



**NOTICE OF
CITY COUNCIL SPECIAL MEETING
CELINA COUNCIL CHAMBERS 112 N. COLORADO ST., CELINA, TX 75009
THURSDAY, MAY 25, 2017 AT 4:05 PM**

AGENDA

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

II. OATHS OF OFFICE:

III. 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.

1. Consider and act upon a resolution of the City of Celina, Texas, approving a negotiated settlement between the ATMOS cities steering committee ("ACSC") and ATMOS Energy Corp., Mid-Tex Division regarding the company's 2017 rate review mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring reconciliation and rate adjustments if federal income tax rates change; terminating the RRM process for 2018 pending renegotiation of RRM terms and conditions; requiring the company to reimburse ACSC's reasonable ratemaking expenses.

IV. 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.

1. Discussion regarding amendment to Sutton Fields II Development Agreement, amendment to City of Celina TIRZ #4 Project and Finance Plan, and amendment to Sutton Fields II Service and Assessment Plan.

V. PUBLIC HEARING:

1. The Celina City Council will conduct and continue a public hearing to consider testimony regarding an amendment to the Reinvestment Zone Number Four Final Project and Financing Plan and the enlargement of the zone. (Sutton Fields II) (Petty)

2. The Celina City Council will conduct and continue a public hearing to consider testimony regarding an amendment to the Sutton Fields II Public Improvement District Service and Assessment Plan (SAP), dated November 10, 2015 for property within the Sutton Fields II Public Improvement District pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended. (Sutton Fields II) (Petty)

VI. ACTION ITEMS:

1. Consider and act upon a resolution of the City Council of the City of Celina, Texas, approving the form and authorizing the distribution of a preliminary official statement for the City of Celina, Texas Special Assessment Revenue Bonds, Series 2017 (Cambridge Crossing Public Improvement District Phase 1 Project) and approving the form and authorizing the distribution of a preliminary official statement for the City of Celina, Texas Special Assessment Revenue Bonds, Series 2017 (Cambridge Crossing Public Improvement District Major Improvement Area Project); and resolving other matters incident and related thereto. (Cambridge Crossing) (Petty)
2. Consider and act upon a resolution of the City of Celina, Texas, approving and authorizing the Mayor Pro-Tem to execute an Amended and Restated Development Agreement between the City of Celina, Texas and CADG Sutton Fields, LLC. (Sutton Fields II) (Petty)
3. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving an amendment to the Service and Assessment Plan and Assessment Roll for public improvements for Sutton Fields II Public Improvement District in accordance with Chapter 372, Texas Local Government Code; and providing an effective date. (Sutton Fields II) (Petty)
4. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, amending ordinance No. 2015-52 to modify the boundaries of Tax Increment Reinvestment Zone Number Four, City of Celina (Sutton Fields) to enlarge the boundaries of the existing Zone to include an additional 493.439 acres; describing the boundaries of the Zone; containing findings related to enlarging the Zone; amending and updating the Final Project and Finance Plan adopted by Ordinance No. 2015-59; providing a date for the termination of the Zone; Providing a severability clause; and providing an effective date. (Sutton Fields II) (Petty)
5. Discuss, consider and take action on a resolution of the City Council of the City of Celina, Texas, hereby authorizing the Mayor Pro Tem of the City of Celina, Texas, to execute a First Amended Interlocal Agreement for Billing Services, Fee Collection and provision of Retail Water and Wastewater Service by and between the City of Celina and Mustang Special Utility District ("MSUD") for the Sutton Fields property; providing for related items and providing and effective date. (Sutton Fields II) (Johnson)

VII. ADJOURNMENT:

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

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

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

Date Notice Removed



City Secretary
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Faulkner, City Secretary
CC: Rick Chaffin, Interim City Manager
Date: May 25, 2017
Re: ATMOS Rate Case

Action Requested:

Consider and act upon a resolution of the City of Celina, Texas, approving a negotiated settlement between the ATMOS cities steering committee (“ACSC”) and ATMOS Energy Corp., Mid-Tex Division regarding the company’s 2017 rate review mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring reconciliation and rate adjustments if federal income tax rates change; terminating the RRM process for 2018 pending renegotiation of RRM terms and conditions; requiring the company to reimburse ACSC’s reasonable ratemaking expenses.

Background Information:

Please see the attached staff report from ATMOS Cities Steering Executive Committee.

Board Review/Citizen Input:

N/A

Alternatives:

Financial Considerations:

N/A

Legal Review:

Review by Atmos Cities Steering Committee Attorneys

Supporting Documents:

Resolution and Report

Staff Recommendation:

May 2, 2017

MODEL STAFF REPORT

The City, along with other similarly situated cities served by Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). The RRM Tariff was originally adopted by ACSC member cities in 2007 as an alternative to the Gas Reliability Infrastructure Program (“GRIP”), the statutory provision that allows Atmos to bypass the City’s rate regulatory authority to increase its rates annually to recover capital investments. The RRM Tariff has been modified several times, most recently in 2013.

The 2017 RRM filing is the fifth RRM filing under the renewed RRM Tariff. On March 1, 2017, Atmos made a filing requesting \$57.4 million additional revenues on a system-wide basis. Because the City of Dallas has a separate rate review process, exclusion of Dallas results in the Company requesting \$46.4 million from other municipalities.

Environs customers (ratepayers outside municipal limits) remain under the Railroad Commission’s exclusive original jurisdiction and have their rates set through the GRIP process. If the Company had used the GRIP process rather than the RRM process it would receive a \$52.4 million increase, or about \$4.4 million more than will be approved by the Ordinance. ACSC and the Company have reached an agreement, reflected in the Ordinance, to reduce the Company’s request by \$9.4 million, such that the Ordinance approving new rates reflects an increase of \$48 million on a system-wide basis, or \$38.8 million for Mid-Tex Cities, exclusive of the City of Dallas.

The tariffs attached to the Ordinance approve rates that will increase the Company’s revenues by \$38.8 million for the Mid-Tex Rate Division, effective for bills rendered on or after June 1, 2017. The monthly residential customer charge will be \$19.60. The consumption charge will be \$0.14 per Ccf. The monthly bill impact for the typical residential customer consuming 46.8 Ccf will be an increase of \$2.04, or about 3.87%. The typical commercial customer will see an increase of \$6.27, or 2.37%. Attached to this Model Staff Report is a summary of the impact of new rates on the average bills of all customer classes.

The ACSC Executive Committee and its designated legal counsel and consultants recommend that all Cities adopt the Ordinance with its attachments approving the negotiated rate settlement resolving the 2017 RRM filing, and implementing the rate change.

Explanation of “Be It Ordained” Sections:

1. This section approves all findings in the Ordinance.
2. This section finds the settled amount of \$48 million on a system-wide basis to be a comprehensive settlement of gas utility rate issues arising from Atmos Mid-Tex’s 2017 RRM filing, and that such settlement is in the public interest and is consistent with the City’s statutory authority.
3. This section finds the existing Atmos Mid-Tex rates to be unreasonable, and approves the new tariffed rates providing for additional revenues over currently-billed rates of \$48 million on a system-wide basis and adopts the attached new rate tariffs (Attachment A).

4. This section establishes the baseline for pensions and other post-employment benefits for future rate cases (Attachment C).
5. This section requires the Company to reimburse Cities for reasonable ratemaking costs associated with reviewing and processing the RRM filing.
6. This section requires a rate reconciliation in the event that federal income tax rates change.
7. This section requires renegotiation of current RRM terms and conditions this Summer and if new terms and conditions are not agreed to by both parties, the RRM process will be terminated and Cities will be encouraged to pass show cause resolutions to trigger a traditional rate case at the Railroad Commission.
8. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
9. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
10. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.
11. This section provides for an effective date upon passage which, according to the Cities' ordinance that adopted the RRM process, is June 1, 2017.
12. This paragraph directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for the Steering Committee.

**ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2016**

Line								June 1, 2016	
	<u>Rate R @ 46.3 Ccf</u>					<u>CURRENT</u>		<u>PROPOSED</u>	<u>CHANGE</u>
1									
2	Customer charge					\$ 19.10			
3	Consumption charge	46.3	CCF	X	\$ 0.11378 =	5.27			
4	Rider GCR Part A	46.3	CCF	X	\$ 0.28325 =	13.11			
5	Rider GCR Part B	46.3	CCF	X	\$ 0.25447 =	11.78			
6	Subtotal					\$ 49.26			
7	Rider FF & Rider TAX					3.52			
8	Total					\$ 52.78			
9									
10	Customer charge						\$ 19.60		
11	Consumption charge	46.3	CCF	X	\$ 0.14427 =	6.68			
12	Rider GCR Part A	46.3	CCF	X	\$ 0.28325 =	13.11			
13	Rider GCR Part B	46.3	CCF	X	\$ 0.25447 =	11.78			
14	Subtotal					\$ 51.17			
15	Rider FF & Rider TAX					3.65			
16	Total					\$ 54.82		\$2.04	
17									3.87%
18									
19	<u>Rate C @ 371 Ccf</u>					<u>CURRENT</u>		<u>PROPOSED</u>	<u>CHANGE</u>
20	Customer charge					\$ 41.75			
21	Consumption charge	371.0	CCF	X	\$ 0.08494 =	31.51			
22	Rider GCR Part A	371.0	CCF	X	\$ 0.28325 =	105.07			
23	Rider GCR Part B	371.0	CCF	X	\$ 0.18646 =	69.17			
24	Subtotal					\$ 247.50			
25	Rider FF & Rider TAX					17.68			
26	Total					\$ 265.18			
27									
28	Customer charge						\$ 44.70		
29	Consumption charge	371.0	CCF	X	\$ 0.09279 =	34.42			
30	Rider GCR Part A	371.0	CCF	X	\$ 0.28325 =	105.07			
31	Rider GCR Part B	371.0	CCF	X	\$ 0.18646 =	69.17			
32	Subtotal					\$ 253.36			
33	Rider FF & Rider TAX					18.09			
34	Total					\$ 271.45		\$6.27	
35									2.37%

Attachment: Staff Report for Resolution (2040 : ATMOS Rate Case)

Attachment: Staff Report for Resolution (2040 : ATMOS Rate Case)

RESOLUTION NO. 2017-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2017 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING RECONCILIATION AND RATE ADJUSTMENTS IF FEDERAL INCOME TAX RATES CHANGE; TERMINATING THE RRM PROCESS FOR 2018 PENDING RENEGOTIATION OF RRM TERMS AND CONDITIONS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

WHEREAS, the City of Celina, Texas (“City”) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), and a regulatory authority with an interest in the rates and charges of Atmos Mid-Tex; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee (“ACSC”), a coalition of similarly-situated cities served by Atmos Mid-Tex (“ACSC Cities”) that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a new Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program (“GRIP”) process instituted by

the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, on March 1, 2017, Atmos Mid-Tex filed its 2017 RRM rate request with ACSC Cities; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2017 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$48 million on a system-wide basis; and

WHEREAS, the attached tariffs implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest;

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications;

WHEREAS, the Company and ACSC have agreed that rates should be adjusted if any change in federal income tax rates is implemented during the period that rates approved herein remain in place; and

WHEREAS, because ACSC believes that certain provisions of the current terms and conditions of the RRM tariff are inconsistent with market conditions, the City expects renegotiation of the current RRM tariff in the summer of 2017.

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

Section 1. That the findings set forth in this Ordinance are hereby in all things approved.

Section 2. That the City Council finds that the settled amount of an increase in revenues of \$48 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2017 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment A, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$48 million in revenue over the amount allowed under currently approved rates, as shown in the Proof of Revenues attached hereto and incorporated herein as Attachment B; such tariffs are hereby adopted.

Section 4. That the ratemaking treatment for pensions and other post-employment benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment C, attached hereto and incorporated herein.

Section 5. Consistent with Texas Utilities Code Section 104.055(c), Atmos Energy's recovery of federal income tax expense through the Rider RRM has been computed using the statutory income tax rate. In the event that a change in the statutory income tax rate is implemented during the Rider RRM Rate Effective Date, Atmos Energy shall reconcile the difference between the amount of federal income tax expense included in the Rider RRM calculation for the Rate Effective Date with the amount of federal income tax expense authorized under the new statutory income tax rate. The reconciliation period shall be from the date on which any new statutory income tax rate is implemented through the Rate Effective Date. An interest component calculated

at the customer deposit interest rate then in effect as approved by the Railroad Commission of Texas shall be applied to the federal income tax expense reconciliation. Further, any required reconciliation of federal income tax expense shall be included as part of Atmos Mid-Tex's next annual RRM filing and shall be returned to or recovered from customers as a one-time credit or surcharge to the customer's bill.

Section 6. The City requires renegotiation of RRM tariff terms and conditions during the summer of 2017. If an agreed renegotiated RRM tariff cannot be achieved, the City will terminate the RRM process and consider initiation of a traditional rate case to reduce the Company's authorized return on equity.

Section 7. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2017 RRM filing.

Section 8. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 9. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 10. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 11. That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after June 1, 2017.

Section 12. That a copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LJB Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this 9th day of May, 2017.

Mayor

ATTEST:

APPROVED AS TO FORM:

City Secretary

City Attorney



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: May 25, 2017
Re: Sutton Fields II, Public Hearing Amending the Tax Increment Reinvestment Zone Number Four,
Final Project and Financing Plan

Action Requested:

The Celina City Council will conduct and continue a public hearing to consider testimony regarding an amendment to the Reinvestment Zone Number Four Final Project and Financing Plan and the enlargement of the zone. (Sutton Fields II) (Petty)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: May 25, 2017
Re: Sutton Fields II, Public Hearing Amending the Public Improvement District Service and Assessment Plan

Action Requested:

The Celina City Council will conduct and continue a public hearing to consider testimony regarding an amendment to the Sutton Fields II Public Improvement District Service and Assessment Plan (SAP), dated November 10, 2015 for property within the Sutton Fields II Public Improvement District pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended. (Sutton Fields II) (Petty)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: May 25, 2017
Re: Resolution to Release a Preliminary Official Statement for Special Assessment Revenue Bonds for Cambridge Crossing Public Improvement District

Action Requested:

Consider and act upon a resolution of the City Council of the City of Celina, Texas, approving the form and authorizing the distribution of a preliminary official statement for the City of Celina, Texas Special Assessment Revenue Bonds, Series 2017 (Cambridge Crossing Public Improvement District Phase 1 Project) and approving the form and authorizing the distribution of a preliminary official statement for the City of Celina, Texas Special Assessment Revenue Bonds, Series 2017 (Cambridge Crossing Public Improvement District Major Improvement Area Project); and resolving other matters incident and related thereto. (Cambridge Crossing) (Petty)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:

**CITY OF CELINA, TEXAS
RESOLUTION NO. _____**

A RESOLUTION OF THE CITY OF CELINA, TEXAS APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT FOR THE CITY OF CELINA, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017 (CAMBRIDGE CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE 1 PROJECT) AND APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT FOR THE CITY OF CELINA, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017 (CAMBRIDGE CROSSING PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA PROJECT); 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 limits of the City; and

WHEREAS, pursuant to Resolution 2017-10R adopted by the City Council (the "City Council") of the City on February 28, 2017, the City has created the "Cambridge Crossing Public Improvement District" (the "PID");

WHEREAS, the City intends to issue the bonds to be designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Cambridge Crossing Public Improvement District Phase 1 Project)" (the "Phase 1 Bonds") and "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Cambridge Crossing Public Improvement District Major Improvement Area Project)" (the "Major Improvement Area Bonds", and together with the Phase 1 Bonds, the "Bonds") to fund certain improvements in the PID as authorized by the PID Act; and

WHEREAS, there has been presented to this City Council a Preliminary Official Statement relating to each series of the Bonds (together, the "Preliminary Official Statements"); and

WHEREAS, this City Council finds and determines that it is necessary and in the best interests of the City to approve the form and content of the Preliminary Official Statements and authorize the use of the Preliminary Official Statements in the offering and sale of the respective Bonds by the Underwriter of the Bonds, FMSbonds, Inc., under the conditions outlined herein.

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

SECTION 1. THAT the form and content of the Preliminary Official Statements are hereby approved and deemed final, except for the omission of such information which is dependent upon the final pricing of the respective series of Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, with such changes, addenda, supplements or amendments as may be approved by the Interim City Manager.

SECTION 2. THAT the City hereby authorizes the Preliminary Official Statements to be used by the Underwriter in connection with the marketing and sale of the Bonds; provided that such Preliminary Official Statements shall not be released to the public without the approval of the Interim City Manager, which approval shall be made in consultation with Hilltop Securities, the City's financial advisor, Messer, Rockefeller, & Fort, P.L.L.C., the City's special counsel for land use, Norton Rose Fulbright, the City's bond counsel, and Petty & Associates, the City's economic development consultants.

SECTION 3. THAT the City Council hereby delegates to the Interim City Manager the authority to approve release of the Preliminary Official Statements to the public for use in marketing the Bonds under the conditions outlined herein.

SECTION 4. THAT City staff is authorized and directed are authorized to do all things proper and necessary to carry out the intent hereof.

SECTION 5. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

[Execution page follows.]

ADOPTED, PASSED, AND APPROVED on this the 25th day of May, 2017.

CITY OF CELINA, TEXAS,

Sean Terry, Mayor

ATTEST:

Vicki Faulkner, City Secretary

(City Seal)

Attachment: LEGAL-#64272-v1-Celina_Cambridge_Crossing_PID_2017_-_Resolution_Approving_POS_(Phase_#1_and_MIA)(003)(2041 :



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: May 25, 2017
Re: Sutton Fields II, Resolution Approving Execution of the Amended and Restated Development Agreement

Action Requested:

Consider and act upon a resolution of the City of Celina, Texas, approving and authorizing the Mayor Pro-Tem to execute an Amended and Restated Development Agreement between the City of Celina, Texas and CADG Sutton Fields, LLC. (Sutton Fields II) (Petty)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: May 25, 2017
Re: Sutton Fields II, Public Improvement District, Ordinance Approving Amending the Service and Assessment Plan

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving an amendment to the Service and Assessment Plan and Assessment Roll for public improvements for Sutton Fields II Public Improvement District in accordance with Chapter 372, Texas Local Government Code; and providing an effective date. (Sutton Fields II) (Petty)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:

CITY OF CELINA

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, APPROVING AN AMENDMENT TO THE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR PUBLIC IMPROVEMENTS FOR SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, by Resolution 2015-51R adopted on October 13, 2015, after notice and a public hearing in the manner required by law, the City Council of the City of Celina, Texas approved a resolution authorizing the creation of the Sutton Fields II Public Improvement District (the “District”) of the City of Celina; and

WHEREAS, the City Council, pursuant to Section 372. 016(b) of the PID Act, published notice of the Levy and Assessment Hearing on October 23, 2015 in The Celina Record, a newspaper of general circulation in the City; and

WHEREAS, on November 10, 2015, after notice and a public hearing conducted in the manner required by law, the City Council adopted Ordinance Nos. 2015-54 and 2015-56 approving the Sutton Fields II Public Improvement District Service and Assessment Plan and Assessment Roll and the levy of assessments on property in the District; and

WHEREAS, on November 10, 2015, the City Council convened the Levy and Assessment Hearing and adopted Ordinance Nos. 2015-55 and 2015-57, authorizing the issuance of bonds secured by the assessments levied pursuant to the Assessment Ordinance; and

WHEREAS, the City Council now desires to proceed with an amendment to the above-referenced Service and Assessment Plan; and

WHEREAS, the City Council finds the passage of this Ordinance to be in the best interest for the citizens of Celina.

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

SECTION 1: That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

SECTION 2: That the amended Sutton Fields II Service and Assessment Plan attached hereto as Exhibit A is hereby accepted and approved.

SECTION 3: If any portion of this Ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Ordinance without the invalid provision

SECTION 4: That this Ordinance shall be cumulative of all other City Ordinances and all other provisions of other Ordinances adopted by the City which are inconsistent with the terms or provisions of this Ordinance are hereby repealed.

SECTION 5: That any person, firm or corporation violating any of the provisions or terms of this ordinance 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 punishable by a fine not to exceed the sum of the amount authorized by applicable law for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 6: It is hereby declared to be the intention of the City Council of the City of Celina, Texas, that sections, paragraphs, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared legally invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such legal invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance since the same would have been enacted by the City Council of the City of Celina without the incorporation in this Ordinance of any such legally invalid or unconstitutional, phrase, sentence, paragraph or section.

SECTION 7: This ordinance shall take effect immediately from and after its passage as the law in such case provides.

PASSED AND APPROVED ON THIS ____ DAY OF _____ 2017.

ATTEST:

Chad Anderson, Mayor

Vicki Faulkner, City Secretary

APPROVED AS TO FORM:

Lance Vanzant, City Attorney

Exhibit A



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: May 25, 2017
Re: Sutton Fields II, Tax Increment Reinvestment Zone Number Four, Ordinance Enlarging the Zone and Amending the Final Project and Financing Plan

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, amending ordinance No. 2015-52 to modify the boundaries of Tax Increment Reinvestment Zone Number Four, City of Celina (Sutton Fields) to enlarge the boundaries of the existing Zone to include an additional 493.439 acres; describing the boundaries of the Zone; containing findings related to enlarging the Zone; amending and updating the Final Project and Finance Plan adopted by Ordinance No. 2015-59; providing a date for the termination of the Zone; Providing a severability clause; and providing an effective date. (Sutton Fields II) (Petty)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Mary Petty, Petty & Associates, Inc.
 Date: May 25, 2017
 Re: Resolution Approving the First Amended Interlocal Agreement for Billing Services.

Action Requested:

Discuss, consider and take action on a resolution of the City Council of the City of Celina, Texas, hereby authorizing the Mayor Pro Tem of the City of Celina, Texas, to execute a First Amended Interlocal Agreement for Billing Services, Fee Collection and provision of Retail Water and Wastewater Service by and between the City of Celina and Mustang Special Utility District ("MSUD") for the Sutton Fields property; providing for related items and providing and effective date. (Sutton Fields II) (Johnson)

Background Information:

This first amendment represents minor tweaks to the agreement to ensure that the citizen of Celina have immediate and convenient after-hour service contacts. The MSUD as service provider will also providing billing services to eliminate any confusions related to who to call in afterhours emergencies or with billing questions.

It also provides for the payment of the Aqua-Tex CCN decertification fees through Mustang SUD and not through the City, since Mustang will be the certificate holder of that area now.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation: