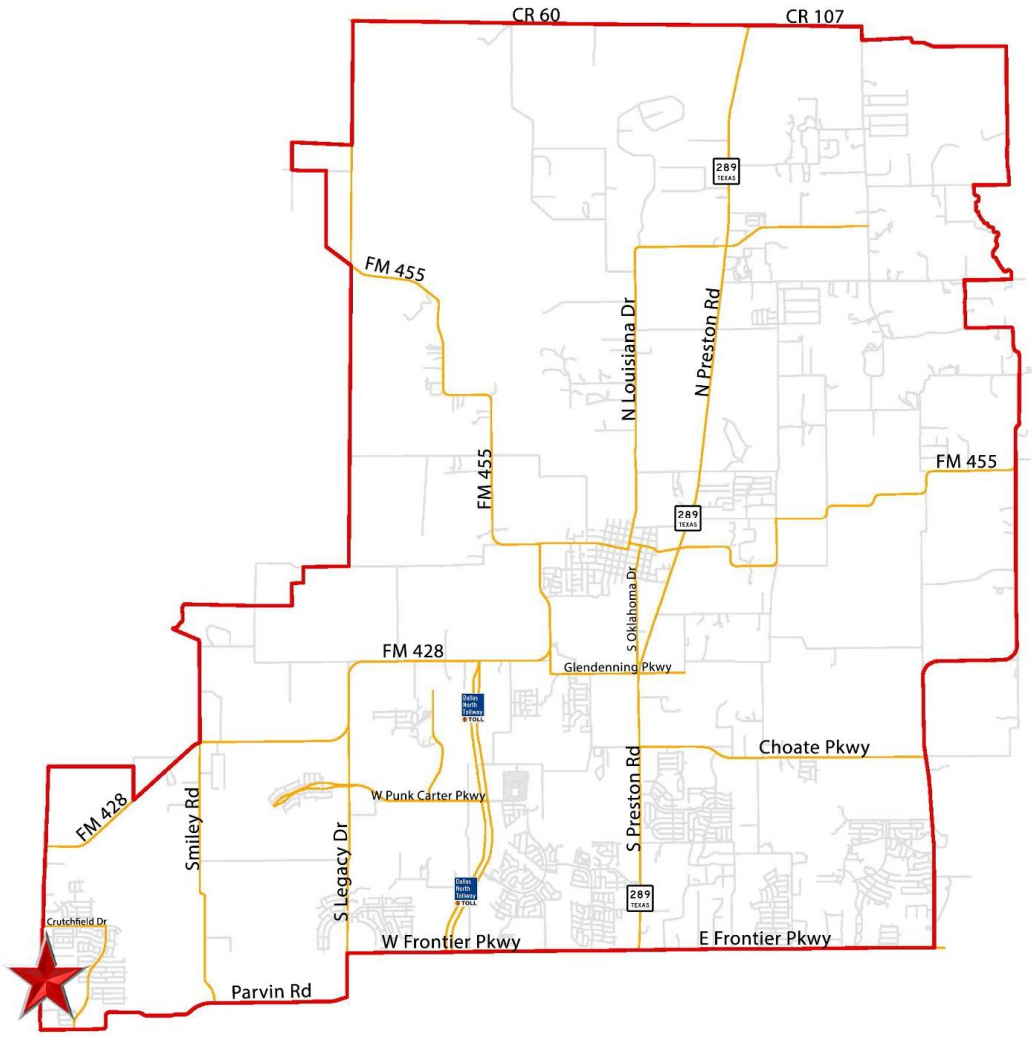
Attachment: Location Map (FM 1385 Retail – Annexation)

FM 1385 RETAIL

Annexation & Zoning

City Council
October 12, 2021

Attachment: Staff Presentation (FM 1385 Retail – Annexation)



Attachment: Staff Presentation (FM 1385 Retail – Annexation)

LOCATION MAP

The subject property is generally located east of FM 1385, and approximately 990 feet north of Tudor Place

Attachment: Staff Presentation (FM 1385 Retail – Annexation)

BACKGROUND

- The overall subject property is approximately 3.3 acres; a portion of the property is located within the City Limits and zoned Commercial, Office & Retail Zoning District (C)
- The zoning request is for the remainder 1.3 acres currently within the Extraterritorial Jurisdiction (ETJ)
- The project will abide by all zoning standards, including architecture
- The pre-annexation agreements existing on the property would not otherwise expire until 2032

Attachment: Staff Presentation (FM 1385 Retail – Annexation)

POLICY CONSIDERATIONS

- The property is along FM 1385, a future 6-lane arterial

Attachment: Staff Presentation (FM 1385 Retail – Annexation)

RECOMMENDATION

- The Planning & Zoning Commission unanimously recommended approval of the zoning request at its September 21st regular meeting
- Staff recommends approval of both the annexation and zoning as presented

CITY OF CELINA, TEXAS
ORDINANCE NO. 2021-_____
FM 1385 RETAIL C-3 ANNEXATION

AN ORDINANCE OF THE CITY OF CELINA, TEXAS, ADOPTING THE ANNEXATION OF CERTAIN TERRITORY LOCATED IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF CELINA, TEXAS, TO WIT: BEING APPROXIMATELY 1.3 ACRES OF LAND, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN AND GRAPHICALLY DEPICTED IN EXHIBIT "A", SUCH TRACT IS GENERALLY LOCATED EAST OF FM 1385, AND APPROXIMATELY 990 FEET NORTH OF TUDOR PLACE, AND ALL ADJACENT RIGHTS-OF-WAY; PROVIDING FOR INCORPORATION OF PREMISES, AMENDING OF THE OFFICIAL CITY MAP, AND ACKNOWLEDGING A SERVICE PLAN; REQUIRING THE FILING OF THIS ORDINANCE WITH THE COUNTY CLERK; PRESCRIBING FOR EFFECT ON TERRITORY, GRANTING AS APPROPRIATE TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY OF CELINA, TEXAS; PROVIDING CUMULATIVE REPEALER, SEVERABILITY AND SAVINGS CLAUSES; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin and Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas and the Celina City Charter (the ("City"); and

WHEREAS, following receipt of a request from each owner (the "Owners") of the Property (defined below) requesting annexation, a public hearing was conducted in accordance with Section 43.0673 of the Texas Local Government Code, on the 12th day of October, 2021, in the Council Chamber located at 112 N. Colorado in the City of Celina, to consider the annexation of the property being more particularly described and depicted in Exhibit "A", attached hereto and incorporated as if fully set forth herein (the "Property"); and

WHEREAS, any and all required written notices and offers were timely sent to all property owners and others entitled to same; and

WHEREAS, the notices of the public hearings were published in *The Celina Record*, a newspaper of general circulation within the City of Celina, Texas, 27th day of September, 2021, such date being not more than twenty (20) days nor less than ten (10) days prior to each public hearing; and

WHEREAS, all required statutory notices pursuant to Chapter 43 of the Texas Local Government Code have been accomplished, including posting on the City's internet website; and

WHEREAS, the City Council of the City of Celina, Texas has determined that such territory is located in the extraterritorial jurisdiction of the City of Celina, Texas; and

WHEREAS, the City Council of the City of Celina, Texas has investigated into, has determined and officially finds that no part of such territory is within the extraterritorial jurisdiction of any other incorporated city or town; and

WHEREAS, to the extent that this Ordinance would cause an unincorporated area to be entirely surrounded by the City of Celina's limits, the City Council has found - and incorporates herein its finding - that surrounding the area is in the public interest; and

WHEREAS, the Owners and the City have entered into a written agreement, with a ten (20) year

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

term, regarding services to be provided for the Property prior to the effective date of annexation of the Property, the substantive body of which is attached hereto as Exhibit "B", attached hereto and incorporated as if fully set forth herein.

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

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
OFFICIAL CITY MAP AMENDED

1. The official map and boundaries of the City are hereby amended so as to include the Property and any and all adjacent rights-of-way, and that such territory shall be and is hereby annexed into the corporate limits of the City.

2. The Mayor is hereby directed and authorized to perform or cause to be performed all acts necessary to correct the official map of the City to add the territory hereby annexed as required by law.

SECTION 3
ANNEXATION OF AREA

The Property, and any and all adjacent rights-of-way, is hereby annexed into the City, and that the boundary limits of the City be and the same are hereby extended to include the Property and any and all adjacent rights-of-way within the city limits of the City, and the same shall hereafter be included within the territorial limits of the City, and the inhabitants thereof shall hereafter be entitled to all the rights and privileges of other citizens of the City and they shall be bound by the acts, ordinances, resolutions, and regulations of the City.

SECTION 4
FILING OF ORDINANCE REQUIRED

The City Secretary shall file or cause to be filed a certified copy of this Ordinance in the office of the County Clerk of each county in which all or a portion of the Property and any and all adjacent rights-of-way is located, and any other necessary agencies, including the United States Department of Justice.

SECTION 5
EFFECT ON TERRITORY

From and after the passage of this Ordinance, the Property and any and all adjacent rights-of-way shall be a part of the City of Celina, Texas, and subject to the service agreement referenced in the above Premises incorporated by Section 1 of this Ordinance. The inhabitants thereof shall be entitled to all of the rights, privileges and immunities as all other citizens of the City of Celina, Texas, and shall be bound by all of the Ordinances and regulations enacted pursuant to and in conformity with the general laws of the State of Texas.

SECTION 6
CUMULATIVE REPEALER

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

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance.

SECTION 7
SEVERABILITY

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance, and the City Council hereby declares it would have passed such remaining portions of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect. The City Council hereby declares that if there is an error in any call or description in Exhibit "A" preventing any portion of the Property and any and all adjacent rights-of-way from being annexed, the City Council would have annexed all remaining area having correct calls or descriptions and or would have corrected the call or description to include the entire intended area in this annexation.

SECTION 8
ENGROSSMENT AND ENROLLMENT

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

SECTION 9
EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its date of passage.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this 12th day of October, 2021.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

APPROVED AS TO FORM:

_____
City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

Exhibit "A"
Property Legal Description and Depiction
Including and any and all adjacent rights-of-way

BEING a 1.29 acre tract of land out of the F. WILKERSON SURVEY, ABSTRACT NUMBER 1411 situated in Denton County, Texas, being all of a called 1.29 acre tract of land conveyed to MRMS FM 1385 INVESTMENTS LLC by deed of record in Document Number 2020-92752 of the Official Records of Denton County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING, at a 1/2 inch iron rod with illegible red plastic cap found in the East right-of-way line of Farm-to-market Road 1385 (right-of-way varies), being the most Westerly Northwest corner of a called 44.562 acre tract of land conveyed to Anna Liz Hong by deed of record in Document Number 2014-15601 of said Official Records, also being the Southwest corner of said 1.29 acre tract;

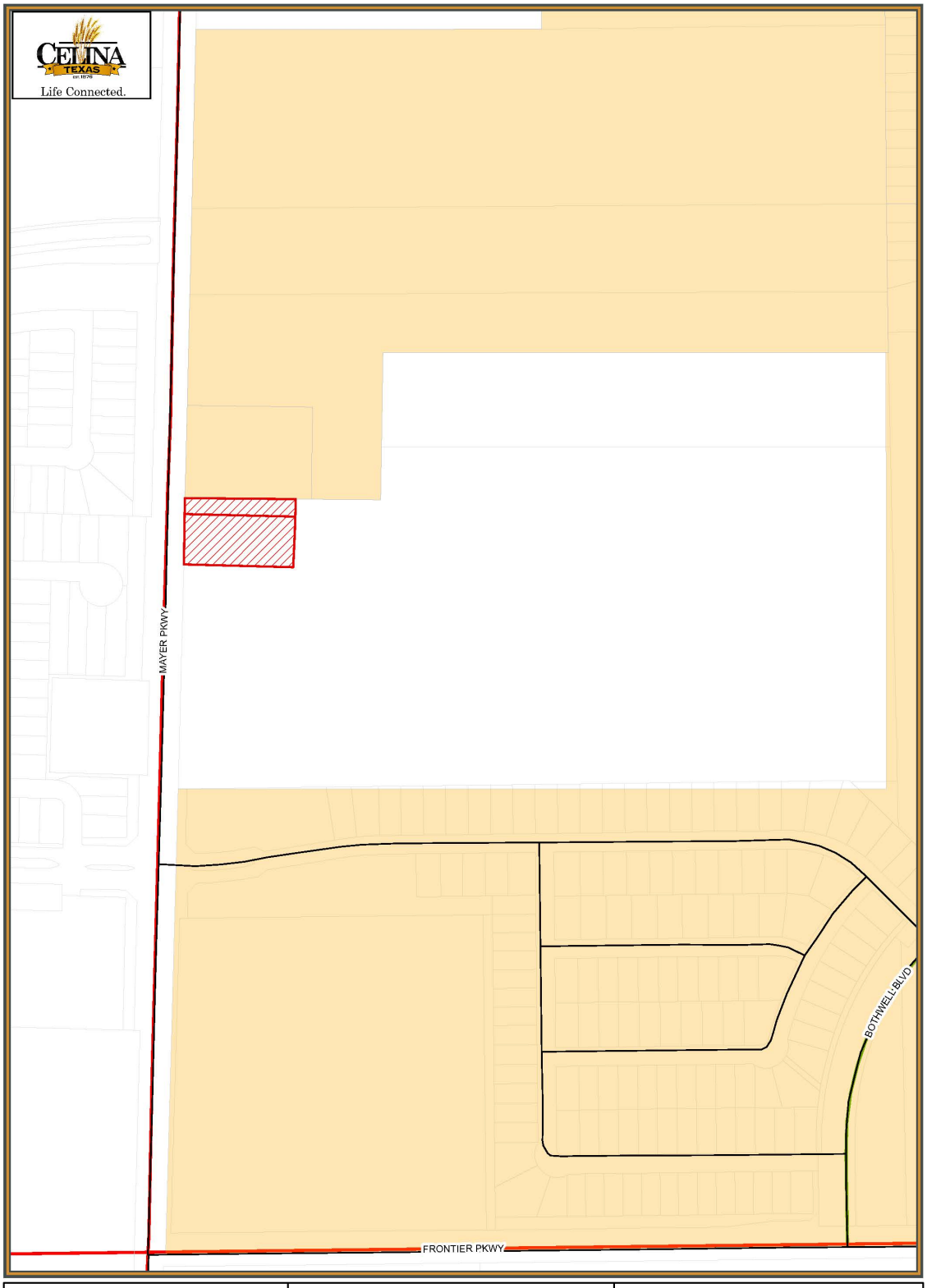
THENCE, N01°34'55"E, along the East right-of-way line of Farm-to-market Road 1385, being the common West line of said 1.29 acre tract, a distance of 191.65 feet to a 1/2 inch iron rod found at the Southwest corner of a called 2.000 acre tract of land conveyed to MRMS FM 1385 INVESTMENTS LLC by deed of record in Document Number 2020-92753 of said Official Records, being the Northwest corner of said 1.29 acre tract;

THENCE, S88°50'22"E, leaving the East right-of-way line of Farm-to-market Road 1385, along the South line of said 2.000 acre tract, being the common North line of said 1.29 acre tract, a distance of 301.32 feet to a 1/2 inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set in the irregular West line of said 44.562 acre tract, being the Northeast corner of said 1.29 acre tract;

THENCE, leaving the South line of said 2.000 acre tract, along the irregular West line of said 44.562 acre tract, being the common East and South lines of said 1.29 acre tract, the following two (2) courses and distances:

1. S01°32'50"W, a distance of 182.39 feet to a 1/2 inch iron rod found at the Southeast corner of said 1.29 acre tract;
2. S89°24'03"W, a distance of 301.64 feet to the **POINT OF BEGINNING** and containing an area of 1.29 Acres, or (56,363 Square Feet) of land, more or less.

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)



Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

Exhibit "B"
Substance from body of executed Service Agreement for C-3 Annexed Property

A) SERVICE PLAN GENERALLY

1) This service plan has been prepared in accordance with the Texas Local Government Code, Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. 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. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).

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) Construction 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

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

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 in accordance with Texas Local Government Code Section 43.056(n).

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.

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

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 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.

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 streets to City standards commences within this property, 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 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

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will continue 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.

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

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.

Attachment: Draft Ordinance (FM 1385 Retail – Annexation)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Madhuri Mohan AICP, Planning Manager
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: FM 1385 Retail - Zoning

Action Requested:
Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning approximately 1.3 acres to Commercial, Office, & Retail (C) Zoning District, generally located east of FM 1385, and approximately 990 feet north of Tudor Place. (FM 1385 Retail – Zoning) (Mohan)

Applicant:
Claymoore Engineering
301 S. Coleman, Suite 40
Prosper, TX 75078

Background Information:
This item is for the zoning of FM 1385 Retail, a future retail use. Please refer to the attached documents for further information, and the accompanying annexation agenda items.

Supporting Documents:
- Location Map
- Staff Presentation
- Draft Ordinance

Staff Recommendation:
Staff recommends approval as presented.

CELINA TEXAS EST. 1876
Life Connected.

MAYER PKWY
FRONTIER PKWY
BOTHWELL BLVD
Maxar, Microsoft

Attachment: Location Map (FM 1385 Retail – Zoning)

Legend

- Subject Property
- City Limits
- Roads
- Parcels

Celina Montessori and Retail Location Map

City of Celina

9/9/2021

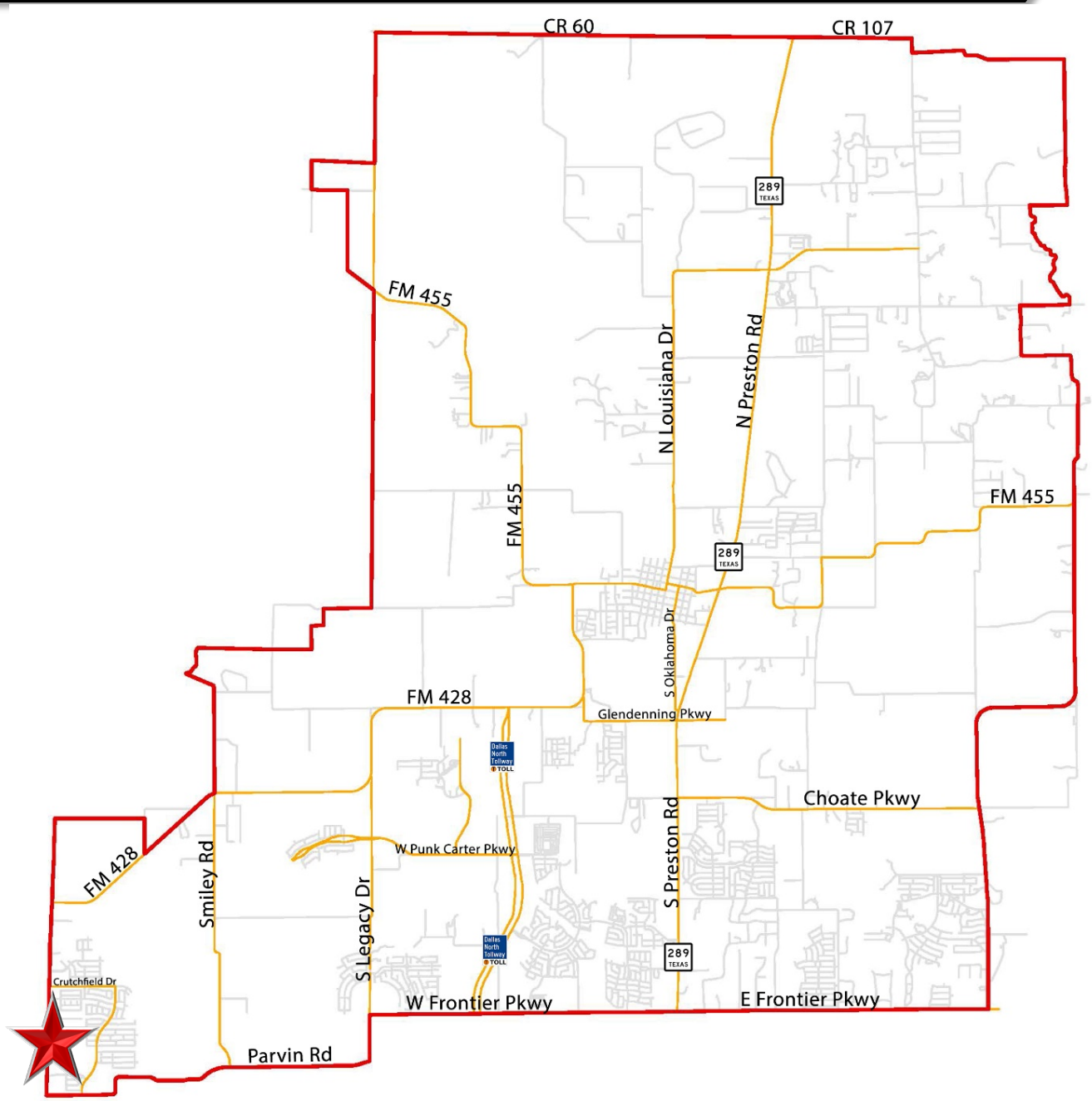
N W E S

0 220 440 Feet

FM 1385 RETAIL

Annexation & Zoning

City Council
October 12, 2021



Attachment: Staff Presentation (FM 1385 Retail – Zoning)

LOCATION MAP

The subject property is generally located east of FM 1385, and approximately 990 feet north of Tudor Place

Attachment: Staff Presentation (FM 1385 Retail – Zoning)

BACKGROUND

- The overall subject property is approximately 3.3 acres; a portion of the property is located within the City Limits and zoned Commercial, Office & Retail Zoning District (C)
- The zoning request is for the remainder 1.3 acres currently within the Extraterritorial Jurisdiction (ETJ)
- The project will abide by all zoning standards, including architecture
- The pre-annexation agreements existing on the property would not otherwise expire until 2032

Attachment: Staff Presentation (FM 1385 Retail – Zoning)

POLICY CONSIDERATIONS

- The property is along FM 1385, a future 6-lane arterial

Attachment: Staff Presentation (FM 1385 Retail – Zoning)

RECOMMENDATION

- The Planning & Zoning Commission unanimously recommended approval of the zoning request at its September 21st regular meeting
- Staff recommends approval of both the annexation and zoning as presented

Attachment: Staff Presentation (FM 1385 Retail – Zoning)

CITY OF CELINA, TEXAS

ORDINANCE 2021-____
FM 1385 RETAIL

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, 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 LAND THAT IS AN APPROXIMATELY 1.3 ACRE TRACT OF LAND LOCATED IN THE F. WILKERSON SURVEY, ABSTRACT NO. 1411, CITY OF CELINA, DENTON COUNTY, TEXAS, AND GENERALLY LOCATED EAST OF FM 1385, AND APPROXIMATELY 990 FEET NORTH OF TUDOR PLACE; AS DESCRIBED AND DEPICTED IN EXHIBITS "A" AND "B" AND INCORPORATED HEREIN TO BE ZONED COMMERCIAL, OFFICE, & RETAIL DISTRICT (C), PROVIDING FOR INCORPORATION OF PREMISES, FINDINGS, AMENDMENT OF ZONING CLASSIFICATION, ZONING DESIGNATION AND DEVELOPMENT REGULATIONS, REVISION OF ZONING MAP, COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00 PER OFFENSE AND OTHER ENFORCEMENT MECHANISMS; PROVIDING CUMULATIVE REPEALER, SAVINGS AND SEVERABILITY CLAUSES; 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 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, Section 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically described and depicted in Exhibits "A" and "B" attached hereto and incorporated herein; and

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the Celina 2040 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina, have given the requisite notices by publication and otherwise, and have held public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

Attachment: Draft Ordinance (FM 1385 Retail – Zoning)

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

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

AMENDMENT OF ZONING CLASSIFICATION

That the zoning classification is hereby established as Commercial, Office, & Retail District (C), on a certain tract of land described and depicted in Exhibit**s** "A" and "B".

SECTION 4
ZONING DESIGNATION

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, described and depicted in Exhibit**s** "A" and "B" attached hereto and incorporated herein as Commercial, Office, & Retail District (C).

SECTION 5
REVISION OF ZONING MAP

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6
COMPLIANCE REQUIRED

That the property described and depicted in Exhibit**s** "A" and "B" hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance, of the City of Celina as amended.

SECTION 7
PENALTY

7.01 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 ($2,000.00) for each offense.

Attachment: Draft Ordinance (FM 1385 Retail – Zoning)

7.02 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
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 9
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 regulation 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 10
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 11
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 of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 12
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 13
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication as required by law.

Attachment: Draft Ordinance (FM 1385 Retail – Zoning)

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 12th day of October, 2021.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

_____
City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (FM 1385 Retail – Zoning)

Exhibit A
Legal Description

BEING a 1.29 acre tract of land out of the F. WILKERSON SURVEY, ABSTRACT NUMBER 1411 situated in Denton County, Texas, being all of a called 1.29 acre tract of land conveyed to MRMS FM 1385 INVESTMENTS LLC by deed of record in Document Number 2020-92752 of the Official Records of Denton County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING, at a 1/2 inch iron rod with illegible red plastic cap found in the East right-of-way line of Farm-to-market Road 1385 (right-of-way varies), being the most Westerly Northwest corner of a called 44.562 acre tract of land conveyed to Anna Liz Hong by deed of record in Document Number 2014-15601 of said Official Records, also being the Southwest corner of said 1.29 acre tract;

THENCE, N01°34'55"E, along the East right-of-way line of Farm-to-market Road 1385, being the common West line of said 1.29 acre tract, a distance of 191.65 feet to a 1/2 inch iron rod found at the Southwest corner of a called 2.000 acre tract of land conveyed to MRMS FM 1385 INVESTMENTS LLC by deed of record in Document Number 2020-92753 of said Official Records, being the Northwest corner of said 1.29 acre tract;

THENCE, S88°50'22"E, leaving the East right-of-way line of Farm-to-market Road 1385, along the South line of said 2.000 acre tract, being the common North line of said 1.29 acre tract, a distance of 301.32 feet to a 1/2 inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set in the irregular West line of said 44.562 acre tract, being the Northeast corner of said 1.29 acre tract;

THENCE, leaving the South line of said 2.000 acre tract, along the irregular West line of said 44.562 acre tract, being the common East and South lines of said 1.29 acre tract, the following two (2) courses and distances:

1. S01°32'50"W, a distance of 182.39 feet to a 1/2 inch iron rod found at the Southeast corner of said 1.29 acre tract;
2. S89°24'03"W, a distance of 301.64 feet to the **POINT OF BEGINNING** and containing an area of 1.29 Acres, or (56,363 Square Feet) of land, more or less.

Attachment: Draft Ordinance (FM 1385 Retail – Zoning)

Exhibit B
Property Exhibit

Attachment: Draft Ordinance (FM 1385 Retail – Zoning)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Madhuri Mohan AICP, Planning Manager
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Uptown Multi-Family - Zoning

Action Requested:
Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning an approximately 30-acre tract of land to Multi-Family Zoning Districts (MF-2/MF-3), generally located west of Louisiana Drive, and approximately 660 feet north of Poplar Street, within the City Limits. (Uptown Multi-Family - Zoning) (Mohan)

Applicant:
Dowdey, Anderson & Associates, Inc.
5225 Village Creek Drive, Ste. 200
Plano, TX 75093

Background Information:
The 30-acre property is currently within the City Limits, but not zoned. The applicant's request is to zone the property to Multi-Family Zoning Districts (MF-2, MF-3). The property was originally entitled (as part of the Uptown Development Agreement) with multi-family uses. Please refer to the attached documents for further information.

Supporting Documents:
- Location Map
- Staff Presentation
- Draft Ordinance

Staff Recommendation:
Staff recommends approval.

CELINA TEXAS EST. 1876
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J FRED SMITH PWKY
BUS 289
PECAN
FLORIDA
WALNUT
LOUISANA
OKLAHOMA
FM 455

Legend

- Subject Property
- Roads
- Parcels
- City Limits

Uptown MF Zoning Location Map

City of Celina

9/10/2021

N W E S

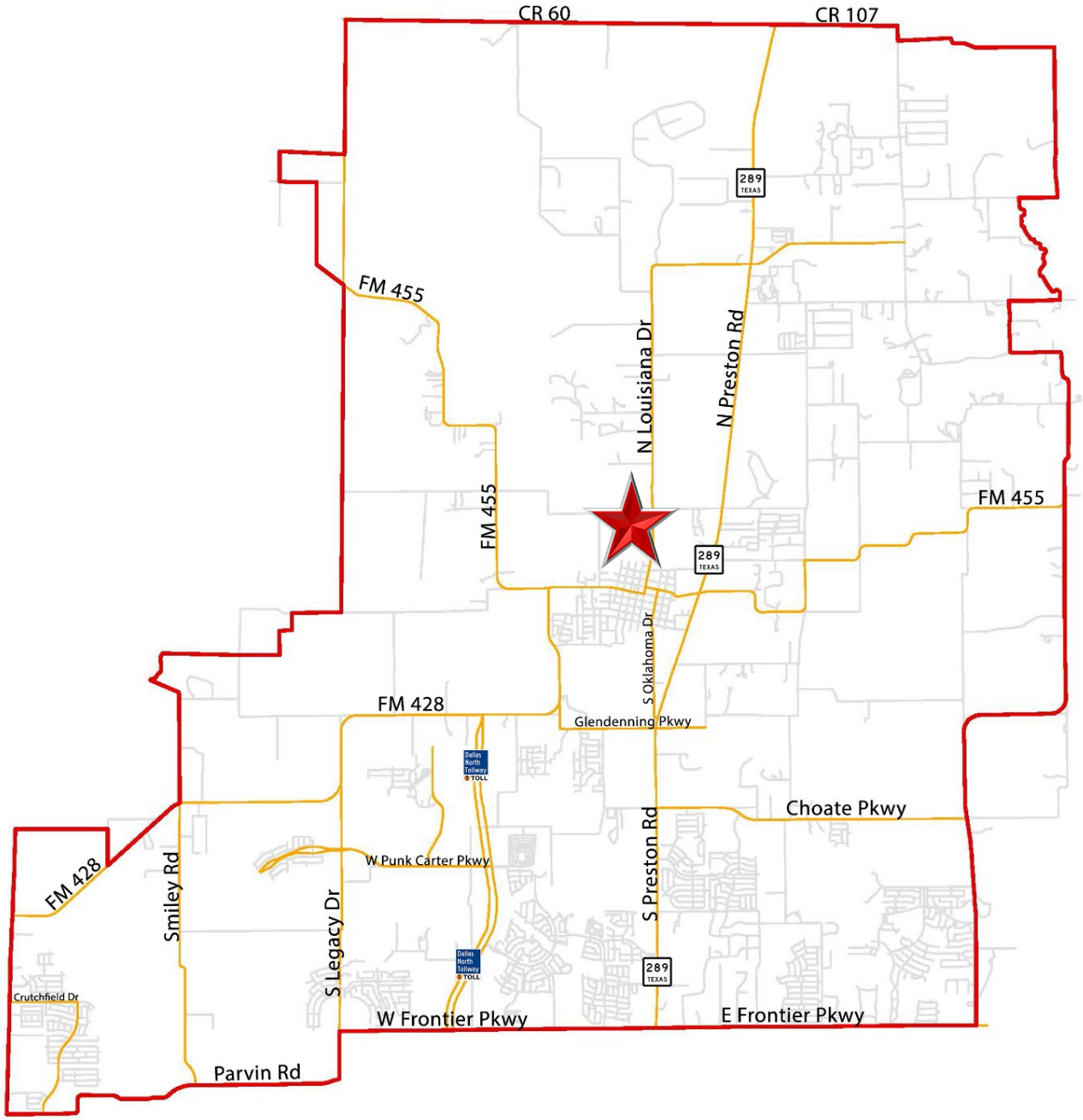
0 410 820 Feet

Attachment: Location Map (Uptown Multi-Family - Zoning)

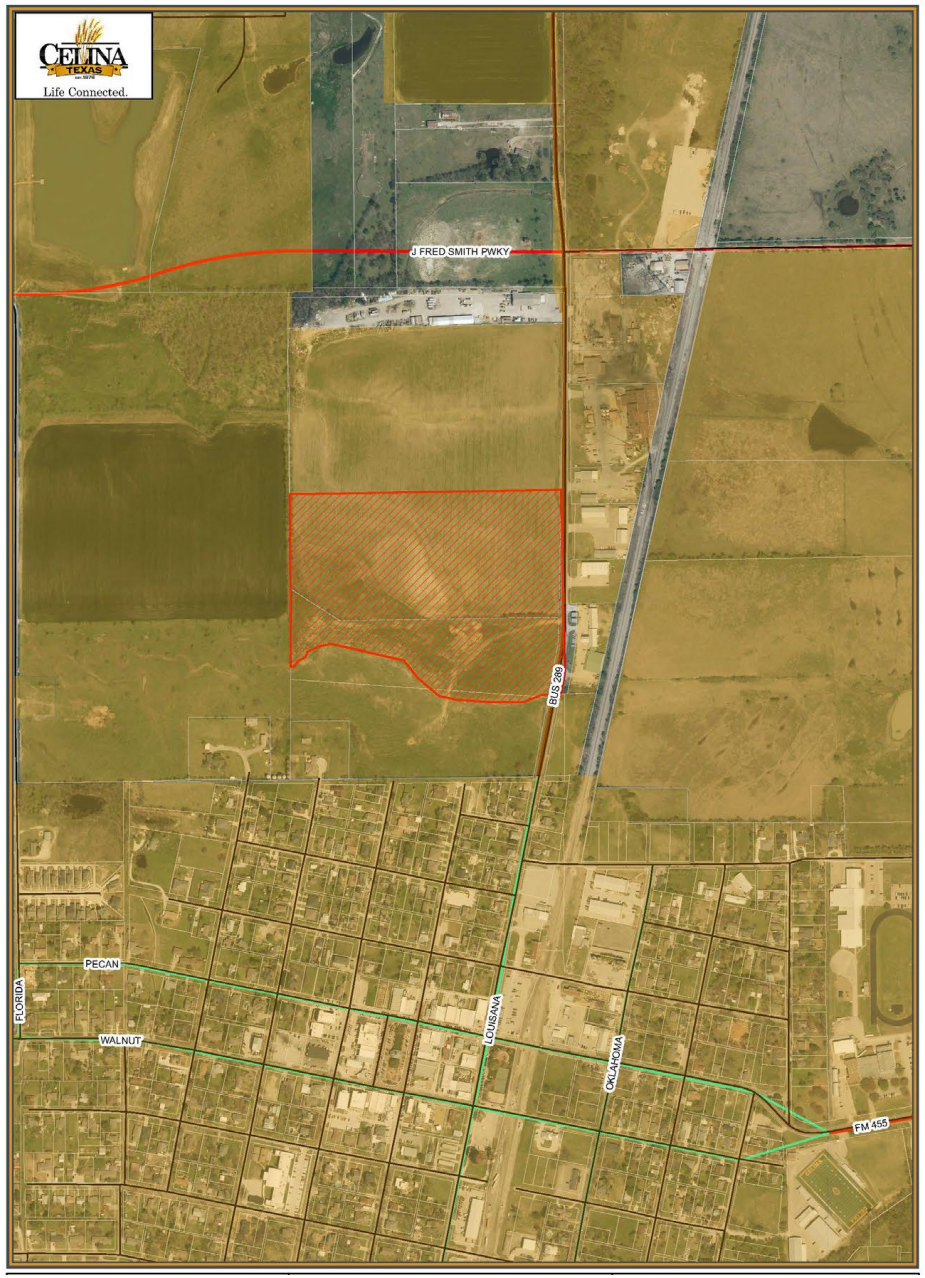
UPTOWN MF

Zoning

City Council
October 12,2021



Attachment: Staff Presentation (Uptown Multi-Family - Zoning)



LOCATION MAP

The subject property is generally located west of Louisiana Drive and approximately 660 feet north of Poplar Street

Attachment: Staff Presentation (Uptown Multi-Family - Zoning)

BACKGROUND

- The subject property is approximately 30 acres, located within the City Limits
- The property was annexed in August 2021
- The property currently does not have an associated zoning district
- The applicant is proposing a base zoning of Multi-Family Zoning Districts (MF-2, MF-3)
- The governing Development Agreement supports multi-family at this location

Attachment: Staff Presentation (Uptown Multi-Family - Zoning)

PROJECT OVERVIEW

- The property was originally entitled (as part of the Uptown development) with multi-family
- Uptown is already selling off various tracts
- The Uptown PD, approved last month, was revised from the original DA to lower the multi-family unit cap in order to accommodate this request
- The project will abide by all zoning standards, including architecture

Attachment: Staff Presentation (Uptown Multi-Family - Zoning)

POLICY CONSIDERATIONS

- The property was originally entitled (as part of the Uptown Development) with multi-family
- The Downtown Master Plan contemplated housing density adjacent to the downtown
- The creek serves as a natural geographic boundary for downtown, as it transitions into Uptown to the north
- No multi-family will be adjacent to existing downtown homes south of the creek

Attachment: Staff Presentation (Uptown Multi-Family - Zoning)

RECOMMENDATION

- The Planning & Zoning Commission recommended approval (5-1, with Commissioner Ousley being the dissenting vote) of the zoning request at its September 21st regular meeting
- Staff recommends approval as presented

Attachment: Staff Presentation (Uptown Multi-Family - Zoning)

CITY OF CELINA, TEXAS

ORDINANCE 2021-____
UPTOWN MULTI-FAMILY

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, 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 LAND THAT IS AN APPROXIMATELY 30 ACRE TRACT OF LAND LOCATED IN THE THOMAS STAYTON SURVEY, ABSTRACT NO. 805, CITY OF CELINA, COLLIN COUNTY, TEXAS, AND GENERALLY LOCATED WEST OF LOUISIANA DRIVE, AND APPROXIMATELY 660 FEET NORTH OF POPLAR STREET; AS DESCRIBED AND DEPICTED IN EXHIBITS "A" AND "B" AND INCORPORATED HEREIN TO BE ZONED MULTI-FAMILY DISTRICT, URBAN EDGE (MF-2), AND MULTI-FAMILY DISTRICT, URBAN LIVING (MF-3), PROVIDING FOR INCORPORATION OF PREMISES, FINDINGS, AMENDMENT OF ZONING CLASSIFICATION, ZONING DESIGNATION AND DEVELOPMENT REGULATIONS, REVISION OF ZONING MAP, COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00 PER OFFENSE AND OTHER ENFORCEMENT MECHANISMS; PROVIDING CUMULATIVE REPEALER, SAVINGS AND SEVERABILITY CLAUSES; 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 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, Section 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically described and depicted in Exhibits "A" and "B" attached hereto and incorporated herein; and

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the Celina 2040 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina, have given the requisite notices by publication and otherwise, and have held public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

Attachment: Draft Ordinance (Uptown Multi-Family - Zoning)

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

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

AMENDMENT OF ZONING CLASSIFICATION

That the zoning classification is hereby established as Multi-Family District, Urban Edge (MF-2), and Multi-Family District, Urban Living (MF-3), on a certain tract of land described and depicted in Exhibit**s** "A" and "B".

SECTION 4
ZONING DESIGNATION

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, described and depicted in Exhibit**s** "A" and "B" attached hereto and incorporated herein as Multi-Family District, Urban Edge (MF-2), and Multi-Family District, Urban Living (MF-3).

SECTION 5
REVISION OF ZONING MAP

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6
COMPLIANCE REQUIRED

That the property described and depicted in Exhibit**s** "A" and "B" hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance, of the City of Celina as amended.

SECTION 7
PENALTY

7.01 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 ($2,000.00) for each offense.

Attachment: Draft Ordinance (Uptown Multi-Family - Zoning)

7.02 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
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 9
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 regulation 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 10
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 11
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 of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 12
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 13
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication as required by law.

Attachment: Draft Ordinance (Uptown Multi-Family - Zoning)

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 12th day of October, 2021.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

_____
City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (Uptown Multi-Family - Zoning)

Exhibit A
Legal Description

PROJECT NO. 210019
MIDDLE TRACT
30.000 ACRES

BEING A TRACT OF LAND LOCATED IN THE THOMAS STAYTON SURVEY, ABSTRACT NO. 805, COLLIN COUNTY, TEXAS AND BEING PART OF LOTS 1 AND 2, BLOCK A OF LOTS 1 AND 2, BLOCK A, CELINA 22 ADDITION, AN ADDITION TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN CABINET 2020, SLIDE 77, MAP RECORDS, COLLIN COUNTY, TEXAS (M.R.C.C.T.) AND BEING PART OF A TRACT OF LAND DESCRIBED IN DEED TO LEWIS DICKERSON, RECORDED IN INSTRUMENT NO. 20100510000463340, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS (O.P.R.C.C.T.) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A MAG NAIL SET NEAR THE APPROXIMATE CENTERLINE OF STATE HIGHWAY 289 BUSINESS (N. LOUISIANA DRIVE), A VARIABLE WIDTH RIGHT-OF-WAY, IN THE EAST LINE OF SAID DICKERSON TRACT, FROM WHICH A PK-NAIL FOUND AT THE NORTHEAST CORNER OF A 5-ACRE TRACT OF LAND DESCRIBED IN DEED RECORDED IN VOLUME 4582, PAGE 4115, DEED RECORDS, COLLIN COUNTY, TEXAS BEARS NORTH 00°05'09" WEST, A DISTANCE OF 1032.80 FEET;

THENCE SOUTH 00°05'09" WEST, ALONG THE EAST LINE OF SAID DICKERSON TRACT, A DISTANCE OF 352.95 FEET TO A MAG NAIL SET AT THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO ROY PERRIN AND SANDRA PERRIN, RECORDED IN INSTRUMENT NO. 20070430000576310, O.P.R.C.C.T.;

THENCE SOUTH 00°05'54" EAST, ALONG THE WEST LINE OF SAID PERRIN TRACT AND MACELROY DEVELOPMENT, AN ADDITION TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN CABINET 2006, SLIDE 158, M.R.C.C.T., RESPECTIVELY, A DISTANCE OF 574.54 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE EASTERLY RIGHT-OF-WAY LINE OF SAID STATE HIGHWAY 289 BUSINESS;

THENCE SOUTH 10°35'38" WEST, CONTINUING ALONG THE WEST LINE OF SAID MACELROY DEVELOPMENT AND ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 120.98 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 80°07'57" WEST, LEAVING SAID WEST LINE AND SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 65.68 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER NEAR THE APPROXIMATE CENTER OF A DIRT DRAINAGE CHANNEL;

THENCE WESTERLY, ALONG OR NEAR THE CENTER OF SAID CHANNEL, THE FOLLOWING SIXTEEN (16) COURSES AND DISTANCES:

SOUTH 80°52'46" WEST, A DISTANCE OF 37.68 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 69°27'08" WEST, A DISTANCE OF 95.10 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 89°18'59" WEST, A DISTANCE OF 138.45 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 86°24'41" WEST, A DISTANCE OF 165.11 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 86°06'28" WEST, A DISTANCE OF 36.76 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

Attachment: Draft Ordinance (Uptown Multi-Family - Zoning)

NORTH 77°52'18" WEST, A DISTANCE OF 92.86 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 49°58'14" WEST, A DISTANCE OF 140.14 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 38°12'38" WEST, A DISTANCE OF 114.96 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 77°19'27" WEST, A DISTANCE OF 381.14 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 79°05'03" WEST, A DISTANCE OF 56.45 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 66°50'02" WEST, A DISTANCE OF 68.26 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 22°04'34" WEST, A DISTANCE OF 29.32 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 57°06'31" WEST, A DISTANCE OF 22.85 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 66°32'24" WEST, A DISTANCE OF 20.04 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

SOUTH 39°50'33" WEST, A DISTANCE OF 36.15 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER;

NORTH 89°58'50" WEST, A DISTANCE OF 8.20 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE WEST LINE OF SAID CELINA 22 ADDITION;

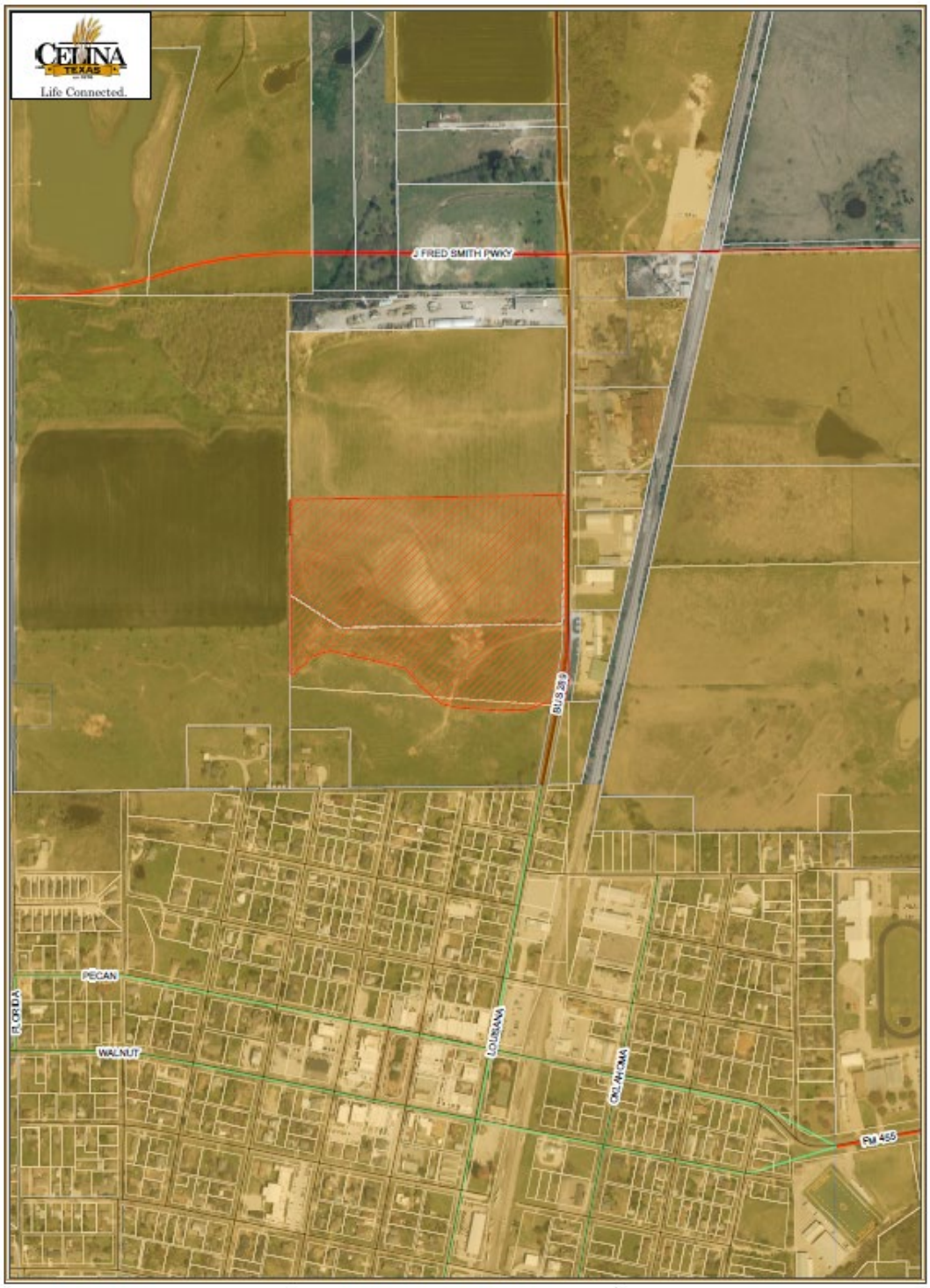
THENCE NORTH 00°01'10" EAST, ALONG SAID EAST LINE OF SAID CELINA 22 ADDITION, A DISTANCE OF 395.67 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET AT THE WEST COMMON CORNER OF SAID CELINA 22 ADDITION AND SAID DICKERSON TRACT;

THENCE NORTH 00°18'24" WEST, ALONG THE WEST LINE OF SAID DICKERSON TRACT, A DISTANCE OF 474.56 FEET TO A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" SET FOR CORNER, FROM WHICH A 1/4-INCH IRON ROD FOUND AT THE NORTHWEST CORNER OF SAID 5-ACRE TRACT BEARS NORTH 00°21”39” WEST, A DISTANCE OF 1030.15 FEET;

THENCE NORTH 89°04'55" EAST, LEAVING THE WEST LINE OF SAID DICKERSON TRACT, A DISTANCE OF 1,394.42 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,306,816 SQUARE FEET OR 30.000 ACRES OF LAND, MORE OR LESS.

Attachment: Draft Ordinance (Uptown Multi-Family - Zoning)

Exhibit B
Property Exhibit



Attachment: Draft Ordinance (Uptown Multi-Family - Zoning)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Madhuri Mohan AICP, Planning Manager
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Storage - Planned Development Amendment

Action Requested:
Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by amending the Development Regulations of Planned Development (PD) No. 93 on approximately 8 acres, generally located east of FM 1385, and approximately 560 feet north of Ballenger Road within the City Limits. (Legacy Storage – Planned Development Amendment) (Mohan)

Applicant:
Claymoore Engineering
301 S. Coleman, Suite 40
Prosper, TX 75078

Background Information:
The property is approximately eight acres, within the City Limits, and currently zoned PD-93. The PD allows for storage uses, with retail uses reserved for the frontage pads. The applicant's request is to amend the current PD to allow for the storage use on the entire property. Please refer to the attached documents for additional information.

Supporting Documents:
- Location Map
- Staff Presentation
- Draft Ordinance

Staff Recommendation:
Staff recommends approval.

CELINA TEXAS EST. 1876

Life Connected.

MAYER PKWY

CRUTCHFIELD DR

Legend

- Subject Property
- City Limits
- Roads
- Parcels

Legacy Storage Location Map

City of Celina

9/7/2021

N W E S

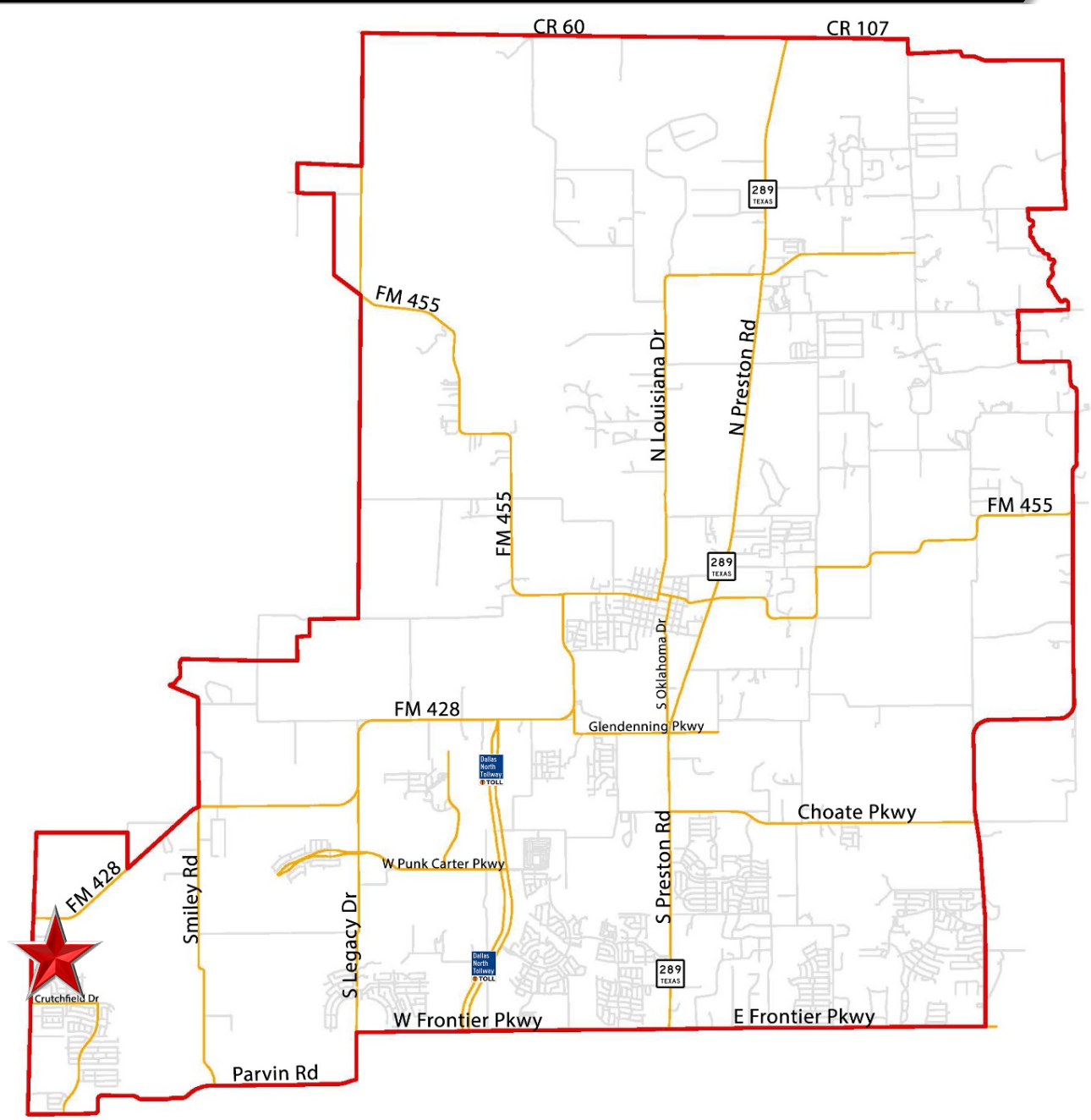
0 220 440 Feet

Attachment: Location Map (Legacy Storage – Planned Development Amendment)

LEGACY STORAGE

PD Amendment

City Council
October 12, 2021



Attachment: Staff Presentation (Legacy Storage – Planned Development Amendment)

LOCATION MAP

The subject property is generally located east of FM 1385, and approximately 560 feet north of Ballenger Road

Attachment: Staff Presentation (Legacy Storage – Planned Development Amendment)

BACKGROUND

- The subject property is approximately 8 acres, located within the City Limits
- The property is currently zoned PD-93; the PD allowed for storage, and reserved the frontage pads for retail
- The applicant is proposing to revise the Planned Development to allow for storage use on the entire property

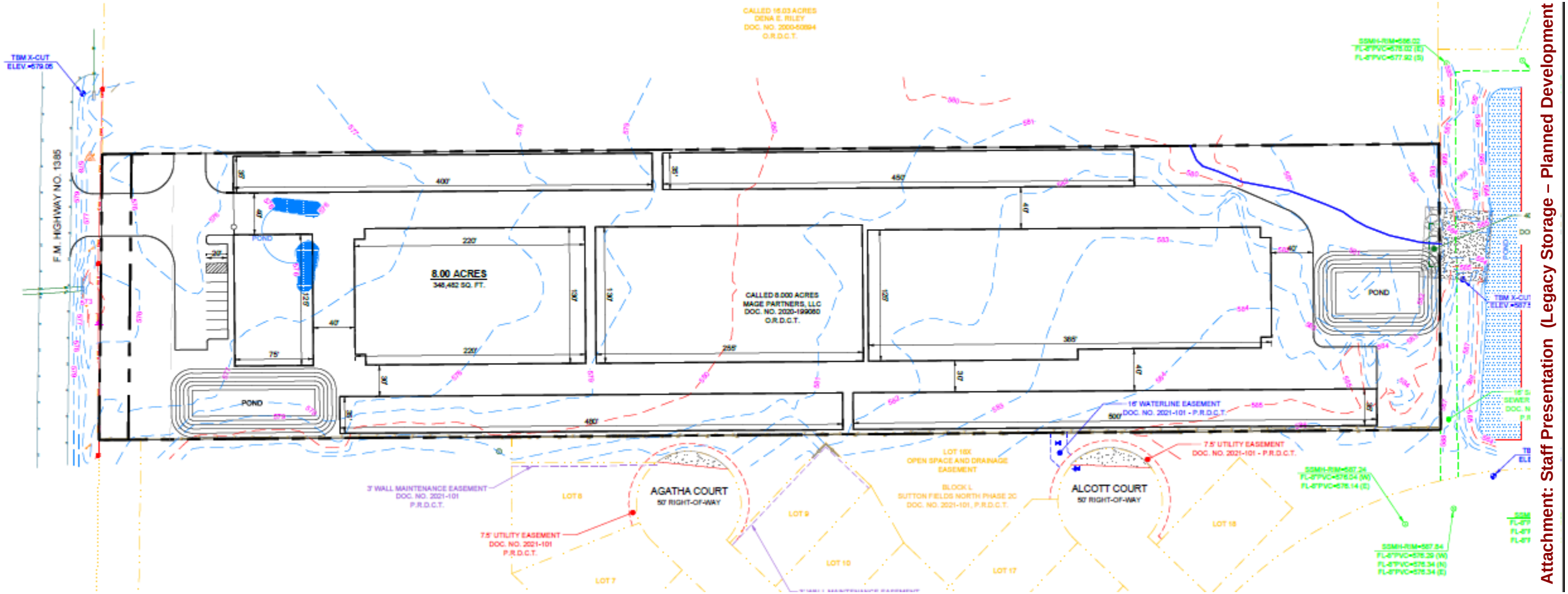
Attachment: Staff Presentation (Legacy Storage – Planned Development Amendment)

PROJECT OVERVIEW

- The applicant is proposing to develop the property as storage
- The project will abide by all zoning standards, including architecture
- The storage will be designed in a low-level "compound design," where some of the buildings will be lined on the northern and southern perimeters and will also serve as the screening

Attachment: Staff Presentation (Legacy Storage – Planned Development Amendment)

CONCEPT PLAN



Attachment: Staff Presentation (Legacy Storage – Planned Development Amendment)

POLICY CONSIDERATIONS

- The property was originally entitled with mini-warehouse/storage – this PD simply allows the use on the entire property
- The FM 1385 corridor is not inappropriate for a storage project
- It is uncommon for storage to maintain retail pads up front, other than the associated leasing office
- Storage tends to be value assessed well, which improves the tax base
- Low-level compound storage products historically are considered "good neighbors" from a performance standpoint
- The subject property has few residential neighbors

Attachment: Staff Presentation (Legacy Storage – Planned Development Amendment)

RECOMMENDATION

- The Planning & Zoning Commission unanimously recommended approval of the zoning request at its September 21st regular meeting
- Staff recommends approval as presented

Attachment: Staff Presentation (Legacy Storage – Planned Development Amendment)

CITY OF CELINA, TEXAS

ORDINANCE 2021-____
LEGACY STORAGE
AN AMENDMENT TO PLANNED DEVELOPMENT # 93

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, 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 LAND THAT IS APPROXIMATELY 8 ACRES LOCATED IN THE T. MCINTYRE SURVEY, ABSTRACT NO. 903, CITY OF CELINA, DENTON COUNTY, TEXAS, AND GENERALLY LOCATED EAST OF FM 1385, AND APPROXIMATELY 560 FEET NORTH OF BALLENGER ROAD; AS DESCRIBED IN EXHIBIT "A" AND INCORPORATED HEREIN TO AMEND "PD" PLANNED DEVELOPMENT DISTRICT NO. 93; PROVIDING FOR INCORPORATION OF PREMISES, FINDINGS, AMENDMENT OF ZONING CLASSIFICATION, ZONING DESIGNATION AND DEVELOPMENT REGULATIONS, REVISION OF ZONING MAP, COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00 PER OFFENSE AND OTHER ENFORCEMENT MECHANISMS; PROVIDING CUMULATIVE REPEALER, SAVINGS AND SEVERABILITY CLAUSES; 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 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 (the "City Council") 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, Section 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, this Ordinance amends PD #93, which has previously been amended by ordinance 2018-49; and

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically described in Exhibit "A" and depicted in Exhibit "B", attached hereto and incorporated as though fully set forth herein (the "Property"); and

WHEREAS, the Concept Plan is set forth in Exhibit "C", attached hereto and incorporated herein, defines the base zoning districts, and provide for certain modifications to such district regulations.

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the Celina 2040 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina,

Attachment: Draft Ordinance (Legacy Storage – Planned Development Amendment)

have given the requisite notices by publication and otherwise, and have held public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

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

AMENDMENT OF ZONING CLASSIFICATION

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended to establish the zoning classification for the Property as "PD" Planned Development District No. 93, with a base zoning of "Commercial, Office, & Retail" (C), and permitting a mini-warehouse/self-storage use by right on the property, which exhibits are incorporated as if fully set forth herein:

Exhibit B: Depiction of Property
Exhibit C: Concept Plan

SECTION 4
ZONING DESIGNATION AND DEVELOPMENT REGULATIONS

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein as PD No. 93, with a base zoning of "Commercial, Office, & Retail" (C), and permitting a mini-warehouse/self-storage use by right on the property, and incorporates the Concept Plan, attached hereto as Exhibit "C".

SECTION 5
REVISION OF ZONING MAP

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6
COMPLIANCE REQUIRED

That the property described on Exhibit "A" and depicted in Exhibit "B" hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance,

Attachment: Draft Ordinance (Legacy Storage – Planned Development Amendment)

of the City of Celina as amended.

SECTION 7
PENALTY

7.01 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 ($2,000.00) for each offense.

7.02 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
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 9
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 regulation 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 10
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 11
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 of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 12
ENGROSSMENT AND ENROLLMENT

Attachment: Draft Ordinance (Legacy Storage – Planned Development Amendment)

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 13
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication as required by law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 12th day of October, 2021.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

_____
City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (Legacy Storage – Planned Development Amendment)

Exhibit A
Legal Description

STATE OF TEXAS
COUNTY OF DENTON

BEING a tract of land situated in the T. McIntyre Survey, Abstract No. 903, Denton County, Texas, conveyed to First Texoma National Bank as recorded in Document No. 201069657, Official Public Records, Denton County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8 inch iron rod found for corner being in the East line of FM 1385 and being the Southwest corner of a tract of land conveyed to Dena Riley as recorded in Document No. 20000050894 and being the Northwest corner of said First Texoma National Bank tract;

THENCE South 89 degrees 49 minutes 40 seconds East, a distance of 1,276.23 feet to a 5/8 inch yellow capped iron rod found for the corner being in a West line of a tract deeded to Affordable Housing Commission, as recorded in Document No. 200000116799, Official Public Records, Denton County, Texas and being the Southeast corner of said Riley tract;

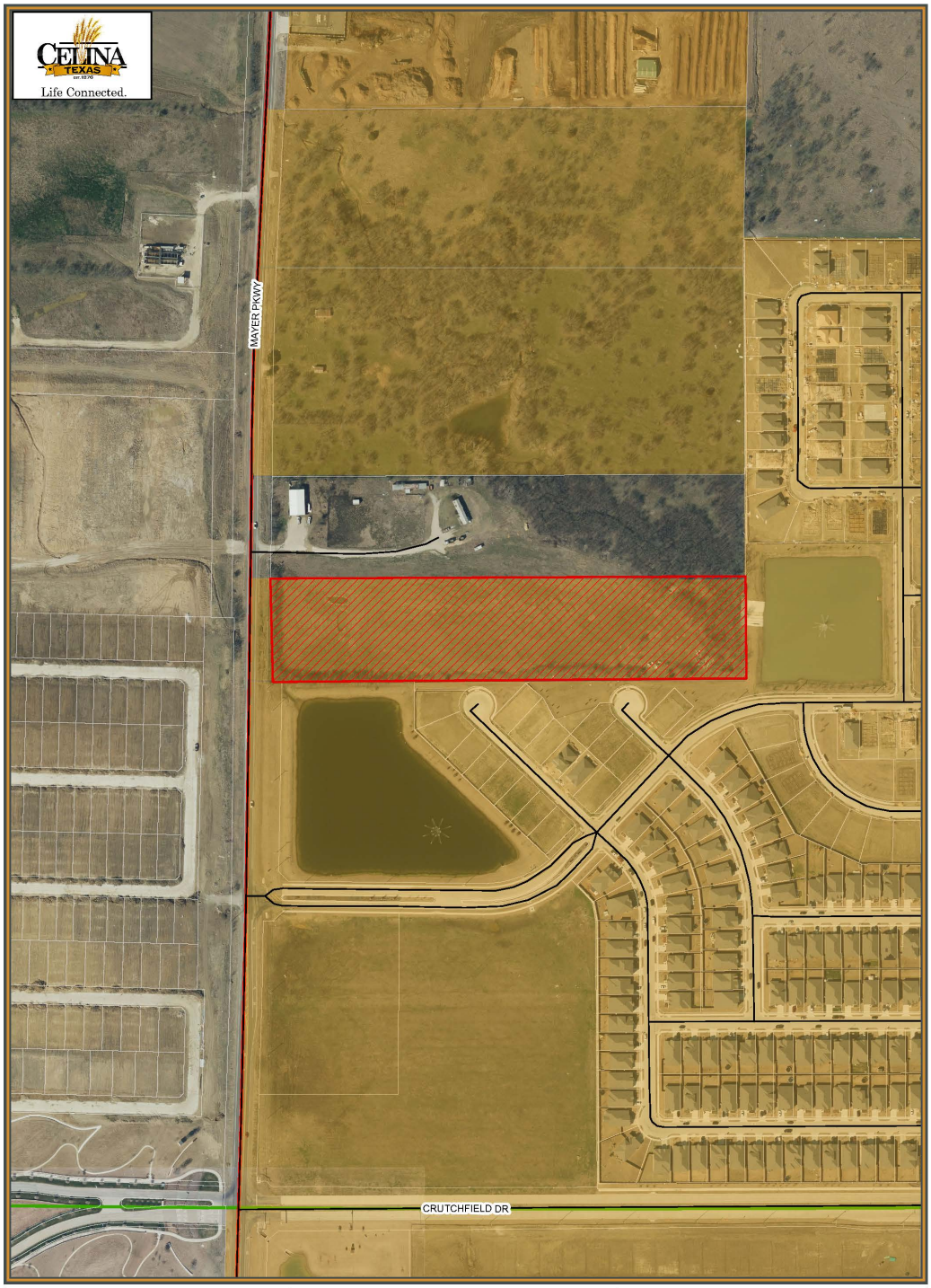
THENCE South 00 degrees 12 minutes 35 seconds West, a distance of 272.38 feet to a ½ inch iron rod found for the corner;

THENCE North 89 degrees 50 minutes 13 seconds East, a distance of 1,281.14 feet to a ½ inch iron rod found for the corner;

THENCE North 01 degrees 14 minutes 25 seconds East, a distance of 272.63 feet to PLACE OF BEGINNING and containing 8.00 acres of land.

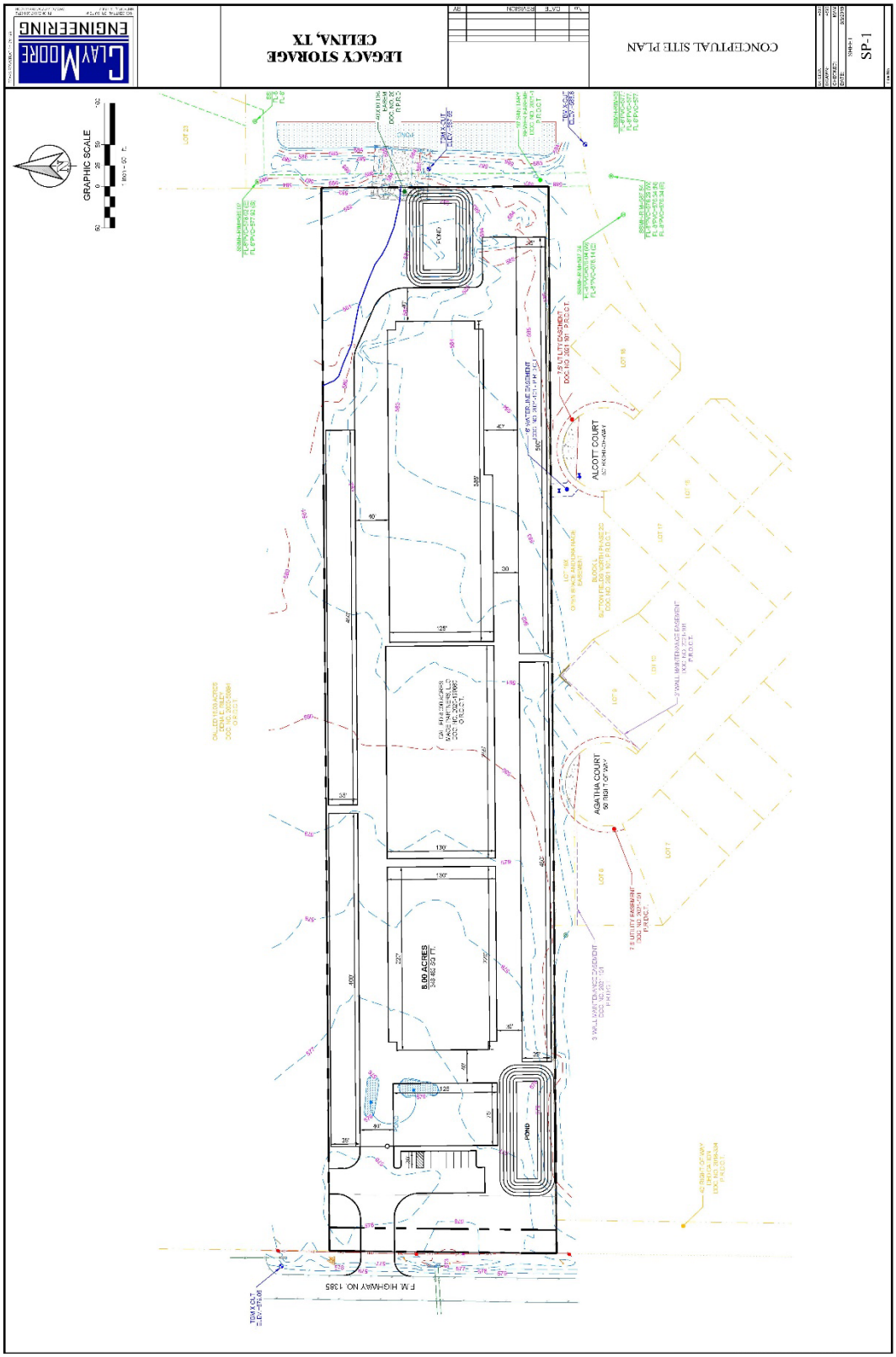
Attachment: Draft Ordinance (Legacy Storage – Planned Development Amendment)

Exhibit B
Depiction of Property



Attachment: Draft Ordinance (Legacy Storage – Planned Development Amendment)

Exhibit C
Concept Plan



Attachment: Draft Ordinance (Legacy Storage – Planned Development Amendment)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Bella Lopez, Senior Planner
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: Legacy 58.5 - Development Agreement

Action Requested:
Conduct a public to consider and act upon a Development Agreement between the City of Celina and Celina 58 LP, for approximately 59 acres of land, generally located at the northwest corner of Louisiana Drive and County Road 58, within the Extraterritorial Jurisdiction (ETJ). This item is to be tabled to the November 9, 2021 City Council Meeting. (Legacy 58.5 – Development Agreement) (Mohan)

Applicant:
Claymoore Engineering
301 S. Coleman, Suite 40
Prosper, TX 75078

Background Information:
The property is approximately 59 acres, within the Extraterritorial Jurisdiction (ETJ). The property owner desires to outline the future annexation and zoning of the tract for a mix of uses (Commercial, Office, and Retail; Industrial; and multi-family MF-0 or MF-2). Refer to the attached documents for further information.

The applicant has requested to table this item to the November 9, 2021 City Council meeting for additional time to review the draft Development Agreement.

Supporting Documents:
- Location Map
- Staff Presentation

Staff Recommendation:
Staff recommends tabling this item to the November 9, 2021 meeting.

CELINA TEXAS EST. 1876

Life Connected.

LEGACY DR

BUS 289

G A MOORE PKWY

Legend

- Subject Property
- City Limits
- Roads
- Parcels

Legacy 58.5 DA Location Map

City of Celina

9/7/2021

N W E S

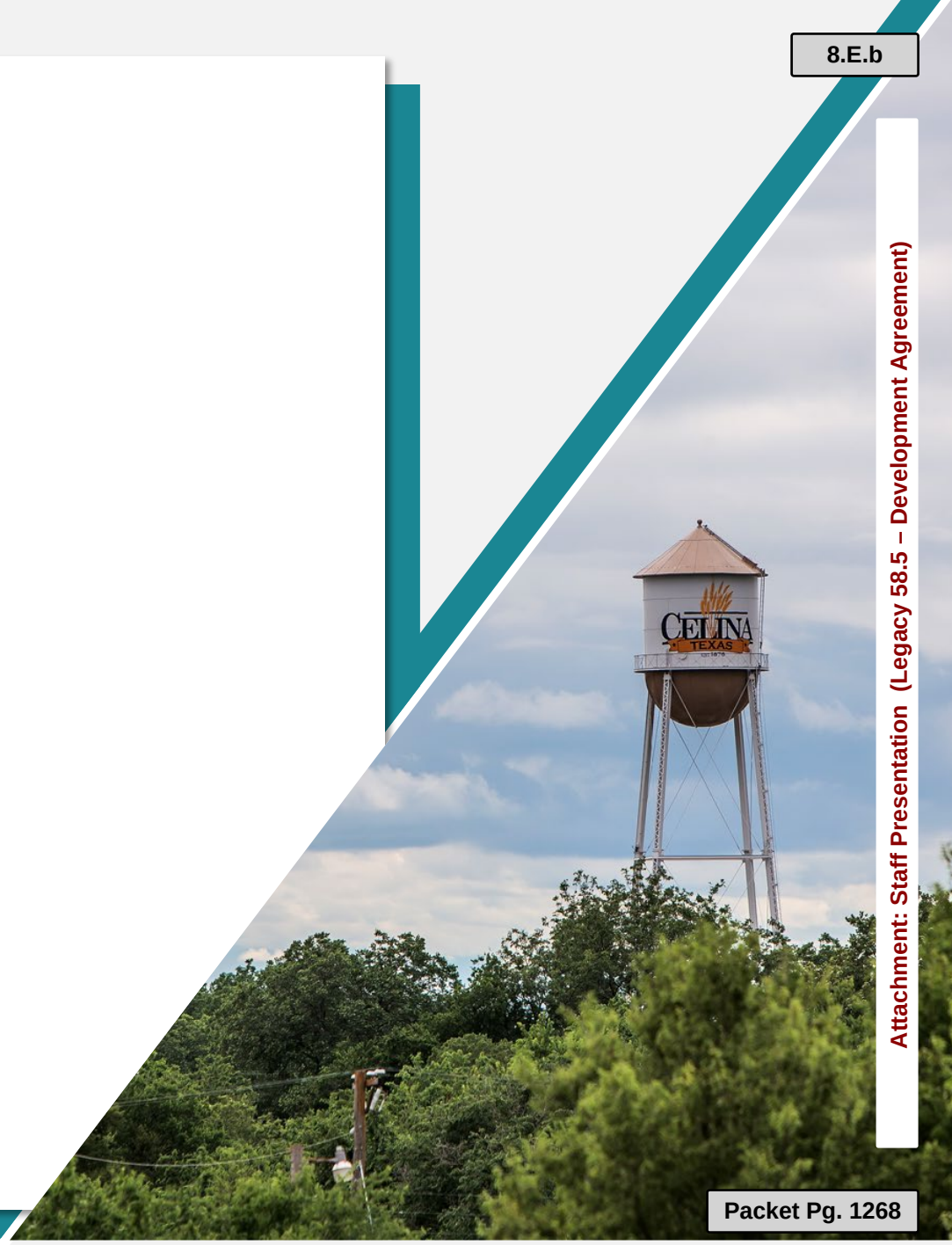
0 500 1,000 Feet

Attachment: Location Map (Legacy 58.5 – Development Agreement)

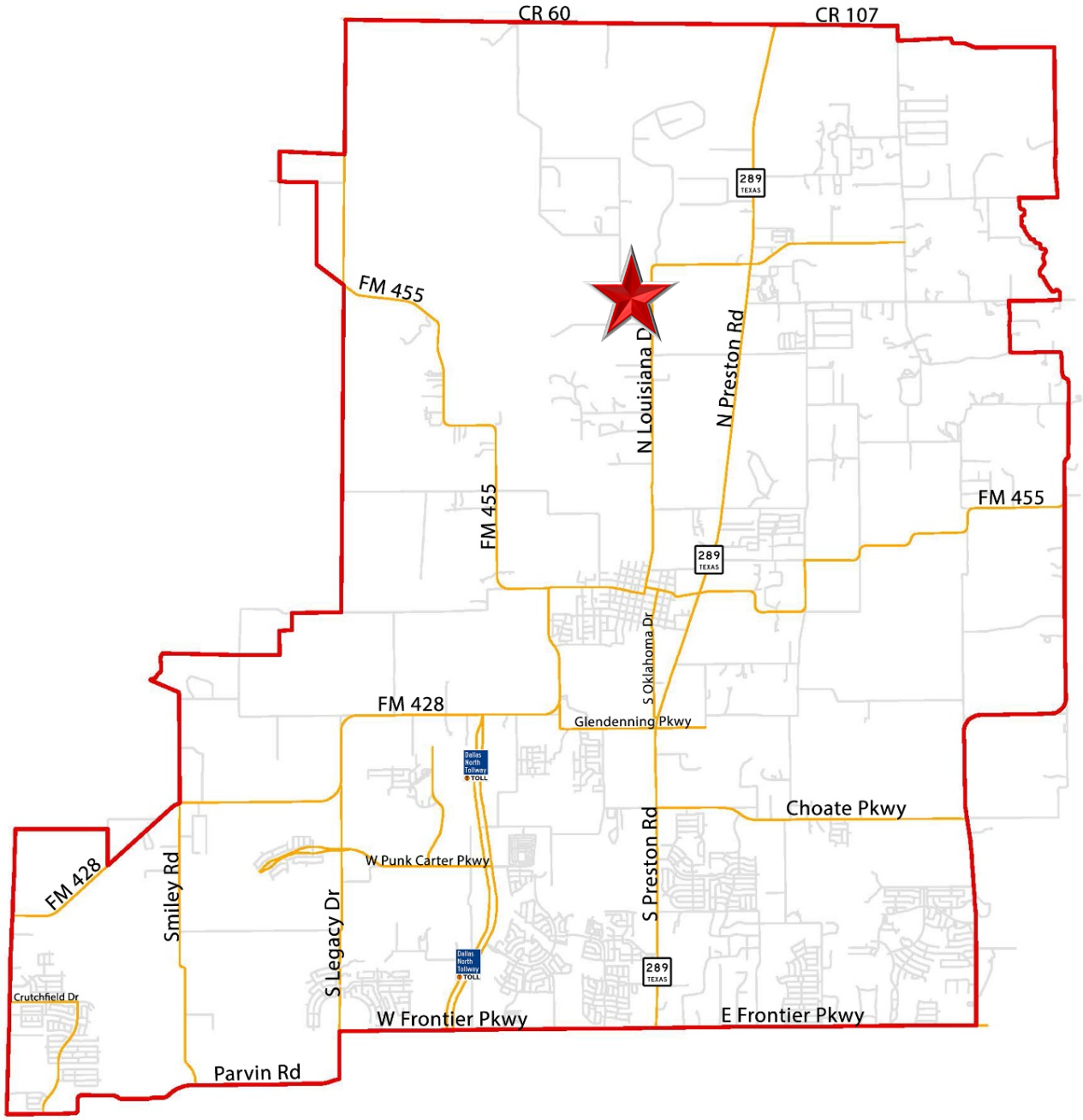
LEGACY 58.5

Development Agreement

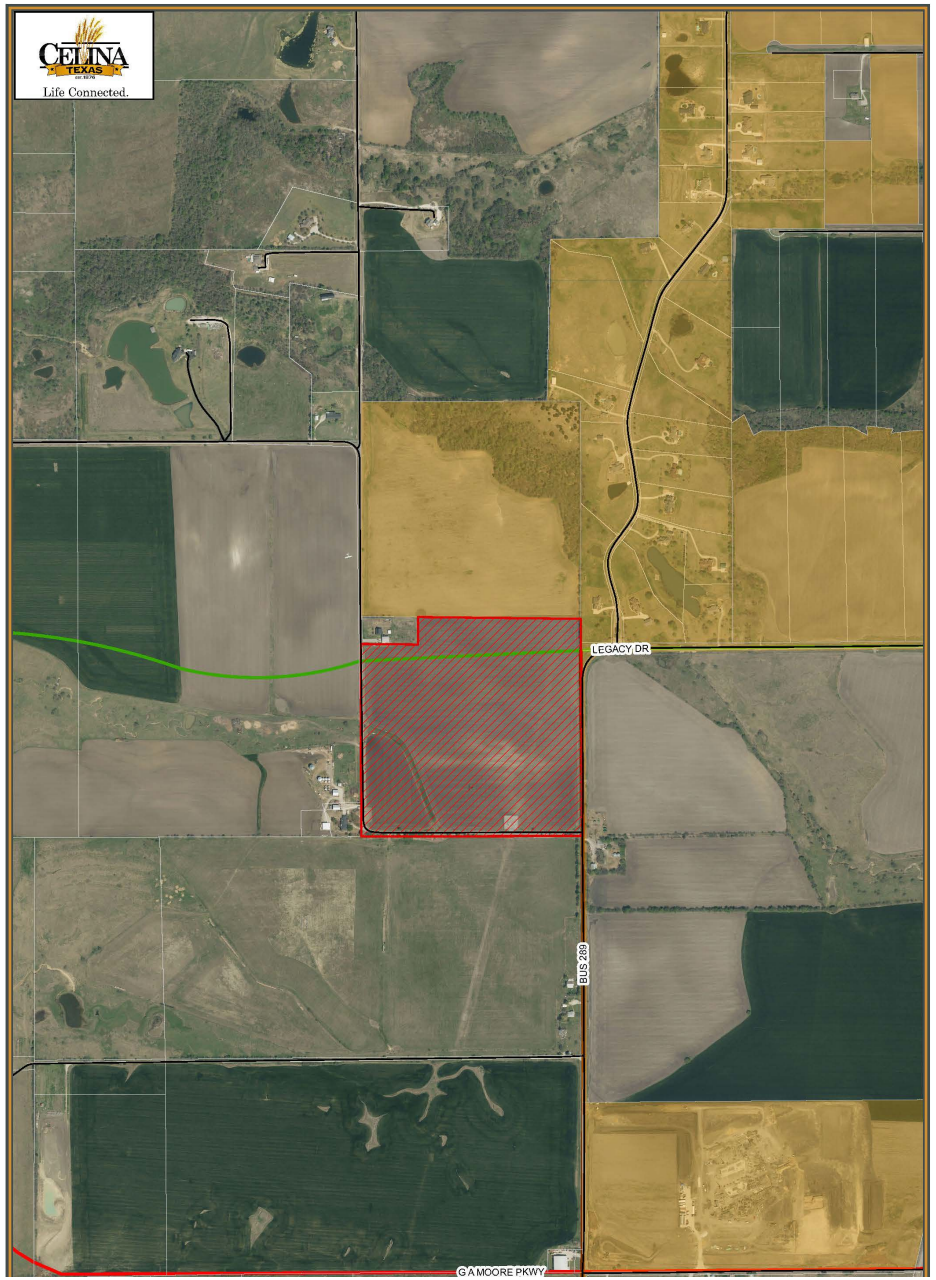
City Council
October 12, 2021



Attachment: Staff Presentation (Legacy 58.5 – Development Agreement)



Attachment: Staff Presentation (Legacy 58.5 – Development Agreement)



LOCATION MAP

The subject property is generally located at the southwest corner of Louisiana Drive and future Legacy Drive

Attachment: Staff Presentation (Legacy 58.5 – Development Agreement)

BACKGROUND

- The subject property is approximately 59 acres, located within the Extraterritorial Jurisdiction (ETJ)
- The applicant is proposing a Planned Development with flex base zoning (including Commercial, Office, Retail (C); Industrial (I); and MF-2 or MF-0)

Attachment: Staff Presentation (Legacy 58.5 – Development Agreement)

PROJECT OVERVIEW

- The applicant is proposing to develop the property with flex uses:
  - Commercial Office & Retail (C)
  - Industrial (I)
  - MF-2 or MF-0
    - MF-2 limited to 350 units (max)
    - MF-0 limited to 250 units (max)
    - Only one MF project may develop (MF-2 or MF-0); not both
    - MF to be along the southern portion of the tract (not along Legacy)
- Contractor shops (warehouses) are allowed by right
- The project will abide by all zoning standards, including architecture

Attachment: Staff Presentation (Legacy 58.5 – Development Agreement)

POLICY CONSIDERATIONS

- The property is at the hard corner of future Legacy Drive and Louisiana Drive
- The property would be annexed and zoned per the Development Agreement

Attachment: Staff Presentation (Legacy 58.5 – Development Agreement)

P&Z PUBLIC HEARING

- One adjacent ETJ resident requested that the agricultural heritage of the adjacent properties is considered when designing the ultimate configuration of the subject property.
- Another resident asked about the “flex” zoning definition.

Attachment: Staff Presentation (Legacy 58.5 – Development Agreement)

RECOMMENDATION

- The Planning & Zoning Commission recommended approval (5-1, with Commissioner Poche being the dissenting vote), of the zoning request at its September 21st regular meeting, with the following condition:
  - That only commercial uses are located along Legacy Drive and Louisiana Drive, and multifamily and industrial uses are limited to the remainder of the tract, not along Legacy Drive and Louisiana Drive.
- Staff recommends approval as presented

Attachment: Staff Presentation (Legacy 58.5 – Development Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Bella Lopez, Senior Planner
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: 21-02 Annexation First Public Hearing

Action Requested:
Conduct the first of three public hearings to annex approximately 1,508 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (21-02 Annexation First Public Hearing) (Lopez)

1) Denton CAD Property ID 623698, being an approximate 1 acre tract of land in Denton County, Texas, legally described as Merritt Park Addition Lot 1; generally located approximately 2,400 feet north of Parvin Road and 3,000 feet east of Smiley Road (Thornton, W Keith & Margaret M),

2) Denton CAD Property ID 623699, being an approximate 1 acre tract of land in Denton County, Texas, legally described as Merritt Park Addition Lot 2; generally located approximately 2,700 feet north of Parvin Road and 3,400 feet east of Smiley Road (Merritt, James H III & Parker, Susanna),

3) Denton CAD Property ID 52706, being an approximate 133 acre tract of land in Denton County, Texas, legally described as Abstract No. 1028 in the A. Phillips Survey, Tract 1; generally located approximately 2,200 feet south of Carey Road and 2,700 feet west of Legacy Drive (Merritt/Thornton Farms P/S),

4) Denton CAD Property ID 52723, being an approximate 49.73 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791 in the J. Morton Survey, Tract 6; generally located approximately 1,800 feet south of Carey Road and 2,700 feet west of Legacy Drive (Merritt/Thornton Farms P/S),

5) Denton CAD Property ID 52757, being an approximate 33.6 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791 in the J. Morton Survey, Tract 7; generally located approximately 1,800 feet south of Carey Road and 2,000 feet east of Smiley Road (Merritt/Thornton Farms P/S),

6) Denton CAD Property ID 52711, being an approximate 24.82 acre tract of land in Denton County, Texas, legally described as Abstract No. 1028 in the A. Phillips Survey, Tract 2;

generally located approximately 800 feet east of Old Dairy Farm Road and 2,000 feet east of Smiley Road (Merritt/Thornton Farms P/S),

7) Denton CAD Property ID 161692, being an approximate 0.78 acre tract of land in Denton County, Texas, legally described as Abstract No. 0253 in the C. Copenhaver Survey, Tract 1; generally located approximately 500 feet east of Old Dairy Farm Road and 2,000 feet east of Smiley Road (Merritt/Thornton Farms P/S),

8) Denton CAD Property ID 122984, being an approximate 8.65 acre tract of land in Denton County, Texas, legally described as Smiley Acres Lot 3; generally located east of Old Dairy Farm Road and approximately 1,500 feet east of Smiley Road (Merritt/Thornton Farms P/S),

9) Denton CAD Property ID 52745, being an approximate 66.42 acre tract of land in Denton County, Texas, legally described as Abstract No. 0253 in the C. Copenhaver Survey, Tract 9; generally located approximately 300 feet north of Parvin Road and approximately 800 feet east of Smiley Road (Merritt/Thornton Farms P/S),

10) Denton CAD Property ID 52761, being an approximate 28.63 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791 in the J. Morton Survey, Tract 10; generally located east of Smiley Road and approximately 1,000 feet north of Old Dairy Farm Road (Thornton, W Keith & James H III),

11) Denton CAD Property ID 52731, being an approximate 370.85 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889 in the J. McKim Survey, Tract 2; generally located at the northwest corner of Legacy Drive and Parvin Road (Merritt/Thornton Farms P/S),

12) Denton CAD Property ID 52652, being an approximate 36.09 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265 in the A. Thompson Survey, Tract 3; generally located approximately 1,800 feet south of Carey Road and approximately 1,700 feet west of Legacy Drive (Merritt/Thornton Farms P/S),

13) Collin CAD Property ID 991528, being an approximate 58.56 acre tract of land in Collin County, Texas, legally described as Abstract No. 0140 in the Gabriel Chenoweth Survey, Tract 17; generally located at the northwest corner of Louisiana Drive and County Road 58 (Chaillot William L Jr & Chaillot Mary Family Trust),

14) Collin CAD Property ID 995070, being an approximate 42.32 acre tract of land in Collin County, Texas, legally described as Abstract No. 0442 in the Jonathan Howard Survey, Tract 1; generally located approximately 3,600 feet east of County Road 10 and approximately 4,700 feet south of County Road 60 (Marilee Road) (Lawler Jody Furlong),

15) Collin CAD Property ID 995098, being an approximate 17.75 acre tract of land in Collin County, Texas, legally described as Abstract No. 0442 in the Jonathan Howard Survey, Tract 3; generally located approximately 2,000 feet east of County Road 10 and approximately 2,200 feet north of Fritcher Road (Bunch Living Trust the Marvin L Bunch Trustee),

16) Collin CAD Property ID 995739, being an approximate 93.45 acre tract of land in Collin County, Texas, legally described as Abstract No.0569 in the F. L. Meriwether Survey, Tract 1; generally located approximately 3,000 feet east of FM 455 and at the terminus of County Road 946 (Ganji Shaun),

17) Collin CAD Property ID 2725109, being an approximate 75.16 acre tract of land in Collin County, Texas, legally described as Abstract No. 0876 in the S. A. & M. G. RY. Co. Survey, Tract 1; generally located approximately 700 feet west of County Road 58 and approximately 3,250 feet south of County Road 60 (Marilee Road) (Lawler Jody Furlong),

18) Collin CAD Property ID 2725111, being an approximate 84.1 acre tract of land in Collin County, Texas, legally described as Abstract No. 0024 in the W. P. Allen Survey, Tract 1; generally located generally located approximately 2,000 feet east of County Road 10 and approximately 3,250 feet south of County Road 60 (Marilee Road) (Lawler Jody Furlong),

19) Collin CAD Property ID 2760320, being an approximate 27.8 acre tract of land in Collin County, Texas, legally described as Abstract No. 0387 in the J. E. Heath Survey, Tract 1; generally located at the southwest corner of FM 455 and County Road 946 (Elevated Roofing LLC),

20) Collin CAD Property ID 991813, being an approximate 35 acre tract of land in Collin County, Texas, legally described as Abstract No. 0168 in the Collin County School Land #16 Survey, Sheet 1, Tract 18; generally located north County Road 8 and at the terminus of County Road 54 (Barnett Rebecca A),

21) Collin CAD Property ID 2691384, being an approximate 2 acre tract of land in Collin County, Texas, legally described as Abstract No. 0380 in the W. H. Herron Survey, Tract 25; east of Preston Road and approximately 2,000 feet north of County Road 95 (1595 N Preston 2 LLC),

22) Collin CAD Property ID 2756755, being an approximate 3.18 acre tract of land in Collin County, Texas, legally described as Abstract No. 0380 in the W. H. Herron Survey, Tract 28; generally located approximately 300 feet east of Preston Road and approximately 2,000 feet north of County Road 95 (1595 N Preston 3 LLC),

23) Collin CAD Property ID 2753685, being an approximate 22.61 acre tract of land in Collin County, Texas, legally described as Abstract No. 0834 in the William Stapp Survey, Tract 14; generally located east of County Road 128 and approximately 1,000 feet north of County Road 130 (10226 Celina LC),

24) Collin CAD Property ID 2762213, being an approximate 39.2 acre tract of land in Collin County, Texas, legally described as Abstract No. 0834 in the William Stapp Survey, Tract 16; generally located south of County Road 128 and approximately 3,000 feet west of County Road 133 (10226 Celina LC),

25) Collin CAD Property ID 2125473, being an approximate 54.57 acre tract of land in Collin County, Texas, legally described as Abstract No. 0140 in the Gabriel Chenoweth Survey, Sheet 2, Tract 26; generally located west of County Road 59 and approximately 1,800 feet north of County Road 58 (Palmer Mark & Debbie),

26) Collin CAD Property ID 2719620, being an approximate 15 acre tract of land in Collin County, Texas, legally described as Abstract No. 0140 in the Gabriel Chenoweth Survey, Sheet 2, Tract 30; generally located south of County Road 59 and approximately 2,000 feet east of County Road 58 (Pensco Trust Company Custodian Fbo Deborah L Palmer Ira 100%),

27) Collin CAD Property ID 2071429, being an approximate 20.71 acre tract of land in Collin County, Texas, legally described as Abstract No. 0140 in the Gabriel Chenoweth Survey, Sheet 2, Tract 23; generally located east of County Road 58 and approximately 2,250 feet south of County Road 59 (Safi Shah & Lailuma & Homayun Safi),

28) Collin CAD Property ID 1005245, being an approximate 35.84 acre tract of land in Collin County, Texas, legally described as Abstract No. 0394 in the Daniel Howell Survey, Tract 17; generally located west of County Road 127 and approximately 2,500 feet north of County Road 129 (Ssar Enterprises Ltd & Praachi Holdings LLC),

29) Collin CAD Property ID 2563027, being an approximate 18.97 acre tract of land in Collin County, Texas, legally described as Abstract No. 0394 in the Daniel Howell Survey, Tract 18;

generally located west of County Road 127 and approximately 2,300 feet north of County Road 129 (Celina Warren 36 LP), and

30) Collin CAD Property ID 2653064, being an approximate 106.77 acre tract of land in Collin County, Texas, legally described as Abstract No. 0377 in the Jno M. Herron Survey, Tract 1; generally located at the southwest corner of G. A. Moore Parkway and Preston Road (Poway Enterprise LP).

Background Information:
In alignment with the City's growth strategies and per the direction from Celina's City Council, the purpose of this public hearing is relating to the intent to annex certain properties.

Below is the anticipated annexation schedule for the properties:

~~September 14, 2021 - Annexation Resolution~~
October 12, 2021 - 1st Public Hearing
April 12, 2022 - Petition Verification
May 10, 2022 - 2nd Public Hearing
June 14, 2022 - 3rd Public Hearing and Annexation Ordinance adoption

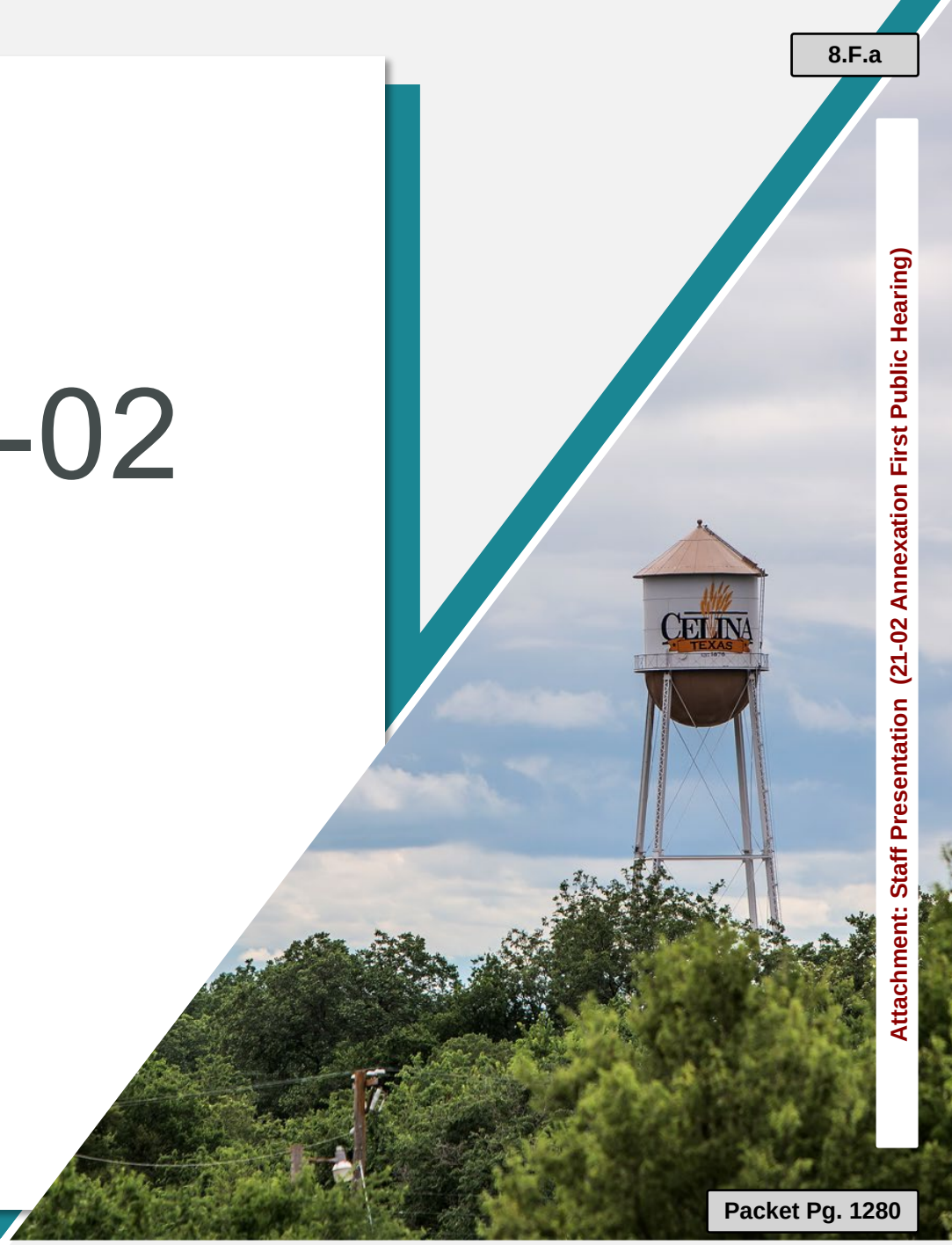
Supporting Documents:

- Location Map
- Staff Presentation

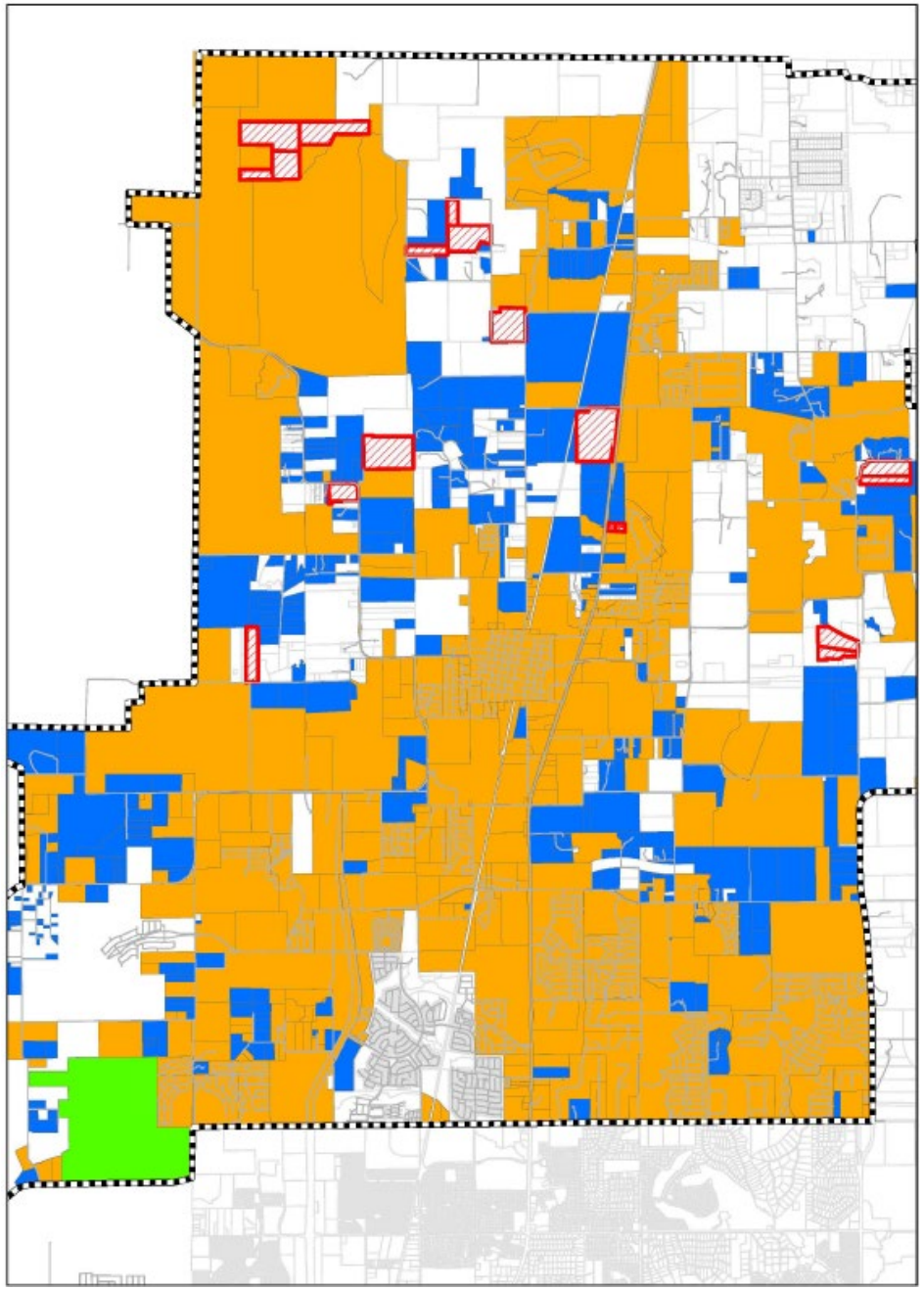
Staff Recommendation:
NA.

ANNEXATION 21-02

City Council
October 12, 2021



Attachment: Staff Presentation (21-02 Annexation First Public Hearing)



Annexation Map

Legend

- Ultimate Boundary
- Roads
- Potential Annexations
- Petition

Attachment: Staff Presentation (21-02 Annexation First Public Hearing)

FAST FACTS

- No person has been annexed since 2017 State law changes (just commercial or empty land)
- City's preference is to defer annexation for as long as possible (over 600 agreements)
- Some property owners have desired immediate annexation and zoning when contacted in order to secure future entitlements and protect property values

Attachment: Staff Presentation (21-02 Annexation First Public Hearing)

POLICY POINTS

- City taxpayers subsidize services and infrastructure to county residents in the ETJ
- Ensures more orderly growth
- Places more infrastructure burden on the development community
- Critical to the health of the long-range tax base (and rate)

Attachment: Staff Presentation (21-02 Annexation First Public Hearing)

ANNEXATION TIMELINE

- ~~September 14, 2021 – Annexation Resolution~~
- October 12, 2021 – 1st Public Hearing
- April 12, 2022 – Petition Verification
- May 10, 2022 – 2nd Public Hearing
- June 14, 2022 – 3rd Public Hearing and Annexation Ordinance adoption

Attachment: Staff Presentation (21-02 Annexation First Public Hearing)

RECOMMENDATION

- Staff recommends approval as presented

Attachment: Staff Presentation (21-02 Annexation First Public Hearing)

Voluntary Petition: 757.7979 Acres
Potential Annexations: 752.9892 Acres

Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN and the GIS User Community

CELINA TEXAS EST. 1876

Life Connected.

Potential Annexations
City of Celina

Date: 8/24/2021

Legend

- Ultimate Boundary
- Roads
- Potential Annexations
- Petition

N
W E
S

0 4,100 8,200 Feet

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Legacy Hills PID Phase #1A-1B SAP Levy Ordinance

Action Requested:
Conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Legacy Hills Public Improvement District Service and Assessment Plan, including the Phase #1A-1B assessment roll; making a finding of special benefit to property within Phase #1A-1B of the Legacy Hills Public Improvement District; levying special assessments against such property and establishing a lien on such property; providing for the method of assessment and the payment of the assessments levied against Phase #1A-1B assessed property, in accordance with Chapter 372 of the Texas Local Government Code, as amended. (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Background:
Please refer to the attachments for additional information.

Supporting Documents:
- Staff Presentation
- Draft Ordinance

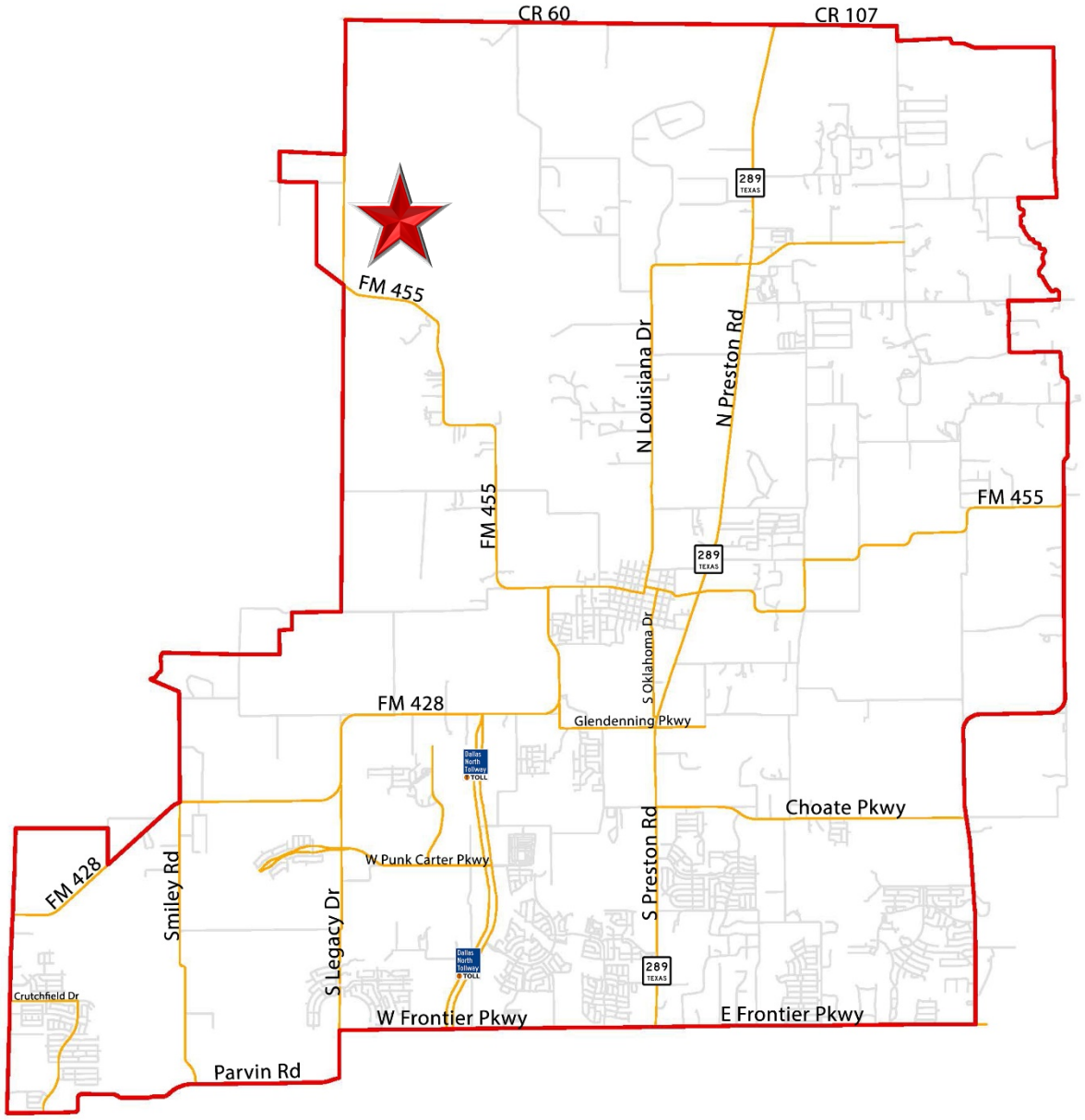
Staff Recommendation:
Staff recommends approval.

LEGACY HILLS PHASES 1A & 1B

PID ASSESSMENT LEVY

City Council
October 12, 2021

Attachment: Staff Presentation (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)



Attachment: Staff Presentation (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

PID OVERVIEW

- 613 lots
- Estimated Authorized Improvement cost: $17.7 mm
- Estimated PID assessment amount: $13 mm

Attachment: Staff Presentation (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

PID ASSESSMENT

Assessment per Unit	
60’ Lot	$27,969
50’ Lot	$23,298
40’ Lot	$18,655

Attachment: Staff Presentation (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

PID TIMELINE

- ~~August 10, 2021– PID Petition Acceptance~~
- ~~September 14, 2021 – PID Creation Resolution~~
- ~~September 28, 2021– Pre-SAP Resolution~~
- October 12, 2021– SAP/Levy Ordinance

Attachment: Staff Presentation (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

RECOMMENDATION

- Staff recommends approval as presented

Attachment: Staff Presentation (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

CITY OF CELINA, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND PHASE #1A ASSESSMENT ROLL AND PHASE #1B ASSESSMENT ROLL FOR THE LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN PHASE #1A AND PHASE #1B OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN PHASE #1A AND PHASE #1B OF THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR PAYMENT OF THE ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE ASSESSMENTS, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on August 9, 2021, 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 in the City to be known as the Legacy Hills Public Improvement District (the "District"); 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 the Collin Central Appraisal District, and the signature of the property owners who owned taxable real property that constituted more than fifty percent of the area of all taxable property within the District that is liable for assessment; and

WHEREAS, on September 14, 2021, after due notice, the City Council of the City (the "City Council") opened 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 Sec. 372.009 of the PID Act; and

WHEREAS, on September 14, 2021, the City Council made the findings required by Sec. 372.009(b) of the PID Act and, by Resolution No. 2021-84R (the "Authorization Resolution")

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

adopted by a majority of the members of the City Council, authorized and created the District in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, on September 21, 2021, the City Secretary of the City recorded the Authorization Resolution in the real property records of Collin County, Texas pursuant to the PID Act; 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 within 20 days after the effective date of the Authorization Resolution; and

WHEREAS, on September 28, 2021, the City Council adopted Resolution 2021-78 determining the total costs of the Phase #1A Improvements and Phase #1B Improvements, calling for a public hearing to consider the levying of the Assessments against the property within Phase #1A and Phase #1B of the District (the " Assessments"), authorizing and directing the filing of a proposed Phase #1A and Assessment Roll and Phase #1B Assessment Roll, authorizing and directing the publication of notice of a public hearing to consider the levying of the Assessments against the property within Phase #1A and Phase #1B of the District (the "Levy and Assessment Hearing") in a newspaper of general circulation in the City, and directing related action; and

WHEREAS, the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on September 29, 2021 in the Dallas Morning News, 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 Assessments; and

WHEREAS, the City Council opened the Levy and Assessment Hearing on October 12, 2021, 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 #1A Assessment Roll and Phase #1B Assessment Roll, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of costs of the Phase #1A Improvements and Phase #1B Improvements, the purposes of the Assessments, the special benefits of the Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the City Council finds and determines that the Phase #1A Assessment Roll and Phase #1B Assessment Roll and the Legacy Hills Public Improvement District Service and Assessment Plan, dated October 12, 2021, (the "Service and Assessment Plan"), attached as ***Exhibit A*** hereto and which is incorporated herein for all purposes, should be approved and that the Assessments should be levied as provided in this Ordinance and the Service and Assessment

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Plan and the Phase #1A Assessment Roll and Phase #1B Assessment Roll attached thereto as Appendix G and Appendix H, respectively; and

WHEREAS, the City Council further finds that there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of costs of the Phase #1A Improvements and Phase #1B Improvements, the Phase #1A Assessment Roll and Phase #1B Assessment Roll, or the levy of the Assessments; and

WHEREAS, the owners, or their representatives, of the majority of the privately-owned and taxable property located within Phase #1A and Phase #1B of the District, who are the persons to be assessed pursuant to this Ordinance, have indicated their approval and acceptance of the Service and Assessment Plan, approval of the Phase #1A Assessment Roll, approval of the Phase #1B Assessment Roll, approval of this Ordinance, and approval of the levy of the Phase #1A Assessments and Phase #1B Assessments against their property located within Phase #1A and Phase #1B of the District; and

WHEREAS, the City Council closed the Levy and Assessment 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 costs of the Phase #1A Improvements and Phase #1B Improvements (as reflected in the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed Parcel will receive from the construction of the Phase #1A Improvements and Phase #1B 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 #1A Improvements and Phase #1B Improvements;

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

(c) The Service and Assessment Plan apportions the cost of the Phase #1A Improvements and Phase #1B Improvements to be assessed against the property in Phase #1A and Phase #1B of the District and such apportionment is made on the basis of special benefits accruing to the property because of the Phase #1A Improvements and Phase #1B Improvements;

(d) All of the real property in the District which is being assessed in the amounts shown in the Phase #1A Assessment Roll and Phase #1B Assessment Roll will be benefited by the Phase #1A Improvements and Phase #1B Improvements proposed to be constructed as described in the Service and Assessment Plan, and each assessed Parcel will receive special benefits in each year equal to or greater than each annual Assessments and will receive special benefits during the term of the Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the costs of the Phase #1A Improvements and Phase #1B Improvements set forth in the Service and Assessment Plan results in imposing equal shares of the costs of the Phase #1A Improvements and Phase #1B Improvements on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the 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 #1A Assessment Roll and Phase #1B Assessment Roll in the form attached as Appendix G and Appendix H, respectively, to the Service and Assessment Plan should be approved as the Phase #1A Assessment Roll and Phase #1B Assessment Roll for Phase #1A and Phase #1B of the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Assessments, interest on Annual Installments, interest and penalties on delinquent Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Assessments should be approved and will expedite collection of the 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.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

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 #1A Assessment Roll and Phase #1B Assessment Roll.

The Phase #1A Assessment Roll and Phase #1B Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Phase #1A Assessment Roll and Phase #1B Assessment Roll for Phase #1A and Phase #1B of the District.

Section 5. Levy and Payment of Special Assessments for Costs of Authorized Improvements.

(a) The City Council hereby levies an assessment on each tract of property (excluding non-benefitted property) located within Phase #1A and Phase #1B of the District, as shown and described on the Service and Assessment Plan and the Phase #1A Assessment Roll and Phase #1B Assessment Roll, in the respective amounts shown on the Phase #1A Assessment Roll and Phase #1B Assessment Roll as a special assessment on the properties set forth in the Phase #1A Assessment Roll and Phase #1B Assessment Roll.

(b) The levy of the Assessments shall be effective on the date of execution of this Ordinance levying Assessments and strictly in accordance with the terms of the Service and Assessment Plan.

(c) The collection of the Assessments shall be as described in the Service and Assessment Plan. Such first Annual Installment for a Phase #1A Lot and Phase #1B Lot or Phase #1A Parcel and Phase #1B Parcel for which collection has begun, shall be due by January 31st of the following calendar year.

(d) Each 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 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 Administrative Expenses for the Assessed Property shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 6. Method of Assessment.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

The method of apportioning the costs of the Phase #1A Improvements and Phase #1B Improvements are as set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Assessments.

Delinquent Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan. The Assessments shall have lien priority as specified in the PID Act, the Service and Assessment Plan, and as otherwise allowed by law.

Section 8. Prepayments of Assessments.

As provided in Section VI of the Service and Assessment Plan, the owner of any Phase #1A Assessed Property and Phase #1B Assessed Property may prepay the Assessments levied by this Ordinance.

Section 9. Lien Priority.

The City Council and the owners of property in Phase #1A and Phase #1B of the District intend for the obligations, covenants and burdens on the landowners of the Phase #1A Assessed Property and Phase #1B Assessed Property, including without limitation the property owners' obligations related to payment of the Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Phase #1A Assessed Property and Phase #1B Assessed Property, the owners of the Phase #1A Assessed Property and Phase #1B 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. The Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Appointment of Initial Administrator and Collector of Assessments.

(a) Appointment of Initial Administrator.

MuniCap, Inc. is hereby appointed and designated as the initial Administrator of the Service and Assessment Plan and of the Assessments levied by this Ordinance. The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan, in this Ordinance and in any contract between the City and the Administrator. The Administrator's fees, charges and expenses for providing such service shall constitute an Administrative Expense.

(b) Appointment of Temporary Collector.

The City's Director of Finance is hereby appointed and designated as the temporary collector of the Assessments (the "Collector"). The Collector shall serve in such capacity until

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

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 is 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 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 the Phase #1A Assessment Roll and Phase #1B 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 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 12th DAY OF OCTOBER.

Mindy Koehne, Mayor Pro Tem

ATTEST:

Vicki Tarrant, City Secretary

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of October, 2021by Mindy Koehne and Vicki Tarrant, Mayor Pro Tem and City Secretary, respectively, of the City of Celina, Texas on behalf of said City.

Notary Public, State of Texas

(SEAL)

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Exhibit A
Legacy Hills PID Service and Assessment Plan

The Legacy Hills PID Service and Assessment Plan and Phase #1A Assessment Roll and Phase #1B Assessment Roll are also available at Celina City Hall, 142 North Ohio Street, Celina Texas 75009. 972-382-2682.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

SERVICE AND ASSESSMENT PLAN

October 6, 2021

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

LEGACY HILLS
PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On September 14, 2021 (the "Creation Date") the City Council (the "City Council") of the City of Celina, Texas (the "City") passed and approved Resolution No. 2021-84R approving and authorizing the creation of the Legacy Hills Public Improvement District (the "PID") to finance the costs of certain public improvements for the benefit of property in such public improvement district (the "Authorized Improvements"), all of which was located within the corporate limits of the City at the time the PID was created.

The property in the PID is proposed to be developed in multiple phases. Assessments will be imposed on property within each phase of the PID for the public improvements to be constructed for the benefit of each phase. The assessments will be levied and paid to the District pursuant to an interlocal agreement between the City and the District and pledged by the District to secure the issuance of contract revenue bonds by the District to finance the Authorized Improvements, which Authorized Improvements will be conveyed to the District, and subsequently conveyed to, operated and maintained by the City.

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 Legacy Hills Public Improvement District 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 (1) cover a period of at least five years; (2) define the annual indebtedness and the projected costs for improvements; and (3) include a copy of the notice form required by Section 5.014, Property Code." Additionally, the PID act requires that "the governing body of the municipality or county shall review and update the service plan 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. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix E.

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 costs of the Authorized Improvements 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

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

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 Phase #1A is included as Appendix G of this Service and Assessment Plan and the Assessment Roll for the Phase #1B is included as Appendix H of this Service and Assessment Plan. The Assessments as shown on each Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

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, as specified in a Certification for Payment that has been reviewed and approved by the City and the District. 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, 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, City permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs 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.

"Administrator" means the employee or designee of the City, identified in any indenture of trust relating to the Bonds or in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

"Administrative Expenses" mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID or costs related to the administration of the assessments or issuance of bonds by the District, 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) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

PID Act and other laws applicable to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (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 in one year shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

"Annual Installment" means, with respect to each Parcel, each annual payment of: (i) the Assessments including both principal and interest, as shown on the Assessment Roll, including the Phase #1A Assessment Roll attached hereto as Appendix G and the Phase #1B Assessment Roll attached hereto as Appendix H of this Service and Assessment Plan, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan and (ii) the Administrative Expenses.

"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 the property that benefits from the Authorized Improvements to be provided by the PID on which Assessments have been imposed as shown in each Assessment Roll, as each 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 including the portion of those Annual Installments 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" means the Phase #1A Assessment Roll, the Phase #1B Assessment Roll and any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

"Authorized Improvements" mean those public improvements described in Appendix B of this Service and Assessment Plan and Section 372.003 of the PID Act, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

"Bonds" mean any bonds issued by the City or the District in one or more series and secured in whole or in part by the Assessment Revenues.

"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.

"City" means the City of Celina, Texas.

"City Council" means the duly elected governing body of the City.

"**District"** means the North Parkway Municipal Management District No. 1, formerly known as the North Celina Municipal Management District No. 3, created by the 86th Texas Legislature with the passage of House Bill 4706 approving and authorizing the creation of such District to finance the costs of certain public improvements for the benefit of property in the District, all of which is located within the corporate boundaries of the ("City").

"**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.

"Development Agreement" means the Development, Settlement and Annexation Agreement with an effective date of September 8, 2020, between the City and Dynavest Joint Venture, (predecessor in interest to MM Celina 3200, LLC), as amended by a First Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, LLC, and the District, with an effective date of August 2, 2021, as amended by the Second Amendment to Development, Settlement and Annexation Agreement, between the City, MM Celina 3200, LLC, and the District, effective as of September 14, 2021, and as may be further amended from time to time in accordance with its terms.

"Developer" means for Phase #1A, MM Celina 294, LLC, a Texas limited liability company and for Phase #1B, MM Celina 40, LLC as Texas limited liability company, and their successors and assigns.

"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 F attached hereto.

"**Future Phases**" means Phases that are developed after Phase #1A and Phase #1B, as such areas are generally depicted and described in Appendix A. The Future Phases are subject to adjustment and are shown for example only.

"Homeowner Association" means a homeowner's association or property owners' association established for the benefit of property owners within the boundaries of the PID.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

"Homeowner Association Property" means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a homeowner's association.

"Interlocal Agreement" means that Interlocal Agreement between the City and the District dated as of October 12, 2021 relating to the Phase #1A Assessments and the Phase #1B Assessments.

"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 average home value for each home at the time of assessment levy, 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.

"Non-Benefited Property" means Parcels that accrue no special benefit from the Authorized Improvements, including 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. 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.E.

"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 real property records of 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 levy of Assessments for the applicable 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 #1A" means one of the initial Phases to be developed, identified as "Phase #1A" and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

"**Phase #1A Assessed Property**" means all Parcels within Phase #1A other than Non-Benefited Property and shown in the Phase #1A Assessment Roll against which a Phase #1A Assessment relating to the Phase #1A Improvements is levied.

"**Phases #1A Assessment Revenues**" mean the actual revenues received by or on behalf of the City from the collection of the Phase #1A Assessments levied against Phase #1A Assessed Property, or the Annual Installments thereof, for the Phase #1A Improvements.

"Phase #1A Assessment Roll" means the document included in this Service and Assessment Plan as Appendix G**,** 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, if any, or in connection with any Annual Service Plan Update.

"Phase #1A Assessments" means the Assessments levied against Phase #1A Assessed Property.

"**Phase #1A Improvements**" mean the Authorized Improvements which only benefit the Phase #1A Assessed Property, which are described in Section III.C.

"Phase #1A Maximum Assessment Per Unit" means for Phase #1A, an Assessment per unit for Phase #1A Improvements for each applicable Lot Type as follows:

Lot Type 1 (60 Ft) - $27,968.73
Lot Type 2 (50 Ft) - $23,297.96
Lot Type 3 (40 Ft) - $18,655.15

"Phase #1B" means one of the initial Phases to be developed, identified as "Phase #1B" and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix H.

"**Phase #1B Assessed Property**" means all Parcels within Phase #1B other than Non-Benefited Property and shown in the Phase #1B Assessment Roll against which a Phase #1B Assessment relating to the Phase #1B Improvements is levied.

"**Phases #1B Assessment Revenues**" mean the actual revenues received by or on behalf of the City from the collection of the Phase #1B Assessments levied against Phase #1B Assessed Property, or the Annual Installments thereof, for the Phase #1B Improvements.

"Phase #1B Assessment Roll" means the document included in this Service and Assessment Plan as Appendix H**,** 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, if any, or in connection with any Annual Service Plan Update.

"Phase #1B Assessments" means the Assessments levied against Phase #1B Assessed Property.

"**Phase #1B Improvements**" mean the Authorized Improvements which only benefit the Phase #1B Assessed Property, which are described in Section III.C.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

"Phase #1B Maximum Assessment Per Unit" means for Phase #1B, an Assessment per unit for Phase #1B Improvements for each applicable Lot Type as follows:

Lot Type 1 (60 Ft) - $27,968.73
Lot Type 2 (50 Ft) - $23,297.96
Lot Type 3 (40 Ft) - $18,655.15

"Phase 1A-1B" means, collectively, Phase #1A and Phase #1B.

"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 located within the Phase in question.

"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.

"Phase #1A Reimbursement Agreement" means that certain Legacy Hills Public Improvement District Reimbursement Agreement dated as of October 12, 2021, by and between the City and the District.

"Phase #1B Reimbursement Agreement" means that certain Legacy Hills Public Improvement District Reimbursement Agreement dated as of October 12, 2021, by and between the City and the District.

"**Prepayment Costs**" mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

"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.

"**Zoning Ordinance**" means Ordinance No. 2021-67 adopted by the City Council on August 10, 2021, which ordinance establishes the permitted uses of, and standards for the development of the property within the PID.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID AND PHASE #1A AND PHASE #1B

The PID is presently located within the City and contains approximately 331.5 acres of land. Phase #1A consists of approximately 114 acres and Phase #1B consists of approximately 39.6 acres. A map of the property within the PID, including Phase #1A and Phase #1B is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 1,408 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. At completion, Phase #1A-1B is expected to consist of approximately 613 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to Phase #1A-1B.

The property within Phase #1A-1B is proposed to be developed as follows:

Table II-A
Proposed Development – Phase# 1A-1B

Proposed Development	Phase #1A	Phase #1B	Measurement
Single-Family - 60 Ft	94	0	Units
Single-Family - 50 Ft	213	0	Units
Single-Family - 40 Ft	114	192	Units
Total	**421**	**192**	**Units**

B. PROPERTY INCLUDED IN FUTURE PHASES

As Future Phases are developed, Bonds may be issued by the City or the District and/or assessments may be levied pursuant to a reimbursement agreement for each new phase. In connection with the issuance of each new Bond or execution of a reimbursement agreement, this Service and Assessment Plan will be updated to add additional details of each Future Phase as shown for Phase #1A and Phase #1B above. A map of the projected property within each Future Phase in the same manner as shown in Appendix A. The Future Phases are shown for illustrative purposes only and are subject to adjustment. The current Parcels in Phase #1A are shown on the Phase #1A Assessment Roll included as Appendix G. The current Parcels in Phase #1B are shown on the Phase #1B Assessment Roll included as Appendix H.

The estimated number of units at the build-out of the PID is based on the land use approvals for the property within the PID, 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.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

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 PID, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;

(xiv) payment of expenses incurred in the establishment, administration and operation of the PID; and

(xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B, which may also be financed by the District, and shown in the opinion of probable costs and on the

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

diagrams included as Appendix B for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the City and an update to this Service and Assessment Plan.

B. DESCRIPTIONS OF THE PHASE #1A AND PHASE #1B IMPROVEMENTS

The Phase #1A Improvement and the Phase #1B Improvement descriptions are presented below as provided by the project engineer. The estimated costs of the Phase #1A Improvements and the Phase #1B Improvements are shown in Table III-B. The costs shown in Table III-B are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within Phase #1A and Phase #1B.

A description of the Phase #1A Improvements are as follows:

Road Improvements

The road improvement portion of the Phase #1A Improvements consists of the construction of road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Phase #1A Assessed Property. 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 Improvements

The water improvements portion of the Phase #1A Improvements consists of construction and installation of a looped water main network, waterlines, mains, pipes, valves and appurtenances, necessary for the portion of the water distribution system that will service the Phase #1A Assessed Property. The water improvements will be designed and constructed according to City standards and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Phase #1A Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Phase #1A Assessed Property. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Phase #1A Improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, which benefit the Phase #1A Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Soft and Miscellaneous Costs

The soft and miscellaneous costs of the Phase #1A Improvements include engineering, testing, and contingency.

A description of the Phase #1B Improvements are as follows:

Road Improvements

The road improvement portion of the Phase #1B Improvements consists of the construction of road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Phase #1B Assessed Property. 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 Improvements

The water improvements portion of the Phase #1B Improvements consists of construction and installation of a looped water main network, waterlines, mains, pipes, valves and appurtenances, necessary for the portion of the water distribution system that will service the Phase #1B Assessed Property. The water improvements will be designed and constructed according to City standards and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Phase #1B Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Phase #1B Assessed Property. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Phase #1B Improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, which benefit the Phase #1B Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Soft and Miscellaneous Costs

The soft and miscellaneous costs of the Phase #1B Improvements include engineering, survey, geo test, project management, inspection, and performance bonds.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Table III-A
Estimated Phase #1A Improvement and Phase #1B Improvement Costs

Authorized Improvements	Phase #1A	Phase #1B	Total
Road Improvements	$5,884,500	$2,355,015	$8,239,515
Water Improvements	$1,040,720	$614,210	$1,654,930
Sanitary Sewer Improvements	$1,550,000	$644,000	$2,194,000
Storm Drainage Improvements	$1,991,000	$645,506	$2,636,506
Other Soft and Miscellaneous Costs	$1,963,679	$1,005,879	$2,969,558
Total Authorized Improvements	**$12,429,899**	**$5,264,610**	**$17,694,509**

Note: Costs provided by KFM and Halff Associates. The figures shown in Table III-A may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.

C. FUTURE PHASES

As Future Phases are developed and Bonds are issued and/or reimbursement agreements executed, this Service and Assessment Plan will be amended to identify the specific Authorized Improvements benefitting the Future Phases that confer a special benefit to the property inside each Future Phase (e.g. a Table III-B will be added to show the costs for the specific Authorized Improvements financed within the specific Future Phase being developed.)

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

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. It is anticipated that it will take approximately 12-18 months for the Phase #1A Improvements and the Phase #1B Improvements to be constructed.

The estimated Actual Costs for Phase #1A Improvements and payment of expenses incurred in the establishment, administration and operation of the PID are $12,429,899 and the estimated Actual Costs for Phase #1B Improvements and payment of expenses incurred in the establishment, administration and operation of the PID are $5,264,610, 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 Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

As Future Phases are developed in connection with the issuance of Bonds and/or execution of a reimbursement agreement, this Service and Assessment Plan will be amended (e.g. a table will be added for Phase #2, etc.).

The Phase #1A Improvements are being financed through the Interlocal Agreement and the Phase #1A Reimbursement Agreement and the Phase #1B Improvements are being financed through the Interlocal Agreement and the Phase #1B Reimbursement Agreement.

Table IV-A
Estimated Sources and Uses – Phase #1A and Phase #1B

Sources of Funds	Phase #1A	Phase #1B	Total
Assessments	$9,718,212	$3,581,788	$13,300,000
Other funding sources	$2,711,687	$1,682,823	$4,394,509
Total Sources	**$12,429,899**	**$5,264,610**	**$17,694,509**
Uses of Funds			
Roadway Improvements	$5,884,500	$2,355,015	$8,239,515
Water Improvements	$1,040,720	$614,210	$1,654,930
Wastewater Improvements	$1,550,000	$644,000	$2,194,000
Storm Drainage Improvements	$1,991,000	$645,506	$2,636,506
Other Soft and Miscellaneous Costs	$1,963,679	$1,005,879	$2,969,558
Total Uses	**$12,429,899**	**$5,264,610**	**$17,694,509**

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

The annual projected costs and annual projected indebtedness is shown by Table IV-B. 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. Savings from one line item may be applied to cost overruns in other line items.

Table IV-B
Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Cost	Annual Projected Indebtedness	Sources other than Assessments	Projected Annual Installments – Phase #1A	Projected Annual Installments – Phase #1B
2021	$8,847,255	$13,300,000	$0	$653,575	$240,885
2022	$8,847,255	$0	$4,394,509	$651,657	$240,177
2023	$0	$0	$0	$651,708	$240,196
2024	$0	$0	$0	$651,437	$240,097
2025	$0	$0	$0	$650,844	$239,878
2026	$0	$0	$0	$650,659	$239,810
2027	$0	$0	$0	$650,849	$239,880
Total	**$17,694,509**	**$13,300,000**	**$4,394,509**	**$4,560,728**	**$1,680,923**

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Phase #1A Improvements and the Phase #1B Improvements shown in Table III-A and the costs associated with setting up the PID shown in Table IV-A. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the applicable Developer with respect to its applicable phase.

B. HOMEBUYER DISCLOSURE

The PID Act requires that this Service and Assessment Plan and each Annual Service Plan Update include a copy of the notice form required by Section 5.014 of the Texas Property Code. The homebuilder or any seller of property within the PID may include the required disclosure in its notice to purchaser as long as the notice complies with and provided the information from this Service and Assessment Plan as required by Section 5.014 of the Texas Property Code. The homebuyer disclosure is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

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.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Authorized Improvements shall be allocated in such a manner that the costs of the Authorized Improvements that only benefit the PID shall be allocated on the basis of Equivalent Units calculated using the average home price of each Lot Type 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.

At this time, it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Phases will receive from the direct Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds and/ or applicable reimbursement agreements. Therefore, Parcels will only be assessed for the special benefits conferred upon the Parcel at this time because of the Phase #1A and Phase #1B Improvements.

In connection with the issuance of Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Phase receives from the specific Authorized Improvements funded with those Phased PID Bonds and/or reimbursement agreements for with respect to that Future Phase. Prior to assessing Parcels located within Future Phases in connection with issuance of Phased PID Bonds and/ or reimbursement agreements, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Phase #1A Improvements or Phase #1B Improvements, as applicable, (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 #1A Assessed Property and the Phase #1B Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Phase #1A and Phase #1B Improvements to Parcels in a manner that results in equal shares of the Actual

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Costs of such improvements being apportioned to Parcels 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 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 the close proximity of these improvements to the Assessed Property and the specific purpose of these 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 can be 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 expected to be 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.

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The special assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the Authorized Improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax- exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer's option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing 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; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) 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 the most beneficial means of doing so. 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 or pursuant to contract with the District is determined to be the most beneficial means of providing for the Authorized Improvements; 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.

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C. ASSESSMENT METHODOLOGY

The costs of the Authorized Improvements 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 costs of the Authorized Improvements may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1A Improvements and the Phase #1B Improvements to be financed through the Interlocal Agreement, the Phase #1A Reimbursement Agreement and the Phase #1B Reimbursement Agreement, as applicable. The Costs of the Phase #1A Improvements shall be allocated to the Phase #1A Assessed Property by spreading the entire Phase #1A Assessment across the Parcels in Phase #1A based on the estimated number of Equivalent Units anticipated to be developed on each Parcel within Phase #1A. The Costs of the Phase #1B Improvements shall be allocated to the Phase #1B Assessed Property by spreading the entire Phase #1B Assessment across the Parcels in Phase #1B based on the estimated number of Equivalent Units anticipated to be developed on each Parcel within Phase #1B

2. Assessment Methodology for Phase #1A-1B

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Authorized Improvements shall be allocated to the Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of units anticipated to be developed on each Parcel within Phase #1A and Phase #1B.

Based on the estimates of the costs of the Phase #1A Improvements, as set forth in Table III-A, the City Council has determined that the benefit to Phase #1A Assessed Property from the Phase #1A Improvements is at least equal to the Phase #1A Assessments levied on the Phase #1A Assessed Property.

Based on the estimates of the costs of the Phase #1B Improvements, as set forth in Table III-A, the City Council has determined that the benefit to Phase #1B Assessed Property from the Phase #1B Improvements is at least equal to the Phase #1B Assessments levied on the Phase #1B Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated number of units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated number of Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1A are shown on the Phase #1A Assessment Roll, attached as Appendix G and the Assessment and Annual Installments for each Parcel or Lot located within Phase #1B are shown on the Phase #1B

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Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

3. Assessment Methodology for Future Phases

When any given Future Phase is developed, and Phased PID Bonds are to be issued and/ or assessments are to be levied under a reimbursement agreement for that Future Phase, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Phase.

D. ASSESSMENTS

The Assessments for the Phase #1A Reimbursement Agreement will be levied on each Parcel or Lot according to the Phase #1A Assessment Roll. The Assessments for the Phase #1B Reimbursement Agreement will be levied on each Parcel or Lot according to the Phase #1B Assessment Roll. The Annual Installments for the Phase #1A Reimbursement Agreement and the Phase #1B Reimbursement Agreement will be collected on the dates and in the amounts shown on the Phase #1AAssessment Roll and the Phase #1B Assessment Roll, respectively, subject to revisions made during an Annual Service Plan Update. Non-Benefited Property will not be subject to any Assessments.

See Appendix F for Assessment per unit, leverage, and estimated tax rate equivalent calculation details.

E. ADMINISTRATIVE EXPENSES

The cost of administering the PID, including the costs of administration by the PID related to the Bonds 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 each Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE PID

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1A are shown on the Phase #1A Assessment Roll, attached as Appendix G and the Assessment and Annual Installments for each Parcel or Lot located within Phase #1B are shown on the Phase #1B Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act..

The Annual Installments shall be collected from Phase #1A Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #1A Reimbursement Agreement and (ii) to pay Administrative Expenses related to the PID or the District.

The Annual Installments shall be collected from Phase #1B Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #1B Reimbursement Agreement and (ii) to pay Administrative Expenses related to the PID or the District.

B. 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 number of Equivalent Units to be built on each new subdivided Parcel
D = the sum of the estimated number of 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

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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. 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.

C. 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. If at any time the Assessment per unit on a Parcel in Phase #1Aor Phase #1B, as applicable, exceeds the applicable Phase #1A Maximum Assessment Per Unit or the Phase #1B Maximum Assessment Per Unit, as applicable, calculated in this Service and Assessment Plan solely as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the Phase #1A Maximum Assessment Per Unit or the Phase #1B Maximum Assessment Per Unit, as applicable, calculated in this Service and Assessment Plan.

3. 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 PID Act.

D. 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 Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds, resulting in excess Assessment Revenues and/or 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

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of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and the City Council shall direct such excess Bond proceeds to be applied by the District 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 solely as provided in the Interlocal Agreement. Any excess Bond proceeds shall be applied to redeem Bonds of such series as provided in the applicable Trust Indenture. Any excess Assessment Revenues that are in excess of the costs of the Authorized Improvements as set forth herein, shall be used to reduce the outstanding principal amount of the applicable reimbursement agreement or used to redeem Bonds, as applicable. The Assessments shall not be reduced to an amount less than the related outstanding amounts due pursuant to the applicable reimbursement agreement and/or series of Bonds.

2. If all the Authorized Improvements are not undertaken and the Developer has indicated that such Authorized Improvements will not be undertaken, resulting in excess Assessment Revenues and/or Bond proceeds, 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 amounts due pursuant to the applicable reimbursement agreement and/or repay the Bonds, including interest on the Bonds or due pursuant to the applicable reimbursement agreement and Administrative Expenses. The City Council shall direct the District that such excess Bond proceeds shall be applied to redeem Bonds as set forth in the applicable indenture. 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 the number of units, or (iii) in any other manner determined by the City Council to be the most fair and practical means of reducing the Assessments for Assessed Property such that the sum of the resulting reduced Assessments equals the amount required to repay amount due pursuant to the applicable reimbursement agreement and/or the Bonds, including interest and Administrative Expenses.

E. 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 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

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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 Rolls, as updated as provided for herein, which include interest and Administrative Expenses. Payment of the Annual Installments for Phase #1A-1B shall commence with tax bills mailed in the first calendar year after the execution of the Phase #1A Reimbursement Agreement and the Phase #1B Reimbursement Agreement.

The Phase #1A Assessment shall be paid with interest of no more than the Phase #1A Reimbursement Agreement Phase #1B Reimbursement Agreement. The City has determined that the Phase #1A Assessments shall bear interest at the interest rate of 4.62% per annum for each Annual Installment in accordance with the Phase #1A Reimbursement Agreement. The City has determined that the Phase #1B Assessments shall bear interest at the interest rate of 4.62% per annum for each Annual Installment in accordance with the Phase #1B Reimbursement Agreement. Such rates do not to exceed two hundred basis points above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the City and reported in the month prior to the establishment of the Phase #1A Assessments and Phase #1B Assessments. The index approved by the City is the S&P High Yield Municipal Bond Index, for which the highest average rate during October 2021 was 4.31%. Furthermore, the Annual Installments may not exceed the amounts shown on the Phase #1A Assessment Roll and the Phase #1B Assessment Roll. The Phase #1A Assessment Roll sets forth for each year the Annual Installment for each Parcel in Phase #1A based on an interest rate of 4.62%. The Phase #1B Assessment Roll sets forth for each year the Annual Installment for each Parcel in Phase #1B based on an interest rate of 4.62%.

The Annual Installments shall be reduced to equal the actual costs of repaying the Bonds 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 and the District reserve and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of

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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.

F. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall consider, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls 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. 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 and the Interlocal Agreement. The Assessments shall have lien priority as specified in the PID Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such 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 property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. Collection of the initial Annual Installments relating to the Authorized Improvements that benefit the Assessed Property will be due when billed and will be delinquent if not paid prior to the first February 1 following the earlier of (i) the recording of a final subdivision plat in the official public records of the County for the Assessed Property, (ii) upon issuance of Bonds issued by the City or the District that are secured by the Assessment Revenues from Parcels within Phase #1A and Phase #1B, or (iii) the second anniversary of the date of levy of the Assessment.

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

VII. THE ASSESSMENT ROLLS

A. PHASE #1A ASSESSMENT ROLL

The City Council has evaluated each Parcel in the PID (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Phase #1A.

The Phase #1A Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1A Improvements. Table VII-A summarizes the $12,429,899 in special benefit received by the Phase #1A Assessed Property from the Phase #1A Improvements. The total Assessment to be applied to all the Phase #1A Assessed Property is $9,718,212, which is less than the benefit received by the Phase #1A Assessed Property. The Assessment for each Phase #1A Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Phase #1A Assessment Roll is attached hereto as Appendix G.

Table VII-A
Phase #1A
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements (a)	$12,429,899
PID Formation/Bond Costs of Issuance:	
Cost of issuance	$0
Capitalized interest	$0
Reserve Fund	$0
Administrative Expense	$0
Underwriters Discount	$0
PID Formation/Bond Cost of Issuance	*$0*
Total Special Benefit	**$12,429,899**
Special Benefit:	
Total Special Benefit	$12,429,899
Projected Special Assessment	$9,718,212
Excess Benefit	**$2,711,687**

(a) See Table III-A for details.

B. PHASE #1B ASSESSMENT ROLL

The City Council has evaluated each Parcel in the PID (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Phase #1B.

The Phase #1B Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1B Improvements. Table VII-B summarizes the $5,264,610 in special benefit received by the Phase #1B Assessed Property from the Phase #1B Improvements. The total Assessment to be applied to all the Phase #1B Assessed Property is $3,581,788 which is less than the benefit received by the Phase #1B Assessed Property. The Assessment for each Phase #1B Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Phase #1B Assessment Roll is attached hereto as Appendix H.

Table VII-B
Phase #1B
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements (a)	$5,264,610
PID Formation/Bond Costs of Issuance:	
Cost of issuance	$0
Capitalized interest	$0
Reserve Fund	$0
Administrative Expense	$0
Underwriters Discount	$0
PID Formation/Bond Cost of Issuance	*$0*
Total Special Benefit	**$5,264,610**
Special Benefit:	
Total Special Benefit	$5,264,610
Projected Special Assessment	$3,581,788
Excess Benefit	**$1,682,823**

(a) See Table III-A for details.

C. Future Phase Assessment Roll

As Future Phases are developed, this Service and Assessment Plan will be amended to determine the Assessment for each Parcel or Lot located within such Future Phase (e.g. an appendix will be added as the Assessment Roll for Future Phase).

D. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Assessment Rolls 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

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.E of this Service and Assessment Plan.

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The City may elect to designate a third party to serve as Administrator. The City shall notify the Developer and the District 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 Roll(s), 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 Roll(s) 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.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

The City Council reserves the right to the extent permitted by the PID Act 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; and (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.

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, such determination 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.

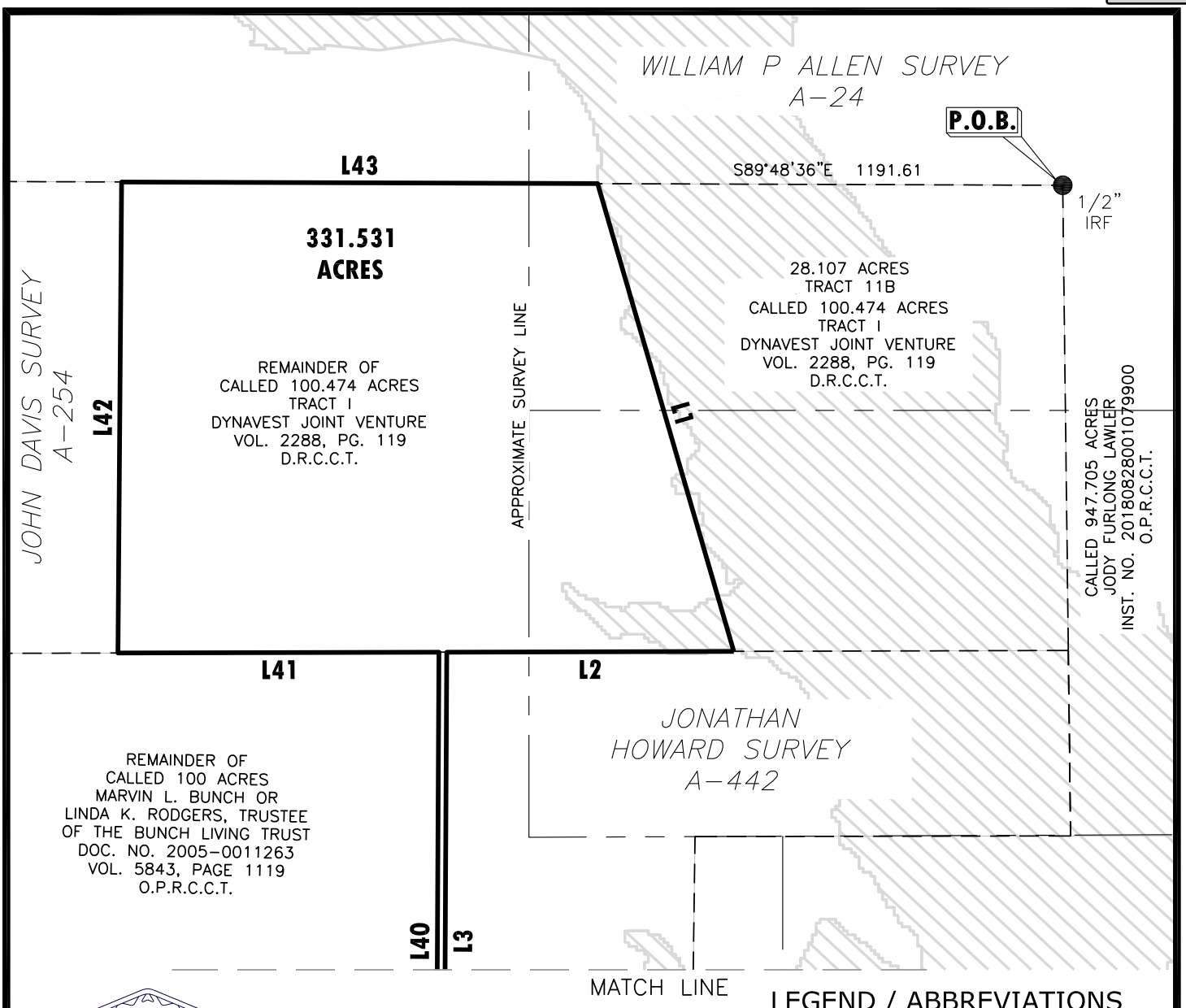
If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

(remainder of this page is intentionally left blank)

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

APPENDIX A
PID MAP

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)



STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

LEGEND / ABBREVIATIONS

ADJOINER LINE	
BOUNDARY LINE	
IRON ROD FOUND	
O.P.R.C.C.T.	OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
D.R.C.C.T.	DEED RECORDS, COLLIN COUNTY, TEXAS
IRF	IRON ROD FOUND

GRAPHIC SCALE

0 400 800

1 INCH = 400 FT.

EXHIBIT

331.531 ACRES - 14,441,501 SQ. FT. IN THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground on July 1, 2020, that this plat correctly represents the facts found at the time of said survey.

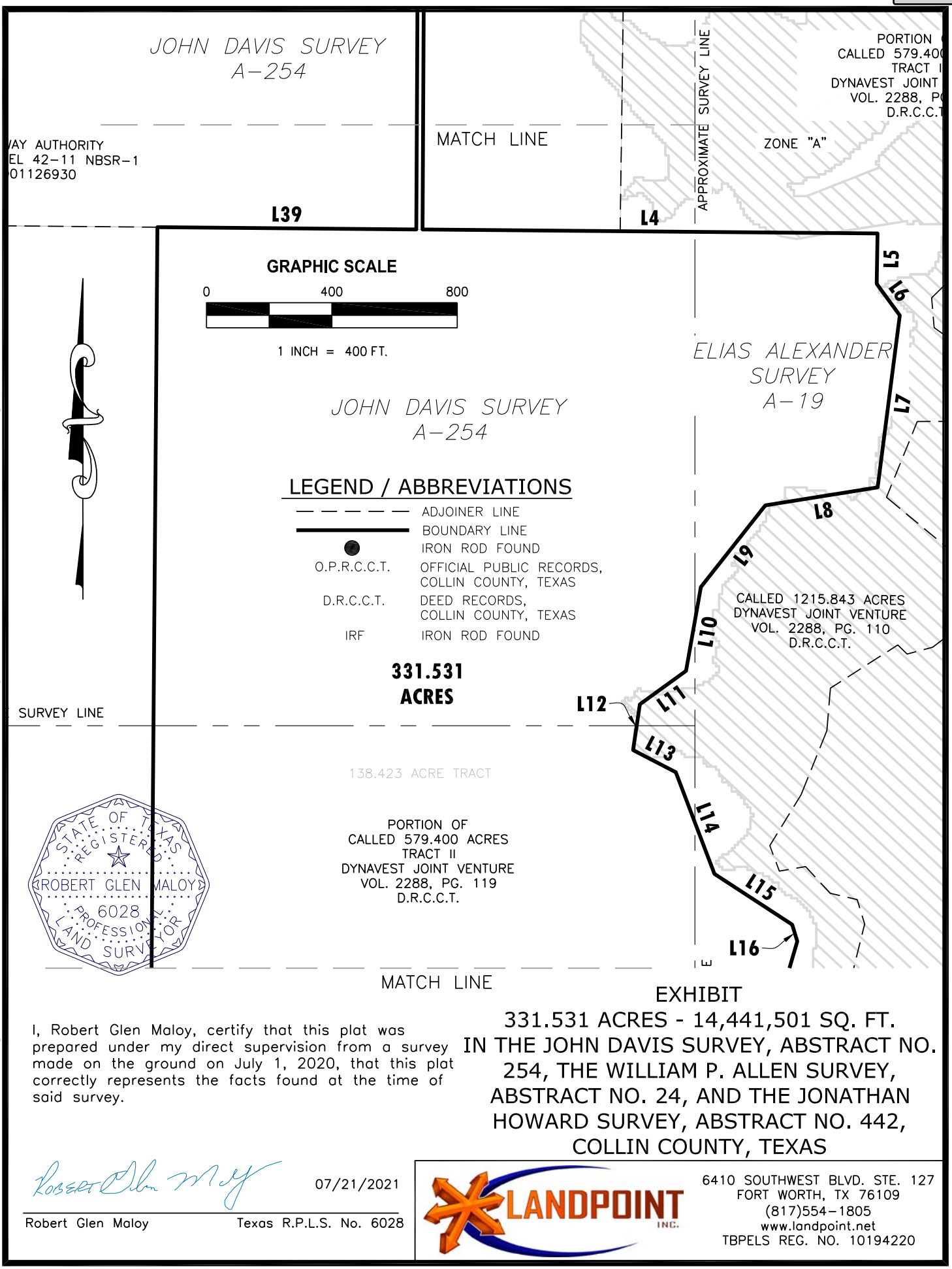
Robert Glen Maloy 07/21/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554-1805
www.landpoint.net
TBPELS REG. NO. 10194220

X:\2021\21-0195-6\Working\DWG\Easement & ROW Exhibits\21-0195 Dynavest - Celina - PID Exhibit.dwg

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)



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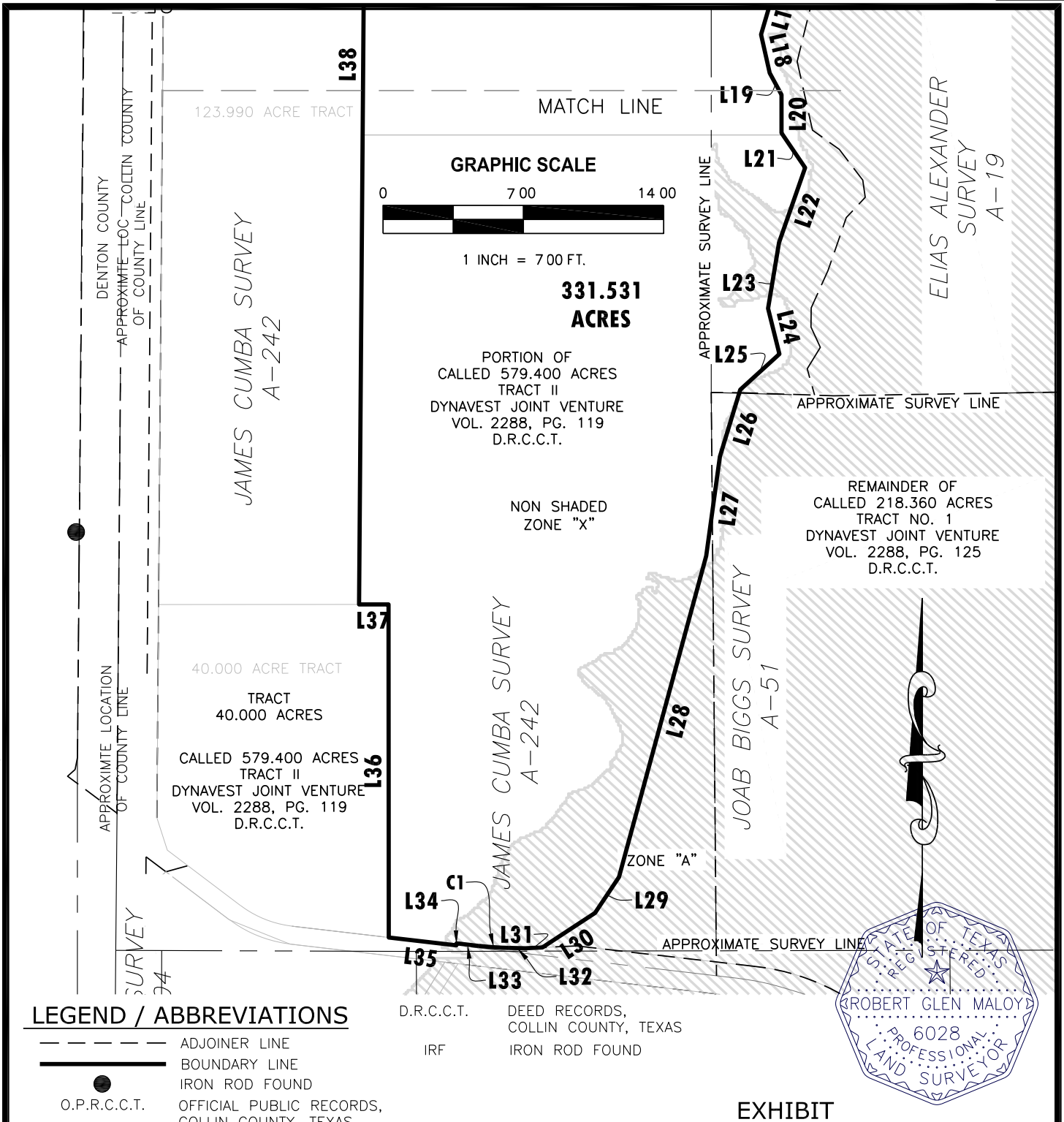
PAGE 3 OF 7 DRAWN BY: JEG CHECKED BY: RGM JOB N

X:\2021\21-0195-6\Working\DWG\Easement & ROW Exhibits\21-0195 Dynavest - Celina - PID Exhibit.dwg

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)



LEGEND / ABBREVIATIONS

— — — —	ADJOINER LINE
———	BOUNDARY LINE
●	IRON ROD FOUND
O.P.R.C.C.T.	OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
D.R.C.C.T.	DEED RECORDS, COLLIN COUNTY, TEXAS
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Robert Glen Maloy — 07/21/2021

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

PAD LAYOUT
GRAY PADS = 75'

LOT COUNT	
	40' LOT
TOTAL	±192 LOTS
PROPERTY	±39.6 AC
OPEN SPACE	±4 AC
TOTAL	±43.6 AC

PAD LAYOUT
GRAY PADS = 80' OR LESS
GREEN PADS = 85'

LOT COUNT				
	40' LOT	50' LOT	60' LOT	TOTAL
PHASE I	108	220	78	406
PHASE II	165	147	94	406
PHASE III	200	194	11	405
TOTAL	473	561	183	1217
%	38.86%	46.10%	15.04%	
PROPERTY	292.22 AC			
OPEN SPACE	REQUIRED 10%	PROVIDED		
	29.22 AC	30.295 AC		

PRELIMINARY PHASING PLAN RELOT

LEGACY HILLS
DYNAVEST

HALFF ®
9500 AMBERGLEN BLVD.
BUILDING F, SUITE 125
AUSTIN, TEXAS 78729
TEL (512) 777-4600
FAX (512) 252-8141
TBPE FIRM #F-312

Issued:	8/18/2021
Scale:	1" = 200'
Drawn By:	PMH
AVO:	43789.001
HALFF Office:	AUSTIN
	XMB-PHAS-43789.dwg

PHASE #1B
PHASE III
405 LOTS
PHASE II
406 LOTS
PHASE I
406 LOTS
PHASE #1A
AMENITY CENTER LOT 2.232 AC
URE ROAD (RD2)
FRITCHER RD
DALLAS NORTH TOLLWAY
FOUR SEASONS RANCH, LTD
DYNAVEST JOINT VENTURE
BUNCH LIVING TRUST
JANE CLARK
DENTON COUNTY
COLLIN COUNTY
PARKWOOD LP
FUTURE DALLAS NORTH TOLLWAY
MATCH LINE STA 2265+00 (SEE ROLL 4 OF 4
FM 455
FM 455 (G.A. MOORE PARKWAY)
FEMA FLOODPLAIN
FLOODPLAIN (PROPOSED)
FLOODPLAIN (NO RECLAMATION)
CREEK CENTER LINE

KFM ENGINEERING & DESIGN

0 150 300 600
Scale: 1"=300'

legacy hills
pid concept plan
August 20TH, 2021

The information shown is based on the best information available and is subject to change without notice.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

HALFF ASSOCIATES, Inc.

AVO: 043789.001

CLIENT: Dynavest
PROJECT: Legacy Ridge
DATE: 9/3/2021

40s	**114**
50s	**213**
60s	**94**
TOTAL LOTS	**421**
AREA (ACRES)	**91**

CIVIL COST ESTIMATE

ENGINEERS EXPLORATORY OPINION OF PROBABLE CONSTRUCTION COST *: Preliminary Site Development - Phase 1

Item No.	Description	Unit	Total Quantity	Average Unit Price	Total Amount
	Erosion Control				
1	Inlet Protection - Curb	EA	95	$118.00	$11,210
2	Erosion Control Silt Fence	LF	20,000	$1.55	$31,000
3	Storm Water Pollution Prevention Plan (SW3P)	LS	1	$11,000.00	$11,000
4	Over Seeding Lots	Acre	91	$295.00	$26,845
	Subtotal Erosion Control				**$80,055**
	Earthwork				
5	Clearing and Grubbing	Acre	91	$1,650.00	$150,150
6	Cut	CY	220,000	$2.00	$440,000
7	Fill	CY	220,000	$2.00	$440,000
8	Import (potential import from Ph 2 and 3)	CY	0	$10.00	$0
9	Export	CY	0	$10.00	$0
10	Lot Grading - Rough	LOT	421	$150.00	$63,150
11	Lot Grading - Final	LOT	421	$125.00	$52,625
12	40s Lot Moisture Conditoning - (7'-10' Depth)	LOT	114	$2,560.00	$291,840
13	50s Lot Moisture Conditoning - (7'-10' Depth)	LOT	213	$3,000.00	$639,000
14	60s Lot Moisture Conditoning - (7'-10' Depth)	LOT	94	$3,600.00	$338,400
	Subtotal Earthwork				**$2,415,165**
	Retaining Walls				
15	Variable Height (4-Foot or Less) Retaining Wall (Not Included)	SF	10,000	$15.00	$150,000
16	Variable Height (Greater Than 4-Foot) Retaining Wall (Not Included)	SF	32,000	$20.00	$640,000
	Subtotal Retaining Walls				**$790,000**
	Pavement and Road Improvements				
17	Reinforced Concrete Pavement - 29' B-B (7-inch, 4000 PSI)	SY	68,000	$38.00	$2,584,000
18	MOISTURE CONDITIONED SUBGRADE (48-INCH DEPTH)	SY	77,520	$3.00	$232,560
19	Lime (Hydrated; Dry)	TON	12,907	$140.00	$1,806,980
20	5" Thick Sidewalk	SY	22,500	$38.00	$855,000
21	Curb Ramp	EA	68	$1,500.00	$102,000
22	12-ft wide Reinforced Conc.Pavement -SUP Trail (6-inch thick, 3,600PSI)	SY	5,066	$60.00	$303,960
	Subtotal Private Road Improvements				**$5,884,500**
	Storm Drainage				
23	18-Inch Class III RCP	LF	6,000	$50.00	$300,000
24	24-Inch Class III RCP	LF	2,500	$64.00	$160,000
25	30-Inch Class III RCP	LF	800	$80.00	$64,000
26	36-Inch Class III RCP	LF	500	$105.00	$52,500
27	42-Inch Class III RCP	LF	1,300	$140.00	$182,000
28	48-Inch Class III RCP	LF	950	$160.00	$152,000
29	54-Inch Class III RCP	LF	400	$180.00	$72,000
30	60-Inch Class III RCP	LF	200	$225.00	$45,000
31	5x5 Class III RCB	LF	300	$250.00	$75,000
32	Junction Box - 4'x4'	EA	22	$5,500.00	$121,000
33	Junction Box - 5'x5'	EA	9	$9,500.00	$85,500
34	Junction Box - 6'x6'	EA	2	$10,000.00	$20,000
35	Standard Curb Inlet	EA	95	$3,500.00	$332,500
36	Type "B' Headwall	EA	11	$30,000.00	$330,000
	Subtotal Storm Drainage System				**$1,991,500**

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Item No.	Description	Unit	Total Quantity	Average Unit Price	Total Amount
	Water				
37	8-inch PVC Water Line (including bends)	LF	13,000	$25.50	$331,500
38	12-inch PVC Water Line (including bends)	LF	8,000	$30.00	$240,000
39	Trench Safety	LF	21,000	$1.00	$21,000
40	Testing (Excluding Geopack)	LF	21,000	$1.00	$21,000
41	12"x8" Tee	EA	8	$1,300.00	$10,400
42	8"x8" Tee	EA	11	$1,250.00	$13,750
43	8"X8" Cross	EA	3	$1,300.00	$3,900
44	8"X12" Cross	EA	3	$1,250.00	$3,750
45	8-inch Gate Valve	EA	59	$1,280.00	$75,520
46	12-inch Gate Valve	EA	23	$2,200.00	$50,600
47	1 Inch Water Service	EA	420	$540.00	$226,800
48	Fire Hydrant Assembly (TEE, VALVE, 6" DI)	EA	10	$4,250.00	$42,500
	Subtotal Water System				**$1,040,720**
	Sanitary Sewer				
49	8-inch PVC SDR-35 Sanitary Sewer Line	LF	16,200	$33.00	$534,600
50	12-inch PVC SDR-35 Sanitary Sewer Line	LF	4,000	$38.00	$152,000
51	Trench Safety	LF	20,200	$1.00	$20,200
52	Testing (Excluding Geopack)	LF	20,200	$1.00	$20,200
53	4-foot Diameter Standard Sanitary Sewer Manhole	EA	94	$5,500.00	$517,000
54	6" Service Lines	LOT	421	$690.00	$290,490
	Subtotal Sanitary Sewer System				**$1,534,490**
	Soft Costs				
55	Entry Monumentation	LS	2	$50,000.00	$100,000
56	Landscape & Irrigation	LS	1	$570,000.00	$570,000
57	Hardscape	LF	3,770	$95.00	$358,150
58	3% Inspection Fees	%	1	$313,536.30	$313,536
59	2% PP&M Bonds	%	1	$209,024.20	$209,024
	Subtotal Soft Costs				**$1,550,711**
			Subtotal		**$15,287,141**
			Contracted Engineering and Testing		**$1,581,500**
			2.5% Contingency		**$382,179**
			TOTAL	$40,975.82	**$17,250,819**

This statement was prepared utilizing standard cost estimate practices. This statement excludes "soft" costs including, but not limited to, administrative costs, financing costs, construction management, surveying, geotechnical investigations, and construction materials testing. It is understood and agreed that this is an estimate only, and that Engineer shall not be liable to Owner or to a third party for any failure to accurately estimate the cost of the project, or any part thereof.

*Franchise utilities such as gas, telecommunication and electrical are excluded from this estimate.

**Electric service, wiring and light poles with light fixtures to be provided by electric utility company; therefore, they are excluded from this estimate.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

KFM ENGINEERING & DESIGN

OPINION OF PROBABLE COST

Project Name: Legacy Hills
Client Name: Centurion American
City: Celina, TX
County: Collin

Date: August 20, 2021
Project Number: 01.0028.006
Concept Lot Count: 192
Gross Acreage: 40

SINGLE FAMILY POD 10

Water System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
8" P.V.C. WATER LINE	LF	10972	$25.50	$279,786.00
8" GATE VALVE & BOX	EA	56	$1,375.00	$77,000.00
2" FLUSHING VALVE	EA	3	$2,200.00	$6,600.00
1" SINGLE WATER SERVICE	EA	192	$540.00	$103,680.00
CONNECT TO EXISTING WATER LINE	EA	2	$3,000.00	$6,000.00
FIRE HYDRANT ASSEMBLY	EA	24	$4,250.00	$102,000.00
IRRIGATION SERVICES	EA	4	$1,800.00	$7,200.00
2 - 4" P.V.C. IRRIGATION CROSSINGS	LF	500	$17.00	$8,500.00
REMOVE EXISTING FLUSHING VALVE	EA	2	$750.00	$1,500.00
TESTING (EXCLUDING GEOTECH.)	LF	10972	$1.00	$10,972.00
TRENCH SAFETY	LF	10972	$1.00	$10,972.00
			SUB-TOTAL	**$614,210.00**

Note: Water lines include all fittings

Wastewater System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
8" P.V.C. PIPE (0'-10' DEEP)	LF	7840	$33.00	$258,720.00
4' DIA. WW MH W/ INT EPOXY COATING	EA	17	$5,500.00	$93,500.00
5' DIA. WW MH W/ INT EPOXY COATING (ALL MHs OVER 12')	EA	17	$9,600.00	$163,200.00
4" SERVICE LINES	EA	192	$575.00	$110,400.00
CONNECT TO EX. WW MH	EA	1	$2,500.00	$2,500.00
TESTING (EXCLUDING GEOTECH.)	LF	7840	$1.00	$7,840.00
TRENCH SAFETY	LF	7840	$1.00	$7,840.00
			SUB-TOTAL	**$644,000.00**

Storm Drain System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
24" R.C.P.	LF	2194	$64.00	$140,416.00
36" R.C.P.	LF	2743	$105.00	$288,015.00
42" R.C.P.	LF	549	$140.00	$76,860.00
10' CURB INLET	EA	32	$3,500.00	$112,000.00
42" SLOPED HEADWALL	EA	2	$3,000.00	$6,000.00
ROCK RIP-RAP	SY	100	$85.00	$8,500.00
TESTING & TV INSPECTION	LF	5486	$1.50	$8,229.00
TRENCH SAFETY	LF	5486	$1.00	$5,486.00
			SUB-TOTAL	**$645,506.00**

Dry Utility Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
DRY UTILITIES	LOT	192	$1,000.00	$192,000.00
STREET LIGHT	EA	34	$2,500.00	$85,000.00
			SUB-TOTAL	**$277,000.00**

Roadway and Paving Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
7" REINFORCED CONCRETE STREET PVMT. W/ CURB	SY	32606	$38.00	$1,239,028.00
7" REINFORCED CONCRETE ALLEY/MEWS PVMT.	SY	13854	$39.50	$547,233.00
6" LIME-STABILIZED SUBGRADE (INCL. LIME)	SY	53959	$6.00	$323,754.00
BARRIER FREE RAMPS	EA	125	$1,500.00	$187,500.00
STREET SIGN	EA	40	$1,400.00	$56,000.00
TRAFFIC HANDLING	LS	1	$1,500.00	$1,500.00
			SUB-TOTAL	**$2,355,015.00**

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

KFM ENGINEERING & DESIGN

OPINION OF PROBABLE COST

Earthwork and E&S Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
CLEARING AND GRUBBING	ACRE	40	$1,650.00	$66,000.00
MASS GRADING - EXCAVATION	CY	194000	$1.95	$378,300.00
ROUGH LOT GRADING	LOT	192	$100.00	$19,200.00
FINAL LOT GRADING	LOT	192	$185.00	$35,520.00
RETAINING WALL	LOT	192	$2,000.00	$384,000.00
EROSION CONTROL	LOT	192	$350.00	$67,200.00
CONSTRUCTION ENTRANCE	EA	1	$2,000.00	$2,000.00
INLET PROTECTION	EA	32	$150.00	$4,800.00
SILT FENCE	LF	2870	$1.35	$3,874.50
5.5' DEPTH MOISTURE CONDITIONING - 40' LOT	LOT	192	$1,540.00	$295,680.00
TEMPORARY SEDIMENT BASIN	EA	1	$5,000.00	$5,000.00
			SUB-TOTAL	**$1,261,574.50**

Landscape Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
ENTRY MONUMENTATION	EA	1	$50,000.00	$50,000.00
LANDSCAPE AND IRRIGATION	LS	1	$600,000.00	$600,000.00
HARDSCAPE	LF	1000	$95.00	$95,000.00
			SUB-TOTAL	**$745,000.00**

SUMMARY

SUM OF CONSTRUCTION COSTS		$6,542,305.50
CONTINGENCY	2.5%	$163,557.64
SUB-TOTAL		**$6,705,863.14**
ENGINEER, SURVEY, CM/PM, & GEOTECH FEES	10%	$670,586.31
INSPECTION FEE	3%	$201,175.89
PAYMENT AND PERFORMANCE BOND	2%	$134,117.26
TOTAL CONSTRUCTION COST		**$7,711,742.61**

Assumptions:

- At the time of this OPC, geotechnical recommendations for pavement subgrade and soil moisture conditioning were not available.
- The OPC was prepared without the benefit of overall grading, utility, and drainage plans for a 'high level' analysis of the site. The OPC should be updated as additional information and designs are available.
- The OPC does not include any miscellaneous costs for permits, platting, fees (impact, planning, etc.), or any other process or procedure required by the City of Celina or additional governing authorities.
- This OPC does not include costs of offsite water or wastewater utilities necessary to provide service to the site.

This Engineer's opinion of probable cost is made on the basis of the Engineer's experience and best judgment as a design professional. This opinion of probable cost does not include city fees; such as easement acquisition, permits, and application fees among others. It must be recognized that any evaluation of work to be performed to construct this project must be by necessity and is speculative in nature until completion of its actual detailed design. In addition the Engineer has no control over the cost of labor, materials or services to be furnished by others or over market conditions. Accordingly, Knight, Fowler & Millsap, LLC. cannot guarantee that actual costs will not vary from the opinions expressed herein.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

LEGEND

- PROPOSED FIRE HYDRANT
- PROPOSED 8" WATER LINE
- W — OFFSITE OVERALL INFRASTRUCTURE WATER LINE (BY OTHERS)

DALLAS NORTH TOLLWAY

FLEX USE POD 6

W20"

KFM
ENGINEERING & DESIGN
3501 OLYMPUS BLVD, SUITE 100
DALLAS, TEXAS 75019
PHONE: (469) 899-0536
WWW.KFM-LLC.COM
TBPE #: F-20821

PROJECT
LEGACY HILLS
CELINA, TEXAS

TITLE
PARCEL 14 POD 10
WATER EXHIBIT

CLIENT
CENTURION AMERICAN
CELINA, TEXAS

N

0 50 100 200
SCALE 1" = 100'

PROJECT NUMBER: 0100028006
DRAWN BY: EAH
DATE: 2021/08/17
SHEET: EXH 01

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

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LEGEND

- PROPOSED WASTEWATER MANHOLE
- PROPOSED 8" WASTEWATER LINE
- WW12" — OFFSITE OVERALL INFRASTRUCTURE WASTEWATER LINE (BY OTHERS)

DALLAS NORTH TOLLWAY

FLEX USE POD 6

WW12"

WW12"

WW12"

N

0 50 100 200

SCALE 1" = 100'

KFM ENGINEERING & DESIGN
3501 OLYMPUS BLVD, SUITE 100
DALLAS, TEXAS 75019
PHONE: (469) 899-0536
WWW.KFM-LLC.COM
TBPE #: F-20821

PROJECT

LEGACY HILLS

CELINA, TEXAS

TITLE

PARCEL 14 POD 10

WASTEWATER EXHIBIT

CLIENT

CENTURION AMERICAN

CELINA, TEXAS

PROJECT NUMBER: 0100028006

DRAWN BY: EAH

DATE: 2021/08/17

SHEET: EXH 01

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

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APPENDIX D
LEGAL DESCRIPTION

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

LEGAL DESCRIPTION

Being a 331.531 acre tract of land situated in the James Cumba Survey Abstract–242, the Joab Biggs Survey Abstract–51, the John Davis Survey Abstract–254, and the Elias Alexander Survey Abstract–19, Collin County, Texas and being a portion of that certain called 579.400 acre tract of land, described as Tract II, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 119, Deed Records of Collin County, Texas and being a portion of that certain called 100.474 acre tract of land, described as Tract I, as conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 119, Deed Records of Collin County, Texas and being more particularly described by metes and bounds and follows:

BEGINNING at a 5/8–inch iron rod found for the Northeast corner of the tract herein described in the North line of said 100.474 acre tract of land, as conveyed to Dynavest Joint Venture by said Volume 2288 Page 119, recorded in Volume 5843, Page 119, Official Public Records of Collin County, Texas;

THENCE S89°48'36"E, with the North line of said 100.474 acre tract of land, and being in the West line of that certain called 947.705 acre tract of land as conveyed to Jody Furlong Lawyer by deed of record in Instrument No. 20180828001079900, Deed Records of Collin County, Texas,

THENCE with the north line of said 100.474 acre tract of land, the following calls:

THENCE South 16°14'08" East, 1,248.38 feet to a point;

THENCE South 89°50'48" West, 735.77 feet to a point;

THENCE South 0°18'38" West, 1,480.55 feet to a point;

THENCE South 89°30'00" East, 1,451.50 feet to a point;

THENCE South 0°54'05" West, 160.44 feet to a point;

THENCE South 36°05'31" East, 124.81 feet to a point;

THENCE South 7°19'29" West, 553.21 feet to a point;

THENCE South 80°56'00" West, 362.90 feet to a point;

THENCE South 38°15'13" West, 332.04 feet to a point;

THENCE South 10°04'32" West, 271.51 feet to a point;

THENCE South 54°06'16" West, 181.55 feet to a point;

THENCE South 8°28'11" West, 147.80 feet to a point;

THENCE South 62°40'31" East, 153.52 feet to a point;

THENCE South 20°47'48" East, 346.98 feet to a point;

STATE OF TEXAS · REGISTERED · ROBERT GLEN MALOY · 6028 · PROFESSIONAL LAND SURVEYOR

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground on July 1, 2020, that this plat correctly represents the facts found at the time of said survey.

EXHIBIT
331.531 ACRES - 14,441,501 SQ. FT. IN THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

Robert Glen Maloy 07/21/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554–1805
www.landpoint.net
TBPELS REG. NO. 10194220

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

THENCE South 56°54'41" East, 296.19 feet to a point;

THENCE South 16°45'56" East, 55.79 feet to a point;

THENCE South 16°19'39" West, 277.69 feet to a point;

THENCE South 12°42'42" East, 196.66 feet to a point;

THENCE South 28°28'44" East, 123.07 feet to a point;

THENCE South 0°00'00" East, 190.89 feet to a point;

THENCE South 34°19'04" East, 209.63 feet to a point;

THENCE South 19°17'22" West, 395.03 feet to a point;

THENCE South 9°24'41" West, 333.41 feet to a point;

THENCE South 13°59'33" East, 234.35 feet to a point;

THENCE South 47°40'23" West, 264.27 feet to a point;

THENCE South 16°59'14" West, 348.90 feet to a point;

THENCE South 7°47'51" West, 499.92 feet to a point;

THENCE South 15°12'20" West, 1,659.85 feet to a point;

THENCE South 33°44'35" West, 215.20 feet to a point;

THENCE South 56°45'49" West, 314.03 feet to a point;

THENCE South 87°25'43" West, 84.55 feet to a point;

THENCE North 89°00'54" West, 83.16 feet to the beginning of a curve;

Along a curve to the right, having a radius of 1545.00 feet, an arc length of 150.44 feet, a delta angle of 05°34'44", and a chord which bears N86°11'32"W, a distance of 150.38 feet for a point of tangency;

THENCE North 83°24'10" West, 111.05 feet to a point;

THENCE South 6°40'13" West, 10.03 feet to a point;

THENCE North 83°19'47" West, 339.20 feet to a point;

THENCE North 0°03'01" West, 1,661.21 feet to a point;

THENCE South 89°57'41" West, 147.08 feet to a point;

THENCE North 0°26'51" East, 5,386.54 feet to a point;

THENCE South 89°30'00" East, 826.10 feet to a point;

THENCE North 0°18'32" East, 1,480.32 feet to a point;

THENCE South 89°50'48" West, 822.57 feet to a point;

THENCE North 0°26'50" East, 1,207.15 feet to a point;

THENCE South 89°47'54" East, 1,219.89 feet to the POINT OF BEGINNING Containing 14,441,466 square feet, 331.531 acres of land, more or less.

EXHIBIT
331.531 ACRES - 14,441,501 SQ. FT. IN THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground on July 1, 2020, that this plat correctly represents the facts found at the time of said survey.

07/21/2021

Robert Glen Maloy Texas R.P.L.S. No. 6028

LANDPOINT INC.
6410 SOUTHWEST BLVD. STE. 127
FORT WORTH, TX 76109
(817)554-1805
www.landpoint.net
TBPELS REG. NO. 10194220

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S16°14'08"E	1248.38'
L2	S89°50'48"W	735.77'
L3	S00°18'38"W	1480.55'
L4	S89°30'00"E	1451.50'
L5	S00°54'05"W	160.44'
L6	S36°05'31"E	124.81'
L7	S07°19'29"W	553.21'
L8	S80°56'00"W	362.90'
L9	S38°15'13"W	332.04'
L10	S10°04'32"W	271.51'
L11	S54°06'16"W	181.55'
L12	S08°28'11"W	147.80'
L13	S62°40'31"E	153.52'
L14	S20°47'48"E	346.98'
L15	S56°54'41"E	296.19'
L16	S16°45'56"E	55.79'
L17	S16°19'39"W	277.69'
L18	S12°42'42"E	196.66'
L19	S28°28'44"E	123.07'
L20	S00°00'00"E	190.89'

LINE TABLE		
LINE	DIRECTION	LENGTH
L21	S34°19'04"E	209.63'
L22	S19°17'22"W	395.03'
L23	S09°24'41"W	333.41'
L24	S13°59'33"E	234.35'
L25	S47°40'23"W	264.27'
L26	S16°59'14"W	348.90'
L27	S07°47'51"W	499.92'
L28	S15°12'20"W	1659.85'
L29	S33°44'35"W	215.20'
L30	S56°45'49"W	314.03'
L31	S87°25'43"W	84.55'
L32	N89°00'54"W	83.16'
L33	N83°24'10"W	111.05'
L34	S06°40'13"W	10.03'
L35	N83°19'47"W	339.20'
L36	N00°03'01"W	1661.21'
L37	S89°57'41"W	147.08'
L38	N00°26'51"E	5386.54'
L39	S89°30'00"E	826.10'
L40	N00°18'32"E	1480.32'

LINE TABLE		
LINE	DIRECTION	LENGTH
L41	S89°50'48"W	822.57'
L42	N00°26'50"E	1207.15'
L43	S89°47'54"E	1219.89'

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD LENGTH
C1	150.44'	1545.00'	5°34'44"	N86°11'32"W	150.38'

STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

I, Robert Glen Maloy, certify that this plat was prepared under my direct supervision from a survey made on the ground on July 1, 2020, that this plat correctly represents the facts found at the time of said survey.

EXHIBIT
331.531 ACRES - 14,441,501 SQ. FT. IN THE JOHN DAVIS SURVEY, ABSTRACT NO. 254, THE WILLIAM P. ALLEN SURVEY, ABSTRACT NO. 24, AND THE JONATHAN HOWARD SURVEY, ABSTRACT NO. 442, COLLIN COUNTY, TEXAS

Robert Glen Maloy 07/21/2021

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Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

APPENDIX E
HOMEBUYER DISCLOSURE

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

AFTER RECORDING RETURN TO:

_____
_____
_____
_____
_____][1]

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF CELINA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: $_____

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Celina, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Legacy Hills Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF COLLIN §

The foregoing instrument was acknowledged before me by_____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

_____ _____

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF COLLIN §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

APPENDIX F
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE EQUIVALENTS

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix F

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of three Lot Types.

"Lot Type 1" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 60 feet, as provided by Zoning Ordinance.

"Lot Type 2" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet, as provided by Zoning Ordinance.

"Lot Type 3" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 40 feet, as provided by Zoning Ordinance.

A) Proposed Development

The following table shows the proposed residential units to be developed within Phase #1A-1B.

Table F-1
Proposed Development- Phase #1A-1B

Proposed Development	Phase #1A	Phase #1B	Measurement
Single-Family - 60 Ft	94	0	Units
Single-Family - 50 Ft	213	0	Units
Single-Family - 40 Ft	114	192	Units
Total	**421**	**192**	**Units**

B) Calculation of Equivalent Units

As explained under Section IV, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Authorized Improvements to be financed with the Phase #1A Reimbursement Agreement and/or Phase #1B Reimbursement Agreement shall be allocated to the Phase #1A Assessed Property and the Phase #1B Assessed Property by spreading the entire Assessment across the Parcels in Phase #1A and Phase #1B, as applicable, based on the estimated Equivalent Units therein.

For purposes of this Plan, the City Council has determined that the Assessments shall be allocated to the 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 lots, 50 Ft lots, 40 Ft lots, 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 accomplished by creating classifications of benefited Parcels based on the Lot Types described above. These

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

classifications from Lot Type 1 (60 Ft Lot) representing the highest value to Lot Type 3 (40 Ft Lot) representing the lowest value for residential lots are set forth in Table F-2 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) to 1.0.

Table F-2
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor	
Lot Type 1 (60 Ft)	$412,500	1.000	per unit
Lot Type 2 (50 Ft)	$343,750	0.833	per unit
Lot Type 3 (40 Ft)	$275,000	0.667	per unit

The total Equivalent Units for the Phase #1A-1B are shown in Table F-3 below as calculated based on the Equivalent Unit factors shown above in Table F-2, and the estimated Lot Types and number of units estimated to be built within Phase #1A-1B.

Table F-3
Estimated Equivalent Units- Phase #1A-1B

Lot Type	No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	94	1.000	94.000
Lot Type 2 (50 Ft)	213	0.833	177.429
Lot Type 3 (40 Ft)	306	0.667	204.102
Total Equivalent Units	**613**		**475.531**

The total Equivalent Units for the Phase #1A are shown in Table F-4 below as calculated based on the Equivalent Unit factors shown above in Table F-2, and the estimated Lot Types and number of units estimated to be built within Phase #1A.

Table F-4
Estimated Equivalent Units- Phase #1A

Lot Type	No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	94	1.000	94.000
Lot Type 2 (50 Ft)	213	0.833	177.429
Lot Type 3 (40 Ft)	114	0.667	76.038
Total Equivalent Units	**421**		**347.467**

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

The total Equivalent Units for the Phase #1B are shown in Table F-5 below as calculated based on the Equivalent Unit factors shown above in Table F-2, and the estimated Lot Types and number of units estimated to be built within Phase #1B.

Table F-5
Estimated Equivalent Units- Phase #1B

Lot Type	No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	0	1.000	0.000
Lot Type 2 (50 Ft)	0	0.833	0.000
Lot Type 3 (40 Ft)	192	0.667	128.064
Total Equivalent Units	**192**		**128.064**

C) Allocation of Assessments to Lots within Phase #1A

The total amount of the Phase #1A Reimbursement Agreement which represents the total Assessment to be allocated on all Parcels within Phase #1A, is $9,718,212. As shown in Table F-4, there are a total of 347.467 Equivalent Units in Phase #1A, resulting in an Assessment per Unit of $27,968.73 (i.e., $9,718,212 ÷ 347.467 = $27,968.73).

Table F-6 below sets forth the Assessment per dwelling unit within Phase #1A.

Table F-6
Assessment Per Unit – Phase #1A

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (60 Ft)	94	$27,968.73	1.000	$27,968.73	per dwelling unit	$2,629,061
Lot Type 2 (50 Ft)	213	$27,968.73	0.833	$23,297.96	per dwelling unit	$4,962,464
Lot Type 3 (40 Ft)	114	$27,968.73	0.667	$18,655.15	per dwelling unit	$2,126,687
Total	**421**					**$9,718,212**

The projected leverage calculated the projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within Phase #1A is shown in Table F-7 on the following page.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Table F-7
Projected Leverage – Phase #1A

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit[1]	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft)	94	$72,000	$412,500	$27,969	2.57	14.75
Lot Type 2 (50 Ft)	213	$60,000	$343,750	$23,298	2.58	14.75
Lot Type 3 (40 Ft)	114	$48,000	$275,000	$18,655	2.57	14.74

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit within Phase #1A is shown in Table F-8 below.

Table F-8
Estimated Tax Rate Equivalent per unit – Phase #1A

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 1 (60 Ft)	94	$72,000	$412,500	$1,874	$2.60	$0.454
Lot Type 2 (50 Ft)	213	$60,000	$343,750	$1,561	$2.60	$0.454
Lot Type 3 (40 Ft)	114	$48,000	$275,000	$1,250	$2.60	$0.455

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1A is shown on the Phase #1A Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

D) Allocation of Assessments to Lots within Phase #1B

The total amount of the Phase #1B Reimbursement Agreement which represents the total Assessment to be allocated on all Parcels within Phase #1B, is $3,581,788. As shown in Table F-5, there are a total of 128.064 Equivalent Units in Phase #1B, resulting in an Assessment per Unit of $27,968.73 (i.e., $3,581,788 ÷ 128.064 = $27,968.73).

Table F-9 on the following page sets forth the Assessment per dwelling unit within Phase #1B.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Table F-9
Assessment Per Unit – Phase #1B

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (60 Ft)	-	-	-	-	-	-
Lot Type 2 (50 Ft)	-	-	-	-	-	-
Lot Type 3 (40 Ft)	192	$27,968.73	0.667	$18,655.15	per dwelling unit	$3,581,788
Total	**192**					**$3,581,788**

The projected leverage calculated the projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within Phase #1B is shown in Table F-10 below.

Table F-10
Projected Leverage – Phase #1B

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit[1]	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft)	-	-	-	-	-	-
Lot Type 2 (50 Ft)	-	-	-	-	-	-
Lot Type 3 (40 Ft)	192	$48,000	$275,000	$18,655	2.57	14.74

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit within Phase #1B is shown in Table F-11 below.

Table F-11
Estimated Tax Rate Equivalent per unit – Phase #1B

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 1 (60 Ft)	-	-	-	-	-	-
Lot Type 2 (50 Ft)	-	-	-	-	-	-
Lot Type 3 (40 Ft)	192	$48,000	$275,000	$1,250	$2.60	$0.455

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1B is shown on the Phase #1B Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

APPENDIX G
PHASE #1A ASSESSMENT ROLL

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix G-1
Phase #1A Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**347.467**
Assessment	**$9,718,212**

Year [1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$168,059	$448,981	$36,535	$653,575
9/30/2023	$173,174	$441,217	$37,265	$651,657
9/30/2024	$180,481	$433,216	$38,011	$651,708
9/30/2025	$187,788	$424,878	$38,771	$651,437
9/30/2026	$195,095	$416,202	$39,546	$650,844
9/30/2027	$203,133	$407,189	$40,337	$650,659
9/30/2028	$211,901	$397,804	$41,144	$650,849
9/30/2029	$220,669	$388,014	$41,967	$650,650
9/30/2030	$230,168	$377,820	$42,806	$650,794
9/30/2031	$239,667	$367,186	$43,662	$650,515
9/30/2032	$249,897	$356,113	$44,536	$650,546
9/30/2033	$260,857	$344,568	$45,426	$650,851
9/30/2034	$271,818	$332,516	$46,335	$650,669
9/30/2035	$283,509	$319,958	$47,261	$650,729
9/30/2036	$295,200	$306,860	$48,207	$650,267
9/30/2037	$308,352	$293,222	$49,171	$650,745
9/30/2038	$321,505	$278,976	$50,154	$650,635
9/30/2039	$335,388	$264,123	$51,157	$650,668
9/30/2040	$350,002	$248,628	$52,180	$650,810
9/30/2041	$365,346	$232,458	$53,224	$651,028
9/30/2042	$381,422	$215,579	$54,289	$651,289
9/30/2043	$398,227	$197,957	$55,374	$651,559
9/30/2044	$415,764	$179,559	$56,482	$651,805
9/30/2045	$434,031	$160,350	$57,611	$651,993
9/30/2046	$453,029	$140,298	$58,764	$652,091
9/30/2047	$473,489	$119,368	$59,939	$652,796
9/30/2048	$493,948	$97,493	$61,138	$652,579
9/30/2049	$515,869	$74,673	$62,360	$652,902
9/30/2050	$539,251	$50,840	$63,608	$653,698
9/30/2051	$561,172	$25,926	$64,880	$651,978
Total	**$9,718,212**	**$8,341,973**	**$1,482,140**	**$19,542,325**

1 – The 9/30/XX dates represent the fiscal year end.
2 – Annual Installments are calculated using 4.62% interest rate on the Phase #1A Reimbursement Agreement.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix G-2
Phase #1A Assessment Roll by Lot Type

Lot Type	**Lot Type 1 (60 Ft)**
Assessment	**$27,968.73**
Equivalent Unit	**1.000**

Year [1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$484	$1,292	$105	$1,881
9/30/2023	$498	$1,270	$107	$1,875
9/30/2024	$519	$1,247	$109	$1,876
9/30/2025	$540	$1,223	$112	$1,875
9/30/2026	$561	$1,198	$114	$1,873
9/30/2027	$585	$1,172	$116	$1,873
9/30/2028	$610	$1,145	$118	$1,873
9/30/2029	$635	$1,117	$121	$1,873
9/30/2030	$662	$1,087	$123	$1,873
9/30/2031	$690	$1,057	$126	$1,872
9/30/2032	$719	$1,025	$128	$1,872
9/30/2033	$751	$992	$131	$1,873
9/30/2034	$782	$957	$133	$1,873
9/30/2035	$816	$921	$136	$1,873
9/30/2036	$850	$883	$139	$1,871
9/30/2037	$887	$844	$142	$1,873
9/30/2038	$925	$803	$144	$1,873
9/30/2039	$965	$760	$147	$1,873
9/30/2040	$1,007	$716	$150	$1,873
9/30/2041	$1,051	$669	$153	$1,874
9/30/2042	$1,098	$620	$156	$1,874
9/30/2043	$1,146	$570	$159	$1,875
9/30/2044	$1,197	$517	$163	$1,876
9/30/2045	$1,249	$461	$166	$1,876
9/30/2046	$1,304	$404	$169	$1,877
9/30/2047	$1,363	$344	$173	$1,879
9/30/2048	$1,422	$281	$176	$1,878
9/30/2049	$1,485	$215	$179	$1,879
9/30/2050	$1,552	$146	$183	$1,881
9/30/2051	$1,615	$75	$187	$1,876
Total	**$27,969**	**$24,008**	**$4,266**	**$56,242**

1 – The 9/30/XX dates represent the fiscal year end.
2 – Annual Installments are calculated using 4.62% interest rate on the Phase #1A Reimbursement Agreement.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix G-3
Phase #1A Assessment Roll by Lot Type

Lot Type	**Lot Type 2 (50 Ft)**
Assessment	**$23,297.96**
Equivalent Unit	**0.833**

Year [1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$403	$1,076	$88	$1,567
9/30/2023	$415	$1,058	$89	$1,562
9/30/2024	$433	$1,039	$91	$1,562
9/30/2025	$450	$1,019	$93	$1,562
9/30/2026	$468	$998	$95	$1,560
9/30/2027	$487	$976	$97	$1,560
9/30/2028	$508	$954	$99	$1,560
9/30/2029	$529	$930	$101	$1,560
9/30/2030	$552	$906	$103	$1,560
9/30/2031	$575	$880	$105	$1,560
9/30/2032	$599	$854	$107	$1,560
9/30/2033	$625	$826	$109	$1,560
9/30/2034	$652	$797	$111	$1,560
9/30/2035	$680	$767	$113	$1,560
9/30/2036	$708	$736	$116	$1,559
9/30/2037	$739	$703	$118	$1,560
9/30/2038	$771	$669	$120	$1,560
9/30/2039	$804	$633	$123	$1,560
9/30/2040	$839	$596	$125	$1,560
9/30/2041	$876	$557	$128	$1,561
9/30/2042	$914	$517	$130	$1,561
9/30/2043	$955	$475	$133	$1,562
9/30/2044	$997	$430	$135	$1,563
9/30/2045	$1,041	$384	$138	$1,563
9/30/2046	$1,086	$336	$141	$1,563
9/30/2047	$1,135	$286	$144	$1,565
9/30/2048	$1,184	$234	$147	$1,564
9/30/2049	$1,237	$179	$149	$1,565
9/30/2050	$1,293	$122	$152	$1,567
9/30/2051	$1,345	$62	$156	$1,563
Total	**$23,298**	**$19,999**	**$3,553**	**$46,850**

1 – The 9/30/XX dates represent the fiscal year end.
2 – Annual Installments are calculated using 4.62% interest rate on the Phase #1A Reimbursement Agreement.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix G-4
Phase #1A Assessment Roll by Lot Type

Lot Type	**Lot Type 3 (40 Ft)**
Assessment	**$18,655.15**
Equivalent Unit	**0.667**

Year [1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$323	$862	$70	$1,255
9/30/2023	$332	$847	$72	$1,251
9/30/2024	$346	$832	$73	$1,251
9/30/2025	$360	$816	$74	$1,251
9/30/2026	$375	$799	$76	$1,249
9/30/2027	$390	$782	$77	$1,249
9/30/2028	$407	$764	$79	$1,249
9/30/2029	$424	$745	$81	$1,249
9/30/2030	$442	$725	$82	$1,249
9/30/2031	$460	$705	$84	$1,249
9/30/2032	$480	$684	$85	$1,249
9/30/2033	$501	$661	$87	$1,249
9/30/2034	$522	$638	$89	$1,249
9/30/2035	$544	$614	$91	$1,249
9/30/2036	$567	$589	$93	$1,248
9/30/2037	$592	$563	$94	$1,249
9/30/2038	$617	$536	$96	$1,249
9/30/2039	$644	$507	$98	$1,249
9/30/2040	$672	$477	$100	$1,249
9/30/2041	$701	$446	$102	$1,250
9/30/2042	$732	$414	$104	$1,250
9/30/2043	$764	$380	$106	$1,251
9/30/2044	$798	$345	$108	$1,251
9/30/2045	$833	$308	$111	$1,252
9/30/2046	$870	$269	$113	$1,252
9/30/2047	$909	$229	$115	$1,253
9/30/2048	$948	$187	$117	$1,253
9/30/2049	$990	$143	$120	$1,253
9/30/2050	$1,035	$98	$122	$1,255
9/30/2051	$1,077	$50	$125	$1,252
Total	**$18,655**	**$16,013**	**$2,845**	**$37,514**

1 – The 9/30/XX dates represent the fiscal year end.
2 – Annual Installments are calculated using 4.62% interest rate on the Phase #1B Reimbursement Agreement.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

APPENDIX H
PHASE #1B ASSESSMENT ROLL

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix H-1
Phase #1B Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**128.064**
Assessment	**$3,581,788**

Year [1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/22	$61,941	$165,479	$13,465	$240,885
9/30/23	$63,826	$162,617	$13,735	$240,177
9/30/24	$66,519	$159,668	$14,009	$240,196
9/30/25	$69,212	$156,595	$14,290	$240,097
9/30/26	$71,905	$153,397	$14,575	$239,878
9/30/27	$74,867	$150,075	$14,867	$239,810
9/30/28	$78,099	$146,617	$15,164	$239,880
9/30/29	$81,331	$143,008	$15,467	$239,807
9/30/30	$84,832	$139,251	$15,777	$239,860
9/30/31	$88,333	$135,332	$16,092	$239,757
9/30/32	$92,103	$131,251	$16,414	$239,768
9/30/33	$96,143	$126,995	$16,742	$239,881
9/30/34	$100,182	$122,554	$17,077	$239,813
9/30/35	$104,491	$117,925	$17,419	$239,835
9/30/36	$108,800	$113,098	$17,767	$239,665
9/30/37	$113,648	$108,071	$18,123	$239,842
9/30/38	$118,495	$102,821	$18,485	$239,801
9/30/39	$123,612	$97,346	$18,855	$239,813
9/30/40	$128,998	$91,635	$19,232	$239,865
9/30/41	$134,654	$85,676	$19,616	$239,946
9/30/42	$140,578	$79,455	$20,009	$240,042
9/30/43	$146,773	$72,960	$20,409	$240,141
9/30/44	$153,236	$66,179	$20,817	$240,232
9/30/45	$159,969	$59,100	$21,234	$240,302
9/30/46	$166,971	$51,709	$21,658	$240,338
9/30/47	$174,511	$43,995	$22,091	$240,597
9/30/48	$182,052	$35,932	$22,533	$240,517
9/30/49	$190,131	$27,522	$22,984	$240,637
9/30/50	$198,749	$18,738	$23,444	$240,930
9/30/51	$206,828	$9,555	$23,912	$240,296
Total	**$3,581,788**	**$3,074,555**	**$546,264**	**$7,202,607**

1 – The 9/30/XX dates represent the fiscal year end.
2 – Annual Installments are calculated using 4.62% interest rate on the Phase #1B Reimbursement Agreement.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix H-2
Phase #1B Assessment Roll by Lot Type

Lot Type	**Lot Type 1 (60 Ft)**
Assessment	**$27,968.73**
Equivalent Unit	**1.000**

Year [1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$484	$1,292	$105	$1,881
9/30/2023	$498	$1,270	$107	$1,875
9/30/2024	$519	$1,247	$109	$1,876
9/30/2025	$540	$1,223	$112	$1,875
9/30/2026	$561	$1,198	$114	$1,873
9/30/2027	$585	$1,172	$116	$1,873
9/30/2028	$610	$1,145	$118	$1,873
9/30/2029	$635	$1,117	$121	$1,873
9/30/2030	$662	$1,087	$123	$1,873
9/30/2031	$690	$1,057	$126	$1,872
9/30/2032	$719	$1,025	$128	$1,872
9/30/2033	$751	$992	$131	$1,873
9/30/2034	$782	$957	$133	$1,873
9/30/2035	$816	$921	$136	$1,873
9/30/2036	$850	$883	$139	$1,871
9/30/2037	$887	$844	$142	$1,873
9/30/2038	$925	$803	$144	$1,873
9/30/2039	$965	$760	$147	$1,873
9/30/2040	$1,007	$716	$150	$1,873
9/30/2041	$1,051	$669	$153	$1,874
9/30/2042	$1,098	$620	$156	$1,874
9/30/2043	$1,146	$570	$159	$1,875
9/30/2044	$1,197	$517	$163	$1,876
9/30/2045	$1,249	$461	$166	$1,876
9/30/2046	$1,304	$404	$169	$1,877
9/30/2047	$1,363	$344	$173	$1,879
9/30/2048	$1,422	$281	$176	$1,878
9/30/2049	$1,485	$215	$179	$1,879
9/30/2050	$1,552	$146	$183	$1,881
9/30/2051	$1,615	$75	$187	$1,876
Total	**$27,969**	**$24,008**	**$4,266**	**$56,242**

1 – The 9/30/XX dates represent the fiscal year end.
2 – Annual Installments are calculated using 4.62% interest rate on the Phase #1B Reimbursement Agreement.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix H-3
Phase #1B Assessment Roll by Lot Type

Lot Type	**Lot Type 2 (50 Ft)**
Assessment	**$23,297.96**
Equivalent Unit	**0.833**

Year [1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$403	$1,076	$88	$1,567
9/30/2023	$415	$1,058	$89	$1,562
9/30/2024	$433	$1,039	$91	$1,562
9/30/2025	$450	$1,019	$93	$1,562
9/30/2026	$468	$998	$95	$1,560
9/30/2027	$487	$976	$97	$1,560
9/30/2028	$508	$954	$99	$1,560
9/30/2029	$529	$930	$101	$1,560
9/30/2030	$552	$906	$103	$1,560
9/30/2031	$575	$880	$105	$1,560
9/30/2032	$599	$854	$107	$1,560
9/30/2033	$625	$826	$109	$1,560
9/30/2034	$652	$797	$111	$1,560
9/30/2035	$680	$767	$113	$1,560
9/30/2036	$708	$736	$116	$1,559
9/30/2037	$739	$703	$118	$1,560
9/30/2038	$771	$669	$120	$1,560
9/30/2039	$804	$633	$123	$1,560
9/30/2040	$839	$596	$125	$1,560
9/30/2041	$876	$557	$128	$1,561
9/30/2042	$914	$517	$130	$1,561
9/30/2043	$955	$475	$133	$1,562
9/30/2044	$997	$430	$135	$1,563
9/30/2045	$1,041	$384	$138	$1,563
9/30/2046	$1,086	$336	$141	$1,563
9/30/2047	$1,135	$286	$144	$1,565
9/30/2048	$1,184	$234	$147	$1,564
9/30/2049	$1,237	$179	$149	$1,565
9/30/2050	$1,293	$122	$152	$1,567
9/30/2051	$1,345	$62	$156	$1,563
Total	**$23,298**	**$19,999**	**$3,553**	**$46,850**

1 – The 9/30/XX dates represent the fiscal year end.
2 – Annual Installments are calculated using 4.62% interest rate on the Phase #1B Reimbursement Agreement.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Appendix H-4
Phase #1B Assessment Roll by Lot Type

Lot Type	**Lot Type 3 (40 Ft)**
Assessment	**$18,655.15**
Equivalent Unit	**0.667**

Year [1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
9/30/2022	$323	$862	$70	$1,255
9/30/2023	$332	$847	$72	$1,251
9/30/2024	$346	$832	$73	$1,251
9/30/2025	$360	$816	$74	$1,251
9/30/2026	$375	$799	$76	$1,249
9/30/2027	$390	$782	$77	$1,249
9/30/2028	$407	$764	$79	$1,249
9/30/2029	$424	$745	$81	$1,249
9/30/2030	$442	$725	$82	$1,249
9/30/2031	$460	$705	$84	$1,249
9/30/2032	$480	$684	$85	$1,249
9/30/2033	$501	$661	$87	$1,249
9/30/2034	$522	$638	$89	$1,249
9/30/2035	$544	$614	$91	$1,249
9/30/2036	$567	$589	$93	$1,248
9/30/2037	$592	$563	$94	$1,249
9/30/2038	$617	$536	$96	$1,249
9/30/2039	$644	$507	$98	$1,249
9/30/2040	$672	$477	$100	$1,249
9/30/2041	$701	$446	$102	$1,250
9/30/2042	$732	$414	$104	$1,250
9/30/2043	$764	$380	$106	$1,251
9/30/2044	$798	$345	$108	$1,251
9/30/2045	$833	$308	$111	$1,252
9/30/2046	$870	$269	$113	$1,252
9/30/2047	$909	$229	$115	$1,253
9/30/2048	$948	$187	$117	$1,253
9/30/2049	$990	$143	$120	$1,253
9/30/2050	$1,035	$98	$122	$1,255
9/30/2051	$1,077	$50	$125	$1,252
Total	**$18,655**	**$16,013**	**$2,845**	**$37,514**

1 – The 9/30/XX dates represent the fiscal year end.
2 – Annual Installments are calculated using 4.62% interest rate on the Phase #1B Reimbursement Agreement.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Legacy Hills PID Phase #1A-1B SAP Levy Ordinance)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Sutton Fields East - PID Creation

Action Requested:
Conduct a public hearing to consider testimony and act upon a resolution of the City of Celina, Texas authorizing and creating the Sutton Fields East Public Improvement District in accordance with Chapter 372 of the Texas Local Government Code; providing for related matters; and providing an effective date. (Sutton Fields East - PID Creation) (Lopez)

Background:
Please refer to the attachments for additional information.

Supporting Documents:
- Staff Presentation
- Draft Resolution

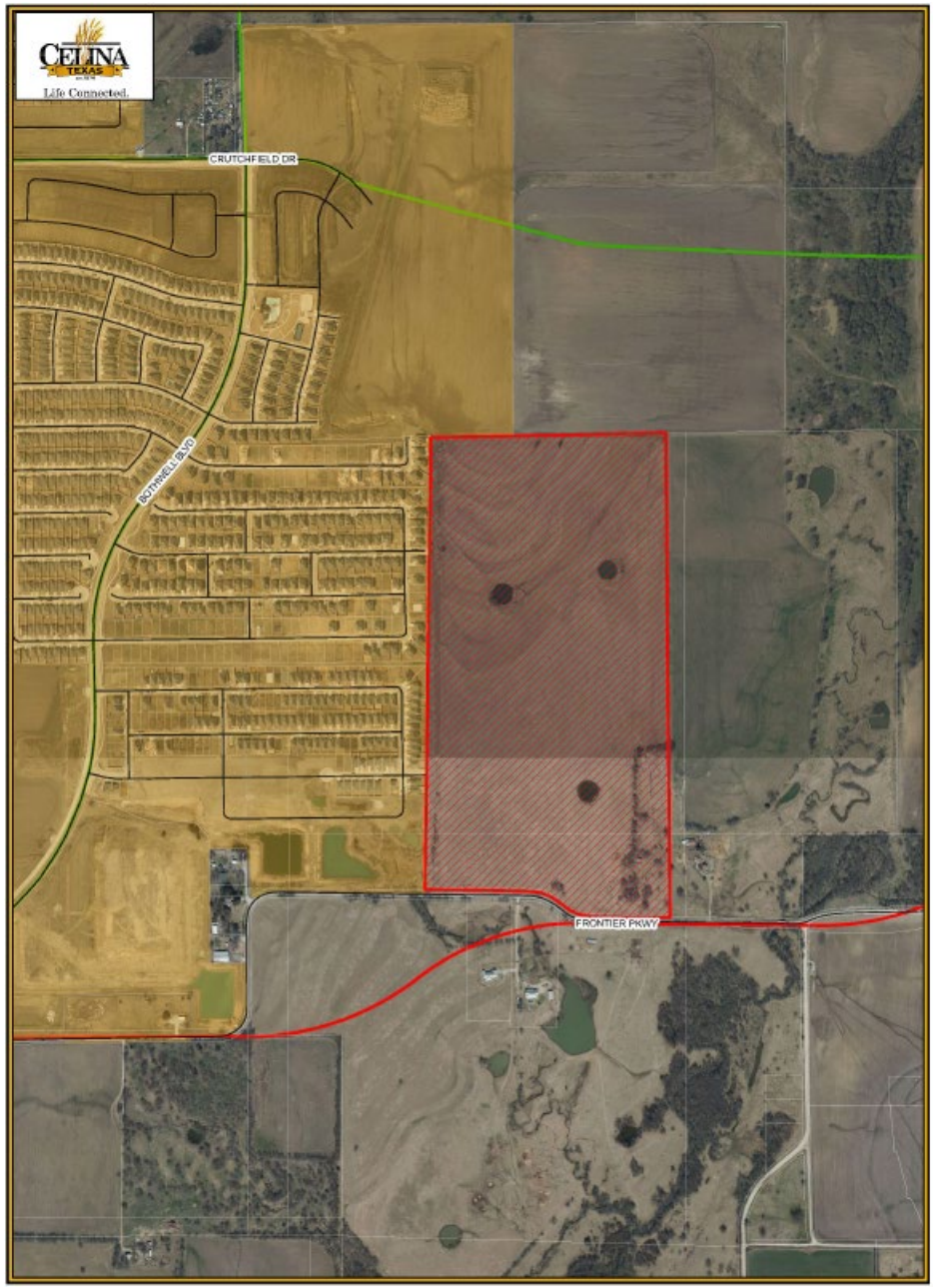
Staff Recommendation:
Staff recommends approval as presented.

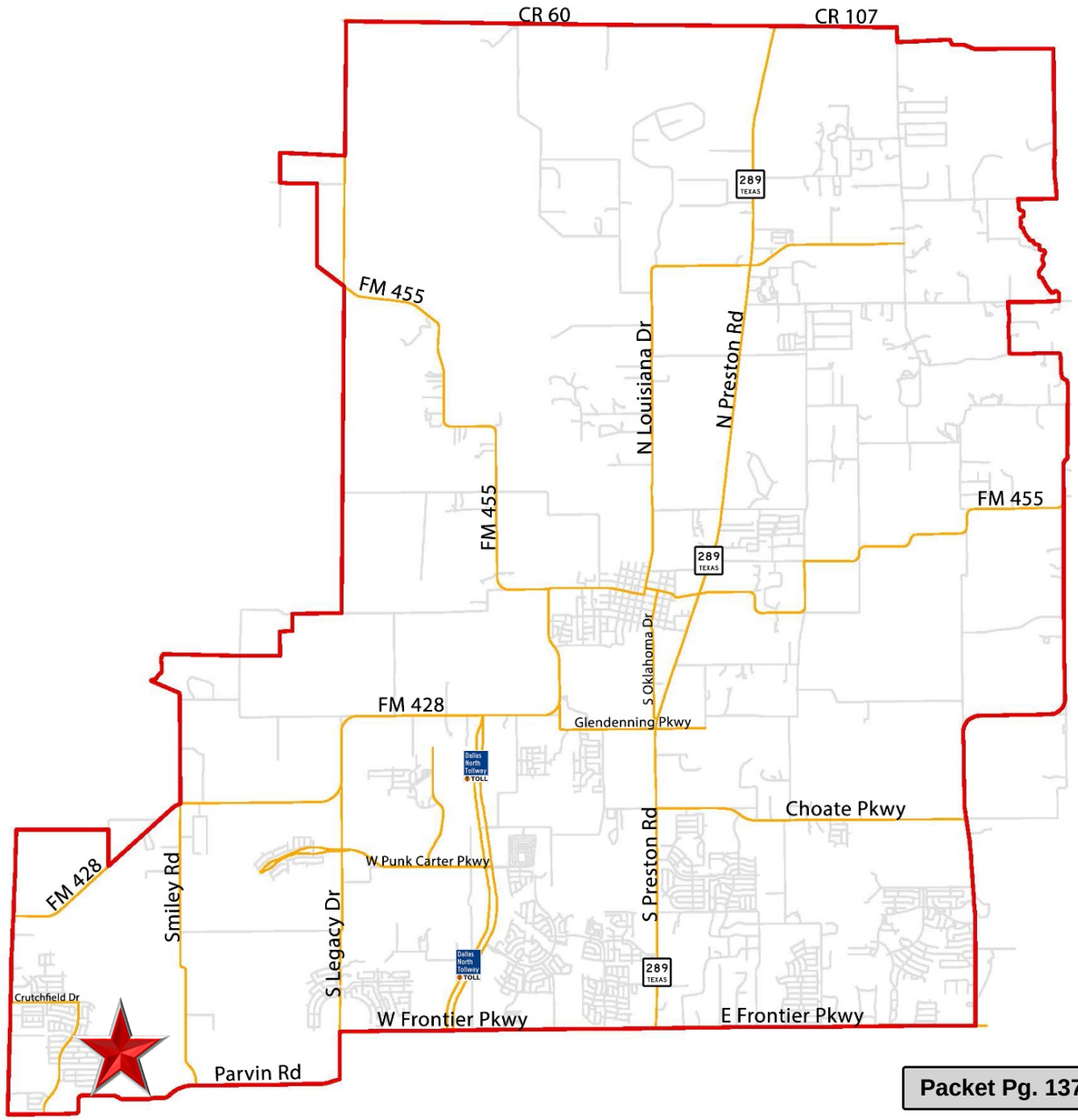
SUTTON FIELDS EAST

PID CREATION

City Council
October 12, 2021

Attachment: Staff Presentation (Sutton Fields East - PID Creation)





Attachment: Staff Presentation (Sutton Fields East - PID Creation)

BACKGROUND

- The Development Agreement (DA) for the subject property was approved by Council on August 10th, 2021
- The DA allowed for a PID to fund, in part, the Public infrastructure associated with the project

Attachment: Staff Presentation (Sutton Fields East - PID Creation)

PID OVERVIEW

- The PID will consist of approximately 110 acres with extensive infrastructure needed to serve the project
- Maximum funding of $25mm in Authorized Improvements costs

Attachment: Staff Presentation (Sutton Fields East - PID Creation)

PID TIMELINE

- ~~August 10, 2021 – PID Petition Resolution~~
- October 12, 2021 – PID Creation Resolution
- October 12, 2021 – Pre-SAP Resolution & Calling Assessment (Action item)
- Later Date – SAP/Levy Ordinance

Attachment: Staff Presentation (Sutton Fields East - PID Creation)

RECOMMENDATION

- Staff recommends approval per the governing Development Agreement

Attachment: Staff Presentation (Sutton Fields East - PID Creation)

CITY OF CELINA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF CELINA, TEXAS AUTHORIZING AND CREATING THE SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City" or "Celina"), is authorized under Chapter 372 of the Texas Local Government Code (the "Act"), to create a public improvement district within its City limits or its extraterritorial jurisdiction ("ETJ"); and

WHEREAS, on August 24, 2021, the (1) owner(s) of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located and (2) record owner of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal (the "Petitioner"), submitted and filed with the City Secretary of Celina (the "City Secretary") a petition ("Petition") requesting the establishment of a public improvement district for property within the ETJ of the City; and

WHEREAS, the Petition requested the creation of the Sutton Fields East Public Improvement District (the "District"), which District is located within the ETJ of the City, as more particularly depicted in **Exhibit B** and described by metes and bounds in **Exhibit A** (the "Property") each attached hereto and incorporated herein for all purposes; and

WHEREAS, the City Council of Celina, Texas (the "City Council") has investigated and determined that the facts contained in the Petition are true and correct; and

WHEREAS, after publishing notice in a newspaper of general circulation in the City and in a newspaper of general circulation in the portion of the ETJ of the City in which the District is located or in which the improvements are to be undertaken, and mailing notice of the hearing, all

Attachment: Draft Resolution (Sutton Fields East - PID Creation)

as required by and in conformity with the Act, the City Council opened a public hearing on the advisability of the improvements and services on *October 12, 2021*; and

WHEREAS, the City Council closed the public hearing on the advisability of the improvements and services on *October 12, 2021*.

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

Section 1. The findings set forth in the recitals of this Resolution are found to be true and correct.

Section 2. The Petition submitted to Celina by the Petitioner was filed with the City Secretary and complies with Section 372.005 of the Act.

Section 3. Pursuant to the requirements of the Act, including, without limitation, Sections 372.006, 372.009(a), 372.009(b), the City Council, after considering the Petition and the evidence and testimony presented at the public hearing on *October 12, 2021*, hereby finds and declares:

(a) **Advisability of the Proposed Improvements**. It is advisable to create the District to provide the Authorized Improvements (as described below). The Authorized Improvements are feasible and desirable and will promote the interests of Celina and will confer a special benefit on the Property.

(b) **General Nature of the Authorized Improvements.** The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) projects similar to

Attachment: Draft Resolution (Sutton Fields East - PID Creation)

those listed in subsections (i) - (iv) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vi) special supplemental services for improvement and promotion of the district; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (vii) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (vii) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

(c) **Estimated Costs of the Authorized Improvements and Apportionment of Costs.** The estimated total costs of the Authorized Improvements is $25,000,000.00, which costs shall be paid by assessment of the property owners within the proposed District. The developer of the Property (the "Developer") will be obligated for the costs of certain specified Authorized Improvements within the District. The City will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on real property within the District, and possible tax increment reinvestment zone revenue, if created. The City and the Developer may be reimbursed for the costs of certain specified Authorized Improvements from assessments levied within the District. No municipal property in the District shall be assessed. The Developer may also pay certain costs of the Authorized Improvements from other funds available to the Developer.

(d) **Boundaries of the District.** The District shall include approximately *110* acres of land generally located *east of Wilder Avenue and north of Parvin Road*, located within the ETJ of the City, as more particularly depicted in **Exhibit B** attached hereto, and as more properly described by metes and bounds in **Exhibit A** attached hereto.

(e) **Proposed Method of Assessment.** The City shall levy an assessment on each parcel of the Property within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. All assessments, including interest, may be paid in full at any time, and certain assessments may be paid in annual installments,

Attachment: Draft Resolution (Sutton Fields East - PID Creation)

with interest. If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessments, and must continue for a period necessary to retire the indebtedness for those Authorized Improvements (including interest).

(f) **Management of the District.** The District shall be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

(g) **Advisory Board.** The District shall be managed without the creation of an advisory body.

Section 4. The Sutton Fields East Public Improvement District is hereby authorized and created as a public improvement district under the Act in accordance with the findings of the City Council as to the advisability of the Authorized Improvements contained in this Resolution, the nature and the estimated costs of the Authorized Improvements, the boundaries of the District, the method of assessment, and the apportionment of costs as described herein; and the conclusion that the District is needed to fund such Authorized Improvements.

Section 5. The City Council hereby authorizes and directs the City Secretary, not later than the seventh day after the date of the adoption of this Resolution, and in accordance with the Act, to file a copy of this Resolution authorizing the District with the county clerk of each county in which all or part of the public improvement district is located. Effective upon the passage of this Resolution, the District shall be authorized and established.

Section 6. This Resolution shall take effect immediately from and after its passage and publication as required by law.

Attachment: Draft Resolution (Sutton Fields East - PID Creation)

PASSED, APPROVED AND ADOPTED on the *12th day of October, 2021*.

_____
Mindy Koehne, Mayor Pro-Tem

ATTEST:

_____
Vicki Tarrant, City Secretary

Attachment: Draft Resolution (Sutton Fields East - PID Creation)

EXHIBIT A
PROPERTY METES AND BOUNDS DESCRIPTION

BEING that certain tract of land situated in the Jacob Rue Survey, Abstract No. 1109, and the Hiram Rue Survey, Abstract No. 1111, in Denton County, Texas, and being part of that certain tract of land described in deed to Jo Lynn Carey Ninemire, Laura Jean Carey Ninemire, and Mark Carlton Carey recorded in Document No. 2014-16824, of the Real Property Records of Denton County, Texas (RPRDCT), and being more particularly described as follows:

BEGINNING at a 60D nail in asphalt found in the approximate center of Parvin Road (undedicated public road), said nail being an ell corner of a line described in Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDCT, from which a 3/8-inch iron rod found bears North 89º11'44" West, a distance of 1163.46 feet;

THENCE North 00º41'45" East, with a line described in said Boundary Line Agreement, as located on a west line of said Carey tract, a distance of 2985.21 feet to a 1/2-inch iron rod found for corner;

THENCE North 89º13'31" East, with a line described in said Boundary Line Agreement, as located on the most northerly line of said Carey tract, a distance of 527.69 feet to a capped 5/8-inch iron rod found for corner;

THENCE North 89º13'50" East, with the most northerly line of said Carey tract, and the south line of that certain tract of land described in deed to Smiley Road, Ltd. recorded in Instrument No. 2006-2064, RPRDCT, a distance of 998.50 feet to a 1/2-inch iron rod found for corner at the most northerly northeast corner of said Carey tract, and the northwest corner of that certain tract of land described as First Tract in deed to Brice Jackson, Bobby C. Jackson, and Nolan P. Jackson recorded in Volume 4910, Page 2975 (Document No. 2001-R0089934), RPRDCT;

THENCE South 00º26'26" East, with the most northerly east line of said Carey tract and the west line of said Jackson tract, passing at a called distance of 3155.56 feet an interior ell corner of said Carey tract, continuing in all, a total distance of 3181.36 feet to a 3/8-inch iron rod found for corner in said approximate center of Parvin Road;

THENCE North 89º16'58" West, over and across said Carey tract, and with the approximate center of Parvin Road, a distance of 505.81 feet to a point for corner at the beginning of a tangent curve to the right;

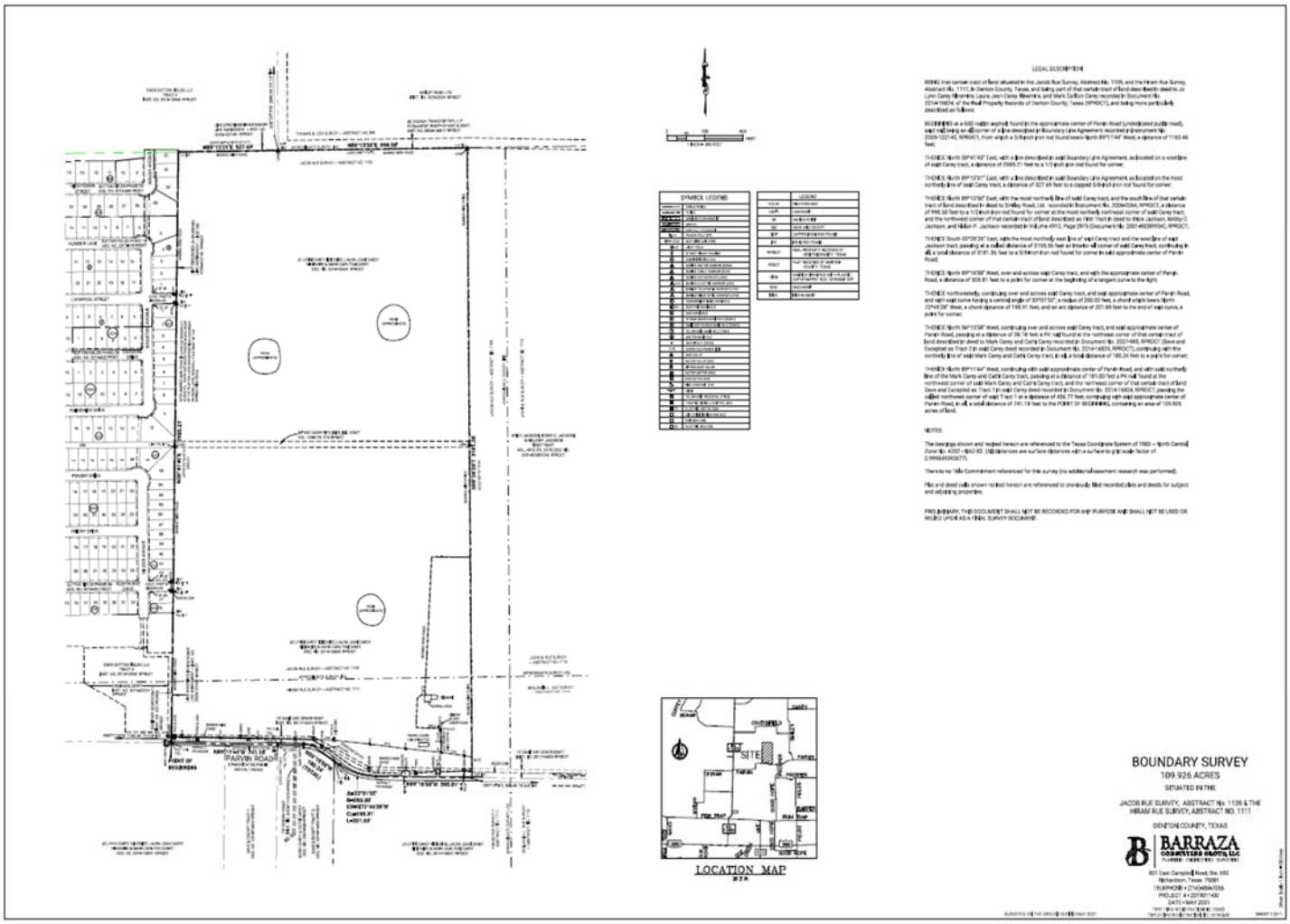
THENCE northwesterly, continuing over and across said Carey tract, and said approximate center of Parvin Road, and with said curve having a central angle of 33º01'00", a radius of 350.00 feet, a chord which bears North 72º46'28" West, a chord distance of 198.91 feet, and an arc distance of 201.69 feet to the end of said curve, a point for corner;

THENCE North 56º15'58" West, continuing over and across said Carey tract, and said approximate center of Parvin Road, passing at a distance of 38.18 feet a PK nail found at the northeast corner of that certain tract of land described in deed to Mark Carey and Cathi Carey recorded in Document No. 2007-985, RPRDCT (Save and Excepted as Tract 2 in said Carey deed recorded in Document No. 2014-16824, RPRDCT), continuing with the northerly line of said Mark Carey and Cathi Carey tract, in all, a total distance of 180.24 feet to a point for corner;

THENCE North 89º11'44" West, continuing with said approximate center of Parvin Road, and with said northerly line of the Mark Carey and Cathi Carey tract, passing at a distance of 181.00 feet a PK nail found at the northwest corner of said Mark Carey and Cathi Carey tract, and the northeast corner of that certain tract of land Save and Excepted as Tract 1 in said Carey deed recorded in Document No. 2014-16824, RPRDCT, passing the called northwest corner of said Tract 1 at a distance of 456.77 feet, continuing with said approximate center of Parvin Road, in all, a total distance of 741.18 feet to the POINT OF BEGINNING, containing an area of 109.926 acres of land.

Attachment: Draft Resolution (Sutton Fields East - PID Creation)

EXHIBIT B
PROPERTY DEPICTION



Attachment: Draft Resolution (Sutton Fields East - PID Creation)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Bella Lopez, Senior Planner
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: Wilson Creek Meadows PID SAP - Levy Ordinance

Action Requested:
Conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Wilson Creek Meadows Improvement District Service and Assessment Plan, including the Improvement Area #1 assessment roll; making a finding of special benefit to property within Improvement Area #1 of the Wilson Creek Meadows Public Improvement District; levying special assessments against such property and establishing a lien on such property; providing for the method of assessment and the payment of the assessments levied against Improvement Area #1 assessed property, in accordance with Chapter 372 of the Texas Local Government Code, as amended. (Wilson Creek Meadows PID SAP – Levy Ordinance) (Lopez)

Background:
Please refer to the attachments for additional information.

Supporting Documents:
· Staff Presentation
· Draft Ordinance

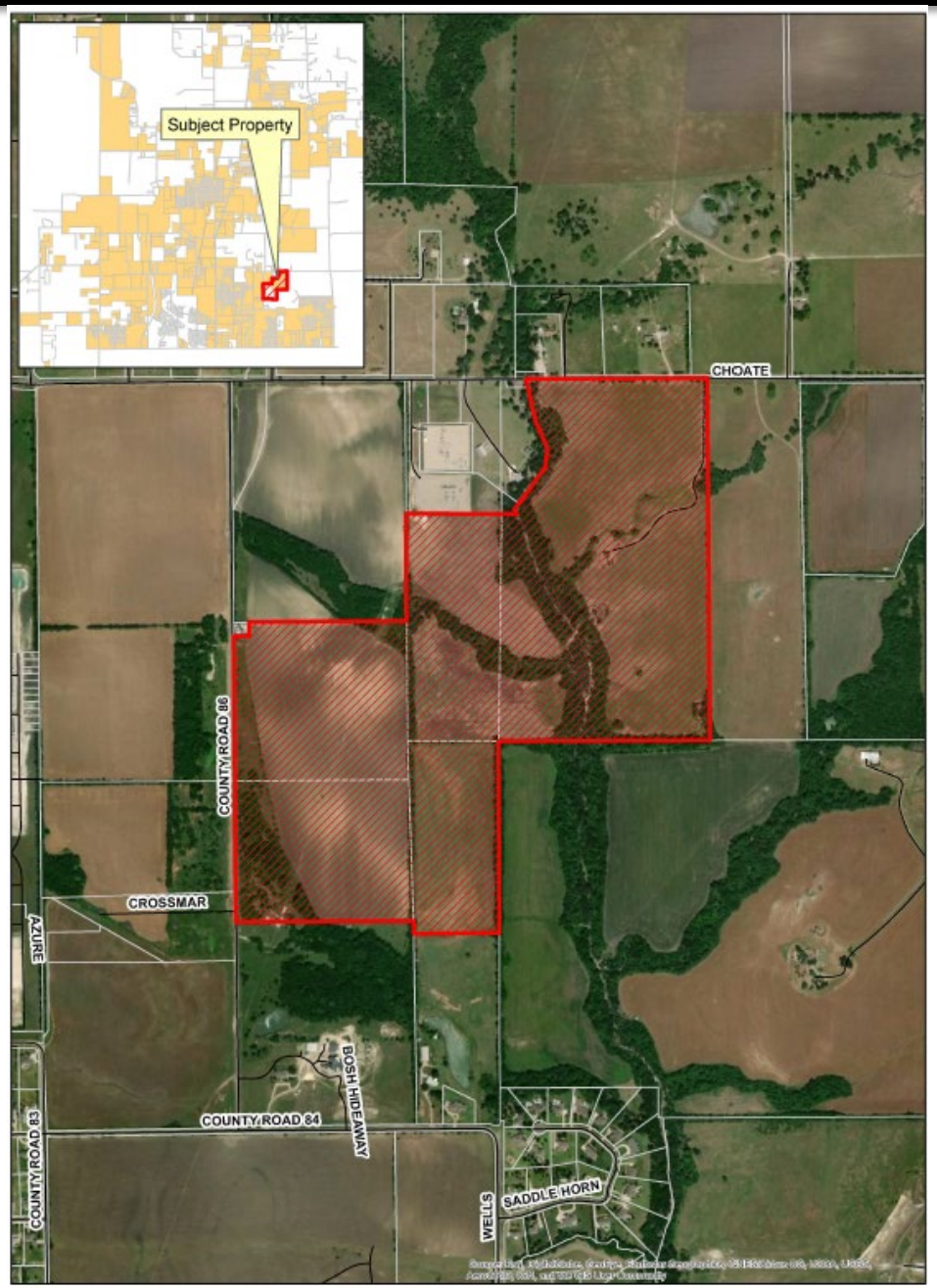
Staff Recommendation:
Staff recommends approval.

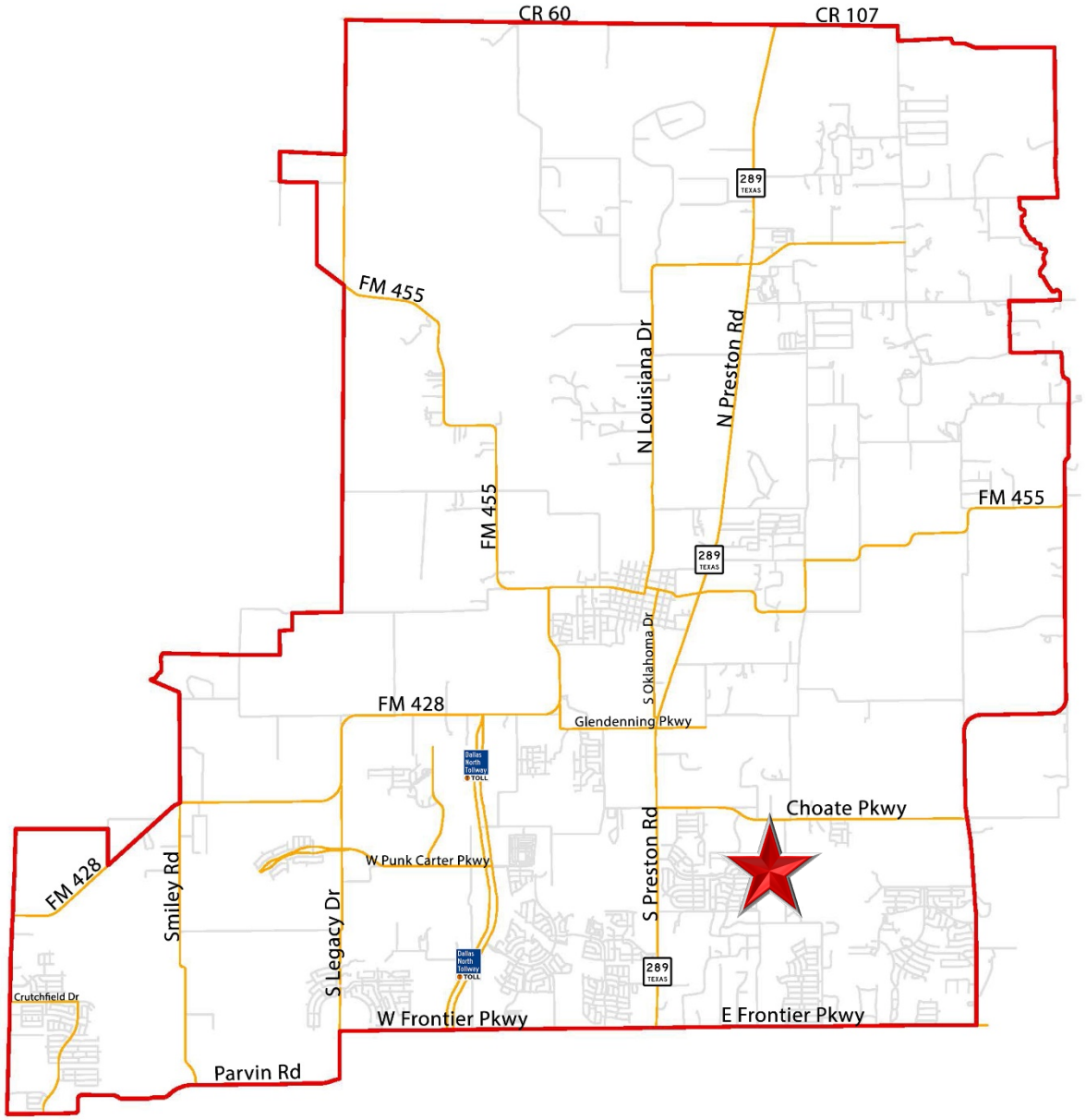
WILSON CREEK MEADOWS

PID ASSESSMENT LEVY

City Council
October 12, 2021

Attachment: Staff Presentation (Wilson Creek Meadows PID SAP – Levy Ordinance)





Attachment: Staff Presentation (Wilson Creek Meadows PID SAP – Levy Ordinance)

PID OVERVIEW

- 652 lots
- Estimated Authorized Improvement cost: $13 mm
- Estimated PID assessment amount: $13 mm

Attachment: Staff Presentation (Wilson Creek Meadows PID SAP – Levy Ordinance)

PID ASSESSMENT

Assessment per Unit	
70’ Lot	$31,770
60’ Lot	$30,464
50’ Lot	$29,159

Attachment: Staff Presentation (Wilson Creek Meadows PID SAP – Levy Ordinance)

TIRZ TIMELINE

- ~~June 11, 2019 – PID Petition Acceptance~~
- ~~July 9, 2019 – PID Creation Resolution~~
- ~~September 14, 2021– Pre-SAP Resolution~~
- October 12, 2021– SAP/Levy Ordinance
- October 12, 2021– Reimbursement Agreement (Action item)

Attachment: Staff Presentation (Wilson Creek Meadows PID SAP – Levy Ordinance)

RECOMMENDATION

- Staff recommends approval as presented

Attachment: Staff Presentation (Wilson Creek Meadows PID SAP – Levy Ordinance)

ORDINANCE NO. 2021-____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND IMPROVEMENT AREA #1 ASSESSMENT ROLL FOR THE WILSON CREEK MEADOWS PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN IMPROVEMENT AREA #1 OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN IMPROVEMENT AREA #1 OF THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE IMPROVEMENT AREA #1 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 consisting of certain property, a portion of which was located within the corporate limits of the City and a portion of which was located in the extraterritorial jurisdiction of the City; 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 July 9, 2019, 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. 2019-38R (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the Wilson Creek Meadows 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, the District is now located entirely within the corporate limits of the City; and

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

WHEREAS, on September 14, 2021, the City Council adopted a resolution approving a preliminary service and assessment plan, including a proposed assessment roll for Improvement Area #1 of the District; calling for a public hearing to consider an ordinance levying assessments on property within Improvement Area #1 of the District (the "Assessments"); authorizing and directing the City Secretary of the City to file the proposed assessment roll for Improvement Area #1 of the District and make such assessment roll available for public inspection; authorizing and directing the publication of notice of a public hearing to consider the levying of the Assessments against the property within Improvement Area #1 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 September 15, 2021, the City Secretary filed the Improvement Area #1 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 September 20, 2021 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 addresses of the owners of the property liable for the Improvement Area #1 Assessments; and

WHEREAS, the City Council opened the Levy and Assessment Hearing on October 12, 2021, and 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 Improvement Area #1 Assessment Roll, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the Actual Costs of the Authorized Improvements to be undertaken for the benefit of the Improvement Area #1 Assessed Property (as defined in the Service and Assessment Plan) (the "Improvement Area #1 Improvements"), the purposes of the Assessments, the special benefits of the Improvement Area #1 Improvements, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the City Council finds and determines that the Improvement Area #1 Assessment Roll and the Wilson Creek Meadows Public Improvement District Service and Assessment Plan, dated October 12, 2021, in a form substantially similar to the attached ***Exhibit A*** (as updated, the "Service and Assessment Plan"), and which is incorporated herein for all purposes, should be approved and that the Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the assessment roll attached thereto as Appendix G (the "Improvement Area #1 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 Improvement Area #1 Improvements (as described in the Service and

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Assessment Plan), the Improvement Area #1 Assessment Roll, or the levy of the Assessments against the Improvement Area #1 Assessed Property; and

WHEREAS, the owners (the "Landowners"), or their representatives, of the majority of the privately-owned and taxable property located within Improvement Area #1 of the District, who are the persons to be assessed pursuant to this Ordinance, have indicated their approval and acceptance of the Service and Assessment Plan, approval of the Improvement Area #1 Assessment Roll, approval of this Ordinance, and approval of the levy of the Assessments against their property located within Improvement Area #1 of the District; 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 Improvement Area #1 Improvements (as reflected in the Service and Assessment Plan), and the Administrative Expenses (as defined in and as described by the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed parcel within the Improvement Area #1 Assessed Property will receive from the construction of the Improvement Area #1 Improvements identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan (i) covers a period of at least five years, (ii) defines the annual indebtedness and projected costs for the Improvement Area #1 Improvements, and (iii) includes a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. The Service and Assessment Plan and has been reviewed and updated annually, including the updated Service and Assessment Plan attached hereto as ***Exhibit A****;*

(c) The Service and Assessment Plan apportions the Actual Costs of the Improvement Area #1 Improvements to be assessed against the Improvement Area #1 Assessed Property as Assessments and such apportionment is made on the basis of

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

special benefits accruing to the property because of the Improvement Area #1 Improvements;

(d) All of the real property in Improvement Area #1 of the District which is being assessed in the amounts shown in the Improvement Area #1 Assessment Roll will be benefited by the Improvement Area #1 Improvements proposed to be constructed as described in the Service and Assessment Plan, and each assessed parcel of Improvement Area #1 Assessed Property will receive special benefits during the term of the Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Actual Costs of the Improvement Area #1 Improvements and Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the Actual Costs of the Improvement Area #1 Improvements and Administrative Expenses 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 Improvement Area #1 Assessment Roll should be approved as the assessment roll for the Improvement Area #1 Assessed Property within the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Assessments, interest on Annual Installments, interest and penalties on delinquent Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Assessments should be approved and will expedite collection of the Assessments in a timely manner in order to provide the services and improvements needed and required for Improvement Area #1 of 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 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.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Section 4. Improvement Area #1 Assessment Roll.

The Improvement Area #1 Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Improvement Area #1 Assessment Roll of the District.

Section 5. **Levy and Payment of Assessments for Actual Costs of the Improvement Area #1 Improvements.**

(a) The City Council hereby levies an assessment on each parcel of Improvement Area #1 Assessed Property (excluding Non-Benefitted Property, as defined in the Service and Assessment Plan), as shown and described in the Service and Assessment Plan and the Improvement Area #1 Assessment Roll, in the respective amounts shown on the Improvement Area #1 Assessment Roll, as a special assessment on the properties set forth in the Improvement Area #1 Assessment Roll.

(b) The levy of the Assessments shall be effective on the date of execution of this Ordinance levying Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each 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 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 Administrative Expenses for Improvement Area #1 Assessed Property shall be calculated and collected pursuant to the terms of the Service and Assessment Plan.

Section 6. **Method of Assessment**.

The method of apportioning the Actual Costs of the Improvement Area #1 Improvements and Administrative Expenses are set forth in the Service and Assessment Plan.

Section 7. **Penalties and Interest on Delinquent Assessments.**

Delinquent 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.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Section 8. **Prepayments of Assessments**.

As provided in Section VI of the Service and Assessment Plan, the owner of any Improvement Area #1 Assessed Property subject to a Assessment may prepay the Assessments levied by this Ordinance.

Section 9. **Lien Priority**.

The City Council and the Landowners intend for the obligations, covenants and burdens on the Landowners of each parcel of Improvement Area #1 Assessed Property, including without limitation such Landowners' obligations related to payment of the Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Landowners, as the owners of each parcel of Improvement Area #1 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. 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 to initially serve, or until otherwise determined by the City Council, as the Administrator of the Service and Assessment Plan and of the 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 Administrative Expense.

(b) Appointment of Collector.

The Collin County Tax Assessor and Collector is hereby appointed and designated as the collector of the Assessments.

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 the 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 the Improvement Area #1 Assessment Roll, to be recorded in the real property records of Collin County, not later than the seventh day after the date the City Council adopts this Ordinance approving the Service and Assessment Plan. The City Secretary is further directed to similarly file each Annual Service Plan Update (as defined in the Service and Assessment Plan) approved by the City Council not

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

later than the seventh day after the date that the City Council approves each Annual Service Plan Update.

Section 13. Severability.

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of the 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 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

PASSED AND ADOPTED, this the 12th day of October, 2021.

CITY OF CELINA, TEXAS

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

(City Seal)

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 12th day of October, 2021 by Sean Terry, Mayor of the City of Celina, Texas on behalf of said City.

Notary Public, State of Texas

(SEAL)

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

EXHIBIT A

Service and Assessment Plan

WILSON CREEK MEADOWS PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

SERVICE AND ASSESSMENT PLAN

October 12, 2021

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

WILSON CREEK MEADOWS
PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On July 9, 2019 (the "Creation Date") the City Council (the "City Council") of the City of Celina, Texas (the "City") passed and approved Resolution No. 2019-38R approving and authorizing the creation of the Wilson Creek Meadows Public Improvement District (the "PID") to finance the costs of certain public improvements for the benefit of property in such public improvement district (the "Authorized Improvements"), a portion of which was located within the corporate limits of the City and a portion of which was located within the extraterritorial jurisdiction of the City on the creation date. As of December 8, 2020, all of the property is located within the corporate limits of the City.

The property in the PID is proposed to be developed in multiple phases, and the City will finance public improvements by levying assessments against benefitted property within each phase as each phase is developed. Assessments will be imposed on the property in each phase for the public improvements to be constructed for the benefit of 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. The Wilson Creek Meadows Public Improvement District 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 (i) cover a period of at least five years; (ii) define the annual indebtedness and the projected costs for improvements; and (iii) include a copy of the notice form required by Section 5.014, Property Code." The service plan is described in Section IV of this Service and Assessment Plan. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix F.

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 costs of the Authorized Improvements 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 Improvement Area #1 is included as Appendix G of this Service and Assessment Plan. The Assessments as shown or as to be shown on each Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

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, as specified in a payment request in a form that has been reviewed and approved by the City. 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, 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, City permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs 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 payment request in a form that has been reviewed and approved by the City. 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.

"Administrator" means the employee or designee of the City, identified in any indenture of trust relating to a series of Bonds or in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

"Administrative Expenses" 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, 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) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and other laws applicable to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements.

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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 in one year shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

"Annual Installment" means, with respect to each Parcel, each annual payment of: (i) the Assessments including both principal and interest, as shown on the Assessment Roll attached hereto as Appendix G (with respect to Improvement Area #1), or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, and (ii) the Administrative Expenses.

"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 the property that benefits from the Authorized Improvements to be provided by the PID on which Assessments have been imposed as shown in each Assessment Roll, as each Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes Parcels within Improvement Area #1 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 including the portion of those Annual Installments 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 Roll" means the Improvement Area #1 Assessment Roll or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

"Authorized Improvements" mean those public improvements described in Appendix B of this Service and Assessment Plan and Section 372.003 of the PID Act, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

"Bonds" mean any bonds issued by the City in one or more series and secured in whole or in part by the Assessments.

"City" means the City of Celina, Texas.

"City Council" means the duly elected governing body of the City.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

"**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: (1) GRBK Edgewood, LLC, a Texas limited liability company, for the portion of the Property within East Phase #1 and East Phase #2, and (2) Pulte Homes of Texas, L.P., a Texas limited partnership, for the portion of the Property within West Phase #1.

"Development Agreement" means that certain Development Agreement between the City and Celina Titus, LLC effective August 8, 2017 and recorded in the Real Property Records of Collin County, Texas as Document No. 20170815001091940, as amended by that certain Development Agreement between the City and Celina Titus, LLC and Celina Ownsby Coit, LLC effective June 11, 2019 and recorded in the Real Property Records of Collin County, Texas as Document No. 20190701000768090, and as partially assigned by: (1) that certain Partial Assignment of Development Agreement relating to the property within East Phase #1 and East Phase #2, by and between Celina Titus, LLC, and GRBK Edgewood, LLC effective as of December 18, 2020, and (2) that certain Partial Assignment of Development Agreement relating to the property within West Phase #1, by and between Celina Titus, LLC, Celina Ownsby Coit, LLC and Pulte Homes of Texas, L.P., effective as of June 21, 2021.

"East Phase #1" means the Assessed Property identified as East Phase #1 on the map attached as Appendix A

"East Phase #2" means the Assessed Property identified as East Phase #2 on the map attached as Appendix A

"**Future Improvement Areas**" means Improvement Areas that are fully developed after Improvement Area #1, as such areas are generally depicted in Appendix A. The Future Improvement Areas are subject to adjustment and are shown for example only.

"Homebuyer Disclosure" means the form of notice required by the PID Act and Section 5.014 of the Texas Property Code, as amended. A copy of the homebuyer disclosure for the PID is attached as Appendix F.

"Homeowner Association" means a homeowner's association or property owners' association established for the benefit of property owners within the boundaries of the PID.

"Homeowner Association Property" means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a homeowner's association.

"Improvement Area" means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within an Improvement Area will be assessed for the costs

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

of the Authorized Improvements (or the portion thereof) that specially benefit the Parcels within the Improvement Area.

"Improvement #1" means, collectively, East Phase #1, East Phase #2, and West Phase #1 to be developed and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

"**Improvement Area #1 Assessed Property**" means all Parcels within Improvement Area #1 other than Non-Benefited Property and shown in the Improvement Area #1 Assessment Roll against which an Assessment relating to the Improvement Area #1 Improvements is levied.

"Improvement Area #1 Assessment Roll" means the document included in this Service and Assessment Plan as Appendix G**,** 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.

"Improvement Area #1 Maximum Assessment Per Unit" means for Improvement Area #1 an Assessment per unit relating to the Improvement Area #1 Improvements for each applicable Lot Type as follows:

Lot Type 1 (70 Ft) - $31,770.49
Lot Type 2 (60 Ft) - $30,464.85
Lot Type 3 (50 Ft) - $29,159.21

"**Improvement Area #1 Improvements**" mean the Authorized Improvements which only benefit Improvement Area #1 Assessed Property, which are described in Section III.B.

"Improvement Area #1 Reimbursement Obligation" means an amount not to exceed $12,864,000 secured by the Assessments levied against the Improvement Area #1 Assessed Property to be paid to the Original Developer pursuant to the Reimbursement Agreement.

"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 average home value for each home at the time of assessment levy, 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.

"Non-Benefited Property" means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that

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create an exclusive use for a public utility provider to the extent they accrue no special benefit. 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.E.

"Original Developer" means, collectively, Celina Titus, LLC, a Texas limited liability company, and Celina Ownsby Coit, LLC, a Texas limited liability company.

"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 real property records of Collin County.

"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.

"**Prepayment Costs**" mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

"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.

"Reimbursement Agreement" means that certain "Reimbursement Agreement – Wilson Creek Meadows Public Improvement District", dated October 12, 2021, by and between the City and the Original Developer in which the City agrees to reimburse Original Developer for a portion of such Actual Costs expended by Developer in accordance with the Development Agreement for Authorized Improvements constructed and accepted by the City for the benefit of the Assessed Property with interest as permitted by the PID Act.

"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.

"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 the Trust Indenture, including a substitute fiscal agent or trustee.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

"West Phase #1" means the Assessed Property identified as West Phase #1 on the map attached as Appendix A

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Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the City and contains approximately 185.8118 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 652 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

The property within the PID is proposed to be developed as follows:

Table II-A
Proposed Development within the PID

Proposed Development	Quantity	Measurement
Single-Family - 70 Ft	52	Units
Single-Family - 60 Ft	115	Units
Single-Family - 50 Ft	485	Units
Total	**652**	**Units**

B. PROPERTY INCLUDED IN IMPROVEMENT AREA #1

Improvement Area #1 consists of approximately 123.679 acres and is projected to consist of 434 single family residential units, to be developed as Improvement Area #1, as further described in Section III. A map of the property within Improvement Area #1 depicting the boundaries of each proposed Phase is shown in Appendix A.

Table II-A
Proposed Development

Proposed Development	Quantity	Measurement
Single-Family - 70 Ft	52	Units
Single-Family - 60 Ft	56	Units
Single-Family - 50 Ft	326	Units
Total	**434**	**Units**

C. PROPERTY INCLUDED IN FUTURE IMPROVEMENT AREAS

As Future Improvement Areas are developed, Assessments may be levied against for each new Improvement Area. In connection with the levy of Assessments, or with the issuance of each series of Bonds, this Service and Assessment Plan will be updated to add additional details of each new Improvement Area(s) similar to what is shown for Improvement Area #1 in Section II.B. A map

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

of the projected property within each Future Improvement Area is shown in Appendix A. The Future Improvement Areas are shown for illustrative purposes only and are subject to adjustment. The current Parcels in Improvement Area #1 are shown on the Assessment Roll included as Appendix G.

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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Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

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;

(xiv) payment of expenses incurred in the establishment, administration and operation of the district; and

(xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B and III.C. below and shown in the opinion of probable costs and on the diagrams included as Appendix

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

B for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the City and an update to this Service and Assessment Plan.

B. DESCRIPTIONS AND COSTS OF THE IMPROVEMENT AREA #1 IMPROVEMENTS

The Improvement Area #1 Improvement descriptions are presented below as provided by the project engineers Kimley-Horn and Associates, Inc. The costs of the Improvement Area #1 Improvements are shown in Table III-A. The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Improvement Area #1 Improvements are as follows.

Roadway Improvements

The roadway improvement portion of the Improvement Area #1 Improvements consists of the construction of entrance road improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Improvement Area #1 Assessed Property. 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 Improvements

The water improvement portion of the Improvement Area #1 Improvements consists of construction and installation of waterlines, mains, pipes, valves, and appurtenances, necessary for the water distribution system that will service the Improvement Area #1 Assessed Property. The water improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Improvement Area #1 Improvements consists of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to the Improvement Area #1 Assessed Property. The sanitary sewer improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Improvement Area #1 Improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, which benefit the Improvement Area #1 Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Table III-A
Estimated Improvement Area #1 Improvements Costs

Authorized Improvements	East Phase #1	East Phase #2	West Phase #1	Total
Roadway Improvements	$1,371,109	$836,158	$1,999,103	$4,206,370
Water Improvements	$759,116	$338,136	$815,124	$1,912,376
Sanitary Sewer Improvements	$383,950	$366,277	$836,538	$1,586,765
Storm Drainage Improvements	$911,421	$515,700	$859,466	$2,286,587
Other Soft and Miscellaneous Costs	$1,055,227	$674,698	$1,664,047	$3,393,972
Total Authorized Improvements	**$4,480,823**	**$2,730,969**	**$6,174,278**	**$13,386,070**

Note: Costs provided by Kimley-Horn and Associates, Inc. and/or finalized construction contracts. The figures shown in Table III-A may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.

C. FUTURE IMPROVEMENT AREAS

As Future Improvement Areas are developed and/or Bonds are issued, this SAP will be amended to identify the specific Future Improvement Area Improvements that confer a special benefit to the property inside each Future Improvement Area (e.g. a Table III-B will be added to show the costs for the specific Authorized Improvements financed within the specific Future Improvement Area being developed.)

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Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

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. It is anticipated that it will take approximately 16 months to construct the Authorized Improvements.

The Budgeted Costs for the Authorized Improvements and payment of expenses incurred in the establishment, administration and operation of the PID are $13,386,070 as shown in Table IV-A. The PID Act requires that 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 Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update." The City Council shall approve the Annual Service Plan Update by ordinance each year; and, within seven (7) days from the date of approval, the City Secretary shall file a copy of the Annual Service Plan Update in the with the County Clerk of Collin County, Texas.

As Future Improvement Areas are developed and/or Bonds are issued, this Service and Assessment Plan will be amended (e.g. Table IV-B will be added for Improvement Area #2, etc.).

Table IV-A shows the estimated sources and uses of funds for the Improvement Area #1 Improvements.

Table IV-A
Estimated Sources and Uses – Improvement Area #1

Sources of Funds	**Total**
Assessment	$12,864,000
Other funding sources	$522,070
Total Sources	**$13,386,070**
Uses of Funds	
Improvement Area #1 Improvements:	
Roadway Improvements	$4,206,370
Water Improvements	$1,912,376
Sanitary Sewer Improvements	$1,586,765
Storm Drainage Improvements	$2,286,587
Other Soft and Miscellaneous Costs	$3,393,972
Sub-total	*$13,386,070*
Total Uses	**$13,386,070**

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Under the terms of the Development Agreement and the Reimbursement Agreement, the Original Developer will be reimbursed for the costs of the Improvement Area #1 Improvements constructed by the Developer, but only from Assessments levied against the Improvement Area #1 Assessed Property. This Service and Assessment Plan may be updated to include the costs of issuing Bonds, if any. However, any future update to include such costs of issuing Bonds will not increase the Assessments.

B. Annual Projected Costs and Indebtedness

The annual projected costs and annual projected indebtedness is shown by Table IV-B. 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-B
Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Cost	Annual Projected Indebtedness	Sources other than PID Bonds	Projected Improvement Area #1 Annual Installments
2021	$13,386,070	$12,864,000	$522,070	$0
2022	$0	$0	$0	$812,845
2023	$0	$0	$0	$812,845
2024	$0	$0	$0	$812,845
2025	$0	$0	$0	$812,845
2026	$0	$0	$0	$812,845
Total	**$13,386,070**	**$12,864,000**	**$522,070**	**$4,064,225**

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Improvement Area #1 Improvements shown in Table III-A and the costs associated with setting up the PID shown in Table IV-A. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer. As Future Improvement Areas are developed and or Bonds are issued, Table IV-B will be updated to identify the Authorized Improvements to be financed by such Bonds and the projected indebtedness resulting from the Bonds.

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Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

V. SERVICE 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.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Improvement Area #1 Improvements that benefit Improvement Area #1 shall be allocated on the basis of Equivalent Units calculated using the average home value of each Lot Type 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.

At this time, it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Improvement Areas will receive from the direct Authorized Improvements that will benefit each individual Phase and that are to be financed with Future Improvement Area Bonds. Therefore, Parcels will only be assessed for the special benefits conferred upon the Parcel at this time because of the Improvement Area #1 Improvements.

In connection with the development of Future Improvement Areas and/or the issuance of Bonds for the Future Improvement Areas, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Improvement Areas receives from the specific Authorized Improvements benefitting such Assessed Property.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within Improvement Area #1 as a result of the Improvement Area #1 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 Improvement Area #1 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Improvement Area #1 Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels 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.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

As Future Improvement Areas are developed and/or in connection with the issuance of Bonds, this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Improvement Area.

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 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 the close proximity of these improvements to the Assessed Property and the specific purpose of these 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 can be 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 expected to be required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Original Developer and Developer have 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; (ii) the Service and Assessment Plan and the

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Assessment Ordinance, and (iii) 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 the most beneficial means of doing so. 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 the most beneficial means of providing for the Authorized Improvements; 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 costs of the Authorized Improvements 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 costs of the Authorized Improvements 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 Improvement Area #1

For purpose of this Service and Assessment Plan, the City Council determined that the costs of the Improvement Area #1 Improvements shall be allocated to the Improvement Area #1 Assessed Property by spreading the entire Assessment for such improvements across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

The Assessment and Annual Installments for each Parcel or Lot located within Improvement Area #1 Improvements is shown on the Improvement Area #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

3. Assessment Methodology for Future Improvement Areas

When any given Future Improvement Area is developed, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Future Improvement Area.

D. ASSESSMENTS

The Assessments for the Improvement Area #1 Improvements will be levied on each Parcel or Lot according to the Improvement Area #1 Assessment Roll. The Annual Installments for the Improvement Area #1 Improvements will be collected on the dates and in the amounts shown on the Improvement Area #1 Assessment Roll, subject to revisions made during an Annual Service Plan Update. Non-Benefited Property will not be subject to any Assessments.

See Appendix E for Assessment per Equivalent Unit, leverage, and estimated tax rate equivalent calculation details.

E. ADMINISTRATIVE EXPENSES

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 each Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN IMPROVEMENT AREA #1

The Assessment and Annual Installments for each Assessed Property located within Improvement Area #1 are shown on the Improvement Area #1 Assessment Roll, attached as Appendix G, 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 from Improvement Area #1 Assessed Property in an amount sufficient to pay (i) principal and interest due under the Reimbursement Agreement for the costs of the Improvement Area #1 Improvements, and (ii) to to pay Administrative Expenses related to Improvement Area #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest applicable to the Parcel.

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE IMPROVEMENT AREAS

As Future Improvement Areas are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within the Future Improvement Area (e.g., an Appendix will be added as the Assessment Roll for Improvement Area #2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

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 number of Equivalent Units to be built on each new subdivided Parcel
D = the sum of the estimated number of Equivalent Units to be built on all of the new subdivided Parcels

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

The calculation of the estimated number of Equivalent 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 Equivalent 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. 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. If at any time the Assessment per Unit on a Parcel within Improvement Area #1 exceeds the applicable Improvement Area #1 Maximum Assessment per Unit calculated in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the applicable Improvement Area #1 Maximum Assessment per Unit calculated in this Service and Assessment Plan.

3. 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 PID Act.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

E. REDUCTION OF ASSESSMENTS, IN THE EVENT BONDS ARE ISSUED

1. If after all Authorized Improvements to be funded with a series of Bonds, if any, have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, and such excess Bond proceeds shall be applied to redeem Bonds as provided in the Indenture, 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. 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 all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, if any Bonds are issued, and such excess Bond proceeds shall be applied to redeem Bonds as provided in the Indenture, 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 Administrative Expenses. 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 number of 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 Administrative Expenses. 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 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

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

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 and Administrative Expenses. Payment of the Annual Installments shall commence with tax bills mailed after the initial issuance of Bonds.

The interest on the unpaid portion of each Assessment shall be paid: (i) at the rate of the actual interest on Bonds secured by such Assessment, if issued by the City, and (ii) if Bonds are not issued, at a rate (i) not to exceed five hundred basis points above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the City and reported in the month prior to the establishment of the Assessment and continuing for a period of five years from such date, and (ii) not to exceed two hundred basis points above such bond index rate for the period beginning with the sixth year and shall continue until the Assessment is paid in full. The Improvement Area #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on an interest rate of 4.00% for years 1 through 5 and 4.00% thereafter. Unless and until the City issues Bonds secured by Assessments levied against the Improvement Area #1 Assessed Property, the interest on the Improvement Area #1 Reimbursement Obligation under the Reimbursement Agreement shall be paid based on an interest rate of 4.00% per annum for years 1 through 5 and 4.00% per annum following the fifth Annual Installment in accordance with the Reimbursement Agreement. The index approved by the City is the *Bond Buyer Index* for which the highest average rate during the previous thirty days prior to the levy of Assessments was 2.62%. Furthermore, the Annual Installments may not exceed the amounts shown on the Improvement Area #1 Assessment Roll. Upon the issuance of Bonds for the Improvement Area #1 Improvements, the Improvement Area #1 Reimbursement Obligation shall bear interest at the rate of the Bonds, plus additional interest under Section 372.018 of the PID Act, which rate may exceed the current rates set forth in the Improvement Area #1 Assessment Roll.

The Annual Installments shall be reduced to equal the actual costs of repaying the Bonds or Reimbursement Agreement obligation 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.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

The City reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act. 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 consider, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include 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 for 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 PID Act.

The collection of the first Annual Installment for a Lot or Parcel shall commence upon the earlier of: (i) with tax bills sent the first October after issuance of a series of Bonds for the Assessed Property, such that upon the issuance of Bonds, all Assessments in the applicable phase shall begin collection, or (ii) with tax bills sent the first October occurring after the expiration of two years from the date of the levy of Assessments on the Assessed Property, such that all Assessments in the applicable phase begin collection immediately after the expiration of such two year period. Such first Annual Installment for a Lot or Parcel for which collection has begun, shall be due by January 31st of the following calendar year.

Each Improvement Area #1 Annual Installment, including the interest on the unpaid amount of an Assessment, shall be calculated as of September 1 and updated annually. Each Improvement Area #1 Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such 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 property as they become due and payable.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

VII. THE ASSESSMENT ROLL

A. IMPROVEMENT AREA #1 ASSESSMENT ROLL

The City Council has evaluated each Parcel in Improvement Area #1 (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Improvement Area #1.

The Improvement Area #1 Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Improvement Area #1 Improvements. Table VII-B summarizes the $13,386,070 in special benefit received by the Improvement Area #1 Assessed Property from the Improvement Area #1 Improvements. The par amount of the obligation owed under the Reimbursement Agreement for the Improvement Area #1 Improvements is $12,864,000, which is less than the benefit received by the Improvement Area #1 Assessed Property. Accordingly, the total Assessment to be applied to all the Improvement Area #1 Assessed Property is $12,864,000 plus Administrative Expenses. The Assessment for each Improvement Area #1 Assessed Property is calculated based on the allocation methodologies described in Section V.D and is summarized in the Improvement Area #1 Assessment Roll. The Improvement Area #1 Assessment Roll is attached hereto as Appendix G.

Table VII-A
Improvement Area #1
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements[(a)]	$13,386,070
PID Formation/Bond Costs of Issuance:	
Reserve Fund	$0
Capitalized Interest	$0
Underwriter's Discount/Underwriters Counsel	$0
Cost of Issuance	$0
Underwriters Discount	$0
PID Formation/Bond Cost of Issuance	*$0*
Total Special Benefit	**$13,386,070**
Special Benefit:	
Total Special Benefit	$13,386,070
Projected Special Assessment	$12,864,000
Excess Benefit	**$522,070**

(a) See Table III-B for details.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

B. Future Improvement Area Assessment Roll

As Future Improvement Areas are developed, this SAP will be amended to determine the Assessment for each Parcel or Lot located within such Future Improvement Area (e.g. an appendix will be added for each new Improvement Area).

C. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Improvement Area #1 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 Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.G of this Service and Assessment Plan.

Once Bonds are issued, the Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

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Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The City may elect to designate a third party to serve as Administrator. The City shall notify Original Developer and 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 Roll(s), 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 Roll(s) 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.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

The City Council reserves the right to the extent permitted by the PID Act 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; and (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.

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 determination 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.

F. Homebuyer Disclosure

The PID Act requires that this Service and Assessment Plan and each Annual Service Plan update include a copy of the notice form required by Section 5.014 of the Texas Property Code. The homebuyer disclosure is attached hereto as Appendix F and may be updated in an Annual Service Plan Update.

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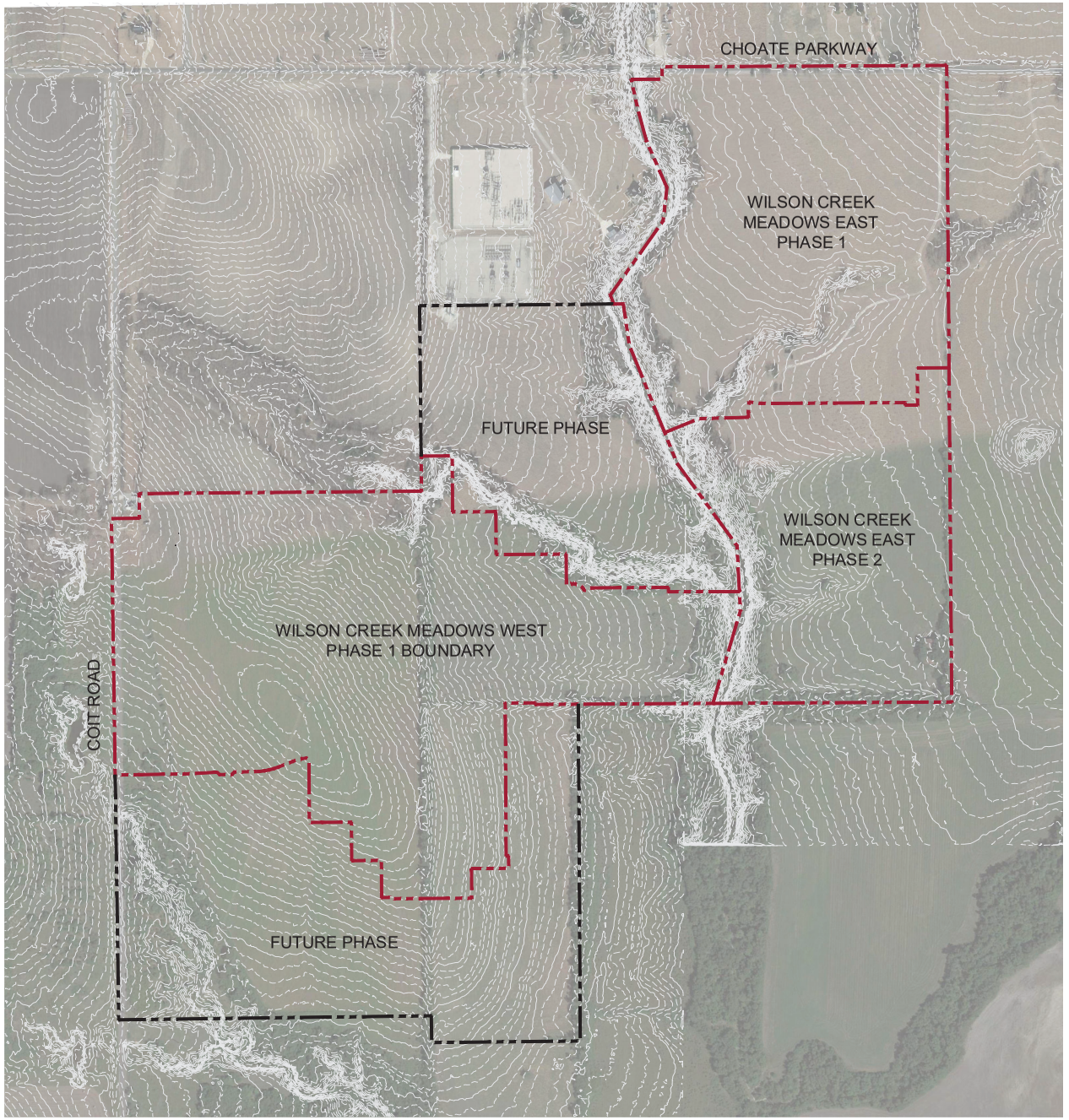
Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

APPENDIX A
PID MAP

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)



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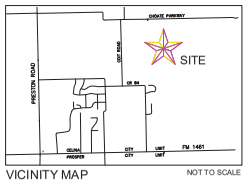

VICINITY MAP NOT TO SCALE

Wilson Creek Meadows PID

EXHIBIT 1 - BOUNDARY MAP - WILSON CREEK MEADOWS

±80.01 ACRE TRACT LOCATED IN THE JONATHAN WESTOVER SURVEY, ABSTRACT #1030 AND MCKENZIE WILHITE SURVEYS, ABSTRACTS #1008 & #1009, IN THE CITY OF CELINA, COLLIN COUNTY, TEXAS

September 2021

OWNER / APPLICANT:
Celina Ownsby Coit, LLC
Celina Titus, LLC
106 Decker Drive, Suite 310
Irving, TX 75062
P (214) 212-6326
E terry.mitchell@contrastdevelopment.com

ENGINEER / SURVEYOR:
Kimley-Horn and Associates
State of Texas Registration No. F-928
13455 Noel Road
Two Galleria Office Tower, Suite 700
Dallas, Texas 75240
P (972) 770-1300
Contact: Matt Duenwald, PE

Kimley»Horn

Plotted By: Hitch, CJ Date: September 01, 2021 08:41:25am File Path: I:\DAL_Civil\063222901-Bates Tract\Civil\Exhibits\PlanSheets\PID Exhibits\Exhibit 1 - Boundary Map - WCM.dwg
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APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

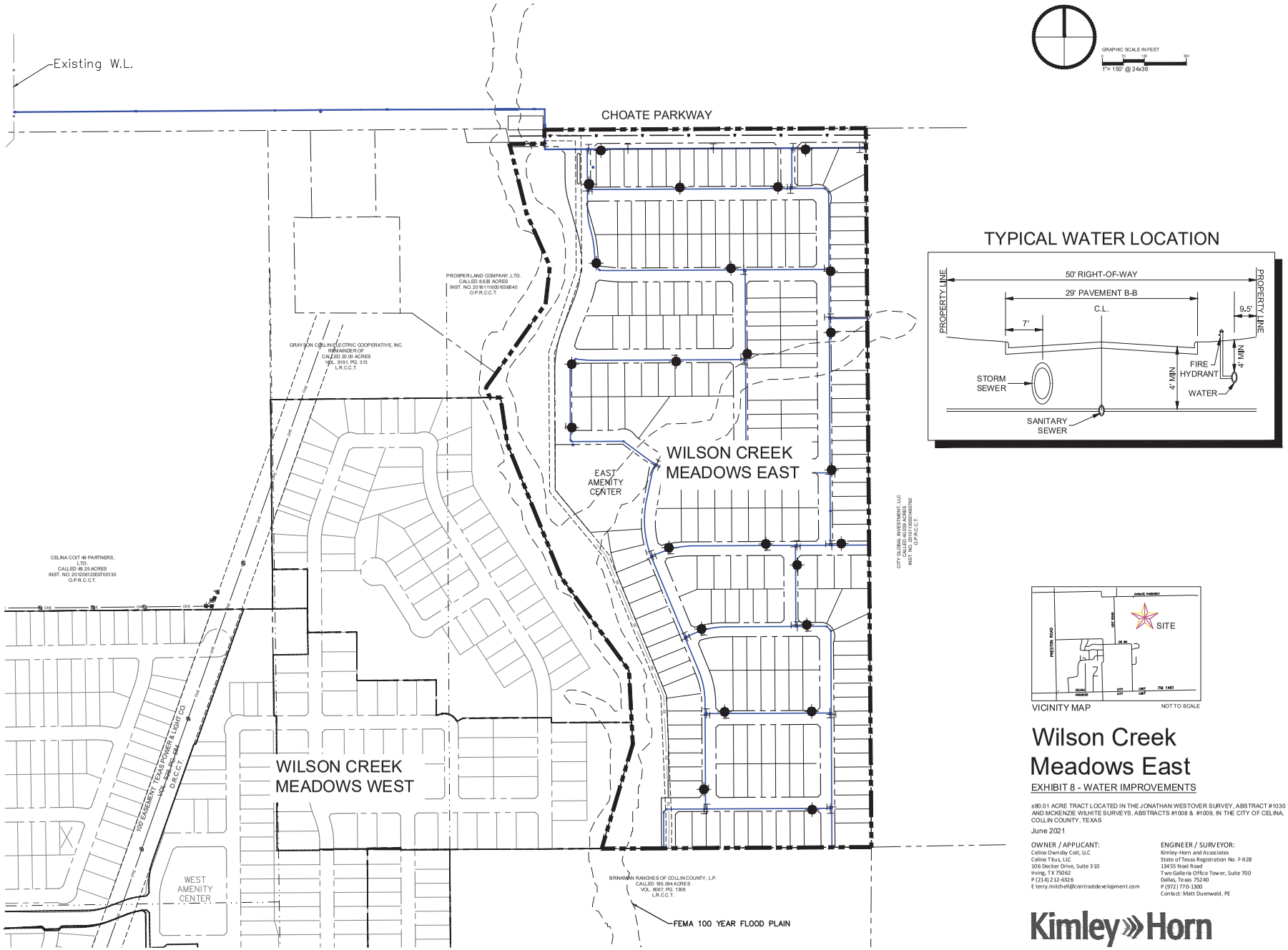
Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

WILSON CREEK MEADOWS OPINION OF PROBABLE COST			
	EAST		WEST	
	PHASE 1	PHASE 2	PHASE 1	TOTAL
PUBLIC COSTS				
ROADS (Including Excavation, Paving, Sidewalks and Barrier Free Ramps)	$1,371,109	$836,158	$1,999,103	$4,206,370
SANITARY SEWER	$383,950	$366,277	$836,538	$1,586,765
STORM DRAINAGE AND EROSION CONTROL	$911,421	$515,700	$859,466	$2,286,587
WATER SYSTEM	$759,116	$338,136	$815,124	$1,912,376
SOFT COSTS (Including Material Testing/Geotechnical Report; Engineering, Staking and Developer PID Costs; City Fees and Contingency)	$1,045,717	$666,722	$1,648,249	$3,360,689
DISTRICT FORMATION COSTS	$9,510	$7,976	$15,798	$33,283
TOTAL	$4,480,823	$2,730,969	$6,174,278	$13,386,070
PRIVATE COST				
ROADS (Including Excavation, Paving, Sidewalks and Barrier Free Ramps)	$142,059	$123,882	$335,360	$601,302
STORM DRAINAGE AND EROSION CONTROL	$11,965	$14,575	$20,600	$47,140
WATER SYSTEM	$25,628	$0	$7,000	$32,628
RETAINING WALLS	$90,420	$93,900	$929,347	$1,113,667
LANDSCAPE/ SCREENING/ TRAILS/AMENITY CENTER	$2,018,796	$71,764	$2,822,201	$4,912,761
MATERIAL TESTING/GEOTECHNICAL REPORT	$46,340	$17,825	$39,722	$103,887
CITY FEES	$195,472	$164,245	$319,489	$679,205
ENGINEERING AND STAKING	$308,341	$163,702	$112,278	$584,320
CONTINGENCY	$283,902	$64,989	$458,600	$807,491
TOTAL	$3,122,923	$714,883	$5,044,596	$8,882,402
TOTAL PROJECT - PUBLIC AND PRIVATE	$7,603,746	$3,445,852	$11,218,874	$22,268,472

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)



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TYPICAL WATER LOCATION

VICINITY MAP NOT TO SCALE

Wilson Creek Meadows East

EXHIBIT 8 - WATER IMPROVEMENTS

±80.01 ACRE TRACT LOCATED IN THE JONATHAN WESTOVER SURVEY, ABSTRACT #1030 AND MCKENZIE WILHITE SURVEYS, ABSTRACTS #1008 & #1009, IN THE CITY OF CELINA, COLLIN COUNTY, TEXAS

June 2021

OWNER / APPLICANT:
Celina Ownsby Colt, LLC
Celina Titus, LLC
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P (214) 212-6326
E terry.mitchell@contrastdevelopment.com

ENGINEER / SURVEYOR:
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State of Texas Registration No. F-928
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Dallas, Texas 75240
P (972) 770-1300
Contact: Matt Duenwald, PE

Kimley»Horn

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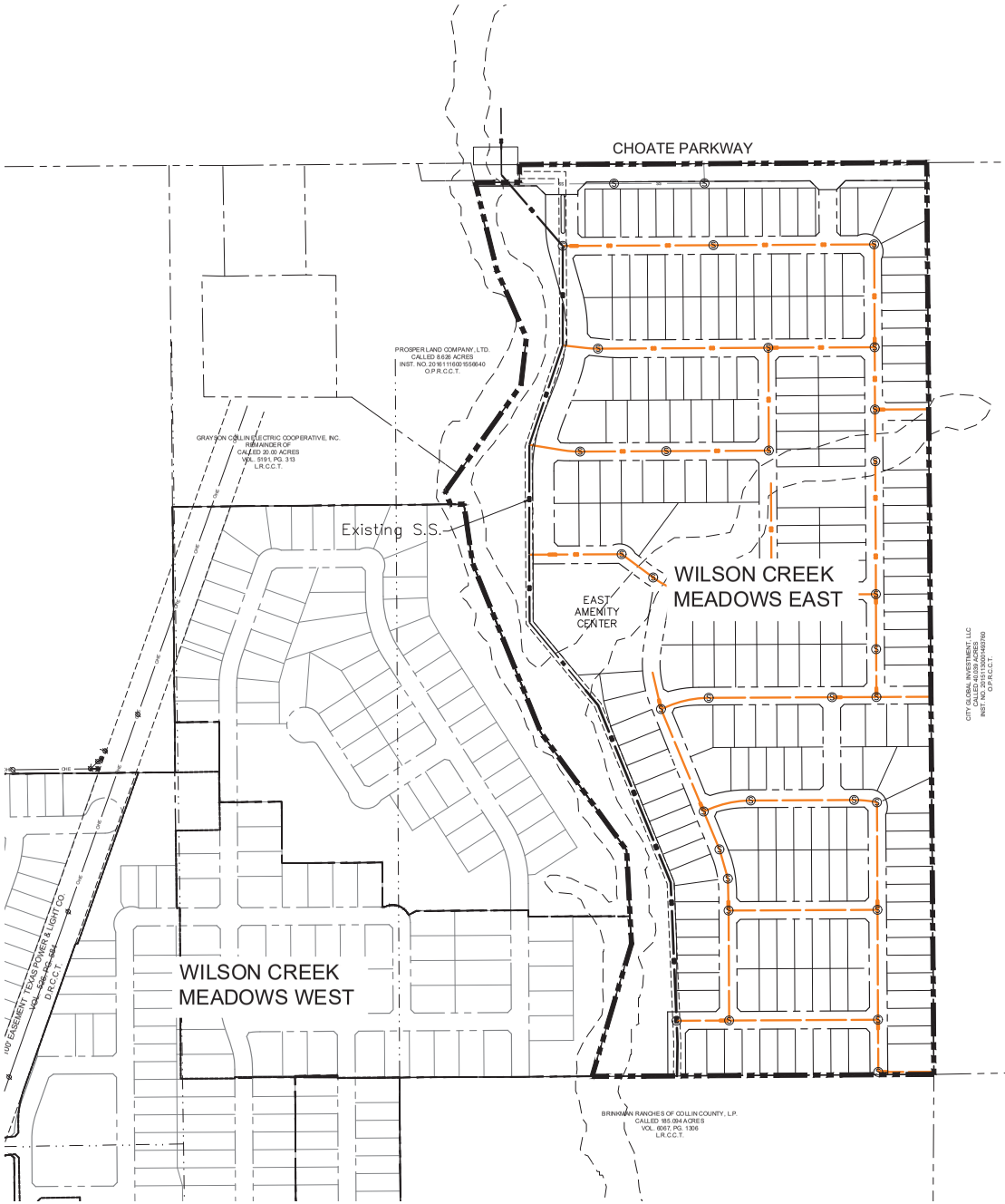

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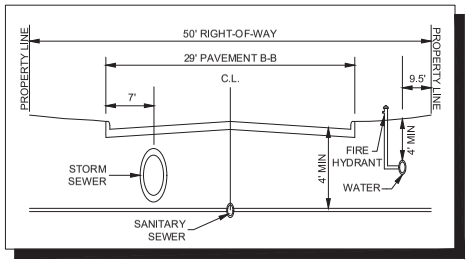

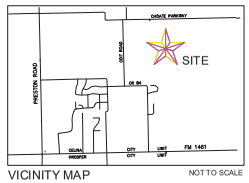

VICINITY MAP NOT TO SCALE

Wilson Creek Meadows East

EXHIBIT 9 - SEWER IMPROVEMENTS

±80.01 ACRE TRACT LOCATED IN THE JONATHAN WESTOVER SURVEY, ABSTRACT #1030 AND MCKENZIE WILHITE SURVEYS, ABSTRACTS #1008 & #1009, IN THE CITY OF CELINA, COLLIN COUNTY, TEXAS

June 2021

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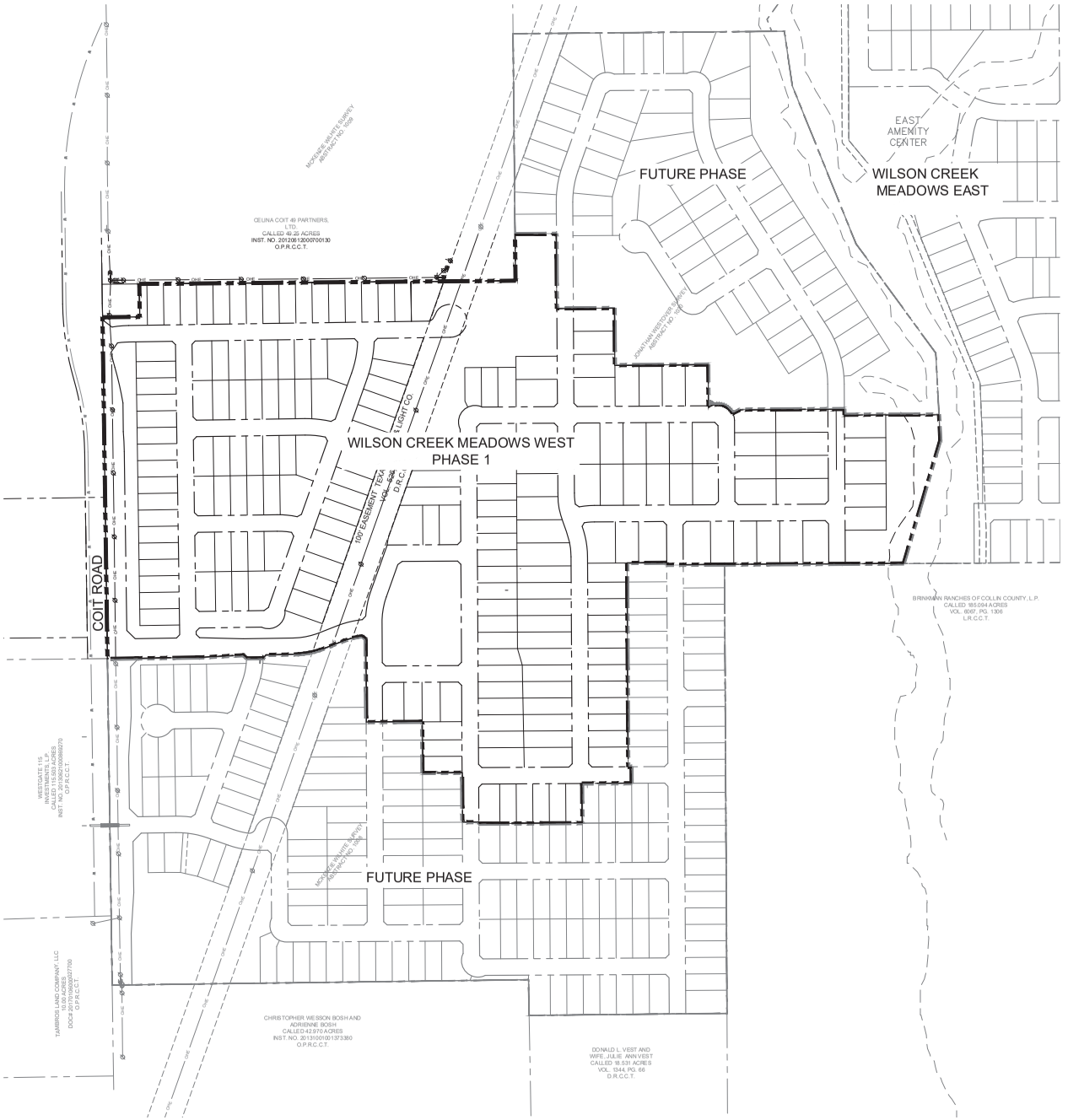

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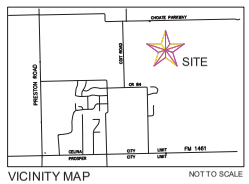

VICINITY MAP NOT TO SCALE

Wilson Creek Meadows West Phase 1

EXHIBIT 10 - MASTER PLAN

±80.01 ACRE TRACT LOCATED IN THE JONATHAN WESTOVER SURVEY, ABSTRACT #1030 AND MCKENZIE WILHITE SURVEYS, ABSTRACTS #1008 & #1009, IN THE CITY OF CELINA, COLLIN COUNTY, TEXAS

February 2021

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Contact: Matt Duenwald, PE

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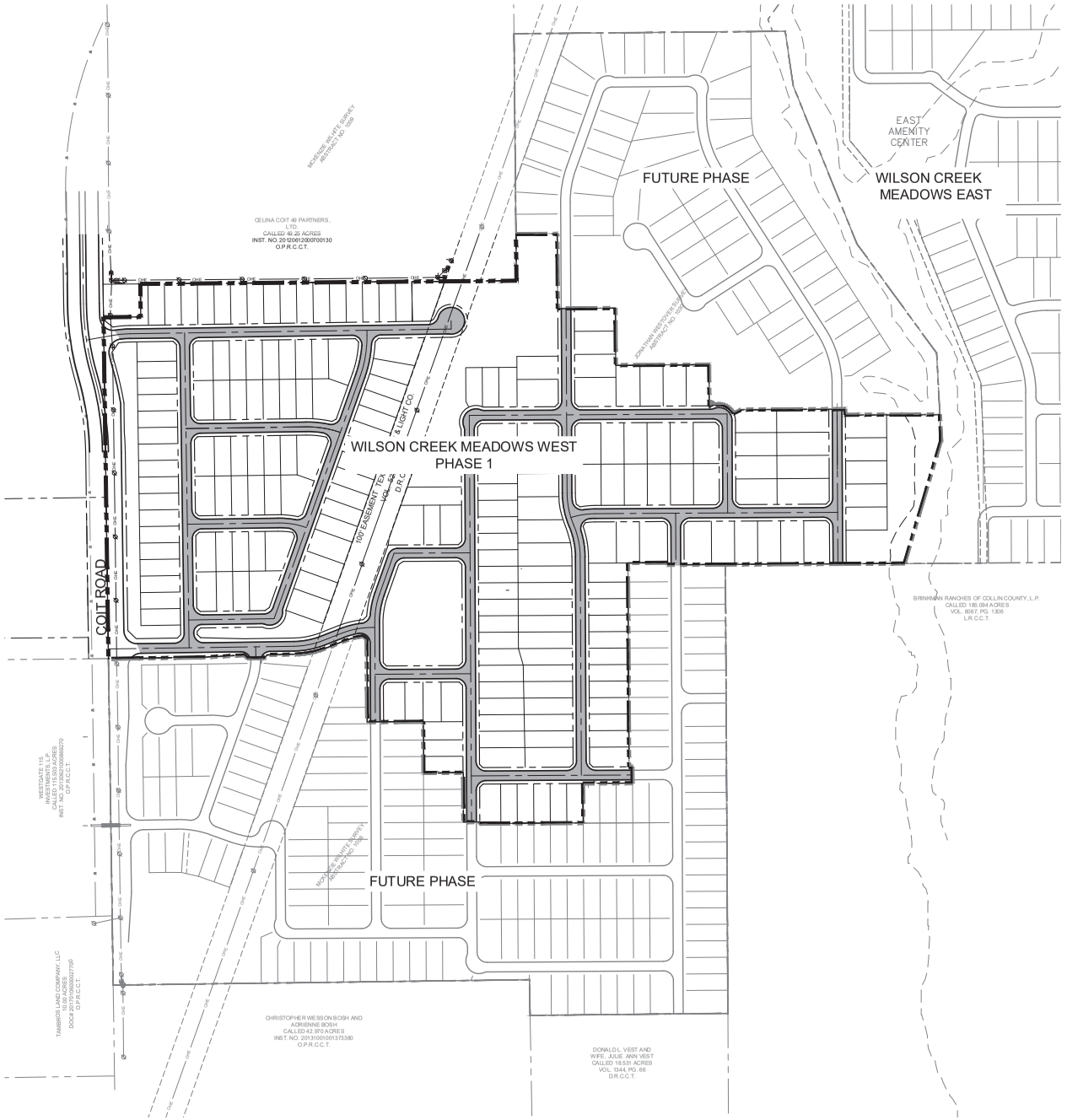
Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)



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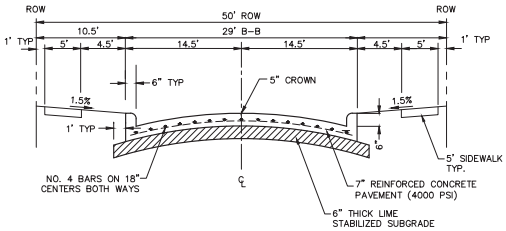
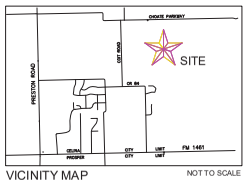


50' RESIDENTIAL STREET
NTS



VICINITY MAP NOT TO SCALE

Wilson Creek Meadows West Phase 1

EXHIBIT 11 - ROAD IMPROVEMENTS

±80.01 ACRE TRACT LOCATED IN THE JONATHAN WESTOVER SURVEY, ABSTRACT #1030 AND MCKENZIE WILHITE SURVEYS, ABSTRACTS #1008 & #1009, IN THE CITY OF CELINA, COLLIN COUNTY, TEXAS

February 2021

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Kimley»Horn

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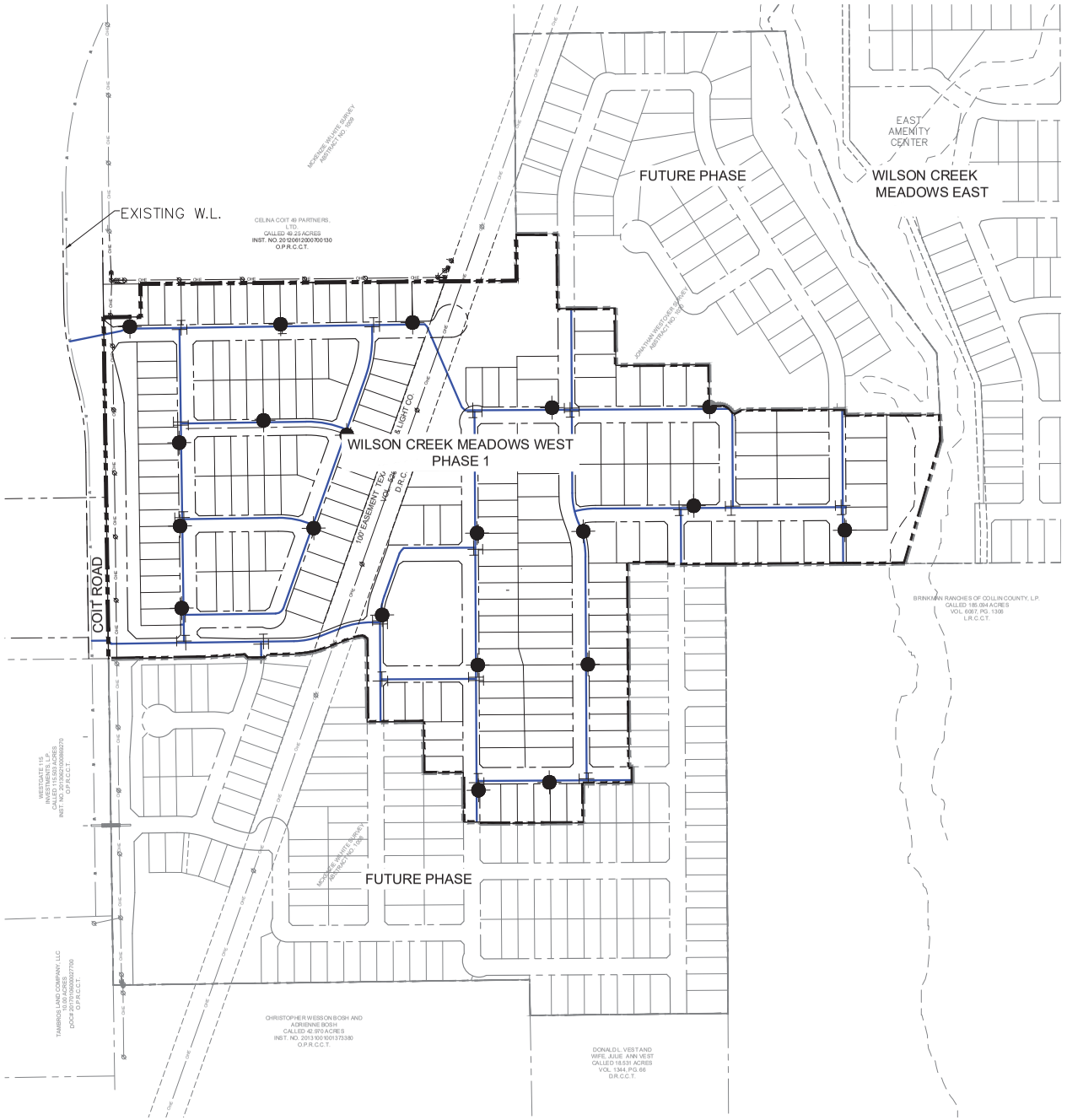
Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)



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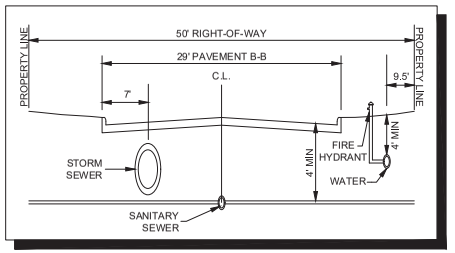
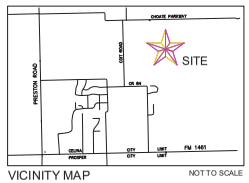
1"= 150' @ 24x36

TYPICAL WATER LOCATION





VICINITY MAP NOT TO SCALE

Wilson Creek Meadows West Phase 1

EXHIBIT 12 - WATER IMPROVEMENTS

±80.01 ACRE TRACT LOCATED IN THE JONATHAN WESTOVER SURVEY, ABSTRACT #1030 AND MCKENZIE WILHITE SURVEYS, ABSTRACTS #1008 & #1009, IN THE CITY OF CELINA, COLLIN COUNTY, TEXAS

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8.1.b

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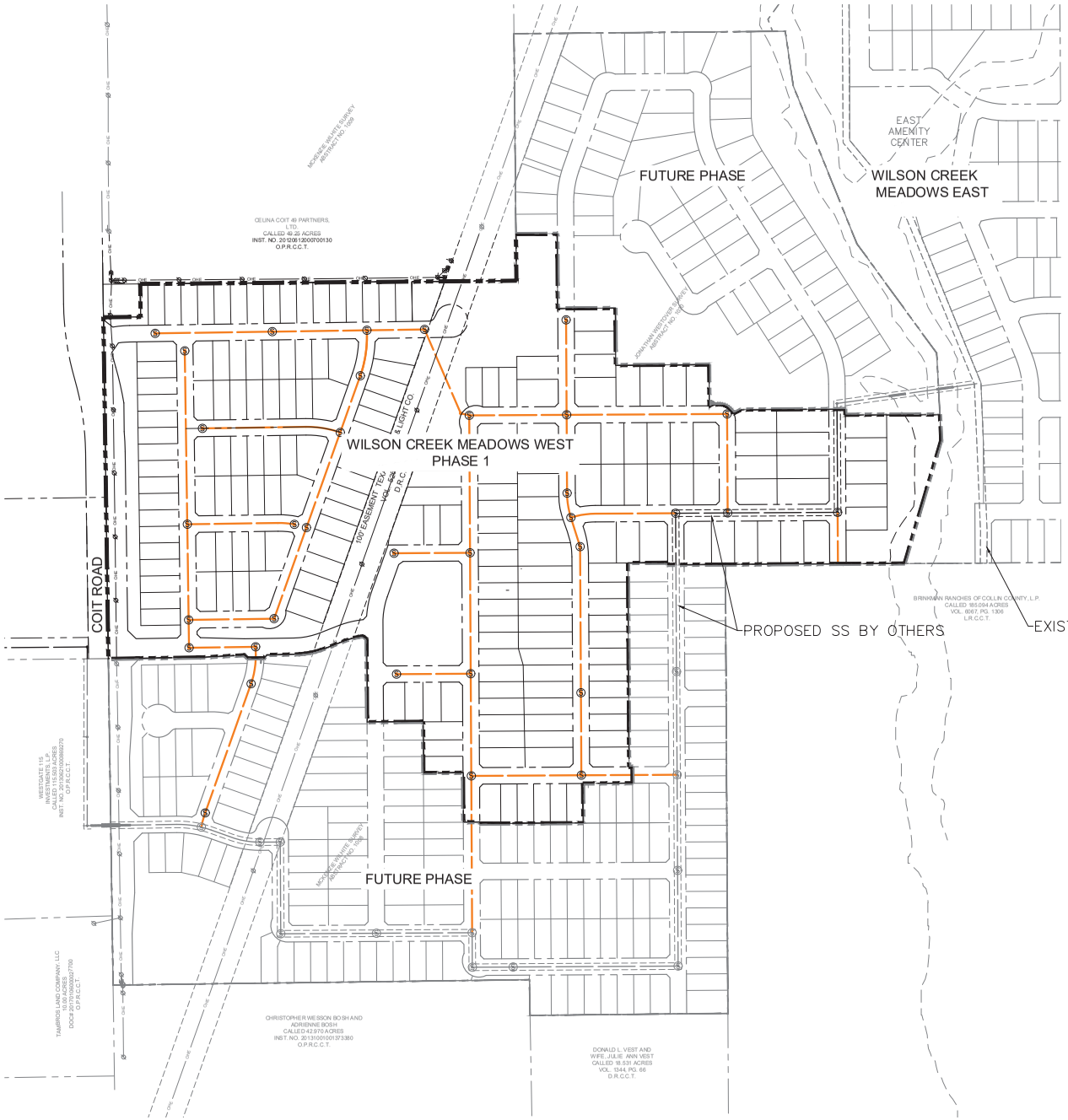

GRAPHIC SCALE IN FEET
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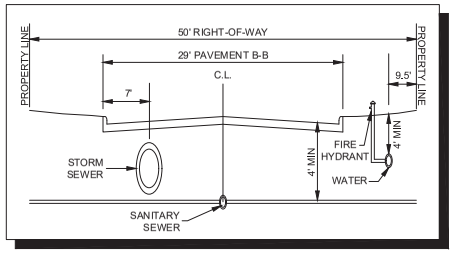
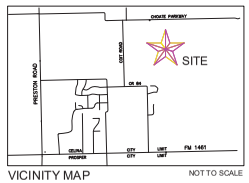
TYPICAL SEWER LOCATION





VICINITY MAP NOT TO SCALE

Wilson Creek Meadows West Phase 1

EXHIBIT 13 - SEWER IMPROVEMENTS

±80.01 ACRE TRACT LOCATED IN THE JONATHAN WESTOVER SURVEY, ABSTRACT #1030 AND MCKENZIE WILHITE SURVEYS, ABSTRACTS #1008 & #1009, IN THE CITY OF CELINA, COLLIN COUNTY, TEXAS

February 2021

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Kimley»Horn

8.1.b

Plotted By:Mitch, CJ Date:June 14, 2021 09:26:17pm File Path:K:\DAL_Civil\063222901-Bates Tract\Coit\Exhibits\PlanSheets\PID Exhibits\Exhibits 10-13.dwg
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APPENDIX D
LEGAL DESCRIPTION

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

LEGAL DESCRIPTION

185.8118 ACRES

BEING a tract of land situated in the McKenzie Wilhite Surveys, Abstract Numbers 1008 and 1009, the Jonathan Westover Survey, Abstract Number 1030 and the Coleman Watson Survey, Abstract Number 945, Collin County, Texas, and being all that called 60.971 acre tract of land conveyed to Celina Ownsby Coit, according to the document filed of record in Instrument Number 20180518000609810, all that called 105.79 acre tract of land conveyed to Celina Titus, LLC, according to the document filed of record in Instrument Number 20160401000388930 and all that called 19.048 acre tract of land conveyed to Celina Ownsby Coit, LLC, according to the document filed of record in Instrument Number 20180816001026240, all being from the Official Public Records Collin County, Texas, said tract being more particularly described as follows:

BEGINNING at the northwest corner of that tract of land conveyed to Christopher Wesson Bosh and Adrienne Bosh, according to the document filed of record in Document Number 20131001001373380, Official Public Records Collin County, Texas, same being the southwest corner of said 60.971 acre tract, being located in the east line of that tract of land conveyed to Tambros Land Company, LLC, according to the document filed of record in Document Number 20170106000027700, Official Public Records Collin County, Texas, from which a "PK NAIL" found for witness in Collin County Road 86 bears North 03°49'24" West, 0.50 feet;

THENCE North 00°49'54" West, generally with said road, with the west line of the above mentioned 60.971 acre tract, a portion of the east line of said Tambros tract and passing at a distance of 210.00 feet a "PK NAIL" found for the northeast corner of said Tambros tract, same being common with the southeast corner of that tract of land conveyed to Westgate 115 Investors, L.P., according to the document filed of record in Document Number 20130621000869270, Official Public Records Collin County, Texas and continuing with the east line of said Westgate tract, same being common with the west line of said 60.971 acre tract for a total distance of 2024.54 feet to a "PK nail" set in said common line for the most westerly northwest corner of said 60.971 acre tract;

THENCE North 89°30'21" East, leaving said road and common line, over and across said 60.971 acre tract, a distance of 113.00 feet to a 5/8" iron rod with red plastic cap stamped "KHA" set for an interior "ell" corner of said 60.971 acre tract;

THENCE North 00°49'54" West, a distance of 100.00 feet to a 5/8" iron rod with red plastic cap stamped "KHA" set for the most easterly northwest corner of said 60.971 acre tract and being in the south line of that tract of land conveyed to Celina Coit 49 Partners, LTD., according to the document filed of record in Document Number 20120612000700130, Official Public Records Collin County, Texas;

THENCE North 89°30'21" East, with said south line, same being common with the north line of said 60.971 acre tract, a distance of 1140.10 feet to a 1/2" iron rod found in the west line of the above mentioned 105.79 acre tract for the southeast corner of said Celina Coit 49 Partners tract and common northeast corner of the above mentioned 60.971 acre tract;

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THENCE North 0°34'09" West, with the west line of said 105.79 acre tract same being the east line of said 49.25 acre tract, a distance of 748.86 feet to a 3/4 inch iron pipe found for the southerly northwest corner of said 105.79 acre tract, common to the southwest corner of a called 20.00 acre tract of land described in a deed to Grayson Collin Electric Cooperative, Inc., as recorded in Volume 5191, Page 313 of the Land Records of Collin County, Texas;

THENCE North 89°29'12" East, departing the easterly line of said 49.25 acre tract, along the northerly line of said 105.79 acre tract and the southerly line of said 20.00 acre tract, a distance of 783.89 feet to a point for the southeast corner of said 20.00 acre tract, common to an ell corner of said 105.79 acre tract, same being in the center of Wilson Creek;

THENCE North 21°13'48" West, along the westerly line of said 105.79 acre tract, the easterly line of said 20.00 acre tract, and along said creek, a distance of 38.95 feet to a point for corner;

THENCE North 35°29'12" East, continuing with the westerly line of said 105.79 acre tract and the easterly line of said 20.00 acre tract, along the easterly line of a called 8.626 acre tract of land described in a deed to Prosper Land Company, Ltd., as recorded in Instrument No. 20161116001556640 of the Official Public Records of Collin County, Texas, and continuing along said creek, a distance of 367.50 feet to a point for corner;

THENCE continuing with the westerly line of said 105.79 acre tract and the easterly line of said 8.626 acre tract, with the westerly line of aforesaid southeastern 0.172 acre tract, the easterly line of a called 0.172 acre tract of land described in a deed to the County of Collin, as recorded in Volume 2383, Page 570 of the Deed Records of Collin County, Texas (described as the southwestern 0.172 acre tract from hereon), and continuing along said creek, the following courses:

North 06°29'12" East, a distance of 135.40 feet to a point for corner;

North 23°45'48" West, a distance of 206.30 feet to a point for corner;

North 14°59'48" West, a distance of 136.00 feet to a point for corner;

North 12°30'48" West, a distance of 119.98 feet to a point for corner;

THENCE North 89°42'50" East, leaving said creek, a distance of 125.00 feet to a point for corner;

THENCE North 0°17'10" West, a distance of 50.00 feet to a point for corner in the above mentioned County Road Number 88;

THENCE North 89°42'50" East, along said County Road, a distance of 1148.86 feet to a railroad spike found in said road for the northeast corner of the above mentioned 105.79 acre tract, same being the common northwest corner of a called 40.039 acre tract of land described in a deed to City Global Investment, LLC, as recorded in Instrument No. 20151130001493760 of the Official Public Records of Collin County, Texas and being on the south line of a called 317.729 acre tract of land described in

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a deed to Belknap FP, Ltd., as recorded in Volume 4288, Page 156 of the Land Records of Collin County, Texas;

THENCE South 00°27'04" East, leaving said County Road 88, with the east line of said 105.79 acre tract and the west line of said 40.039 acre tract, a distance of 2571.21 feet to the southeast corner of said 105.79 acre tract, same being common with the southwest corner of said 40.039 acre tract and being on the northerly line of a called 185.094 acre tract of land described in a deed to Brinkman Ranches of Collin County, L.P., as recorded in Volume 6067, Page 1306 of the Land Records of Collin County, Texas, from which a 1/2 inch iron rod found for witness bears South 05°02; West, 0.2 foot;

THENCE South 89°39'55" West, with the south line of said 105.79 acre tract, and generally along a fence, a distance of 1507.18 feet to a 3/4 inch iron pipe found for the northeast corner of the above mentioned 19.048 acre tract, same being common with the northwest corner of a called 185.094 acre tract of land conveyed to Brinkman Ranches of Collin County, L.P., according to the document filed of record in Volume 6067, Page 1306 of the Land Records of Collin County, Texas;

THENCE South 00°19'07" East, leaving the south line of said 105.79 acre tract, with the east line of said 19.048 acre tract, same being common with the west line of said 185.094 acre tract and generally along a fence, a distance of 1360.48 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said 19.048 acre tract and common northeast corner of a called 18.531 acre tract of land described in a deed to Donald L. Vest and wife, Julie Ann Vest, as recorded in Volume 1344, Page 66 of the Deed Records of Collin County, Texas;

THENCE South 89°24'52" West, along the south line of said 19.048 acre tract and common north line of said 18.531 acre tract, generally along a fence, a distance of 599.52 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set in the east line of the above mentioned Christopher Wesson Bosh and Adrienne Bosh tract, for the southwest corner of said 19.048 acre tract and being common with the northwest corner of said 18.531 acre tract;

THENCE North 1°01'45" West, with said east line, same being common with the west line of said 19.048 acre tract, a distance of 108.16 feet to a 5/8" iron rod with plastic cap stamped "KHA" found in said west line for the northeast corner of said Christopher Wesson Bosh and Adrienne Bosh tract, same being common with the southeast corner of the above mentioned 60.971 acre tract;

THENCE South 89°15'31" West, leaving said west line, with the north line of said Christopher Wesson Bosh and Adrienne Bosh tract, same being the common south line of said 60.971 acre tract, a distance of 1261.77 feet to the **POINT OF BEGINNING** and containing 8,093,961 square feet or 185.8118 acres of land, more or less.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

APPENDIX E
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE EQUIVALENTS

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Appendix E

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of three Lot Types.

"Lot Type 1" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 70 feet.

"Lot Type 2" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 60 feet.

"Lot Type 3" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet.

A) Proposed Development

Table E-1 shows the proposed residential units to be developed within the PID.

Table E-1
Proposed Development within the PID

Description	Proposed Development	
70 Ft Lots	52	Units
60 Ft Lots	115	Units
50 Ft Lots	485	Units
Total	**652**	**Units**

Table E-2 below shows the proposed residential units within Improvement Area #1.

Table E-2
Proposed Development – Improvement Area #1

Description	Proposed Development	
70 Ft Lots	52	Units
60 Ft Lots	56	Units
50 Ft Lots	326	Units
Total	**434**	**Units**

B) Calculation of Equivalent Units

As explained under Section IV.D, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Improvement Area #1 Improvements to be financed under the Reimbursement Agreement shall be allocated to the Improvement Area #1 Assessed Property by spreading the entire Assessment across the Parcels of Improvement Area #1 Assessed Property based on the estimated Equivalent Units.

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For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Improvement Area #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., 70 Ft, 60 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 accomplished by creating classifications of benefited Parcels based on the "Lot Types" defined above. These classifications (from Lot Type 1 (70 Ft Lots) representing the highest value to Lot Type 3 (50 Ft Lot) representing the lowest value for residential lots are set forth in Table E-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 (70 Ft Lots) to 1.0.

Table E-3
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (70 Ft Lot)	$365,000	1.00 per dwelling unit
Lot Type 2 (60 Ft Lot)	$350,000	0.96 per dwelling unit
Lot Type 3 (50 Ft Lot)	$335,000	0.92 per dwelling unit

The total estimated Equivalent Units for Improvement Area #1 are shown in Table E-4 below as calculated based on the Equivalent Unit factors shown in Table E-3 above, estimated Lot Types and number of units estimated to be built within Improvement Area #1.

Table E-4
Estimated Equivalent Units - Improvement Area #1

Lot Type	Planned No. of Units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft Lot)	52	1.00	52.00
Lot Type 2 (60 Ft Lot)	56	0.96	53.70
Lot Type 3 (50 Ft Lot)	326	0.92	299.21
Total	**434**		**404.90**

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

C) Allocation of Assessments to Lots within Improvement Area #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the obligation under the Reimbursement Agreement for the Improvement Area #1 Improvements, which represents the total Assessment to be allocated on all Parcels within Improvement Area #1, is $12,864,000 As shown in Table E-4, there are a total of 404.90 estimated Equivalent Units in Improvement Area #1, resulting in an Assessment per Equivalent Unit of $31,770.49.

The Assessment per dwelling unit or acre is calculated as the product of (i) $31,770.49 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, The Assessment for a Lot Type 1 (70 Ft Lot) dwelling unit is $31,770.49 (i.e. $31,770.49 × 1.00). The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is $30,464.85 (i.e. $31,770.49 × 0.96). The Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is $29,159.21 (i.e. $31,770.49 × 0.92). Table E-5 below sets forth the Assessment per dwelling unit for each Lot Type in Improvement Area #1.

Table E-5
Assessment Per Unit – Improvement Area #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (70 Ft Lot)	52	$31,770.49	1.00	$31,770.49	per dwelling unit	$1,652,065
Lot Type 2 (60 Ft Lot)	56	$31,770.49	0.96	$30,464.85	per dwelling unit	$1,706,032
Lot Type 3 (50 Ft Lot)	326	$31,770.49	0.92	$29,159.21	per dwelling unit	$9,505,903
Total	**434**					**$12,864,000**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table E-6 below.

Table E-6
Projected Leverage – Improvement Area #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit[1]	Leverage (Lot Value)	Leverage (Home Value)
70 Ft Lots	52	$90,000	$365,000	$31,770	2.83	11.49
60 Ft Lots	56	$80,000	$350,000	$30,465	2.63	11.49
50 Ft Lots	326	$71,250	$335,000	$29,159	2.44	11.49

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table E-7 on the following page.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Table E-7
Estimated Tax Rate Equivalent per unit – Improvement Area #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
70 Ft Lots	52	$90,000	$365,000	$2,007	$2.23	$0.55
60 Ft Lots	56	$80,000	$350,000	$1,925	$2.41	$0.55
50 Ft Lots	326	$71,250	$335,000	$1,842	$2.59	$0.55

The Assessment and Annual Installments for each Parcel or Lot located within Improvement Area #1 is shown on the Improvement Area #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

APPENDIX F
HOMEBUYER DISCLOSURE

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

AFTER RECORDING RETURN TO:

_____
_____
_____
_____
_____][1]

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF CELINA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: $_____

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Celina, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Wilson Creek Meadows Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF COLLIN §

The foregoing instrument was acknowledged before me by_____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF Collin §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Collin County.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

APPENDIX G
IMPROVEMENT AREA #1 ASSESSMENT ROLL

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Appendix G-1
Improvement Area #1 Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**404.90**
Assessment	**$12,864,000**

Year	Principal	Interest[1]	Administrative Expenses[2]	Total Annual Installment
1	$247,000	$514,560	$51,285	$812,845
2	$255,000	$504,680	$53,165	$812,845
3	$264,000	$494,480	$54,365	$812,845
4	$273,000	$483,920	$55,925	$812,845
5	$282,000	$473,000	$57,845	$812,845
6	$292,000	$461,720	$59,125	$812,845
7	$302,000	$450,040	$60,805	$812,845
8	$313,000	$437,960	$61,885	$812,845
9	$324,000	$425,440	$63,405	$812,845
10	$335,000	$412,480	$65,365	$812,845
11	$347,000	$399,080	$66,765	$812,845
12	$360,000	$385,200	$67,645	$812,845
13	$372,000	$370,800	$70,045	$812,845
14	$386,000	$355,920	$70,925	$812,845
15	$400,000	$340,480	$72,365	$812,845
16	$414,000	$324,480	$74,365	$812,845
17	$429,000	$307,920	$75,925	$812,845
18	$445,000	$290,760	$77,085	$812,845
19	$461,000	$272,960	$78,885	$812,845
20	$478,000	$254,520	$80,325	$812,845
21	$496,000	$235,400	$81,445	$812,845
22	$515,000	$215,560	$82,285	$812,845
23	$534,000	$194,960	$83,885	$812,845
24	$554,000	$173,600	$85,245	$812,845
25	$574,000	$151,440	$87,405	$812,845
26	$596,000	$128,480	$88,365	$812,845
27	$618,000	$104,640	$90,205	$812,845
28	$641,000	$79,920	$91,925	$812,845
29	$666,000	$54,280	$92,565	$812,845
30	$691,000	$27,640	$94,205	$812,845
Total	**$12,864,000**	**$9,326,320**	**$2,195,030**	**$24,385,350**

1 – The interest is calculated assuming a 4.00% interest rate on the obligations under the Reimbursement Agreement for the Improvement Area #1 Improvements.
2 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Appendix G-2
Assessment Roll by Lot Type

Lot Type	Lot Type 1 (70 Ft)
Assessment	1.00
Equivalent Unit	$31,770

Year	Principal	Interest[1]	Administrative Expenses[2]	Total Annual Installment
1	$610	$1,271	$127	$2,007
2	$630	$1,246	$131	$2,007
3	$652	$1,221	$134	$2,007
4	$674	$1,195	$138	$2,007
5	$696	$1,168	$143	$2,007
6	$721	$1,140	$146	$2,007
7	$746	$1,111	$150	$2,007
8	$773	$1,082	$153	$2,007
9	$800	$1,051	$157	$2,007
10	$827	$1,019	$161	$2,007
11	$857	$986	$165	$2,007
12	$889	$951	$167	$2,007
13	$919	$916	$173	$2,007
14	$953	$879	$175	$2,007
15	$988	$841	$179	$2,007
16	$1,022	$801	$184	$2,007
17	$1,060	$760	$188	$2,007
18	$1,099	$718	$190	$2,007
19	$1,139	$674	$195	$2,007
20	$1,181	$629	$198	$2,007
21	$1,225	$581	$201	$2,007
22	$1,272	$532	$203	$2,007
23	$1,319	$481	$207	$2,007
24	$1,368	$429	$211	$2,007
25	$1,418	$374	$216	$2,007
26	$1,472	$317	$218	$2,007
27	$1,526	$258	$223	$2,007
28	$1,583	$197	$227	$2,007
29	$1,645	$134	$229	$2,007
30	$1,707	$68	$233	$2,007
Total	**$31,770**	**$23,033**	**$5,421**	**$60,225**

1 – The interest is calculated assuming a 4.00% interest rate on the obligations under the Reimbursement Agreement for the Improvement Area #1 Improvements.
2 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Appendix G-3
Assessment Roll by Lot Type

Lot Type	**Lot Type 2 (60 Ft)**
Assessment	**0.96**
Equivalent Unit	**$30,465**

Year	Principal	Interest[1]	Administrative Expenses[2]	Total Annual Installment
1	$585	$1,219	$121	$1,925
2	$604	$1,195	$126	$1,925
3	$625	$1,171	$129	$1,925
4	$647	$1,146	$132	$1,925
5	$668	$1,120	$137	$1,925
6	$692	$1,093	$140	$1,925
7	$715	$1,066	$144	$1,925
8	$741	$1,037	$147	$1,925
9	$767	$1,008	$150	$1,925
10	$793	$977	$155	$1,925
11	$822	$945	$158	$1,925
12	$853	$912	$160	$1,925
13	$881	$878	$166	$1,925
14	$914	$843	$168	$1,925
15	$947	$806	$171	$1,925
16	$980	$768	$176	$1,925
17	$1,016	$729	$180	$1,925
18	$1,054	$689	$183	$1,925
19	$1,092	$646	$187	$1,925
20	$1,132	$603	$190	$1,925
21	$1,175	$557	$193	$1,925
22	$1,220	$510	$195	$1,925
23	$1,265	$462	$199	$1,925
24	$1,312	$411	$202	$1,925
25	$1,359	$359	$207	$1,925
26	$1,411	$304	$209	$1,925
27	$1,464	$248	$214	$1,925
28	$1,518	$189	$218	$1,925
29	$1,577	$129	$219	$1,925
30	$1,636	$65	$223	$1,925
Total	**$30,465**	**$22,087**	**$5,198**	**$57,750**

1 – The interest is calculated assuming a 4.00% interest rate on the obligations under the Reimbursement Agreement for the Improvement Area #1 Improvements.
2 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Appendix G-4
Assessment Roll by Lot Type

Lot Type	Lot Type 3 (50 Ft)
Assessment	0.92
Equivalent Unit	$29,159

Year	Principal	Interest[1]	Administrative Expenses[2]	Total Annual Installment
1	$560	$1,166	$116	$1,842
2	$578	$1,144	$121	$1,842
3	$598	$1,121	$123	$1,842
4	$619	$1,097	$127	$1,842
5	$639	$1,072	$131	$1,842
6	$662	$1,047	$134	$1,842
7	$685	$1,020	$138	$1,842
8	$709	$993	$140	$1,842
9	$734	$964	$144	$1,842
10	$759	$935	$148	$1,842
11	$787	$905	$151	$1,842
12	$816	$873	$153	$1,842
13	$843	$841	$159	$1,842
14	$875	$807	$161	$1,842
15	$907	$772	$164	$1,842
16	$938	$736	$169	$1,842
17	$972	$698	$172	$1,842
18	$1,009	$659	$175	$1,842
19	$1,045	$619	$179	$1,842
20	$1,083	$577	$182	$1,842
21	$1,124	$534	$185	$1,842
22	$1,167	$489	$187	$1,842
23	$1,210	$442	$190	$1,842
24	$1,256	$394	$193	$1,842
25	$1,301	$343	$198	$1,842
26	$1,351	$291	$200	$1,842
27	$1,401	$237	$204	$1,842
28	$1,453	$181	$208	$1,842
29	$1,510	$123	$210	$1,842
30	$1,566	$63	$214	$1,842
Total	**$29,159**	**$21,140**	**$4,976**	**$55,275**

1 – The interest is calculated assuming a 4.00% interest rate on the obligations under the Reimbursement Agreement for the Improvement Area #1 Improvements.
2 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Ordinance (Wilson Creek Meadows PID SAP – Levy Ordinance)

Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Anthony Satarino, Strategic Services Manager
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: Resolution Establishing PACE

Action Requested:
Conduct a public hearing and act upon a resolution establishing the City of Celina Property Assessed Clean Energy Program ("City of Celina PACE"). (Satarino)

Background Information:
Property Assessed Clean Energy (PACE) is an innovative financing program that enables owners of commercial and industrial properties to obtain low--cost, long--term loans for 100% of the cost of energy---efficiency and water conservation improvements. PACE loans help property owners overcome financial barriers that typically discourage investment in water conservation and energy efficiency retrofits to existing properties. Improvements financed through PACE can generate positive cash flow upon completion with no up--front, out--of--pocket cost to property owners. The term of a PACE loan may extend up to 20 years, resulting in cost savings that exceed the amount of the assessment payment.

PACE loans are paid through and secured by a property assessment voluntarily imposed on the property by its owner with the consent of existing mortgage holders. PACE assessments attach to and follow title to the property, and they are not subject to acceleration upon default or foreclosure. If the property is sold before the PACE loan is fully repaid, the assessment remains in place and the repayment obligation is automatically transferred to the next owner. The senior lien status of PACE assessments substantially reduces the risk of non---payment, making PACE loans very secure and attractive to long--term, risk--averse lenders.

PACE financing enables owners of commercial and industrial properties to help conserve critical water and energy resources, while simultaneously reducing their utility costs and improving their bottom--line profitability. In a broader sense, the availability of PACE financing will help improve the quality and efficiency of our building stock, reduce harmful carbon emissions, and create numerous jobs in the manufacturing, construction and service sectors of the economy. Local jurisdictions are permitted to adopt their own PACE program, which is path that Celina has chosen. The first step, which was to adopt a resolution stating the intent to establish the PACE program was completed at the September 14, 2021 City Council meeting. The next step is to conduct a public hearing, take any public concerning the PACE program and then adopt the resolution that formally establishes the City of Celina PACE program.

Board Review/Citizen Input:
N/A

Alternatives:
N/A

Financial Considerations:
N/A

Legal Review:
Reviewed and approved by the City Attorney.

Supporting Documents:
Resolution of establishing PACE; and
Report Required by Texas Local Government Code Section 399.009 for Proposed Celina PACE

Staff Recommendation:
Approve

CITY OF CELINA, TEXAS

RESOLUTION NO. 2021-__

A RESOLUTION OF THE CITY OF CELINA, TEXAS ESTABLISHING THE CITY OF CELINA PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the 83rd regular session of the Texas Legislature enacted the Property Assessed Clean Energy Act, Texas Local Government Code Chapter 399 (the "PACE Act"), which allows the governing body of a local government, including a municipality, to designate an area of the territory of the local government as a region within which an authori ed representative of a local government and the record owners of commercial, industrial, and large multifamily residential (5 or more dwelling units) real property may enter into written contracts to impose assessments on the property to repay the financing by the owners of permanent improvements fixed to the property intended to decrease energy or water consumption or demand; and

WHEREAS, the installation or modification by property owners of qualified energy or water saving improvements to commercial, industrial, and large multifamily residential real property in the City of Celina will further the goals of energy and water conservation without cost to the public; and

WHEREAS, the City Council finds that third-party financing of energy and water conserving projects through contractual assessments maintained by the City ("PACE financing") furthers essential government purposes, including but not limited to, economic development, reducing energy consumption and costs, conserving water resources, and reducing greenhouse gas emissions; and

WHEREAS, the City Council adopted a Resolution of Intent to establish a PACE program for the City of Celina on September 14, 2021 including a reference to the report on the proposed program prepared as required by Section 399.009 of the PACE Act and made the report available to the public on the City's website and for inspection in the office of the City Manager at 142 N. Ohio Street, Celina, Texas 75009; and

Attachment: Resolution Establish PACE 10.12 City Council (Resolution Establishing PACE)

WHEREAS, the City Council will delegate the administration of the Celina PACE program to a qualified, non-profit organization (the "authorized representative") that can administer the program at no cost to the City. Transaction fees paid by the parties obtaining PACE loans and charitable grants are sufficient revenue streams to support the non-profit organization, and will enable the program to be administered without use of City resources, will assure the objectives of impartiality and confidentiality of owner information, and will be convenient and advantageous to Celina; and

WHEREAS, the City Council also finds that because no City funds will be expended for PACE financing of the Authorized Representative's services, the selection of such an independent third party Authorized Representative is not subject to the Professional Services Procurement Act or other City purchasing requirements; and

WHEREAS, the City Council held a public hearing on October 12, 2021 at 5pm in the City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009 at which the public hearing could comment on the proposed program, including the report available for public inspection as mentioned above and as required by Section 399.008(a)(2):

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS AS FOLLOWS:

SECTION 1. Recitals. The recitals to this resolution are true and correct and are incorporated into this resolution for all purposes.

SECTION 2. Establishment of Program. The City of Celina hereby adopts this esolution Establishing the City of Celina Property Assessed Clean Energy Program (City of Celina PACE), herein called the Program, and finds that financing qualified projects through contractual assessments pursuant to the PACE Act is a valid public purpose and is convenient and advantageous to the City and its citizens.

SECTION 3. Contractual Assessments. The City of Celina will, at the property owner's request, impose contractual assessments on the property to repay PACE financing for qualified energy and water conserving projects available to owners of privately owned commercial, industrial, and large multifamily property.

Attachment: Resolution Establish PACE 10.12 City Council (Resolution Establishing PACE)

SECTION 4. Qualified Projects. The following types of projects are qualified projects for PACE financing that may be subject to such contractual assessments: Projects that (a) involve the installation or modification of a permanent improvement fixed to privately owned commercial, industrial, or residential real property with five (5) or more dwelling units, and (b) are intended to decrease energy or water consumption or demand, including a product, device, or interacting group of products or devices on the customer's side of the meter that uses energy technology to generate electricity, provide thermal energy, or regulate temperature.

An assessment may not be imposed to repay the financing of facilities for undeveloped lots or lots undergoing development at the time of the assessment or the purchase or installation of products or devices not permanently fixed to real property.

SECTION 5. Region. The boundaries of the entire geographic area within City's jurisdiction are included in the boundaries of the region where PACE financing and assessments can occur.

SECTION 6. Third Party Financing. Financing for qualified projects under the Program will be provided by qualified third party lenders chosen by the owners. Such lenders will execute written contracts with the Authorized Representative to service the debt through assessments, as required by the PACE Act. The contracts will provide for the lenders to determine the financial ability of owners to fulfill the financial obligations to be repaid through assessments, advance the funds to owners on such terms as are agreed between the lenders and the owners for the installation or modification of qualified projects, and service the debt secured by the assessments, directly or through a servicer, by collecting payments from the owners pursuant to financing documents executed between the lenders and the owners. The City of Celina will maintain and continue the assessments for the benefit of such lenders and will enforce the assessment lien for the benefit of a lender in the event of a default by an owner. The City will not, at this time, provide financing of any sort for the City of Celina PACE program.

Attachment: Resolution Establish PACE 10.12 City Council (Resolution Establishing PACE)

SECTION 7. Authorized Representative. The City Council designates Texas PACE Authority, a non profit organi ation, to act as the Authorized representative with authority to enter into written contracts with the record owners of real property in the City of Celina to impose assessments pursuant to the PACE Act to repay the financing of qualified projects on the owners' property, to enter into written contracts with the parties that provide third party financing for such projects to service the debts through assessments, and to file written notice of each contractual assessment in the real property records of Denton County, all on behalf of the City of Celina. The Authorized representative may make technical and conforming updates as necessary so long as the changes are consistent with the resolution to establish the PACE program and the statute. The City Manager or his designee will be the liaison with the Authorized representative.

SECTION 8. Enforcement. The City will enforce the collection of past due assessments and may contract with a qualified law firm to assist in collection efforts.

SECTION 9. Report. The final report on the - PACE program, prepared in accordance with Section 399.009 of the Texas Local Government Code is attached and incorporated into this resolution. The City will post the resolution and report on the City's website.

SECTION 10. Amendment of Program. The City Council may amend the City of Celina PACE Program by resolution. However, another public hearing is required before the Program may be amended to provide for City financing of qualified improvements through assessments.

ADOPTED, PASSED, AND APPROVED on this the 12th day of October, 2021.

_____
Mayor

ATTEST:

_____
City Secretary

Attachment: Resolution Establish PACE 10.12 City Council (Resolution Establishing PACE)

REPORT REQUIRED BY TEXAS LOCAL GOVERNMENT CODE SECTION 399.009

FOR PROPOSED CITY OF CELINA

PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM

This Report is adopted by the City Council for the City of Celina Property Assessed Clean Energy (PACE) Program (**the "program")** in accordance with the requirements of the Property Assessed Clean Energy Act (**the "PACE Act"**) as set forth in Texas Local Government Code Chapter 399.

The City of Celina and its constituents benefit when older existing buildings are modified with new technology and equipment that increases energy efficiency and reduces water consumption. As described in this Report, the City of Celina is establishing the commercial PACE Program to encourage private sector investment in energy efficiency and water conservation. The PACE program will be offered to property owners on a strictly voluntary basis and will not require the use of any public funds or resources.

Authorized under the PACE Act enacted in 2013, the PACE program is an innovative financing program that enables private sector owners of privately owned commercial, industrial, and multi-family residential properties with five or more dwelling units to obtain low-cost, long-term loans to pay for water conservation, energy-efficiency improvements, and renewable energy retrofits. PACE loans provide up to 100% financing of all project costs, with little or no up-front out-of-pocket cost to the owner. The 2015 legislative session streamlined the process.

Loans made under the PACE Program will be secured by assessments on the property that are voluntarily imposed by the owner. Assessments may be amortized over the projected life of the improvements. The annual utility cost savings derived from improvements financed with PACE loans are expected to exceed the amount of the annual assessment payments. In turn, these improvements are able to generate positive cash flow upon installation because the debt service will be less than the savings.

PACE assessments are tied to the property and follow title from one owner to the next. Each owner is responsible only for payment of the assessments accruing during its period of ownership. When the property is sold, the payment obligation for the remaining balance of the assessment is transferred automatically to the next owner. As a result, the program will help property owners overcome market barriers which often discourage investment in energy efficiency and water conservation improvements.

1. Eligible Properties

The City of Celina PACE program is a strictly voluntary program. All private sector owners of Eligible Properties located within the City's PACE region may participate in PACE financing. ***"Eligible Properties"*** include commercial, industrial, and multi-family residential properties with

Attachment: Celina PACE Report (Resolution Establishing PACE)

five or more dwelling units. Government, residential[1], and undeveloped property and property undergoing development at the time of the assessment are not Eligible Properties.

2. Qualified Improvements

PACE financing may be used to pay for Qualified Improvements to Eligible Properties. ***"Qualified Improvements"*** are permanent improvements intended to decrease water or energy consumption or demand, including a product, device, or interacting group of products or devices on the customer's side of the meter that use energy technology to generate electricity, provide thermal energy, or regulate temperature. Under the PACE Act, products or devices that are not permanently fixed to real property are not considered to be Qualified Improvements.

The following items may constitute Qualified Improvements:

- High efficiency heating, ventilating and air conditioning ("HVAC") systems
- High efficiency chillers, boilers, and furnaces
- High efficiency water heating systems
- Energy management systems and controls
- Distributed generation systems
- High efficiency lighting system upgrades
- Building enclosure and envelope improvements
- Water conservation and wastewater recovery and reuse systems
- Combustion and burner upgrades
- Heat recovery and steam traps
- Water management systems and controls (indoor and outdoor)
- High efficiency irrigation equipment

3. Benefits of PACE to Property Owners

The PACE program will enable owners of Eligible Properties to overcome traditional barriers to capital investments in energy efficiency and water conservation improvements, such as unattractive returns on investment, split incentives between landlords and tenants, and uncertainty of recouping the investment upon sale of the property.

By financing Qualified Improvements through the program, property owners may achieve utility cost savings that exceed the amount of the assessment and reduce their exposure to utility price volatility. As a result, the value of the property will be enhanced, and the owner will only be obligated to pay the assessment installments that accrue during its period of ownership of the property. Additionally, by investing in energy efficiency and water conservation with PACE financing, property owners may also qualify for various rebate, tax credit, and incentive programs offered by utility providers and state or federal governmental authorities to encourage these types of investments.

[1] This encompasses single family residential and any multi-family properties less than five units.

Attachment: Celina PACE Report (Resolution Establishing PACE)

4. Benefits of PACE to the City of Celina

Among other things, projects financed through PACE will:

- Enable property owners and occupants to save substantial amounts in utility costs
- Reduce demand on the electricity grid
- Mitigate greenhouse gas emissions associated with energy generation
- Enhance the value and efficiency of existing buildings
- Boost the local economy by creating new job opportunities for laborers and new business opportunities for contractors, engineers, commercial lenders, professionals, and equipment vendors and manufactures
- Increase business retention and expansion in the PACE region by enabling cost effective energy and water saving updates to existing property
- Improve productivity through optimized energy usage
- Support the State's water conservation plan
- Better enable the City to meet its water conservation goals

Finally, EPA regulations have significant impacts on air quality standards in Texas. For example, the recent adjustment in the NAAQS to a lower standard increased the difficulty for the City to bring the area into attainment. Being non-attainment for priority pollutants in the Clean Air Act endangers federal transportation funding. Through the reduction in energy consumption, as a result of the PACE program, there will be a decreased demand for power resulting in lower emissions from power plants.

The PACE program requires minimal support from the City. It is designed to be self-sustaining. Furthermore, because the PACE program is tax neutral, it achieves all of the benefits listed in this Report without imposing a burden on the City's general fund.

The 84th Texas Legislature added a provision that explicitly shields County and its employees members of the governing body of a local government, employees of a local government, and board members, executives, employees, and contractors of a third party who enter into a contract with a local government to provide administrative services for a program under this chapter.[2]

5. The Benefits of PACE to Lenders

PACE loans are attractive to lenders because they are very secure investments. Like a property tax lien, the assessment lien securing the PACE loan has priority over other liens on the property. Therefore, the risk of loss from non-payment of a PACE loan is low compared to most other types of loans. PACE assessments provide lenders with an attractive new product to assist existing and new customers in addressing an almost universal pent-up demand for needed commercial and industrial property equipment modernization. In order to protect the interests of holders of existing mortgage loans on the property, the PACE Act requires their written consent to the PACE assessment as a condition to obtaining a PACE loan.

[2] TX. Local Gov't Code §399.019. In the 85th legislature, HB 2654 clarified that the personal immunity provisions apply to all elected officials performing rights and duties under chapter 399 of the Local Government Code.

6. The Benefits of PACE to Contractors, Engineers, and Manufacturers

PACE loans provide attractive sources of financing for water and energy saving retrofits and upgrades, thereby encouraging property owners to make substantial investments in existing commercial and industrial buildings. As a result, PACE will unlock business opportunities for contractors, engineers, and manufacturers throughout the commercial and industrial sectors.

7. Administration of the PACE Program

Under the PACE Act, the establishment and operation of the program are considered to be governmental functions. The PACE Act further authorizes the City to enter into a contract with a third party to provide administrative services for the PACE program (the "Authorized Representative"). The City may delegate administration of the PACE program to a qualified, non-profit organization that can administer the program at no cost to the City. The Authorized Representative will be funded by transaction fees paid by the parties, charitable grants or other sources of revenue. The Authorized Representative will not receive compensation or reimbursement from the City.

The Authorized Representative will be funded by transaction fees paid by the parties, charitable grants or other sources of revenue. The Authorized Representative will not receive compensation or reimbursement from the City. Periodic updates to the standard form documents (described in Section 9) will be necessary as the program evolves, incorporating best practices and standardizing the PACE contracts across various PACE programs. The Authorized Representative will be tasked with maintaining the form contracts and making technical and conforming updates as necessary so long as the changes are consistent with the resolution to establish the PACE program and the statute.

8. Eligible Lenders

The PACE Act does not set criteria for financial institutions or investors to be PACE lenders. The City will follow best practices of other PACE programs by recommending that lenders be:

- Any federally insured depository institution such as a bank, savings bank, savings and loan association and federal or state credit union;
- Any insurance company authorized to conduct business in one or more states;
- Any registered investment company, registered business development company, or a Small Business
- Small business investment company;
- Any publicly traded entity; or
- Any private entity that:
  - Has a minimum net worth of $5 million; and
  - Has at least three years' experience in business or industrial lending or commercial real estate lending (including multifamily lending), or has a lending officer that has at least three years' experience in business or industrial lending or commercial real estate lending; and
  - Can provide independent certification as to availability of funds; and
- All lenders must have the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts.

Attachment: Celina PACE Report (Resolution Establishing PACE)

Any lender can participate in the PACE program as long as it is a financially stable entity with the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts. The property owner, not the City or the Authorized Representative, selects the lender.

The Authorized Representative will not guarantee or imply that funding will automatically be provided from a third-party lender, imply or create any endorsement of, or responsibility for, any lender; or create any type of express or implied favoritism for any eligible lender.

9. Components of the PACE Program

As required under Section 399.009 of the PACE Act, the following describes all aspects of the PACE Program:

a. Map of Region. A map of the boundaries of the region included in the program is attached to this Report as Exhibit 1. The region encompasses the City limits

b. Form Contract with Owner. A form contract between the City of Celina and the record owner of the Eligible Property is attached as Exhibit 2. It specifies the terms of the assessment under the PACE program and the financing to be provided by an Eligible Lender of the property owner's choosing.

c. Form Contract with Lender. A form contract between the City of Celina and the Eligible Lender chosen by a property owner is attached to this Report as Exhibit 3. It specifies the financing and servicing of the debt through assessments.

d. Form Notice of Contractual Assessment Lien. A form Notice of Assessment Lien to be filed by the City of Celina with the County Clerk is attached to this Report as Exhibit 4.

e. Qualified Improvement. The following types of projects are qualified improvements that may be subject to contractual assessments under the PACE program:

> Projects that (a) involve the installation or modification of a permanent improvement fixed to privately owned commercial, industrial or residential real property with five (5) or more dwelling units;[3] and (b) are intended to decrease energy or water consumption or demand by installing a product, device, or interacting group of products or devices on the customer's side of the meter that uses energy technology to generate electricity, provide thermal energy, or regulate temperature. [4]

[3] TX. Local Gov't Code §399.002(5).
[4] TX. Local Gov't Code §399.002(3).

Attachment: Celina PACE Report (Resolution Establishing PACE)

A sample list of potential Qualified Improvements appears in Section 2 above.

The PACE program may not be used to finance improvements to undeveloped lots or lots undergoing development at the time of the assessment, or for the purchase or installation of products or devices not permanently fixed to real property.[5]

e. Authorized Representative. HB 3187 was signed into law on June 16, 2015. It authorizes a municipality to delegate administration of the PACE program to a third-party "representative." The City of Celina intends to delegate all official administrative responsibilities, like the execution of individual contracts with property owners and lenders, to an Authorized Representative. This relationship will be monitored and maintained by the City Manager or his/her designee.

f. Plans for Insuring Sufficient Capital[6]. Lenders will extend loans to finance Qualified Improvements. Financing documents executed between owners and lenders will impose a contractual assessment on Eligible Property to repay the owner's financing of the Qualified Improvements. The lenders will ensure that property owners demonstrate the financial ability to fulfill the financial obligations to be repaid through contractual assessments.

g. No Use of Bonds or Public Funds. The City of Celina does not intend to issue bonds or use any other public monies to fund PACE projects. Property owners will obtain all financing from the Eligible Lenders they choose.

h. Limit on Length of Loan. One of the statutory criteria of a PACE loan is that the assessment payment period cannot exceed the useful life of the Qualified Improvement that is the basis for the loan and assessment. As part of the application process, the property owners will submit a third-party review showing the water or energy baseline conditions and the projected water or energy savings. This review will aid the Authorized Representative in making a determination that the period of the requested assessment does not exceed the useful life of the Qualified Improvement.

i. Application Process. The Authorized Representative will accept applications from property owners seeking to finance Qualified Improvements under the program. Each application must be accompanied by the required application fee and must include:

(1) A description of the specific Qualified Improvements to be installed or modified on the property,
(2) A description of the specific real property to which the qualified improvements will be permanently fixed, and
(3) The total amount of financing, including any transaction costs, to be repaid through assessments.

[5] TX. Local Gov't Code §399.004.

[6] The Texas PACE Authority's website (www.texaspaceauthority.org) offers a non-exhaustive list of interested and qualified lenders to assist property owners in funding PACE projects in Texas.

Attachment: Celina PACE Report (Resolution Establishing PACE)

Based on this information, the Authorized Representative may issue a preliminary letter indicating that, subject to verification of all requirements at closing, the proposed project appears to meet program requirements. Based on this preliminary letter, the property owner may initiate an independent third-party review of the project and submit the project to Eligible Lenders for approval of financing.

Once the above processes are completed, the property owner will submit the application to the Authorized Representative to obtain preliminary approval. The property owner is expected to produce the following documentation prior to closing on the PACE loan:

(1) A Report conducted by a qualified, independent third party, showing water or energy baseline conditions and the projected water or energy savings, or the amount of renewable energy generated attributable to the project;
(2) Such financial information about the owner and the property as the lender chosen by the owner deems necessary to determine that the owner has demonstrated the financial ability to fulfill the financial obligations to be paid through assessments; and
(3) All other information required by the Authorized Representative.

j. Financial Eligibility Requirements. The Authorized Representative will determine whether the owner, the property and the improvements are eligible for financing under the program. The Eligible Lender chosen by the owner will determine whether the owner has demonstrated the financial ability to repay the financial obligations to be collected through contractual assessments. The statutory method[7] for ensuring such a demonstration of financial ability must be based on appropriate underwriting factors, including the following:

(1) verification that the person requesting to participate in the program is the legal record owner of the benefitted property,
(2) the applicant is current on mortgage and property tax payments,
(3) the applicant is not insolvent or in bankruptcy proceedings,
(4) the title of the benefitted property is not in dispute; and
(5) there is an appropriate ratio of the amount of the assessment to the assessed value of the property.

k. Mortgage Holder Notice and Consent. As a condition to the execution of a written contract between the Authorized Representative and the property owner imposing an assessment under the program, the holder of any mortgage lien on the property must be given notice of the owner's intention to participate in the program on or before the 30th day before the date the contract is executed, and the owner must obtain the written consent of all mortgage holders.[8]

[7] TX. Local Gov't Code §399.009(b).
[8] TX. Local Gov't Code §399.010.

Attachment: Celina PACE Report (Resolution Establishing PACE)

l. Imposition of Assessment. The Authorized Representative will enter into a written contract with the property owner, only after:

(1) The property owner delivers to the Authorized Representative written consent of all mortgage lien holders;

(2) The Authorized Representative's determination that the owner and the property are eligible to participate in the program, that the proposed improvements are reasonably likely to decrease energy or water consumption or demand, and that the period of the requested assessment does not exceed the useful life of the Qualified Improvements; and

(3) The Eligible Lender notifies the Authorized Representative that the owner has demonstrated the financial ability to fulfill the financial obligations to be repaid through contractual assessments.

The contract will impose a contractual assessment on the owner's Eligible Property to repay the lender's financing of the Qualified Improvements. The Eligible Lender will file "A Notice of Contractual Assessment Lien," in substantially the form in Exhibit 4 in the Official Public Records of Collin or Denton County, depending on where the Eligible Property is located, as notice to the public of the assessment, from the date of filing. The contract and the notice must contain the amount of the assessment, the legal description of the property, the name of the property owner, and a reference to the statutory assessment lien provided under the PACE Act.

m. Collection of Assessments. The execution of the written contract between the Authorized Representative and the property owner and recording of the Notice of Contractual Assessment Lien incorporate the terms of the financing documents executed between the property owner and with the lender to repay the financing secured by the assessment. The third-party lender will advance financing to the owner, and the terms for repayment will be such terms as are agreed between the lender and the owner. Under the form lender contract attached as Exhibit 3, the lender or a designated servicer will agree to service the debt secured by the assessment.[9]

With funds from the lender, the property owner can purchase directly the equipment and materials for the Qualified Improvement and contract directly, including through lease, power purchase agreement, or other service contract, for the installation or modification of the Qualified Improvements. Alternatively, the lender may make progress payments to the property owner as the Qualified Improvement is installed.

The lender will receive the owner's assessment payments to repay the debt and remit to the Authorized Representative any administrative fees. The lender will have the right to assign or transfer the right to receive the installments of the debt secured by the assessment, provided all of the following conditions are met:

[9] The servicer will be responsible for maintaining payment records, account balances, and reporting to the Authorized Representative as required.

Attachment: Celina PACE Report (Resolution Establishing PACE)

(1) The assignment or transfer is made to an Eligible Lender, as defined above;
(2) The property owner and the Authorized Representative are notified in writing of the assignment or transfer and the address to which payment of the future installments should be mailed at least 30 days before the next installment is due according to the schedule for repayment of the debt; and
(3) The assignee or transferee, by operation of the financing documents or otherwise, written evidence of which shall be provided, assumes lender's obligations under the lender contract.

n. Verification Review. After a Qualified Improvement is completed, the Authorized Representative will require the property owner to provide verification by a qualified independent third-party reviewer that the Qualified Improvement was properly completed and is operating as intended.[10] The verification report conclusively establishes that the improvement is a Qualified Improvement and the project is qualified under the PACE program.

o. Marketing and Education Services. The City of Celina may subsequently enter into agreements with one or more other local governments or non-profit organizations that promote energy and water conservation and/or economic development to provide marketing and education services for the PACE program.

p. Quality Assurance and Antifraud Measures. The Authorized Representative will institute quality assurance and antifraud measures for the Program. The Authorized Representative will review each PACE application for completeness and supporting documents through independent review and verification procedures. The application and required attachments will identify and supply the information necessary to ensure that the property owner, the property itself, and the proposed project all satisfy PACE program underwriting and technical standard requirements. Measures will be put in place to provide safeguards, including a review of the energy and water savings baseline and certification of compliance with the technical standards manual from an independent third-party reviewer (ITPR), who must be a registered professional engineer, before the project can proceed. This review will include a site visit, report, and a letter from the ITPR certifying that he or she has no financial interest in the project and is an independent reviewer. After the construction of the project is complete, an ITPR will conduct a final site inspection and determine whether the project was completed and is operating properly. The reviewer's certification will also include a statement that the reviewer is qualified and has no financial interest in the project.

[10] TX. Local Gov't Code §399.011.

q. Delinquency. Under the terms of the form lender contract attached as Exhibit 3, if a property owner fails to pay an agreed installment when due on the PACE assessment, the lender will agree to take at least the following steps to collect the delinquent installment:

(1) Mail to the owner a written notice of delinquency and demand for payment by both certified mail (return receipt requested) and first class mail, and

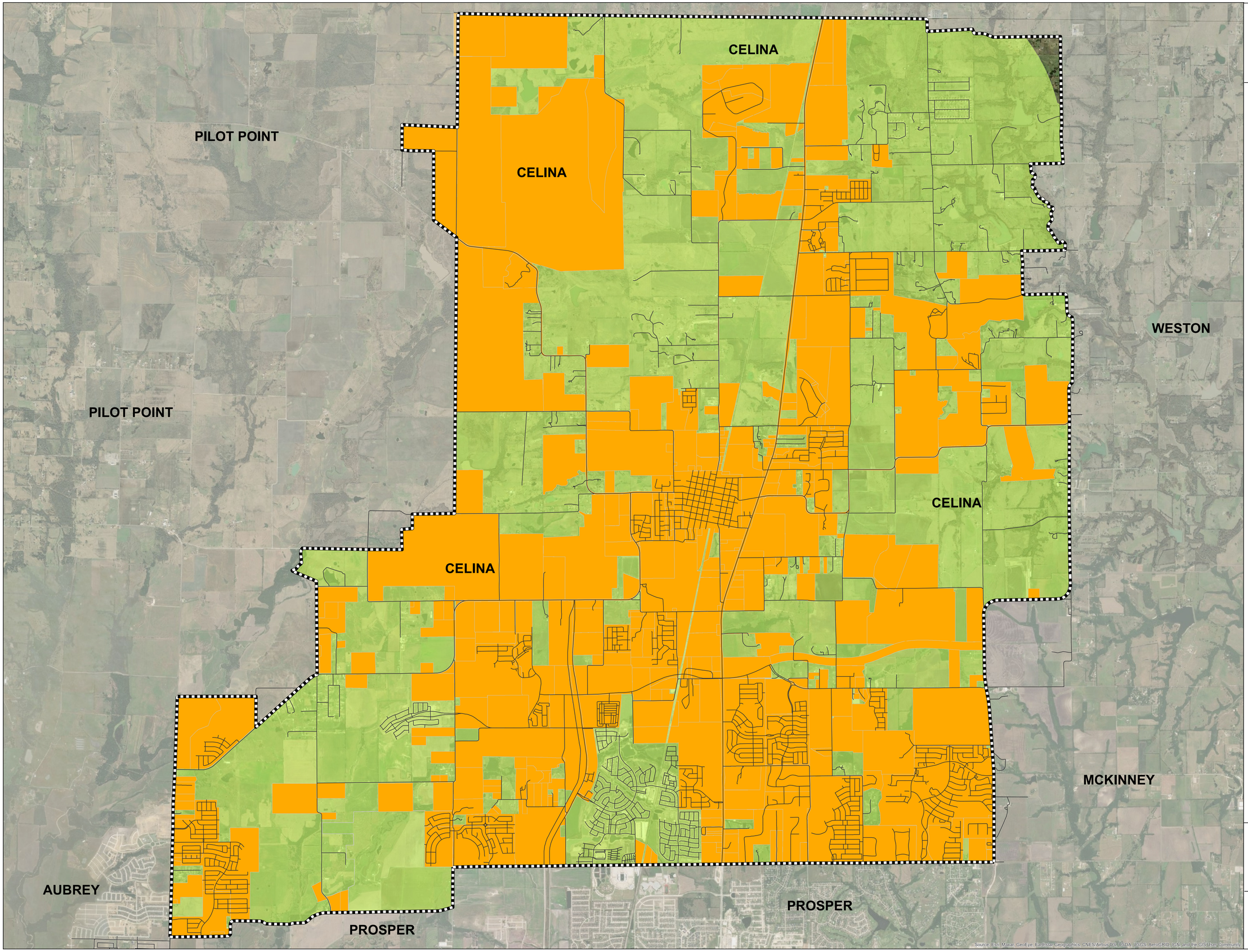
(2) Mail to the owner a second notice of delinquency and demand for payment by both certified mail (return receipt requested) and first class mail, at least 30 days after the date of the first notice if the delinquency is continuing.

If the owner fails to cure the delinquency within 30 days after mailing the second notice of delinquency, the lender may notify the Authorized Representative of the owner's default. Pursuant to Texas Local Government Code Section 399.014(c), the Authorized Representative will initiate steps for the City to enforce the assessment lien in the same manner as a property tax lien against real property may be enforced, to the extent the enforcement is consistent with Section 50, Article XVI, of the Texas Constitution. Delinquent installments will incur penalties and interest in the same manner and at the same rate as delinquent property taxes, according to Texas Local Government Code Section 399.014(d), and such statutory penalties and interest will be due to the City to offset the cost of collection.

In no event will the total amount of interest on the Assessment, including statutory interest payable to the City of Celina and contractual interest payable to the lender under the financing documents, exceed the maximum amount or rate of non-usurious interest that may be contracted for, charged, or collected under Texas law (the "usury limit"). If the total amount of interest payable to the City of Celina will be reduced, and any interest in excess of the usury limit will be credited to the amount payable to the City of Celina or refunded. If the City files suit to enforce collection, the City may also recover costs and expenses, including attorney's fees, in a suit to collect a delinquent installment of an assessment in the same manner and at the same rate as in suit to collect a delinquent property tax. If a delinquent installment of an assessment is collected after the filing of a suit, the City will remit to the lender the net amount of the delinquent installments and contractual interest collected and remit to the Authorized Representative the amount of any administrative fees collected but will retain any statutory penalties, interest, and attorney's fees collected.

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT 1 MAP OF CITY of CELINA PACE BOUNDARY



Legend

- Ultimate Boundary
- Roads
- Celina City Limits
- Celina ETJ

N
W E
S

0 0.3 0.6 1.2 1.8 Miles

CELINA TEXAS est 1876
Life Connected.

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EXHIBIT 2

FORM OWNER CONTRACT

THIS PROPERTY ASSESSED CLEAN ENERGY ("PACE") OWNER CONTRACT ("**Owner Contract**") is made as of the _____ day of _____, _____, by and between the City of Celina, Texas ("**Local Government**"), and _____ ("**Property Owner**").

RECITALS

A. The Property Assessed Clean Energy Act ("**PACE Act**"), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government's jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of commercial, industrial, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand.

B. Local Government has established a program under the PACE Act pursuant to a resolution dated _____, adopted by the City Council (the "**PACE Program**"), and has designated Texas Property Assessed Clean Energy Authority ("**Authorized Representative**") as the representative authorized to enter into the Assessment, Owner Contract and Lender Contract described herein, and has designated the entire territory within the City of Celina jurisdiction as a region ("Region") within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owner's property pursuant to the PACE Program.

C. Property Owner is the legal and record owner of the qualified "real property," as defined in Section 399.002 of the PACE Act, within the Region located at _____, _____, Texas, _____-____ (the "**Property**").

D. Pursuant to Application number _____, Property Owner has applied to Local Government to participate in the PACE Program by installing or modifying on the Property certain permanent improvements which are intended to decrease water or energy consumption or demand, and which are or will be fixed to the Property as "qualified improvements", as defined in Section 399.002 of the PACE Act (the "**Qualified Improvements**"). The installation or modification of such Qualified Improvements on the Property will be a "qualified project" as defined in Section 399.002 of the PACE Act (the "**Project**"). Property Owner has requested that Local Government enter into this Owner Contract pursuant to the PACE Act and the PACE Program and has requested Local Government to impose an assessment (the "**Assessment**") on the Property as set forth in the Notice Of Contractual Assessment Lien Pursuant To Property Assessed Clean Energy Act to be filed in the in the Official Public Records of Collin or Denton County, Texas (the "**Notice of Contractual Assessment Lien**"), a copy of which is attached hereto as Exhibit A and made a part hereof, to repay the financing of such Qualified Improvements. The Property,

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Qualified Improvements and Assessment are more fully described in the Notice of Contractual Assessment Lien.

E. The financing of such Qualified Improvements will be provided to Property Owner by _____ ("**Lender**"), a qualified lender selected by Property Owner, pursuant to a written contract executed by Lender and Local Government as required by Section 399.006(c) of the PACE Act and by the PACE Program (the "**Lender Contract**"). The financing will include only those costs and fees for which an assessment may be imposed under the PACE Act. Local Government has agreed to maintain and continue the Assessment for the benefit of Lender until such financing is repaid in full and to release the Assessment upon notice from Lender of such payment, or foreclose the lien securing the Assessment for the benefit of Lender upon notice from Lender of a default by Property Owner.

F. As required by Section 399.010 of the PACE Act, Property Owner notified the holder(s) of any mortgage liens on the Property at least thirty (30) days prior to the date of this Owner Contract of Property Owner's intention to participate in the PACE Program. The written consent of each mortgage holder to the Assessment was obtained prior to the date of this Owner Contract and is attached hereto as Exhibit B and made a part hereof.

AGREEMENT

The parties agree as follows:

1. Imposition of Assessment. In consideration for the financing advanced or to be advanced to Property Owner by Lender for the Project under the PACE Program pursuant to the Lender Contract, Property Owner hereby requests and agrees to the imposition by Local Government of the Assessment in the amount of $_____, as set forth in the Notice of Contractual Assessment Lien, including all interest, fees, penalties, costs, and other sums due under and/or authorized by the PACE Act, PACE Program and the financing documents between Property Owner and Lender (the "**Financing Documents**") which are described or listed on Exhibit C attached hereto and made a part hereof by reference. Property Owner promises and agrees to pay such amount and interest to Local Government, in care of or as directed by Lender, in satisfaction of the Assessment imposed pursuant to the Owner Contract and the PACE Act. Accordingly, Local Government hereby imposes the Assessment on the Property to secure the payment of such amount, in accordance with the requirements of the PACE Program and the provisions of the PACE Act.

2. Maintenance and Enforcement of Assessment. In consideration for Lender's agreement to advance financing to Property Owner for the Project pursuant to the Financing Documents, Local Government agrees to maintain and continue the Assessment on the Property for the benefit of Lender until the Assessment, including all interest, fees, penalties, costs, and other sums due under and/or authorized by the PACE Act, PACE Program and the Financing Documents are paid in full, and to release the Assessment upon notice from Lender of such payment. Local Government agrees to undertake reasonable efforts to enforce the Assessment against the Property for the benefit of Lender in the event of a default by Property Owner. Local Government agrees to send an annual notice of assessment to the Property Owner each year there is a PACE lien balance.

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3. Installments. The Assessment, including the amount financed and contractual interest, is due and payable in installments as set forth in the Notice of Contractual Assessment Lien and the Financing Documents ("**Installments**"). The Assessment shall include: (1) an application fee paid by Property Owner to Authorized Representative at loan closing, and (2) a recurring administration fee paid by Property Owner to the Authorized Representative. The recurring administration fee amount shall be collected by Lender and paid to the Authorized Representative within thirty (30) days of receipt by Lender, unless otherwise agreed to in writing by the Program Administrator. The amounts due to the Authorized Representative are identified in Exhibit C hereto. As required by Section 399.009(a) (8) of the PACE Act, the period during which such Installments are payable does not exceed the useful life of the Project. When the Assessment together with any prepayment premium, and/or default penalties and interest, if any, has been paid in full, Local Government's rights under this Owner Contract will cease and terminate. Upon notice from Lender that all amounts owing have been paid in full, Local Government will execute a release of the Assessment and this Owner Contract. Thereafter, the Authorized Representative will record the release.

4. Assignment of Right to Receive Installments. Lender will have the right to assign or transfer the right to receive the Installments of the financing secured by the Assessment, provided all of the following conditions are met:

(a) The assignment or transfer is made to a qualified lender as defined in the Lender Contract;

(b) Property Owner and Authorized Representative are notified in writing of the assignment or transfer and the address to which payment of the future Installments should be mailed at least 30 days before the next Installment is due according to the payment schedule included in the Notice of Contractual Assessment Lien and the Financing Documents; and

(c) The assignee or transferee, by operation of the Financing Documents or otherwise, written evidence of which shall be provided to Authorized Representative, assumes Lender's obligations under this Lender Contract.

Upon written notice to Property Owner and Authorized Representative of an assignment or transfer of the right to receive the Installments that meets all of these conditions, the assignor shall be released of all of the obligations of the Lender under such Lender Contract accruing after the date of the assignment assumed by and transferred to such assignee or transferee and all of such obligations shall be assumed by and transferred to the assignee. Any attempt to assign or transfer the right to receive the Installments that does not meet all of these conditions is void.

5. Lien Priority and Enforcement. Pursuant to Section 399.014 of the PACE Act,

(a) Delinquent Installments of the Assessment will incur interest and penalties in the same manner and in the same amount as delinquent property taxes, viz., a delinquent Installment incurs a penalty of 6% of the amount of the Installment for the first calendar month it is delinquent plus 1% for each additional month or portion of a month the Installment remains unpaid prior to July 1 of the year in which it becomes delinquent.

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However, an Installment delinquent on July 1 incurs a total penalty of 12% of the amount of the delinquent Installment without regard to the number of months it has been delinquent. A delinquent Installment will also accrue interest at the rate of 1% for each month or portion of a month that the Installment remains unpaid. Statutory penalties and statutory interest payable under this paragraph will be retained by Local Government to compensate it for the cost of enforcing the Assessment. Additional interest at any default rate imposed by Lender pursuant to the Financing Documents, along with any other fees and charges that become due pursuant to the Financing Documents may be assessed by Lender and retained by Lender.

(b) The Assessment, together with any penalties and interest thereon,

(1) is a first and prior lien against the Property from the date on which the Notice of Contractual Assessment Lien is filed in the Official Public Records of Collin or Denton County as provided by Section 399.014 of the PACE Act, until the financing secured by the Assessment and any penalties and interest are paid; and

(2) such lien has the same priority status as a lien for any other ad valorem tax, pursuant to Section 399.014(a)(2) of the PACE Act.

(c) The lien created by the Assessment runs with the land, and according to Section 399.014(b) of the PACE Act, any portion of the Assessment that has not yet become due is not eliminated by foreclosure of: (i) a property tax lien, or (ii) the lien for any past due portion of the Assessment. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner's obligations under the Financing Documents will be transferred to the succeeding owner without recourse on Local Government or the Authorized Representative.

(d) In the event of a default by Property Owner in payment of the Installments called for by the Financing Documents, the lien created by the Assessment will be enforced by Local Government in the same manner according to Texas Tax Code Secs. 33.41 to 34.23 that a property tax lien against real property may be enforced by a local government, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution.

(e) In a suit to collect a delinquent Installment of the Assessment, Local Government will be entitled to recover costs and expenses, including attorney's fees in the amount of 15% of the total amount of the delinquent Installment, penalties, and interest due, in the same manner according to Texas Tax Code Sec. 33.48 as in a suit to collect a delinquent property tax. Lender shall be entitled to any additional sums due to it under the Financing Documents in connection with a suit to collect a delinquent Installment of the Assessment.

(f) After written notice of the Assessment is recorded in the real property records of the county in which the Property is located as provided under Section 399.013 of the PACE Act, the lien created by the Assessment may not be contested on the basis that

Attachment: Celina PACE Report (Resolution Establishing PACE)

the improvement is not a "qualified improvement" or the project is not a "qualified project", as such terms are defined in Section 399.002 of the PACE Act.

6. Written Contract Required by PACE Act. This Owner Contract constitutes a written contract for the Assessment between the Property Owner and Local Government as required by Section 399.005 of the PACE Act. The Notice of Contractual Assessment Lien will be recorded in the Official Public Records of Collin or Denton County as notice of the contractual Assessment, in accordance with the requirements of Section 399.013 of the PACE Act.

7. Qualified Improvements. Property Owner agrees that all improvements purchased, constructed and/or installed through financing obtained pursuant to this Owner Contract shall be permanently affixed to the Property and will transfer with the Property to the transferee in the event of and sale or assignment of the Property.

8. Water or Energy Savings. For so long as the Assessment encumbers the Property, Property Owner agrees on or before January 31st of each year, to report to Authorized Representative the water or energy savings realized through the Project in accordance with the reporting requirements established by the Local Government.

9. Construction and Definitions. This Owner Contract is to be construed in accordance with and with reference to the PACE Program and PACE Act. Terms used herein, and not otherwise defined herein, shall have the meanings ascribed to them in: (1) the PACE Program, and/or (2) the PACE Act.

10. Binding Effect. This Owner Contract inures to the benefit of Local Government and is binding upon Property Owner, its heirs, successors, and assigns.

11. Notices. All notices and other communications required or permitted by this Owner Contract shall be in writing and mailed by certified mail, return receipt requested, addressed to the other party at its address shown below the signature of such party or at such other address as such party may from time to time designate in writing to the other party, and shall be effective from the date of receipt.

12. Governing Law. This Owner Contract shall in all respects be governed by and construed in accordance with the laws of the State of Texas.

13. Entire Agreement. This Owner Contract constitutes the entire agreement between Local Government and Property Owner with respect to the subject matter hereof and may not be amended or altered in any manner except by a document in writing executed by both parties.

14. Further Assurances. Property Owner further covenants and agrees to do, execute and deliver, or cause to be done, executed, and delivered all such further acts for implementing the intention of this Owner Contract as may be reasonably necessary or required.

15. Captions. Paragraph and section titles are for convenience of reference only and shall not be of any legal effect.

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16. Interest. Interest and penalties in the event of default, as provided above, are explicitly authorized by Section 399.014(d) of the PACE Act. However, in no event will the total amount of interest on the Assessment, including statutory interest payable to Local Government and contractual interest payable to Lender under the Financing Documents, exceed the maximum amount or rate of nonusurious interest that may be contracted for, charged, or collected under Texas law (the "usury limit"). If the total amount of interest payable to Local Government and Lender exceeds the usury limit, the interest payable to Local Government will be reduced and any interest in excess of the usury limit will be credited to the amount payable to Local Government or refunded. This provision overrides any conflicting provisions in this Owner Contract.

17. Counterparts. This Owner Contract may be executed in any number of counterparts, each counterpart may be delivered originally or by electronic transmission, all of which when taken together shall constitute one agreement binding on the parties, notwithstanding that all parties are not signatories to the same counterpart.

18. Costs. No provisions of this Owner Contract will require Local Government to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

19. Construction Terms. If the Lender Contract includes requirements related to construction of the Project and disbursement of Financing, such requirements are set forth in Exhibit D attached hereto and incorporated herein by reference. Such requirements may include, among other things, (1) the disbursement schedule and (2) any holdback amount to be funded following verification of final project completion.

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PROPERTY OWNER:

_____

By:_____

Name: _____

Title: _____

Address: _____

_____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF _____§

This PACE Owner Contract pursuant to Property Assessed Clean Energy Act was acknowledged before me on _____, _____ by _____, _____, on behalf of _____.

_____

_____(print name)

NOTARY PUBLIC, STATE OF TEXAS

Attachment: Celina PACE Report (Resolution Establishing PACE)

LOCAL GOVERNMENT:

CITY OF CELINA

By:_____
AUTHORIZED REPRESENTATIVE
Pursuant to Tex. Local Gov't Code §399.006(b)

Name: _____

Title: _____

Address: _____

_____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF _____ §

This PACE Owner Contract pursuant to Property Assessed Clean Energy Act was acknowledged before me on _____, _____ by _____, _____, on behalf of _____, Texas.

_____
_____
_____
_____
_____
_____

_____(print name)

NOTARY PUBLIC, STATE OF TEXAS

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT A

NOTICE OF CONTRACTUAL ASSESSMENT LIEN
PURSUANT TO
PROPERTY ASSESSED CLEAN ENERGY ACT

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT B

MORTGAGE HOLDER(S) CONSENT

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EXHIBIT C

FINANCING DOCUMENTS

Assessment Payment Schedule

Assessment Total:
Payment Frequency:

Payment Date	Total Payment	Principal Paid	Interest Paid	Administration Fee	Remaining Balance

Financing Documents

Document Title	Parties	Date Executed

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT D

CONSTRUCTION TERMS

[if applicable]

Date	Draw down Amount	Purpose

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT 3

FORM LENDER CONTRACT

THIS PROPERTY ASSESSED CLEAN ENERGY ("PACE") LENDER CONTRACT (the "**Lender Contract**") is made as of the _____ day of _____, _____, by and between the City of Celina, Texas ("**Local Government**") and _____ ("**Lender**").

RECITALS

A. The Property Assessed Clean Energy Act ("**PACE Act**"), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government's jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of commercial, industrial, agricultural, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand.

B. Local Government has established a program under the PACE Act pursuant to a resolution dated _____, adopted by the City Council (the "**PACE Program**"), and has designated Texas Property Assessed Clean Energy Authority ("**Authorized Representative**") as the representative authorized to enter into the Assessment, Owner Contract and Lender Contract described herein, and has designated the entire territory within the City of Celina, Texas jurisdiction as a region ("**Region**") within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owner's property pursuant to the PACE Program.

C. Pursuant to Application number _____, _____ ("**Property Owner**") has applied to Local Government to participate in the PACE Program with respect to certain real property located at _____, _____, Texas, __ -____ (the "**Property**") by installing or modifying on the Property certain permanent improvements which are intended to decrease water or energy consumption or demand, and which are or will be fixed to the Property as "qualified improvements", as defined in Section 399.002 of the PACE Act (the "**Qualified Improvements**"). The installation or modification of such Qualified Improvements on the Property will be a "qualified project" as defined in Section 399.002 of the PACE Act (the "**Project**").

D. Property Owner and Local Government have entered into a written contract as required by Section 399.005 of the PACE Act, a copy of which is attached hereto as Exhibit A and made a part hereof (the "**Owner Contract**"), in which Property Owner has requested that Local Government impose an assessment (the "**Assessment**") on the Property as set forth in the Notice Of Contractual Assessment Lien Pursuant To Property Assessed Clean Energy Act to be filed in

Attachment: Celina PACE Report (Resolution Establishing PACE)

the in the Official Public Records of Collin or Denton County, Texas (the "**Notice of Contractual Assessment Lien**"), a copy of which is attached to the Owner Contract as Exhibit A, to repay the financing of such Qualified Improvements. The Property, Qualified Improvements and Assessment are more fully described in the Notice of Contractual Assessment Lien.

E. Financing for the Project (the "**Financing**") will be provided to Property Owner by Lender in accordance with financing documents which are described or listed on Exhibit B attached hereto and made a part hereof (the "**Financing Documents**"). Such Financing includes only those costs and fees for which an assessment may be imposed under the PACE Act. This Lender Contract is entered into between Local Government and Lender as required by Section 399.006(c) of the PACE Act to provide for repayment of the Financing secured by the Assessment.

F. As required by Section 399.010 of the PACE Act, Property Owner notified the holder(s) of any mortgage liens on the Property at least thirty (30) days prior to the date of the Owner Contract of Property Owner's intention to participate in the PACE Program. The written consent of each mortgage lien holder to the Assessment was obtained prior to the date of the Owner Contract, as shown by the copy of such consent(s) attached as Exhibit B to the Owner Contract.

AGREEMENT

The parties agree as follows:

1. Maintenance and Enforcement of Assessment. Lender agrees to provide the Financing for the Project in the total amount of $_____, according to the terms set out in the Financing Documents attached hereto as Exhibit B. In consideration for the Financing provided or to be provided by Lender for the Project, and subject to the terms and conditions of this Lender Contract, Local Government agrees to maintain and continue the Assessment for the benefit of Lender until the Financing, all contractual interest, any prepayment premium, additional penalties and interest imposed by the Lender under the Financing Documents according to the Financing Documents, and any statutory penalties, interest, attorney's fees, or costs accrued in the event of default are paid in full. Local Government will not release the Assessment until which time Lender notifies Local Government that all amounts owing have been paid in full. Local Government shall not sell, assign or transfer the Assessment or the assessment lien against the Property to any third party without the prior written consent of the Lender. Local Government agrees to enforce the assessment lien against the Property for the benefit of Lender in the event of a default by Property Owner in accordance with the provisions set forth in paragraph 6. Local Government shall have no obligation to repurchase the assessment and no liability to Lender should there be a default or an event of default in the payment thereof or should there be any other loss or expense suffered by Lender or under any other circumstances.

2. Installments. The Assessment, including the amount financed and contractual interest, is due and payable to Lender in installments as set forth in the Notice of Contractual Assessment Lien and Financing Documents ("**Installments**"). The Assessment shall include: (1) an application fee paid by Property Owner to Authorized Representative at loan closing, and (2) a recurring administration fee paid by Property Owner to the Authorized Representative. The recurring administration fee amount shall be collected by Lender and paid to the Authorized Representative within thirty (30) days of receipt by Lender, unless otherwise agreed to in writing

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by the Program Administrator. The amounts due to the Authorized Representative are identified in Exhibit B hereto. As required by Section 399.009(a)(8) of the PACE Act, the period during which such Installments are payable does not exceed the useful life of the Project. Notwithstanding the foregoing, in event of default by Property Owner resulting in an Installments payment delinquency, Lender will, upon notice to Program Administrator, stay any amounts due to Program Administrator until such default has been cured and payments are received from Property Owner. Lender agrees that any stay in payments due to Program Administrator shall not reduce the total payments due to Program Administrator under the Financing Documents. When the Assessment together with any prepayment premium, and/or default penalties and interest, if any, has been paid in full, Local Government's rights under this Lender Contract will cease and terminate. Upon notice from Lender that all amounts owing have been paid in full, Local Government will execute a release of the Assessment and this Lender Contract. Thereafter, the Authorized Representative will record the release.

3. Assignment of Right to Receive Installments. Lender will have the right to assign or transfer the right to receive the Installments of the Assessment, provided all of the following conditions are met:

(a) The assignment or transfer is made to a qualified lender, which may be one of the following:

(1) Any federally insured depository institution such as a bank, savings bank, savings and loan association and federal or state credit union;

(2) Any insurance company authorized to conduct business in one or more states;

(3) Any registered investment company, registered business development company, or a Small Business Administration small business investment company;

(4) Any publicly traded entity; or

(5) Any private entity that:

(i) Has a minimum net worth of $5 million;

(ii) Has at least three years' experience in business or industrial lending or commercial real estate lending (including multifamily lending), or has a lending officer that has at least three years' experience in business or industrial lending or commercial real estate lending;

(iii) Can provide independent certification as to availability of funds; and

Attachment: Celina PACE Report (Resolution Establishing PACE)

(iv) Has the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts

(6) A financially stable entity with the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts.

(b) Property Owner and Authorized Representative are notified in writing of the assignment or transfer and the address to which payment of the future Installments should be mailed at least 30 days before the next Installment is due according to the payment schedule included in the Financing Documents; and

(c) The assignee or transferee, by operation of the Financing Documents or otherwise, written evidence of which shall be provided to Authorized Representative, assumes Lender's obligations under this Lender Contract.

Upon written notice to Property Owner and Authorized Representative of an assignment or transfer of the right to receive the Installments that meets all of these conditions, the assignor shall be released of all of the obligations of the Lender under this Lender Contract accruing after the date of the assignment and all of such obligations shall be assumed by and transferred to the assignee. Any attempt to assign or transfer the right to receive the Installments of the Assessment that does not meet all of these conditions is void.

4. Financing Responsibility. Lender assumes full responsibility for determining the financial ability of the Property Owner to repay the Financing and for advancing the funds as set forth in the Financing Documents and performing Lender's obligations and responsibilities thereunder.

5. Lien Priority and Enforcement. As provided in the Owner Contract and Section 399.014 of the PACE Act:

(a) Delinquent Installments of the Assessment incur interest and penalties in the same manner and in the same amount as delinquent property taxes, viz., a delinquent Installment incurs a penalty of 6% of the amount of the Installment for the first calendar month it is delinquent plus 1% for each additional month or portion of a month the Installment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an Installment delinquent on July 1 incurs a total penalty of 12% of the amount of the delinquent Installment without regard to the number of months it has been delinquent. A delinquent Installment also accrues interest at the rate of 1% for each month or portion of a month the Installment remains unpaid. Statutory penalties and statutory interest payable under this paragraph will be retained by Local Government to compensate it for the cost of enforcing the Assessment. Additional interest at any default rate imposed by Lender pursuant to the Financing Documents, along with any other fees and charges that become due pursuant to the Financing Documents may be assessed by Lender and retained by Lender.

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(b) The Assessment, together with any penalties and interest thereon,

(1) is a first and prior lien against the Property from the date on which the Notice of Contractual Assessment Lien is filed in the Official Public Records of Collin or Denton County, Texas, as provided by Section 399.014 of the PACE Act, until the Assessment and any penalties and interest are paid; and

(2) such lien has the same priority status as a lien for any other ad valorem tax, pursuant to Section 399.014(a)(2) of the PACE Act.

(c) The lien created by the Assessment runs with the land, and according to Section 399.014(b) of the PACE Act, any portion of the Assessment that has not yet become due is not eliminated by foreclosure of: (i) a property tax lien, or (ii) the lien for any past due portion of the Assessment. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner's obligations under the Financing Documents will be transferred to the succeeding owner without recourse on Local Government or the Authorized Representative.

(d) In the event of a default by Property Owner in payment of the Installments called for by the Financing Documents, the lien created by the Assessment will be enforced by Local Government in the same manner according to Texas Tax Code Secs. 33.41 to 34.23 that a property tax lien against real property may be enforced by a local government, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution.

(e) In a suit to collect a delinquent Installment of the Assessment, Local Government will be entitled to recover costs and expenses, including attorney's fees in the amount of 15% of the total amount of the delinquent Installment, penalties, and interest due, in the same manner according to Texas Tax Code Sec. 33.48 as in a suit to collect a delinquent property tax. Lender shall be entitled to any additional sums due to it under the Financing Documents in connection with a suit to collect a delinquent Installment of the Assessment.

(f) After written notice of the Assessment is recorded in the real property records of the county in which the Property is located as provided under Section 399.013 of the PACE Act, the lien created by the Assessment may not be contested on the basis that the improvement is not a "qualified improvement" or the project is not a "qualified project", as such terms are defined in Section 399.002 of the PACE Act.

6. Servicing and Enforcement of Assessment.

(a) Servicing. The Assessment payments will be billed, collected, received, and disbursed in accordance with the procedures set out in the Financing Documents. Lender will be responsible for all servicing duties other than those specifically undertaken by Local Government in this Lender Contract. Local Government agrees to send an annual notice of assessment to the Property Owner each year there is a PACE lien balance.

Attachment: Celina PACE Report (Resolution Establishing PACE)

(b) Remittances. Each of the parties covenants and agrees to promptly remit to the other party any payments incorrectly received by such party with respect to the Assessment after the execution of this Lender Contract.

(c) Default and Enforcement. In the event of a default in payment of any installment of the Assessment as specified in the Financing Documents, Lender agrees to take at least the following steps to collect the delinquent Installment:

(1) Mail a written notice of delinquency and demand for payment to the Property Owner by both certified mail, return receipt requested, and first class mail; and

(2) Mail a second notice of delinquency to the Property Owner by both certified mail, return receipt requested, and first class mail at least 30 days after the date of the first notice if the delinquency is continuing.

If the Property Owner fails to cure the delinquency within 30 days after the mailing of the second notice of delinquency, the Lender or its designated servicer may notify the Authorized Representative who will certify to the Local Government in writing of a default by the Property Owner, and upon receipt of such certification and after doing its own due diligence, Local Government will enforce the assessment lien for the benefit of Lender pursuant to Tex. Local Gov't Code Sec. 399.014(c), in the same manner as a property tax lien against real property may be enforced, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution.

(d) Final Payment and Release. When the Assessment has been satisfied and paid in full, together with all interest and prepayment premiums, if any, provided under the Financing Documents and all costs, fees, penalties, and interest applicable under the PACE Act and payable to Lender or Local Government, Local Government's rights under the Owner Contract will cease and terminate. Upon notice from Lender that all amounts owing have been paid in full, Local Government will execute a release of the Assessment and the Owner Contract. Thereafter, the Authorized Representative will record the Release.

(e) Limitations on Local Government's Actions. Without the prior written consent of Lender, Local Government will not enter into any amendment or modification of or deviation from the Owner Contract. Local Government will not institute any legal action with respect to the Owner Contract, the Assessment, or the assessment lien without the prior written request of Lender.

(f) Limitations of Local Government's Obligations. Local Government undertakes to perform only such duties as are specifically set forth in this Lender Contract, and no implied duties on the part of Local Government are to be read into this Lender Contract. Local Government will not be deemed to have a fiduciary or other similar relationship with Lender. Local Government may request written instructions for action from Lender and refrain from taking action until it receives satisfactory written instructions. Local Government will have no liability to any person for following such instructions, regardless of whether they are to act or refrain from acting.

Attachment: Celina PACE Report (Resolution Establishing PACE)

(g) Costs. No provisions of this Lender Contract will require Local Government to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

7. Lender's Warranties and Representations. With respect to this Lender Contract, Lender hereby warrants and represents that on the date on which Lender executes this Lender Contract:

(a) Lender is a qualified lender under the PACE Program, as defined in paragraph 3(a) above, and is fully qualified under the PACE Program to enter into this Lender Contract and the Financing Documents;

(b) Lender has independently and without reliance upon Local Government conducted its own credit evaluation, reviewed such information as it has deemed adequate and appropriate, and made its own analysis of the Owner Contract, the Project, and Property Owner's financial ability to perform the financial obligations set out in the Financing Documents; and

(c) Lender has not relied upon any investigation or analysis conducted by, advice or communication from, or any warranty or representation by Local Government or any agent or employee of Local Government, express or implied, concerning the financial condition of the Property Owner or the tax or economic benefits of an investment in the Assessment.

8. Written Contract Required by the PACE Act. This Lender Contract constitutes a written contract between Local Government and Lender, as required under Section 399.006 (c) of the PACE Act.

9. Construction and Definitions. This Lender Contract is to be construed in accordance with and with reference to the PACE Program and PACE Act. Terms used herein, and not otherwise defined herein, shall have the meanings ascribed to them in: (1) the Notice of Contractual Assessment Lien, (2) the Owner Contract, (3) the PACE Program, and/or (4) the PACE Act.

10. Binding Effect. This Lender Contract is binding upon and shall inure to the benefit of the parties hereto and their respective heirs, representatives, successors, and assigns.

11. Notices. All notices and other communications required or permitted hereunder shall be in writing and mailed by certified mail, return receipt requested, addressed to the other party at the address stated below the signature of such party or at such other address as such party may from time to time designate in writing to the other party, and shall be effective from the date of receipt.

12. Governing Law. This Lender Contract shall in all respects be governed by and construed in accordance with the laws of the State of Texas.

Attachment: Celina PACE Report (Resolution Establishing PACE)

13. Entire Agreement. This Lender Contract constitutes the entire agreement between the parties with respect to the subject matter hereof and shall not be amended or altered in any manner except by a document in writing executed by both parties.

14. Captions. Paragraph and section titles are for convenience of reference only and shall not be of any legal effect.

15. Counterparts. This Lender Contract may be executed in any number of counterparts, each counterpart may be delivered originally or by electronic transmission, all of which when taken together shall constitute one agreement binding on the parties, notwithstanding that all parties are not signatories to the same counterpart.

16. Interest. Interest and penalties in the event of default, as provided above, are explicitly authorized by Section 399.014(d) of the PACE Act. However, in no event will the total amount of interest on the Assessment, including statutory interest payable to Local Government and contractual interest payable to Lender under the Financing Documents, exceed the maximum amount or rate of nonusurious interest that may be contracted for, charged, or collected under Texas law (the "usury limit"). If the total amount of interest payable to Local Government and Lender exceeds the usury limit, interest payable to Local Government will be reduced and any interest in excess of the usury limit will be credited to the amount payable to Local Government or refunded. This provision overrides any conflicting provisions in this Lender Contract.

17. Certification. Local Government certifies that the PACE Program has been duly adopted and is in full force and effect on the date of this Lender Contract. Property Owner has represented to Lender and Local Government that the Project is a "qualified project" as defined in the PACE Program and Section 399.002 of the PACE Act. The Assessment has been imposed on the Property as a lien in accordance with the PACE Owner Contract and the PACE Act. Local Government has not assigned or transferred any interest in the Assessment or the PACE Owner Contract.

18. Construction Terms. If this Lender Contract includes requirements related to construction of the Project and disbursement of Financing, such requirements are set forth in Exhibit C attached hereto and incorporated herein by reference. Such requirements may include, among other things, (1) the disbursement schedule and (2) any holdback amount to be funded following verification of final project completion.

Attachment: Celina PACE Report (Resolution Establishing PACE)

LENDER:

_____

By:_____

Name: _____

Title: _____

Address: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF _____ §

This PACE Lender Contract pursuant to Property Assessed Clean Energy Act was acknowledged before me on _____, _____ by _____, _____, on behalf of _____.

_____

_____(print name)

NOTARY PUBLIC, STATE OF TEXAS

Attachment: Celina PACE Report (Resolution Establishing PACE)

LOCAL GOVERNMENT:

CITY OF Celina, TEXAS

By:_____
AUTHORIZED REPRESENTATIVE
Pursuant to Tex. Local Gov't Code §399.006(b)

Name: _____

Title: _____

Address: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF _____ §

This PACE Lender Contract pursuant to Property Assessed Clean Energy Act was acknowledged before me on _____, _____ by _____, _____, on behalf of _____, Texas.

_____
_____
_____
_____
_____
_____

_____(print name)

NOTARY PUBLIC, STATE OF TEXAS

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT A

OWNER CONTRACT

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT B

FINANCING DOCUMENTS

Assessment Payment Schedule

Assessment Total:
Payment Frequency:

Payment Date	Total Payment	Principal Paid	Interest Paid	Administration Fee	Remaining Balance

Financing Documents

Document Title	Parties	Date Executed

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT C

CONSTRUCTION TERMS

[if applicable]

Date	Draw down Amount	Purpose

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT 4

NOTICE OF CONTRACTUAL ASSESSMENT LIEN
PURSUANT TO
PROPERTY ASSESSED CLEAN ENERGY ACT

STATE OF TEXAS §
§
CITY OF Celina §

RECITALS

A. The Property Assessed Clean Energy Act ("**PACE Act**"), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government's jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of commercial, industrial, agricultural, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand. Unless otherwise expressly provided herein, all terms used herein have the same meanings ascribed to them in the PACE Act.

B. The City of Celina, Texas ("**Local Government**") has established a program under the PACE Act pursuant to a resolution dated _____, adopted by the City Council (the "**PACE Program**"), and has designated Texas Property Assessed Clean Energy Authority ("**Authorized Representative**") as the representative authorized to enter into and enforce the Assessment, Owner Contract and Lender Contract described herein, and has designated the entire territory within the City of Celina jurisdiction as a region ("**Region**") within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owner's property pursuant to the PACE Program.

C. _____ ("**Property Owner**") is the legal and record owner of the qualified "real property," as defined in Section 399.002 of the PACE Act, within the Region located at _____, _____, Texas, _____ and more fully described in Exhibit A attached hereto and made a part hereof (the "**Property**").

D. Property Owner has applied to Local Government to participate in the PACE Program by installing or modifying on the Property certain permanent improvements described in Exhibit B attached hereto and made a part hereof, which are intended to decrease water or energy consumption or demand, and which are or will be fixed to the Property as "qualified improvements", as defined in Section 399.002 of the PACE Act (the "**Qualified Improvements**"). The installation or modification of such Qualified Improvements on the Property will be a "qualified project" as defined in Section 399.002 of the PACE Act (the **Qualified Project**"). Property Owner has entered into a written contract (the "**Owner Contract**") with Local Government pursuant to the PACE Act and the PACE Program and has

Attachment: Celina PACE Report (Resolution Establishing PACE)

requested Local Government to impose an assessment on the Property to repay the financing of such Qualified Improvements.

E. The financing of such Qualified Improvements will be provided to Property Owner by _____ ("**Lender**"), a qualified lender selected by Property Owner, pursuant to a written contract executed by Lender and Local Government as required by Section 399.006(c) of the PACE Act and by the PACE Program (the "**Lender Contract**"). Lender will be responsible for all servicing duties other than those specifically undertaken by Local Government in the Lender Contract.

THEREFORE, Local Government hereby gives notice to the public pursuant to Section 399.013 of the PACE Act that it has imposed an assessment on the Property in the amount of $_____, as set forth on Exhibit C attached hereto, which together with all interest, fees, penalties, costs and other sums due under and/or authorized by the PACE Act, PACE Program and the financing documents between Property Owner and Lender (the "**Financing Documents**") is herein referred to as the "**Assessment**".

Pursuant to Section 399.014 of the PACE Act,

1. The Assessment, including interest and any penalties, costs, or fees accrued thereon,

   (i) is a first and prior lien on the Property from the date that this Notice of Contractual Assessment Lien is recorded in the Official Public Records of Collin or Denton County, Texas, until such Assessment, interest, penalties, costs, and fees are paid in full; and

   (ii) such lien has the same priority status as a lien for any other ad valorem tax, pursuant to Section 399.014(a)(2) of the PACE Act.

2. The lien created by the Assessment runs with the land, and according to Section 399.014(b) of the PACE Act, any portion of the Assessment that has not yet become due is not eliminated by foreclosure of: (i) a property tax lien, or (ii) the lien for any past due portion of the Assessment. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner's obligations under the Financing Documents will be transferred to the succeeding owner without recourse on Local Government or the Authorized Representative.

3. After this Notice of Contractual Assessment Lien is recorded in the real property records of the county in which the Property is located as provided under Section 399.013 of the PACE Act, the lien created by the Assessment may not be contested on the basis that the improvement is not a Qualified Improvement or the project is not a Qualified Project.

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXECUTED on _____, _____.

LOCAL GOVERNMENT:
CITY OF Celina, TEXAS

By:

Name: _____

Title: _____

AUTHORIZED REPRESENTATIVE
Pursuant to Tex. Local Gov't Code §399.006(b)

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF _____ §

This Notice of Contractual Assessment Lien pursuant to Property Assessed Clean Energy Act was acknowledged before me on _____, _____ by _____, _____, on behalf of _____, Texas.

_____

_____ (print name)

NOTARY PUBLIC, STATE OF TEXAS

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT A

PROPERTY DESCRIPTION

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT B

QUALIFIED IMPROVEMENTS

Attachment: Celina PACE Report (Resolution Establishing PACE)

EXHIBIT C

ASSESSMENT

Assessment Payment Schedule

Assessment Total:
Payment Frequency:
Interest Rate:

Payment Date	Total Payment	Principal Paid	Interest Paid	Administration Fee	Remaining Balance

Attachment: Celina PACE Report (Resolution Establishing PACE)

INDEXING INSTRUCTION:

Grantor: _____, Property Owner
Grantees: _____, Local Government
_____, Lender

After recording, return to- _____
_____
_____
_____

Attachment: Celina PACE Report (Resolution Establishing PACE)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Bella Lopez, Senior Planner
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing

---

Action Requested:
Consider and act upon a resolution of the City of Celina, Texas, determining the costs of certain authorized improvements to be financed within the Sutton Fields East Public Improvement District; approving a preliminary service plan and assessment plan, including two proposed assessment rolls; directing the filing of each of the proposed assessment rolls with the City Secretary; and providing for noticing and calling a public hearing on November 9, 2021 to consider two separate ordinances levying assessments on property located within the Sutton Fields East Public Improvement District. (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing) (Lopez)

Background:
Please refer to the attachments for additional information.

Supporting Documents:
- Draft Resolution

Staff Recommendation:
Staff recommends approval.

CITY OF CELINA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF CELINA, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED BY THE SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING PROPOSED ASSESSMENT ROLLS; CALLING A REGULAR MEETING AND NOTICING PUBLIC HEARINGS FOR *NOVEMBER 9, 2021* TO CONSIDER ORDINANCES LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLLS WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARINGS; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

RECITALS

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act") authorizes the governing body (the "City Council") of the City of Celina, Texas (the "City") to create a public improvement district within the City and within the extraterritorial jurisdiction of the City (the "ETJ"); and

WHEREAS, on October 12, 2021, the City Council conducted a public hearing to consider a petition received by the City on August 24, 2021 titled "Petition for the Creation of a Public Improvement District Within the Extraterritorial Jurisdiction of the City of Celina, Texas for the Sutton Fields East Public Improvement District" requesting the creation of a public improvement district; and

WHEREAS, on October 12, 2021, the City Council approved Resolution No. _____ (the "Authorization Resolution"), authorizing, establishing, and creating the Sutton Fields East Public Improvement District (the "District"); and

WHEREAS, the City authorized the creation of the District and the issuance of up to $25,000,000.00 in bonds for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the "Authorized Improvements"); and

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

WHEREAS, the City Council and the City staff have been presented an "Sutton Fields East Public Improvement District Preliminary Service and Assessment Plan", including the proposed assessment rolls attached thereto (collectively, the "Proposed Assessment Rolls"), dated October 12, 2021 (collectively, the "Preliminary SAP"), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

WHEREAS, the Preliminary SAP sets forth the estimated total costs of certain Authorized Improvements to be financed by the District at this time and the Proposed Assessment Rolls state the respective assessments proposed to be levied against each benefitted parcel of land in the District as determined by the method of assessment chosen by the City; and

WHEREAS, the Act requires that the Proposed Assessment Rolls be filed with the City Secretary of the City (the "City Secretary") and be subject to public inspection; and

WHEREAS, the Act requires that public hearings (collectively, the "Assessment Hearing") be called to consider proposed assessments and requires the City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing; and

WHEREAS, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City and in the part of the City's ETJ in which the District is located or in which the Authorized Improvements are to be undertaken before the tenth (10th) day before the date of the Assessment Hearing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS AS FOLLOWS:

SECTION 1. THAT the recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. THAT the City Council does hereby accept the Preliminary SAP for the District, including the Proposed Assessment Rolls, a copy of which is attached hereto as **Exhibit**

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

A and is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary SAP.

SECTION 3. THAT the City Council hereby determines that the total costs of the Major Improvements (as defined in the Preliminary SAP) to be financed by the District are as set forth in Table III-A of the Preliminary SAP and the total costs of the Phase #1 Improvements (as defined in the Preliminary SAP) to be financed by the District are as set forth in Table III-B of the Preliminary SAP, which costs do include the payment of expenses incurred in the administration of the District and related to the issuance of any bonds.

SECTION 4. THAT the City Council's final determination and approval of the costs of the Major Improvements and the Phase #1 Improvements, or any portion thereof, shall be subject to and contingent upon City Council approval of a final Service and Assessment Plan which will include final Assessment Rolls, after the properly noticed and held Assessment Hearing.

SECTION 5. THAT the Proposed Assessment Rolls state the assessment proposed to be levied against each benefitted parcel of land in the District as determined by the method of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary SAP.

SECTION 6. THAT the City Council expressly defers the levy of assessments against property within future phases of the District for phase-specific improvements that will benefit only the property within each subsequent phase until such time as the costs of such phase-specific improvements can be determined with certainty as referenced in the Preliminary SAP.

SECTION 7. THAT the City Council hereby authorizes and directs the filing of the Proposed Assessment Rolls with the City Secretary and the same shall be available for public inspection.

SECTION 8. THAT the City Council hereby authorizes, and calls, a meeting and two public hearings (collectively, the Assessment Hearing as defined above) to be held on *November 9, 2021 at or after 5:00 p.m. at Celina City Council Chambers, 112 N. Colorado St., Celina, Texas 75009*, at which the City Council shall, among other actions, hear and pass on any objections to

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

the proposed assessments; and, upon the adjournment of each Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property within the District that benefit from the applicable portion of the Authorized Improvements (which ordinance shall specify the method of payment of the assessments).

SECTION 9. THAT the City Council hereby authorizes and directs the City Secretary to publish notice of the Assessment Hearing to be held on *November 9, 2021*, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general circulation in the City and in the part of the City's ETJ in which the District is located or in which the Authorized Improvements are to be undertaken, on or before October 29, 2021, which is before the tenth (10th) day before the date of the Assessment Hearing, as required by Section 372.016(b) of the Act.

SECTION 10. THAT when the Proposed Assessment Rolls are filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on *November 9, 2021*, on or before October 29, 2021, as required by Section 372.016(c) of the Act.

SECTION 11. THAT City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearings on the agenda for the *November 9, 2021* meeting of the City Council.

SECTION 12. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

[*Remainder of page intentionally left blank; signatures follow*]

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

PASSED AND APPROVED on this the 12th day of October, 2021.

ATTEST:

_____
Mindy Koehne, Mayor Pro-Tem

_____
Vicki Tarrant, City Secretary

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

EXHIBIT A

PRELIMINARY SERVICE AND ASSESSMENT PLAN

SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT

CELINA TEXAS

PRELIMINARY SERVICE AND ASSESSMENT PLAN

October 12, 2021

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

SUTTON FIELDS EAST
PUBLIC IMPROVEMENT DISTRICT

PRELIMINARY SERVICE AND ASSESSMENT PLAN

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Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On October 12, 2021, (the "Creation Date") the City Council of the City of Celina Texas (the "City"), Texas passed and approved Resolution No. _____ approving and authorizing the creation of the Sutton Fields East Public Improvement District (the "PID") to finance the costs of certain public improvements for the benefit of property in such public improvement district, all of which was located within the extraterritorial jurisdiction of the City at the time the PID was created.

The property in the PID is proposed to be developed in multiple phases, and the PID will finance public improvements as the property within the PID is developed. Assessments will be imposed on the property for the public improvements to be constructed.

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. The Sutton Fields East Public Improvement District 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 (i) cover a period of at least five years; (ii) define the annual indebtedness and the projected costs for improvements; and (iii) include a copy of the notice form required by Section 5.014, Property Code." The service plan is described in Section IV of this Service and Assessment Plan. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix E.

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 costs of the Authorized Improvements 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 Rolls for the PID are included as Appendix G and Appendix H of this Service and Assessment Plan. The Assessments as shown on each Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

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, as specified in a payment request in a form that has been reviewed and approved by the City. 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, 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, City permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses

Actual Costs 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 payment request in a form that has been reviewed and approved by the City. 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.

"Additional Interest" means the 0.50% additional interest rate charged on Assessments (if applicable) pursuant to Section 372.018 of the PID Act.

"Additional Interest Component" means the amount collected by application of the Additional Interest.

"Additional Interest Reserve" has the meaning set forth in Section V.G of this Service and Assessment Plan.

"Administrative Expenses" 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

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

installments of the Assessments and the system of registration and transfer of the Bonds, (v) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and other laws applicable to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (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 in one year 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 the Bonds or 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 including both principal and interest, as shown on the Assessment Rolls attached hereto as Appendix G and Appendix H, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Additional Interest Component designated for the Additional Interest Reserve described in Section V of this Service and Assessment Plan, and (iii) the Administrative Expenses.

"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 the property that benefits from the Authorized Improvements to be provided by the PID on which Assessments have been imposed as shown in each Assessment Roll, as each Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes all 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 including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

"Assessment Ordinance" means each 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" means, as applicable, the Major Improvement Area Assessment Roll, the Phase #1 Assessment Roll or any other Assessment Roll in an amendment or supplement to this

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

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 Service and Assessment Plan 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, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

"Bonds" mean any bonds issued by the City 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.

"City" means the City of Celina, Texas.

"City Council" means the duly elected governing body of the City.

"**County**" means Denton County, Texas.

"**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 MM Sutton Fields East, LLC, a Texas limited liability company.

"Development Agreement" means that certain Sutton Fields East Development Agreement by and between the City and the Developer, approved by the City on August 10, 2021, related to development of the property within the PID, and 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 F attached hereto.

"**Future Phase(s)**" means Phases that are fully developed after Phase #1, as such areas are generally depicted and described in Appendix A.

"Homeowner Association" means a homeowner's association or property owners' association established for the benefit of property owners within the boundaries of the PID.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

"Homeowner Association Property" means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a Homeowner's Association.

"Lot" means a tract of land described as a "lot" in a subdivision plat recorded in the official public records of Denton 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 as shown in Appendix F. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated average home value for each home at the time of assessment levy, 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.

"Major Improvement Area" or **"MIA"** mean the property within the PID excluding Phase #1 which is to be developed subsequent to Phase #1 and generally depicted in Appendix A of this Service and Assessment Plan or any Annual Service Plan Update.

"Major Improvement Area Assessed Property" means, for any year, all Parcels within the PID other than (a) Non-Benefited Property, and (b) Parcels within Phase #1.

"Major Improvement Area Assessment Revenues" mean the revenues actually received by or on behalf of the City from the collection of Assessments levied against Major Improvement Area Assessed Property, or the Annual Installments thereof, for the Major Improvement Area Projects.

"Major Improvement Area Assessment Roll" means the document included in this Service and Assessment Plan as Appendix G, 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.

"Major Improvement Area Bonds" mean those certain City of Celina, Texas, Special Assessment Revenue Bonds, Series 20__ (Sutton Fields East Public Improvement District Major Improvement Area Project) that are secured primarily by Major Improvement Area Assessment Revenues.

"Major Improvement Area Projects" mean the pro rata portion of the Major Improvements allocable to the Major Improvement Area, which are described in Section III.

"Major Improvements" mean the Authorized Improvements which benefit all Assessed Property within the PID and are described in Section III.B.

"Mustang SUD" means Mustang Special Utility District.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

"Non-Benefited Property" means Parcels that accrue no special benefit from the Authorized Improvements, including 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. 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.E.

"Parcel" or **"Parcels"** means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Denton Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Denton 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 and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix H.

"Phase #1 Assessed Property" means all Parcels within Phase #1 other than Non-Benefited Property and shown in the Phase #1 Assessment Roll against which an Assessment relating to the Phase #1 Projects 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 Projects.

"Phase #1 Assessment Roll" means the document included in this Service and Assessment Plan as Appendix H**,** 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 those certain City of Celina, Texas, Special Assessment Revenue Bonds, Series 2021 (Sutton Fields East Public Improvement District Phase #1 Project) that are secured primarily by Phase #1 Assessment Revenues.

"Phase #1 Improvements" mean the Authorized Improvements which only benefit Phase #1 Assessed Property, which are described in Section III.C.

"Phase #1 Maximum Assessment Per Unit" means for Phase #1, an Assessment per unit for Phase #1 Projects for each applicable Lot Type as follows:

Lot Type 1 (60 Ft) - $40,015.79

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Lot Type 2 (50 Ft) - $33,346.49

"Phase #1 Projects" mean (i) the pro rata portion of the Major Improvements allocable to Phase #1, and (ii) the Phase #1 Improvements.

"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 located within the Phase in question.

"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.

"Prepayment Costs" mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

"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, Denton 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. __" means the Tax Increment Reinvestment Zone No. __, City of Celina, Texas.

"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 the Authorized 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 and the County, if any, from TIRZ No. __ tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment on Parcels within the PID, as calculated each year by the Administrator in collaboration with the City and the County (in the event of County participation), in accordance with Section VI of this Service and Assessment Plan.

"Trustee" means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

"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.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the extraterritorial jurisdiction of the City and contains approximately 110 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 450 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

The property within the PID is proposed to be developed as follows:

Table II-A
Proposed Development

Proposed Development	Quantity	Measurement
Single-Family - 60 Ft	87	Units
Single-Family - 50 Ft	363	Units
Total	**450**	**Units**

B. PROPERTY INCLUDED IN THE MAJOR IMPROVEMENT AREA

The Major Improvement Area consists of approximately 58 acres and is projected to consist of approximately 205 residential units. A map of the property within the Major Improvement Area is shown in Appendix A and more fully described in Appendix C.

The property within the Major Improvement Area is proposed to be developed as follows:

Table II-B
Proposed Development – Major Improvement Area

Proposed Development	Quantity	Measurement
Single-Family - 60 Ft	45	Units
Single-Family - 50 Ft	160	Units
Total	**205**	**Units**

C. PROPERTY INCLUDED IN PHASE #1

Phase #1 consists of approximately 52 acres and is projected to consist of 245 single family residential units, to be developed as Phase #1, as further described in Section III. A map of the property within Phase #1 is shown in Appendix A.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

The property within Phase #1 is proposed to be developed as follows:

Table II-C
Proposed Development – Phase #1

Proposed Development	Quantity	Measurement
Single-Family - 60 Ft	42	Units
Single-Family - 50 Ft	203	Units
Total	**245**	**Units**

D. Property Included in Future Phases

As Future Phases are developed, Phased PID Bonds may be issued for each new Phase. In connection with the issuance of each new Phased PID Bond, this Service and Assessment Plan will be updated to add additional details of each new Phase(s) as shown for Phase #1 in Section II.C. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phase(s) are shown for illustrative purposes only and are subject to adjustment. The current Parcels in the PID are shown on the Assessment Rolls included as Appendix G and Appendix H.

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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Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

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;

(xiv) payment of expenses incurred in the establishment, administration and operation of the district; and

(xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B and III.C. below and shown in the opinion of probable costs shown in Appendix B and on the diagrams included as Appendix D for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the City and an update to this Service and Assessment Plan.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

B. DESCRIPTIONS AND COSTS OF MAJOR IMPROVEMENTS

The Major Improvements benefit the entire PID. The costs of the Major Improvements are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the anticipated number of Equivalent Units. Each of Phase #1 and the Future Phases will be proportionally allocated the costs of the Major Improvements, as shown on Table III-A below.

The Major Improvements descriptions are presented below as provided by the project engineer. The costs of the Major Improvements are shown in Table III-A. The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Major Improvements follows:

Roadway Improvements

The roadway improvement portion of the Major Improvements consists of paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Assessed Property. 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 Improvements

The water improvement portion of the Major Improvements consists of construction and installation of waterline mains, valves, and appurtenances, necessary for the water distribution system that will service the Assessed Property. The water improvements will be designed and constructed according to Mustang SUD standards and specifications and will be owned and operated by Mustang SUD.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Major Improvements consists of construction and installation of gravity sewer pipes, force main, lift station, gravity sewer pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to the Assessed Property. The sanitary sewer improvements will be designed and constructed according to Mustang SUD standards and specifications and will be owned and operated by Mustang SUD.

Storm Drainage Improvements

The storm drainage improvement portion of the Major Improvements consist of reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, junction boxes, inlets, headwalls, and appurtenances necessary to provide adequate drainage to the Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Landscaping, Hardscaping, and Park Improvements

The landscaping, hardscaping, and park improvements portion of the Major Improvements consist of construction and installation of trails, open space landscaping, walls, and entries. The landscaping, hardscaping, and park improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Other Soft and Miscellaneous Improvements

The other soft and miscellaneous portion of the Major Improvements consist of engineering, inspection, and permit fees.

Table III-A
Estimated Major Improvement Costs

Authorized Improvements	Total Major Improvement Costs	Major Improvements Allocated to Phase #1	Major Improvements Allocated to MIA
Roadway Improvements	$1,566,714	$849,391	$717,323
Water Improvements	$245,050	$132,853	$112,197
Sanitary Sewer Improvements	$102,800	$55,733	$47,067
Storm Drainage Improvements	$551,900	$299,212	$252,688
Landscaping, Hardscaping, and Park Improvements	$328,418	$178,051	$150,367
Other Soft and Miscellaneous Costs	$479,293	$259,848	$219,445
Total Authorized Improvements	**$3,274,175**	**$1,775,088**	**$1,499,087**

Note: Costs provided by Barraza Consulting Group, LLC. See table V-A for allocation of costs. The figures shown in Table III-A may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Authorized Improvements amount does not change.

C. DESCRIPTIONS AND COSTS OF PHASE #1 PROJECTS

The Phase #1 Improvements descriptions are presented below as provided by the project engineer. The Phase #1 Projects include Phase #1's proportionate share of the costs of the Major Improvements and the costs of the Phase #1 Improvements. The costs of the Phase #1 Projects are shown in Table III-B. The costs shown in Table III-B are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Phase #1 Improvements are as follows, and a description of the Major Improvements that are a portion of the Phase #1 Projects can be found in Section III-B above.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Roadway Improvements

The road improvement portion of the Phase #1 Improvements consists of the construction of road improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Phase #1 Assessed Property. 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 Improvements

The water improvements portion of the Phase #1 Improvements consists of construction and installation of a looped water main network, which includes waterlines, valves, fire hydrants, and appurtenances, necessary for the portion of the water distribution system that will service the Phase #1 Assessed Property. The water improvements will be designed and constructed in accordance with Mustang SUD standards and specifications and will be owned and operated by Mustang SUD.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Phase #1 Improvements consists of construction and installation of various sized sanitary sewer pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Phase #1 Assessed Property. The sanitary sewer improvements will be designed and constructed in accordance with Mustang SUD standards and specifications and will be owned and operated by Mustang SUD.

Storm Drainage Improvements

The storm drainage improvement portion of the Phase #1 Improvements consist of reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, junction boxes, inlets, headwalls, and appurtenances necessary to provide adequate drainage to the Phase #1 Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Landscaping, Hardscaping, and Park Improvements

The landscaping, hardscaping, and park improvements portion of the Phase #1 Improvements consist of consist of construction and installation of trails, open space landscaping, walls, and entries. The landscaping, hardscaping, and park improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City

Other Soft and Miscellaneous Improvements

The other soft and miscellaneous portion of the Major Improvements consist of engineering, inspection, and permit fees.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Table III-B
Estimated Phase #1 Costs

Authorized Improvements	Proportional Share of Major Improvements	Phase #1 Improvement Costs	Total Phase #1 Project Costs
Road Improvements	$849,391	$1,777,930	$2,627,321
Water Improvements	$132,853	$753,000	$885,853
Sanitary Sewer Improvements	$55,733	$727,145	$782,878
Storm Drainage Improvements	$299,212	$1,178,760	$1,477,972
Landscaping, Hardscaping, and Park Improvements	$178,051	$1,035,131	$1,213,182
Other Soft and Miscellaneous Costs	$259,848	$810,468	$1,070,316
Total Authorized Improvements	**$1,775,088**	**$6,282,434**	**$8,057,522**

Note: Costs provided by Barraza Consulting Group, LLC. The figures shown in Table III-B may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Authorized Improvements amount does not change.

D. FUTURE PHASES

As Future Phases are developed and Phased PID Bonds are issued and/or related reimbursement agreements are executed, this SAP will be amended to identify the specific Future Phase Improvements that confer a special benefit to the property inside each Future Phase (e.g. a Table III-C will be added to show the costs for the specific Authorized Improvements financed within the specific Future Phase being developed.)

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Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

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. It is anticipated that it will take approximately 12-15 months to construct the Major Improvements and approximately 18 months for the Phase #1 Projects to be constructed.

The Budgeted Costs for the Major Improvement Area Projects plus costs related to the issuance of the Major Improvement Area Bonds and payment of its allocated portion of the expenses incurred in the establishment, administration and operation of the PID are $2,155,000 as shown in Table IV-A. The Budgeted Costs for Phase #1 Projects plus costs related to the issuance of the Phase #1 Bonds and payment of its allocated portion of the expenses incurred in the establishment, administration and operation of the PID are $10,267,830 as shown in Table IV-B. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

As Future Phases are developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (e.g. Table IV-C will be amended to include Phase #2, etc.).

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Table IV-A
Estimated Sources and Uses – Major Improvement Area

Sources of Funds	MIA Bonds
Par amount	$2,155,000
Other funding sources	$0
Total Sources	**$2,155,000**
Uses of Funds	
Major Improvements:	
Road Improvements	$717,323
Water Improvements	$112,197
Sanitary Sewer Improvements	$47,067
Storm Drainage Improvements	$252,688
Landscaping, Hardscaping, and Park Improvements	$150,367
Other Soft and Miscellaneous Costs	$219,445
Subtotal	*$1,499,087*
Estimated Bond Issuance Costs:	
Cost of Issuance	$141,826
Capitalized Interest	$247,825
Reserve Fund	$166,613
Administrative Expense	$35,000
Underwriters Discount	$64,650
Subtotal	*$655,913*
Total Uses	**$2,155,000**

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Table IV-B
Estimated Sources and Uses – Phase #1 Projects

Sources of Funds	Phase #1 Bonds
Par amount	$8,450,000
Other funding sources	$1,817,830
Total Sources	**$10,267,830**
Uses of Funds	
Major Improvements:	
Road Improvements	$849,391
Water Improvements	$132,853
Sanitary Sewer Improvements	$55,733
Storm Drainage Improvements	$299,212
Landscaping, Hardscaping, and Park Improvements	$178,051
Other Soft and Miscellaneous Costs	$259,848
Subtotal	*$1,775,088*
Phase #1 Improvements:	
Road Improvements	$1,777,930
Water Improvements	$753,000
Sanitary Sewer Improvements	$727,145
Storm Drainage Improvements	$1,178,760
Landscaping, Hardscaping, and Park Improvements	$1,035,131
Other Soft and Miscellaneous Costs	$810,468
Subtotal	*$6,282,434*
Estimated Bond Issuance Costs:	
Cost of Issuance	$549,250
Capitalized Interest	$802,750
Reserve Fund	$559,808
Administrative Expense	$45,000
Underwriters Discount	$253,500
Subtotal	*$2,210,308*
Total Uses	**$10,267,830**

As Future Phases are developed, additional Phased PID Bonds may be issued to finance the Authorized Improvements required for each new phase. Phased PID Bonds may also be issued in one or more series of Bonds.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

B. FIVE YEAR SERVICE PLAN

The annual projected costs and annual projected indebtedness is shown by Table IV-C below. 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
Five Year Service Plan
Annual Projected Costs, Annual Projected Indebtedness and Projected Annual Installments

Year	Annual Projected Cost	Annual Projected Indebtedness	Other Funding Sources	Projected MIA Annual Installments	Projected Phase #1 Annual Installments
2021	$2,866,221	$10,605,000	$0	$0	$0
2022	$5,159,186	$0	$1,817,830	$56,675	$88,150
2023	$2,579,593	$0	$0	$221,506	$642,148
2024	$0	$0	$0	$224,942	$641,834
2025	$0	$0	$0	$223,084	$641,542
2026	$0	$0	$0	$221,246	$641,271
2027	$0	$0	$0	$224,427	$641,022
Total	**$10,605,000**	**$10,605,000**	**$1,817,830**	**$1,171,880**	**$3,295,968**

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Major Improvement Area Projects shown in Table III-A, the Phase #1 Projects shown in Table III-B, and the costs associated with setting up the PID and bond issuance costs including reserves shown in Table IV-A and Table IV-B. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer. As Future Phases are developed, in association with issuing Phased PID Bonds for each Future Phase, this Table IV-C will be updated to identify the Authorized Improvements to be financed by each new series of the Phased PID Bonds and the projected indebtedness resulting from each additional series of Phased PID Bonds.

C. HOMEBUYER DISCLOSURE

The PID Act requires that this Service and Assessment Plan and each Annual Service Plan update include a copy of the notice form required by Section 5.014 of the Texas Property Code. The homebuyer disclosure is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

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 entails 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 #1 Bonds and the Major Improvement Area Bonds anticipated to be issued in 2021, subsequent financings may be issued over the upcoming decade as the subsequent Future Phases are gradually constructed.

The purpose of this gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The 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 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.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Major Improvement Area Projects and Phase #1 Projects shall be allocated as described on the following page:

1. The costs of the Phase #1 Projects that only benefit Phase #1 shall be allocated on the basis of Equivalent Units calculated using the average home price of each Lot Type 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 costs of the Major Improvement are proportionally allocated to the Major Improvement Area Assessed Property and the Phase #1 Assessed Property based on estimated Equivalent Units calculated using the average home price for the Major Improvement Area Assessed Property and the Phase #1 Assessed Property.

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3. The Major Improvement Area Projects are allocated to each Parcel within the Major Improvement Area Assessed Property based on estimated Equivalent Units calculated using the average home price of each Lot Type.

Table V-A provides the estimated allocation of costs of the Authorized Improvements constituting Major Improvements.

At this time, it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Phases will receive from the direct Authorized Improvements that will benefit each individual Improvement Area and that are to be financed with Phased PID Bonds. Therefore, Parcels will only be assessed for the special benefits conferred upon the Parcel at this time because of the Major Improvements and Phase #1 Improvements, as applicable.

In connection with the issuance of Phased PID Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Phases receives from the specific Authorized Improvements funded with those Phased PID Bonds issued with respect to that Future Phases. Prior to assessing Parcels located within Future Phases in connection with issuance of Phased PID Bonds, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Major Improvements and Phase #1 Improvements, as applicable, (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 Major Improvement Area Assessed Property for such respective improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Major Improvements and Phase #1 Improvements, as applicable, to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels 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.

As Future Phases are developed, in connection with the issuance of Phased PID Bonds this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Phase.

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

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the PID shown in Table IV-A and Table IV-B 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 the close proximity of these improvements to the Assessed Property and the specific purpose of these 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 can be 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 expected to be 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.

The special assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the Authorized Improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax- exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer's option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing 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; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) 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

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determined by the City Council to be the most beneficial means of doing so. 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 the most beneficial means of providing for the Authorized Improvements; 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. Allocation of Costs to Assessed Property

The Major Improvements will provide a special benefit to all property in the PID. Accordingly, the estimated Major Improvement costs must be allocated throughout all Assessed Property in the PID. Table V-A summarizes the allocation of the Budgeted Costs for each type of Major Improvement. The Budgeted Costs shown in Table V-A are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

Phase #1 is projected to contain 245 residential units. As shown in Appendix F, the total Equivalent Units for Phase #1 is calculated as 211.17. The Major Improvement Area is projected to contain 205 residential units resulting in a total of 178.33 Equivalent Units as shown in Appendix F. The total projected Equivalent Units in the PID is, therefore, calculated to be 389.5. (i.e., 211.17 + 178.33 = 389.5). As a result, 54.21 percent of the estimated costs of Major Improvements (i.e. 211.17 ÷ 389.5= 54.21 %) are allocated to the Phase #1 Assessed Property and 45.56 percent of the estimated costs Major Improvements (i.e. 178.33 ÷ 389.5 = 45.79%) are allocated to the Major Improvement Area Assessed Property. The Major Improvement Area Bonds will fund the proportionate share of the estimated costs of the Major Improvements allocated to the Major Improvement Area; and, Phase #1 Bonds will fund Phase #1's proportionate share of the estimated costs of the Major Improvements as well as the Phase #1 Improvements.

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Table V-A
Allocation of Major Improvement Costs

Authorized Improvement	Estimated Costs
Roadway Improvements	$1,566,714
Water Improvements	$245,050
Sanitary Sewer Improvements	$102,800
Storm Drainage Improvements	$551,900
Landscaping, Hardscaping, and Park Improvements	$328,418
Other Soft and Miscellaneous Costs	$479,293
Total Major Improvements	**$3,274,175**
Phase #1	
Projected Equivalent Units	211.17
% of total units	54.21%
Proportionate Share of Costs	$1,775,088
MIA	
Projected Equivalent Units	178.33
% of total units	45.79%
Proportionate Share of Costs	$1,499,087

D. ASSESSMENT METHODOLOGY

The costs of the Authorized Improvements 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 costs of the Authorized Improvements 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 the Major Improvement Area

For purpose of this Service and Assessment Plan, the City Council determined that the costs of the Major Improvement Area Projects shall be allocated to the Major Improvement Area Assessed Property by spreading the entire Assessment for such improvements across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Upon subsequent divisions of any Parcel within the Major Improvement Area, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

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The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area is shown on the Major Improvement Area Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

2. 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 Projects to be financed with the Phase #1 Bonds, shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the estimates of the Budgeted Costs of the Phase #1 Projects, as set forth in Table III-B, the City Council has determined that the benefit to Phase #1 Assessed Property of the Phase #1 Projects is at least equal to the Assessments levied on the Phase #1 Assessed Property.

Upon subsequent divisions of any Parcel within Phase #1, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units for Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

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 H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

3. Assessment Methodology for Future Phases

When any given Future Phases is developed, and Phased PID Bonds for that Future Phases are to be issued, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Improvement Area.

E. ASSESSMENTS

The Assessments for the Major Improvement Area Bonds and the Phase #1 Bonds will be levied on each Parcel or Lot according to the Major Improvement Area Assessment Roll and the Phase #1 Assessment Roll, as applicable. The Annual Installments for the Major Improvement Area Bonds and the Phase #1 Bonds will be collected on the dates and in the amounts shown on the Major Improvement Area Assessment Roll and the Phase #1 Assessment Roll, respectively, subject to revisions made during an Annual Service Plan Update. Non-Benefited Property will not be subject to any Assessments.

See Appendix F for Assessment per unit, leverage, and estimated tax rate equivalent calculation details.

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F. Administrative Expenses

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 each Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

G. Additional Interest 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 "Additional Interest"). 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 the Additional Interest Component of the Annual Installments allocated to fund a reserve to be used for paying interest associated with a prepayment and to offset any possible delinquency related costs (the "Additional Interest Reserve"). The Additional Interest Reserve shall be funded until it reaches 5.50% of the outstanding Bonds unless otherwise stipulated in the Bond documents. Once the Additional Interest Reserve is funded in full, the City may allocate the Additional Interest Component of the Annual Installments as provided in the applicable Trust Indenture.

H. TIRZ Annual Credit

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues representing 13.22% of the City's increments generated from each Parcel in the PID to offset a portion of such Parcel's Assessments annually (the "TIRZ Annual Credit"). Currently the County is not participating in TIRZ No. __. The Annual Installment for each Parcel in the PID shall be calculated by taking into consideration any TIRZ Annual Credit applicable to the Parcel in the PID then on deposit in TIRZ No. __ tax increment fund. The TIRZ Annual Credit applicable to each Parcel in the PID shall be calculated as described under Section VI of this Service and Assessment Plan.

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VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE MAJOR IMPROVEMENT AREA

The Assessment and Annual Installments for each Assessed Property located within the Major Improvement Area are shown on the Major Improvement Area Assessment Roll, attached as Appendix G, 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 from Major Improvement Area Assessed Property in an amount sufficient to pay (i) principal and interest on the Major Improvement Area Bonds, (ii) to fund the Major Improvement Area Bonds Additional Interest Reserve described in Section V, and (iii) to pay Administrative Expenses related to the Major Improvement Area. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest applicable to the Parcel.

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Assessment and Annual Installments for each Assessed Property located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix H, 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 from the Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #1 Bonds, (ii) to fund the Additional Interest Reserve described in Section V, and (iii) to pay Administrative Expenses related to the PID. The Annual Installment for each Parcel in Phase #1 shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit applicable to the Parcel. The TIRZ Annual Credit shall be calculated separately for each Parcel in Phase #1 and such TIRZ Annual Credit shall be applied on a Parcel-by-Parcel basis. As described in Section V.H., the TIRZ Revenues attributable to each Parcel of Assessed Property in Phase #1 collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit for such Parcel in the following year (i.e., TIRZ Revenues collected in 2022 shall be used to calculate the TIRZ Annual Credit applicable to Annual Installments to be collected in 2023). TIRZ Annual Credit shall be calculated for those Parcels in Phase #1 that are subject to Assessments in the PID. The number of units to be used for the calculation of the TIRZ Annual Credit, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

C. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE PHASES

As Future Phases are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within Future Phases

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(e.g., an Appendix will be added as the Assessment Roll for Phase #2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

D. 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 number of Equivalent Units to be built on each new subdivided Parcel
D = the sum of the estimated number of Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of Equivalent 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 Equivalent 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. 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.

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E. 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. If at any time the Assessment per Unit on a Parcel exceeds the applicable Phase #1 Maximum Assessment per Unit calculated in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the applicable Phase #1 Maximum Assessment per Unit calculated in this Service and Assessment Plan.

3. 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 PID Act.

F. 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 Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, and such excess Bond proceeds shall be applied to redeem Bonds as provided in the Indenture, 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. 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 all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, and such excess Bond proceeds shall be applied to redeem Bonds as provided in the Indenture, 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 Administrative Expenses. 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 number of 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

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sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the Bonds and Administrative Expenses. 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.

G. 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 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 Rolls, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Additional Interest Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the initial issuance of Bonds.

The Major Improvement Area Assessment Roll sets forth for each year the Annual Installment for each Parcel within the Major Improvement Area based on an estimated interest rate of 5.75% in years 1 through 30 (2021-2050), and additional interest at the rate of 0.5% for the Additional Interest Reserve. The Phase #1 Assessment Roll sets forth for each year the Annual Installment

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for each Parcel within Phase #1 based on an estimated interest rate of 4.75% in years 1 through 30 (2021-2050), and an additional interest at the rate of 0.5% for the Additional Interest Reserve. Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Assessment Rolls, to be updated with the actual interest rates on the Bonds, are shown as Appendix G and Appendix H.

The Annual Installments shall be reduced to equal the actual costs of repaying the Bonds 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. 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.

H. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall consider, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls 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 for a prepayment reserve and for Parcels located within Phase #1, any applicable TIRZ Annual Credit. 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 PID Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such 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 property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be calculated as of September 1 and updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Annual

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Installments relating to the Major Improvement Area Bonds and the Phase #1 Bonds will be due when billed and will be delinquent if not paid prior to February 1, 2023.

I. SURPLUS FUNDS REMAINING IN THE MAJOR IMPROVEMENT AREA BOND ACCOUNT

If proceeds from the Major Improvement Area Bonds still remain after all of the Major Improvement Area Projects are constructed and accepted by the City, the proceeds may be utilized in accordance with the applicable Trust Indenture.

J. SURPLUS FUNDS REMAINING IN THE PHASE # 1 BOND ACCOUNT

If proceeds from the Phase #1 Bonds remain after all of the Phase #1 Projects are constructed and accepted by the City, the proceeds may be utilized in accordance with the applicable Trust Indenture.

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Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

VII. THE ASSESSMENT ROLL

A. MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

The City Council has evaluated each Parcel within the Major Improvement Area (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within The Major Improvement Area.

The Major Improvement Area Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Major Improvement Are Projects. Table VII-A summarizes the $2,155,000 in special benefit received by the Major Improvement Area Assessed Property from the Major Improvement Area Projects, a portion of the costs of the PID formation, and the Major Improvement Area Bond issuance costs. The par amount of the Major Improvement Area Bonds is $2,155,000 which is equal to the benefit received by the Major Improvement Area Assessed Property. Accordingly, the total Assessment to be applied to all the Major Improvement Area Assessed Property is $2,155,000 plus, interest, Additional Interest, and annual Administrative Expenses. The Assessment for each Major Improvement Area Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Major Improvement Area Assessment Roll is attached hereto as Appendix G.

Table VII-A
Major Improvement Area
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements (a)	$1,499,087
PID Formation/Bond Costs of Issuance	
Cost of Issuance	$141,826
Capitalized interest	$247,825
Reserve Fund	$166,613
Administrative Expense	$35,000
Underwriters Discount	$64,650
PID Formation/Bond Cost of Issuance	$655,913
Total Special Benefit	**$2,155,000**
Special Benefit	
Total Special Benefit	$2,155,000
Assessment	$2,155,000
Excess Benefit	**$0**

(a) See Table III-A for details.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

B. Phase #1 Assessment Roll

The City Council has evaluated each Parcel in Phase #1 (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Phase #1.

The Phase #1 Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1 Projects. Table VII-B summarizes the $10,267,830 in special benefit received by the Phase #1 Assessed Property from the Phase #1 Projects, a portion of the costs of the PID formation, and the Phase #1 Bond issuance costs. The par amount of the Phase #1 Bonds is $8,450,000, which is less than the benefit received by the Phase #1 Assessed Property. Accordingly, the total Assessment to be applied to all the Phase #1 Assessed Property is $8,450,000 plus, interest, Additional Interest, and annual Administrative Expenses. The Assessment for each Phase #1 Assessed Property is calculated based on the allocation methodologies described in Section V.D. The Phase #1 Assessment Roll is attached hereto as Appendix H.

Table VII-B
Phase #1
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements (a)	$8,057,522
PID Formation/Bond Costs of Issuance	
Cost of Issuance	$549,250
Capitalized interest	$802,750
Reserve Fund	$559,808
Administrative Expense	$45,000
Underwriters Discount	$253,500
PID Formation/Bond Cost of Issuance	$2,210,308
Total Special Benefit	**$10,267,830**
Special Benefit	
Total Special Benefit	$10,267,830
Projected Special Assessment	$8,450,000
Excess Benefit	**$1,817,830**

(a) See Table III-B for details.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

C. Future Phases Assessment Roll

As Future Phases are developed, this SAP will be amended to determine the Assessment for each Parcel or Lot located within such Future Phases (e.g. an appendix will be added as the Assessment Roll for Future Phases).

D. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Major Improvement Area Assessment Roll and Phase #1 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 Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.G of this Service and Assessment Plan.

Once Bonds are issued, the Assessment Rolls shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

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Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

VIII. MISCELLANEOUS PROVISIONS

D. 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 Roll(s), 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 Roll(s) 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.

E. 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".

F. AMENDMENTS

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

The City Council reserves the right to the extent permitted by the PID Act 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; and (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.

G. 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 determination shall be conclusive.

H. 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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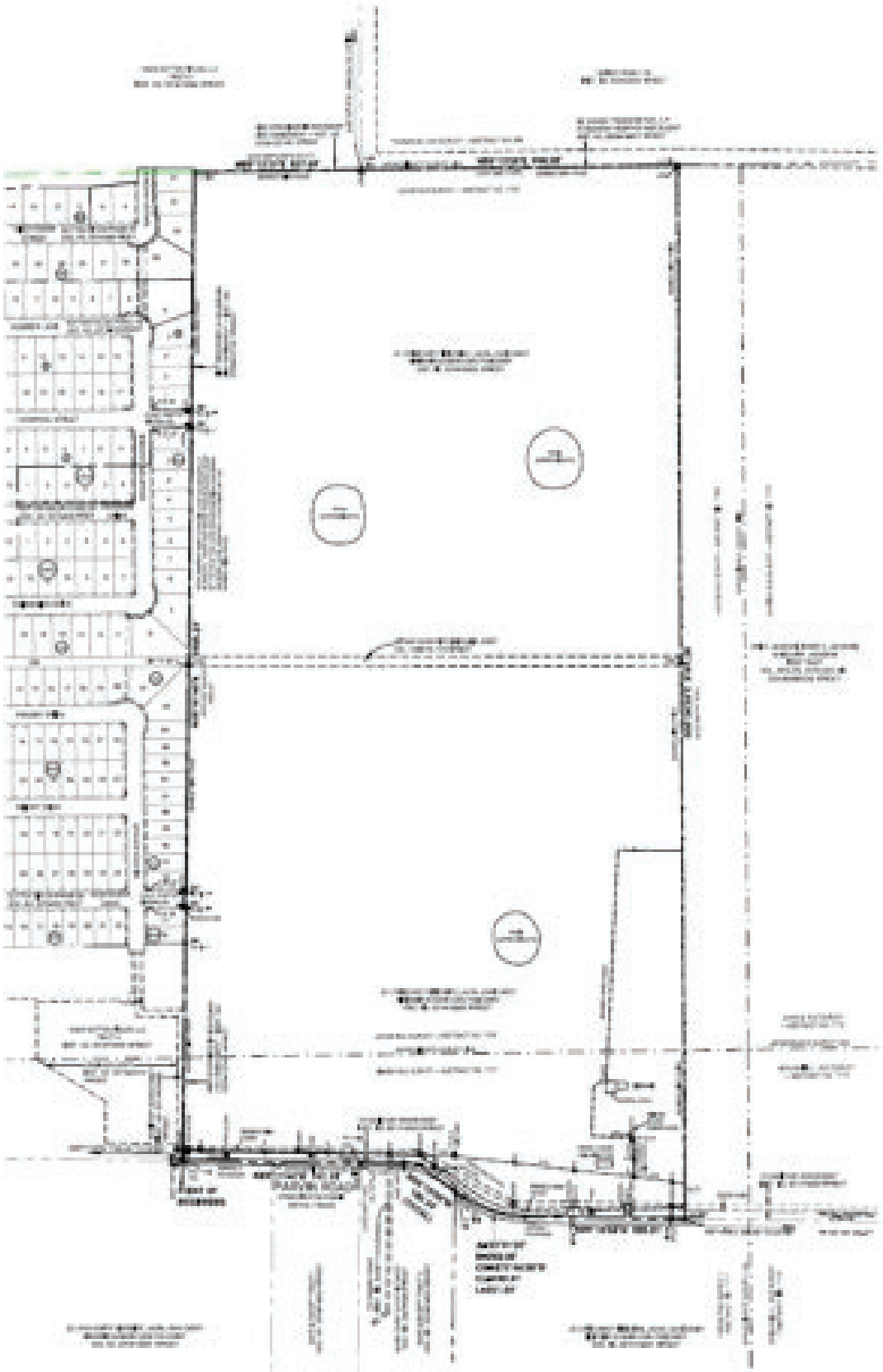
Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

APPENDIX A
PID MAP

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)



Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Sutton Fields East Concept Plan 6

data summary

Gross Site Area:		110 AC.
	Acres	Gross %
Residential Lots	93.9	85%
Public Open Space	8.3	8%
Detention	7.8	7%
Residential Product Type:	Lots	%
50'x 115' Lot	363	81%
60'x 115' Lot	87	19%
Total Lots	450	100%

BARRAZA CONSULTING GROUP, LLC

SUTTON FIELDS EAST DEVELOPMENT

CITY OF CELINA ETJ, DENTON COUNTY, TEXAS

SCALE: 1"=300'

DATE: JULY 2021

S:\2019\2019011-00 Sutton Fields East - Careys Tract\05-CAD\04-EXHIBITS\201908-08Sutton Fields East Concept Plan 07262021.dwg Jul 26,2021 - 1:24 pm chancock

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

COMMUNITY NAME: Sutton Fields East
PHASES: Full Development
CITY OR TOWN: Celina ETJ

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

GROSS ACREAGE:	110.4
NET ACREAGE:	110.4
TOTAL LOTS:	**450**
TOTAL DENSITY:	4.08
CREATED BY:	CH
REVIEWED BY:	AB
CREATED:	06/03/21
REVISED:	

Direct Phase Costs		TOTALS	PHASE 1	PHASE 2	NOTES
1	Site Preparation	$ 1,663,803	$ 810,468	$ 853,335	No Lot MC or Poly
2	Water System	$ 1,510,740	$ 753,000	$ 757,740	
3	Sanitary Sewer System	$ 1,363,170	$ 727,145	$ 636,025	
4	Storm Drain System	$ 2,732,030	$ 1,178,760	$ 1,553,270	
5	Roadway Improvements	$ 3,468,971	$ 1,777,930	$ 1,691,041	
6	Retaining Walls	$ -	$ -	$ -	
7	Franchise Utilities & Street Lights	$ -	$ -	$ -	
8	Prof. & Other Soft Cost	$ 1,973,536	$ 1,035,131	$ 938,405	
9	Contingency 0%	$ -	$ -	$ -	
10		$ -			
11		$ -			
12		$ -			
		$ 12,712,251	$ 6,282,434	$ 6,429,816	

Major Improvements Costs		TOTALS	PHASE 1	FUTURE PHASES	NOTES
1	Site Preparation	$ -			
2	Water System	$ 245,050	$ -	$ 245,050	Water in Parvin
3	Sanitary Sewer System	$ 102,800	$ 102,800	$ -	
4	Storm Drain System	$ 551,900	$ 551,900	$ -	
5	Roadway Improvements	$ 1,496,714	$ -	$ 1,496,714	Parvin Rd
6	Screening Walls	$ 70,000	$ -	$ 70,000	Along Parvin
7	Landscape & Hardscape	$ 102,518	$ -	$ 102,518	1/2 Private
8	Park Amenities & Trails	$ 225,900	$ 31,500	$ 194,400	1/2 Private
9	Prof. & Other Soft Cost	$ 479,293	$ 130,940	$ 348,353	20% of CC
10	Contingency 0%	$ -	$ -	$ -	
12	District Formation Costs	$ -			
13		$ -			
		$ 3,274,174	$ 817,140	$ 2,457,034	

Private Costs		TOTALS	PHASE 1	FUTURE PHASES	NOTES
1	Site Preparation	$ 1,203,750	$ 655,375	$ 548,375	Lot MC & Poly
2	Water System	$ -	$ -	$ -	
3	Sanitary Sewer System	$ -	$ -	$ -	
4	Storm Drain System	$ -	$ -	$ -	
5	Roadway Improvements	$ -	$ -	$ -	
6	Retaining Walls	$ 769,760	$ 302,200	$ 467,560	
7	Franchise Utilities & Street Lights	$ 1,450,000	$ 785,000	$ 665,000	
8	Screening Walls	$ -	$ -	$ -	
9	Landscape & Hardscape	$ 102,518	$ -	$ 102,518	1/2 MI
10	Park Amenities & Trails	$ 225,900	$ 31,500	$ 194,400	1/2 MI
11	Prof. & Other Soft Cost	$ 493,384	$ 258,783	$ 234,601	20% of CC
12	Contingency 0%	$ -	$ -	$ -	
13	District Formation Costs	$ -	$ -	$ -	
14		$ -	$ -	$ -	
		$ 4,245,312	$ 2,032,858	$ 2,212,454	
TOTALS		***$ 20,231,737***	***$ 9,132,432***	***$ 11,099,304***	
per lot		***$ 44,959***	***$ 37,275***	***$ 54,143***	
	50' Lots	363	203	160	
	60' Lots	87	42	45	
	Total Lots	***450***	***245***	***205***	

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION ONLY.

NOTES

1 Development cost does not include: City/District/County Fees, Bonds, & Permits

2 Development cost does not include: Rock Excavation.

3 Professional Fees do not include: Land Entitlements, Feasibility, Boundary Survey, Topographic Survey, Tree Survey, Tree Mitigation, Impact Fees, Flood Studies, Environmental, Wetlands, SWPPP Administration, or Traffic Studies.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

COMMUNITY NAME: Sutton Fields East
PHASES: Full Development
CITY OR TOWN: Celina ETJ

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

	LOT (1)	LOT (2)	LOT (3)
LOT COUNT:	363	87	
TYP. LOT WIDTH:	50	60	
TYP. LOT DEPTH:	115	115	
TYP. PAD WIDTH:	40	50	
TYP. PAD DEPTH:	75	75	
FRONT YARD S/B:	20	20	
REAR YARD S/B:	20	20	
SIDE YARD S/B:	5	5	
CORNER SIDE YARD S/B:	15	15	

GROSS ACREAGE:	110.4
NET ACREAGE:	110.4
TOTAL LOTS:	**450**
TOTAL DENSITY:	4.08
LANDPLAN:	6
CREATED BY:	CDH
REVIEWED BY:	AB
CREATED:	06/03/21
REVISED:	

ON-SITE IMPROVEMENT SUMMARY ITEM			SUMMARY ITEM COST	PER LOT COST	PER ACRE COST	NOTES
GRADING / SITE PREPARATION			$2,867,553	$6,372	$25,974	Moisture conditioning & Poly are Private cost
-	EROSION CONTROL / SWPPP	$110,937		$247	$1,005	
-	ROUGH GRADE	$2,702,616		$6,006	$24,480	Includes moisture conditioning of all lots and streets
-	FINAL GRADE	$54,000		$120	$489	
WATER SYSTEMS			$1,510,740	$3,357	$13,684	Includes 12" water line extension
SANITARY SEWER			$1,363,170	$3,029	$12,348	
STORM DRAINS			$2,732,030	$6,071	$24,747	
STREET IMPROVEMENT			$3,468,971	$7,709	$31,422	7" 31' B-B residential pavement
-	PAVING & SIDEWALK	$3,446,831		$7,660	$31,221	Includes 5' sidewalk in open spaces
-	SIGNAGE & STRIPING	$22,140		$49	$201	
SITE FENCING/RETAINING WALL IMPROVEMENTS			$769,760	$1,711	$6,972	
-	PERIMETER / SCREENING WALLS	$196,000		$436	$1,775	Includes screening along Parvin and iron fence along open spaces
-	RETAINING WALLS	$573,760		$1,275	$5,197	
DRY UTILITIES			$1,450,000	$3,222	$13,134	
-	GAS & ELECTRIC (NONREFUNDABLE)	$1,350,000		$3,000	$12,228	
-	STREET LIGHTS	$100,000		$222	$906	
ENGINEERING, CONSULTING & FEES			$2,466,921	$5,482	$22,345	80% of cost is Direct, 20% of cost is Private.
-	ENGINEERING & SURVEYING	$765,000		$1,700	$6,929	
-	MANAGEMENT FEES	$540,000		$1,200	$4,891	Includes Construction mgmt.
-	CONSULTING FEES & REPORTS	$240,750		$535	$2,181	Includes Landscape Architect, Geotech, Wetlands, TIA and H & H
-	INSPECTIONS & TESTING	$597,123		$1,327	$5,409	Construction and materials testing
-	FEES	$324,047		$720	$2,935	City of Celina Fees
TOTAL CONSTRUCTION COST			$16,629,145	$36,954	$150,626	
-	CONTINGENCIES	5%	$831,457	$1,848	$7,531.32	
TOTAL CONSTRUCTION COST W/ CONTINGENCIES			$17,460,602	$38,801	$158,158	

COMMUNITY NAME: Sutton Fields East
PHASES: Full Development
CITY OR TOWN: Celina ETJ

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

	LOT (1)	LOT (2)	LOT (3)
LOT COUNT:	363	87	
TYP. LOT WIDTH:	50	60	
TYP. LOT DEPTH:	115	115	
TYP. PAD WIDTH:	40	50	
TYP. PAD DEPTH:	75	75	
FRONT YARD S/B:	20	20	
REAR YARD S/B:	20	20	
SIDE YARD S/B:	5	5	
CORNER SIDE YARD S/B:	15	15	

GROSS ACREAGE:	110.4
NET ACREAGE:	110.4
TOTAL LOTS:	**450**
TOTAL DENSITY:	4.08
LANDPLAN:	6
CREATED BY:	CDH
REVIEWED BY:	AB
CREATED:	06/03/21
REVISED:	

MAJOR IMPROVEMENT SUMMARY ITEM			SUMMARY ITEM COST	PER LOT COST	PER ACRE COST	NOTES
OFFSITE WATER SYSTEMS			$245,050	$545	$2,220	MSUD 12" Water Line along Parvin Rd.
OFFSITE SANITARY SEWER			$102,800	$228	$931	
DETENTION POND & STRUCTURES			$551,900	$1,226	$4,999	
STREET IMPROVEMENTS			$1,496,714	$3,326	$13,557	Parvin Rd, 9" 36' B-B pavement (1/2 of 6 Lane divided road)
-	EXCAVATION	$18,889		$42	$171	
-	STORM DRAIN SYSTEM	$212,500		$472	$1,925	
-	STREET PAVING	$402,525		$895	$3,646	
-	SIDEWALK	$133,200		$296	$1,207	10' Sidewalk along Parvin Rd.
-	SIGNAGE & LIGHTING	$29,600		$66	$268	
-	OFFSITE TURNING LANES	$700,000		$1,556	$6,341	
SITE FENCING/RETAINING/GATES			$70,000	$156	$634	Screening wall along Parvin Rd.
LANDSCAPING, IRRIGATION, MONUMENTATION			$205,035	$456	$1,857	
-	ENTRY MONUMENTS	$85,000		$189	$770	
-	LANDSCAPING	$62,085		$138	$562	Landscaping along Parvin Rd and Open Areas
-	IRRIGATION	$57,950		$129	$525	Irrigation along Parvin Rd and Open Areas
COMMON AREA AMENITIES			$451,800	$1,004	$4,092	
-	AMENITIES	$63,000		$140	$571	Park amenities and cluster mailboxes
	TRAILS / PATHWAYS (FLATWORK)	$388,800		$864	$3,522	12' Trail within gas esmt and around ponds
ENGINEERING, CONSULTING & FEES			$479,293	$1,065	$4,341	
-	ENGINEERING & SURVEYING	$287,576		$639	$2,605	
-	INSPECTIONS & TESTING	$119,823		$266	$1,085	Construction and materials testing
-	FEES	$71,894		$160	$651	Fee is 3% of Paving and Utils to City of Celina
TOTAL CONSTRUCTION COST			$3,602,592	$8,006	$32,632	
-	CONTINGENCIES	0%	$0	$0	$0	
TOTAL CONSTRUCTION COST W/ CONTINGENCIES			$3,602,592	$8,006	$32,632	

TOTAL CONSTRUCTION COSTS, ONSITE AND OFFSITE			$20,231,737	$44,959	$183,258	
	CONTINGENCIES	0%	$0	$0	$0	
TOTAL CONSTRUCTION COST W/ CONTINGENCIES			$20,231,737	$44,959	$183,258	

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION ONLY.
BARRAZA CONSULTING GROUP, LLC. SHOULD PREPARE THE PROJECT DESIGN AND QUANTITIES TAKE-OFFS BEFORE FINANCIAL OBLIGATIONS ARE MADE.

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	203	42		GROSS ACREAGE:	51.9
PHASE: Phase 1 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	51.9
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	245
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	4.72
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
GRADING / SITE PREPARATION					
EROSION CONTROL / SWPPP					
CONSTRUCTION ENTRANCE	EA	1	$ 2,500.00	$ 2,500.00	
SEED DISTURBED AREAS	AC	33.4	$ 400.00	$ 13,379.71	
SILT FENCE (WIRE BACK)	LF	6,050	$ 1.50	$ 9,075.00	
CURLEX EROSION CONTROL MATTING (4 FOOT)	LF	19,860	$ 0.55	$ 10,923.00	
SWPPP INSPECTIONS	LS	1	$ 3,500.00	$ 3,500.00	
EROSION MAINTENANCE	LOT	245	$ 75.00	$ 18,375.00	
			EROSION CONTROL SUB-TOTAL	**$ 57,752.71**	
ROUGH GRADING					
CLEARING & GRUBBING, (1/4 AREA HEAVILY TREED)	AC	52	$ 1,500.00	$ 77,923.98	
MASS GRADING (EXCAVATION)	CY	134,099	3.00	$ 402,295.56	
ROUGH LOT GRADING	LOT	245	$ 160.00	$ 39,200.00	
6' MOISTURE CONDITIONING	LOT	245	$ 2,300.00	$ 563,500.00	
3' MOISTURE CONDITIONING OF STREETS	SY	72,820	$ 2.80	$ 203,896.00	
POLY	LOT	245	$ 375.00	$ 91,875.00	
			ROUGH GRADING SUB-TOTAL	**$ 1,378,690.54**	
FINISH GRADING					
LOT FINISH GRADE	LOT	245	$ 120.00	$ 29,400.00	
			FINISH GRADING SUB-TOTAL	**$ 29,400.00**	
			GRADING / SITE PREPARATION SUB-TOTAL	**$ 1,465,843.25**	

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	203	42		GROSS ACREAGE:	51.9
PHASE: Phase 1 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	51.9
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	245
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	4.72
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

	ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
WATER SYSTEMS						
	8" P.V.C. PIPE (DR 18 C900)	LF	8,670	$ 28.00	$ 242,760.00	
	12" P.V.C. PIPE (DR 18 C900)	LF	1,760	$ 42.00	$ 73,920.00	
	8" GATE VALVE & BOX	EA	26	$ 1,400.00	$ 36,400.00	
	12" GATE VALVE & BOX	EA	5	$ 2,400.00	$ 12,000.00	
	CONNECT TO EXIST. LINE	EA	2	$ 1,000.00	$ 2,000.00	
	FIRE HYDRANT ASSEMBLY	EA	35	$ 4,900.00	$ 171,500.00	
	1" SINGLE WATER SERVICE (2" SLEEVE)	EA	245	$ 610.00	$ 149,450.00	
	2" FLUSH VALVE	EA	1	$ 1,900.00	$ 1,900.00	
	2" COMBINATION AIR RELEASE/VACUUM VALVE	EA	1	$ 3,000.00	$ 3,000.00	
	1" IRRIGATION SERVICE	EA	1	$ 500.00	$ 500.00	
	2" IRRIGATION SERVICE	EA	1	$ 1,375.00	$ 1,375.00	
	4" CONDUIT (SCH 40) AT INTERSECTIONS	LF	2,300	$ 18.50	$ 42,550.00	
	16" SLEEVE FOR WATER ACROSS GAS ESMT	LF	0	$ 65.00	$ -	
	24" SLEEVE FOR WATER ACROSS GAS ESMT	LF	0	$ 125.00	$ -	
	TRENCH SAFETY	LF	10,430	$ 0.50	$ 5,215.00	
	TESTING (EXCLUDING GEOTECH)	LF	10,430	$ 1.00	$ 10,430.00	
				WATER SUB-TOTAL	$ 753,000.00	
SANITARY SEWER SYSTEM						
	8" P.V.C. PIPE (0'-10' DEEP) SDR 35	LF	10,430	$ 28.00	$ 292,040.00	
	4" SERVICE LATERALS	EA	245	$ 600.00	$ 147,000.00	
	4' DIAMETER M.H. w/ RAVEN COATING	EA	34	$ 5,000.00	$ 170,000.00	
	5' DIAMETER M.H. w/ RAVEN COATING	EA	5	$ 10,200.00	$ 51,000.00	
	CONNECT TO EXIST. M.H.	EA	2	$ 4,500.00	$ 9,000.00	
	TRENCH SAFETY	LF	10,430	$ 0.50	$ 5,215.00	
	TESTING (EXCLUDING GEOTECH)	LF	10,430	$ 2.00	$ 20,860.00	
	ADDITIONAL TESTING AFTER DRY UTILITY INSTALL	LF	10,430	$ 1.00	$ 10,430.00	
				SEWER SUB-TOTAL	$ 727,145.00	

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	203	42		GROSS ACREAGE:	51.9
PHASE: Phase 1 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	51.9
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	245
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	4.72
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
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ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
DRAINAGE SYSTEM					
STORM DRAIN SYSTEM					
18" R.C.P.	LF	3,135	$ 48.00	$ 150,480.00	
18" R.C.P. W/ RUBBER GASKET	LF	1,000	$ 57.60	$ 57,600.00	
24" R.C.P.	LF	1,770	$ 65.00	$ 115,050.00	
30" R.C.P.	LF	960	$ 95.00	$ 91,200.00	
30" R.C.P. W/ RUBBER GASKET	LF	530	$ 114.00	$ 60,420.00	
36" R.C.P. W/ RUBBER GASKET	LF	245	$ 138.00	$ 33,810.00	
42" R.C.P. W/ RUBBER GASKET	LF	280	$ 180.00	$ 50,400.00	
48" R.C.P. W/ RUBBER GASKET	LF	250	$ 216.00	$ 54,000.00	
4'x3' R.C.B. W/ RUBBER GASKETS	LF	200	$ 450.00	$ 90,000.00	
4'x4' R.C.B. W/ RUBBER GASKETS	LF	200	$ 600.00	$ 120,000.00	
10' INLET	EA	56	$ 4,000.00	$ 224,000.00	
INLET PROTECTION	EA	56	$ 225.00	$ 12,600.00	
STORM SEWER M.H. (4 FOOT)	EA	4	$ 3,600.00	$ 14,400.00	
STORM SEWER M.H. (5 FOOT)	EA	4	$ 5,000.00	$ 20,000.00	
STORM SEWER M.H. (6 FOOT)	EA	1	$ 7,500.00	$ 7,500.00	
48" HEADWALL	EA	0	$ 6,200.00	$ -	
ROCK RIP-RAP, 12" - 18"	SY	0	$ 95.00	$ -	
FLEXAMAT	SY	105	$ 175.00	$ 18,375.00	
GRADE TO DRAIN	CY	15,000	$ 2.50	$ 37,500.00	
R & R CONC. PAVEMENT	SY	0	$ 100.00	$ -	
STORM DRAIN T.V. INSPECTION	LF	8,570	$ 1.50	$ 12,855.00	
TRENCH SAFETY	LF	8,570	$ 1.00	$ 8,570.00	
			DRAINAGE SUB-TOTAL	**$ 1,178,760.00**	

COMMUNITY NAME: Sutton Fields East
PHASE: Phase 1 Onsite
CITY OR TOWN: Celina ETJ

BARRAZA CONSULTING GROUP, LLC
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	LOT (1)	LOT (2)	LOT (3)		
LOT COUNT:	203	42		GROSS ACREAGE:	51.9
TYP. LOT WIDTH:	50	60		NET ACREAGE:	51.9
TYP. LOT DEPTH:	115	115		TOTAL LOTS:	245
TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	4.72
TYP. PAD DEPTH:	75	75		LANDPLAN:	6
FRONT YARD S/B:	20	20		CREATED BY:	CDH
REAR YARD S/B:	20	20		REVIEWED BY:	AB
SIDE YARD S/B:	5	5		CREATED:	06/03/21
CORNER SIDE YARD S/B:	15	15		REVISED:	

ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
STREET IMPROVEMENT					
STREET PAVING					
5" NON-REINF. CONC. PAVEMENT, TEMPORARY	SY	1,845	$ 33.00	$ 60,885.00	
7" REINF. CONC. PAVEMENT, 31' B-B	SY	34,204	$ 40.00	$ 1,368,160.00	
6" LIME SUBGRADE	SY	36,410	$ 3.00	$ 109,230.00	
HYDRATED LIME MATERIAL (36#SY)	TON	660	$ 180.00	$ 118,800.00	
PAVEMENT HEADER	LF	93	$ 55.00	$ 5,115.00	
36" ROCK RIP-RAP @ PAVEMENT HEADER	SY	93	$ 90.00	$ 8,370.00	
STREET BARRICADE	EA	3	$ 1,600.00	$ 4,800.00	
CONNECT TO EXISTING PAVEMENT HEADER	EA	2	$ 1,300.00	$ 2,600.00	
REMOVE EXIST. BARRICADE	EA	2	$ 500.00	$ 1,000.00	
SAWCUT & REM. EXIST PVMNT.	LF	100	$ 9.00	$ 900.00	
			STREET PAVING SUB-TOTAL	**$ 1,679,860.00**	
SIDEWALK					
5' CONCRETE SIDEWALK	SF	6,925	$ 6.00	$ 41,550.00	Sidewalk in Open space
BARRIER FREE RAMPS	EA	26	$ 1,800.00	$ 46,800.00	
			SIDEWALK SUB-TOTAL	**$ 88,350.00**	
SIGNAGE & STRIPING					
STREET SIGNS, COMBO W/STOP (W/ POSTS)	EA	18	$ 540.00	$ 9,720.00	
			SIGNAGE & STRIPING SUB-TOTAL	**$ 9,720.00**	
			STREET IMPROVEMENT SUB-TOTAL	**$ 1,777,930.00**	
SITE FENCING/RETAINING WALL IMPROVEMENTS					
PERIMETER / SCREENING WALLS					
WROUGHT IRON (6 FOOT)	LF	2,600	35.00	$ 91,000.00	Along lots adj. to Open space and Gas Esmt
			PERIMETER / SCREENING WALLS SUB-TOTAL	**$ 91,000.00**	
RETAINING WALLS					
2' RETAINING WALL	LF	3,090	32.00	$ 98,880.00	
4' RETAINING WALL	LF	2,340	$ 48.00	$ 112,320.00	
6' RETAINING WALL	LF	0	$ 72.00	$ -	
			RETAINING WALLS SUB-TOTAL	**$ 211,200.00**	
			SITE FENCING / RETAINING SUB-TOTAL	**$ 302,200.00**	

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	203	42		GROSS ACREAGE:	51.9
PHASE: Phase 1 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	51.9
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	245
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	4.72
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
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	ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
DRY UTILITIES						
	ELECTRIC and GAS SERVICES	LOT	245	$ 3,000.00	$ 735,000.00	
	STREET LIGHTS	EA	20	$ 2,500.00	$ 50,000.00	
				DRY UTILITIES SUB-TOTAL	$ 785,000.00	
ENGINEERING, CONSULTING & FEES						
	ENGINEERING & SURVEYING	LOT	245	$ 1,700.00	$ 416,500.00	
	CONSTRUCTION INSPECTION	%	3%	$ 5,902,678.25	$ 177,080.35	
	MATERIAL TESTING	%	2%	$ 5,902,678.25	$ 118,053.56	
	DEVELOPMENT FEE	LOT	245		$ -	
	CONSTRUCTION MANAGEMENT	LOT	245	$ 1,200.00	$ 294,000.00	
	ROLL BACK TAXES					
	ASSESSMENT FEES					
	CLUSTER MAILBOX UNIT	EA	17	$ 2,000.00	$ 34,000.00	
	LANDSCAPE ARCHITECT FEES	LS	1	$ 20,000.00	$ 20,000.00	
	GEOTECHNICAL INVESTIGATION FEES	LOT	245	$ 135.00	$ 33,075.00	
	WETLANDS INVESTIGATION	LS	1	$ 10,000.00	$ 10,000.00	
	TRAFFIC IMPACT ANALYSIS	LS	1	$ 10,000.00	$ 10,000.00	
	HYDROLOGY & HYDRAULIC (H&H) STUDY	LS	1	$ 20,000.00	$ 20,000.00	
	CITY FEES - FINAL PLATTING	LOT	245	$ 500 + $10 PER LOT	$ 2,950.00	Celina Fees
	CITY FEES - PLAN REVIEW	LOT	245	$ 90.00	$ 22,050.00	Celina Fees
	CITY FEES - PLAT FILING FEE	LS	1	$ 150.00	$ 150.00	Celina Fees
	CITY FEES - CIVIL PERMIT FEE - PUBLIC	%	3%	$ 4,436,835.00	$ 133,105.05	3% of Paving and Utils - Celina
	CITY FEES - GRADING PERMIT	LOT	245.0	$ 500 + $10 PER AC	$ 2,950.00	Celina Fees
				ENGINEERING & CONSULTING SUB-TOTAL	$ 1,293,913.96	

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION ONLY. BARRAZA CONSULTING GROUP, LLC. SHOULD PREPARE THE PROJECT DESIGN AND QUANTITIES TAKE-OFFS BEFORE FINANCIAL OBLIGATIONS ARE MADE.

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	160	45		GROSS ACREAGE:	58.5
PHASE: Phase 2 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	58.5
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	205
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	3.51
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
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ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
GRADING / SITE PREPARATION					
EROSION CONTROL / SWPPP					
CONSTRUCTION ENTRANCE	EA	1	$ 2,500.00	$ 2,500.00	
SEED DISTURBED AREAS	AC	28.2	$ 400.00	$ 11,299.36	
SILT FENCE (WIRE BACK)	LF	6,450	$ 1.50	$ 9,675.00	
CURLEX EROSION CONTROL MATTING (4 FOOT)	LF	19,700	$ 0.55	$ 10,835.00	
SWPPP INSPECTIONS	LS	1	$ 3,500.00	$ 3,500.00	
EROSION MAINTENANCE	LOT	205	$ 75.00	$ 15,375.00	
			EROSION CONTROL SUB-TOTAL	**$ 53,184.36**	
ROUGH GRADING					
CLEARING & GRUBBING, (1/4 AREA HEAVILY TREED)	AC	58	$ 1,500.00	$ 87,705.14	
MASS GRADING (EXCAVATION)	CY	150,931	3.00	$ 452,792.40	
ROUGH LOT GRADING	LOT	205	$ 160.00	$ 32,800.00	
6' MOISTURE CONDITIONING	LOT	205	$ 2,300.00	$ 471,500.00	
3' MOISTURE CONDITIONING OF STREETS	SY	72,233	$ 2.80	$ 202,253.33	
POLY	LOT	205	$ 375.00	$ 76,875.00	
			ROUGH GRADING SUB-TOTAL	**$ 1,323,925.87**	
FINISH GRADING					
LOT FINISH GRADE	LOT	205	$ 120.00	$ 24,600.00	
			FINISH GRADING SUB-TOTAL	**$ 24,600.00**	
			GRADING / SITE PREPARATION SUB-TOTAL	**$ 1,401,710.23**	

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	160	45		GROSS ACREAGE:	58.5
PHASE: Phase 2 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	58.5
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	205
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	3.51
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
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	ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
WATER SYSTEMS						
	8" P.V.C. PIPE (DR 18 C900)	LF	8,590	$ 28.00	$ 240,520.00	
	12" P.V.C. PIPE (DR 18 C900)	LF	1,760	$ 42.00	$ 73,920.00	
	8" GATE VALVE & BOX	EA	28	$ 1,400.00	$ 39,200.00	
	12" GATE VALVE & BOX	EA	5	$ 2,400.00	$ 12,000.00	
	CONNECT TO EXIST. LINE	EA	1	$ 1,000.00	$ 1,000.00	
	FIRE HYDRANT ASSEMBLY	EA	35	$ 4,900.00	$ 171,500.00	
	1" SINGLE WATER SERVICE (2" SLEEVE)	EA	205	$ 610.00	$ 125,050.00	
	2" FLUSH VALVE	EA	1	$ 1,900.00	$ 1,900.00	
	2" COMBINATION AIR RELEASE/VACUUM VALVE	EA	1	$ 3,000.00	$ 3,000.00	
	1" IRRIGATION SERVICE	EA	2	$ 500.00	$ 1,000.00	
	2" IRRIGATION SERVICE	EA	1	$ 1,375.00	$ 1,375.00	
	4" CONDUIT (SCH 40) AT INTERSECTIONS	LF	2,500	$ 18.50	$ 46,250.00	
	16" SLEEVE FOR WATER ACROSS GAS ESMT	LF	200	$ 65.00	$ 13,000.00	
	24" SLEEVE FOR WATER ACROSS GAS ESMT	LF	100	$ 125.00	$ 12,500.00	
	TRENCH SAFETY	LF	10,350	$ 0.50	$ 5,175.00	
	TESTING (EXCLUDING GEOTECH)	LF	10,350	$ 1.00	$ 10,350.00	
				WATER SUB-TOTAL	$ 757,740.00	
SANITARY SEWER SYSTEM						
	8" P.V.C. PIPE (0'-10' DEEP) SDR 35	LF	10,350	$ 28.00	$ 289,800.00	
	4" SERVICE LATERALS	EA	205	$ 600.00	$ 123,000.00	
	4' DIAMETER M.H. w/ RAVEN COATING	EA	26	$ 5,000.00	$ 130,000.00	
	5' DIAMETER M.H. w/ RAVEN COATING	EA	2	$ 10,200.00	$ 20,400.00	
	CONNECT TO EXIST. M.H.	EA	2	$ 4,500.00	$ 9,000.00	
	TRENCH SAFETY	LF	10,350	$ 0.50	$ 5,175.00	
	TESTING (EXCLUDING GEOTECH)	LF	10,350	$ 2.00	$ 20,700.00	
	ADDITIONAL TESTING AFTER DRY UTILITY INSTALL	LF	10,350	$ 1.00	$ 10,350.00	
				SEWER SUB-TOTAL	$ 636,025.00	

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	160	45		GROSS ACREAGE:	58.5
PHASE: Phase 2 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	58.5
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	205
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	3.51
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
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ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
DRAINAGE SYSTEM					
STORM DRAIN SYSTEM					
18" R.C.P.	LF	3,015	$ 48.00	$ 144,720.00	
18" R.C.P. W/ RUBBER GASKET	LF	0	$ 57.60	$ -	
24" R.C.P.	LF	1,460	$ 65.00	$ 94,900.00	
30" R.C.P.	LF	340	$ 95.00	$ 32,300.00	
30" R.C.P. W/ RUBBER GASKET	LF	0	$ 114.00	$ -	
36" R.C.P. W/ RUBBER GASKET	LF	675	$ 138.00	$ 93,150.00	
42" R.C.P. W/ RUBBER GASKET	LF	550	$ 180.00	$ 99,000.00	
48" R.C.P. W/ RUBBER GASKET	LF	100	$ 216.00	$ 21,600.00	
4'x3' R.C.B. W/ RUBBER GASKETS	LF	470	$ 450.00	$ 211,500.00	
4'x4' R.C.B. W/ RUBBER GASKETS	LF	200	$ 600.00	$ 120,000.00	
7'x4' R.C.B.	LF	200	$ 700.00	$ 140,000.00	
10' INLET	EA	58	$ 4,000.00	$ 232,000.00	
INLET PROTECTION	EA	58	$ 225.00	$ 13,050.00	
INLET BASKETS (IN LIEU OF DEBRIS SEPARATORS)	EA	9	$ 1,000.00	$ 9,000.00	
STORM SEWER M.H. (4 FOOT)	EA	2	$ 3,600.00	$ 7,200.00	
STORM SEWER M.H. (5 FOOT)	EA	5	$ 5,000.00	$ 25,000.00	
STORM SEWER M.H. W/ DEBRIS SEPARATOR (5 FOOT)	EA	2	$ 25,000.00	$ 50,000.00	
STORM SEWER M.H. (6 FOOT)	EA	1	$ 7,500.00	$ 7,500.00	
STORM SEWER M.H. W/ DEBRIS SEPARATOR (6 FOOT)	EA	1	$ 50,000.00	$ 50,000.00	
24" HEADWALL	EA	3	$ 3,000.00	$ 9,000.00	
48" HEADWALL	EA	2	$ 6,200.00	$ 12,400.00	
4'x4' HEADWALL	EA	5	$ 7,200.00	$ 36,000.00	
7'x4' HEADWALL	EA	4	$ 12,000.00	$ 48,000.00	
ROCK RIP-RAP, 12" - 18"	SY	150	$ 95.00	$ 14,250.00	
FLEXAMAT	SY	105	$ 175.00	$ 18,375.00	
GRADE TO DRAIN	CY	0	$ 2.50	$ -	
R & R CONC. PAVEMENT	SY	80	$ 100.00	$ 8,000.00	
CONCRETE CAP - GAS LINE CROSSING	LF	350	$ 100.00	$ 35,000.00	
STORM DRAIN T.V. INSPECTION	LF	7,010	$ 1.50	$ 10,515.00	
TRENCH SAFETY	LF	7,010	$ 1.00	$ 7,010.00	
			DRAINAGE SUB-TOTAL	$ 1,553,270.00	

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	160	45		GROSS ACREAGE:	58.5
PHASE: Phase 2 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	58.5
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	205
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	3.51
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
STREET IMPROVEMENT					
STREET PAVING					
7" REINF. CONC. PAVEMENT, 31' B-B	SY	33,928	$ 40.00	$ 1,357,120.00	
6" LIME SUBGRADE	SY	36,117	$ 3.00	$ 108,351.00	
HYDRATED LIME MATERIAL (36#SY)	TON	660	$ 180.00	$ 118,800.00	
CONNECT TO EXISTING PAVEMENT HEADER	EA	2	$ 1,300.00	$ 2,600.00	
REMOVE EXIST. BARRICADE	EA	2	$ 500.00	$ 1,000.00	
SAWCUT & REM. EXIST PVMNT.	LF	100	$ 9.00	$ 900.00	
			STREET PAVING SUB-TOTAL	**$ 1,588,771.00**	
SIDEWALK					
5' CONCRETE SIDEWALK	SF	6,575	$ 6.00	$ 39,450.00	Sidewalk in Open space
BARRIER FREE RAMPS	EA	28	$ 1,800.00	$ 50,400.00	
			SIDEWALK SUB-TOTAL	**$ 89,850.00**	
SIGNAGE & STRIPING					
STREET SIGNS, COMBO W/STOP (W/ POSTS)	EA	23	$ 540.00	$ 12,420.00	
			SIGNAGE & STRIPING SUB-TOTAL	**$ 12,420.00**	
			STREET IMPROVEMENT SUB-TOTAL	**$ 1,691,041.00**	
SITE FENCING/RETAINING WALL IMPROVEMENTS					
PERIMETER / SCREENING WALLS					
WROUGHT IRON (6 FOOT)	LF	3,000	35.00	$ 105,000.00	Along lots adj. to Open space and Gas Esmt
			PERIMETER / SCREENING WALLS SUB-TOTAL	**$ 105,000.00**	
RETAINING WALLS					
2' RETAINING WALL	LF	2,420	32.00	$ 77,440.00	
4' RETAINING WALL	LF	3,030	$ 48.00	$ 145,440.00	
6' RETAINING WALL	LF	1,940	$ 72.00	$ 139,680.00	
			RETAINING WALLS SUB-TOTAL	**$ 362,560.00**	
			SITE FENCING / RETAINING SUB-TOTAL	**$ 467,560.00**	

		LOT (1)	LOT (2)	LOT (3)		
COMMUNITY NAME: Sutton Fields East	LOT COUNT:	160	45		GROSS ACREAGE:	58.5
PHASE: Phase 2 Onsite	TYP. LOT WIDTH:	50	60		NET ACREAGE:	58.5
CITY OR TOWN: Celina ETJ	TYP. LOT DEPTH:	115	115		TOTAL LOTS:	205
	TYP. PAD WIDTH:	40	50		TOTAL DENSITY:	3.51
	TYP. PAD DEPTH:	75	75		LANDPLAN:	6
	FRONT YARD S/B:	20	20		CREATED BY:	CDH
	REAR YARD S/B:	20	20		REVIEWED BY:	AB
	SIDE YARD S/B:	5	5		CREATED:	06/03/21
	CORNER SIDE YARD S/B:	15	15		REVISED:	

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

	ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
DRY UTILITIES						
	ELECTRIC and GAS SERVICES	LOT	205	$ 3,000.00	$ 615,000.00	
	STREET LIGHTS	EA	20	$ 2,500.00	$ 50,000.00	
				DRY UTILITIES SUB-TOTAL	$ 665,000.00	
ENGINEERING, CONSULTING & FEES						
	ENGINEERING & SURVEYING	LOT	205	$ 1,700.00	$ 348,500.00	
	CONSTRUCTION INSPECTION	%	3%	$ 6,039,786.23	$ 181,193.59	
	MATERIAL TESTING	%	2%	$ 6,039,786.23	$ 120,795.72	
	DEVELOPMENT FEE	LOT	205		$ -	
	CONSTRUCTION MANAGEMENT	LOT	205	$ 1,200.00	$ 246,000.00	
	ROLL BACK TAXES					
	ASSESSMENT FEES					
	CLUSTER MAILBOX UNIT	EA	13	$ 2,000.00	$ 26,000.00	
	LANDSCAPE ARCHITECT FEES	LS	1	$ 20,000.00	$ 20,000.00	
	GEOTECHNICAL INVESTIGATION FEES	LOT	205	$ 135.00	$ 27,675.00	
	WETLANDS INVESTIGATION	LS	1	$ 10,000.00	$ 10,000.00	
	TRAFFIC IMPACT ANALYSIS	LS	1	$ 10,000.00	$ 10,000.00	
	HYDROLOGY & HYDRAULIC (H&H) STUDY	LS	1	$ 20,000.00	$ 20,000.00	
	CITY FEES - FINAL PLATTING	LOT	205	$ 500 + $10 PER LOT	$ 2,550.00	Celina Fees
	CITY FEES - PLAN REVIEW	LOT	205	$ 90.00	$ 18,450.00	Celina Fees
	CITY FEES - PLAT FILING FEE	LS	1	$ 150.00	$ 150.00	Celina Fees
	CITY FEES - CIVIL PERMIT FEE - PUBLIC	%	3%	$ 4,638,076.00	$ 139,142.28	3% of Paving and Utils - Celina
	CITY FEES - GRADING PERMIT	LOT	205.0	$ 500 + $10 PER AC	$ 2,550.00	Celina Fees
				ENGINEERING & CONSULTING SUB-TOTAL	$ 1,173,006.59	

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION ONLY. BARRAZA CONSULTING GROUP, LLC. SHOULD PREPARE THE PROJECT DESIGN AND QUANTITIES TAKE-OFFS BEFORE FINANCIAL OBLIGATIONS ARE MADE.

COMMUNITY NAME: Sutton Fields East
PHASE: Full Development Major Improvements
CITY OR TOWN: Celina ETJ

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

GROSS ACREAGE:	110.4
NET ACREAGE:	110.4
TOTAL LOTS:	**450**
TOTAL DENSITY:	4.08
LANDPLAN:	6
CREATED BY:	CDH
REVIEWED BY:	AB
CREATED:	06/03/21
REVISED:	

	ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
OFFSITE WATER SYSTEMS						
	12" P.V.C. PIPE (DR 18 C900)	LF	3,700	$ 42.00	$ 155,400	In Parvin Rd per MSUD Design
	12" GATE VALVE & BOX	EA	4	$ 2,400.00	$ 9,600	
	CONNECT TO EXIST. LINE	EA	1	$ 1,000.00	$ 1,000	
	FIRE HYDRANT ASSEMBLY	EA	13	$ 4,900.00	$ 63,700	
	2" FLUSH VALVE	EA	2	$ 1,900.00	$ 3,800	
	2" COMBINATION AIR RELEASE/VACUUM VALVE	EA	2	$ 3,000.00	$ 6,000	
	TRENCH SAFETY	LF	3,700	$ 0.50	$ 1,850	
	TESTING (EXCLUDING GEOTECH)	LF	3,700	$ 1.00	$ 3,700	
				OFFSITE WATER SYSTEMS SUB-TOTAL	**$ 245,050**	
OFFSITE SANITARY SEWER						
	GRAVITY SEWER					
	8" P.V.C. PIPE (0'-10' DEEP) SDR 35	LF	1,900	$ 25.00	$ 47,500	
	4' DIAMETER M.H. w/ RAVEN COATING	EA	7	$ 5,000.00	$ 35,000.00	
	5' DIAMETER M.H. w/ RAVEN COATING	EA	2	$ 8,700.00	$ 17,400.00	
	CONNECT TO EXIST. M.H.	EA	1	$ 1,000.00	$ 1,000	
	TRENCH SAFETY	LF	1,900	$ 0.50	$ 950	
	TESTING (EXCLUDING GEOTECH)	LF	1,900	$ 0.50	$ 950	
				OFFSITE SEWER SUB-TOTAL	**$ 102,800**	
DETENTION POND & STRUCTURES						
	DETENTION POND & STRUCTURES					
	RETENTION POND - EXCAVATION AT 15' DEPTH	CY	188,760	2.50	$ 471,900.00	
	DETENTION POND DRAINAGE STRUCTURE	EA	2	40,000	$ 80,000.00	
				DETENTION POND & STRUCTURES SUB-TOTAL	**$ 551,900.00**	

COMMUNITY NAME: Sutton Fields East
PHASE: Full Development Major Improvements
CITY OR TOWN: Celina ETJ

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

GROSS ACREAGE:	110.4
NET ACREAGE:	110.4
TOTAL LOTS:	**450**
TOTAL DENSITY:	4.08
LANDPLAN:	6
CREATED BY:	CDH
REVIEWED BY:	AB
CREATED:	06/03/21
REVISED:	

ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
STREET IMPROVEMENT					
STREET PAVING					
UNCLASSIFIED EXCAVATION	CY	7,556	$ 2.50	$ 18,889	
STORM SEWER COLLECTION SYSTEM	LF	1,700	$ 125.00	$ 212,500	
9" REINF. CONC. PAVEMENT, 1/2 120' ROW, 1-37' B-B	SY	6,989	$ 50.00	$ 349,450	Parvin Road
6" LIME SUBGRADE	SY	7,745	$ 3.00	$ 23,235	
HYDRATED LIME MATERIAL (54LBS/SY)	TON	140	$ 180.00	$ 25,200	
CONNECT TO EXISTING PAVEMENT	EA	2	$ 1,300.00	$ 2,600	
4' WIDE CURLEX EROSION CONTROL MATTING	LF	3,400	$ 0.60	$ 2,040	
			STREET PAVING SUB-TOTAL	**$ 633,914**	
SIDEWALK					
10' CONCRETE SIDEWALK	LF	1,700	$ 75.00	$ 127,500	Along north side of Parvin
BARRIER FREE RAMPS	EA	4	$ 1,425.00	$ 5,700	
			SIDEWALK SUB-TOTAL	**$ 133,200**	
SIGNAGE & LIGHTING					
PAVING STRIPING	LF	1,700	10.00	$ 17,000	
STREET SIGNS, COMBO W/STOP (W/ POSTS)	EA	2	$ 1,300.00	2,600	
STREET LIGHTING	EA	4	$ 2,500.00	$ 10,000	
			SIGNAGE & STRIPING SUB-TOTAL	**$ 29,600**	
OFFSITE TURNING LANES					
OFFSITE TURNING LANES	EA	2	$ 350,000.00	$ 700,000	
			OFFSITE TURNING LANES SUB-TOTAL	**$ 700,000**	
			STREET IMPROVEMENT SUB-TOTAL	**$ 1,496,714**	
SITE FENCING/RETAINING/GATES					
SCREEN WALL (W/ MOW STRIP)	LF	1,000	$ 70.00	$ 70,000	
			SITE FENCING / RETAINING/GATES SUB-TOTAL	**$ 70,000**	

COMMUNITY NAME: Sutton Fields East
PHASE: Full Development Major Improvements
CITY OR TOWN: Celina ETJ

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

GROSS ACREAGE:	110.4
NET ACREAGE:	110.4
TOTAL LOTS:	**450**
TOTAL DENSITY:	4.08
LANDPLAN:	6
CREATED BY:	CDH
REVIEWED BY:	AB
CREATED:	06/03/21
REVISED:	

ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
LANDSCAPING, IRRIGATION, MONUMENTATION					
ENTRY MONUMENTS					
ENTRY MONUMENT (MAIN)	EA		$ 1,500.00	$ -	
ENTRY LANDSCAPE (MAIN)	AC		$ 5,000	$ -	
ENTRY MONUMENT (SECONDARY)	EA	2	$ 40,000.00	$ 80,000	
ENTRY LANDSCAPE (SECOND.)	AC	1	$ 5,000.00	$ 5,000	
			ENTRY MONUMENTS SUB-TOTAL	**$ 85,000**	
LANDSCAPING					
LANDSCAPING (40' PARKWAY)	LF	1,700	$ 22.50	$ 38,250	
BERMUDA SOD (OPEN SPACE)	AC	1.5	$ 10,890.00	$ 16,335	
LANDSCAPING (OPEN SPACE)	AC	1.5	$ 5,000.00	$ 7,500	
			LANDSCAPING SUB-TOTAL	**$ 62,085**	
IRRIGATION					
IRRIGATION (40' PKWY)	LF	1,700	$ 26.00	$ 44,200	
IRRIGATION (OPEN SPACE)	AC	1.5	$ 2,500.00	$ 3,750	
IRRIGATION (ENTRY)	AC	1.00	$ 5,000.00	$ 5,000	
METER POWER PEDESTAL	Ea	2	$ 2,500.00	$ 5,000	
			IRRIGATION SUB-TOTAL	**$ 57,950**	
			LANDSCAPING, IRRIGATION, MONUMENTATION SUB-TOTAL	**$ 205,035**	
COMMON AREA AMENITIES					
AMENITIES					
PARK AMENITIES	LS	2	$ 1,500.00	$ 3,000	
CLUSTER MAILBOX UNIT	EA	30	$ 2,000.00	$ 60,000	
			AMENITIES SUB-TOTAL	**$ 63,000**	
TRAILS / PATHWAYS (FLATWORK)					
12' CONCRETE SIDEWALK	SF	64,800	$ 6.00	$ 388,800	Trail within Gas Esmt and around ponds
			TRAILS / PATHWAYS (FLATWORK) SUB-TOTAL	**$ 388,800**	
			COMMON AREA AMENITIES SUB-TOTAL	**$ 451,800**	

COMMUNITY NAME: Sutton Fields East
PHASE: Full Development Major Improvements
CITY OR TOWN: Celina ETJ

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

GROSS ACREAGE:	110.4
NET ACREAGE:	110.4
TOTAL LOTS:	**450**
TOTAL DENSITY:	4.08
LANDPLAN:	6
CREATED BY:	CDH
REVIEWED BY:	AB
CREATED:	06/03/21
REVISED:	

	ITEM DESCRIPTION	UNITS	ESTIMATED QUANTITIES	UNIT PRICE	TOTAL AMOUNT	NOTES
ENGINEERING, INSPECTION & FEES						
	ENGINEERING	%	8%	$ 2,396,463.89	$ 191,717.11	
	SURVEYING	%	4%	$ 2,396,463.89	$ 95,858.56	
	CONSTRUCTION INSPECTION	%	3%	$ 2,396,463.89	$ 71,893.92	
	MATERIAL TESTING	%	2%	$ 2,396,463.89	$ 47,929.28	
	CITY FEES - CIVIL PERMIT FEE - PUBLIC	%	3%	$ 2,396,463.89	$ 71,893.92	3% of Paving and Utils - Celina
				ENGINEERING & CONSULTING SUB-TOTAL	**$ 479,293**	

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION ONLY. BARRAZA CONSULTING GROUP, LLC. SHOULD PREPARE THE PROJECT DESIGN AND QUANTITIES TAKE-OFFS BEFORE FINANCIAL OBLIGATIONS ARE MADE.

APPENDIX C
LEGAL DESCRIPTION

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

PROPERTY METES AND BOUNDS DESCRIPTION

BEING that certain tract of land situated in the Jacob Rue Survey, Abstract No. 1109, and the Hiram Rue Survey, Abstract No. 1111, in Denton County, Texas, and being part of that certain tract of land described in deed to Jo Lynn Carey Ninemire, Laura Jean Carey Ninemire, and Mark Carlton Carey recorded in Document No. 2014-16824, of the Real Property Records of Denton County, Texas (RPRDCT), and being more particularly described as follows:

BEGINNING at a 60D nail in asphalt found in the approximate center of Parvin Road (undedicated public road), said nail being an ell corner of a line described in Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDCT, from which a 3/8-inch iron rod found bears North 89º11'44" West, a distance of 1163.46 feet;

THENCE North 00º41'45" East, with a line described in said Boundary Line Agreement, as located on a west line of said Carey tract, a distance of 2985.21 feet to a 1/2-inch iron rod found for corner;

THENCE North 89º13'31" East, with a line described in said Boundary Line Agreement, as located on the most northerly line of said Carey tract, a distance of 527.69 feet to a capped 5/8-inch iron rod found for corner;

THENCE North 89º13'50" East, with the most northerly line of said Carey tract, and the south line of that certain tract of land described in deed to Smiley Road, Ltd. recorded in Instrument No. 2006-2064, RPRDCT, a distance of 998.50 feet to a 1/2-inch iron rod found for corner at the most northerly northeast corner of said Carey tract, and the northwest corner of that certain tract of land described as First Tract in deed to Brice Jackson, Bobby C. Jackson, and Nolan P. Jackson recorded in Volume 4910, Page 2975 (Document No. 2001-R0089934), RPRDCT;

THENCE South 00º26'26" East, with the most northerly east line of said Carey tract and the west line of said Jackson tract, passing at a called distance of 3155.56 feet an interior ell corner of said Carey tract, continuing in all, a total distance of 3181.36 feet to a 3/8-inch iron rod found for corner in said approximate center of Parvin Road;

THENCE North 89º16'58" West, over and across said Carey tract, and with the approximate center of Parvin Road, a distance of 505.81 feet to a point for corner at the beginning of a tangent curve to the right;

THENCE northwesterly, continuing over and across said Carey tract, and said approximate center of Parvin Road, and with said curve having a central angle of 33º01'00", a radius of 350.00 feet, a chord which bears North 72º46'28" West, a chord distance of 198.91 feet, and an arc distance of 201.69 feet to the end of said curve, a point for corner;

THENCE North 56º15'58" West, continuing over and across said Carey tract, and said approximate center of Parvin Road, passing at a distance of 38.18 feet a PK nail found at the northeast corner of that certain tract of land described in deed to Mark Carey and Cathi Carey recorded in Document No. 2007-985, RPRDCT (Save and Excepted as Tract 2 in said Carey deed recorded in Document No. 2014-16824, RPRDCT), continuing with the northerly line of said Mark Carey and Cathi Carey tract, in all, a total distance of 180.24 feet to a point for corner;

THENCE North 89º11'44" West, continuing with said approximate center of Parvin Road, and with said northerly line of the Mark Carey and Cathi Carey tract, passing at a distance of 181.00 feet a PK nail found at the northwest corner of said Mark Carey and Cathi Carey tract, and the northeast corner of that certain tract of land Save and Excepted as Tract 1 in said Carey deed recorded in Document No. 2014-16824, RPRDCT, passing the called northwest corner of said Tract 1 at a distance of 456.77 feet, continuing with said approximate center of Parvin Road, in all, a total distance of 741.18 feet to the POINT OF BEGINNING, containing an area of 109.926 acres of land.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

APPENDIX D
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

APPENDIX E
HOMEBUYER DISCLOSURE

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

AFTER RECORDING RETURN TO:

_____
_____
_____
_____
_____][1]

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF CELINA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: $_____

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Celina, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Sutton Fields East Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF DENTON §

The foregoing instrument was acknowledged before me by_____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF Denton §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

APPENDIX F
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE EQUIVALENTS

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Appendix F

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of three Lot Types.

"Lot Type 1" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 60 feet, as provided by _____.

"Lot Type 2" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet, as provided by _____.

A) Proposed Development

The following table shows the proposed residential units to be developed within the PID.

Table F-1
Proposed Development within the PID

Description	Proposed Development	
Single-Family - 60 Ft	87	Units
Single-Family - 50 Ft	363	Units
Total	**450**	**Units**

Table F-2 below shows the proposed residential units within Phase #1.

Table F-2
Proposed Development – Phase #1

Description	Proposed Development	
Single-Family - 60 Ft	42	Units
Single-Family - 50 Ft	203	Units
Total	**245**	**Units**

Table F-3 below shows the proposed residential Lot Types within The Major Improvement Area.

Table F-3
Proposed Development – Major Improvement Area

Description	Proposed Development	
Single-Family - 60 Ft	45	Units
Single-Family - 50 Ft	160	Units
Total	**205**	**Units**

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

B) Calculation of Equivalent Units

As explained under Section IV.D, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Major Improvement Area Projects to be financed with the Major Improvement Area Bonds shall be allocated to the Major Improvement Area 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 Major Improvement Area 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 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 F-4 on the following page. 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.

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Table F-4
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft)	$378,000	1.00 per dwelling unit
Lot Type 2 (50 Ft)	$315,000	0.83 per dwelling unit

The total estimated Equivalent Units for Phase #1 are shown in Table F-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 #1.

Table F-5
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	42	1.00	42.00
Lot Type 2 (50 Ft)	203	0.83	169.17
Total Equivalent Units	**245**		**211.17**

The total estimated Equivalent Units for the Major Improvement Area is shown in Table F-6 below as calculated based on the Equivalent Unit factors shown in Table F-4, estimated Lot Types and number of units estimated to be built within the Major Improvement Area.

Table F-6
Estimated Equivalent Units -Major Improvement Area

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	45	1.00	45.00
Lot Type 2 (50 Ft)	160	0.83	133.33
Total Equivalent Units	**205**		**178.33**

C) Allocation of Assessments to Lots within 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 $8,450,000. As shown in Table F-5, there are a total of 211.17 estimated Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of $40,015.79 .

The Assessment per dwelling unit or acre is calculated as the product of (i) $40,015.79 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, The Assessment for

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a Lot Type 1 (60 Ft Lot) dwelling unit is $40,015.79 (i.e. $40,015.79 x 1.00). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is $33,346.49 (i.e. $40,015.79 x 0.83). Table F-7 below sets forth the Assessment per dwelling unit for each Lot Type in Phase #1.

Table F-7
Assessment Per Unit – Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (60 Ft)	42	$40,015.79	1.00	$40,015.79	per dwelling unit	$1,680,663
Lot Type 2 (50 Ft)	203	$40,015.79	0.83	$33,346.49	per dwelling unit	$6,769,337
Total	**245**					**$8,450,000**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table F-8 below.

Table F-8
Projected Leverage – Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit[1]	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft)	per dwelling unit	$84,000	$378,000	$40,016	2.10	9.45
Lot Type 2 (50 Ft)	per dwelling unit	$70,000	$315,000	$33,346	2.10	9.45

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table F-9 below.

Table F-9
Estimated Tax Rate Equivalent per unit – Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 1 (60 Ft)	42	$84,000	$378,000	$3,034	$3.61	$0.80
Lot Type 2 (50 Ft)	203	$70,000	$315,000	$2,528	$3.61	$0.80

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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 H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

D) Allocation of Major Improvement Area Assessments to Lot Types in the Major Improvement Area

As shown in Section IV of this Service and Assessment Plan, the total amount of the Major Improvement Area Bonds, which represents the total Assessment to be allocated on all Parcels within the Major Improvement Area is $2,155,000. As shown in Table F-6, there are a total of 178.33 estimated Equivalent Units in the Major Improvement Area, resulting in an Assessment per Equivalent Unit of $12,084.11 .

The Assessment per dwelling unit or acre is calculated as the product of (i) $12,084.11 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 $12,084.11 (i.e. $12,084.11 × 1.00). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is $10,070.09 (i.e. $12,084.11 × 0.83). Table F-10 below sets forth the Assessment per dwelling unit for each Lot Type in the Major Improvement Area.

Table F-10
Assessment Per Unit –Major Improvement Area

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (60 Ft)	45	$12,084.11	1.00	$12,084.11	per dwelling unit	$543,785
Lot Type 2 (50 Ft)	160	$12,084.11	0.83	$10,070.09	per dwelling unit	$1,611,215
Total	**205**					**$2,155,000**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit within the Major Improvement Area is shown in Table F-11 below.

Table F-11
Projected Leverage – Major Improvement Area

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit[1]	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft)	45	$84,000	$378,000	$12,084	6.95	31.28
Lot Type 2 (50 Ft)	160	$70,000	$315,000	$10,070	6.95	31.28

1 – Amounts are rounded to the nearest dollar amount.

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The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit within the Major Improvement Area is shown in Table F-12 below.

Table F-12
Estimated Tax Rate Equivalent per unit – Major Improvement Area

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 1 (60 Ft)	45	$84,000	$378,000	$1,247	$1.48	$0.33
Lot Type 2 (50 Ft)	160	$70,000	$315,000	$1,039	$1.48	$0.33

The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area is shown on the Major Improvement Area Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

APPENDIX G
PROPOSED MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Appendix G-1
Proposed Major Improvement Area Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**178.33**
Assessment	**$2,155,000**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/21	$0	$123,913	$0	$0	($123,913)	$0
9/30/22	$0	$123,913	$45,900	$10,775	($123,913)	$56,675
9/30/23	$40,000	$123,913	$46,818	$10,775	$0	$221,506
9/30/24	$45,000	$121,613	$47,754	$10,575	$0	$224,942
9/30/25	$45,000	$119,025	$48,709	$10,350	$0	$223,084
9/30/26	$45,000	$116,438	$49,684	$10,125	$0	$221,246
9/30/27	$50,000	$113,850	$50,677	$9,900	$0	$224,427
9/30/28	$50,000	$110,975	$51,691	$9,650	$0	$222,316
9/30/29	$50,000	$108,100	$52,725	$9,400	$0	$220,225
9/30/30	$55,000	$105,225	$53,779	$9,150	$0	$223,154
9/30/31	$55,000	$102,063	$54,855	$8,875	$0	$220,792
9/30/32	$60,000	$98,900	$55,952	$8,600	$0	$223,452
9/30/33	$60,000	$95,450	$57,071	$8,300	$0	$220,821
9/30/34	$65,000	$92,000	$58,212	$8,000	$0	$223,212
9/30/35	$65,000	$88,263	$59,377	$7,675	$0	$220,314
9/30/36	$70,000	$84,525	$60,564	$7,350	$0	$222,439
9/30/37	$70,000	$80,500	$61,775	$7,000	$0	$219,275
9/30/38	$75,000	$76,475	$63,011	$6,650	$0	$221,136
9/30/39	$80,000	$72,163	$64,271	$6,275	$0	$222,709
9/30/40	$85,000	$67,563	$65,557	$5,875	$0	$223,994
9/30/41	$85,000	$62,675	$66,868	$5,450	$0	$219,993
9/30/42	$90,000	$57,788	$68,205	$5,025	$0	$221,017
9/30/43	$95,000	$52,613	$69,569	$4,575	$0	$221,757
9/30/44	$100,000	$47,150	$70,960	$4,100	$0	$222,210
9/30/45	$105,000	$41,400	$72,380	$3,600	$0	$222,380
9/30/46	$110,000	$35,363	$73,827	$3,075	$0	$222,265
9/30/47	$115,000	$29,038	$75,304	$2,525	$0	$221,866
9/30/48	$125,000	$22,425	$76,810	$1,950	$0	$226,185
9/30/49	$130,000	$15,238	$78,346	$1,325	$0	$224,909
9/30/50	$135,000	$7,763	$79,913	$675	$0	$223,351
Total	**$2,155,000**	**$2,396,313**	**$1,780,564**	**$197,600**	**($247,825)**	**$6,281,651**

1 – The 9/30/XX dates represent the fiscal year end for Bonds.
2 – The interest is calculated assuming an estimated 5.75% interest rate on the Major Improvement Area Bonds and will be updated at the time of Bond issuance.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Appendix G-2
Proposed Major Improvement Area Assessment Roll by Lot Type

Lot Type	**Lot Type 1 (60 Ft)**
Assessment	**$12,084.11**
Equivalent Unit	**1.00**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/21	$0	$695	$0	$0	($695)	$0
9/30/22	$0	$695	$257	$60	($695)	$318
9/30/23	$224	$695	$263	$60	$0	$1,242
9/30/24	$252	$682	$268	$59	$0	$1,261
9/30/25	$252	$667	$273	$58	$0	$1,251
9/30/26	$252	$653	$279	$57	$0	$1,241
9/30/27	$280	$638	$284	$56	$0	$1,258
9/30/28	$280	$622	$290	$54	$0	$1,247
9/30/29	$280	$606	$296	$53	$0	$1,235
9/30/30	$308	$590	$302	$51	$0	$1,251
9/30/31	$308	$572	$308	$50	$0	$1,238
9/30/32	$336	$555	$314	$48	$0	$1,253
9/30/33	$336	$535	$320	$47	$0	$1,238
9/30/34	$364	$516	$326	$45	$0	$1,252
9/30/35	$364	$495	$333	$43	$0	$1,235
9/30/36	$393	$474	$340	$41	$0	$1,247
9/30/37	$393	$451	$346	$39	$0	$1,230
9/30/38	$421	$429	$353	$37	$0	$1,240
9/30/39	$449	$405	$360	$35	$0	$1,249
9/30/40	$477	$379	$368	$33	$0	$1,256
9/30/41	$477	$351	$375	$31	$0	$1,234
9/30/42	$505	$324	$382	$28	$0	$1,239
9/30/43	$533	$295	$390	$26	$0	$1,243
9/30/44	$561	$264	$398	$23	$0	$1,246
9/30/45	$589	$232	$406	$20	$0	$1,247
9/30/46	$617	$198	$414	$17	$0	$1,246
9/30/47	$645	$163	$422	$14	$0	$1,244
9/30/48	$701	$126	$431	$11	$0	$1,268
9/30/49	$729	$85	$439	$7	$0	$1,261
9/30/50	$757	$44	$448	$4	$0	$1,252
Total	**$12,084**	**$13,437**	**$9,984**	**$1,108**	**($1,390)**	**$35,224**

1 – The 9/30/XX dates represent the fiscal year end for Bonds.
2 – The interest is calculated assuming an estimated 5.75% interest rate on the Major Improvement Area Bonds and will be updated at the time of Bond issuance.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Appendix G-3
Proposed Major Improvement Area Assessment Roll by Lot Type

Lot Type	**Lot Type 2 (50 Ft)**
Assessment	**$10,070.09**
Equivalent Unit	**0.83**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/21	$0	$579	$0	$0	($579)	$0
9/30/22	$0	$579	$214	$50	($579)	$265
9/30/23	$187	$579	$219	$50	$0	$1,035
9/30/24	$210	$568	$223	$49	$0	$1,051
9/30/25	$210	$556	$228	$48	$0	$1,042
9/30/26	$210	$544	$232	$47	$0	$1,034
9/30/27	$234	$532	$237	$46	$0	$1,049
9/30/28	$234	$519	$242	$45	$0	$1,039
9/30/29	$234	$505	$246	$44	$0	$1,029
9/30/30	$257	$492	$251	$43	$0	$1,043
9/30/31	$257	$477	$256	$41	$0	$1,032
9/30/32	$280	$462	$261	$40	$0	$1,044
9/30/33	$280	$446	$267	$39	$0	$1,032
9/30/34	$304	$430	$272	$37	$0	$1,043
9/30/35	$304	$412	$277	$36	$0	$1,030
9/30/36	$327	$395	$283	$34	$0	$1,039
9/30/37	$327	$376	$289	$33	$0	$1,025
9/30/38	$350	$357	$294	$31	$0	$1,033
9/30/39	$374	$337	$300	$29	$0	$1,041
9/30/40	$397	$316	$306	$27	$0	$1,047
9/30/41	$397	$293	$312	$25	$0	$1,028
9/30/42	$421	$270	$319	$23	$0	$1,033
9/30/43	$444	$246	$325	$21	$0	$1,036
9/30/44	$467	$220	$332	$19	$0	$1,038
9/30/45	$491	$193	$338	$17	$0	$1,039
9/30/46	$514	$165	$345	$14	$0	$1,039
9/30/47	$537	$136	$352	$12	$0	$1,037
9/30/48	$584	$105	$359	$9	$0	$1,057
9/30/49	$607	$71	$366	$6	$0	$1,051
9/30/50	$631	$36	$373	$3	$0	$1,044
Total	**$10,070**	**$11,198**	**$8,320**	**$923**	**($1,158)**	**$29,354**

1 – The 9/30/XX dates represent the fiscal year end for Bonds.
2 – The interest is calculated assuming an estimated 5.75% interest rate on the Major Improvement Area Bonds and will be updated at the time of Bond issuance.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

APPENDIX H
PROPOSED PHASE #1 ASSESSMENT ROLL

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Appendix H-1
Proposed Phase #1 Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**211.17**
Assessment	**$8,450,000**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/21	$0	$401,375	$0	$0	($401,375)	$0
9/30/22	$0	$401,375	$45,900	$42,250	($401,375)	$88,150
9/30/23	$151,705	$401,375	$46,818	$42,250	$0	$642,148
9/30/24	$158,419	$394,169	$47,754	$41,491	$0	$641,834
9/30/25	$165,489	$386,644	$48,709	$40,699	$0	$641,542
9/30/26	$172,932	$378,783	$49,684	$39,872	$0	$641,271
9/30/27	$180,769	$370,569	$50,677	$39,007	$0	$641,022
9/30/28	$189,019	$361,983	$51,691	$38,103	$0	$640,796
9/30/29	$197,706	$353,004	$52,725	$37,158	$0	$640,593
9/30/30	$206,851	$343,613	$53,779	$36,170	$0	$640,413
9/30/31	$216,479	$333,788	$54,855	$35,136	$0	$640,257
9/30/32	$226,614	$323,505	$55,952	$34,053	$0	$640,124
9/30/33	$237,285	$312,741	$57,071	$32,920	$0	$640,017
9/30/34	$248,518	$301,470	$58,212	$31,734	$0	$639,934
9/30/35	$260,344	$289,665	$59,377	$30,491	$0	$639,876
9/30/36	$272,793	$277,299	$60,564	$29,189	$0	$639,845
9/30/37	$285,898	$264,341	$61,775	$27,825	$0	$639,840
9/30/38	$299,693	$250,761	$63,011	$26,396	$0	$639,861
9/30/39	$314,216	$236,526	$64,271	$24,897	$0	$639,910
9/30/40	$329,503	$221,600	$65,557	$23,326	$0	$639,987
9/30/41	$345,596	$205,949	$66,868	$21,679	$0	$640,092
9/30/42	$362,536	$189,533	$68,205	$19,951	$0	$640,225
9/30/43	$380,368	$172,313	$69,569	$18,138	$0	$640,388
9/30/44	$399,139	$154,245	$70,960	$16,236	$0	$640,581
9/30/45	$418,897	$135,286	$72,380	$14,241	$0	$640,804
9/30/46	$439,696	$115,388	$73,827	$12,146	$0	$641,058
9/30/47	$461,588	$94,503	$75,304	$9,948	$0	$641,343
9/30/48	$484,633	$72,577	$76,810	$7,640	$0	$641,660
9/30/49	$508,890	$49,557	$78,346	$5,217	$0	$642,010
9/30/50	$534,423	$25,385	$79,913	$2,672	$0	$642,394
Total	**$8,450,000**	**$7,819,323**	**$1,780,564**	**$780,837**	**($802,750)**	**$18,027,973**

1 – The 9/30/XX dates represent the fiscal year end for the Bonds.
2 – The interest is calculated assuming an estimated 4.75% interest rate on the Phase #1 Bonds and will be updated at the time of Bond issuance.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.
4 – Annual Installment does not include any TIRZ Annual Credit.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Appendix H-2
Proposed Phase #1 Assessment Roll by Lot Type

Lot Type	**Lot Type 1 (60 Ft)**
Assessment	**$40,015.79**
Equivalent Unit	**1.00**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/21	$0	$1,901	$0	$0	($1,901)	$0
9/30/22	$0	$1,901	$217	$200	($1,901)	$417
9/30/23	$718	$1,901	$222	$200	$0	$3,041
9/30/24	$750	$1,867	$226	$196	$0	$3,039
9/30/25	$784	$1,831	$231	$193	$0	$3,038
9/30/26	$819	$1,794	$235	$189	$0	$3,037
9/30/27	$856	$1,755	$240	$185	$0	$3,036
9/30/28	$895	$1,714	$245	$180	$0	$3,035
9/30/29	$936	$1,672	$250	$176	$0	$3,034
9/30/30	$980	$1,627	$255	$171	$0	$3,033
9/30/31	$1,025	$1,581	$260	$166	$0	$3,032
9/30/32	$1,073	$1,532	$265	$161	$0	$3,031
9/30/33	$1,124	$1,481	$270	$156	$0	$3,031
9/30/34	$1,177	$1,428	$276	$150	$0	$3,030
9/30/35	$1,233	$1,372	$281	$144	$0	$3,030
9/30/36	$1,292	$1,313	$287	$138	$0	$3,030
9/30/37	$1,354	$1,252	$293	$132	$0	$3,030
9/30/38	$1,419	$1,188	$298	$125	$0	$3,030
9/30/39	$1,488	$1,120	$304	$118	$0	$3,030
9/30/40	$1,560	$1,049	$310	$110	$0	$3,031
9/30/41	$1,637	$975	$317	$103	$0	$3,031
9/30/42	$1,717	$898	$323	$94	$0	$3,032
9/30/43	$1,801	$816	$329	$86	$0	$3,033
9/30/44	$1,890	$730	$336	$77	$0	$3,034
9/30/45	$1,984	$641	$343	$67	$0	$3,035
9/30/46	$2,082	$546	$350	$58	$0	$3,036
9/30/47	$2,186	$448	$357	$47	$0	$3,037
9/30/48	$2,295	$344	$364	$36	$0	$3,039
9/30/49	$2,410	$235	$371	$25	$0	$3,040
9/30/50	$2,531	$120	$378	$13	$0	$3,042
Total	**$40,016**	**$37,029**	**$8,432**	**$3,698**	**($3,801)**	**$85,373**

1 – The 9/30/XX dates represent the fiscal year end for the Bonds.
2 – The interest is calculated assuming an estimated 4.75% interest rate on the Phase #1 Bonds and will be updated at the time of Bond issuance.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.
4 – Annual Installment does not include any TIRZ Annual Credit.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Appendix H-3
Proposed Phase #1 Assessment Roll by Lot Type

Lot Type	**Lot Type 2 (50 Ft)**
Assessment	**$34,122**
Equivalent Unit	**0.83**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
9/30/21	$0	$1,584	$0	$0	($1,584)	$0
9/30/22	$0	$1,584	$181	$167	($1,584)	$348
9/30/23	$599	$1,584	$185	$167	$0	$2,534
9/30/24	$625	$1,556	$188	$164	$0	$2,533
9/30/25	$653	$1,526	$192	$161	$0	$2,532
9/30/26	$682	$1,495	$196	$157	$0	$2,531
9/30/27	$713	$1,462	$200	$154	$0	$2,530
9/30/28	$746	$1,429	$204	$150	$0	$2,529
9/30/29	$780	$1,393	$208	$147	$0	$2,528
9/30/30	$816	$1,356	$212	$143	$0	$2,527
9/30/31	$854	$1,317	$216	$139	$0	$2,527
9/30/32	$894	$1,277	$221	$134	$0	$2,526
9/30/33	$936	$1,234	$225	$130	$0	$2,526
9/30/34	$981	$1,190	$230	$125	$0	$2,525
9/30/35	$1,027	$1,143	$234	$120	$0	$2,525
9/30/36	$1,077	$1,094	$239	$115	$0	$2,525
9/30/37	$1,128	$1,043	$244	$110	$0	$2,525
9/30/38	$1,183	$990	$249	$104	$0	$2,525
9/30/39	$1,240	$933	$254	$98	$0	$2,525
9/30/40	$1,300	$875	$259	$92	$0	$2,526
9/30/41	$1,364	$813	$264	$86	$0	$2,526
9/30/42	$1,431	$748	$269	$79	$0	$2,527
9/30/43	$1,501	$680	$275	$72	$0	$2,527
9/30/44	$1,575	$609	$280	$64	$0	$2,528
9/30/45	$1,653	$534	$286	$56	$0	$2,529
9/30/46	$1,735	$455	$291	$48	$0	$2,530
9/30/47	$1,822	$373	$297	$39	$0	$2,531
9/30/48	$1,913	$286	$303	$30	$0	$2,532
9/30/49	$2,008	$196	$309	$21	$0	$2,534
9/30/50	$2,109	$100	$315	$11	$0	$2,535
Total	**$33,346**	**$30,858**	**$7,027**	**$3,081**	**($3,168)**	**$71,144**

1 – The 9/30/XX dates represent the fiscal year end for the Bonds.
2 – The interest is calculated assuming an estimated 4.75% interest rate on the Phase #1 Bonds and will be updated at the time of Bond issuance.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.
4 – Annual Installment does not include any TIRZ Annual Credit.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

EXHIBIT B
CITY OF CELINA, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT public hearings will be conducted by the City Council of Celina, Texas on *November 9, 2021 at or after 5:00 p.m.at Celina City Council Chambers, 112 N. Colorado St., Celina, Texas 75009*. The public hearings will be held to consider proposed assessments to be levied against the assessable property within the Sutton Fields East Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: landscaping, entryway features, water, wastewater, sidewalks, streets, roadways, off-street parking, drainage system improvements, trails, parks and open space, special supplemental services for the improvement and promotion of the District, and payment of expenses incurred in the establishment, administration, and operation of the District. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

The total costs of the portion of the Authorized Improvements that benefit the entire District (the "Major Improvements") that are allocable to the Major Improvement Area (the "Major Improvement Area Projects") including the Major Improvement Area's allocable portion of the costs of creating the District and costs of issuing the bonds related to the Major Improvement Area is approximately $2,200,000.

The total costs of the Authorized Improvements that benefit Phase #1 of the District (the "Phase #1 Projects"), including its allocable portion of the Major Improvements and Phase #1's allocable portion of the costs of creating the District and issuing the bonds related to the Phase #1 Projects, is approximately $10,300,000.

The boundaries of the District include approximately *110* acres of land generally located *east of Wilder Avenue and north of Parvin Road*, located within the extraterritorial jurisdiction of the City and as more particularly described by a metes and bounds description available at Celina City Hall located 142 N. Ohio Dr., Celina, Texas 75009 and available for public inspection.

All written or oral objections on the proposed assessment within the District will be considered at the public hearings.

A copy of the Phase #1 Assessment Roll relating to the Phase #1 Improvements and the portion of the Major Improvements allocated to Phase #1 Assessed Property, and Major Improvement Area Assessment Roll relating to the Major Improvements allocated to the Major Improvement Area Assessed Property (collectively, the "Assessment Rolls"), which Assessment Rolls include the assessments to be levied against each parcel in the District for the Phase #1 Improvements and the Major Improvements, is available for public inspection at the office of the City Secretary, 142 N. Ohio Dr., Celina, Texas 75009.

Attachment: Draft Resolution (Sutton Fields East - PID Pre-SAP & Calling Assessment Public Hearing)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Bella Lopez, Senior Planner
CC:	Jason Laumer, City Manager
Date:	October 12, 2021
Re:	Wilson Creek Meadows PID SAP - Reimbursement Agreement

Action Requested:
Consider and act to authorize the Wilson Creek Meadows Public Improvement District Reimbursement Agreement between the City of Celina, Texas and Celina Titus, LLC and Celina Ownsby Coit, LLC regarding reimbursements for assessment Revenues, and other matters related thereto. (Wilson Creek Meadows PID SAP – Reimbursement Agreement) (Lopez)

Background:
Please refer to the resolution for additional information.

Supporting Documents:
- Draft Resolution

Staff Recommendation:
Staff recommends approval.

CITY OF CELINA, TEXAS

RESOLUTION NO. 2021-__

A RESOLUTION OF THE CITY OF CELINA, TEXAS APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A "PID REIMBURSEMENT AGREEMENT" BETWEEN THE CITY OF CELINA, TEXAS, CELINA TITUS, A TEXAS LIMITED LIABILITY COMPANY AND CELINA OWNSBY COIT, LLC, A TEXAS LIMITED LIABILITY COMPANY

WHEREAS, on July 9, 2019 the City Council (the "City Council") of the City of Celina, Texas (the "City") adopted Resolution No. 2019-38R creating the Wilson Creek Meadows Public Improvement District (the "PID") in accordance with Chapter 372, Texas Local Government Code, as amended; and

WHEREAS, the City desires to approve the "PID Reimbursement Agreement " by and between the City, Celina Titus, a Texas limited liability company ("Celina Titus") and Celina Ownsby Coit, LLC, a Texas limited liability company ("Celina Ownsby Coit", and together with Celina Titus referred to collectively as the "Developer") to be effective October 12, 2021 (the "Reimbursement Agreement"); and

WHEREAS, the Reimbursement Agreement satisfies the requirements of Section 372.023 of the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended, and is an appropriate method of reimbursement for the Actual Costs (as defined in the Reimbursement Agreement) associated with the construction and development of the Authorized Improvements (as defined in the Reimbursement Agreement) within the PID; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS AS FOLLOWS:

SECTION 1. The findings and premises contained in the preamble above are hereby deemed to be true and correct and incorporated herein.

SECTION 2. The Reimbursement Agreement, in a form substantially similar to the agreement attached hereto as Exhibit A is hereby approved and the Mayor is authorized to execute such Reimbursement Agreement on behalf of the City.

SECTION 3. This Resolution shall become effective from and after its date of passage in accordance with law.

[*Remainder of page intentionally left blank; signature page follows*]

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

PASSED AND APPROVED, THIS THE 12th DAY OF OCTOBER 2021.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

EXHIBIT A

REIMBURSEMENT AGREEMENT

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

PID Reimbursement Agreement
Wilson Creek Meadows Public Improvement District

This PID Reimbursement Agreement (this "Agreement") is entered into by Celina Titus, LLC, a Texas limited liability company ("Celina Titus") and Celina Ownsby Coit, LLC, a Texas limited liability company ("Celina Ownsby Coit", and together with Celina Titus referred to collectively as the "Original Developer") and the City of Celina, Texas (the "City"), to be effective October 12, 2021, (the "Effective Date"). Celina Titus, Celina Ownsby Coit and the City are individually referred to as a "Party" and collectively as the "Parties."

SECTION 1. RECITALS

1.1 WHEREAS**,** capitalized terms used in this Agreement shall have the meanings given to them in Section 2;

1.2 WHEREAS, unless otherwise defined: (1) all references to "sections" shall mean sections of this Agreement; (2) all references to "exhibits" shall mean exhibits to this Agreement which are incorporated as part of this Agreement for all purposes; and (3) all references to "ordinances" or "resolutions" shall mean ordinances or resolutions adopted by the City Council;

1.3 WHEREAS, the Celina Titus, is a Texas limited liability company;

1.4 WHEREAS, the Celina Ownsby, LLC, is a Texas limited liability company;

1.5 WHEREAS, the City is a Texas home-rule municipality;

1.6 WHEREAS, on July 9, 2019, the City Council passed and approved the PID Creation Resolution authorizing the creation of the PID pursuant to the Act, covering the approximately 185.8118 contiguous acres (the "Property"), as described by metes and bounds in Exhibit B to the PID Creation Resolution;

1.7 WHEREAS, as of December 8, 2020, all of the Property is wholly located within the corporate limits of the City;

1.8 WHEREAS, on October 12**,** 2021, the City Council passed and approved an Assessment Ordinance related to Improvement Area #1;

1.9 WHEREAS, the City Council expects to pass and approve one or more additional Assessment Ordinances related to the remaining phases of development in the PID;

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

1.10 WHEREAS, each Assessment Ordinance approves the SAP;

1.11 WHEREAS, the SAP identifies Authorized Improvements to be designed, constructed, and installed by or at the direction of the Parties, the East Developer and/or the West Developer, as applicable, that confer a special benefit on the Assessed Property;

1.12 WHEREAS, the SAP sets forth the Actual Costs of the Authorized Improvements;

1.13 WHEREAS, the Assessed Property is being developed in phases or "Improvement Areas;"

1.14 WHEREAS, this Agreement shall apply to all phases or Improvement Areas and no additional reimbursement agreement shall be required for future phases or Improvement Areas;

1.15 WHEREAS, the SAP determines and apportions the Actual Costs of the Authorized Improvements to the Assessed Property, which Actual Costs represent the special benefit that the Authorized Improvements confer upon the Assessed Property as required by the Act;

1.16 WHEREAS, in each Assessment Ordinance the City levied or expects to levy the Actual Costs of the Authorized Improvements as Assessments against the Assessed Property in the amounts set forth on the Assessment Roll(s);

1.17 WHEREAS, Assessments, including the Annual Installments thereof, are or will be due and payable as described in the SAP;

1.18 WHEREAS, Annual Installments shall be billed and collected by the City or its designee;

1.19 WHEREAS, Assessment Revenue from the collection of Assessments, including the Annual Installments thereof, shall be deposited (1) as provided in the applicable Indenture if PID Bonds secured by such Assessments are issued, or (2) into the PID Reimbursement Fund if no such PID Bonds are issued or none of such PID Bonds remain outstanding;

1.20 WHEREAS, Bond Proceeds shall be deposited as provided in the applicable Indenture;

1.21 WHEREAS, a PID Project Fund related to each series of PID Bonds shall only be used in the manner set forth in the applicable Indenture;

1.22 WHEREAS, Original Developer, as original landowners of the Property, entered into the Development Agreement with the City that, among other things, provides for: (i) the construction of certain public infrastructure to serve the Property, including the Authorized Improvements, (ii) the creation of the PID, and (iii) the reimbursement of a portion of the costs of such public

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

infrastructure from assessments levied against the Property, including from the net proceeds of any "PID Bonds" (as defined in the Development Agreement) issued by the City and secured by such assessments;

1.23 WHEREAS, Original Developer, in separate land sales, sold portions of the Property to the East Developer and the West Developer and as a condition to such sales assigned certain development rights to the East Developer and the West Developer while retaining all rights to receive reimbursements under the Development Agreement and this Agreement from assessments levied against the Property, including from the net proceeds of any "PID Bonds" (as defined in the Development Agreement), as described in the East Development Agreement Assignment and the West Development Agreement Assignment, as applicable;

1.24 WHEREAS, under the terms of the East Development Agreement Assignment and the West Development Agreement Assignment, as applicable, the East Developer and the West Developer shall construct the Authorized Improvements and shall provide Original Developer with the necessary supporting documentation for each Certificate for Payment under this Agreement;

1.25 WHEREAS, under the terms of the East Development Agreement Assignment and the West Development Agreement Assignment, as applicable, the Original Developer has retained the duty and obligation to submit any Certificate for Payment under this Agreement and has retained the right to all payments under this Agreement;

1.26 WHEREAS, this Agreement is a "reimbursement agreement" authorized by Section 372.023(d)(1) of the Act;

1.27 WHEREAS, the foregoing RECITALS: (1) are part of this Agreement for all purposes; (2) are true and correct; and (3) each Party has relied upon such Recitals in entering into this Agreement; and

1.28 WHEREAS, all resolutions and ordinances referenced in this Agreement (e.g., the PID Creation Resolution and each Assessment Ordinance), together with all other documents referenced in this Agreement (e.g., the SAP and each Indenture), are incorporated as part of this Agreement for all purposes as if such resolutions, ordinances, and other documents were set forth in their entirety in or as exhibits to this Agreement.

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

NOW THEREFORE, for and in consideration of the mutual obligations of the Parties set forth in this Agreement, the Parties agree as follows:

SECTION 2. DEFINITIONS

2.1 "Act" is defined as Chapter 372, Texas Local Government Code, as amended.

2.2 "Actual Costs" are defined in the SAP.

2.3 "Administrator" is defined in the SAP.

2.4 "Agreement" is defined in the introductory paragraph.

2.5 "Annual Collection Costs" are defined in the SAP.

2.6 "Annual Installment" is defined in the SAP.

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

2.8 "Assessed Property" is defined in the SAP.

2.9 "Assessment" is defined in the SAP.

2.10 "Assessment Ordinance" is defined in the SAP.

2.11 "Assessment Revenue" means the revenues actually received by or on behalf of the City from the collection of Assessments, including Prepayments, Annual Installments, and foreclosure proceeds.

2.12 "Assessment Roll" is defined in the SAP.

2.13 "Authorized Improvements" is defined in the SAP.

2.14 "Bond Proceeds" mean the proceeds derived from the issuance and sale of a series of PID Bonds that are deposited and made available to pay Actual Costs in accordance with the applicable Indenture.

2.15 "Certificate for Payment" means a certificate (substantially in the form of Exhibit A or as otherwise approved by the Original Developer and the City Representative) executed by a representative of the Original Developer, the East Developer or the West Developer, as applicable,

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

and approved by a City Representative, delivered to a City Representative (and/or, if applicable, to the trustee named in any applicable Indenture), specifying the work performed and the amount charged (including materials and labor costs) for Actual Costs, and requesting payment of such amount from the appropriate fund or funds. Each certificate shall include supporting documentation in the standard form for City construction projects and evidence that each Authorized Improvement (or its completed segment) covered by the certificate has been inspected by the City.

2.16 "City" is defined in the introductory paragraph.

2.17 "City Council" means the governing body of the City.

2.18 "City Representative" means any person authorized by the City Council to undertake the actions referenced herein.

2.19 "Closing Disbursement Request" means a request in the form of Exhibit B or as otherwise approved by the Parties.

2.20 "Default" is defined in Section 4.8.1.

2.21 "Delinquent Collection Costs" is defined in the SAP.

2.22 "Original Developer" is defined in the introductory paragraph.

2.23 "Developer Advances" means advances made by the East Developer or West Developer to pay Actual Costs.

2.24 "Development Agreement" is defined in the SAP.

2.25 "East Developer" means GRBK Edgewood, LLC, a Texas limited liability company, as the developer of approximately 65.352 acres of the Property acquired by the East Developer, as more particularly described in Exhibit C attached to the East Development Agreement Assignment, which includes the portions of the Property within East Phase #1 and East Phase #2.

2.26 "East Development Agreement Assignment" means that certain *Partial Assignment of Development Agreement*, effective as of December 18, 2020, by and between Celina Titus and the East Developer, relating to the approximately 65.352 acres of the Property acquired by the East Developer, as more particularly described in Exhibit C attached thereto, under which Celina Titus assigned certain development rights, and East Developer assumed certain development obligations, under the Development Agreement and under which Celina Titus reserved all rights to reimbursements

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

from Assessments levied against the Property, including from the proceeds of PID Bonds if issued by the City.

2.27 "East Phase #1" is defined in the SAP.

2.28 "East Phase #2" is defined in the SAP.

2.29 "Effective Date" is defined in the introductory paragraph.

2.30 "Failure" is defined in Section 4.8.1.

2.31 "Improvement Area #1" is defined in the SAP.

2.32 "Indenture" means the applicable trust indenture pursuant to which PID Bonds are issued.

2.33 "Maturity Date" is the date one year after the last Annual Installment is collected.

2.34 "Party" and "Parties" are defined in the introductory paragraph.

2.35 "PID" is defined as the Wilson Creek Meadows Public Improvement District, created by the PID Creation Resolution.

2.36 "PID Bonds" are defined in the SAP.

2.37 "PID Creation Resolution" is defined as Resolution No. 2019-38R passed and approved by the City Council on July 9, 2019.

2.38 "PID Pledged Revenue Fund" means, collectively, the fund, established by the City under each applicable Indenture (and segregated from all other funds of the City) into which the City deposits Assessment Revenue securing PID Bonds issued and still outstanding.

2.39 "PID Project Fund" means, collectively, the fund, including all accounts created within such fund, established by the City under each applicable Indenture (and segregated from all other funds of the City) into which the City deposits Bond Proceeds in the amounts and as described in the applicable Indenture.

2.40 "PID Reimbursement Fund" means the fund established by the City under this Agreement (and segregated from all other funds of the City) into which the City deposits Assessment Revenue if not deposited into the PID Pledged Revenue Fund.

2.41 "Prepayment" is defined in the SAP.

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

2.42 "Property" is defined in Section 1.6.

2.43 "Reimbursement Agreement Balance" is defined in Section 3.3.

2.44 "SAP" is defined as the *Wilson Creek Meadows Public Improvement District Service and Assessment Plan, City of Celina, Texas* approved as part of the Assessment Ordinance that was approved by the City Council on October 12, 2021, as the same may be updated or amended by City Council action in accordance with the Act.

2.45 "Transfer" and "Transferee" are defined in Section 4.11.

2.46 "West Developer" means Pulte Homes of Texas, L.P., a Texas limited partnership, as the developer of approximately 120.459 acres of the Property acquired by the West Developer, as more particularly described in Exhibit A attached to the West Development Agreement Assignment, which includes the portions of the Property within West Phase #1.

2.47 "West Development Agreement Assignment" means that certain *Partial Assignment of Development Agreement*, effective as of June 21, 2021, by and between Original Developer and the West Developer, relating to the approximately 120.459 acres of the Property acquired by the West Developer, as more particularly described in Exhibit A attached thereto, under which Original Developer assigned certain development rights, and West Developer assumed certain development obligations, under the Development Agreement and under which Original Developer reserved all rights to reimbursements from Assessments levied against the Property, including from the proceeds of PID Bonds if issued by the City.

2.48 "West Phase #1" is defined in the SAP.

SECTION 3. FUNDING AUTHORIZED IMPROVEMENTS

3.1 Fund Deposits. Until PID Bonds are issued, the City shall bill, collect, and immediately deposit into the PID Reimbursement Fund all Assessment Revenue consisting of: (1) revenue collected from the payment of Assessments (including pre-payments and amounts received from the foreclosure of liens but excluding costs and expenses related to collection); and/or (2) revenue collected from the payment of Annual Installments (excluding Annual Collection Costs and Delinquent Collection Costs). Once PID Bonds are issued, the City shall bill, collect, and immediately deposit all Assessment Revenue in the manner set forth in the applicable Indenture. The City shall also deposit Bond Proceeds

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

and any other funds authorized or required by the applicable Indenture in the manner set forth in the applicable Indenture. Annual Installments shall be billed and collected by the City (or by any person, entity, or governmental agency permitted by law) in the same manner and at the same time as City ad valorem taxes are billed and collected. Funds in the PID Project Fund shall only be used in accordance with the applicable Indenture. Funds in the PID Reimbursement Fund shall only be used to pay Actual Costs of the Authorized Improvements or all or any portion of the Reimbursement Agreement Balance in accordance with this Agreement. Notwithstanding any other provision in this Agreement, the Actual Costs of Authorized Improvements within each phase or "Improvement Area" shall be paid from the Assessment Revenue collected solely from Assessments levied on the property within such phase or "Improvement Area" benefitting from such Authorized Improvements. The City will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens related to such Assessments to be enforced continuously, in the manner and to the maximum extent permitted by the Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments for so long as any PID Bonds are outstanding or a Reimbursement Agreement Balance remains outstanding. The City shall determine or cause to be determined, no later than February 15 of each year whether 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 to foreclose the currently delinquent Annual Installment; provided, however, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessment or the corresponding Assessed Property or to use any City funds, revenue, taxes, income, or property other than moneys collected from the Assessments. Once PID Bonds are issued, the applicable Indenture shall control in the event of any conflicts with this Agreement.

3.2 Payment of Actual Costs. If PID Bonds are not issued (or prior to such issuance) to pay Actual Costs of Authorized Improvements, the East Developer or West Developer, as applicable, may elect to make Developer Advances to pay Actual Costs. If PID Bonds are issued, the Bond Proceeds shall be used in the manner provided in the applicable Indenture; and, except as may be required under the Development Agreement and/or an applicable Indenture, the East Developer or West Developer, as applicable, shall have no obligation to make Developer Advances for the related Authorized Improvements, unless the Bond Proceeds, together with any other funds in the PID Project Fund or

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

PID Reimbursement Fund, are insufficient to pay the Actual Costs of such Authorized Improvements, in which case the East Developer or West Developer, as applicable, shall make Developer Advances to pay the deficit. If Developer Advances are required in connection with the issuance of a series of PID Bonds, then such Developer Advances may be reduced by the amount of payments of Actual Costs of the Authorized Improvements (or portions thereof) to be financed by such PID Bonds that the East Developer or West Developer, as applicable, has previously paid if (i) the Developer submits to the City all information related to such costs that would be required by a Closing Disbursement Request at least five (5) days prior to the pricing of such PID Bonds, and (ii) the City approves such Actual Costs in writing. The East Developer or West Developer, as applicable, shall also make Developer Advances to pay for cost overruns (after applying cost savings). The lack of Bond Proceeds or other funds in the PID Project Fund shall not diminish the obligation of the East Developer or West Developer to pay Actual Costs of the Authorized Improvements as required by the Development Agreement, East Development Agreement Assignment, and West Development Agreement Assignment, as applicable.

3.3 Payment of Reimbursement Agreement Balance. The City agrees to pay to the Original Developer, and the Original Developer shall be entitled to receive payments from the City, until the Maturity Date, for amounts shown on each Certificate for Payment (which amounts include all Actual Costs paid by or at the direction of the East Developer or West Developer, as applicable) plus: (1) simple interest on the unpaid principal balance at the rate of five percent (5%) above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index reported in the month before the date the obligation was incurred (which date is the same as the approval by the City of the Assessment Ordinance levying the Assessments from which the Reimbursement Agreement Balance, or a portion thereof, shall be paid) for years one through five beginning on the date each Certificate for Payment is delivered to the City Representative; and (2) simple interest on the unpaid principal balance at the rate of two percent (2%) above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index reported in the month before the date the obligation was incurred (which date is the same as the approval by the City of the Assessment Ordinance levying the Assessments from which the Reimbursement Agreement Balance, or a portion thereof, shall be paid) for years six through thirty-five thereafter (the unpaid principal balance, together with accrued but unpaid interest, owed the Original Developer for all Certificates for Payment is referred to as the "Reimbursement Agreement Balance"); provided, however, upon the issuance of PID Bonds, the

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interest rate due and unpaid on amounts shown on each Certificate for Payment to be paid to the Original Developer shall be the same as the interest rate on the applicable series of PID Bonds issued to finance the costs of the Authorized Improvements for which the Certificate for Payment was filed. The interest rates set forth in this section have been approved by the City Council and are authorized by the Act. The Reimbursement Agreement Balance is payable solely from the PID Reimbursement Fund or from net Bond Proceeds deposited into a PID Project Fund under an applicable Indenture; and, no other City funds, revenue, taxes, income, or property shall be used even if the Reimbursement Agreement Balance is not paid in full by the Maturity Date. Payments made from Bond Proceeds shall be made in the manner set forth in the applicable Indenture. So long as no PID Bonds are issued, the City shall make a payment to the Original Developer from the PID Reimbursement Fund for the Reimbursement Agreement Balance at least annually, and no later than 60 days after the date payment of the Annual Installments are due and payable to the City. In the event that a Prepayment of an Assessment is made, the City shall remit payment to the Original Developer an amount of the Reimbursement Agreement Balance then due and payable not to exceed the Assessment Revenue related to such Prepayment from the Assessment Revenue deposited into the PID Reimbursement Fund within 60 days after the Prepayment is made. Payments made from the PID Reimbursement Fund toward any outstanding Reimbursement Agreement Balance, shall first be applied to unpaid interest on such Reimbursement Agreement Balance owed to the Original Developer, and second to unpaid principal of the Reimbursement Agreement Balance owed to the Original Developer. Each payment from the PID Reimbursement Fund shall be accompanied by an accounting that certifies the Reimbursement Agreement Balance as of the date of the payment and that itemizes all deposits to and disbursements from the fund since the last payment. For the avoidance of doubt, Original Developer hereby expressly agrees and acknowledges that approval of a Certificate for Payment and all payments under this Agreement are predicated upon: (i) the East Developer and West Developer, as applicable, constructing and installing the Authorized Improvements as required under the Development Agreement, and (ii) the East Developer and West Developer, as applicable, providing the necessary supporting documentation in the standard form for City construction projects and evidence that each Authorized Improvement (or its completed segment) covered by the certificate has been inspected by the City. If there is a dispute over the amount of any payment, the City shall nevertheless pay the undisputed amount, and the Parties shall use all reasonable efforts to resolve the disputed amount before the next payment is made; however, if the Parties are unable to resolve the disputed amount,

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then the City's determination of the disputed amount (as approved by the City Council) shall control. Notwithstanding the foregoing, if there is a dispute between the Original Developer and the East Developer and/or the West Developer regarding the Actual Costs of any Authorized Improvement submitted for payment under a Certificate for Payment, the City shall not be required to make any payment under such disputed Certificate for Payment until the Original Developer and the East Developer or the West Developer, as applicable, resolve any such dispute and the Original Developer notifies the City in writing as to how the dispute was resolved.

3.4 PID Bonds. The City, in its sole, legislative discretion, may issue PID Bonds, in one or more series, when and if the City Council determines it is financially feasible for the purposes of: (1) paying all or a portion of the Reimbursement Agreement Balance; or (2) paying directly Actual Costs of Authorized Improvements. PID Bonds issued for such purpose will be secured by and paid solely as authorized by the applicable Indenture. Upon the issuance of PID Bonds for such purpose and for so long as PID Bonds remain outstanding, the Original Developer's right to receive payments each year in accordance with Section 3.3 shall be subordinate to the deposits required under the applicable Indenture related to any outstanding PID Bonds and the Original Developer shall be entitled to receive funds pursuant to the flow of funds provisions of such Indenture. The failure of the City to issue PID Bonds shall not constitute a "Failure" by the City or otherwise result in a "Default" by the City. Upon the issuance of the PID Bonds, the East Developer and West Developer have a duty to construct those Authorized Improvements as described in the SAP and the Development Agreement, East Development Agreement Assignment and the West Development Agreement Assignment. The East Developer and the West Developer shall not be relieved of the duty to construct or cause to be constructed such improvements even if there are insufficient funds in the PID Project Fund to pay the Actual Costs. This Agreement shall apply to all of the PID Bonds issued by the City whether in one or more series, and no additional reimbursement agreement shall be required for future series of PID Bonds.

3.5 Disbursements and Transfers at and after Bond Closing. The City and the Original Developer agree that from the proceeds of the PID Bonds, and upon the presentation of evidence satisfactory to the City Representative, the City will cause the trustee under the applicable Indenture to pay at closing of the PID Bonds approved amounts from the appropriate account to the persons entitled to payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the PID and any other eligible items expended by the East Developer or West Developer, as

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applicable, and the City as of the time of the delivery of the PID Bonds as described in the SAP. In order to receive disbursement, the Original Developer, East Developer and West Developer, as applicable, shall execute a Closing Disbursement Request to be delivered to the City no less than five (5) days prior to the scheduled closing date for the PID Bonds for payment in accordance with the provisions of the Indenture. In order to receive additional disbursements from the applicable fund under an Indenture, the Original Developer shall execute a Certificate for Payment, no more frequently than monthly, to be delivered to the City for payment in accordance with the provisions of the applicable Indenture and this Agreement. Upon receipt of a Certificate for Payment (along with all accompanying documentation required by the City) from the Original Developer, the City shall conduct a review in order to confirm that such request is complete, to confirm that the work for which payment is requested was performed in accordance with all Applicable Laws and applicable plans therefore and with the terms of this Agreement and any other agreement between the parties related to property in the PID, and to verify and approve the Actual Costs of such work specified in such Certificate for Payment. The City shall also conduct such review as is required in its discretion to confirm the matters certified in the Certificate for Payment. The Original Developer agrees to cooperate with the City 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. The Original Developer further agrees that if the City provides to the Original Developer a sales tax exemption certificate then sales tax will not be approved for payment under a Certification for Payment. Within ten (10) business days following receipt of any Certificate for Payment, the City shall either: (1) approve the Certificate for Payment and forward it to the trustee for payment, or (2) provide the Original Developer with written notification of disapproval of all or part of a Certificate for Payment, specifying the basis for any such disapproval. Any disputes shall be resolved as required by Section 3.3 herein. The City shall deliver the approved or partially approved Certificate for Payment to the trustee for payment, and the trustee shall make the disbursements as quickly as practicable thereafter.

3.6 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 PID Reimbursement Fund, the PID Pledged Revenue Fund, or the PID Project Fund. Unless approved by the City, no other City funds, revenues, taxes, or income of any kind shall be used to pay: (1) the Actual Costs of the

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Authorized Improvements; (2) the Reimbursement Agreement Balance even if the Reimbursement Agreement Balance is not paid in full on or before the Maturity Date; or (3) debt service on any PID Bonds. 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 Original Developer or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

3.7 Obligation to Pay. Subject to the provisions of Section 3.3 and 3.6, if the Original Developer, East Developer and West Developer are in substantial compliance with the obligations under the Development Agreement, then following the inspection and approval of any portion of Authorized Improvements for which Original Developer seeks reimbursement of the Actual Costs by submission of a Certificate for Payment or City approval of a Closing Disbursement Request, the obligations of the City under this Agreement to pay disbursements (whether to the Original Developer or to any person designated by the Original Developer) identified in any Closing Disbursement Request or in any Certificate for Payment and to pay debt service on PID Bonds are unconditional AND NOT subject to any defenses or rights of offset except as may be provided in any Indenture.

3.8 Construction of the Authorized Improvements. Original Developer hereby acknowledges that all Authorized Improvements shall be constructed by or at the direction of the East Developer or West Developer, as applicable, in accordance with their respective obligations under the Development Agreement and in accordance with applicable City ordinances and regulations, including, but not limited to, providing maintenance bonds or any other bonds required by the City ordinances and regulations. Original Developer hereby further acknowledges and agrees that failure of the East Developer and West Developer to perform, or cause to be performed, all of its obligations under the Development Agreement, or to conduct, or cause to be conducted, all operations with respect to the construction of Authorized Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken may result in the City denying approval of a Certificate for Payment under this Agreement. Notwithstanding the foregoing, the City acknowledges and agrees that the East Developer and West Developer have sole responsibility of ensuring: (i) that all Authorized Improvements are constructed in accordance with their respective obligations under the Development Agreement and applicable City ordinances and regulations and,

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(ii) that such Authorized Improvements are constructed in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Parties hereby agree that inspection and acceptance of Authorized Improvements will be in accordance with applicable City ordinances and regulations.

3.9 Security for Authorized Improvements. The Original Developer acknowledges and agrees that the City shall not be obligated to accept the conveyance to the City of any Authorized Improvements, until the East Developer or West Developer, as applicable, has provided the City a maintenance bond in the amount required by the City's subdivision regulations for applicable Authorized Improvements, which maintenance bond shall be for a term of two years from the date of final acceptance of the applicable Authorized Improvements. The City shall only accept bonds written by a surety company duly authorized to do business in the State of Texas, provided that legal counsel for the City has the right to reject any surety company regardless of such company's authorization to do business in Texas. Nothing in this Agreement shall be deemed to prohibit the City, the East Developer and/or the West Developer from contesting in good faith the validity or amount of any mechanics or materialman's lien and/or judgment nor limit the remedies available to the East Developer, West Developer and/or the City with respect thereto so long as such delay in performance shall not subject the Authorized Improvements to foreclosure, forfeiture, or sale. In the event that any such lien and/or judgment with respect to the Authorized Improvements is contested, the City shall not be obligated to accept the Authorized Improvements until the East Developer or West Developer, as applicable, have posted or caused the delivery of a surety bond or letter of credit, whichever is preferred by the City, in an amount reasonably determined by the City, not to exceed 120 percent of the disputed amount.

3.10 Ownership and Transfer of Authorized Improvements. The Original Developer acknowledges and agrees that the City shall not be obligated to accept the conveyance to the City of any Authorized Improvements, until the East Developer or West Developer, as applicable, has furnished to the City a preliminary title report for land related to the Authorized Improvements to be acquired and accepted by the City from the East Developer or West Developer and not previously dedicated or otherwise conveyed to the City. The City shall be entitled to fifteen (15) business days to review and approve the scheduled transfer of title. The City agrees to approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, would materially affect the City's use and

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enjoyment of the Authorized Improvements. If the City objects to any preliminary title report, the City shall not be obligated to accept title to the applicable Authorized Improvements until the East Developer or West Developer has cured the objections to the reasonable satisfaction of the City.

SECTION 4. ADDITIONAL PROVISIONS

4.1 Term. The term of this Agreement shall begin on the Effective Date and shall continue until the earlier to occur of the Maturity Date or the date on which the Reimbursement Agreement Balance is paid in full.

4.2 No Competitive Bidding. Construction of the Authorized Improvements shall not require competitive bidding pursuant to Section 252.022(a) (9) of the Texas Local Government Code, as amended. All plans and specifications, but not construction contracts, shall be reviewed and approved, in writing, by the City prior to East Developer or West Developer, as applicable, selecting the contractor. The City shall have the right to examine and approve the contractor selected by the East Developer or West Developer prior to executing a construction contract with the contractor, which approval shall not be unreasonably delayed or withheld.

4.3 Independent Contractor. In performing this Agreement, the Original Developer is an independent contractor and not the agent or employee of the City.

4.4 Audit. The City Representative shall have the right, during normal business hours and upon five (5) business days' prior written notice to the Original Developer to review all books and records of the East Developer or West Developer, as applicable, in the possession of the Original Developer pertaining to costs and expenses incurred by the East Developer or West Developer with respect to any of the Authorized Improvements for which any payment is requested under this Agreement. For a period of two years after completion of the Authorized Improvements, the Original Developer shall retain all books and records of the East Developer and West Developer in the Original Developer's possession related to the construction of the Authorized Improvements and all costs related thereto for which any payment is requested under this Agreement. Such accounting books shall be maintained in accordance with customary real estate accounting principles. The Original Developer shall have the right, during normal business hours, to review all records and accounts pertaining to the Assessments upon written request to the City. The City shall provide the Original Developer an opportunity to inspect such books and records relating to the Assessments during the City's regular business hours and on a mutually agreeable date no later

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than ten (10) business days after the City receives such written request. The City shall keep and maintain a proper and complete system of records and accounts pertaining to the Assessments for so long as PID Bonds remain outstanding or Reimbursement Agreement Balance remains unpaid.

4.5 Right to Protest Ad Valorem Taxes. Nothing in this Agreement shall be construed to limit or restrict East Developer's or West Developer's right to protest ad valorem taxes. The East Developer's or West Developer's decision to protest ad valorem taxes on Assessed Property does not constitute a Default under this Agreement.

4.6 PID Administration and Collection of Assessments. If the City designates an administrator who shall have the responsibilities provided in the SAP related to the duties and responsibilities of the administration of the PID, the City shall provide the Original Developer with a copy of the agreement between the City and the administrator. If the City contracts with a third-party for the collection of Annual Installments of the Assessments, the City shall provide the Original Developer with a copy of such agreement. For so long as PID Bonds remain outstanding or the Reimbursement Agreement Balance remains unpaid, the City shall notify the Original Developer of any change of administrator or third-party collection of the Assessments.

4.7 Representations and Warranties.

4.7.1 The Original Developer represents and warrants to the City that: (1) the Original Developer has the authority to enter into and perform its obligations under this Agreement; (2) the Original Developer has the financial resources, or the ability to collect sufficient financial resources, to meet its obligations under this Agreement; (3) the person executing this Agreement on behalf of the Original Developer has been duly authorized to do so; (4) this Agreement is binding upon the Original Developer in accordance with its terms; and (5) the execution of this Agreement and the performance by the Original Developer of its obligations under this Agreement do not constitute a breach or event of default by the Original Developer under any other agreement, instrument, or order to which the Original Developer is a party or by which the Original Developer is bound.

4.7.2 The City represents and warrants to the Original Developer that: (1) the City has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the City has been duly authorized to do so; (3) this Agreement is binding upon the City in accordance with its terms; and (4) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not

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constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

4.8 Default/Remedies.

4.8.1 If either Party fails to perform an obligation imposed on such Party by this Agreement (a "Failure") and such Failure is not cured after notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." If a Failure is monetary, the non-performing Party shall have ten (10) days within which to cure. If the Failure is non-monetary, the non-performing Party shall have thirty (30) days within which to cure.

4.8.2 If the Original Developer is in Default, the City shall have available all remedies at law or in equity; provided no default by the Original Developer shall entitle the City to terminate this Agreement or to withhold payments to the Original Developer from the PID Reimbursement Fund or the PID Pledged Revenue Fund or the PID Project Fund in accordance with this Agreement and the Indenture.

4.8.3 If the City is in Default, the Original Developer shall have available all remedies at law or in equity; provided, however, no Default by the City shall entitle the Original Developer to terminate this Agreement.

4.8.4 The City shall give notice of any alleged Failure by the Original Developer to each Transferee identified in any notice from the Original Developer, and such Transferees shall have the right, but not the obligation, to cure the alleged Failure within the same cure periods that are provided to the Original Developer. The election by a Transferee to cure a Failure by the Original Developer shall constitute a cure by the Original Developer but shall not obligate the Transferee to be bound by this Agreement unless the Transferee agrees in writing to be bound.

4.9 Remedies Outside the Agreement. Nothing in this Agreement constitutes a waiver by the City of any remedy the City may have outside this Agreement against the Original Developer, East Developer or West Developer, any Transferee, or any other person or entity involved in the design, construction, or installation of the Authorized Improvements. The obligations of the Original Developer hereunder shall be those of a party hereto and not as an owner of property in the PID.

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Nothing herein shall be construed as affecting the City's, the Original Developer's, the East Developer's or the West Developer's rights or duties to perform their respective obligations under other agreements, use regulations, or subdivision requirements relating to the development property in the PID.

4.10 Estoppel Certificate. From time to time upon written request of the Original Developer, the City Manager will execute a written estoppel certificate (1) identifying any obligations of the Original Developer under this Agreement that are in default or, with the giving of notice or passage of time, would be in default; or (2) stating, to the extent true, that to the best knowledge and belief of the City, the Original Developer is in compliance with its duties and obligations under this Agreement.

4.11 Transfers. The Original Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with notice to) the City, the Original Developer's right, title, or interest to payments under this Agreement (but not performance obligations) including, but not limited to, any right, title, or interest of the Original Developer in and to payments of the Reimbursement Agreement Balance, whether such payments are from the PID Reimbursement Fund or the PID Pledged Revenue Fund in accordance with Section 3.3 or from Bond Proceeds (any of the foregoing, a "Transfer," and the person or entity to whom the transfer is made, a "Transferee"). Notwithstanding the foregoing, no Transfer shall be effective until notice of the Transfer is given to the City. The City may rely on notice of a Transfer received from the Original Developer without obligation to investigate or confirm the validity of the Transfer. The Original Developer waives all rights or claims against the City for any funds paid to a third party as a result of a Transfer for which the City received notice.

4.12 Applicable Law; Venue. This Agreement is being executed and delivered and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply, the substantive laws of the State of Texas shall govern the interpretation and enforcement of this Agreement. In the event of a dispute involving this Agreement, venue shall lie in any court of competent jurisdiction in Collin County, Texas.

4.13 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.

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To the City:	Attn: City Manager City of Celina 142 N. Ohio Street Celina, Texas 75009 TEL: (972) 382-2682 FAX: (972) 382-3736
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald PLLC 6371 Preston Road Ste. 200 Frisco, Texas 75034 E-mail: julie@txmunicipallaw.com TEL: (972) 668-6400 FAX: (972) 668-6414
To the Original Developer:	Attn: Brad Meyer and Terry Mitchell Celina Titus, LLC and Celina Ownsby Coit, LLC 106 Decker Court, Suite 310 Irving, Texas 75062 E-mail: brad.meyer@contrastdevelopment.com terry.mitchell@contrastdevelopment.com TEL: (817) 312-0417
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.

4.14 Conflicts; Amendment. In the event of any conflict between this Agreement and any other instrument, document, or agreement by which either Party is bound, the provisions and intent of the applicable Indenture controls. This Agreement may only be amended by written agreement of the Parties.

4.15 Severability. If any provision of this Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions.

4.16 Non-Waiver. The failure by a Party to insist upon the strict performance of any provision of this Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the

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other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Agreement.

4.17 Third Party Beneficiaries. Nothing in this Agreement is intended to or shall be construed to confer upon any person or entity other than the City, the Original Developer, and Transferees any rights under or by reason of this Agreement. All provisions of this Agreement shall be for the sole and exclusive benefit of the City, the Original Developer, and Transferees.

4.18 Counterparts. This Agreement may be executed in multiple counterparts, which, when taken together, shall be deemed one original.

4.19 Iran, Sudan, and Foreign Terrorist Organizations. The Original 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 Original 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 Original Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Original Developer and exists to make a profit.

4.20 No Boycott of Israel. The Original 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 2271.002, 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

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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 Original Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Original Developer and exists to make a profit.

4.21 Employment of Undocumented Workers. During the term of this Agreement, and to the extent required under State law, the Original Developer agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.8.C. Section 1324a (f), the Original Developer shall repay the taxes abated herein within 120 days after the date the Original Developer is notified by the City of such violation, plus interest at the rate of six percent (6%) compounded annually from the date of violation until paid. Pursuant to Section 2264.101 (c), Texas Government Code, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts.

4.22 No Boycott of Fossil Fuel Companies. The Original Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, to the extent this Agreement is a contract for goods or services, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the Original Developer to comply with Section 2274.002, Texas Government Code, as added by Senate Bill 13 in the Regular Session of the 87th Legislature of Texas, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott energy company' means (without an ordinary business purpose) 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 with a company because the company either (i) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law or (ii) does business with such a company. As used in this Section, the Original Developer understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Original Developer within the meaning of SEC Rule 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit.

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4.23 No Discrimination Against Firearm Entities and Firearm Trade Associations. Original Developer hereby verifies that for the purpose of the requirements under Section 2274.002 of the Texas Government Code, as amended, that: (i) Celina Titus does not employ ten (10) or more full-time employees, and (ii) and Celina Ownsby Coit does not employ ten (10) or more full-time employees; therefore, Section 2274.002 of the Texas Government Code, as amended, does not apply to this Agreement.

4.24 Form 1295. Submitted herewith is a completed Form 1295 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 Original Developer, 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 Parties 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 Original Developer; and, neither the City nor its consultants have verified such information.

[*Execution pages follow.*]

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CITY OF CELINA, TEXAS

By:_____
Sean Terry, Mayor

ATTEST:

By:_____
Vicki Tarrant, City Secretary

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ORIGINAL DEVELOPER:

CELINA TITUS, LLC
a Texas limited liability company

By: _____

Name: _____

Title: _____

CELINA OWNSBY COIT, LLC
a Texas limited liability company

By: _____

Name: _____

Title: _____

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EXHIBIT A

CERTIFICATE FOR PAYMENT FORM

The undersigned is an agent for _____ (the "Original Developer") and requests payment from the applicable account of the [PID Reimbursement Fund] [PID Project Fund] from the City of _____, 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 Authorized Improvements providing a special benefit to property within the Wilson Creek Meadows Public Improvement District. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the PID Reimbursement Agreement (the "Reimbursement Agreement").

In connection with the above referenced payment, the Original Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Original Developer, is qualified to execute this Certificate for Payment Form on behalf of the Original Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced Authorized 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 Authorized Improvements below is a true and accurate representation of the Actual Costs associated with the creation, acquisition, or construction of said Authorized Improvements, and such costs (i) are in compliance with the Reimbursement Agreement, and (ii) are consistent with the Service and Assessment Plan.

4. The Original Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Indenture, the Service and Assessment Plan and the Development Agreement.

5. The Original Developer has timely paid all ad valorem taxes and annual installments of special assessments it owes or an entity the Original Developer controls owes, located in the Wilson Creek Meadows Public Improvement District and has no outstanding delinquencies for such assessments.

6. All conditions set forth in the Indenture (as defined in the Reimbursement Agreement) for the payment hereby requested have been satisfied.

7. The work with respect to the Authorized Improvements referenced below (or its completed segment) has been completed, and the City has inspected such Authorized Improvements (or its completed segment).

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

8. The Original 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 major improvements or any phase of Authorized Improvements identified may be paid until the work with respect to such Authorized Improvements (or segment) has been completed and the City has accepted such Authorized Improvements (or segment). 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 Authorized Improvements (or segment).

Payments requested are as follows:

a. X amount to Person or Account Y for Z goods or services.

b. Etc.

[If the Authorized Improvements are to be paid in part from one series of PID Bonds and in part from another, insert the following:

As required by Section _____ of the Indenture, the costs for the Authorized Improvements that constitutes the pro-rata share of such Authorized Improvements allocable to the designated Bonds shall be paid as follows:

Authorized Improvements:	Amount to be paid from _____ Fund	Amount to be paid from _____ Fund	Total Cost of Authorized Improvements

Attached hereto are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are "bills paid" affidavits and supporting documentation in the standard form for City construction projects.

Pursuant to the Reimbursement Agreement, after receiving this payment request, the City has inspected the Authorized Improvements (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

I hereby declare that the above representations and warranties are true and correct.

ORIGINAL DEVELOPER:

CELINA TITUS, LLC
a Texas limited liability company

By: _____

Name: _____

Title: _____

CELINA OWNSBY COIT, LLC
a Texas limited liability company

By: _____

Name: _____

Title: _____

****INSERT EAST DEVELOPER / WEST DEVELOPER SIGNATURE BLOCK AS APPLICABLE****

[EAST DEVELOPER:

GRBK EDGEWOOD LLC,
a Texas limited liability company,

By: _____

Name: _____

Title: _____]

[WEST DEVELOPER:

[PULTE HOMES OF TEXAS, L.P.,
a Texas limited partnership,

By: PULTE NEVADA I LLC,
a Delaware limited liability company,
its General Partner

By: _____

Name: _____

Title: _____]

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certificate for Payment, acknowledges the Certificate for Payment, acknowledges that the Authorized Improvements (or its completed segment) covered by the certificate have been inspected by the City, and otherwise finds the Certificate for Payment to be in order. After reviewing the Certificate for Payment, the City approves the Certificate for Payment and shall [include said payments in the City Certificate submitted to the Trustee directing payments to be made from the appropriate account of the PID Project Fund] [direct payment from the PID Reimbursement Fund] to the Original Developer or to any person designated by the Original Developer.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

Exhibit B

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for _____ (the "Original Developer") and requests payment to the Original Developer (or to the person designated by the Original Developer) from the applicable account of the PID Project Fund from _____ (the "Trustee") in the amount of _____ ($_____) to be transferred from the applicable account of the PID Project Fund upon the delivery of the PID Bonds for costs incurred in the establishment, administration, and operation of the Wilson Creek Meadows Public Improvement District (the "District"), as follows. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture of Trust by and between the City and the Trustee dated as of _____, 20__ (the "Indenture") relating to the [INSERT NAME OF BONDS] (the "PID Bonds").

In connection with the above referenced payment, the Original Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Original Developer, is qualified to execute this Closing Disbursement Request on behalf of the Original Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced establishment, administration, and operation of the District at the time of the delivery of the PID Bonds have not been the subject of any prior payment request submitted to the City.

3. The amount listed for the below costs is a true and accurate representation of the Actual Costs associated with the establishment, administration and operation of the District at the time of the delivery of the PID Bonds, and such costs are in compliance with the Service and Assessment Plan.

4. The Original Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Indenture, the Service and Assessment Plan, and the Development Agreement.

5. All conditions set forth in the Indenture and the Reimbursement Agreement for the payment hereby requested have been satisfied.

6. The Original 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.

Payments requested hereunder shall be made as directed below:

[Information regarding Payee, amount, and deposit instructions attached]

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

I hereby declare that the above representations and warranties are true and correct.

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

ORIGINAL DEVELOPER:

CELINA TITUS, LLC
a Texas limited liability company

By: _____

Name: _____

Title: _____

CELINA OWNSBY COIT, LLC
a Texas limited liability company

By: _____

Name: _____

Title: _____

****INSERT EAST DEVELOPER / WEST DEVELOPER SIGNATURE BLOCK AS APPLICABLE****

[EAST DEVELOPER:

GRBK EDGEWOOD LLC,
a Texas limited liability company,

By: _____

Name: _____

Title: _____]

[WEST DEVELOPER:

[PULTE HOMES OF TEXAS, L.P.,
a Texas limited partnership,

By: PULTE NEVADA I LLC,
a Delaware limited liability company,
its General Partner

By: _____

Name: _____

Title: _____]

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from Costs of Issuance Account upon delivery of the PID Bonds.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Attachment: Draft Resolution (Wilson Creek Meadows PID SAP – Reimbursement Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Madhuri Mohan AICP, Planning Manager
CC: Jason Laumer, City Manager
Date: October 12, 2021
Re: 21-03 Annexation Resolution

Action Requested:
Consider and act upon a resolution of intent to annex approximately 644.46 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (21-03 Annexation Resolution) (Mohan)

1) Collin CAD Property ID 984821, being an approximate 17.80 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 2; generally located at the southeast corner of future Coit Road and County Road 107 (Bray, Jim G Jr),
2) Collin CAD Property ID 995506, being an approximate 17.04 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located approximately 270 feet east of future Coit Road and 965 feet north of future Stallcup Boulevard (Bray, Jim G Jr),
3) Collin CAD Property ID 995515, being an approximate 5.02 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 2; generally located east of future Coit Road and approximately 830 feet north of future Stallcup Boulevard (Bray, Jim G Jr),
4) Collin CAD Property ID 997915, being an approximate 53.21 acre tract of land in Collin County, Texas, legally described as Abstract No. A0931 in the T & P Ry Co Survey, Tract 1; generally located north of future Stallcup Boulevard and approximately 245 feet east of future Coit Road (Bray, Jim G Jr),
5) Collin CAD Property ID 997924, being an approximate 5.79 acre tract of land in Collin County, Texas, legally described as Abstract No. A0931 in the T & P Ry Co Survey, Tract 2; generally located at the northeast corner of future Coit Road and future Stallcup Boulevard (Bray, Jim G Jr),
6) Collin CAD Property ID 2120491, being an approximate 108.94 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 2; generally located south of future Marilee Road and approximately 1,330 feet west of future Custer Road (Estate of Bray, Jim Garvan Sr),
7) Collin CAD Property ID 2120786, being an approximate 140.25 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1;

generally located south of future Marilee Road and approximately 275 feet east of future Coit Road (Bray, Jim G Jr),

8) Collin CAD Property ID 2674384, being an approximate 66.12 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 1; generally located west of future Custer Road and approximately 1,315 feet south of future Marilee Road (Bray, Jim G Jr),
9) Collin CAD Property ID 990397, being an approximate 35.29 acre tract of land in Collin County, Texas, legally described as Abstract No. A0124 in the Henry Bentley Survey, Tract 18; generally located west of County Road 8 and approximately 400 feet north of future Mobberly Connector (Sutton Field Investments LLC),
10) Collin CAD Property ID 2071427, being an approximate 14.88 acre tract of land in Collin County, Texas, legally described as Abstract No. A0168 in the Collin County School Land #16 Survey, Sheet 1, Tract 74; generally located approximately 705 feet north of future Mobberly Road and 1,830 feet east of future Legacy Drive (Shewchuk Dwight M & Rebecca),
11) Collin CAD Property ID 991788, being an approximate 7.54 acre tract of land in Collin County, Texas, legally described as Abstract No. A0168 in the Collin County School Land #16 Survey, Sheet 1, Tract 16; generally located approximately 240 feet north of Mobberly Road and 290 feet west of future Legacy Drive (Barnett, Rebecca A),
12) Collin CAD Property ID 2788963, being an approximate 3.23 acre tract of land in Collin County, Texas, legally described as Eva's Ridge (GCN), Block A, Lot 1; generally located north of County Road 8 and approximately 195 feet west of future Legacy Drive (Gulley, Michael Morris),
13) Collin CAD Property ID 2788965, being an approximate 4.034 acre tract of land in Collin County, Texas, legally described as Eva's Ridge (GCN), Block A, Lot 2; generally located north of County Road 8 and approximately 395 feet west of future Legacy Drive (Gulley, Michael Morris),
14) Collin CAD Property ID 2689584, being an approximate 20.10 acre tract of land in Collin County, Texas, legally described as Abstract No. A0394 in the Daniel Howell Survey, Tract 38; generally located at the southeast corner of future Roseland Parkway and FM 455 (Gulley, Michael Morris),
15) Collin CAD Property ID 1004674, being an approximate 16.91 acre tract of land in Collin County, Texas, legally described as Abstract No. A0386 in the J. E. Heath Survey, Tract 1; generally located south of future Carl Darnall Parkway and approximately 1,775 feet west of future Custer Road (Nanda Estates LLC),
16) Collin CAD Property ID 1225276, being an approximate 8.07 acre tract of land in Collin County, Texas, legally described as Abstract No. A0912 in the William B. Tucker Survey, Tract 4; generally located at the northeast corner of future Coit Road and County Road 102 (Nanda Estates LLC),
17) Collin CAD Property ID 1225301, being an approximate 5.25 acre tract of land in Collin County, Texas, legally described as Abstract No. A0810 in the W. W. Shawer Survey, Tract 13; generally located south of County Road 106 and approximately 365 feet east of future Coit Road (Henderson, Jerry Gene-Le),
18) Collin CAD Property ID 1014388, being an approximate 10.66 acre tract of land in Collin County, Texas, legally described as Abstract No. A1053 in the Ousley & Floyd Survey, Tract 2; generally located at the southwest corner of Louisiana Drive and County Road 994 (Marinko Living Trust),
19) Collin CAD Property ID 2698698, being an approximate 31 acre tract of land in Collin County, Texas, legally described as Abstract No. A0834 in the William Stapp Survey, Tract 5; generally located approximately 225 feet west of County Road 133 and 2,650 feet north of FM 455 (NTRPFI LP),
20) Collin CAD Property ID 2720384, being an approximate 5 acre tract of land in Collin County,

Texas, legally described as Abstract No. A0801 in the Robert Scaggs Survey, Tract 15; generally located west of County Road 133 and approximately 110 feet north of FM 455 (NTRPFI LP),

21) Collin CAD Property ID 2657698, being an approximate 13.55 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 5; generally located approximately 350 feet south of future Stallcup Boulevard and 1,365 feet west of future Custer Road (JML Cattle Company LLC),
22) Collin CAD Property ID 2658131, being an approximate 10.45 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 6; generally located north of County Road 106 and approximately 1,400 feet west of future Custer Road (Equity Trust Company DBA Sterling Trust),
23) Collin CAD Property ID 2674385, being an approximate 7.73 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 7; generally located north of County Road 106 and approximately 1,015 feet west of future Custer Road (Equity Trust Company DBA Sterling Trust Custodian FBO James L LaBorde),
24) Collin CAD Property ID 2707587, being an approximate 12 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 8; generally located at the northwest corner of future Custer Road and County Road 106 (McCauley, Jeffrey David & Mary Jo),
25) Denton CAD Property ID 173394, being an approximate 5.01 acre tract of land in Denton County, Texas, legally described as Abstract No. A0969A in Norwood, Tract 1(B); generally located west of Smiley Road and approximately 2,591 feet north of future Punk Carter Parkway (Fonseca, Maria Rocio),
26) Denton CAD Property ID 52870, being an approximate 18 acre tract of land in Denton County, Texas, legally described as Abstract No. A0211A in Cowan, Track 36 and Old DCAD, Sheet 2, Tract 7; generally located east of Smiley Road and approximately 1,945 feet north of future Punk Carter Parkway (18 Farm on Smiley Rd LTD), and

27) Denton CAD Property ID 173398, being an approximate 1.61 acre tract of land in Denton County, Texas, legally described as Willow Wood, Lot 1; generally located at the southwest corner of Smiley Road and FM 428 (Sadeghian, Khosrow TRTS of Kamy Real Property Trust).

Background Information:

In alignment with the City's growth strategies and per the direction from Celina's City Council, the purpose of this resolution is relating to the intent to annex certain properties.

Below is the anticipated annexation schedule for the properties:

October 12, 2021 - City Council acts on a resolution to set the public hearing dates.
November 9, 2021 - First Public Hearing to be held.
April 12, 2022 - Petition Verification
May 10, 2022 - 2nd Public Hearing
June 14, 2022 - 3rd Public Hearing and Annexation Ordinance adoption

Supporting Documents:

- Location Map
- Staff Presentation
- Resolution

Staff Recommendation:

Staff recommends approval of the Resolution.

Voluntary Petition: 414.155 Acres
Potential Annexations: 230.3094 Acres

Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN and the GIS User Community

CELINA TEXAS EST. 1876

Life Connected.

Potential Annexations
City of Celina

Date: 10/4/2021

Legend

- Ultimate Boundary
- Roads
- Potential Annexations
- Petition

N
W E
S

0 4,800 9,600 Feet

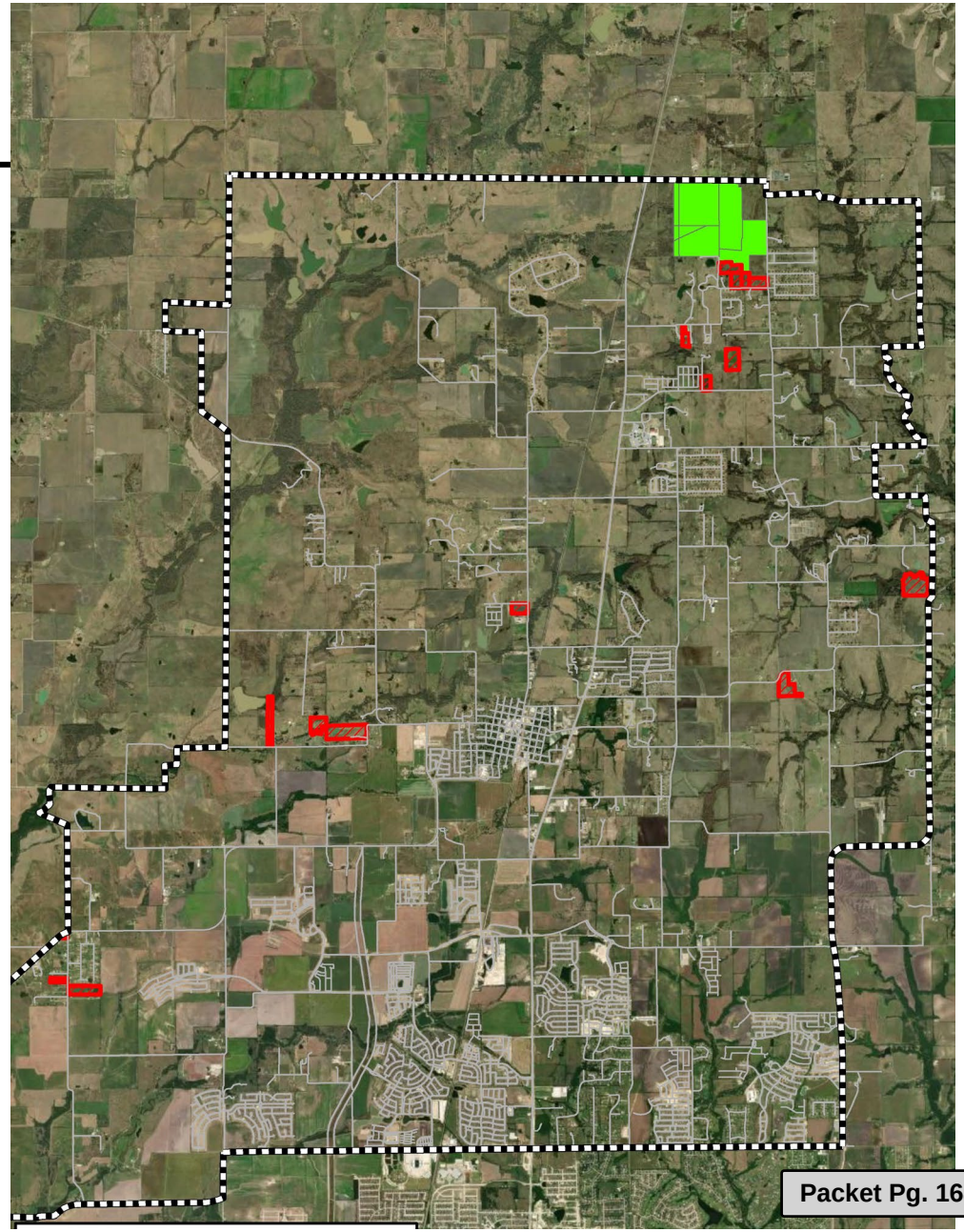
Attachment: Location Map (21-03 Annexation Resolution)

ANNEXATION 21-03

City Council
October 12, 2021

Attachment: Staff Presentation (21-03 Annexation Resolution)

ANNEXATION MAP



FAST FACTS

- No person has been annexed since 2017 State law changes (just commercial or empty land)
- City's preference is to defer annexation for as long as possible (over 600 agreements)
- Some property owners have desired immediate annexation and zoning when contacted in order to secure future entitlements and protect property values

Attachment: Staff Presentation (21-03 Annexation Resolution)

POLICY POINTS

- City taxpayers subsidize services and infrastructure to county residents in the ETJ
- Ensures more orderly growth
- Places more infrastructure burden on the development community
- Critical to the health of the long-range tax base (and rate)

Attachment: Staff Presentation (21-03 Annexation Resolution)

ANNEXATION TIMELINE

- October 12, 2021 – Annexation Resolution
- November 9, 2021 – 1st Public Hearing
- April 12, 2022 – Petition Verification
- May 10, 2022 – 2nd Public Hearing
- June 14, 2022 – 3rd Public Hearing and Annexation Ordinance Adoption

Attachment: Staff Presentation (21-03 Annexation Resolution)

RECOMMENDATION

- Staff recommends approval as presented

Attachment: Staff Presentation (21-03 Annexation Resolution)

RESOLUTION NO. R-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS RELATING TO THE INTENTION TO ANNEX CERTAIN PROPERTY PURSUANT TO THE REQUIREMENTS OF SUBCHAPTER C-4, TEXAS LOCAL GOVERNMENT CODE, INTO THE CORPORATE LIMITS OF THE CITY OF CELINA; PROVIDING FOR ALL MATTERS REQUIRED BY SUBCHAPTER C-4; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Celina, Texas ("City Council") has the authority to annex property into the corporate limits of the City of Celina, Texas, a home-rule municipality ("City") in accordance with applicable state law and the City Charter; and

WHEREAS, Section 43.0682 of the Texas Local Government Code provides that a city proposing to annex property under Subchapter C-4 must prepare and adopt a resolution of intent containing certain specified information; and

WHEREAS, the City Council desires to adopt a resolution in compliance with the requirements of Section 43.0682.

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

Section 1. Findings Incorporated. The facts, findings and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct, and are incorporated by reference herein and expressly made a part hereof, as if copied herein verbatim.

Section 2. Intent to Annex and Service Plan. In accordance with Section 43.0682 of the Texas Local Government Code, the City Council hereby resolves the following:

1. The City intends to annex the area, approximately 644.46 acres, generally located in the description below:

1) Collin CAD Property ID 984821, being an approximate 17.80 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 2; generally located at the southeast corner of future Coit Road and County Road 107 (Bray, Jim G Jr),
2) Collin CAD Property ID 995506, being an approximate 17.04 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located approximately 270 feet east of future Coit Road and 965 feet north of future Stallcup Boulevard (Bray, Jim G Jr),
3) Collin CAD Property ID 995515, being an approximate 5.02 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 2; generally located east of future Coit Road and approximately 830 feet north of future Stallcup Boulevard (Bray, Jim G Jr),
4) Collin CAD Property ID 997915, being an approximate 53.21 acre tract of land in Collin County, Texas, legally described as Abstract No. A0931 in the T & P Ry Co Survey, Tract 1; generally located north of future Stallcup Boulevard and approximately 245 feet east of future Coit Road (Bray, Jim G Jr),
5) Collin CAD Property ID 997924, being an approximate 5.79 acre tract of land in Collin County, Texas, legally described as Abstract No. A0931 in the T & P Ry Co Survey, Tract 2; generally

Attachment: Resolution (21-03 Annexation Resolution)

located at the northeast corner of future Coit Road and future Stallcup Boulevard (Bray, Jim G Jr),

6) Collin CAD Property ID 2120491, being an approximate 108.94 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 2; generally located south of future Marilee Road and approximately 1,330 feet west of future Custer Road (Estate of Bray, Jim Garvan Sr),
7) Collin CAD Property ID 2120786, being an approximate 140.25 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1; generally located south of future Marilee Road and approximately 275 feet east of future Coit Road (Bray, Jim G Jr),
8) Collin CAD Property ID 2674384, being an approximate 66.12 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 1; generally located west of future Custer Road and approximately 1,315 feet south of future Marilee Road (Bray, Jim G Jr),
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11) Collin CAD Property ID 991788, being an approximate 7.54 acre tract of land in Collin County, Texas, legally described as Abstract No. A0168 in the Collin County School Land #16 Survey, Sheet 1, Tract 16; generally located approximately 240 feet north of Mobberly Road and 290 feet west of future Legacy Drive (Barnett, Rebecca A),
12) Collin CAD Property ID 2788963, being an approximate 3.23 acre tract of land in Collin County, Texas, legally described as Eva's Ridge (GCN), Block A, Lot 1; generally located north of County Road 8 and approximately 195 feet west of future Legacy Drive (Gulley, Michael Morris),
13) Collin CAD Property ID 2788965, being an approximate 4.034 acre tract of land in Collin County, Texas, legally described as Eva's Ridge (GCN), Block A, Lot 2; generally located north of County Road 8 and approximately 395 feet west of future Legacy Drive (Gulley, Michael Morris),
14) Collin CAD Property ID 2689584, being an approximate 20.10 acre tract of land in Collin County, Texas, legally described as Abstract No. A0394 in the Daniel Howell Survey, Tract 38; generally located at the southeast corner of future Roseland Parkway and FM 455 (Gulley, Michael Morris),
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Attachment: Resolution (21-03 Annexation Resolution)

generally located south of County Road 106 and approximately 365 feet east of future Coit Road (Henderson, Jerry Gene-Le),

18) Collin CAD Property ID 1014388, being an approximate 10.66 acre tract of land in Collin County, Texas, legally described as Abstract No. A1053 in the Ousley & Floyd Survey, Tract 2; generally located at the southwest corner of Louisiana Drive and County Road 994 (Marinko Living Trust),
19) Collin CAD Property ID 2698698, being an approximate 31 acre tract of land in Collin County, Texas, legally described as Abstract No. A0834 in the William Stapp Survey, Tract 5; generally located approximately 225 feet west of County Road 133 and 2,650 feet north of FM 455 (NTRPFI LP),
20) Collin CAD Property ID 2720384, being an approximate 5 acre tract of land in Collin County, Texas, legally described as Abstract No. A0801 in the Robert Scaggs Survey, Tract 15; generally located west of County Road 133 and approximately 110 feet north of FM 455 (NTRPFI LP),
21) Collin CAD Property ID 2657698, being an approximate 13.55 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 5; generally located approximately 350 feet south of future Stallcup Boulevard and 1,365 feet west of future Custer Road (JML Cattle Company LLC),
22) Collin CAD Property ID 2658131, being an approximate 10.45 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 6; generally located north of County Road 106 and approximately 1,400 feet west of future Custer Road (Equity Trust Company DBA Sterling Trust),
23) Collin CAD Property ID 2674385, being an approximate 7.73 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 7; generally located north of County Road 106 and approximately 1,015 feet west of future Custer Road (Equity Trust Company DBA Sterling Trust Custodian FBO James L LaBorde),
24) Collin CAD Property ID 2707587, being an approximate 12 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 8; generally located at the northwest corner of future Custer Road and County Road 106 (McCauley, Jeffrey David & Mary Jo),
25) Denton CAD Property ID 173394, being an approximate 5.01 acre tract of land in Denton County, Texas, legally described as Abstract No. A0969A in Norwood, Tract 1(B); generally located west of Smiley Road and approximately 2,591 feet north of future Punk Carter Parkway (Fonseca, Maria Rocio),
26) Denton CAD Property ID 52870, being an approximate 18 acre tract of land in Denton County, Texas, legally described as Abstract No. A0211A in Cowan, Track 36 and Old DCAD, Sheet 2, Tract 7; generally located east of Smiley Road and approximately 1,945 feet north of future Punk Carter Parkway (18 Farm on Smiley Rd LTD),
27) Denton CAD Property ID 173398, being an approximate 1.61 acre tract of land in Denton County, Texas, legally described as Willow Wood, Lot 1; generally located at the southwest corner of Smiley Road and FM 428 (Sadeghian, Khosrow TRTS of Kamy Real Property Trust),

2. Exhibit A contains a detailed description and map of the area the City intends to annex;
3. Exhibit B contains a description of each service to be provided by the City in the area on or after the effective date of the annexation, including, as applicable:
    a. police protection;
    b. fire protection;
    c. emergency medical services;
    d. solid waste collection;

Attachment: Resolution (21-03 Annexation Resolution)

e. operation and maintenance of water and wastewater facilities in the annexed area;
f. operation and maintenance of roads and streets, including road and street lighting;
g. operation and maintenance of parks, playgrounds, and swimming pools; and
h. operation and maintenance of any other publicly owned facility, building, or service;

4. Exhibit B contains a list of each service the City will provide on the effective date of the annexation; and
5. Exhibit C contains a schedule that includes the period within which the City will provide each service that is not provided on the effective date of the annexation.

Section 3. Notice of Public Hearing. Not later than the 7th day after the adoption of this Resolution, the City Secretary of the City of Celina, Texas, is hereby authorized and directed to cause notice of a public hearing to be held not earlier than the 21st day and not later than the 30th day after the date of adoption of this Resolution, which notice shall contain the information required by Local Government Code Section 43.0683, to be posted on the City's website, published once in a newspaper having general circulation in the city and in the above-described territory, and mailed to residents and property owners in the area proposed to be annexed in accordance with the Municipal Annexation Act.

Section 4. Petition for Annexation. The Development Services Director shall prepare a petition for annexation that conforms to the requirements of Local Government Code Section 43.0685. Unless directed otherwise after the public hearing, signatures on the petition for annexation may be collected on the petition following the public hearing held pursuant to Section 3 above and after the 31st day but before the 180th day after the adoption of this Resolution.

Section 5. Severability. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Resolution are severable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall be declared unconstitutional by a valid judgement or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution, since the same would have been enacted by the City Council without the incorporation of this Resolution of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 6. Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED, APPROVED and **ADOPTED** on this the 12th day of October, 2021.

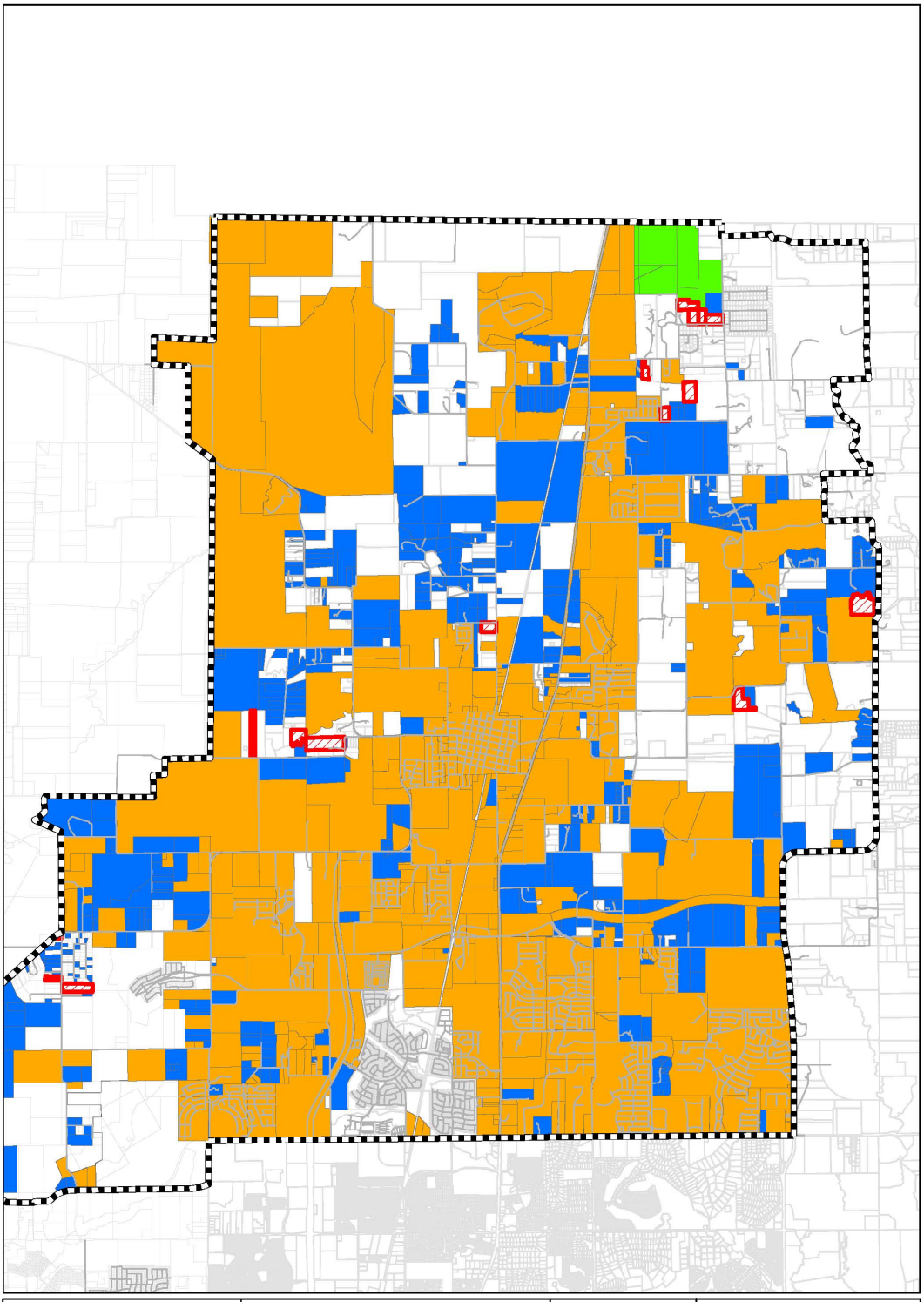
_____
Mayor

ATTEST:

_____
City Secretary

Attachment: Resolution (21-03 Annexation Resolution)

EXHIBIT A



Attachment: Resolution (21-03 Annexation Resolution)

EXHIBIT B
Municipal Service Plan

A) SERVICE PLAN GENERALLY

1) This service plan has been prepared in accordance with the Texas Local Government Code ("LGC"), Section 43.0672. Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina on the date of annexation in accordance with the following plan. 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 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. 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

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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 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. 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 pursuant to Section 43.0661 of the Texas Local Government Code.

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. Property owners are eligible to extend/expand facilities immediately upon annexation. 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

Attachment: Resolution (21-03 Annexation Resolution)

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. Property owners are eligible to extend/expand facilities immediately upon annexation. 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 immediately upon annexation as set forth herein. 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.

Attachment: Resolution (21-03 Annexation Resolution)

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 continue 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 immediately upon annexation. 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.

Attachment: Resolution (21-03 Annexation Resolution)

EXHIBIT C

All services identified in Exhibit B will be provided immediately upon the effective date of annexation of the area.

Attachment: Resolution (21-03 Annexation Resolution)