Life Connected.

CITY COUNCIL REGULAR MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, APRIL 12, 2022
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. Volunteer Week Proclamation (Terry)

B. Celina High School Cheer State Championship Proclamation (Terry)

C. Celina Las Gatitas Nationals Proclamation (Terry)

IV. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

A. Recognition of 2021 Service Award, Core Value Award, and Employee of the Year Recipients. (Terry/Peters)

B. Introduction of new employees, recognitions, promotions. (McAfee/Webb)

C. Overview and Discussion of 2022-2024 Strategic Plan (Satarino)

D. Update on Senior Citizen Building Remodel (Webb)

E. Discussion on Proposed Texas New Mexico Power Transmission Line (Brawner)

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 Amended and Restated Agreement to Convey Real Property between Jon Cox Ousley Family Trust and the City of Celina for the purchase of property to be developed in the future as a City park, to include entering a future agreement with a foundation for the display of sculptures/public art in the future City-owned park.

B. Discussion Regarding Joint Purchase Agreement with Celina ISD for SE Pump Station located on future Old Glendenning Rd (current CR 90), approximately 0.3 Miles West of future S Coit Rd (current CR 87)

C. Discussion Regarding a Public Facilities Corporation

Reconvene Into Open Session

D. 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 - Mar 15, 2022, 5:00 PM

B. Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Celina Real Estate, L.P. for a facilities agreement regarding use of property for Cajun Fest. (Monaco)

C. Consider and act upon a resolution of the City Council of the City of Celina, Texas, renaming certain portions of County Road 86 to Coit Road. (County Road 86 Name Change) (Colakovic)

D. Consider and act upon a Service Agreement for C-3 annexed property between the City of Celina and the owner of approximately 79 acres within the Extraterritorial Jurisdiction, generally located at the northwest corner of future Glendenning Parkway and future Legacy Drive. (First Leo Portion (Legacy North) - C-3 Expedited Annexation Service Agreement) (McAfee)

E. Consider and act upon a Service Agreement for C-3 annexed property between the City of Celina and the owner of approximately 3.3 acres within the Extraterritorial Jurisdiction (ETJ), generally located west of Custer Road and approximately 1,800 feet north of Ousley Boulevard. (Creek Pointe Estates ROW - C-3 Expedited Annexation Service Agreement) (McAfee)

F. Consider and act upon a resolution of the City of Celina, Texas, determining the costs of certain authorized improvements to be financed within Phase #1 of the Mosaic Public Improvement District; approving a preliminary service plan and assessment plan, including a proposed Phase #1 Assessment Roll; directing the filing of the proposed Phase #1 Assessment Roll with the City Secretary; and providing for noticing and calling a public hearing on May 10, 2022, to consider an ordinance levying assessments on property located within Phase #1 of the Mosaic Public Improvement District. (Mosaic – PID Pre-SAP) (Pollard)

G. Consider and act upon an amendment to Exhibit A of Ordinance 2000-45 to modify for the addition of school zones for the Celina ISD. (Glasgow)

H. Consider and act to award bid 2022-0131 for Doe Branch Bank Stabilization at the unit prices listed to Ark Contracting Services, LLC in an amount not to exceed $155,330.00. (Berry)

I. 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)

J. Consider and Act to authorize the purchase a utility tractor for fiscal year 2022 for the Parks Department from Zimmerer Kubota & Equipment in an amount not to exceed $34,005.48. (Berry)

K. Consider and Act to authorize the purchase of a Chevrolet 1500 truck for fiscal year 2022 for the Utility Billing Department from El Dorado Chevrolet in an amount not to exceed $36,428.00. (Berry)

L. Consider and Act to authorize the purchase of a Chevrolet 1500 truck for fiscal year 2022 for the Public Works Department from El Dorado Chevrolet in an amount not to exceed $36,428.00. (Berry)

M. Consider and Act to authorize the purchase of two Ford Ranger Supercab trucks for fiscal year 2022 for the Parks Department from Silsbee Ford in an amount not to exceed $60,766.44. (Berry)

N. Consider and act to purchase IT Hardware through a cooperative contract with the State of Texas Department of Information Resources (DIR) in an amount not to exceed $1,596,945.78. (Berry)

O. Consider and act upon a resolution adopting the City's Local Preference Policy, Incorporating Recitals and providing an effective date. (Berry)

VIII. PUBLIC HEARING/ACTION:

A. Conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of approximately 3.3 acres within the Extraterritorial Jurisdiction (ETJ), generally located west of Custer Road and approximately 1,800 feet north of Ousley Boulevard. (Creek Pointe Estates ROW - Annexation) (McAfee)

B. Conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of approximately 79 acres within the Extraterritorial Jurisdiction (ETJ), generally located at the northwest corner of future Glendenning Parkway and future Legacy Drive. (First Leo Portion (Legacy North) - Annexation) (McAfee)

C. Conduct a public hearing to consider and act upon a request to zone approximately 788 acres to a Planned Development (PD) with a base zoning of the Dallas North Tollway Overlay District (DNTO) and Mixed-Use District (MU), with modified regulations, generally located at the northwest corner of future Glendenning Parkway and future Legacy Drive. (Legacy North (First Leo) - PD Zoning) (McAfee)

D. Conduct a public hearing to consider and act upon a request to rezone approximately 7 acres to Commercial, Office, & Retail District (C) with the Preston Road Overlay (PRO), generally located at the northeast corner of Preston Road and Glendenning Parkway, within the City Limits. (Summit Commons - Rezoning) (Mohan)

E. Conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Celina Hills Public Improvement District Service and Assessment Plan, including the assessment roll; making a finding of special benefit to property within the Celina 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 the assessed property, in accordance with Chapter 372 of the Texas Local Government Code, as amended. (Celina Hills – Levy Ordinance) (Pollard)

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 2022 (Celina Hills Public Improvement District Project); approving and authorizing related agreements; and providing an effective date. (Celina Hills - PID Bond Ordinance) (Pollard)

B. Consider and act upon all matters incident and related to approving and authorizing publication of notice of intention to issue certificates of obligation, including the adoption of a resolution pertaining thereto. (Stovall)

C. Consider and act upon of all matters incident and related to declaring expectation to reimburse expenditures with proceeds of future debt, including the adoption of a resolution pertaining thereto. (Stovall)

D. Consider and act upon an amendment to the resolution adopting the City of Celina Property Assessed Clean Energy Program ("City of Celina PACE"). (Satarino)

E. Discussion regarding City Secretary’s verification of whether there are sufficient signatures to the petition for annexation of approximately 1,079 acres, in the extraterritorial jurisdiction; generally located north of future Frontier Parkway, east of FM 1385, south of Marilee Road, and west of future Peterman Parkway, as described below. (21-02 Annexation Petition Verification) (Field)

1. Denton CAD property 52652, being an approximately 14.09-acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3, generally located approximately 1,770 feet south of Carey Road and 1,685 feet west of future Legacy Drive (Merritt/Thornton Farm P/S),

2. A portion of Denton CAD Property ID 52706, being an approximate 30.25-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),
3. A portion of Denton CAD Property ID 52711, being an approximate 1.52-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),
4. A portion of Denton CAD Property ID 52723, being an approximate 11.18-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 52731, being an approximately 41.16-acre tract of land in Denton County, Texas, legally described as Abstract No. 0889 in the J. McKim Survey, Tract 2; generally located approximately 1,960 feet north of future Frontier Parkway and 3,140 feet east of Smiley Road (Merritt/Thornton Farm P/S),
6. Denton CAD property 983680, being an approximately 261-acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2A; generally located north of future Frontier Parkway and approximately 880 feet west of Legacy Drive (Tellus Texas I, LLC),
7. Denton CAD property 983682, being an approximately 22-acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3A; generally located approximately 3,445 feet north of future Frontier Parkway and 1,750 feet west of Legacy Drive (Tellus Texas I, LLC),
8. Denton CAD property 983685, being an approximately 55.48-acre tract of land in Denton County, Texas, legally described as Abstract No. 1028A in the A. Phillips Survey, Tract 1C; generally located approximately 2,710 feet north of future Frontier Parkway and 2,700 feet west of Legacy Drive (Tellus Texas I, LLC),
9. Denton CAD property 983689, being an approximately 30.31-acre tract of land in Denton County, Texas, legally described as Abstract No. 0253A in the C. Copenhaver Survey, Tract 3A; generally located approximately 400 feet north of future Frontier Parkway and 1,125 feet east of Smiley Road (Tellus Texas I, LLC),
10. Denton CAD property 983690, being an approximately 19.85-acre tract of land in Denton County, Texas, legally described as Abstract No. 0791A in the J. Morton Survey, Tract 6A; generally located approximately 2,640 feet north of future Frontier Parkway and 2,685 feet west of Legacy Drive (Tellus Texas I, LLC),
11. Denton CAD property 983691, being an approximately 48.88-acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2B; generally located approximately 700 feet south of future Frontier Parkway and 720 feet west of Legacy Drive (Tellus Texas I, LLC),
12. Denton CAD property 991067, being an approximately 30.39-acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2C; generally located at the northwest corner of Legacy Drive and Parvin Road (Merritt Crossing Development, LLC),
13. 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),
14. 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),

15. 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),
16. 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),
17. 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),
18. 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),
19. 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),
20. 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),
21. 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),
22. 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), and
23. 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).

F. Consider and act upon a resolution, accepting the City Secretary's verification of the signatures to the petition for annexation of approximately 1,079 acres, in the extraterritorial jurisdiction; generally located north of future Frontier Parkway, east of FM 1385, south of Marilee Road, and west of future Peterman Parkway, as described below, and all County Road rights-of-way adjacent thereto; calling two public hearings regarding annexation and the service plan; and directing notices as prescribed by law. (21-02 Annexation Petition Verification Resolution) (White)

1. Denton CAD property 52652, being an approximately 14.09-acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson

Survey, Tract 3, generally located approximately 1,770 feet south of Carey Road and 1,685 feet west of future Legacy Drive (Merritt/Thornton Farm P/S),

2. A portion of Denton CAD Property ID 52706, being an approximate 30.25-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),
3. A portion of Denton CAD Property ID 52711, being an approximate 1.52-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),
4. A portion of Denton CAD Property ID 52723, being an approximate 11.18-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 52731, being an approximately 41.16-acre tract of land in Denton County, Texas, legally described as Abstract No. 0889 in the J. McKim Survey, Tract 2; generally located approximately 1,960 feet north of future Frontier Parkway and 3,140 feet east of Smiley Road (Merritt/Thornton Farm P/S),
6. Denton CAD property 983680, being an approximately 261-acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2A; generally located north of future Frontier Parkway and approximately 880 feet west of Legacy Drive (Tellus Texas I, LLC),
7. Denton CAD property 983682, being an approximately 22-acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3A; generally located approximately 3,445 feet north of future Frontier Parkway and 1,750 feet west of Legacy Drive (Tellus Texas I, LLC),
8. Denton CAD property 983685, being an approximately 55.48-acre tract of land in Denton County, Texas, legally described as Abstract No. 1028A in the A. Phillips Survey, Tract 1C; generally located approximately 2,710 feet north of future Frontier Parkway and 2,700 feet west of Legacy Drive (Tellus Texas I, LLC),
9. Denton CAD property 983689, being an approximately 30.31-acre tract of land in Denton County, Texas, legally described as Abstract No. 0253A in the C. Copenhaver Survey, Tract 3A; generally located approximately 400 feet north of future Frontier Parkway and 1,125 feet east of Smiley Road (Tellus Texas I, LLC),
10. Denton CAD property 983690, being an approximately 19.85-acre tract of land in Denton County, Texas, legally described as Abstract No. 0791A in the J. Morton Survey, Tract 6A; generally located approximately 2,640 feet north of future Frontier Parkway and 2,685 feet west of Legacy Drive (Tellus Texas I, LLC),
11. Denton CAD property 983691, being an approximately 48.88-acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2B; generally located approximately 700 feet south of future Frontier Parkway and 720 feet west of Legacy Drive (Tellus Texas I, LLC),
12. Denton CAD property 991067, being an approximately 30.39-acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2C; generally located at the northwest corner of Legacy Drive and Parvin Road (Merritt Crossing Development, LLC),
13. 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),

14. 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),
15. 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),
16. 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),
17. 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),
18. 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),
19. 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),
20. 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),
21. 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),
22. 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), and
23. 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).

G. Discussion regarding City Secretary's verification of whether there are sufficient signatures to the petition for annexation of approximately 536 acres, in the extraterritorial jurisdiction; generally located north of future Punk Carter Parkway, east of FM 1385, south of Marilee Road, and west of future Peterman Parkway, as described below. (21-03 Annexation Petition Verification) (Field)

1. Collin CAD Property ID 2674384, being an approximate 85.95-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 1,290 feet south of future Marilee Road (HC Celina 414, LLC.),

2. Collin CAD Property ID 2839556, being an approximate 102.19-acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 14; generally located south of future Marilee Road and approximately 1,355 feet west of future Custer Road (HC Celina 414, LLC.),
3. Collin CAD Property ID 2839562, being an approximate 134.54-acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1; generally located at the southeast corner of future Coit Road and Marilee Road (HC Celina 414, LLC.),
4. Collin CAD Property ID 2839563, being an approximate 16.77-acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located east of future Coit Road and approximately 835 feet north of future Stallcup Boulevard (HC Celina 414, LLC.),
5. Collin CAD Property ID 2839564, being an approximate 74.43-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 at the northeast corner of future Coit Road and future Stallcup Boulevard (HC Celina 414, LLC.),
6. 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),
7. 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),
8. 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 (Narla, Srinivasa & Indumathi),
9. 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),
10. 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),
11. 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),
12. 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),

13. 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),
14. 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),
15. 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
16. 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).

H. Consider and act upon a resolution, accepting the City Secretary's verification of the signatures to the petition for annexation of approximately 536 acres, in the extraterritorial jurisdiction; generally located north of future Punk Carter Parkway, east of FM 1385, south of Marilee Road, and west of future Peterman Parkway, as described below, and all County Road rights-of-way adjacent thereto; calling two public hearings regarding annexation and the service plan; and directing notices as prescribed by law. (21-03 Annexation Petition Verification Resolution) (White)

1. Collin CAD Property ID 2674384, being an approximate 85.95-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 1,290 feet south of future Marilee Road (HC Celina 414, LLC.),
2. Collin CAD Property ID 2839556, being an approximate 102.19-acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 14; generally located south of future Marilee Road and approximately 1,355 feet west of future Custer Road (HC Celina 414, LLC.),
3. Collin CAD Property ID 2839562, being an approximate 134.54-acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1; generally located at the southeast corner of future Coit Road and Marilee Road (HC Celina 414, LLC.),
4. Collin CAD Property ID 2839563, being an approximate 16.77-acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located east of future Coit Road and approximately 835 feet north of future Stallcup Boulevard (HC Celina 414, LLC.),
5. Collin CAD Property ID 2839564, being an approximate 74.43-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 at the northeast corner of future Coit Road and future Stallcup Boulevard (HC Celina 414, LLC.),
6. 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),

7. 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),
8. 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 (Narla, Srinivasa & Indumathi),
9. 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),
10. 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),
11. 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),
12. 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),
13. 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),
14. 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),
15. 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
16. 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."

_____ _____

Lauren Field, TRMC Date Notice Removed

Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Anthony Satarino, Strategic Services Manager
Date: April 12, 2022
Re: <Insert Subject/RE Here>

Action Requested:
Recognition of 2021 Service Award, Core Value Award, and Employee of the Year Recipients. (Terry/Peters)

Background Information:
<Insert Background Info Here>

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:
<Insert Supporting Documents Here>

Staff Recommendation:

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:	April 12, 2022
Re:	Overview and Discussion of 2022-2024 Strategic Plan (Satarino)

Action Requested:
Overview and Discussion of 2022-2024 Strategic Plan (Satarino)

Background Information:
During the City Council retreat held between January 21st and January 22nd, Council provided direction to update the Strategic Plan. Since this time, Staff has amended the Strategic Plan to reflect the updated goals. Attached in draft form is the 2022-2024 Strategic Plan for City Council review. Staff will collect any comments, concern and direction from City Council during worksession on April 12, 2022 and revise the plan for final approval during the City Council meeting on May 10, 2022.

Board Review/Citizen Input:
N/A

Alternatives:
N/A

Financial Considerations:
N/A

Legal Review:
N/A

Supporting Documents:
DRAFT 2022-2024 Strategic Plan

Staff Recommendation:

Attachment: 26562 (Overview and Discussion of 2022-2024

DRAFT

CELINA TEXAS EST. 1876
Life Connected.

2022 - 2024 Strategic Plan

A MESSAGE FROM THE MAYOR

SEAN TERRY
MAYOR

It is a great time to live, work, and play in Celina, Texas. I am so glad this Strategic Plan landed in your hands, and I would ask you to take a few moments and read through this information so that you may quickly see why Celina is the fastest growing and most attractive city in North Texas.

While we recently traversed through some of our country's most challenging days, I am very pleased that the heart of our City strengthened as our population expanded. These were years marked by record growth, with thousands of people moving here and dozens of businesses opening to serve the community and are quickly learning how we live out our motto—*Life Connected*.

Along with the arrival of people and businesses, we have seen our City staff work tirelessly to plan for the upcoming growth. Their commitment to the City's Core Values enables the City to achieve the goals set by this Strategic Plan. Our public safety departments are some of the finest people who sacrifice daily for the safety and well-being of our residents. As the City has grown, we have seen substantial growth in these departments. Furthermore, we have funded and designed a new law enforcement center that is currently underway and will continue adding new fire stations as our population increases.

Within this plan, you will see updates to our 2018-2020 Strategic Plan goals. These goals include enhancements to our parks and trails, the Downtown and surrounding area, and events and festivals that reflect our unique culture. This type of vision and our commitment to smart growth will serve as evidence that Celina truly is the most incredible community and greatest place to live in Texas.

Celina is fortunate to stand on the broad shoulders of pioneers who built this City and established our values. We are blessed to be relishing in an incomparable present as the most sought-after place to be in Texas. And I am confident that we will celebrate an exciting future together as we grow beyond what we know but remain true to who we are. I hope you are thrilled to live here, work here, and/or call Celina your home. Thank you for being a part of our story as it unfolds.

DRAFT

Attachment: 26562 (Overview and Discussion of 2022-2024

MINDY KOEHNE
MAYOR PRO TEM/PLACE 5

JUSTIN STEINER
DEPUTY MAYOR PRO TEM/PLACE 1

JAY PIERCE
PLACE 2

ANDY HOPKINS
PLACE 3

WENDY WIGGINTON
PLACE 4

CHAD ANDERSON
PLACE 6

DRAFT

Attachment: 26562 (Overview and Discussion of 2022-2024

A MESSAGE FROM THE CITY MANAG

JASON LAUMER
CITY MANAGER

Thank you for your interest in our 2022-2024 Strategic Plan. Celina is one of the most exciting places to live, work, and raise a family. Without a doubt, these are some of our most fantastic years, and I am thankful to serve a community that carries in its heart the Core Values and effort needed to make this plan a reality.

I can confidently say that, because of the wonderful people who live and serve here, we have accomplished nearly every goal and outpaced expectations set in our 2018-2020 Strategic Plan, despite the challenges we faced around the world and here at home in 2020 and 2021. Our 2022-2024 Strategic Plan highlights many long-term goals with a fresh set of objectives to achieve our 25-year mission.

The City has worked tirelessly to enhance the quality of life for our residents and businesses by strengthening our infrastructure, expanding our parks and green spaces, attracting new businesses, and beautifying our historic Downtown. We have done this as a result of our intentional efforts to grow wisely as our population base multiplies. We consciously balance our "what if" ideas with what is and what was. While this City is committed to a robust future, we will forever be connected to our past—the people, the leaders, the values and the successes that have shaped this plac into the Celina of today.

As Celina continues to develop, we commit t the same care for every neighborhood, park, trail, and public safety measure. Growing wis involves a partnership with developers, rath than just their investment. Those who build structures here will also build parks, roads, and provide areas for schools and support for the students who attend them. The new neighborhoods and businesses you see are evidence of the City's commitment to mainta the spirit of our motto - *Life Connected*.

Over the coming two years, you can expect to see continued growth, but that growth wil never be extended to a point that compromi the beauty, safety, or values that make Celin the most attractive place to call home. We ca accomplish every goal within this plan while remaining true to the historical heart of this community. With the help of our residents, City leaders, first responders, school district, faith leaders, and YOU, we can accomplish o mission, reflect our Core Values, honor our storied past, and forever remain *Life Connect*

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Attachment: 26562 (Overview and Discussion of 2022-2024

25-YEAR GOAL: OUR MIS

Our mission is to preserve our agricultural heritage and flouri
as a close-knit, ever-growing Celina family during the explos
and planned growth of our City. We will provide a unique a
extraordinary quality of life complemented by a significant ar
of high-tech and desirable businesses, agritourism assets, uni
destinations, and connectio

DRAFT

Attachment: 26562 (Overview and Discussion of 2022-2024

THE CITY OF CELINA
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

INTEGRITY

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

DRAFT

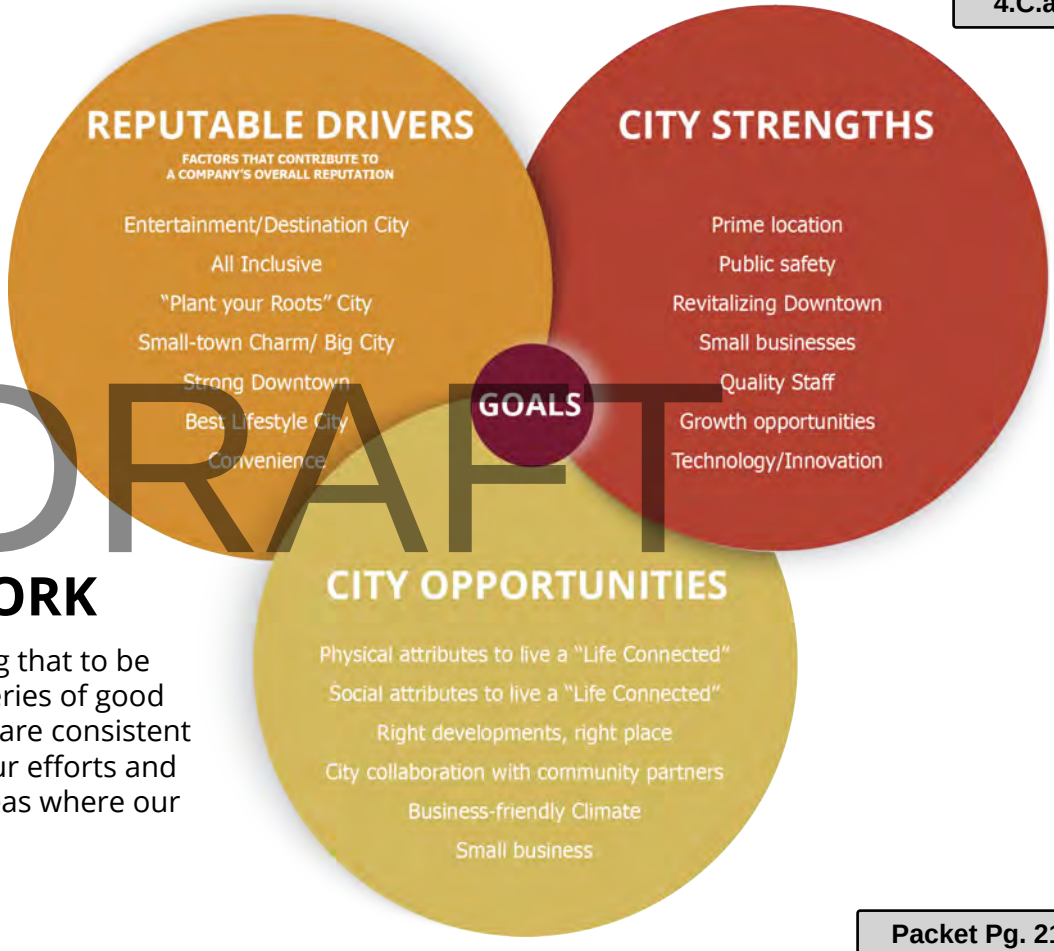
COMMUNITY

- 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

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: 26562 (Overview and Discussion of 2022-2024



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VISION FRAMEWORK

We have a deep understanding that to be truly great, we must make a series of good and strategic decisions, which are consistent with our Vision Framework. Our efforts and resources will reside in the areas where our three spheres intersect.

Attachment: 26562 (Overview and Discussion of 2022-2024

STRATEGIC PLAN GOALS

Our mission is to preserve our agricultural heritage and flourish as a close-knit, 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 destinations, and connections.

DRAFT

1. **Be the *Life Connected.* City**
2. **Be the Unique City**
3. **Be the City of the Future, Connected to its Past**
4. **Be the City built on Public Safety**
5. **Be the City of Servant Leaders**
6. **Be the City of Innovative Infrastructure**
7. **Be the City of Small Business**

Attachment: 26562 (Overview and Discussion of 2022-2024

DRAFT

1 BE THE *LIFE CONNECTED.* CITY

Living a life connected is not just our tagline, it's a mantra that extends into every decision made. *Life Connected.* touches on the social and physical aspects of connectivity.

Objectives within this Strategic Plan goal touch upon quality of life enhancements that aim to keep residents invested long-term.

DRAFT

2018-2020 Strategic Plan Recap

- Gigabit City
- Began HOA Quarterly Meetings
- Neighborhood Improvement Grants
- Expanding special events lineup
- Blue Santa

4.C.a

Attachment: 26562 (Overview and Discussion of 2022-2024

Packet Pg. 24

DRAFT

2 BE THE UNIQUE CITY

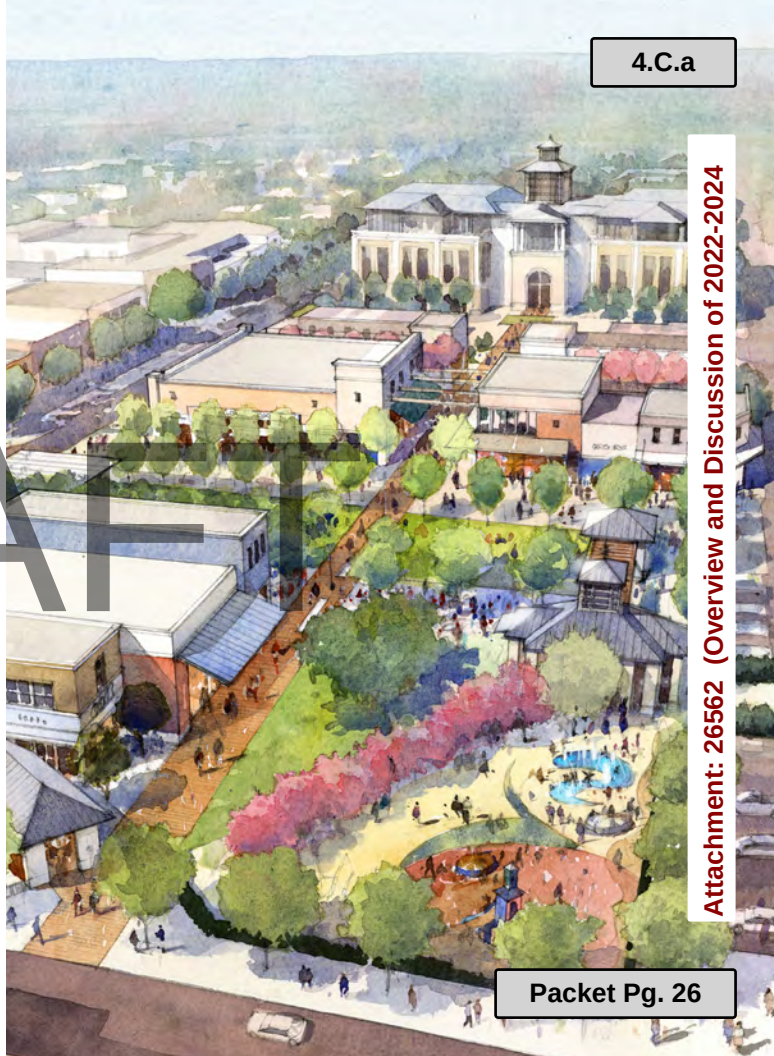
Celina is known for its small-town charm. Nothing exhibits our small-town charm better than our historic Downtown. This Strategic Plan goal seeks to preserve Celina's unique heritage through fortifying and expanding Downtown, carrying these unique attributes to other planning efforts around the City and infusing Celina's agricultural past into City projects.

Furthermore, this strategic plan goal seeks to embrace future residents through tradition and heritage efforts that share our story.

DRAFT

2018-2020 Strategic Plan Recap

- Completed Parks and Trails Master Plan
- Completed Downtown Master Plan
- Completed Comprehensive Plan
- Established Agritourism framework



4.C.a

Attachment: 26562 (Overview and Discussion of 2022-2024

Packet Pg. 26

3 BE THE CITY OF THE FUTURE, CONNECTED TO IT'S PAST

How does Celina maintain its unique qualities while experiencing exponential population growth? This Strategic Plan goal seeks to conne current and future residents to Celina's unique past.

Objectives in this strategic plan goal include recommending future projects that reflect Celina's unique culture

DRAFT

2018-2020 Strategic Plan Recap

- Expanded Friday Night Market
- Incorporate heritage components into C design elements
- Dedicated a day for Heritage Festival

Attachment: 26562 (Overview and Discussion of 2022-2024

4 BE THE CITY
BUILT ON PUBLIC SAFETY

Safety and security are two of the most basic human needs and one of the biggest drivers of quality of life in cities.

Public safety and emergency services are a strength, and we intend to fortify them.

DRAFT

2018-2020 Strategic Plan Recap

- Law Enforcement Center funded and under design
- Substantial growth of Fire and Police Departments
- Opening of Fire Station #2
- Have secured all police and fire locations
- Established School Resource Officer partnership with Celina ISD

Attachment: 26562 (Overview and Discussion of 2022-2024

5 BE THE CITY OF SERVANT LEADERS

This goal speaks to our organizational culture to attract and retain the right employees in the right role, who are motivated to serve the community.

The philosophy of servant leadership puts the needs and growth of others first.

DRAFT

2018-2020 Strategic Plan Recap

- Developed an Organizational Leadershi position
- Quarterly Coffee with Frontline Staff
- Supervisor and Leadership Training
- One-on-ones and Welcome Meetings wi the City Manager

Attachment: 26562 (Overview and Discussion of 2022-2024

6 BE THE CITY OF INNOVATIVE INFRASTRUCTURE

Infrastructure innovation is a necessity in a high growth city. With limited resources and a high demand for new infrastructure, a creative approach is required when addressing funding mechanisms.

This Strategic Plan goal speaks to adopting innovative infrastructure policy and projects that ensures a sustainable path for growth.

DRAFT

2018-2020 Strategic Plan Recap

- Completion of Choate Parkway
- Completed CIP Master Plan
- Updated master thoroughfare plan to include bike lanes
- *Life Connected.* App
- Preston Road Water and Wastewater line improvements

4.C.a
Attachment: 26562 (Overview and Discussion of 2022-2024
Packet Pg. 30

7 BE THE CITY OF SMALL BUSINESS

Small business is one of our biggest strengths and opportunities. It represents the heart of ou community, and we recognize its importance t our quality of life and economic development.

Objectives in this strategic plan goal include adopting policies, codes, and ordinances that cultivate the right environment for small businesses to thrive.

DRAFT

2018-2020 Strategic Plan Recap

- Over 50 new businesses
- Small business spotlight videos
- Partnered with Celina EDC to host Quarterly Downtown Merchant Meeting
- Council approval of grants for renovatio of Downtown buildings

Attachment: 26562 (Overview and Discussion of 2022-2024

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CELINA
TEXAS
EST. 1876

Life Connected.

Attachment: 26562 (Overview and Discussion of 2022-2024

Parks and Recreation
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Cody Webb, Director of Parks and Recreation
Date: April 12, 2022
Re:

Action Requested:
Update on Senior Citizen Building Remodel (Webb)

Background Information:
The project will include renovation of the existing JV field house to include mechanical, electrical and plumbing systems. The exterior will keep the existing metal building skin but add 3'-0" wainscot of adhered stone around the entire perimeter of the building. The exterior will also include the addition of a vestibule and covered entry. Site work includes parking, driveways, and landscaping.

The agreement including the fee schedule and timeline are attached.

The timeline is approximately 16 months.

The City maintains an executed Master Services Agreement (MSA) with the engineering firm for on-call engineering services.

Alternatives:
Council may reject the authorization and direct staff.

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

Legal Review:
Contract has been previously reviewed and approved.

Supporting Documents:
Agreement and Exhibit A

Staff Recommendation:

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
Date: April 12, 2022
Re: Texas New Mexico Power Transmission Line

Action Requested:
Discussion on Proposed Texas New Mexico Power Transmission Line (Brawner)

Background Information:
TNMP proposes to construct a 138 kilovolt (kV) transmission line from the proposed Pilot Point Substation, located approximately 0.2 miles east of the intersection of United States Highway 377 (US 377) and East McDonald Drive in Denton County, to the existing 138 kV transmission system in Collin, Denton, or Grayson Counties

Board Review/Citizen Input:
N/A

Alternatives:
N/A

Financial Considerations:
N/A

Legal Review:
N/A

Supporting Documents:
Powerpoint Presentation

Staff Recommendation:

TEXAS NEW MEXICO POWER 138 KV TRANSMISSION LINE PROJECT

City Council
April 12, 2022

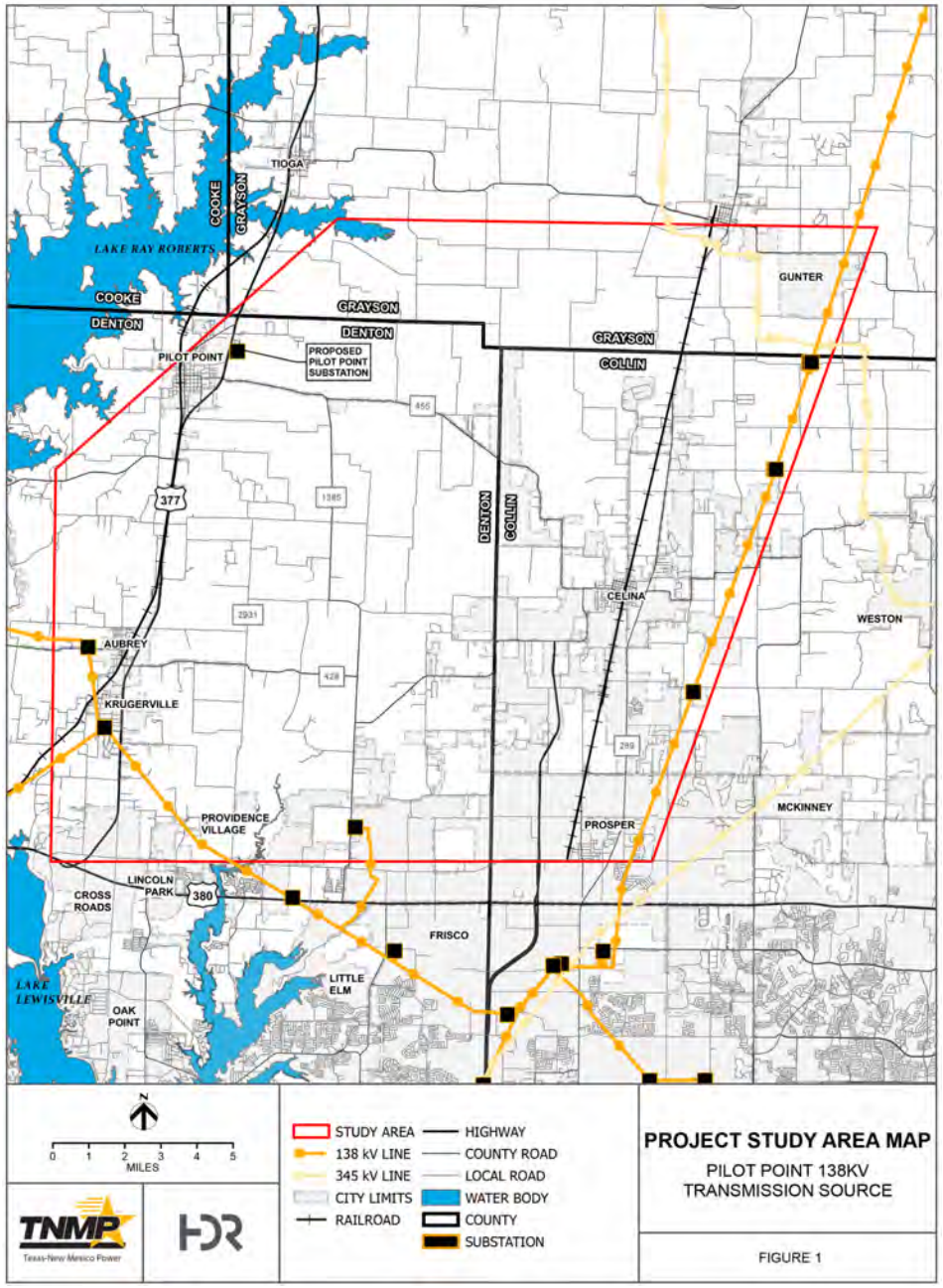
Attachment: 26550 (TNMP Transmission Line)

BACKGROUND

- TNMP proposes to construct a 138 kilovolt (kV) transmission line from the proposed Pilot Point Substation, located approximately 0.2 miles east of the intersection of United States Highway 377 (US 377) and East McDonald Drive in Denton County, to the existing 138 kV transmission system in Collin, Denton, or Grayson Counties.
- This area of North Texas is one of the fastest growing residential areas in the entire country, and the Pilot Point project is necessary to support growth in the area. This transmission line project will directly support the area's residential and commercial development and ensure reliable electric service to commercial and residential customers.

Attachment: 26550 (TNMP Transmission Line)

STUDY AREA



Attachment: 26550 (TNMP Transmission Line)

PROJECT OVERVIEW

- Preliminary transmission line links were identified on an overlay of the composite environmental and land use constraints map.
- The route links are preliminary line segments developed following field reconnaissance and review of environmental and social constraints.
- Not all route links will be constructed. Rather, one route will be determined by the PUCT.

Attachment: 26550 (TNMP Transmission Line)

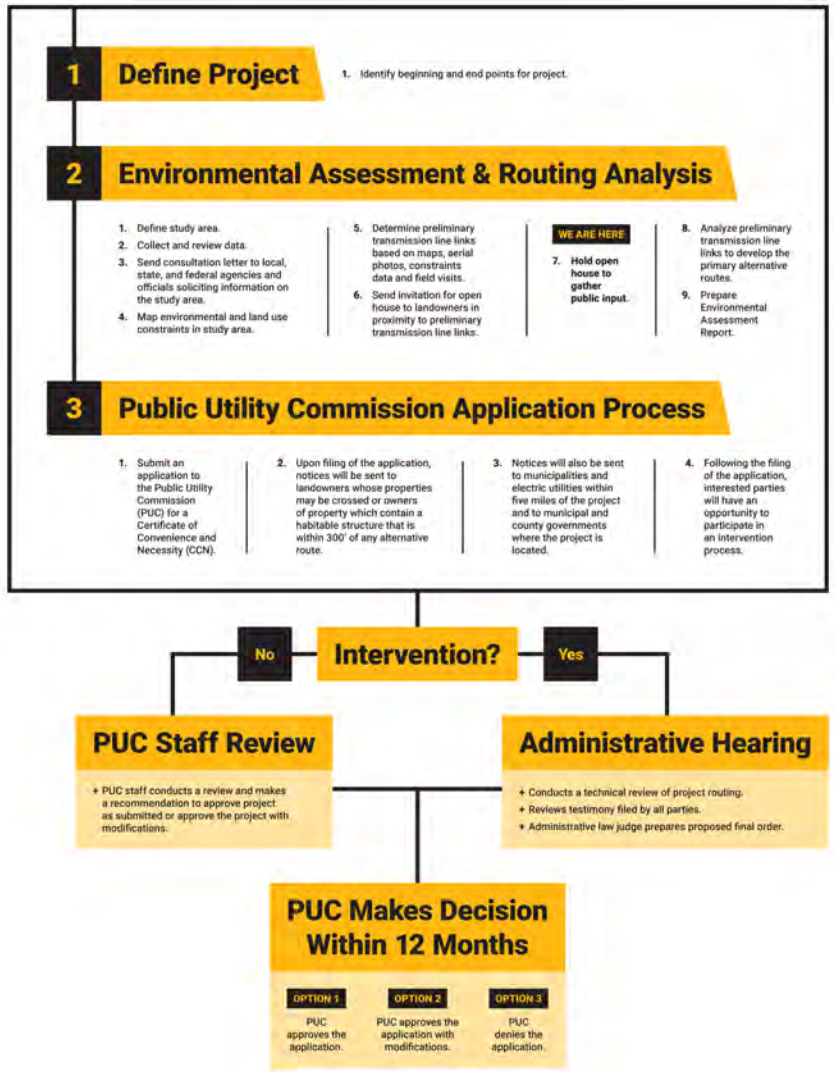
PROJECT TIMELINE

Transmission Line Project Phases	Duration	Start
Routing Study, Environmental Assessment, and Public Meeting	10 months	October 2021
File CCN/PUC Review	12 months	August 2022
PUC Approval		August 2023
ROW Activities	12 months	September 2024
Transmission Construction	6 months	March 2025

Attachment: 26550 (TNMP Transmission Line)

PUC PROCESS

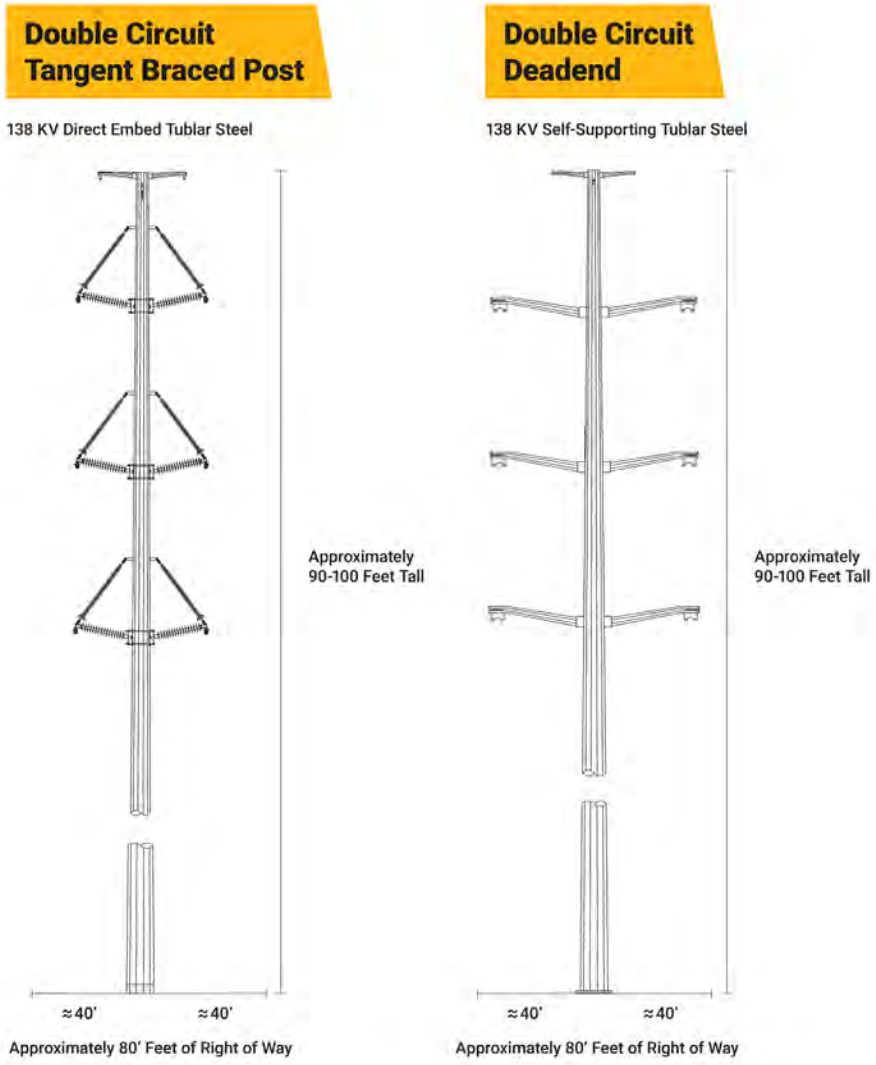
The Public Utilities Commission has a specific process for certifying transmission projects.



Attachment: 26550 (TNMP Transmission Line)

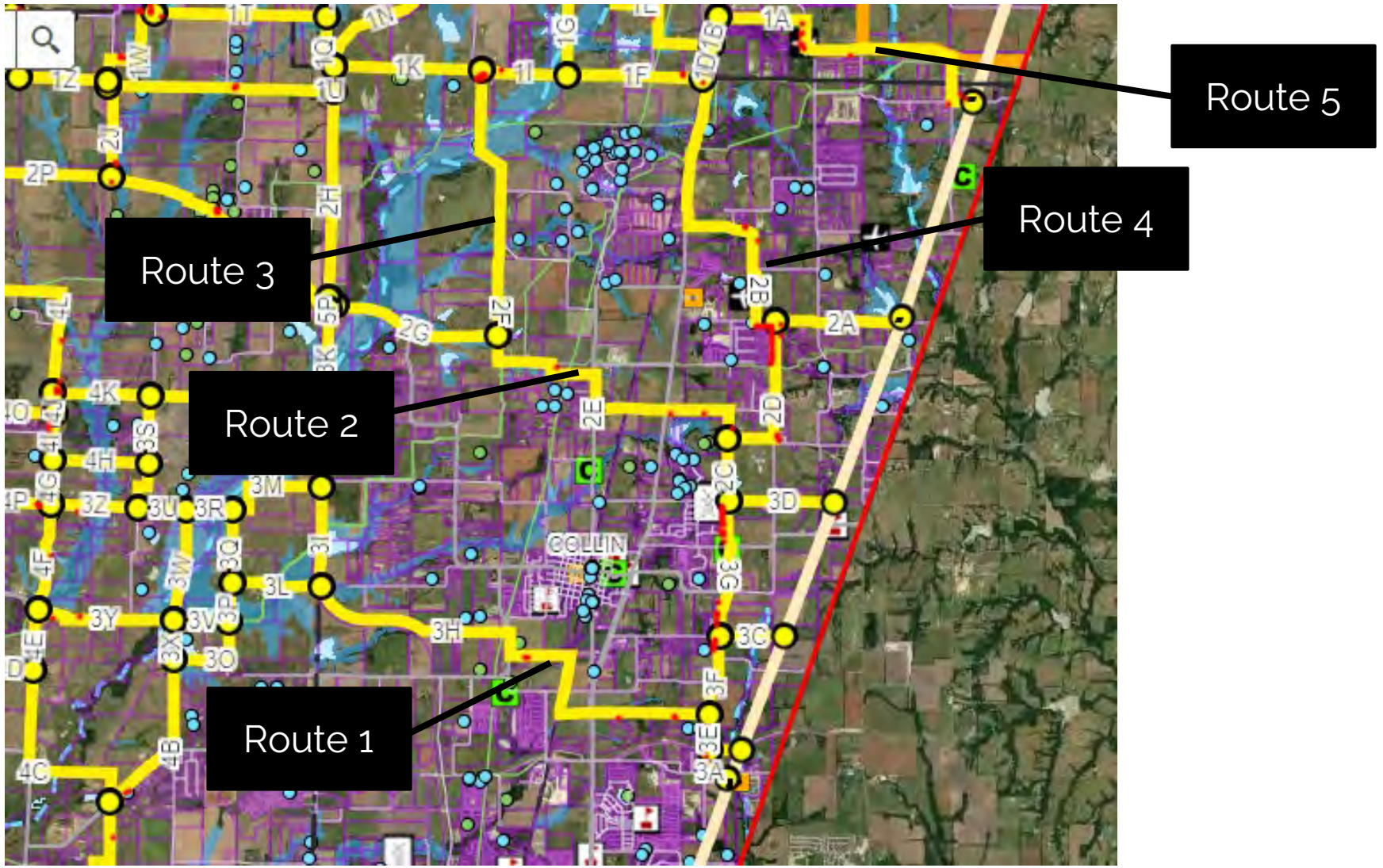
STRUCTURE EXAMPLES

The proposed construction for the transmission line will utilize a typical structures that are approximately 90 to 100 foot tall steel monopoles in a right-of-way that will be approximately 80 foot wide.



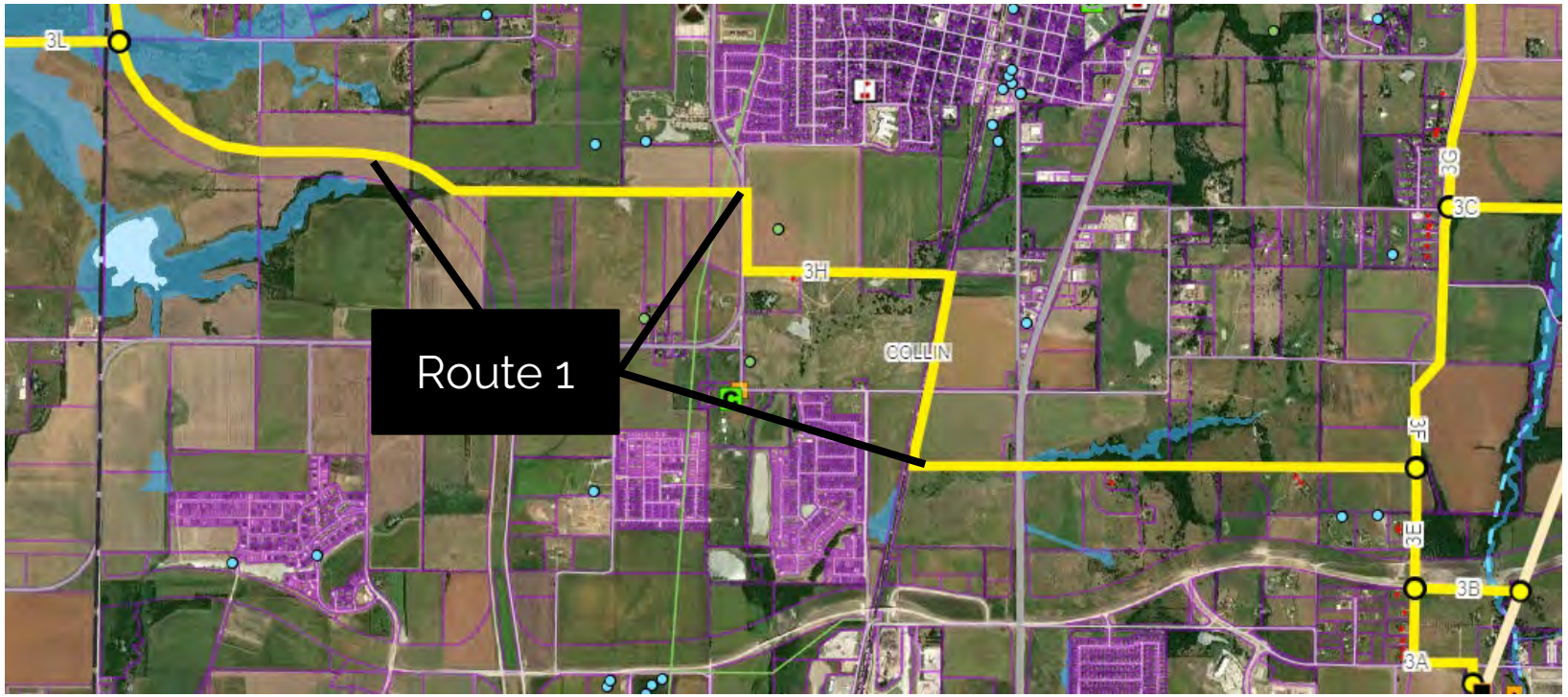
Attachment: 26550 (TNMP Transmission Line)

PROJECT OVERVIEW MAP



Attachment: 26550 (TNMP Transmission Line)

ROUTE 1 – STAFF OPPOSITION

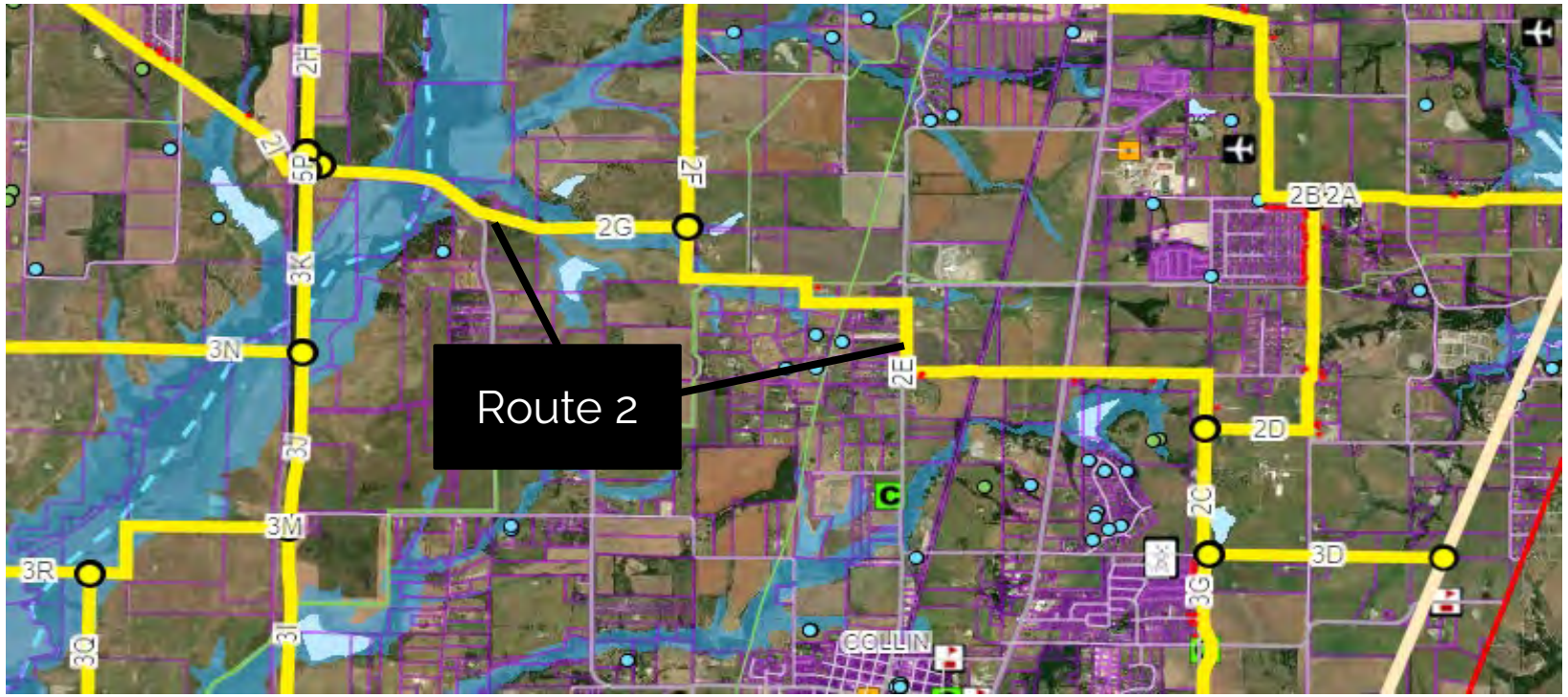


Reasons for Opposition

- Transmission Line Affects multiple SFR neighborhoods: Cross Creek Meadows, Glendenning Ranch
- Runs along Dallas North Tollway
- Affects future master plan infrastructure

Attachment: 26550 (TNMP Transmission Line)

ROUTE 2 – STAFF OPPOSITION

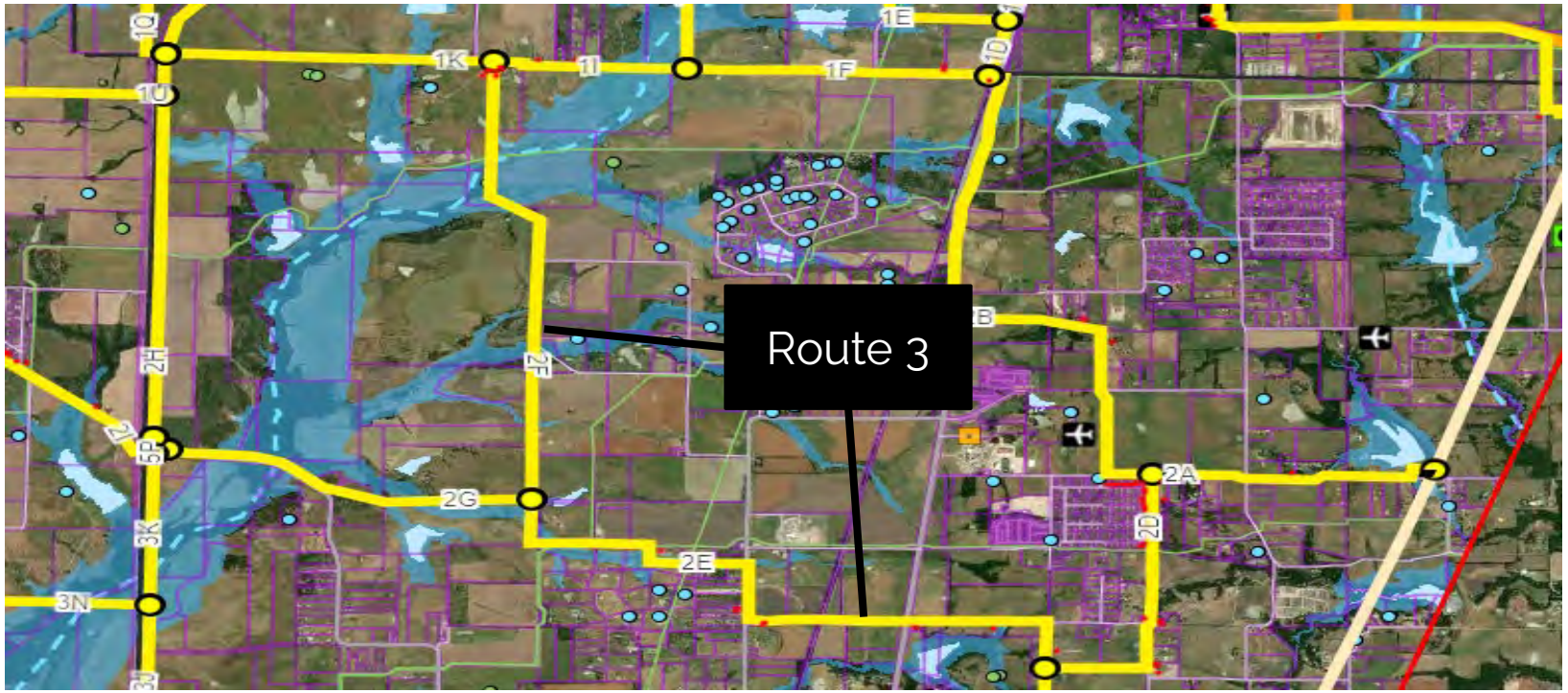


Reasons for Opposition:

- Multiple SFR neighborhoods affected: Eland Ranch
- Splits multiple property owners
- Affects Infrastructure along Co Rd
- Affects Infrastructure and Gas Lines along GA Moore Pkwy

Attachment: 26550 (TNMP Transmission Line)

ROUTE 3 – STAFF OPPOSITION

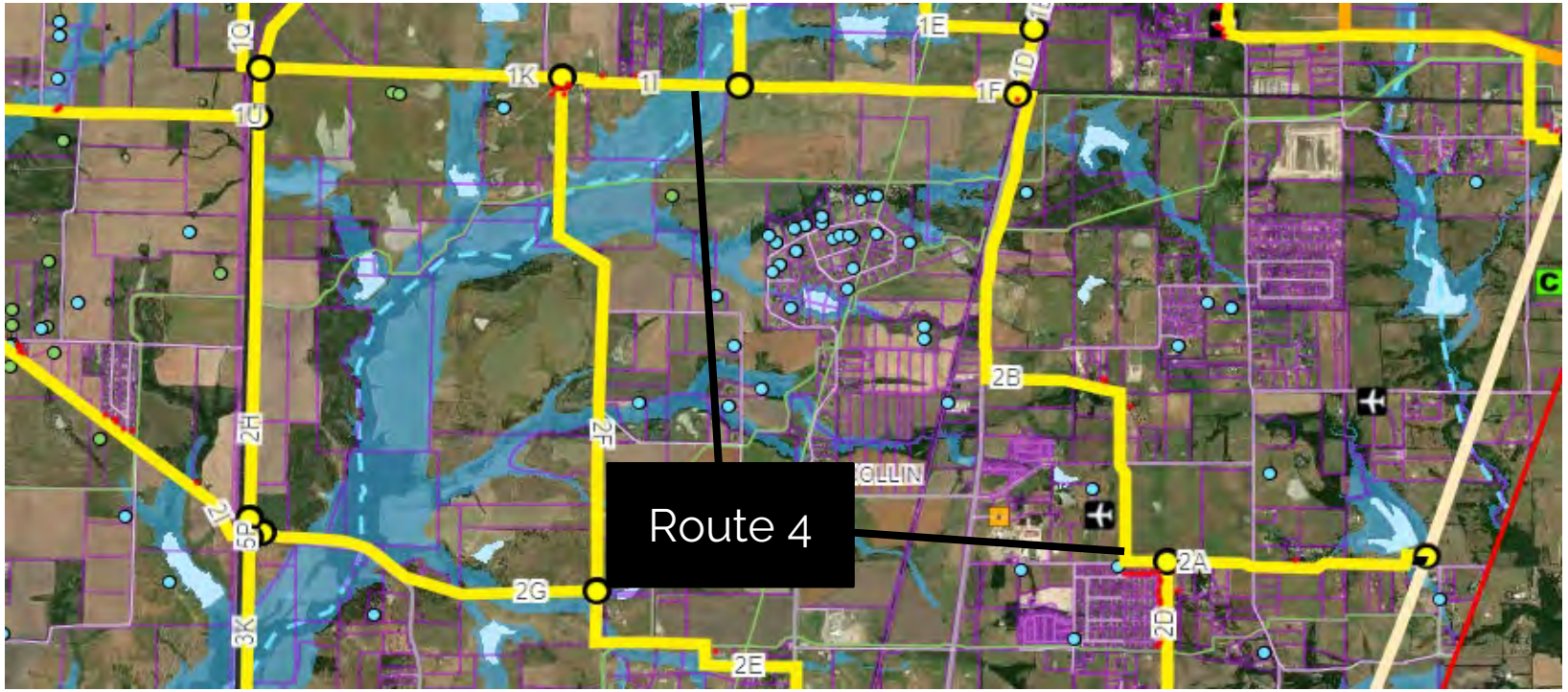


Reasons for Opposition:

- Multiple SFR neighborhoods affected: Eland Ranch, Legacy Hills, Robinson, Rasor
- Splits multiple property owners
- Affects Infrastructure along Co Rd

Attachment: 26550 (TNMP Transmission Line)

ROUTE 4 – STAFF OPPOSITION

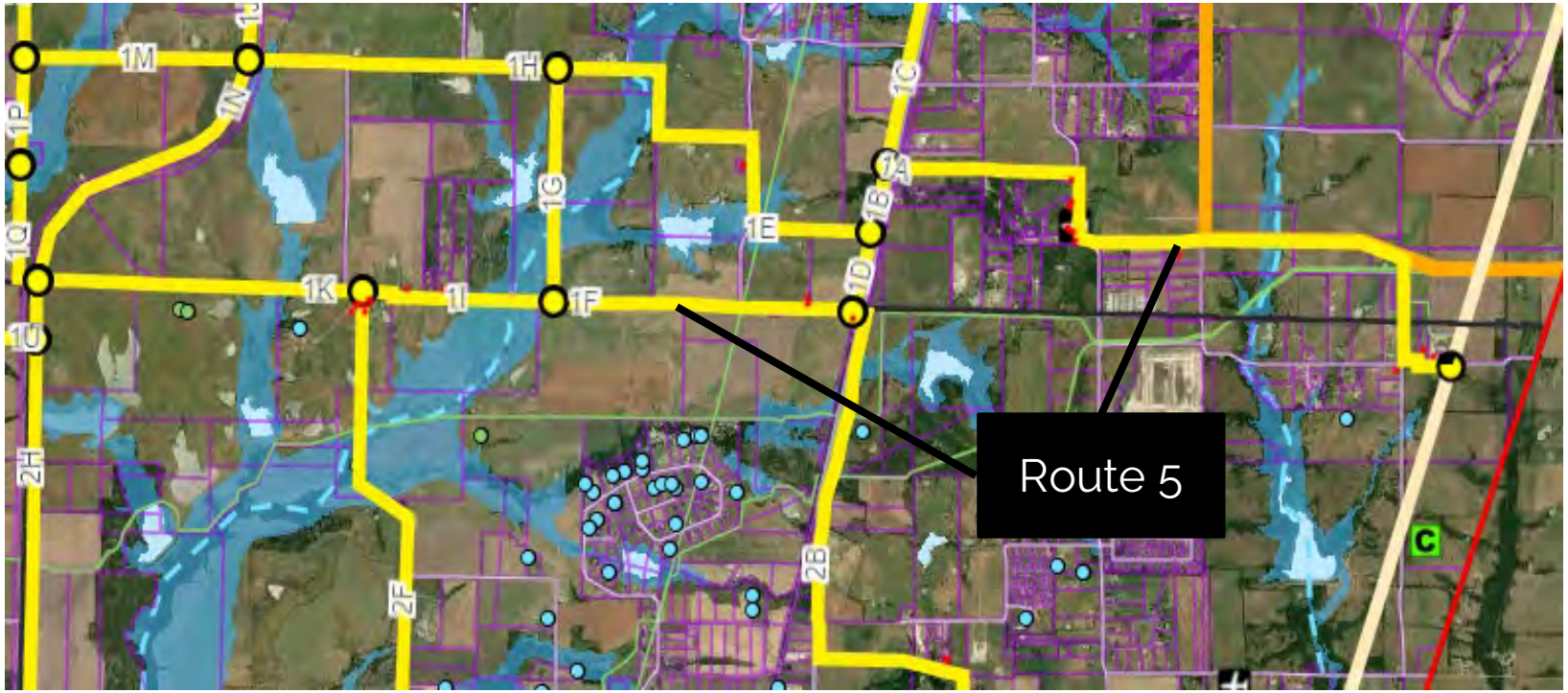


Reasons for Opposition

- Transmission Line Affects DC Ranch, Chalk Hill Neighborhooc
- Transmission Line splits 4 Winds Property (existing air strip)
- Existing Infrastructure on CR 13
- Splits multiple property owners

Attachment: 26550 (TNMP Transmission Line)

ROUTE 5 – PREFERRED ROUTE



No Opposition

- Line runs north of Celina's Ultimate Boundary and then comes down Preston and goes West along Marilee Rd

Attachment: 26550 (TNMP Transmission Line)

COMMENTS SUBMITTAL & PROJECT INFORMATION

- City of Celina has prepared this presentation solely for informational purposes and is not involved in the project.
- TNMP retained HDR, Inc. (HDR) to prepare this Environmental Assessment and Routing Study (EA) to support the application for a Certificate of Convenience and Necessity (CCN) for the proposed project.
- In order to submit comments and provide feedback on the proposed routes please visit tnmp-pilotpoint.com.
- The virtual public meeting materials will remain available online through the comment period deadline of April 8, 2022.

Contact Information

Gwen Jurisich
gwen.jurisich@hdrinc.com
17111 Preston Road, Suite 300
Dallas, Texas 75248

Attachment: 26550 (TNMP Transmission Line)

Life Connected.

CITY COUNCIL REGULAR MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, MARCH 15, 2022
5:00 PM

MINUTES

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Mayor Terry called the Regular Meeting of the Celina City Council to order at 5:00 p.m. on Tuesday, March 15, 2022 and announced a quorum was 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	Present	
Chad Anderson	City of Celina	Place 6	Present	
Sean Terry	City of Celina	Mayor	Present	

II. PLEDGE OF ALLEGIANCE/INVOCATION (PASTOR ED PRICE):

Pastor Ed Price gave the invocation.

Members of Cornerstone Ranch led the Pledge of Allegiance.

III. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

A. US Congressman Pat Fallon Presentation and Proclamation for Walter Eugene Hunter (Terry)

Hannah Spurr, with U.S. Congressman Pat Fallon's office, presented Mr. Walter Eugene Hunter with a proclamation and a flag that was flown in his honor at the Capital.

B. Cornerstone Ranch and Recognition of National Disability Awareness Month Proclamation (Terry)

Mayor Terry presented members of Cornerstone Ranch with a proclamation in recognition of National Disability Awareness Month.

C. Las Gatitas State Championship Proclamation (Terry)

This item was moved to a later date.

D. Dane Parsons State Championship Proclamation (Terry)

Minutes Acceptance: Minutes of Mar 15, 2022 5:00 PM (Minutes Approval)

Mayor Terry presented Dane Parson with a proclamation recognizing his State Championship title in Digital Animation at the UIL Young Filmmaker's State Festival.

E. Procurement Month Proclamation (Terry)

Mayor Terry presented Dawn Berry, Purchasing Director, with a proclamation in recognition of Procurement Month.

IV. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

A. 2021 Police Department Award Recipients (Cullison)

Police Chief Cullison presented the 2021 Police Department Award Recipients:
Supervisor of the Year - Sgt. Kyle Peck
Officer of the Year - Cameron Coduti
Certificate of Merit - Amber Adams
Servant Leadership - Shane DiGeorge, Sgt. Jonathan Harris, Sgt. Cortnie Webb
Life Saving Award & Police Commendation - Det. Chris Armstrong, Det. Josh Armstrong, Sgt. Bryce Kennedy, Sgt. Kyle Peck
Meritorious Conduct - Sgt. Bryce Kennedy, Sgt. Cortnie Webb

B. Introduction of new employees, recognitions, promotions. (Metdker, McAfee, Monaco, Berry, Webb)

Staff Reports

C. Discussion regarding fiscal year 2022 updates to the Procurement Policy.

Dawn Berry, Purchasing Director, presented updates made to the Procurement Policy.

D. Discussion regarding a new local preference policy.

Dawn Berry, Purchasing Director, provided an update on the Local Preference Policy.

E. 5523 : Presentation of 2021 Employee Survey Results and Human Resources Update

Kristina Peters, Human Resources Director, presented the 2021 Employee Survey results and provided the quarterly update.

F. Discussion regarding FY22 budget (Stovall)

Robin Bromiley, Finance Director, provided the quarterly update for the fiscal year 2022 budget.

G. Discussion regarding an RFP for a Neighborhood Electric Vehicle Service. (Satarino)

Anthony Satarino, Strategic Services Manager, led discussion regarding a request for proposals for neighborhood electric vehicle service.

V. OPEN FORUM:

David Quick, 403 South Oklahoma Drive, Celina, Texas, spoke in regards to placement of political signs and the enforcement of policies and regulations related to same.

VI. EXECUTIVE SESSION:

The City Council convened into Executive Session at 6:14 p.m.

Minutes Acceptance: Minutes of Mar 15, 2022 5:00 PM (Minutes Approval)

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 legal implications of a resolution implementing a public information policy

B. Discussion regarding claims forwarded to the City by Nicole Cruzan regarding construction and inspection of a residence located at 1416 Red Rose Trail

C. Shea Scott v. City of Celina, Texas; Cause No. DC-20-18195; In the District Court of Dallas County, Texas; 44th Judicial District

D. Discussion regarding a Development Agreement between the City and Moses and Mary Jane Hubbard generally located at the northwest corner of Preston Road and future G. A. Moore Parkway, within the Extraterritorial Jurisdiction

E. Discussion regarding an Amendment to a Development Agreement between the City and CCD - North Sky, LLC generally located west of Louisiana Drive and approximately 1,600 feet north of future G. A. Moore Parkway

F. Discussion regarding a Real Estate Sales Contract between the City and 3G Investments, LLC

G. Discussion regarding status of Pump Station land acquistion

H. Discussion regarding Blue Angus condemnation status generally located south of FM 428 and North of Abby Drive

Reconvene Into Open Session

The City Council reconvened into Open Session at 7:18 p.m.

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

J. Consider and act on a Resolution of City of Celina, Texas adopting a policy implementing the Public Information Act; Providing for revocation of conflicting policies and resolutions; Providing staff direction; Providing a savings and severability clause; And providing an effective date

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

K. Consider and act on a Real Estate Sales Contract between the City and 3G Investments, LLC

Minutes Acceptance: Minutes of Mar 15, 2022 5:00 PM (Minutes Approval)

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

L. Consider and act upon the withdrawal of Resolution for Acquisition of property for Pump Station land located in the Samuel Queen Survey, Abstract A0731, Tract 6, 19.029 acres

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

VII. CONSENT AGENDA:

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

A. Minutes Approval:

1. City Council - Regular Meeting - Jan 11, 2022 5:00 PM

2. City Council - Regular Meeting - Feb 8, 2022 5:00 PM

B. Consider and act upon a request to amend a development agreement with CCD-North Sky, LLC; generally located at the southwest corner of Louisiana Drive and County Road 58, within the Extraterritorial Jurisdiction (ETJ). (North Sky – DA 1st Amendment) (Mohan)

C. Consider and act upon a request to amend an incentive agreement with Mangiamo Italian Market & Deli, LLC. (Satarino)

D. Consider and act upon a request to amend an incentive agreement with Pecan Station, LLC. (Satarino)

E. Consider and act upon a resolution of the City of Celina, Texas, determining the costs of certain authorized improvements to be financed within the Celina Hills Public Improvement District; approving a preliminary service plan and assessment plan, including a proposed Assessment Roll; directing the filing of the proposed Assessment Roll with the City Secretary; and providing for noticing and calling a public hearing on April 12, 2022 to consider an ordinance levying assessments on property located within of the Celina Hills Public Improvement District. (Pollard)

F. Consider and act upon a Service Agreement for C-3 annexed property between the City of Celina and the owner of approximately 4.8 acres within the Extraterritorial Jurisdiction, generally located south of Sunset Boulevard and approximately 1,950 feet east of KC Robinson Lane. (Shades of Green – Annexation Service Agreement) (McAfee)

Minutes Acceptance: Minutes of Mar 15, 2022 5:00 PM (Minutes Approval)

G. 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)

H. Consider and act to purchase hardware and cloud storage services through a cooperative contract with DIR and Freeit Data Solutions in an amount not to exceed $215,778.39. (Berry)

I. Consider and act upon approval of a Joint General Election Contract for election services by and among the City of Celina, Collin County Elections Administrator, and political subdivisions of Collin County, and a Joint General Election Agreement by and among the City of Celina, Denton County Elections Administrator and political subdivisions of Denton County. (Field)

J. Consider and act to authorize the Contract and GMP for the Public Works Service Center Improvements, Phase 1 to Hill & Wilkinson General Contractors for a total amount of $991,308.00 plus ten percent contingency in the amount of $99,130.80 for a total amount not to exceed $1,090,438.80. (Berry)

K. Consider and act to authorize an agreement for design services for Coit Road and Ownsby Parkway from Vest Road to 1,200 feet north of Punk Carter Pkwy with Halff Associates, Inc., in an amount not to exceed $691,000.00. (Berry)

L. Consider and act to authorize an agreement for testing services for the 6 MG Storage Tank project with EST, Inc., in an amount not to exceed $59,951.50. (Berry)

M. Consider and act to authorize an agreement with Garver, LLC., for application assistance with the Rasor Regional WRF Discharge Permit in an amount not to exceed $92,894.00. (Berry)

N. Consider and authorize the City Manager to approve payment of the City's contribution (55%) estimated to be $2,183,909.65 for the construction of Coit Road East. (Brawner)

O. Consider and act to authorize the City Manager to execute a license agreement by and between the City of Celina and Celina Real Estate, LLC Glasgow)

P. Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Collin County Municipal Utility District No. 1 (CCMUD No. 1)for the operation and maintenance of Light Farms Way's section within the City Limits. (Glasgow)

Q. Consider and act to authorize an agreement for engineering services for the coordination of easements and ROW for Legacy Hills Development with Specialty Land Services, LLC., in an amount not to exceed $101,725.00. (Berry)

R. Consider and act to award bid 2022-0113 for the construction of Willock Hills Lift Station to 2T Underground, LLC., for the base bid in the amount of $473,507.60 plus ten percent contingency in the amount of $47,350.76 for a total amount not to exceed $517,858.36. (Berry)

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S. Consider and act to authorize the City Manager to execute a reimbursement agreement by and between the City of Celina, Tollway/Outer Loop, L.P. (Cambridge), and Tellus Group, LLC (Tellus) for the reimbursement of an 18" water main along Punk Carter Boulevard. (Glasgow)

VIII. PUBLIC HEARING/ACTION:

A. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by rezoning approximately 12.1 acres to the Dallas North Tollway Overlay District (DNTO), generally located at the northeast corner of the future Dallas North Tollway and Collin County Outer Loop, within the City Limits. (12 Acres on DNT – Rezoning) (Mohan)

Mayor Terry opened the public hearing at 7:21 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:21 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Justin Steiner, Place 1
SECONDER:	Jay Pierce, Place 2
AYES:	Steiner, Pierce, Wigginton, Hopkins, Koehne, Anderson

B. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by rezoning approximately 2 acres to a Planned Development (PD) with a base zoning of Industrial District (I), generally located east of Louisiana Drive and 1,570 feet south of future J. Fred Smith Parkway, within the City Limits. (881 N. Louisiana – Rezoning) (McAfee)

Mayor Terry opened the public hearing at 7:24 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:24 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wendie Wigginton, Place 4
SECONDER:	Chad Anderson, Place 6
AYES:	Steiner, Pierce, Wigginton, Hopkins, Koehne, Anderson

C. Conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of approximately 4.8 acres, generally located south of Sunset Boulevard and approximately 1,950 feet east of KC Robinson Lane, within the Extraterritorial Jurisdiction (ETJ). (Shades of Green – Annexation) (McAfee)

Mayor Terry opened the public hearing at 7:27 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:27 p.m.

Minutes Acceptance: Minutes of Mar 15, 2022 5:00 PM (Minutes Approval)

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

D. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning approximately 10 acres to a Planned Development (PD) with a base zoning of Commercial, Office, & Retail District (C) and Agricultural District (AG), generally located south of Sunset Boulevard and approximately 1,950 feet east of KC Robinson Lane. (Shades of Green – Zoning) (McAfee)

Mayor Terry opened the public hearing at 7:28 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:28 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Mindy Koehne, Place 5
AYES:	Steiner, Pierce, Wigginton, Hopkins, Koehne, Anderson

E. The Celina City Council will conduct a public hearing in accordance with Texas Local Government Code Section 43.0686(c)(3), and other applicable law, to consider testimony and provide members of the public an opportunity to be heard on the proposed annexation of the following properties and consider and act upon an Ordinance annexing the below listed properties, presently located within the extraterritorial jurisdiction of the City of Celina, providing for amending of the Official City Map; providing for a service plan; requiring the filing of the Ordinance with the county clerk; prescribing for effect on territory/area, granting as appropriate to all the inhabitants of the 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; and providing for other matters related thereto for the following properties: (21-01 Annexation Third Public Hearing and Ordinance Adoption) (Mohan)

Mayor Terry opened the public hearing at 7:29 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:31 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Mindy Koehne, Place 5
AYES:	Steiner, Pierce, Wigginton, Hopkins, Koehne, Anderson

F. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning an approximately 226 acres to Planned Development (PD) with Single-Family Residential Detached District (SF-R) base zoning, generally located west of Louisiana Drive and approximately 1,600 feet north of future G. A. Moore Parkway. (North Sky (Chan Moore) - C-4 PD Zoning) (Mohan)

Mayor Terry opened the public hearing at 7:34 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:34 p.m.

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RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jay Pierce, Place 2
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Wigginton, Hopkins, Koehne, Anderson

G. Conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning an approximately 142 acres to Agricultural District (AG), generally located west of future Peterman Parkway, north of future Sunset Boulevard, east of future Legacy Drive, and south of future G. A. Moore Parkway. (North Sky (Chan Moore) - C-4 Remainder Zoning) (Mohan)

Mayor Terry opened the public hearing at 7:36 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:36 p.m.

RESULT:	**APPROVED [5 TO 1]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Justin Steiner, Place 1
AYES:	Steiner, Pierce, Hopkins, Koehne, Anderson
NAYS:	Wigginton

H. Conduct a public hearing to consider and act upon a Development Agreement between the City of Celina and The Trails Baptist Church; generally located north of FM 455 and approximately 1,565 feet west of future Celina Parkway, within the Extraterritorial Jurisdiction (ETJ). (Trails Baptist Church – Development Agreement) (Mohan)

Mayor Terry opened the public hearing at 7:39 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:39 p.m.

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

I. Conduct a public hearing to consider and act upon a Development Agreement between the City of Celina and David Tittle, C. Dianne Fox, and Kim Lee; generally located at the northwest corner of future Celina Parkway and future J. Fred Smith Parkway, within the City Limits. (KDD Ranch – Development Agreement) (McAfee)

Mayor Terry opened the public hearing at 7:44 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:44 p.m.

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

J. Conduct a public hearing to consider and act upon a Development Agreement between the City of Celina and Moses and Mary Jane Hubbard Trust C/O Board of Trustees (Trustees) (C/O Stephen Robinson, Secretary of the Board); generally located at the northwest corner of Preston Road and future G. A. Moore Parkway, within the Extraterritorial Jurisdiction (ETJ). (Hubbard Trust – Development Agreement) (McAfee)

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Mayor Terry opened the public hearing at 7:48 p.m.
A representative with KFM Engineering spoke in favor of the item.
With no one else wishing to speak, Mayor Terry closed the public hearing at 7:50 p.m.

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

K. Conduct a public hearing to consider testimony regarding the creation of the Ten Mile Creek Public Improvement District and act upon a resolution creating the Ten Mile Creek Public Improvement District. (Ten Mile Creek - PID Creation Resolution) (Pollard)

Mayor Terry opened the public hearing at 7:52 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:52 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wendie Wigginton, Place 4
SECONDER:	Chad Anderson, Place 6
AYES:	Steiner, Pierce, Wigginton, Hopkins, Koehne, Anderson

L. Conduct a public hearing and act upon an ordinance of the City of Celina, abandoning the right-of-way totaling approximately 0.032 acre, as more particularly described and depicted in Exhibit "A", to the abutting owner; generally located north of W Poplar Street and west of Louisiana Drive; and providing for the furnishing of a certified copy of this ordinance for recording in the real property records of Collin County, Texas, as a quit claim deed of the City; and providing an effective date. (North Square at Uptown ROW Abandonment) (Glasgow)

Mayor Terry opened the public hearing at 7:54 p.m.
With no one wishing to speak, Mayor Terry closed the public hearing at 7:54 p.m.

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

IX. ACTION ITEM:

A. Consider and act upon acceptance of the 2020/2021 Fiscal Year Audit, Single Audit and presentation by BKD. (Bromiley)

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

B. 5521 : Consider and take action regarding a resolution appointing City Council liaisons to City advisory boards

City Council members were appointed as Liaisons to the following boards and commissions:
Planning and Zoning Commission - Wendie Wigginton

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Parks and Recreation Board - Chad Anderson
Downtown Commission - Andy Hopkins
Special Events Advisory Committee - Justin Steiner

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wendie Wigginton, Place 4
SECONDER:	Chad Anderson, Place 6
AYES:	Steiner, Pierce, Wigginton, Hopkins, Koehne, Anderson

X. ADJOURNMENT:

The Regular Meeting of the Celina City Council was adjourned at 8:08 p.m. on Tuesday, March 15, 2022.

_____
Sean Terry, Mayor

_____ _____
Secretary Date Minutes Approved

Minutes Acceptance: Minutes of Mar 15, 2022 5:00 PM (Minutes Approval)

Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: David Amsler, Assistant
Date: April 12, 2022
Re: Facilities Agreement w/ Celina Real Estate

Action Requested:
Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Celina Real Estate, L.P. for a facilities agreement regarding use of property for Cajun Fest. (Monaco)

Background Information:
Due to continued growth of the special events in downtown, the City is working with adjacent property owners to allow the City to utilize their property for events. Celina Real Estate has agreed to allow the City the use of their property in exchange for an indemnification agreement similar to our agreement for construction use during the 2019 remodel.

Board Review/Citizen Input:
N/A

Alternatives:
N/A

Financial Considerations:
There is no financial impact associated with this agreement.

Legal Review:
The City Attorney has reviewed this agreement.

Supporting Documents:
- Proposed agreement

Staff Recommendation:
Staff recommends approval.

FACILITIES AGREEMENT

~~**Off-site Parking**~~

This Facilities Agreement (this "Agreement") is by and between the CITY OF CELINA, TEXAS, a home rule city located in Collin and Denton County, Texas (the "City") and CELINA REAL ESTATE, LLC~~.P.~~ ("CRE") and is made and entered into effective as of ~~December~~May 10, 20~~22~~20~~January 1, 2019~~ (the "Effective Date"). ~~The parties~~The City and CRE are sometimes individually referred to as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, CRE holds fee simple title to approximately 0.3329 acres of land described by property identification number on the attached Exhibit A (the "Property"); and

WHEREAS, the City is ~~renovating its City Hall and Annex~~ expanding ~~Christmas on the Square~~the 10th Annual Cajun Fest (the "Event~~Improvements~~"); and

WHEREAS, the City is looking for opportunities to expand the Event ~~t~~outside of the historic Downtown Square and;~~o allow more individuals to participate and increase holiday spirit; and~~during construction of the Improvements, the City will need~~desires~~ to use the Property for off-site parking spaces for employees and visitors to its City Hall and Annex and for use as a laydown yard, materials staging area and parking of vehicles by contractors constructing the Improvements; and

WHEREAS, CRE has agreed to enter this Facilities Agreement with the City; and

WHEREAS, the Facilities Agreement will provide the terms by which the City may use the Property for ~~holiday activities~~ tour buses and production buses to be stationed during the Event ~~off-site parking for employees and visitors to its City Hall and Annex and for use as a laydown yard, materials staging area and parking of vehicles by contractors constructing the Improvements~~for off-site parking during the construction of the Improvements. ~~;~~

NOW THEREFORE, for and in consideration of these premises and of the mutual promises, obligations, covenants and benefits herein contained, the ~~parties contract~~Parties ~~and~~ agree as follows:

1) Term. This Agreement shall remain in effect from ~~December 1~~May 10, 20~~20~~22 to ~~December 5, 2020~~May 15, 2022 ~~January 1, 2019 until the earlier of (i) the completion of the Improvements, or (ii)~~to ~~February 28, 2020~~ ("Term").

2) Use of Property for the Event~~;, Maintenance and Restoration for Parking~~. CRE agrees that the City may use the Property during the Event to include an area for the

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Attachment: Canjun Fest Facilities Agree. CRE-Celina (003) (Facilities Agreement between the City and CRE for Cajun Fest)

tour bus for this year's headline John Michael Montgomery as well as production buses ~~bounce houses, vendors, and other related activities by contractors~~ to be staged for the City during the Term ~~, for off-site parking for employees and visitors to its City Hall and Annex and for use as a laydown yard, materials staging area and parking of vehicles by contractors for the City during the Term of this agreement~~. During the Term, the City agrees to keep the Property free and clear of trash and debris. If the condition of the Property was altered as a result of the use of the Property hereunder by the City or its invitees, then within thirty (30) days of the end of the Term, the City must restore the Property substantially to its original condition.

3) Waiver of Representation/Warranty and Assumption of Risk. The City acknowledges and agrees that CRE has not made any representation or warranty of any kind or nature as to the fitness of the Property for the use intended by the City hereunder and CRE expressly negates and disclaims any such representation or warranty. The City hereby agrees that its and its invitees use of the Property hereunder shall be at its and its invitees sole and exclusive risk and the City has and does hereby waive as against CRE any and all claims arising out of or in connection with its and its invitees use of the Property hereunder.

4) Indemnity. The City does hereby agree to waive all claims, release, indemnify, defend and hold harmless CRE, and all of its officers, agents and employees, from and against any and all liability, claims, losses, damages, suits, demands or causes of action including all expenses of litigation and/or settlement, court costs and attorney fees which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property occasioned by the error, omission, or negligent act of the City and its invitees on the Property, their officers, agents, or employees arising out of or in connection with the City's or its invitees use of the Property hereunder, and the City will at its own cost and expense defend and protect CRE from any and all such claims and demands. Such indemnities shall apply unless cause by the sole negligence or willful misconduct of CRE, its officers, officials, agents or employees.

5) Insurance.

During the Term, the City will secure and maintain, and will require its contractors to secure and maintain, the following insurance coverages with limits not less than the amounts specified, and with companies satisfactory to CRE who are authorized to do business in the State of Texas, and will furnish certificates of such insurance satisfactory to CRE before commencing use of the Property; provided, however, that no waiver of the provisions of the Section 5 will be inferred from any failure on the part of CRE to object or complain about the City's failure to furnish certificates of insurance satisfactory to CRE.

(a) Worker's Compensation and Employer's Liability Insurance with limits of not less than $1,000,000 per accident, which will fully comply with the statutory

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Attachment: Canjun Fest Facilities Agree. CRE-Celina (003) (Facilities Agreement between the City and CRE for Cajun Fest)

requirements of State laws as well as Federal laws, if applicable.

(b) Commercial General Liability Insurance INCLUDING CONTRACTUAL LIABILITY, with minimum limits of liability for injury, death, or property damage of $1,000,000 combined single limit per occurrence, and an aggregate annual limit of not less than $2,000,000.

(c) Automobile Liability Insurance covering owned, hired, and non-owned vehicles, with minimum limits for injury, death or property damage of $1,000,000 combined single limit per occurrence.

~~2)~~ (d) Excess Liability Insurance over that required in (a) through (c) above, with minimum limits of $5,000,000 and specifically including CRE's contractual liability.

~~3)~~6) Assignment/Non-Transferable. The ~~p~~Parties agree that this Agreement will ~~be~~ not assigned or transferred ~~without the prior written consent of the City of Celina~~by either Party; except that CRE may assign this Agreement to any third party in connection with such third party's purchase of the Property from CRE.

~~4)~~7) Successors and Assigns. The ~~p~~Parties, and their partners, ~~assigns, successors,~~ subcontractors, executors, officers, agents, employees, representatives, and administrators and their authorized successors and assigns, are hereby bound to the terms and conditions of this Agreement.

~~5)~~8) Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile, electronic mail or a hand–delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City, to:

City of Celina, Texas
c/o City Manager
142 N. Ohio St.
Celina, Texas 75009
Jlaumer@celina-tx.gov.~~(insert e-mail)~~
~~Fax:~~

Attachment: Canjun Fest Facilities Agree. CRE-Celina (003) (Facilities Agreement between the City and CRE for Cajun Fest)

If to the CRE, to:

Celina Real Estate, LLC~~,P~~.
16400 Dallas Parkway, Suite 100
Dallas, Texas 75248
Attn: Doug Smith ~~Robin McGuire~~

dougsmith~~rmcguire~~@elandenergy.com
Fax: 214-368-5415

With a copy to:

Van Nichols
1341 S. Preston Rd., Suite C
Celina, Texas 75009
vannichols@aol.com
Fax: 972-382-4774

Each party has the right to change, from time to time, its notice addresses by giving at least 10 days written notice to the other parties.

~~6)~~9) No Additional Waiver Implied. The failure of any party to insist upon strict performance of any provision of this Agreement shall not be construed as a waiver of the future performance of such provision by the other parties.

~~7)~~10) Reservation of Rights. All rights, powers, privileges and authority of the parties hereto not restricted or affected by the express terms and provisions hereof are reserved by the parties and, from time to time, may be exercised and enforced by the parties.

~~8)~~11) Construction and Venue. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, as such laws are now in effect and venue for any action shall lie only in Collin County, Texas.

~~9)~~12) Cumulative Remedies. All rights and remedies of the parties under this Agreement shall be cumulative, and none shall exclude any other right or remedy provided by law, or by any other provisions of the Agreement. All such rights and remedies may be exercised and enforced concurrently and whenever, and as often, as occasion for their exercise arises.

~~10)~~13) Immunity. The ~~p~~Parties agree that the City of Celina has not waived its sovereign immunity by entering into and performing its obligations under this Agreement.

~~11)~~14) Waiver of Breach. A waiver by either party of a breach of the Agreement by the other party does not constitute a continuing waiver or a waiver of any subsequent breach of the Agreement.

Attachment: Canjun Fest Facilities Agree. CRE-Celina (003) (Facilities Agreement between the City and CRE for Cajun Fest)

~~12)~~15) Parties Bound. The Agreement shall be binding upon, and inure to the benefit of, the parties to the Agreement and their respective heirs, executors, administrators, legal representatives, successors, and assigns when permitted by this Agreement.

~~13)~~16) No Third-Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third-party beneficiaries by entering into this Agreement.

~~14)~~17) Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of the parties.

~~15)~~18) Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified, amended or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto. The subject matter of this Agreement is for the use of the identified property only and not any other matters that may exist between the parties past, present or future.

~~16)~~19) Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

~~17)~~20) Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. A facsimile or other electronic signature will also be deemed to constitute an original if properly executed.

~~18)~~21) Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

~~19)~~22) Force Majeure. Neither CRE nor the City of Celina shall be required to perform any term, condition, or covenant in the Agreement so long as performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riots, floods, and any other cause not reasonably within the control of the party and which by the exercise of due diligence the party is unable, wholly or in part, to prevent or overcome.

~~20)~~23) Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by the parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language

Attachment: Canjun Fest Facilities Agree. CRE-Celina (003) (Facilities Agreement between the City and CRE for Cajun Fest)

herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

~~21)~~24) Savings/Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

~~22)~~25) Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its legal counsel.

IN WITNESS WHEREOF, the Parties hereto have executed this agreement in multiple copies, each of equal dignity.

Accepted and executed as of the ~~__~~1 day of ~~November~~ ~~_____~~, ~~2020~~April, 2022~~18~~.

CITY OF CELINA

By:_____
Jason Laumer, City Manager

CELINA REAL ESTATE, ~~LLC~~LLC~~.P.~~,
a Texas limited ~~liability company~~partnership,
by OGA General LLC, its General Partner,
by Eland Energy, Inc., its Manager

By:_____
Name:_____
Title:_____

Attachment: Canjun Fest Facilities Agree. CRE-Celina (003) (Facilities Agreement between the City and CRE for Cajun Fest)

Exhibit A

LEGAL
DESCRIPTION &
DEPICTION

WHEREAS, CRE, LLC is the owner of a parcel of land situated in Celina, Collin County, Texas, and being more particularly described as follows:

BEING 0.3329 acres, described as Property ID 978598, located at Celina Original Donation, Block 14, Lot 7 8 9 10.

Attachment: Canjun Fest Facilities Agree. CRE-Celina (003) (Facilities Agreement between the City and CRE for Cajun Fest)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Madhuri Mohan AICP, Planning Director
CC:	Jason Laumer, City Manager
Date:	April 12, 2022
Re:	County Road 86 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 86 to Coit Road. (County Road 86 Name Change) (Colakovic)

Background Information:
A section of County Road 86 is being renamed to Coit Road. Exhibit A of the attached resolution shows which portion of CR 86 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 86 TO SOUTH COIT RD

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 effective April 19th, pending corresponding County approval on April 18th. 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 86, from the intersection with Vest Ln as its Southern Boundary, to the intersection with Choate Pkwy as its Northern Boundary, shall become South Coit Rd, 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 April, 2022.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

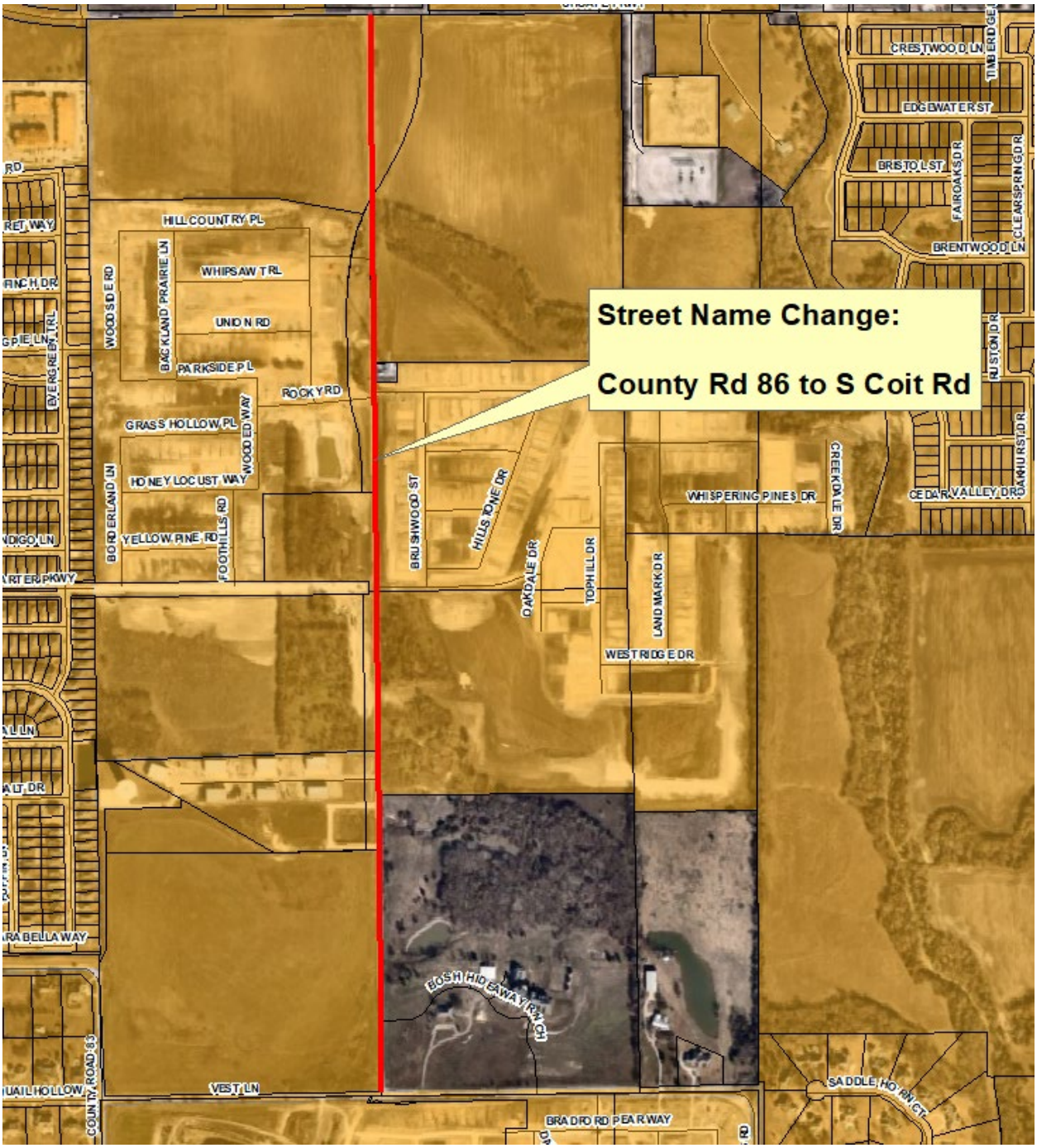
Attachment: Draft Resolution (County Road 86 Name Change)

APPROVED AS TO FORM:

_____
Lance Vanzant, Attorney for the City
City of Celina, Texas

Attachment: Draft Resolution (County Road 86 Name Change)

Exhibit "A"
Proposed S Coit Rd Renaming Limits



Attachment: Draft Resolution (County Road 86 Name Change)

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:	April 12, 2022
Re:	First Leo Portion (Legacy North) - C-3 Expedited 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 79 acres within the Extraterritorial Jurisdiction, generally located at the northwest corner of future Glendenning Parkway and future Legacy Drive. (First Leo Portion (Legacy North) - C-3 Expedited Annexation Service Agreement) (McAfee)

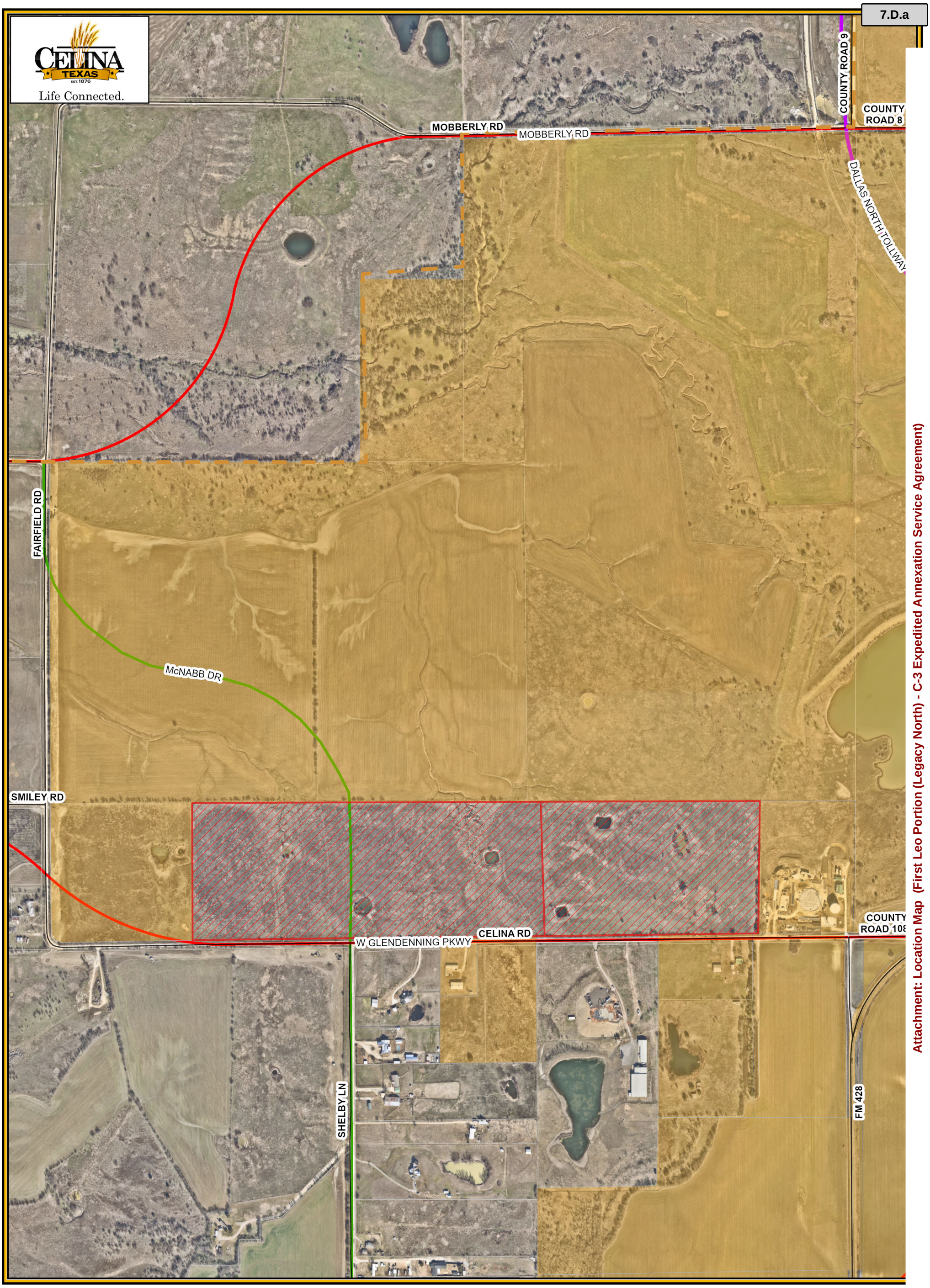
Applicant:
The Law Offices of Robert D. Daake, PLLC
P.O. Box 6250
McKinney, Texas 75069

Background Information:
The subject property is approximately 79 acres. It is currently within the Extraterritorial Jurisdiction (ETJ), and will be annexed 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.

CELINA TEXAS EST. 1876
Life Connected.



Attachment: Location Map (First Leo Portion (Legacy North) - C-3 Expedited Annexation Service Agreement)

Legend

- Subject Property
- City Limits
- Roads
- Parcels

First Leo
Location Map
City of Celina

3/8/2022

N W E S

0 500 1,000 Feet

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 (First Leo Portion (Legacy North) - C-3 Expedited 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

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 (First Leo Portion (Legacy North) - C-3 Expedited 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 _____, 2022.

CITY OF CELINA

By: _____
Name: Jason Laumer
Title: City Manager
Date: _____

OWNER:

LEGACY NORTH 78 LP
A TEXAS LIMITED PARTNERSHIP

BY: LEGACY NORTH 78 GP, LLC
A TEXAS LIMITED LIABILITY COMPANY

By: _____
Name: Janardhan Reddy
Title: Managing Member
Date: _____

Exhibit A
Legal Description

TRACT 1:

All that certain tract or parcel of land lying and being situated in Denton County, Texas, a part of the ROBERT COWAN SURVEY, ABSTRACT No. 211, and being and including all that tract said to contain 58.17 acres as described under the caption “EXHIBIT B” in a deed to Carol H. Peterson, et al., recorded under Clerk’s Document No. 2018-66086, Real Property Records Denton County, said tract or parcel of land is herein described as follows; to wit:

BEGINNING at an 5/8 inch iron rod (with cap marked "J.E. SMITH 3700") set for the northeast corner of the premises herein described, said corner being the northwest corner of a tract said to contain 20.053 acres as described in a deed to Carol H. Peterson, et al, recorded in under Clerk’s Document No. 2021-61684, Real Property Records Denton County, said corner also being on the south line of a tract said to contain 744.7097 acres as described in a deed to First Leo Land Company, LLC, recorded under Clerk's Document No. 2016-31284, Real Property Records Denton County;

THENCE south 00 degrees 51 minutes 54 seconds west 910.46 feet to a 5/8 inch iron rod set in Celina Road for the southeast corner hereof, said corner being the southwest corner of said record 20.053 acre tract;

THENCE with Celina Road and along the south line of said 58.17 acre tract, south 89 degrees 16 minutes 42 seconds west 1718.45 feet a 5/8 inch capped iron rod set at the point where Celina Road is intersected by Shelby Road, said corner being the northwest corner of Theeringer Estates per the Plat recorded under Clerk's Document No. 2016-48, Plat Records of Denton County;

THENCE continuing with said Road, south 89 degrees 12 minutes 33 seconds west 1017.63 feet to a 5/8 inch capped iron rod set for the southeast corner of a tract said to contain 20.37 acres as described in a deed to Simna Real Estate, Ltd., recorded under Clerk's Document No. 2018-99119, said corner being the southwest corner hereof;

THENCE along the east line of said 20.37 acre tract, north 00 degrees 20 minutes 57 seconds west 934.80 feet to a 5/8 inch capped iron rod set on the south line of said 744.7097 acre tract for the northwest corner hereof;

THENCE North 89 degrees 48 minutes 30 seconds east 995.88 feet to a 5/8 inch capped iron rod set for corner;

THENCE North 89 degrees 41 minutes 20 seconds east 1202.53 feet to a fence corner post at the apparent southeast corner of the E. LUNN SURVEY, ABSTRACT NO. 783 and the occupied southwest corner of the J. McFARLAND SURVEY, ABSTRACT NO. 1480;

THENCE north 89 degrees 51 minutes 19 seconds east a distance of 556.90 feet to the Place of BEGINNING and containing 58.12 acres of land, more or less.

TRACT 2:

All that certain tract or parcel of land lying and being situated in Denton County, Texas, a part of the ROBERT COWAN SURVEY, ABSTRACT NO. 211, and being and including all that tract said to contain 20.053 acres as described in a deed from the Veteran’s Land Board of the State of Texas to Ivan Hobson recorded under Clerk’s Document No. 1994-83119, Real Property Records of Denton County, and being that same record 20.053 acre tract conveyed to Carol H. Peterson, et al, by deed recorded under Clerk’s Document No. 2021-61684, Real Property Records of Denton County, said tract or parcel of land is herein described as follows; to wit:

BEGINNING at a 5/8 inch iron rod set (with cap marked “J.E. SMITH 3700”) for the northeast corner of a tract said to contain 100 acres, more or less, (as described in a deed recorded in Volume 319, page 630, Deed Records, Denton County, Texas) and the northeast corner of the premises herein described, said corner being a re-entrant corner of a tract said to contain 744.7097 acres as described in a deed to First Leo Land Company, LLC, recorded under Clerk’s Document No. 2016-31284, Real Property Records, Denton County;

THENCE south 00 degrees 51 minutes 54 seconds west 900.40 feet to an one-half inch iron rod found in Celina

Attachment: Annexation Service Agreement (First Leo Portion (Legacy North) - C-3 Expedited Annexation Service Agreement)

Road at the southeast corner of said 20.053 acre tract and the southeast corner hereof;
THENCE with said Road, south 89 degrees 11 minutes 17 seconds west 963.70 feet to a 5/8 inch capped iron rod set at the southwest corner of said 20.053 acre tract, said corner being the southeast corner of a tract said to contain 58.17 acres described under the caption EXHIBIT B in a deed to Carol H. Peterson, et al, recorded under Clerk's Document No. 2018-66086, Real Property Records of Denton County;

THENCE north 00 degrees 51 minutes 54 seconds east 910.46 feet to a 5/8 inch capped iron rod set at the northwest corner of said 20.053 acre tract, said corner being the northeast corner of said record 58.17 acre tract;

THENCE north 89 degrees 38 minutes 03 seconds east 706.67 feet to a 5/8 inch capped iron rod set for corner;

THENCE south 89 degrees 47 minutes 44 seconds east a distance of 256.80 feet to the Place of BEGINNING and containing 20.04 acres of land, more or less.

Attachment: Annexation Service Agreement (First Leo Portion (Legacy North) - C-3 Expedited 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:	April 12, 2022
Re:	Creek Pointe Estates ROW - C-3 Expedited 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 3.3 acres within the Extraterritorial Jurisdiction (ETJ), generally located west of Custer Road and approximately 1,800 feet north of Ousley Boulevard. (Creek Pointe Estates ROW - C-3 Expedited Annexation Service Agreement) (McAfee)

Applicant:
Cyndee Herrin
Like Mind Strategy Group, Ltd.
10182 County Road 133
Celina, Texas 75009

Background Information:
The subject property is approximately 3.3 acres, comprised of right-of-way out of the Creek Pointe Estates subdivision. The ROW will be annexed this evening. Please refer to the attached documents for further information, and the accompanying annexation agenda item.

Supporting Documents:
- Location Map
- Draft Service Agreement

Staff Recommendation:
Staff recommends approval.

CELINA TEXAS EST. 1876

Life Connected.

N CUSTER RD

Attachment: Location Map (Creek Pointe Estates ROW - C-3 Expedited Annexation Service Agreement)

Legend

- Subject Property
- ROW
- City Limits
- Roads
- Parcels

Creek Pointe Estates

City of Celina

3/15/2022

N W E S

0 220 440 Feet

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: Draft Service Agreement (Creek Pointe Estates ROW - C-3 Expedited 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: Draft Service Agreement (Creek Pointe Estates ROW - C-3 Expedited 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.

Attachment: Draft Service Agreement (Creek Pointe Estates ROW - C-3 Expedited Annexation Service Agreement)

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: Draft Service Agreement (Creek Pointe Estates ROW - C-3 Expedited 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 _____, 2022.

CITY OF CELINA

By: _____
Name: Jason Laumer
Title: City Manager
Date: _____

OWNER: LIKE MIND STRATEGY GROUP, LTD

By: _____
Name: Cyndee Herrin
Title: President
Date: _____

Attachment: Draft Service Agreement (Creek Pointe Estates ROW - C-3 Expedited Annexation Service Agreement)

Exhibit A
Legal Description

Being an approximately 3.3 acre tract of land out of the Daniel Howell Survey, Abstract Number 394, situated in Collin County, Texas, and being all of that called 35.947 acre tract of land described in deed to Celina Warren 36, LP as recorded in Document Number 20070521000684890, Official Public Records of Collin County, Texas.

Attachment: Draft Service Agreement (Creek Pointe Estates ROW - C-3 Expedited Annexation Service Agreement)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

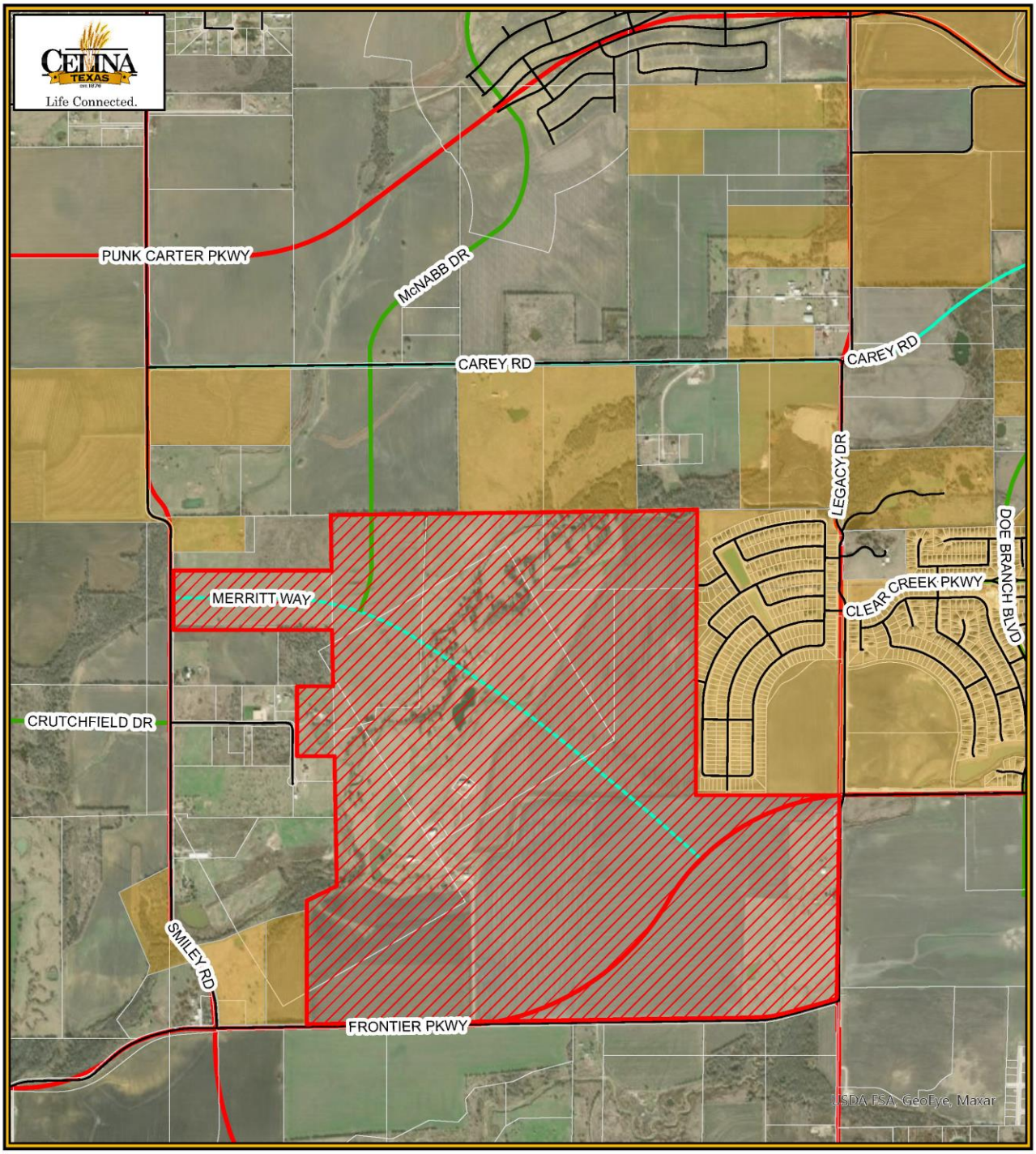
To: **Honorable Mayor Terry and the Celina City Council**
From: Jonathan Pollard, Senior Planner
CC: Jason Laumer, City Manager
Date: April 12, 2022
Re: Mosaic - PID Pre-SAP

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 Phase #1 of the Mosaic Public Improvement District; approving a preliminary service plan and assessment plan, including a proposed Phase #1 Assessment Roll; directing the filing of the proposed Phase #1 Assessment Roll with the City Secretary; and providing for noticing and calling a public hearing on May 10, 2022, to consider an ordinance levying assessments on property located within Phase #1 of the Mosaic Public Improvement District. (Mosaic – PID Pre-SAP) (Pollard)

Background:
Please refer to the attachments for additional information.

Supporting Documents:
- Location Map
- Draft Resolution

Staff Recommendation:
Staff recommends approval.



Legend

- Roads
- City Limits
- Parcels
- Subject Property

Celina Mosaic/Merritt Tract

Location Map

City of Celina

3/2/2021

N W E S

0 1,000 2,000 Feet

Attachment: Location Map (Mosaic – PID Pre-SAP)

CITY OF CELINA, TEXAS

RESOLUTION NO. 2022-___R

A RESOLUTION OF THE CITY OF CELINA, TEXAS DETERMINING THE COSTS OF CERTAIN PHASE #1 IMPROVEMENTS TO BE FINANCED WITHIN THE MOSAIC PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE AND ASSESSMENT PLAN, INCLUDING THE PROPOSED PHASE #1 ASSESSMENT ROLL; DIRECTING THE FILING OF THE PROPOSED PHASE #1 ASSESSMENT ROLL WITH THE CITY SECRETARY OR DEPUTY CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; CALLING A PUBLIC HEARING FOR MAY 10, 2022 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN PHASE #1 OF THE MOSAIC PUBLIC IMPROVEMENT DISTRICT; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; 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/or the extraterritorial jurisdiction of the City; and

WHEREAS, on November 9, 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 within the extraterritorial jurisdiction of the City; and

WHEREAS, on November 9, 2021, the City Council adopted Resolution No. 2021-104R (the "Authorization Resolution"), authorizing, establishing, and creating the "Mosaic Public Improvement District" (the "District"); and

WHEREAS, the City authorized the creation of the District and the issuance of up to $130,000,000.00 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 "Mosaic Public Improvement District Preliminary Service and Assessment Plan", including the Proposed Phase #1 Assessment Roll (as defined herein) attached thereto (collectively, the "Preliminary SAP"), relating to certain assessments proposed to be levied against property within Phase #1 of the District that benefit from a portion of the Authorized Improvements. 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" of the District, (iv) identifies the costs of the Authorized Improvements expected to be constructed for the benefit of Phase #1 at this time (the "Phase #1

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Improvements"), and (v) sets forth the proposed assessment roll for Phase #1 of the District (the "Proposed Phase #1 Assessment Roll"); and

WHEREAS, the Preliminary SAP sets forth the estimated total costs of the Phase #1 Improvements to be financed by the District at this time and the Proposed Phase #1 Assessment Roll states the assessments proposed to be levied against each benefitted parcel of land in Phase #1 of the District, as determined by the method of assessment chosen by the City and set forth in the Preliminary SAP; and

WHEREAS, the PID Act requires that the Proposed Phase #1 Assessment Roll be filed with the municipal secretary (the "City Secretary") or other officer performing the functions of the municipal secretary, such as the Deputy City Secretary of the City (the "Deputy City Secretary") and be subject to public inspection; and

WHEREAS, the PID Act requires that a public hearing (the "Assessment Hearing") be called to consider proposed assessments against the benefitted property within Phase #1 of the District and related to the Phase #1 Improvements and requires 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 PID 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 extraterritorial jurisdiction in which the District is located or in which the 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. 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 Phase #1 Assessment Roll, in a form substantially similar to the attached **Exhibit 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.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

SECTION 3. The City Council hereby determines that the total costs of the Phase #1 Improvements to be financed by the District are as set forth in Table IV-A of the Preliminary SAP.

SECTION 4. The City Council's final determination and approval of the costs of the Phase #1 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 Phase #1 Assessment Roll, after the properly noticed and held Assessment Hearing.

SECTION 5. The Proposed Phase #1 Assessment Roll states the assessments and the projected annual installments proposed to be levied against each respective assessable parcel of land in Phase #1 of the District that benefits from the Phase #1 Improvements, 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. The City Council hereby authorizes and directs the filing of the Proposed Phase #1 Assessment Roll with the City Secretary or the Deputy City Secretary and directs the City Secretary or the Deputy City Secretary to make the same available for public inspection.

SECTION 7. The City Council hereby authorizes and calls a public hearing (the Assessment Hearing, as defined above) to be held on **May 10, 2022, 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 the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property located within the Phase #1 of the District that benefits from the Phase #1 Improvements and which ordinance shall specify the method of payment of the assessments.

SECTION 8. The City Council hereby authorizes and directs the City Secretary or the Deputy City Secretary to publish notice of the Assessment Hearing to be held on **May 10, 2022**, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in the *Celina Record*, a newspaper of general circulation in the City and in the part of the City's extraterritorial jurisdiction in which the District is located or in which the improvements are to be undertaken, on or before **April 28, 2022**, as required by Section 372.016(b) of the PID Act.

SECTION 9. When the Proposed Phase #1 Assessment Roll is filed with the City Secretary or the Deputy City Secretary, the City Council hereby authorizes and directs the City

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Secretary or the Deputy City Secretary, on or before **April 28, 2022**, to mail to owners of property liable for the proposed assessments notice of the Assessment Hearing to be held on **May 10, 2022**, as required by Section 372.016(c) of the PID Act.

SECTION 10. City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearings as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the **May 10, 2022** meeting of the City Council.

SECTION 11. 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 (Mosaic – PID Pre-SAP)

ADOPTED, PASSED, AND APPROVED on this the 12th day of April, 2022.

_____
Mayor

ATTEST:

_____
Deputy City Secretary

(City Seal)

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

EXHIBIT A

PRELIMINARY SAP

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

MOSAIC
PUBLIC IMPROVEMENT DISTRICT

CELINA, TEXAS

PRELIMINARY SERVICE AND ASSESSMENT PLAN

April 12, 2022

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

MOSAIC
PUBLIC IMPROVEMENT DISTRICT

PRELIMINARY SERVICE AND ASSESSMENT PLAN

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Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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APPENDIX G – PROPOSED PHASE #1 ASSESSMENT ROLL

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On November 9, 2021, the City Council of the City of Celina, Texas passed and approved Resolution No. 2021-104R approving and authorizing the creation of the Mosaic 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 is developed. Assessments will be imposed on the property that receives a special benefit from the Authorized Improvements 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 Mosaic 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 Roll for the portion of the PID in Phase #1 is currently included as Appendix G of this Service and Assessment Plan and additional Assessment Rolls may be added to this Service and Assessment Plan in the future. 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 (Mosaic – PID Pre-SAP)

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 Certificate for Payment 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, and miscellaneous 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 Certificate for Payment 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.

"Additional Major Improvements" mean the Authorized Improvements described in Section III.C that provide a special benefit to all of the property within the PID and that are constructed after the Initial Major Improvements. The Developer will be responsible for paying the Actual Costs of any Additional Major Improvements for which Assessments are not levied. Although subject to change, current plans anticipate that the Additional Major Improvements will be constructed in conjunction with the development of Phases #2 through Phase #6.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

"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 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 Roll attached hereto as Appendix G, 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, if applicable, 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.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

"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 against the respective Assessed Property.

"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 Phase #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, 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 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.

"Certificate 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, substantially in the form attached as Exhibit A to the Reimbursement Agreement with such changes as may be required by the City.

"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 Tellus Texas I, LLC, a Texas limited liability company.

"Development Agreement" means that certain Mosaic Development Agreement by and between the City and James H. Merritt, III., W. Keith Thornton, Margaret M. Thornton, Susanna Parker, and Merritt/Thornton Farm Partnership, L.P., effective on June 8, 2021 and recorded in the real property records of Denton County, Texas as Instrument No. 130140 on July 20, 2021, as assigned to the

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Developer, and 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 developed after Phase #1, as such areas are generally depicted and described in Appendix A.

"**Future Phase Improvements**" means those Authorized Improvements associated with any Future Phase(s) that specially benefit only the property within such Future Phase.

"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. The Developer will be responsible for paying the Actual Costs of any Initial Major Improvements for which Assessments are not levied.

"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 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.

"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.D.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

"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 the 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 or in connection to an obligation for such Phase under the Reimbursement Agreement for Authorized Improvements (or the portion thereof) designated herein or 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 G.

"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 Improvements is levied.

"Phase #1 Assessment Revenues" mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #1 Assessed Property, or the Annual Installments thereof, for the Phase #1 Improvements.

"Phase #1 Assessment Roll" means the document included in this Service and Assessment Plan as Appendix 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.

"Phase #1 Bonds" mean those certain City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Mosaic Public Improvement District Phase #1 Project) that are secured primarily by Phase #1 Assessment Revenues. The term Phase #1 Bonds may also include any additional bonds issued in the future to construct or acquire the Phase #1 Improvements currently being constructed pursuant to the Reimbursement Agreement and which, if issued, will also be secured by the 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 related to the Phase #1 Improvements for each applicable Lot Type as follows:

Lot Type 1 (70 Ft)	$58,832.75
Lot Type 2 (60 Ft)	$44,646.02
Lot Type 3 (50 Ft)	$42,023.39
Lot Type 4 (40 Ft)	$33,618.72
Lot Type 5 (Townhomes)	$26,576.03

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"**Phase #1 Projects**" mean, collectively, the: (i) pro rata portion of the Initial Major Improvements allocable to Phase #1, (ii) pro rata portion of the Additional Major Improvements allocable to Phase #1, and (iii) Phase #1 Improvements.

"Phase #1 Reimbursement Agreement Obligation" means the reimbursement obligation related to the Actual Costs of the Phase #1 Improvements to be paid from Phase #1 Assessment Revenue not used to pay debt service on the Phase #1 Bonds under the terms of the Reimbursement Agreement.

"Phased PID Bonds" mean bonds issued to fund Authorized Improvements (or a portion thereof) in an 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 Mosaic Public Improvement District," effective as of _____, 2022 by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of Authorized Improvements and the City agrees to reimburse the Developer 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 funded by the Developer for Authorized Improvements constructed and accepted by the City for the benefit of 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.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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 684.752 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 1,470 single family residential units, 210 townhomes, 336 multi-family units, and 56,000 gross square feet of commercial, 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
Residential:		
Single-Family - 70 Ft	161	Units
Single-Family - 60 Ft	488	Units
Single-Family - 50 Ft	465	Units
Single-Family - 40 Ft	356	Units
Townhomes	210	Units
Multi-Family	336	Units
Subtotal - Residential	**2,016**	**Units**
Non-Residential:		
Commercial[(1)]	56	1,000 GSF
Subtotal – Non-Residential	**56**	**1,000 GSF**

[(1)] Developer is not the landowner of property within the portion of the Future Phase on which multi-family units and commercial development are anticipated to be built. Estimated number of multi-family units and commercial square footage has been provided by landowner of such portion of the Future Phase and is subject to change.

B. PROPERTY INCLUDED IN PHASE #1

Phase #1 consists of approximately 129.467 acres and is projected to consist of 367 single family residential units and 68 townhomes. A map of the property within Phase #1 is shown in Appendix A.

The property within Phase #1 is proposed to be developed as shown on Table II-B:

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Table II-B
Proposed Development – Phase #1

Proposed Development	Quantity	Measurement
Single-Family - 70 Ft	62	Units
Single-Family - 60 Ft	109	Units
Single-Family - 50 Ft	110	Units
Single-Family - 40 Ft	86	Units
Townhomes	68	Units
Total	**435**	**Units**

C. PROPERTY INCLUDED IN THE FUTURE PHASES

The Future Phases consist of approximately 555.285 acres, which includes approximately 12.778 acres for a future school site. The Future Phases are projected to consist of approximately 1,103 single family residential units, 142 townhomes, 336 multi-family units, and 56,000 gross square feet of commercial. A map of the property within the Future Phases is shown in Appendix A.

The property within the Future Phases is proposed to be developed as follows:

Table II-C
Proposed Development – Future Phases

Proposed Development	Quantity	Measurement
Residential:		
Single-Family - 70 Ft	99	Units
Single-Family - 60 Ft	379	Units
Single-Family - 50 Ft	355	Units
Single-Family - 40 Ft	270	Units
Townhomes	142	Units
Multi-Family[(1)]	336	Units
Subtotal - Residential	**1,581**	**Units**
Non-Residential:		
Commercial[(1)]	56	1,000 GSF
Subtotal – Non-Residential	**56**	**1,000 GSF**

[(1)] Developer is not the landowner of property within portion of the Future Phase on which multi-family units and commercial development are anticipated to be built. Estimated number of multi-family units and commercial square footage has been provided by landowner of such portion of the Future Phase and is subject to change.

As Future Phases are developed, additional Assessments may be levied and Phased PID Bonds may be issued and/or obligations may be created under the Reimbursement Agreement for each new Phase. In connection with the levy of Assessments against property within a Future Phase and/or 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.B. 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 within Phase #1 in the

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

PID are shown on the Phase #1 Assessment Roll included as Appendix G and additional Assessment Rolls may be added to this Service and Assessment Plan as the Future Phase(s) are developed.

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. The estimated number of units for the Future Phases is preliminary and is subject to change.

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Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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.D 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 (Mosaic – PID Pre-SAP)

B. Descriptions and Costs of Initial Major Improvements

The Initial Major Improvements benefit the entire PID. The 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 Future Phases will be proportionally allocated the costs of the Initial Major Improvements, as shown on Table III-A.

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 are as follows:

Roadway Improvements

The roadway portion of the Initial Major Improvements includes 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, trails, 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 Assessed Property. The roadway improvements include an allocable share of perimeter road improvements. 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 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.

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.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Landscaping and Hardscaping Improvements

The landscaping and hardscaping portion of the of the Initial Major Improvements includes landscaping along streets, irrigation, and other street landscaping improvements, along with trails, parks, open space improvements, entry features, and other public amenities. The landscaping and hardscaping improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City or by the homeowners' association.

Other Soft and Miscellaneous Improvements

Soft and miscellaneous costs consisting of costs related to designing, constructing, and installing the Initial Major Improvements including land planning and design, city fees, legal fees, engineering, soil testing, survey, construction management, and contingency, costs associated with financing the Initial Major Improvements, and a portion of the costs incurred in the establishment, administration and operation of the District.

Table III-A
Estimated Initial Major Improvement Costs

Authorized Improvements	Total Initial Major Improvement Costs	Phase #1 Allocated Amount	Future Phase Allocated Amount
Roadway improvements	$2,082,016	$509,849	$1,572,168
Water improvements	$1,187,191	$290,722	$896,469
Storm drainage improvements	$4,907,210	$1,201,688	$3,705,522
Landscaping & hardscaping improvements	$2,504,926	$613,412	$1,891,515
Other soft and miscellaneous costs	$2,117,659	$518,577	$1,599,082
Total Authorized Improvements	**$12,799,003**	**$3,134,247**	**$9,664,756**

Note: Costs provided by the Developer. The figures shown in Table III-A are rounded 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. At this time, the City is not levying Assessments for the costs of the Initial Major Improvements, including the portion of the costs of the Initial Major Improvements allocable to Phase #1.

C. Descriptions and Costs of Additional Major Improvements

The Additional Major Improvements benefit the entire PID. The 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 Future Phases will be proportionally allocated the costs of the Additional Major Improvements, as shown on Table III-B.

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.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

A description of the Additional Major Improvements are as follows:

Roadway Improvements

The roadway portion of the Additional Major Improvements includes 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 Assessed Property. The roadway improvements include an allocable share of perimeter road improvements. 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 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, 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, 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.

Landscaping and Hardscaping Improvements

The landscaping and hardscaping portion of the of the Additional Major Improvements includes landscaping along streets, irrigation, and other street landscaping improvements, along with trails, parks, open space improvements, entry features, and other public amenities. The landscaping and hardscaping improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City or by the homeowners' association.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Other Soft and Miscellaneous Improvements

Soft and miscellaneous costs consisting of costs related to designing, constructing, and installing the Additional Major Improvements including land planning and design, city fees, legal fees, engineering, soil testing, survey, construction management, and contingency, costs associated with financing the Additional Major Improvements, and a portion of the costs incurred in the establishment, administration and operation of the District.

Table III-B
Estimated Additional Major Improvement Costs

Authorized Improvements	Total Additional Major Improvement Costs	Phase #1 Allocated Amount	Future Phase Allocated Amount
Roadway improvements	$2,594,930	$635,452	$1,959,478
Water improvements	$535,751	$131,196	$404,555
Sanitary sewer improvements	$162,650	$39,830	$122,820
Storm drainage improvements	$4,884,301	$1,196,078	$3,688,223
Landscaping & hardscaping improvements	$3,521,549	$862,364	$2,659,185
Other soft and miscellaneous costs	$1,889,550	$462,717	$1,426,833
Total Authorized Improvements	**$13,588,731**	**$3,327,637**	**$10,261,093**

Note: Costs provided by the Developer. The figures shown in Table III-B are rounded and 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. At this time, the City is not levying Assessments for the costs of the Additional Major Improvements, including the portion of the costs of the Additional Major Improvements allocable to Phase #1.

D. Descriptions and Costs of Phase #1 Improvements

The Phase #1 Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Phase #1 Improvements 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.

Roadway Improvements

The roadway portion of the Phase #1 Improvements includes clearing, grubbing, excavation of streets and right of ways, 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, including an allocable share of perimeter road 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.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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.

Landscaping and Hardscaping Improvements

The landscaping and hardscaping portion of the of the Phase #1 Improvements includes landscaping along streets, irrigation, and other street landscaping improvements, along with trails, parks, open space improvements, entry features, and other public amenities. The landscaping and hardscaping improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City or by the homeowners' association.

Other Soft and Miscellaneous Improvements

Soft and miscellaneous costs consisting of costs related to designing, constructing, and installing the Phase #1 Improvements including land planning and design, city fees, legal fees, engineering, soil testing, survey, construction management, and contingency, costs associated with financing the Phase #1 Improvements, and a portion of the costs incurred in the establishment, administration and operation of the District.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Table III-C
Estimated Phase #1 Project Costs

Authorized Improvements	Phase #1's Proportional Share of Initial Major Improvements[1]	Phase #1's Proportional Share of Additional Major Improvements[2]	Phase #1 Improvements	Total Phase # Projects[3]
Roadway improvements	$509,849	$635,452	$5,039,834	$6,185,1
Water improvements	$290,722	$131,196	$2,214,746	$2,636,6
Sanitary sewer improvements	$0	$39,830	$2,902,592	$2,942,4
Storm drainage improvements	$1,201,688	$1,196,078	$2,105,206	$4,502,9
Landscaping & hardscaping improvements	$613,412	$862,364	$80,570	$1,556,3
Other soft and miscellaneous costs	$518,577	$462,717	$3,792,961	$4,774,2
Total Authorized Improvements	**$3,134,247**	**$3,327,637**	**$16,135,909**	**$22,597,7**

[1] See Table III-A. Allocation of Initial Major Improvements are based on the methodologies described in V.C and shown in Table V.A.
[2] See Table III-B. Allocation of Additional Major Improvements are based on the methodologies described in V.C and shown in Table V.A.
[3]Costs provided by Developer. The figures shown in Table III-B may be revised in Annual Service Plan Updates and may be realloca between line items so long as the total Authorized Improvements amount does not change.

E. FUTURE PHASES

As Future Phases are developed, this SAP will be amended to identify the specific Authorized Improvements that confer a special benefit to the property inside each Future Phase (e.g. a Table III-D will be added to show the costs for the Future Phase Improvements financed within the specific Future Phase being developed) and to show such Future Phase's allocable share of the Actual Costs of the Initial Major Improvements and Additional Major Improvements.

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Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

IV. SERVICE PLAN

A. PROJECTED 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 Initial Major Improvements began in January 2022, and it is anticipated that construction of the Phase #1 Improvements and Initial Major Improvements will be completed by June 2023. At some point after all or a portion of the Phase #1 Improvements and Initial Major Improvements are constructed, development in Future Phases will begin.

The Budgeted Costs for the Phase #1 Projects plus costs related to the issuance of the Phase #1 Bonds and the expenses incurred in the establishment, administration, and operation of the PID allocable to Phase #1 are $26,005,532 as shown in Table IV-A. The Budgeted Costs for the Phase #1 Improvements plus costs related to the issuance of the Phase #1 Bonds and the expenses incurred in the establishment, administration, and operation of the PID allocable to Phase #1 are $19,543,647 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."

If Assessments are levied and/or Phased PID Bonds are issued for the costs of Authorized Improvements to be constructed with development of each Future Phase or if additional Phase #1 Bonds are issued for the purposes of paying any unpaid portion of the Phase #1 Reimbursement Agreement Obligation, this Service and Assessment Plan will be updated or amended (e.g. Table IV-C may be included for Phase #2, etc.).

The first series of Phase #1 Bonds are anticipated to be issued in 2022 and will be used to finance a portion of the costs of the Phase #1 Improvements. Portions of the Phase #1 Improvements will also be paid for and reimbursed pursuant to the terms of the Reimbursement Agreement. At this time, no Assessments are being levied for the Actual Costs of the Initial Major Improvements or the Additional Major Improvements; therefore, Phase #1's allocable share of the Initial Major Improvements is being funded by the Developer and it is anticipated that the Developer will fund Phase #1's allocable share of the Additional Major Improvements to be constructed. Phase #1's allocable share of the Initial Major Improvements and Additional Major Improvements will not be reimbursed from the proceeds for the Phase #1 Bonds or from Assessment Revenues generated from the Phase #1 Assessments. It is anticipated that the City may issue additional Phase #1 Bonds in the future to pay any unpaid portion of the Phase #1 Reimbursement Agreement Obligation related to the Phase #1 Improvements under the Reimbursement Agreement.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Table IV-A
Estimated Sources and Uses – Phase #1

Sources of Funds	Phase #1 Bonds	Phase #1 Reimbursement Agreement Obligation	Other Financing Sources	Total
Par amount	$15,255,000	$0	$0	$15,255,000
Assessment	$0	$2,580,000	$0	$2,580,000
Other funding sources[1]	$0	$1,708,647	$6,461,884	$8,170,532
Total Sources	**$15,255,000**	**$4,288,647**	**$6,461,884**	**$26,005,532**
Uses of Funds				
Phase #1 Improvements[2]:				
Road Improvements	*$3,700,333*	*$1,339,501*	*$0*	*$5,039,834*
Water Improvements	$1,626,105	$588,641	$0	$2,214,746
Sanitary Sewer Improvements	$2,131,133	$771,459	$0	$2,902,592
Storm Drainage Improvements	$1,545,678	$559,528	$0	$2,105,206
Landscaping & hardscaping improvements	$59,156	$21,414	$0	$80,570
Other Soft and Miscellaneous Costs	$2,784,857	$1,008,104	$0	$3,792,961
Subtotal	*$11,847,262*	*$4,288,647*	*$0*	*$16,135,909*
Initial Major Improvements[2]:				
Road Improvements	$0	$0	$509,849	$509,849
Water Improvements	$0	$0	$290,722	$290,722
Sanitary Sewer Improvements	$0	$0	$0	$0
Storm Drainage Improvements	$0	$0	$1,201,688	$1,201,688
Landscaping & hardscaping improvements	$0	$0	$613,412	$613,412
Other Soft and Miscellaneous Costs	$0	$0	$518,577	$518,577
Subtotal	*$0*	*$0*	*$3,134,247*	*$3,134,247*
Additional Major Improvements[2]:				
Road Improvements	$0	$0	$635,452	$635,452
Water Improvements	$0	$0	$131,196	$131,196
Sanitary Sewer Improvements	$0	$0	$39,830	$39,830
Storm Drainage Improvements	$0	$0	$1,196,078	$1,196,078
Landscaping & hardscaping improvements	$0	$0	$862,364	$862,364
Other Soft and Miscellaneous Costs	$0	$0	$462,717	$462,717
Subtotal	*$0*	*$0*	*$3,327,637*	*$3,327,637*
Estimated Bond Issuance Costs:				
Costs of Issuance	$915,300	$0	$0	$915,300
Capitalized interest	$953,438	$0	$0	$953,438
Reserve Fund	$1,036,350	$0	$0	$1,036,350
Administrative Expense	$45,000	$0	$0	$45,000
Underwriters Discount	*$457,650*	*$0*	*$0*	*$457,650*
Subtotal	*$3,407,738*	*$0*	*$0*	*$3,407,738*
Total Uses	**$15,255,000**	**$4,288,647**	**$6,461,884**	**$26,005,532**

[1]The other funding sources represent projects costs of the Phase #1 Projects to be paid by the Developer without reimbursement from the City including all of the costs of the Initial Major Improvements and Additional Major Improvements allocable to Phase #1.

[2] See Table III-C for details.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

As Future Phases are developed, the City may levy Assessments against benefitted property within such Future Phase and/or may issue Phased PID Bond to finance the Authorized Improvements required for each new Phase.

B. Five Year Service Plan

Phase #1

The annual projected costs and annual projected indebtedness for Phase #1 is shown in 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
Phase #1 Share of Initial Major Improvements and Additional Major Improvements

Year	Annual Projected Cost	Annual Projected Indebtedness	Other Funding Sources	Projected Phase #1 Annual Installments
2022	$1,044,749	$0	$1,044,749	$0
2023	$2,089,498	$0	$2,089,498	$0
2024	$0	$0	$0	$0
2025	$0	$0	$0	$0
2026	$0	$0	$0	$0
2027	$3,327,637	$0	$3,327,637	$0
Total	**$6,461,884**	**$0**	**$6,461,884**	**$0**

(1) Annual Projected Costs shown include the costs of the Phase #1 Improvements shown separately in Table IV-C below. Annual Projected Indebtedness shown is solely related to Phase #1 Improvements.

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Phase #1's share of the Initial Major Improvements and Additional Major Improvements shown in Table III-C, and the costs associated with setting up the PID allocable to Phase #1 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.

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Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Table IV-C
Annual Projected Costs and Annual Projected Indebtedness
Phase #1 Improvements

Year	Annual Projected Cost	Annual Projected Indebtedness	Other Funding Sources	Projected Phase #1 Annual Installments
2022	$6,514,549	$17,835,000	$1,708,647	$0
2023	$13,029,098	$0	$0	$122,175
2024	$0	$0	$0	$1,292,843
2025	$0	$0	$0	$1,293,694
2026	$0	$0	$0	$1,292,754
2027	$0	$0	$0	$1,293,074
Total	**$19,543,647**	**$17,835,000**	**$1,708,647**	**$5,294,540**

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Phase #1 Improvements shown in Table III-C, and the costs associated with setting up the PID allocable to Phase #1 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.

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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Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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 issuance of the first series of Phase #1 Bonds anticipated to be issued in 2022, subsequent financings may be issued over the upcoming decade as the subsequent Phases of the development are gradually constructed.

The purpose of this gradual issuance of Bonds in phases is to mirror the actual 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 Initial Major Improvements, Additional Major Improvements and Phase #1 Improvements shall be allocated as described below:

1. The costs of the Phase #1 Improvements 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 Phase #1 Assessed Property and Future Phases based on estimated Equivalent Units calculated using the average home price for the Phase #1 Assessed Property and Future Phases. At this time the City is not levying Assessments for the costs of the Initial Major Improvements and Additional Major Improvements.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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. Therefore, Parcels will only be assessed for the special benefits conferred upon the Phase #1 Assessed Property at this time because of the Phase #1 Improvements.

In connection with the levy of Assessments against property within a Future Phase and/or the issuance of Phased PID Bonds, 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 Assessments and/or Phased PID Bonds with respect to that Future Phases. Prior to assessing Parcels located within Future Phases, 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 #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 for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Initial Major Improvements, Additional Major Improvements, and the Phase #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.

As Future Phases are developed, in connection with the issuance of Phased PID Bonds and/or execution of a related reimbursement agreement 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 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.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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 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:

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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;

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;

The Authorized Improvements are required for the highest and best use of the property;

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);

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,

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 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 Improvement and Additional Major Improvements must be allocated throughout all Assessed Property in the District. 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.

Phase #1 is projected to contain 435 residential units and the Future Phases are projected to contain 1,581 residential units and 56,000 gross square feet of commercial. As shown in Appendix F, the total projected Equivalent Units for Phase #1 is calculated as 303.15 and the total projected Equivalent Units for the Future Phases is calculated as 934.78. The total projected Equivalent Units in the PID is, therefore, calculated to be 1,237.93 (i.e., 303.15 + 934.78 = 1,237.93). As a result, 24.49 percent of the Budgeted Costs of the Initial Major Improvements and Additional Major Improvements (i.e. 303.15 ÷ 1,237.93 = 24.49%) are allocated to the Phase #1 Assessed Property and 75.51 percent of the Budgeted Costs of the Initial Major Improvements and Additional Major Improvements (i.e., 934.78 ÷ 1,237.93 = 75.51%) are allocated to the property located in Future Phases. The Phase #1 Bonds, Phase #1 Reimbursement Agreement Obligation, and funds from the Developer will fund the Budgeted Costs of the Phase #1 Improvements. One hundred percent (100%) of the Phase #1 Improvements are allocated to the Phase #1 Assessed Property.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Table V-A
Allocation of Major Improvement Costs

Authorized Improvement	Initial Major Improvements	Additional Major Improvements
Roadway Improvements	$2,082,016	$2,594,930
Water Improvements	$1,187,191	$535,751
Sanitary Sewer Improvements	$0	$162,650
Storm Drainage Improvements	$4,907,210	$4,884,301
Landscaping and Hardscaping Improvements	$2,504,926	$3,521,549
Other Soft and Miscellaneous Costs	$2,117,659	$1,889,550
Total Major Improvements	**$12,799,003**	**$13,588,731**
Phase #1		
Projected total number of Equivalent Units	303.15	303.15
% of total Equivalent Units	24.49%	24.49%
Proportionate Share of Costs	$3,134,247	$3,327,637
Future Phases		
Projected total number of Equivalent Units	934.78	934.78
% of total Equivalent Units	75.51%	75.51%
Proportionate Share of Costs	$9,664,756	$10,261,093

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 Phase #1 Improvements*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements to be financed with the Phase #1 Bonds and by the Developer under the Reimbursement Agreement shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels within Phase #1 based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the Budgeted Costs of the Phase #1 Improvements, as set forth in Table III-C, the City Council has determined that the benefit to Phase #1 Assessed Property of the Phase #1 Improvements 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

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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 G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

2. Assessment Methodology for Future Phases

When any given Future Phases are developed, and Phased PID Bonds for that Future Phases are to be issued and/or a related reimbursement agreement is executed, 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 will be levied on each Parcel within the Phase #1 according to the Assessment Roll, attached hereto as Appendix G. The Annual Installments of the Assessments will be collected at the time and in the amounts shown on the Assessment Roll, subject to any revisions made during an Annual Service Plan Update. Non-Benefitted 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

Pursuant to the PID Act, the interest rate for any portion of the 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 interest rate used to determine the Assessments that secure the 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 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 any portion of an Assessment which secures a reimbursement obligation under the Reimbursement Agreement and not a series of Bonds.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Assessment and Annual Installments for each Parcel of Phase #1 Assessed Property located within the PID is shown on the 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 the Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #1 Bonds, (ii) principal and interest on the Phase #1 Reimbursement Agreement Obligation (iii) to fund the Additional Interest Reserve described in Section V, and (iv) to pay Administrative Expenses related to the PID. The Annual Installment for each Parcel in the PID 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 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 (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.

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

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

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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

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.

If at any time the Assessment per Unit on a Parcel within Phase #1 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.

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.

E. Reduction of Assessments

If after all Authorized Improvements to be funded with a series of Bonds and/or reimbursement agreement have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs or Budgeted Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds and/or related reimbursement agreement, resulting in

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

excess Bond proceeds being available to redeem Bonds and/or reduce obligations under the Reimbursement Agreement, as the case may be, and such excess proceeds shall be applied to redeem Bonds and/or obligations under the Reimbursement Agreement may be reduced as provided in the Indenture or the terms of the Reimbursement Agreement, then the Assessment securing such series of Bonds and/or obligations under the Reimbursement Agreement 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 reduced Actual Costs. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds and/or amounts due under a related reimbursement agreement. 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 and in accordance with the applicable Trust Indenture.

If all the Authorized Improvements are not undertaken, resulting in excess Bonds proceeds being available to redeem Bonds and/or a need to reduce the obligations under the Reimbursement Agreement, and such excess proceeds shall be applied to redeem Bonds and/or reduce obligations under the Reimbursement Agreement, as the case may be, as provided in the Indenture or the terms of the reimbursement agreement, 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 and/or repay obligations under the Reimbursement Agreement, including interest on the Bonds (including Additional Interest) and/or interest due under the Reimbursement Agreement 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 Equivalent Units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds and/or repay the obligations under the Reimbursement Agreement, including interest thereon 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 and/or obligations under the Reimbursement Agreement is equal to the outstanding principal amount of the Bonds and/or reimbursement agreement.

F. PAYMENT OF ASSESSMENTS

1. Payment in Full

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.

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.

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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.

At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Additional Interest Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the initial issuance of Bonds. If Assessments secure both a series of Bonds and an obligation under the Reimbursement Agreement, the lien securing the Bonds shall have a senior priority. As such, annual collections shall be applied first to amounts due on the Bonds, including Additional Interest and Administrative Expenses and second to amounts due under the Reimbursement Agreement.

Each Assessment for the Phase #1 Assessed Property shall be paid with interest related to the actual interest rate paid on the Phase #1 Bonds (plus additional interest) and Phase #1 Reimbursement Agreement Obligation, respectively, as shown in the Phase #1 Assessment Roll. Interest on the Phase #1 Bonds is based on an estimated interest rate of 5.00%. Interest on the Phase #1 Reimbursement Agreement Obligation shall be paid based on an estimated interest rate of 5.00% per annum for years 1 through 5 and 5.00% per annum following the fifth Annual Installment. The interest on the Phase #1 Reimbursement Agreement Obligation shall be paid at a rate not to exceed five hundred basis points (5.00%) 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 (2.00%) 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 the previous thirty days prior to the levy of Assessments was ____%. The City has determined that the PID Reimbursement Agreement shall bear interest at the interest rate of 5.00% per annum for years 1 through 5 and 5.00% per annum following the fifth Annual Installment, which rates are equal to or less than the initial maximum allowable rate of interest of 5.00% for years 1 through 5 and equal to the maximum allowable rate of interest following the fifth Annual Installment, which would be 5.00%. Furthermore, the Annual Installments may not exceed the amounts shown on the applicable Assessment Roll. The Phase #1 Assessment Roll is shown as Appendix G.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

The Annual Installments for the Phase #1 Assessed Property shall be reduced to equal the actual costs of repaying the Phase #1 Bonds and the Phase #1 Reimbursement Agreement Obligation under the Reimbursement Agreement 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 and/or issue additional 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 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. 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 Phase #1 Assessments will be due when billed and will be delinquent if not paid prior to February 1, 2023.

H. Surplus Funds Remaining in the Phase # 1 Bond Account

If proceeds from the Phase #1 Bonds remain after all of the Phase #1 Improvements are constructed and accepted by the City, the proceeds may be utilized in accordance with the applicable Trust Indenture.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

VII. THE ASSESSMENT ROLL

A. 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 will be assessed for the special benefits conferred upon the property resulting from the Phase #1 Improvements. Table VII-B summarizes the $19,543,647 in special benefit received by the Phase #1 Assessed Property from the Phase #1 Improvements, the costs of the PID formation allocable to Phase #1, and the Phase #1 Bond issuance costs. The par amount of the Phase #1 Bonds and the amount of the Phase #1 Reimbursement Agreement Obligation due under the Phase #1 Reimbursement Agreement is collectively $17,835,000, which is less than the benefit received by the Phase #1 Assessed Property from the Phase #1 Improvements. Accordingly, the total Assessment to be applied to all the Phase #1 Assessed Property is $17,835,000 plus, interest, Additional Interest (as applicable), and annual Administrative Expenses. The Assessment for each Phase #1 Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Phase #1 Assessment Roll is attached hereto as Appendix G.

Table VII-B
Phase #1
Special Benefit Summary

Special Benefit	Total Cost
Phase #1 Improvements[1]	$16,135,909
Estimated PID Formation/Bond Costs of Issuance:	
Costs of issuance	$915,300
Capitalized interest	$953,438
Reserve fund	$1,036,350
Administrative Expense	$45,000
Underwriter's discount	$457,650
Subtotal Estimated Bond Issuance Costs	*$3,407,738*
Total Special Benefit	**$19,543,647**
Special Benefit:	
Total Special Benefit	$19,543,647
Projected Assessment	$17,835,000
Excess Benefit	**$1,708,647**

[1]See Table III-C for details.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

B. Future Phases Assessment Rolls

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).

C. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phase #1 Assessment Roll 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.

This update shall reflect the actual interest on the Bonds and/or due under a related reimbursement agreement 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 (Mosaic – PID Pre-SAP)

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 applicable 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 an 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 (Mosaic – PID Pre-SAP)

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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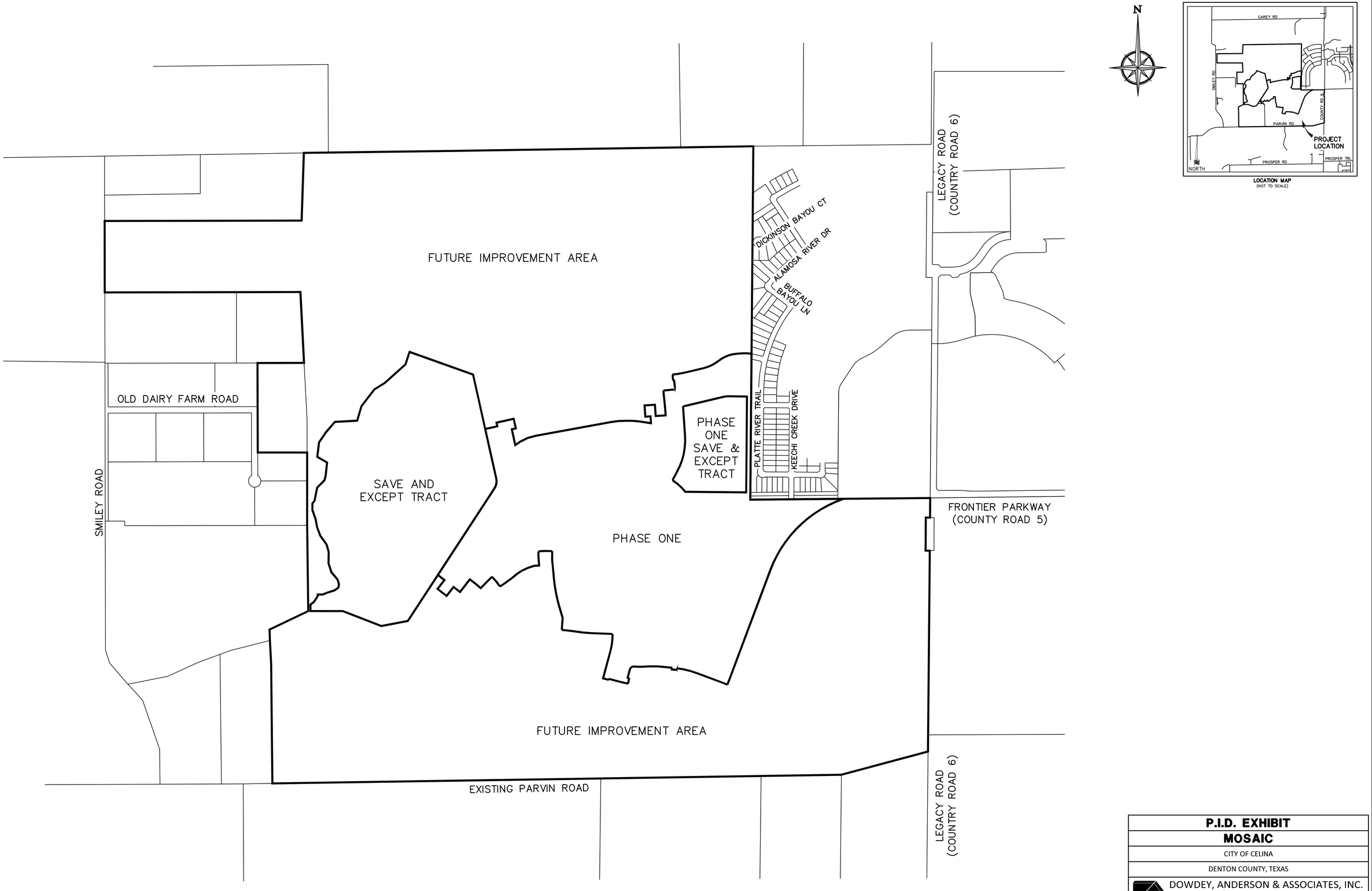
Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

APPENDIX A
PID MAP

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)



LOCATION MAP
(NOT TO SCALE)

P.I.D. EXHIBIT						
MOSAIC						
CITY OF CELINA						
DENTON COUNTY, TEXAS						
DOWDEY, ANDERSON & ASSOCIATES, INC. 5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694 STATE REGISTRATION NUMBER: F-399						
DESIGN	DRAWN	CHECKED	DATE	SCALE	JOB	SHEET
DAA	DAA	DAA	2022-03-25	N.T.S.	04051T	1 / 1

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Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Opinion of Probable Cost

MOSAIC, PHASE 1

City of Celina, County of Collin, Texas

Land Plan 12/6/2021

Total Lots: ***435*** *Total Acres:* ***151.515152***

Prepared: ***1/11/2022*** *Revised:* ***1/11/2022***

EXCAVATION	UNIT COST ($)	UNIT (-)	QTY (± #)	TOTAL ($)	MAJOR	PUBLIC	PRIVATE
DEMOLISH EXISTING STRUCTURES/PAVING	$ 2.25	SF.	0	$ -		$ -	
CLEARING & GRUBBING (VARIES SITE TO SITE)	$ 2,000.00	AC.	151.5	$ 303,031		$ 303,031	
CONSTRUCTION ENTRANCE	$ 2,500.00	EA.	1	$ 2,500		$ 2,500	
STREET & RIGHT-OF-WAY EXCAVATION	$ 2.50	CY.	80,828	$ 202,070		$ 202,070	
UN-CLASSIFIED EXCAVATION	$ 2.50	CY.	338,839	$ 847,098			$ 847,098
HOMESTEAD POND EXCAVATION	$ 50,000.00	LS.	1	$ 50,000			$ 50,000
FINE GRADING BERMS	$ 1.50	CY.	53,000	$ 79,500			$ 79,500
LOT BENCHING (Final/Finish)	$ 225.00	LT.	435	$ 97,875			$ 97,875
LOT BENCHING (Initial/Rough)	$ 200.00	LT.	435	$ 87,000			$ 87,000
MOISTURE CONDITIONING - PADS (5')	$ 2,000.00	LT.	217.5	$ 435,000			$ 435,000
MOISTURE CONDITIONING - PADS (5')	$ 2,000.00	LT.	217.5	$ 435,000			$ 435,000
POLY PADS	$ 475.00	LT.	435	$ 206,625			$ 206,625
TOTAL				**$ 2,745,699**	**$ -**	**$ 507,601**	**$ 2,238,098**

WATER	UNIT COST ($)	UNIT (-)	QTY (± #)	TOTAL ($)	MAJOR	PUBLIC	PRIVATE
8" P.V.C. WATERLINE	$ 52.80	LF.	19,790	$ 1,044,912		$ 1,044,912	
12" P.V.C. WATERLINE	$ 89.00	LF.	8,950	$ 796,550	$ 796,550		
8" GATE VALVE & BOX	$ 1,575.00	EA.	66	$ 103,950		$ 103,950	
12" GATE VALVE & BOX	$ 3,100.00	EA.	23	$ 71,300	$ 71,300		
CONNECT TO EXISTING WATERLINE	$ 12,000.00	EA.	2	$ 24,000		$ 24,000	
FIRE HYDRANT W/ VALVE	$ 8,300.00	EA.	72	$ 597,600	$ 186,100	$ 411,500	
1" SINGLE WATER SERVICE	$ 715.00	EA.	435	$ 311,025		$ 311,025	
2" SINGLE WATER SERVICE	$ 1,600.00	EA.	3	$ 4,800		$ 4,800	
2-4" SLEEVES	$ 34.00	L.F.	200	$ 6,800		$ 6,800	
2000 PSI CONCRETE ENCASEMENT	$ 50.00	LF.	400	$ 20,000		$ 20,000	
MISCELLANEOUS FITTINGS	$ 9,550.00	TN.	28.8	$ 275,040	$ 85,651	$ 189,389	
TESTING & CHLORINATION	$ 3.00	LF.	28,740	$ 86,220	$ 26,850	$ 59,370	
TRENCH SAFETY	$ 0.10	LF.	28,740	$ 2,874	$ 895	$ 1,979	
MAINTENANCE BOND	1.7%	%	$ 3,345,071	$ 56,867	$ 19,845	$ 37,021	
MF TRACT WATER LOOP			$ 1	$ -	$ -		
TOTAL				**$ 3,401,938**	**$ 1,187,191**	**$ 2,214,746**	**$ -**

SANITARY SEWER	UNIT COST ($)	UNIT (-)	QTY (± #)	TOTAL ($)	MAJOR	PUBLIC	PRIVATE
8" P.V.C. PIPE	$ 54.00	LF.	16,940	$ 914,760		$ 914,760	
12" P.V.C. PIPE	$ 100.80	LF.	8,450	$ 851,760		$ 851,760	
4' DIAMETER MANHOLE	$ 7,110.00	EA.	43	$ 305,730		$ 305,730	
5' DIAMETER MANHOLE	$ 12,480.00	EA.	22	$ 274,560		$ 274,560	
CONNECT TO EXISTING MANHOLE	$ 1,680.00	EA.	1	$ 1,680		$ 1,680	
4" SERVICE LINES	$ 960.00	EA.	435	$ 417,600		$ 417,600	
2000 PSI CONCRETE ENCASEMENT	$ 60.00	LF.	400	$ 24,000		$ 24,000	
TESTING & T.V. INSPECTION	$ 2.40	LF.	25,390	$ 60,936		$ 60,936	
TRENCH SAFETY	$ 0.12	LF.	25,390	$ 3,047		$ 3,047	
MAINTENANCE BOND	1.7%	%	$ 2,854,073	$ 48,520	$ -	$ 48,519	
MF TRACT SANITARY SEWER			1	$ -	$ -		
TOTAL				**$ 2,902,593**	**$ -**	**$ 2,902,592**	**$ -**

STORM SEWER	UNIT COST ($)	UNIT (-)	QTY (± #)	TOTAL ($)	MAJOR	PUBLIC	PRIVATE
4' X 4' "Y" INLET	$ 4,250.00	EA.	2	$ 8,500		$ 8,500	
10' INLET	$ 4,800.00	EA.	144	$ 691,200		$ 691,200	
ALLEY COMBINATION INLET	$ 5,500.00	EA.	13	$ 71,500		$ 71,500	
18" R.C.P. *(Reinforced Concrete Pipe)*	$ 60.00	LF.	5,315	$ 318,900		$ 318,900	
21" R.C.P.	$ 64.00	LF.	2,790	$ 178,560		$ 178,560	
24" R.C.P.	$ 72.00	LF.	4,360	$ 313,920		$ 313,920	
27" R.C.P.	$ 82.00	LF.	1,660	$ 136,120		$ 136,120	
30" R.C.P.	$ 92.00	LF.	830	$ 76,360		$ 76,360	
36" R.C.P.	$ 116.00	LF.	1,750	$ 203,000	$ 203,000		
42" R.C.P.	$ 151.00	LF.	1,630	$ 246,130	$ 246,130		
48" R.C.P.	$ 190.00	LF.	770	$ 146,300	$ 146,300		
4' X 4' R.C.B	$ 325.00	LF.	980	$ 318,500	$ 318,500		
5' X 4' R.C.B	$ 360.00	LF.	790	$ 284,400	$ 284,400		
6' X 4' R.C.B	$ 400.00	LF.	1,310	$ 524,000	$ 524,000		
7' X 4' R.C.B	$ 460.00	LF.	550	$ 253,000	$ 253,000		
8' X 4' R.C.B	$ 525.00	LF.	1,410	$ 740,250	$ 740,250		
7' X 5' R.C.B	$ 490.00	LF.	520	$ 254,800	$ 254,800		
8' X 5' R.C.B	$ 525.00	LF.	280	$ 147,000	$ 147,000		
2 ~ 6' X 5' R.C.B	$ 800.00	LF.	1,400	$ 1,120,000	$ 1,120,000		
21" TYPE "B" PRE-CAST HEADWALL	$ 2,650.00	EA.	1	$ 2,650		$ 2,650	
30" TYPE "B" PRE-CAST HEADWALL	$ 4,100.00	EA.	1	$ 4,100		$ 4,100	
36" TYPE "B" PRE-CAST HEADWALL	$ 4,700.00	EA.	1	$ 4,700	$ 4,700		
42" TYPE "B" PRE-CAST HEADWALL	$ 5,200.00	EA.		$ -	$ -		
4' X 4' R.C.B HEADWALL	$ 8,000.00	EA.	1	$ 8,000	$ 8,000		
8' X 4' R.C.B HEADWALL	$ 9,000.00	EA.	1	$ 9,000	$ 9,000		
6' X 5' R.C.B HEADWALL	$ 8,500.00	EA.		$ -	$ -		
8' X 5' R.C.B HEADWALL	$ 9,000.00	EA.	1	$ 9,000	$ 9,000		
2 ~ 6' X 5' R.C.B. HEADWALL	$ 15,000.00	EA.	1	$ 15,000	$ 15,000		
STORM SEWER MANHOLE	$ 4,000.00	EA.	28	$ 112,000	$ 48,422	$ 63,578	
POND OUTLET STRUCTURE	$ 15,000.00	EA.	1	$ 15,000	$ 15,000		
INLET STRUCTURE ON EXISTING POND	$ 15,000.00	EA.	1	$ 15,000	$ 15,000		

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Opinion of Probable Cost

MOSAIC, PHASE 1

City of Celina, County of Collin, Texas

Land Plan 12/6/2021

Total Lots: ***435*** *Total Acres:* ***151.515152***

Prepared: ***1/11/2022*** *Revised:* ***1/11/2022***

TEMP. DETENTION POND & OUTLET STRUCTURE			$	20,000.00	EA.	1	$	20,000	$	20,000		
TESTING & T.V. INSPECTION			$	2.50	LF.	26,345	$	65,863	$	28,475	$	37,388
TRENCH SAFETY			$	1.00	LF.	26,345	$	26,345	$	11,390	$	14,955
4' X 4' "Y" INLET		PARVIN	$	4,250.00	EA.	1	$	4,250	$	4,250		
10' INLET	RECESSED	PARVIN	$	4,800.00	EA.	7	$	33,600	$	33,600		
21" R.C.P.		PARVIN	$	64.00	LF.	350	$	22,400	$	22,400		
27" R.C.P.		PARVIN	$	82.00	LF.	840	$	68,880	$	68,880		
36" R.C.P.		PARVIN	$	116.00	LF.	670	$	77,720	$	77,720		
42" R.C.P.		PARVIN	$	151.00	LF.	480	$	72,480	$	72,480		
5' X 5' R.C.B		PARVIN	$	400.00	LF.	70	$	28,000	$	28,000		
6' X 5' R.C.B		PARVIN	$	460.00	LF.	100	$	46,000	$	46,000		
42" TYPE "B" PRE-CAST HEADWALL		PARVIN	$	5,200.00	EA.	1	$	5,200	$	5,200		
6' X 5' R.C.B HEADWALL		PARVIN	$	8,500.00	EA.	1	$	8,500	$	8,500		
GRADE TO DRAIN		PARVIN	$	20.00	LF.	1400	$	28,000	$	28,000		
TESTING & T.V. INSPECTION		PARVIN	$	2.50	LF.	2,510	$	6,275	$	6,275		
TRENCH SAFETY		PARVIN	$	1.00	LF.	2,510	$	2,510	$	2,510		
MISCELLANEOUS ITEMS				1%	LS.				$	-		
MAINTENANCE BOND				1.7%	%	$ 6,742,913	$	114,630	$	82,028	$	32,601
LEGACY DRIVE DRAINAGI (Frontier to Parvin)						1	$	-	$	-		
PARVIN ROAD DRAINAGE (Legacy to Creek)						1	$	-	$	-		
TOTAL							**$**	**6,857,543**	**$**	**4,907,210**	**$**	**1,950,332**

PAVING		**UNIT COST ($)**	**UNIT (-)**	**QTY (± #)**	**TOTAL ($)**	**MAJOR**	**PUBLIC**	**PRIVATE**
6" REINF. CONCRETE STREET PAVEMENT		$ 46.80	SY.	83,209	$ 3,894,176	$ 1,146,600	$ 2,747,576	
8" REINF. CONCRETE STREET PAVEMENT	PARVIN ROAD	$ 55.42	SY.	9,800	$ 543,116	$ 543,116		
6" REINF. CONCRETE ALLEY PAVEMENT		$ 51.70	SY.	7,158	$ 370,058		$ 370,058	
TEMPORARY TURN AROUND		$ 46.80	SY.	660	$ 30,888		$ 30,888	
6" LIME TREATED SUBGRADE		$ 3.25	SY.	105,049	$ 341,409	$ 125,197	$ 216,212	
8" LIME TREATED SUBGRADE	PARVIN ROAD	$ 4.25	SY.	11,200	$ 47,600	$ 47,600		
HYDRATED LIME		$ 175.00	TN.	2160	$ 377,944		$ 377,944	
MOISTURE CONDITIONING - 7' DEPTH	PARVIN ROAD	$ 4.00	SY.	11200	$ 44,800	$ 44,800		
MOISTURE CONDITIONING - 7' DEPTH	INTERNAL	$ 4.00	SY.	105049	$ 420,196	$ 154,089	$ 266,107	
PAVEMENT HEADER & BARRICADE		$ 1,305.00	EA.	15	$ 19,575		$ 19,575	
CONNECT TO EXISTING		$ 500.00	EA.	1	$ 500		$ 500	
ROUNDABOUT - MINI		$ 50,000.00	LS.		$ -		$ -	
ROUNDABOUT - SINGLE		$ 75,000.00	LS.	1	$ 75,000		$ 75,000	
SIDEWALK	5 FT DEVELOPER	$ 25.00	LF.	6240	$ 156,000		$ 156,000	
BARRIER FREE RAMPS		$ 1,800.00	EA.	90	$ 162,000		$ 162,000	
DETECTABLE WARNING SURFACE		$ 500.00	EA.	38	$ 19,000		$ 19,000	
STREET NAME BLADES		$ 250.00	EA.	94	$ 23,500		$ 23,500	
TRAFFIC SIGNS		$ 400.00	EA.	45	$ 18,000		$ 18,000	
TRAFFIC CONTROL DEVICES (SIGNS, BARRELS & BARRICADES)		$ 5,000.00	LS.	1	$ 5,000		$ 5,000	
MAINTENANCE BOND		1.0%	%	$ 6,548,762	$ 65,488	$ 20,614	$ 44,874	
LEGACY DRIVE PAVING (Frontier to Parvin)				1	$ -	$ -		
PARVIN ROAD PAVING (Legacy to Creek)				1	$ -	$ -		
PHASE 6 BRIDGE				1	$ -	$ -		
TOTAL					**$ 6,614,250**	**$ 2,082,016**	**$ 4,532,233**	**$ -**

RETAINING WALLS	**UNIT COST ($)**	**UNIT (-)**	**QTY (± #)**		**MAJOR**	**PUBLIC**	**PRIVATE**
RETAINING WALL PER LOT (VARIES SITE TO SITE)	$ 500.00	LT.	435	$ 217,500			$ 217,500
TOTAL				**$ 217,500**	**$ -**	**$ -**	**$ 217,500**

EROSION CONTROL		**UNIT COST ($)**	**UNIT (-)**	**QTY (± #)**	**TOTAL ($)**	**MAJOR**	**PUBLIC**	**PRIVATE**
PRE-DEVELOPMENT EROSION CONTROL:								
SILT FENCE (HIGH FLOW)		$ 1.50	LF.	7000	$ 10,500		$ 10,500	
SILT FENCE (HIGH FLOW)	(MAINTENANCE)	$ 1.50	LF.	7000	$ 10,500		$ 10,500	
ROCK CHECK DAMS		$ 700.00	EA.		$ -		$ -	
POST DEVELOPMENT EROSION CONTROL:							$ -	
8' ROLL OF CURLEX WITH SEED		$ 1.50	LF.	63,100	$ 94,650		$ 94,650	
DISK & SEED		$ 300.00	AC.	77	$ 23,069		$ 23,069	
ADMINISTRATION:							$ -	
SWPPP BOOK		$ 650.00	LS.	1	$ 650		$ 650	
SWPPP BOOK COPY		$ 60.00	EA.	1	$ 60		$ 60	
SWPPP SITE SIGNAGE		$ 100.00	EA.	1	$ 100		$ 100	
WEEKLY INSPECTIONS		$ 75.00	EA.	52	$ 3,900		$ 3,900	
SALES TAX ON IMPROVEMENTS		8.25%	%	$ 138,719	$ 11,445		$ 11,445	
TOTAL					**$ 154,874**	**$ -**	**$ 154,874**	**$ -**

AMENITY IMPROVEMENTS	**UNIT COST ($)**	**UNIT (-)**	**QTY (± #)**	**TOTAL ($)**	**MAJOR**	**PUBLIC**	**PRIVATE**
PID LANDSCAPING REIMBURSABLE	$ 2,298,219	LS.	1	$ 2,298,219	$ 2,226,601	$ 71,618	
NON-PID AMENITY CENTER	$ 6,081,800	LS.	1	$ 6,081,800			$ 6,081,800
NON-PID LANDSCAPING REIMBURSABLE	$ 6,926,221	EA.	1	$ 6,926,221			$ 6,926,221
ENGINEERING	3.0%	3	$ 15,306,240	$ 459,187	$ 66,798	$ 2,149	$ 390,241
LANDSCAPE ARCHITECT	9.5%	%	$ 15,306,240	$ 1,454,093	$ 211,527	$ 6,804	$ 1,235,762
TOTAL				**$ 17,219,520**	**$ 2,504,926**	**$ 80,570**	**$ 14,634,024**

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Opinion of Probable Cost

MOSAIC, PHASE 1

City of Celina, County of Collin, Texas

Land Plan 12/6/2021

Total Lots: ***435*** *Total Acres:* ***151.515152***

Prepared: ***1/11/2022*** *Revised:* ***1/11/2022***

FRANCHISE UTILITY ON-SITE IMPROVEMENTS	UNIT COST ($)	UNIT (-)	QTY (± #)	TOTAL ($)	MAJOR	PUBLIC	PRIVATE
ELECTRIC SERVICE	$ 22.00	LF.	26,590	584,980			$ 584,980
GAS SERVICE	$ -	LT.	435	-			$ -
STREET LIGHTS	$ 11.00	LF.	26,590	292,490			$ 292,490
FRONTIER DUCT BANK	$ 325.00	LF.	2,100	682,500			$ 682,500
INTERNAL PHASE DUCT BANK	$ 225.00	LF.	3,200	720,000			$ 720,000
4" FRANCHISE UTILITY SLEEVES	$ 10.00	LF.	420	4,200			$ 4,200
FRANCHISE RELOCATION							
TOTAL				**2,284,170**	**-**	**-**	**2,284,170**

CITY FEES & MISCELLANEOUS CONSULTANTS	UNIT COST ($)	UNIT (-)	QTY (± #)	TOTAL ($)	MAJOR	PUBLIC	PRIVATE
CITY FEES:							
ANNEXATION FEE	$ 1,000.00	LS.	1	$ 1,000		$ 1,000	
ZONING FEE	$ 300.00	LS.	1	$ 300		$ 300	
PLATTING FEE PLUS $300	$ 7.00	LT.	435	$ 3,345		$ 3,345	
ENGINEERING REVIEW FEE	$ 5,000.00	LS.	1	$ 5,000		$ 5,000	
INSPECTION FEE	3.0%	%	$ 19,776,324	$ 593,290		$ 593,290	
PROFESSIONAL FEES:							
PLANNING, ANNEXATION, ZONING	$ 30,000.00	LS.	1	$ 30,000		$ 30,000	
TREE SURVEY	$ 10,000.00	LS.	1	$ 10,000		$ 10,000	
PID/TIRZ ASSISTANCE	$ 5,000.00	LS.	1	$ 5,000		$ 5,000	
FLOODPLAIN ANALYSIS	$ 150,000.00	LS.	1	$ 150,000		$ 150,000	
WETLANDS/WOTUS	$ 7,500.00	LS.	1	$ 7,500		$ 7,500	
ENVIRONMENTAL STUDY	$ 5,000.00	LS.	1	$ 5,000		$ 5,000	
GEOTECHNICAL REPORT	$ 500.00	LT.	435	$ 217,500		$ 217,500	
CONSTRUCTION MATERIAL TESTING	$ 500.00	LT.	435	$ 217,500		$ 217,500	
						$ -	
TOTAL				**1,245,435**	**$ -**	**$ 1,245,435.00**	**$ -**

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

APPENDIX C
LEGAL DESCRIPTION

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

PID - 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;

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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 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;

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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;

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

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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 document of record filed in Document Number 99-096579, Deed Records, Denton County, Texas, and being more particularly described as follows:

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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;

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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;

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;

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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.

PHASE #1

LEGAL DESCRIPTION

TRACT 1

BEING A TRACT OF LAND LOCATION IN THE C. COPENHAVER SURVEY, ABSTRACT NO. 253, JOHN MORTON SURVEY, ABSTRACT NO. 791, JOHN M. MCKIM SURVEY, ABSTRACT NO. 889, AND THE ANTHONY PHILLIPS SURVEY, ABSTRACT NO. 1028, DENTON COUNTY, TEXAS, AND BEING PART OF THAT TRACT OF LAND DESCRIBED AS TRACT 1 IN DEED TO TELLUS TEXAS I, LLC, RECORDED IN DOCUMENT NO. 2021-137876, OFFICIAL RECORDS, DENTON COUNTY, TEXAS, (O.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON ROD FOUND AT A NORTHEASTERLY INTERIOR ELL CORNER OF SAID TRACT 1 AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN RIGHT-OF-WAY DEED TO CITY OF CELINA, RECORDED IN DOCUMENT NUMBER 2008-9821, O.R.D.C.T.;

THENCE NORTH 89° 28' 44" EAST, ALONG THE COMMON LINE OF SAID TRACT 1 AND SAID CITY OF CELINA TRACT, A DISTANCE OF 901.73 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” FOUND AT THE MOST EASTERLY CORNER OF SAID TRACT 1 AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 50° 28' 55", A RADIUS OF 1,160.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 45° 43' 46" WEST, 989.31 FEET;

THENCE ALONG THE EAST LINE OF SAID TRACT 1, THE FOLLOWING THREE (3) COURSES AND DISTANCES:

SOUTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 1,022.05 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” FOUND FOR CORNER;

SOUTH 20° 29' 18" WEST, A DISTANCE OF 1,113.94 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” FOUND FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 02° 55' 27", A RADIUS OF 1,340.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 21° 57' 02" WEST, 68.38 FEET;

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

SOUTHWESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 68.39 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

THENCE LEAVING SAID EAST LINE, OVER AND ACROSS SAID TRACT 1, THE FOLLOWING FIFTY-EIGHT (58) COURSES AND DISTANCES:

NORTH 66° 35' 14" WEST, A DISTANCE OF 40.00 FEET TO A POINT FOR CORNER;

NORTH 69° 30' 42" WEST, A DISTANCE OF 277.74 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 13° 42' 18", A RADIUS OF 791.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 76° 21' 51" WEST, 188.75 FEET;

WESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 189.20 FEET TO A POINT FOR CORNER;

SOUTH 22° 52' 03" WEST, A DISTANCE OF 15.61 FEET TO A POINT FOR CORNER;

NORTH 85° 48' 06" WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

NORTH 04° 11' 54" EAST, A DISTANCE OF 1.74 FEET TO A POINT FOR CORNER;

NORTH 14° 01' 42" WEST, A DISTANCE OF 15.98 FEET TO A POINT FOR CORNER;

NORTH 83° 47' 55" WEST, A DISTANCE OF 61.07 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 11° 06' 46", A RADIUS OF 1,191.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 89° 21' 29" WEST, 230.64 FEET;

WESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 231.00 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 14° 23' 55", A RADIUS OF 259.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 87° 42' 54" WEST, 64.92 FEET;

WESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 65.09 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 84° 32' 16", A RADIUS OF 40.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 57° 12' 56" WEST, 53.81 FEET;

SOUTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 59.02 FEET TO A POINT FOR CORNER;

SOUTH 14° 56' 48" WEST, A DISTANCE OF 82.93 FEET TO A POINT FOR CORNER;

SOUTH 59° 46' 19" EAST, A DISTANCE OF 15.52 FEET TO A POINT FOR CORNER;

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

SOUTH 11° 06' 21" WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 03° 50' 12", A RADIUS OF 1,225.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 76° 58' 33" WEST, 82.01 FEET;

WESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 82.03 FEET TO A POINT FOR CORNER;

NORTH 75° 03' 27" WEST, A DISTANCE OF 104.35 FEET TO A POINT FOR CORNER;

SOUTH 59° 56' 40" WEST, A DISTANCE OF 14.14 FEET TO A POINT FOR CORNER;

NORTH 75° 03' 12" WEST, A DISTANCE OF 50.00 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

NORTH 14° 56' 48" EAST, A DISTANCE OF 275.86 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 15° 34' 55", A RADIUS OF 570.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 07° 34' 50" EAST, 154.54 FEET;

NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 155.02 FEET TO A POINT FOR CORNER;

NORTH 44° 12' 18" WEST, A DISTANCE OF 14.50 FEET TO A POINT FOR CORNER;

NORTH 87° 44' 19" WEST, A DISTANCE OF 200.61 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 07° 27' 44", A RADIUS OF 1,225.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 84° 00' 27" WEST, 159.43 FEET;

WESTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 159.55 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 07° 09' 51", A RADIUS OF 975.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 83° 51' 30" WEST, 121.83 FEET;

WESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 121.91 FEET TO A POINT FOR CORNER;

NORTH 02° 33' 35" EAST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

NORTH 05° 14' 18" EAST, A DISTANCE OF 65.95 FEET TO A POINT FOR CORNER;

NORTH 16° 25' 20" WEST, A DISTANCE OF 62.22 FEET TO A POINT FOR CORNER;

NORTH 16° 55' 28" WEST, A DISTANCE OF 64.84 FEET TO A POINT FOR CORNER;

NORTH 14° 23' 41" WEST, A DISTANCE OF 64.84 FEET TO A POINT FOR CORNER;

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

NORTH 11° 52' 10" WEST, A DISTANCE OF 64.84 FEET TO A POINT FOR CORNER;

NORTH 09° 20' 32" WEST, A DISTANCE OF 64.84 FEET TO A POINT FOR CORNER;

NORTH 06° 48' 54" WEST, A DISTANCE OF 64.95 FEET TO A POINT FOR CORNER;

NORTH 05° 29' 35" WEST, A DISTANCE OF 60.00 FEET TO A POINT FOR CORNER;

NORTH 05° 27' 40" WEST, A DISTANCE OF 60.00 FEET TO A POINT FOR CORNER;

NORTH 05° 28' 37" WEST, A DISTANCE OF 60.00 FEET TO A POINT FOR CORNER;

NORTH 00° 08' 05" WEST, A DISTANCE OF 91.09 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 11° 36' 52", A RADIUS OF 610.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 89° 31' 40" WEST, 123.44 FEET;

WESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 123.65 FEET TO A POINT FOR CORNER;

SOUTH 40° 34' 22" WEST, A DISTANCE OF 14.70 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 02° 27' 35", A RADIUS OF 425.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 00° 12' 06" EAST, 18.24 FEET;

SOUTHERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 18.25 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 05° 24' 15", A RADIUS OF 375.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 01° 40' 26" EAST, 35.36 FEET;

SOUTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 35.37 FEET TO A POINT FOR CORNER;

SOUTH 04° 23' 39" EAST, A DISTANCE OF 73.07 FEET TO A POINT FOR CORNER;

SOUTH 85° 36' 21" WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER;

SOUTH 71° 22' 02" WEST, A DISTANCE OF 70.71 FEET TO A POINT FOR CORNER;

SOUTH 63° 42' 31" WEST, A DISTANCE OF 57.51 FEET TO A POINT FOR CORNER;

SOUTH 56° 50' 21" WEST, A DISTANCE OF 57.51 FEET TO A POINT FOR CORNER;

SOUTH 49° 58' 11" WEST, A DISTANCE OF 57.51 FEET TO A POINT FOR CORNER;

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

SOUTH 53° 45' 26" WEST, A DISTANCE OF 94.80 FEET TO A POINT FOR CORNER;

SOUTH 57° 30' 58" WEST, A DISTANCE OF 50.00 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 12° 42' 31", A RADIUS OF 550.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 38° 50' 18" WEST, 121.74 FEET;

NORTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 121.99 FEET TO A POINT FOR CORNER;

SOUTH 44° 48' 27" WEST, A DISTANCE OF 155.00 FEET TO A POINT FOR CORNER;

NORTH 49° 37' 45" WEST, A DISTANCE OF 64.87 FEET TO A POINT FOR CORNER;

NORTH 52° 20' 44" WEST, A DISTANCE OF 70.00 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

SOUTH 37° 39' 16" WEST, A DISTANCE OF 155.00 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

NORTH 52° 20' 44" WEST, A DISTANCE OF 79.50 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

SOUTH 37° 39' 16" WEST, A DISTANCE OF 109.32 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

NORTH 52° 20' 44" WEST, A DISTANCE OF 110.50 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

NORTH 37° 39' 16" EAST, A DISTANCE OF 109.32 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

NORTH 52° 20' 44" WEST, A DISTANCE OF 79.98 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER IN THE NORTHWEST LINE OF SAID TRACT 1;

THENCE ALONG THE WEST LINE OF SAID TRACT 1, THE FOLLOWING THREE (3) COURSES AND DISTANCES:

N 33° 08' 43" EAST, A DISTANCE OF 991.23 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” FOUND FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 50° 22' 16", A RADIUS OF 125.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 11° 46' 54" EAST, 106.39 FEET;

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 109.89 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” FOUND FOR CORNER

NORTH 12° 34' 43" WEST, A DISTANCE OF 488.91 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER;

THENCE LEAVING SAID WEST LINE, OVER AND ACROSS SAID TRACT 1, THE FOLLOWING THIRTY-EIGHT (38) COURSES AND DISTANCES:

NORTH 77° 25' 17" EAST, A DISTANCE OF 120.00 FEET TO A POINT FOR CORNER;

NORTH 12° 34' 43" WEST, A DISTANCE OF 36.15 FEET TO A POINT FOR CORNER;

NORTH 77° 25' 17" EAST, A DISTANCE OF 170.00 FEET TO A POINT FOR CORNER;

SOUTH 12° 34' 43" EAST, A DISTANCE OF 94.70 FEET TO A POINT FOR CORNER;

SOUTH 77° 25' 17" WEST, A DISTANCE OF 40.00 FEET TO A POINT FOR CORNER;

SOUTH 12° 34' 43" EAST, A DISTANCE OF 156.45 FEET TO A POINT FOR CORNER;

NORTH 55° 41' 49" EAST, A DISTANCE OF 56.24 FEET TO A POINT FOR CORNER;

NORTH 63° 27' 43" EAST, A DISTANCE OF 82.02 FEET TO A POINT FOR CORNER;

NORTH 74° 52' 32" EAST, A DISTANCE OF 79.61 FEET TO A POINT FOR CORNER;

NORTH 79° 37' 27" EAST, A DISTANCE OF 725.00 FEET TO A POINT FOR CORNER;

NORTH 81° 29' 38" EAST, A DISTANCE OF 82.66 FEET TO A POINT FOR CORNER;

NORTH 87° 17' 10" EAST, A DISTANCE OF 70.00 FEET TO A POINT FOR CORNER;

SOUTH 89° 13' 00" EAST, A DISTANCE OF 68.53 FEET TO A POINT FOR CORNER;

SOUTH 85° 16' 58" EAST, A DISTANCE OF 62.69 FEET TO A POINT FOR CORNER;

SOUTH 81° 31' 51" EAST, A DISTANCE OF 62.50 FEET TO A POINT FOR CORNER;

SOUTH 81° 31' 51" EAST, A DISTANCE OF 57.71 FEET TO A POINT FOR CORNER;

NORTH 03° 53' 08" WEST, A DISTANCE OF 66.33 FEET TO A POINT FOR CORNER;

SOUTH 86° 06' 51" WEST, A DISTANCE OF 50.50 FEET TO A POINT FOR CORNER;

NORTH 03° 53' 08" WEST, A DISTANCE OF 109.32 FEET TO A POINT FOR CORNER;

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

NORTH 86° 06' 52" EAST, A DISTANCE OF 100.50 FEET TO A POINT FOR CORNER;

SOUTH 03° 53' 08" EAST, A DISTANCE OF 109.32 FEET TO A POINT FOR CORNER;

NORTH 86° 06' 52" EAST, A DISTANCE OF 96.00 FEET TO A POINT FOR CORNER;

NORTH 03° 53' 08" WEST, A DISTANCE OF 63.89 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 03° 32' 51", A RADIUS OF 2,856.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 05° 39' 33" WEST, 176.80 FEET;

NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 176.83 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02° 15' 50", A RADIUS OF 241.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 85° 42' 55" EAST, 9.52 FEET;

EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 9.52 FEET TO A POINT FOR CORNER;

NORTH 84° 35' 00" EAST, A DISTANCE OF 93.00 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00° 21' 34", A RADIUS OF 1,091.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 84° 24' 14" EAST, 6.84 FEET;

EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 6.84 FEET TO A POINT FOR CORNER;

NORTH 11° 56' 41" EAST, A DISTANCE OF 15.76 FEET TO A POINT FOR CORNER;

NORTH 06° 33' 15" WEST, A DISTANCE OF 71.14 FEET TO A POINT FOR CORNER;

NORTH 50° 49' 03" WEST, A DISTANCE OF 14.32 FEET TO A POINT FOR CORNER;

NORTH 04° 38' 01" WEST, A DISTANCE OF 49.99 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02° 26' 41", A RADIUS OF 775.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 84° 08' 39" EAST, 33.06 FEET;

EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 33.07 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 06° 11' 31", A RADIUS OF 975.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 79° 41' 07" EAST, 105.32 FEET;

EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 105.37 FEET TO A POINT FOR CORNER;

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

NORTH 76° 35' 22" EAST, A DISTANCE OF 166.57 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A COMPOUND CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 24° 57' 14", A RADIUS OF 375.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 64° 06' 44" EAST, 162.04 FEET;

NORTHEASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 163.32 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A REVERSE CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 35° 11' 29", A RADIUS OF 325.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 69° 13' 52" EAST, 196.49 FEET;

NORTHEASTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 199.62 FEET TO A POINT FOR CORNER;

NORTH 86° 49' 36" EAST, A DISTANCE OF 67.10 FEET TO A POINT FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 14° 16' 33", A RADIUS OF 275.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 86° 02' 08" EAST, 68.34 FEET;

EASTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 68.52 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR CORNER IN THE EAST LINE OF SAID TRACT 1 AND THE WEST LINE OF CREEKS OF LEGACY WEST PHASE2, AN ADDITION TO THE CITY OF CELINA, DENTON COUNTY, TEXAS, ACCORDING TO THE PLAT THEREOF RECORDED IN CABINET 2020, SLIDE 80, PLAT RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 00° 29' 21" WEST, WITH THE EAST LINE OF SAID TRACT 1, A DISTANCE OF 1,410.20 FEET TO THE POINT OF BEGINNING AND CONTAINING 142.245 ACRES OF LAND MORE OR LESS.

SAVE AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND:

TRACT 2

BEING A TRACT OF LAND LOCATION IN THE JOHN M. MCKIM SURVEY, ABSTRACT NO. 889, DENTON COUNTY, TEXAS, AND BEING PART OF THAT TRACT OF LAND DESCRIBED AS TRACT 1 IN DEED TO TELLUS TEXAS I, LLC, RECORDED IN DOCUMENT NO. 2021-137876, OFFICIAL RECORDS, DENTON COUNTY, TEXAS, (O.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 5/8-INCH IRON ROD FOUND AT NORTHEASTERLY INTERIOR ELL CORNER OF SAID TRACT 1 AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN RIGHT-OF-WAY DEED TO CITY OF CELINA, RECORDED IN DOCUMENT NUMBER 2008-9821, O.R.D.C.T.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

THENCE NORTH 29° 15' 04" WEST, A DISTANCE OF 80.63 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET FOR THE POINT OF BEGINNING OF THE TRACT OF LAND DESCRIBED HEREIN;

THENCE NORTH 89° 30' 39" WEST, A DISTANCE OF 587.82 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 18° 03' 19", A RADIUS OF 505.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 47° 26' 36" WEST, 158.48 FEET;

THENCE NORTHWESTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 159.14 TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET;

THENCE NORTH 14° 01' 30" WEST, A DISTANCE OF 14.62 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET;

THENCE NORTH 28° 59' 19" EAST, A DISTANCE OF 65.25 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 05° 04' 18", A RADIUS OF 830.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 26° 27' 10" EAST, 73.45 FEET;

THENCE NORTHEASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 73.47 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET AT THE BEGINNING OF A COMPOUND CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 27° 48' 09", A RADIUS OF 630.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 10° 00' 56" EAST, 302.71 FEET;

THENCE NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 305.70 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET;

THENCE NORTH 03° 53' 08" WEST, A DISTANCE OF 273.56 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET AT THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00° 03' 46", A RADIUS OF 3,030.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 03° 55' 01" WEST, 3.33 FEET;

THENCE NORTHERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 3.33 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET;

THENCE NORTH 39° 54' 56" EAST, A DISTANCE OF 14.41 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 06° 12' 51", A RADIUS OF 280.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 79° 41' 47" EAST, 30.35 FEET;

THENCE EASTERLY, ALONG SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 30.37 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET;

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

THENCE NORTH 76° 35' 22" EAST, A DISTANCE OF 355.59 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET AT THE BEGINNING OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 13° 53' 59", A RADIUS OF 220.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 83° 32' 21" EAST, 53.24 FEET;

THENCE EASTERLY, ALONG SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 53.37 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET;

THENCE SOUTH 89° 30' 39" EAST, A DISTANCE OF 179.87 FEET TO A 5/8-INCH IRON ROD WITH YELLOW CAP STAMPED “RPLS 5674” SET;

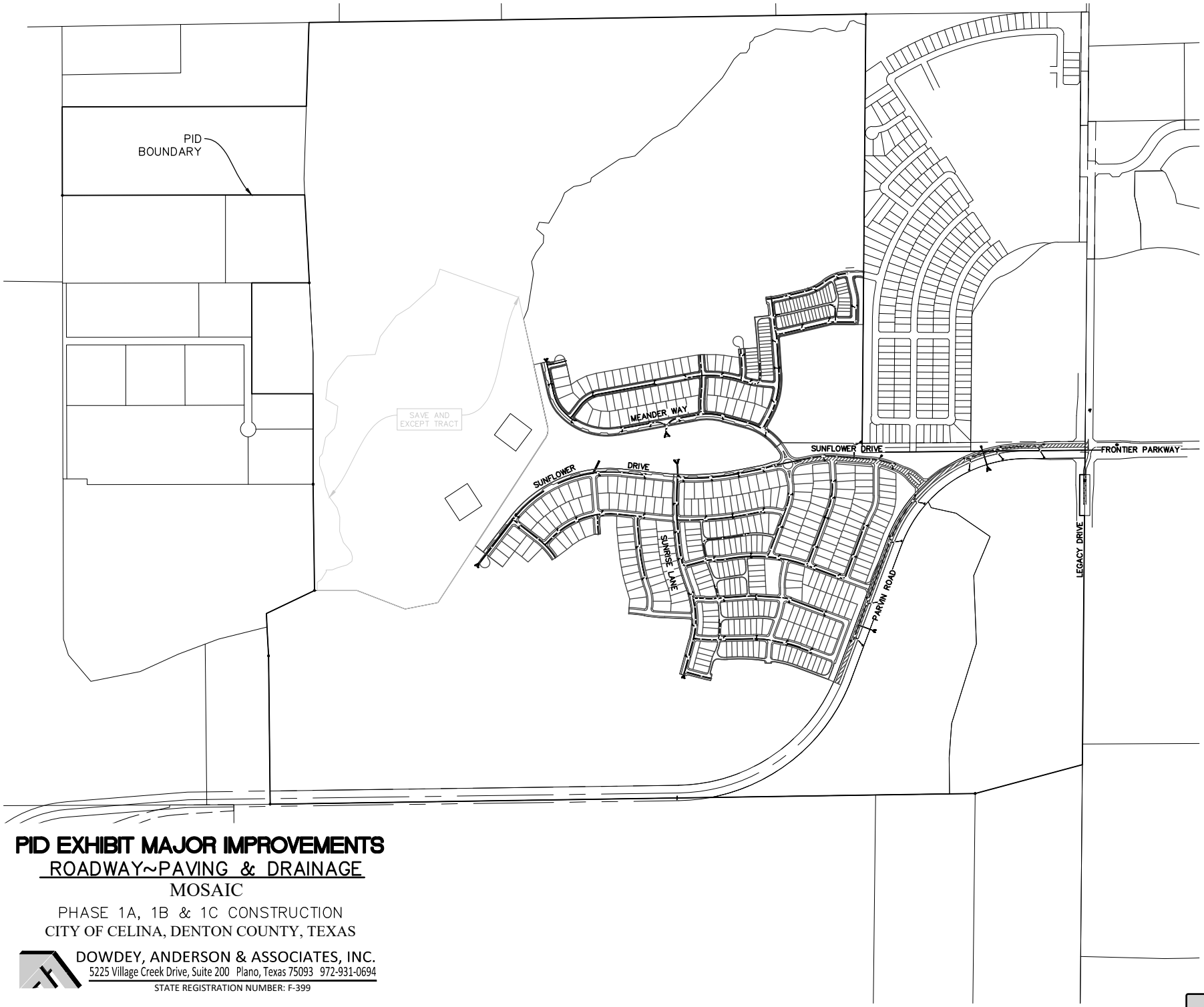
THENCE SOUTH 00° 29' 21" WEST, A DISTANCE OF 927.02 FEET TO THE POINT OF BEGINNING, AND CONTAINING 12.778 ACRES OF LAND, MORE OR LESS.

LEAVING A NET ACREAGE OF 129.467 ACRES.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

APPENDIX D
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)



PID EXHIBIT MAJOR IMPROVEMENTS

ROADWAY~PAVING & DRAINAGE

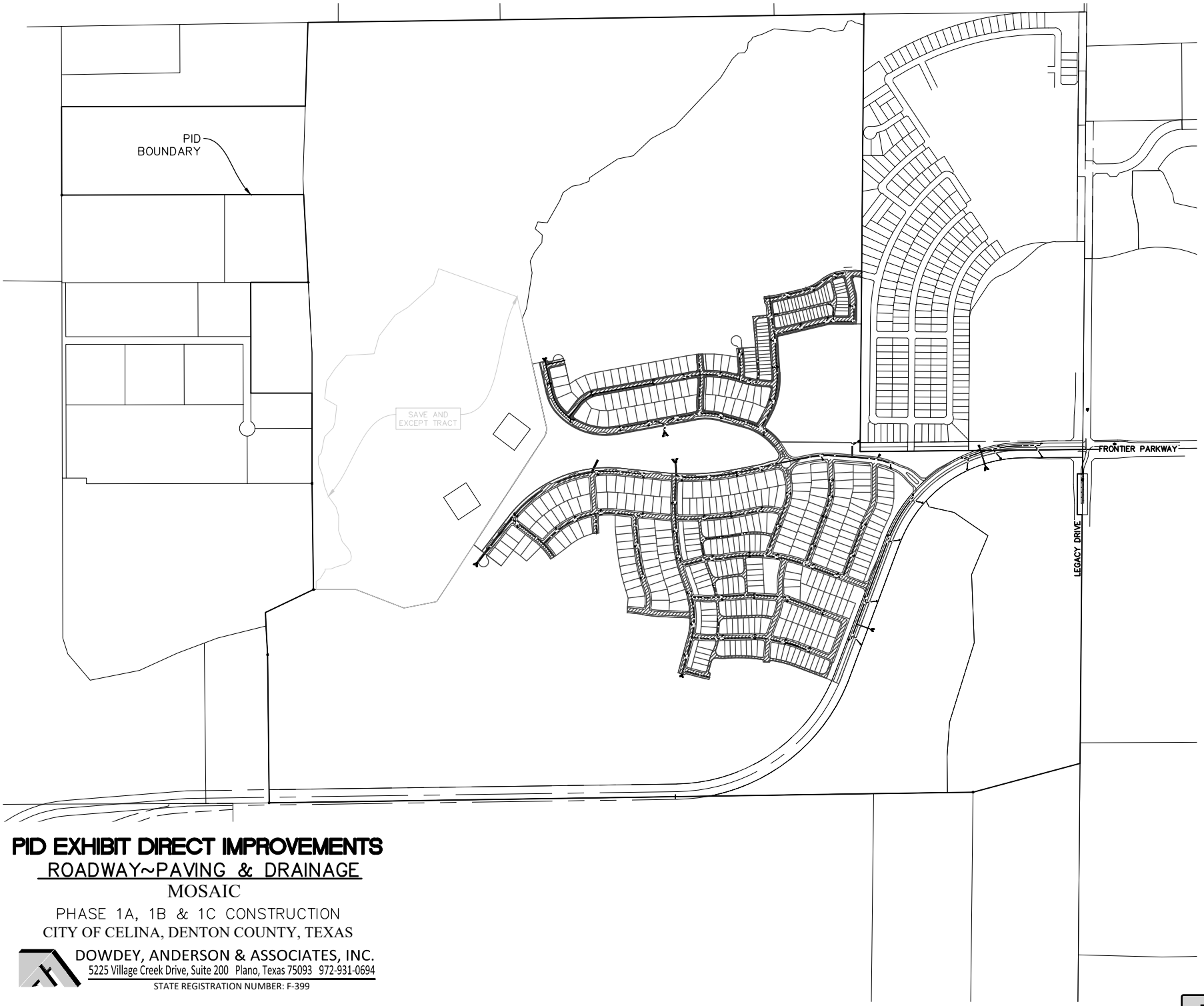
MOSAIC

PHASE 1A, 1B & 1C CONSTRUCTION

CITY OF CELINA, DENTON COUNTY, TEXAS

DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)



PID EXHIBIT DIRECT IMPROVEMENTS

ROADWAY~PAVING & DRAINAGE

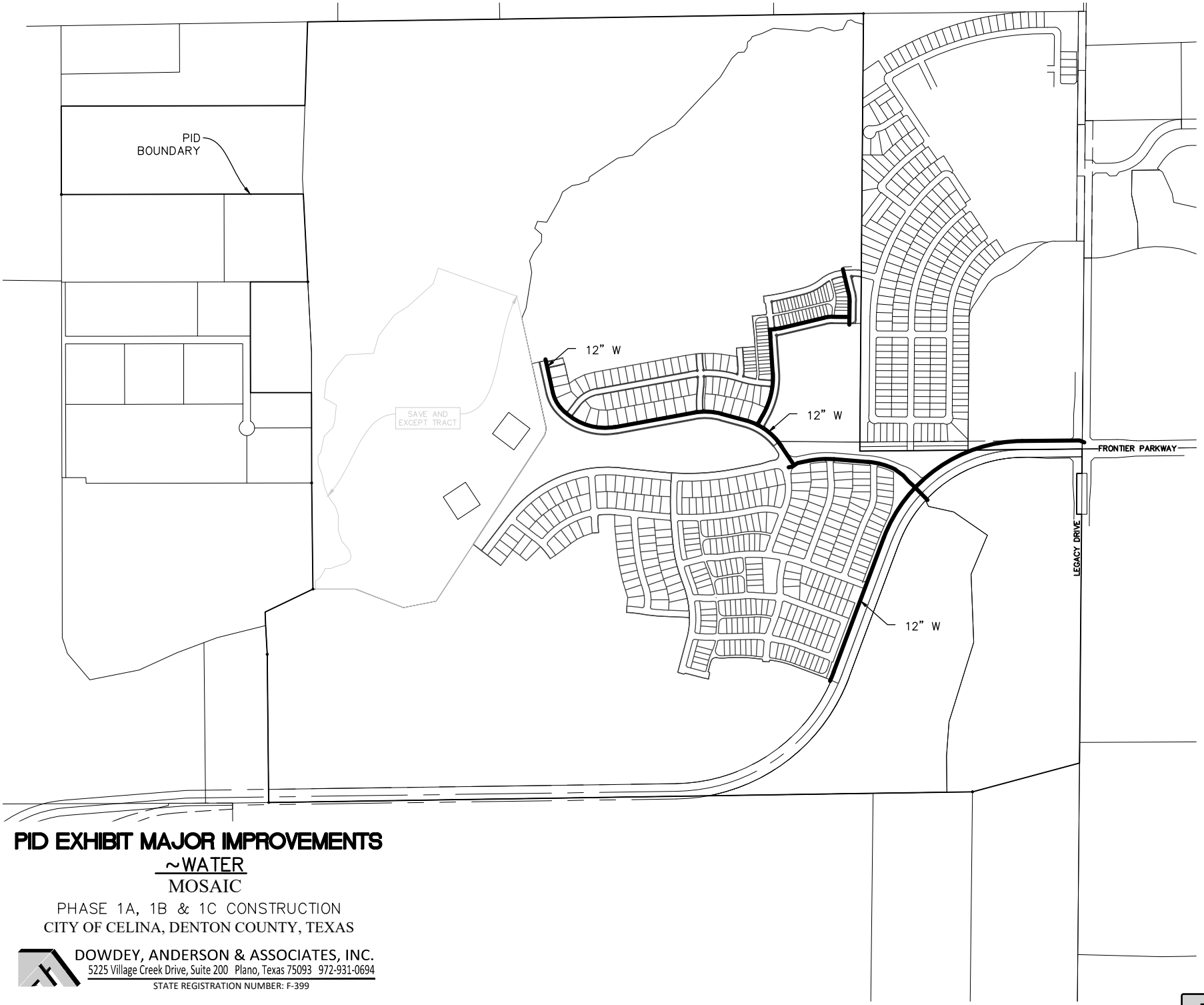
MOSAIC

PHASE 1A, 1B & 1C CONSTRUCTION

CITY OF CELINA, DENTON COUNTY, TEXAS

DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)



PID EXHIBIT MAJOR IMPROVEMENTS

~WATER

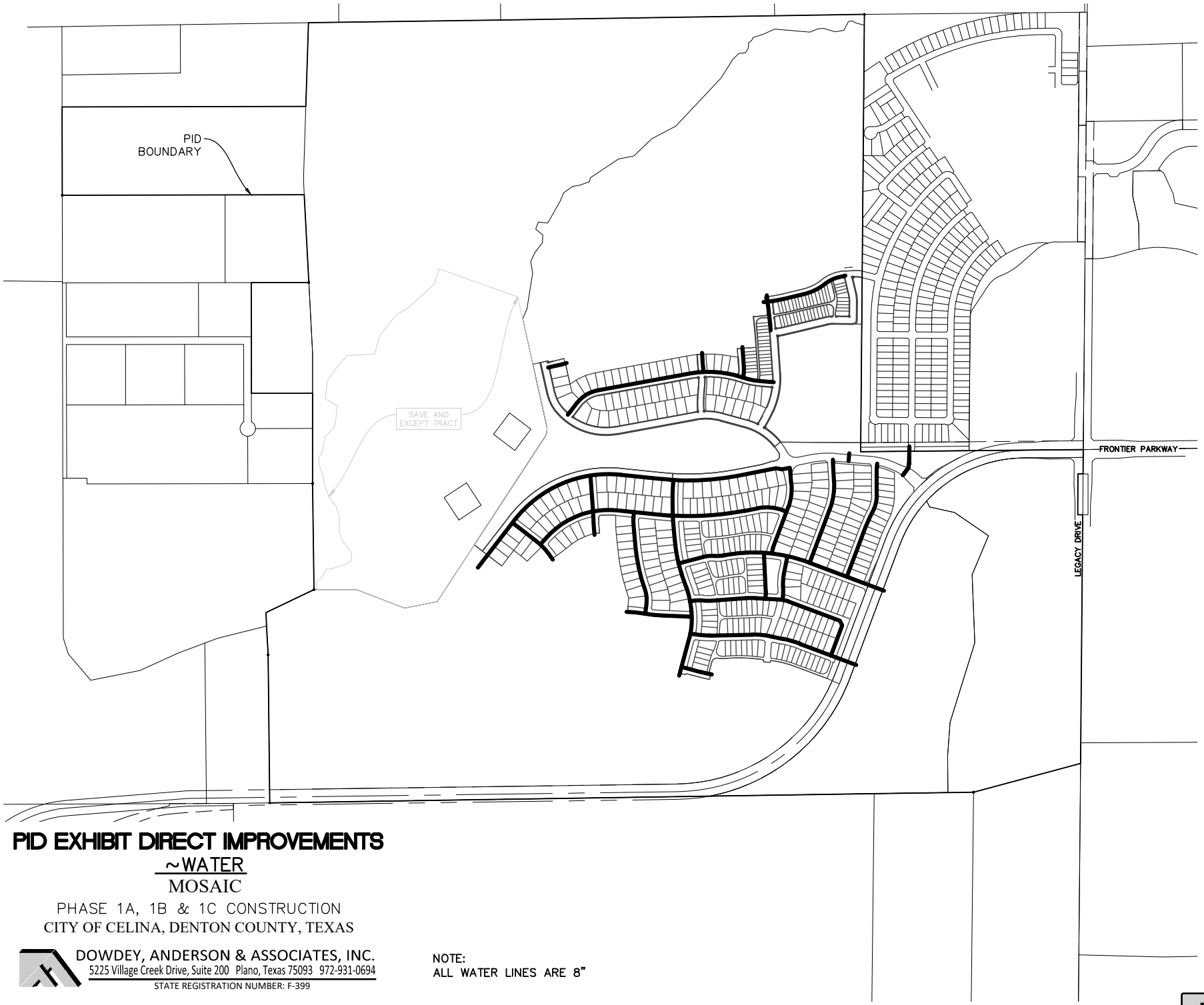
MOSAIC

PHASE 1A, 1B & 1C CONSTRUCTION

CITY OF CELINA, DENTON COUNTY, TEXAS

DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)



PID EXHIBIT DIRECT IMPROVEMENTS

~WATER

MOSAIC

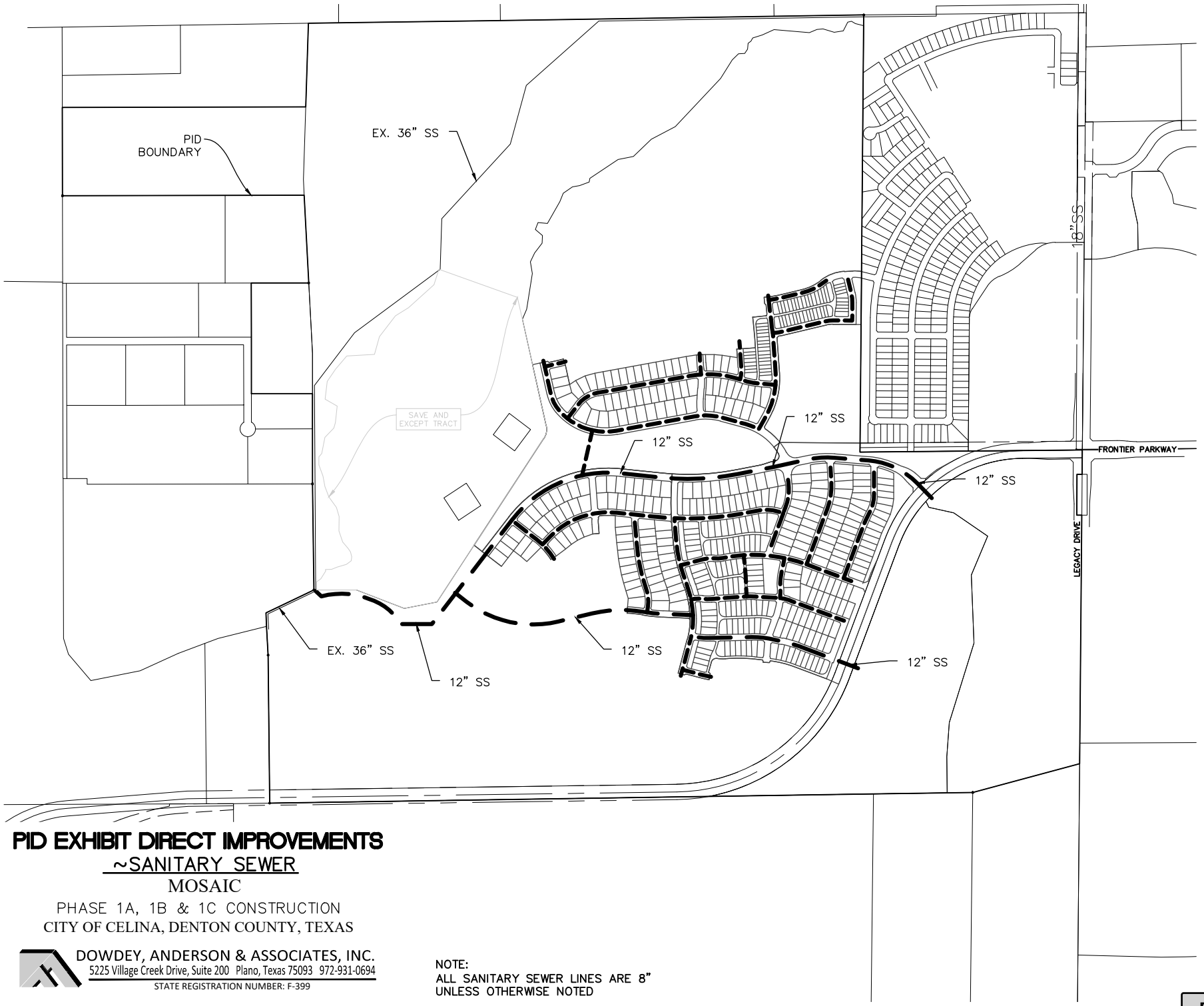
PHASE 1A, 1B & 1C CONSTRUCTION

CITY OF CELINA, DENTON COUNTY, TEXAS

DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399

NOTE:
ALL WATER LINES ARE 8"

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)



PID EXHIBIT DIRECT IMPROVEMENTS

~SANITARY SEWER

MOSAIC

PHASE 1A, 1B & 1C CONSTRUCTION

CITY OF CELINA, DENTON COUNTY, TEXAS

DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399

NOTE:
ALL SANITARY SEWER LINES ARE 8"
UNLESS OTHERWISE NOTED

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

APPENDIX E
HOMEBUYER DISCLOSURE

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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 ***Mosaic 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 (Mosaic – PID Pre-SAP)

[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 (Mosaic – PID Pre-SAP)

[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 (Mosaic – PID Pre-SAP)

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 (Mosaic – PID Pre-SAP)

APPENDIX F
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE EQUIVALENTS

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Appendix F

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of seven 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, as provided by the development standards shown in the Development Agreement.

"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 the development standards shown in the Development Agreement.

"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 the development standards shown in the Development Agreement.

"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 the development standards shown in the Development Agreement.

"Lot Type 5" means lots identified as such on the Assessment Roll, which are referred to as "Townhomes" and being generally lots for an attached single family dwelling unit on individually platted lots, as provided by the development standards shown in the Development Agreement.

"Lot Type 6" means lots identified as such on the Assessment Roll, which are referred to as multi-family units and being generally dwelling units or suite of rooms on one or more floors of a multi-family building, as provided by the development standards shown in the Development Agreement.

"Lot Type 7" means lots identified as such on the Assessment Roll, being lots typically zoned as commercial, as provided by the development standards shown in the Development Agreement.

A) Proposed Development

Table F-1 shows the proposed residential units to be developed within the PID.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Table F-1
Proposed Development within the PID

Proposed Development	Quantity	Measurement
Residential:		
Single-Family - 70 Ft	161	Units
Single-Family - 60 Ft	488	Units
Single-Family - 50 Ft	465	Units
Single-Family - 40 Ft	356	Units
Townhomes	210	Units
Multi-Family	336	Units
Subtotal - Residential	**2,016**	**Units**
Non-Residential:		
Commercial	56	1,000 GSF
Subtotal – Non-Residential	**56**	**1,000 GSF**

Table F-2 shows the proposed residential units within Phase #1.

Table F-2
Proposed Development – Phase #1

Description	Proposed Development	
Single-Family - 70 Ft	62	Units
Single-Family - 60 Ft	109	Units
Single-Family - 50 Ft	110	Units
Single-Family - 40 Ft	86	Units
Townhomes	68	Units
Total	**435**	**Units**

Table F-3 shows the proposed residential units within the Future Phases.

Table F-3
Proposed Development –Future Phases

Proposed Development	Quantity	Measurement
Residential:		
Single-Family - 70 Ft	99	Units
Single-Family - 60 Ft	379	Units
Single-Family - 50 Ft	355	Units
Single-Family - 40 Ft	270	Units
Townhomes	142	Units
Multi-Family	336	Units
Subtotal - Residential	**1,581**	**Units**
Non-Residential:		
Commercial	56	1,000 GSF
Subtotal – Non-Residential	**56**	**1,000 GSF**

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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 Phase #1 Improvements to be financed with the Phase #1 Bonds and Phase #1 Reimbursement Agreement Obligation shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels within Phase #1 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 Phase #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 5 (Townhomes) representing the lowest value for single-family residential lots as well as Lot Type 6 (Multi-Family), and Lot Type 7 (Commercial)) are set forth in Table F-4. 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 F-4
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor	
Lot Type 1 (70 Ft)	$805,000	1.00	per dwelling unit
Lot Type 2 (60 Ft)	$610,885	0.76	per dwelling unit
Lot Type 3 (50 Ft)	$575,000	0.71	per dwelling unit
Lot Type 4 (40 Ft)	$460,000	0.57	per dwelling unit
Lot Type 5 (Townhomes)	$363,636	0.45	per dwelling unit
Lot Type 6 (Multi-Family)	$145,000	0.18	per dwelling unit
Lot Type 7 (Commercial)	$225,000	0.28	per 1,000 GSF

The total estimated Equivalent Units for the Future Phases are shown in Table F-5 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 Future Phases.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Table F-5
Estimated Equivalent Units –Future Phases

Lot Type	Planned No. of Units/1,000 GSF	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	161	1.00	161.00
Lot Type 2 (60 Ft)	488.00	0.76	370.33
Lot Type 3 (50 Ft)	465.00	0.71	332.14
Lot Type 4 (40 Ft)	356.00	0.57	203.43
Lot Type 5 (Townhomes)	210.00	0.45	94.86
Lot Type 6 (Multi-Family)	336.00	0.18	60.52
Lot Type 7 (Commercial)	56.00	0.28	15.65
Total	**2,072**		**1,237.93**

The total estimated Equivalent Units for Phase #1 are shown in Table F-6 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 Phase #1.

Table F-6
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft)	62	1.00	62.00
Lot Type 2 (60 Ft)	109	0.76	82.72
Lot Type 3 (50 Ft)	110	0.71	78.57
Lot Type 4 (40 Ft)	86	0.57	49.14
Lot Type 5 (Townhomes)	68	0.45	30.72
Total	**435**		**303.15**

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 Phase #1 Reimbursement Agreement Obligation, which represents the total Assessment to be allocated on all Parcels within Phase #1, is $17,835,000. As shown in Table F-6, there are a total of 303.15 estimated Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of $58,832.75.

The Assessment per dwelling unit or acre within Phase #1 is calculated as the product of (i) $58,832.75 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 $58,832.75 (i.e., $58,832.75 x 1.00). The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is $44,646.02 (i.e., $58,832.75 x 0.76). The Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is $42,023.39 (i.e., $58,832.75 x 0.71). The Assessment for a Lot Type 4 (40 Ft Lot) dwelling unit is $33,618.72 (i.e., $58,832.75 x 0.57). The Assessment for a Lot Type 5 (Townhomes) dwelling unit is $26,576.03

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

(i.e., $58,832.75 x 0.45). Table F-7 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 (70 Ft)	62	$58,832.75	1.00	$58,832.75	per dwelling unit	$3,647,631
Lot Type 2 (60 Ft)	109	$58,832.75	0.76	$44,646.02	per dwelling unit	$4,866,416
Lot Type 3 (50 Ft)	110	$58,832.75	0.71	$42,023.39	per dwelling unit	$4,622,573
Lot Type 4 (40 Ft)	86	$58,832.75	0.57	$33,618.72	per dwelling unit	$2,891,210
Lot Type 5 (Townhomes)	68	$58,832.75	0.45	$26,576.03	per dwelling unit	$1,807,170
Total	**435**					**$17,835,000**

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.

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 (70 Ft)	62	$144,900	$805,000	$58,832.75	2.46	13.68
Lot Type 2 (60 Ft)	109	$124,200	$610,885	$44,646.02	2.78	13.68
Lot Type 3 (50 Ft)	110	$103,500	$575,000	$42,023.39	2.46	13.68
Lot Type 4 (40 Ft)	86	$82,800	$460,000	$33,618.72	2.46	13.68
Lot Type 5 (Townhomes)	68	$72,000	$363,636	$26,576.03	2.71	13.68

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.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

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)[1]
Lot Type 1 (70 Ft)	62	$144,900	$805,000	$4,241.11	$2.9269	$0.5268
Lot Type 2 (60 Ft)	109	$124,200	$610,885	$3,218.42	$2.5913	$0.5268
Lot Type 3 (50 Ft)	110	$103,500	$575,000	$3,029.36	$2.9269	$0.5268
Lot Type 4 (40 Ft)	86	$82,800	$460,000	$2,423.49	$2.9269	$0.5268
Lot Type 5 (Townhomes)	68	$72,000	$363,636	$1,915.80	$2.6608	$0.5268

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 G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

APPENDIX G
PROPOSED PHASE #1 ASSESSMENT ROLL

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Appendix G-1
Proposed Phase #1 Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**303.15**
Assessment	**$17,835,000**

Year[1]	Principal & Interest[2]	Principal & Interest[3]	Administrative Expenses[4]	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	$953,438	$0	$45,900	$76,275	($953,438)	$122,175
9/30/24	$999,750	$170,000	$46,818	$76,275	$0	$1,292,843
9/30/25	$999,900	$170,950	$47,754	$75,090	$0	$1,293,694
9/30/26	$999,450	$170,750	$48,709	$73,845	$0	$1,292,754
9/30/27	$1,000,400	$170,450	$49,684	$72,540	$0	$1,293,074
9/30/28	$1,000,650	$170,050	$50,677	$71,165	$0	$1,292,542
9/30/29	$1,001,200	$170,550	$51,691	$69,720	$0	$1,293,161
9/30/30	$1,002,000	$170,900	$52,725	$68,200	$0	$1,293,825
9/30/31	$1,002,000	$170,100	$53,779	$66,600	$0	$1,292,479
9/30/32	$1,003,200	$170,200	$54,855	$64,920	$0	$1,293,175
9/30/33	$1,003,500	$170,150	$55,952	$63,150	$0	$1,292,752
9/30/34	$1,003,900	$169,950	$57,071	$61,290	$0	$1,292,211
9/30/35	$1,005,350	$170,600	$58,212	$59,335	$0	$1,293,497
9/30/36	$1,005,750	$170,050	$59,377	$57,275	$0	$1,292,452
9/30/37	$1,007,100	$170,350	$60,564	$55,110	$0	$1,293,124
9/30/38	$1,008,300	$170,450	$61,775	$52,830	$0	$1,293,355
9/30/39	$1,009,300	$170,350	$63,011	$50,430	$0	$1,293,091
9/30/40	$1,010,050	$170,050	$64,271	$47,905	$0	$1,292,276
9/30/41	$1,011,500	$170,550	$65,557	$45,250	$0	$1,292,857
9/30/42	$1,013,550	$170,800	$66,868	$42,455	$0	$1,293,673
9/30/43	$1,015,100	$170,800	$68,205	$39,510	$0	$1,293,615
9/30/44	$1,016,100	$170,550	$69,569	$36,410	$0	$1,292,629
9/30/45	$1,018,500	$170,050	$70,960	$33,150	$0	$1,292,660
9/30/46	$1,020,150	$170,300	$72,380	$29,715	$0	$1,292,545
9/30/47	$1,022,000	$170,250	$73,827	$26,100	$0	$1,292,177
9/30/48	$1,024,950	$170,900	$75,304	$22,295	$0	$1,293,449
9/30/49	$1,026,850	$170,200	$76,810	$18,285	$0	$1,292,145
9/30/50	$1,029,650	$170,200	$78,346	$14,065	$0	$1,292,261
9/30/51	$1,033,200	$170,850	$79,913	$9,620	$0	$1,293,583
9/30/52	$1,036,350	$170,100	$81,511	$4,935	$0	$1,292,896
Total	**$30,283,138**	**$4,941,450**	**$1,862,075**	**$1,483,745**	**($953,438)**	**$37,616,970**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2]Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Bond issuance.
[3]Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Assessment levy.
[4]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 (Mosaic – PID Pre-SAP)

Appendix G-2
Proposed Phase #1 Assessment Roll by Lot Type

Lot Type	**Lot Type 1 (70 Ft)**
Equivalent Units	**$58,832.75**
Assessment	**1.00**

Year[1]	Principal & Interest[2]	Principal & Interest[3]	Administrative Expenses[4]	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	$3,145	$0	$151	$252	($3,145)	$403
9/30/24	$3,298	$561	$154	$252	$0	$4,265
9/30/25	$3,298	$564	$158	$248	$0	$4,268
9/30/26	$3,297	$563	$161	$244	$0	$4,264
9/30/27	$3,300	$562	$164	$239	$0	$4,265
9/30/28	$3,301	$561	$167	$235	$0	$4,264
9/30/29	$3,303	$563	$171	$230	$0	$4,266
9/30/30	$3,305	$564	$174	$225	$0	$4,268
9/30/31	$3,305	$561	$177	$220	$0	$4,264
9/30/32	$3,309	$561	$181	$214	$0	$4,266
9/30/33	$3,310	$561	$185	$208	$0	$4,264
9/30/34	$3,312	$561	$188	$202	$0	$4,263
9/30/35	$3,316	$563	$192	$196	$0	$4,267
9/30/36	$3,318	$561	$196	$189	$0	$4,263
9/30/37	$3,322	$562	$200	$182	$0	$4,266
9/30/38	$3,326	$562	$204	$174	$0	$4,266
9/30/39	$3,329	$562	$208	$166	$0	$4,266
9/30/40	$3,332	$561	$212	$158	$0	$4,263
9/30/41	$3,337	$563	$216	$149	$0	$4,265
9/30/42	$3,343	$563	$221	$140	$0	$4,267
9/30/43	$3,349	$563	$225	$130	$0	$4,267
9/30/44	$3,352	$563	$229	$120	$0	$4,264
9/30/45	$3,360	$561	$234	$109	$0	$4,264
9/30/46	$3,365	$562	$239	$98	$0	$4,264
9/30/47	$3,371	$562	$244	$86	$0	$4,263
9/30/48	$3,381	$564	$248	$74	$0	$4,267
9/30/49	$3,387	$561	$253	$60	$0	$4,262
9/30/50	$3,397	$561	$258	$46	$0	$4,263
9/30/51	$3,408	$564	$264	$32	$0	$4,267
9/30/52	$3,419	$561	$269	$16	$0	$4,265
Total	**$99,896**	**$16,300**	**$6,142**	**$4,894**	**($3,145)**	**$124,088**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2]Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Bond issuance.
[3]Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Assessment levy.
[4]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 (Mosaic – PID Pre-SAP)

Appendix G-3
Proposed Phase #1 Assessment Roll

Lot Type	**Lot Type 2 (60 Ft)**
Equivalent Units	**$44,646.02**
Assessment	**0.76**

Year[1]	Principal & Interest[2]	Principal & Interest[3]	Administrative Expenses[4]	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	$2,387	$0	$115	$191	($2,387)	$306
9/30/24	$2,503	$426	$117	$191	$0	$3,236
9/30/25	$2,503	$428	$120	$188	$0	$3,238
9/30/26	$2,502	$427	$122	$185	$0	$3,236
9/30/27	$2,504	$427	$124	$182	$0	$3,237
9/30/28	$2,505	$426	$127	$178	$0	$3,236
9/30/29	$2,506	$427	$129	$175	$0	$3,237
9/30/30	$2,508	$428	$132	$171	$0	$3,239
9/30/31	$2,508	$426	$135	$167	$0	$3,235
9/30/32	$2,511	$426	$137	$163	$0	$3,237
9/30/33	$2,512	$426	$140	$158	$0	$3,236
9/30/34	$2,513	$425	$143	$153	$0	$3,235
9/30/35	$2,517	$427	$146	$149	$0	$3,238
9/30/36	$2,518	$426	$149	$143	$0	$3,235
9/30/37	$2,521	$426	$152	$138	$0	$3,237
9/30/38	$2,524	$427	$155	$132	$0	$3,238
9/30/39	$2,527	$426	$158	$126	$0	$3,237
9/30/40	$2,528	$426	$161	$120	$0	$3,235
9/30/41	$2,532	$427	$164	$113	$0	$3,236
9/30/42	$2,537	$428	$167	$106	$0	$3,238
9/30/43	$2,541	$428	$171	$99	$0	$3,238
9/30/44	$2,544	$427	$174	$91	$0	$3,236
9/30/45	$2,550	$426	$178	$83	$0	$3,236
9/30/46	$2,554	$426	$181	$74	$0	$3,236
9/30/47	$2,558	$426	$185	$65	$0	$3,235
9/30/48	$2,566	$428	$189	$56	$0	$3,238
9/30/49	$2,570	$426	$192	$46	$0	$3,235
9/30/50	$2,578	$426	$196	$35	$0	$3,235
9/30/51	$2,586	$428	$200	$24	$0	$3,238
9/30/52	$2,594	$426	$204	$12	$0	$3,236
Total	**$75,807**	**$12,370**	**$4,661**	**$3,714**	**($2,387)**	**$94,166**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2]Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Bond issuance.
[3]Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Assessment levy.
[4]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 (Mosaic – PID Pre-SAP)

Appendix G-4
Proposed Phase #1 Assessment Roll

Lot Type	**Lot Type 3 (50 Ft)**
Equivalent Units	**$42,023.39**
Assessment	**0.71**

Year[1]	Principal & Interest[2]	Principal & Interest[3]	Administrative Expenses[4]	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	$2,247	$0	$108	$180	($2,247)	$288
9/30/24	$2,356	$401	$110	$180	$0	$3,046
9/30/25	$2,356	$403	$113	$177	$0	$3,048
9/30/26	$2,355	$402	$115	$174	$0	$3,046
9/30/27	$2,357	$402	$117	$171	$0	$3,047
9/30/28	$2,358	$401	$119	$168	$0	$3,046
9/30/29	$2,359	$402	$122	$164	$0	$3,047
9/30/30	$2,361	$403	$124	$161	$0	$3,049
9/30/31	$2,361	$401	$127	$157	$0	$3,045
9/30/32	$2,364	$401	$129	$153	$0	$3,047
9/30/33	$2,364	$401	$132	$149	$0	$3,046
9/30/34	$2,365	$400	$134	$144	$0	$3,045
9/30/35	$2,369	$402	$137	$140	$0	$3,048
9/30/36	$2,370	$401	$140	$135	$0	$3,045
9/30/37	$2,373	$401	$143	$130	$0	$3,047
9/30/38	$2,376	$402	$146	$124	$0	$3,047
9/30/39	$2,378	$401	$148	$119	$0	$3,047
9/30/40	$2,380	$401	$151	$113	$0	$3,045
9/30/41	$2,383	$402	$154	$107	$0	$3,046
9/30/42	$2,388	$402	$158	$100	$0	$3,048
9/30/43	$2,392	$402	$161	$93	$0	$3,048
9/30/44	$2,394	$402	$164	$86	$0	$3,046
9/30/45	$2,400	$401	$167	$78	$0	$3,046
9/30/46	$2,404	$401	$171	$70	$0	$3,046
9/30/47	$2,408	$401	$174	$61	$0	$3,045
9/30/48	$2,415	$403	$177	$53	$0	$3,048
9/30/49	$2,419	$401	$181	$43	$0	$3,045
9/30/50	$2,426	$401	$185	$33	$0	$3,045
9/30/51	$2,434	$403	$188	$23	$0	$3,048
9/30/52	$2,442	$401	$192	$12	$0	$3,046
Total	**$71,354**	**$11,643**	**$4,387**	**$3,496**	**($2,247)**	**$88,634**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2]Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Bond issuance.
[3]Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Assessment levy.
[4]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 (Mosaic – PID Pre-SAP)

Appendix G-5
Proposed Phase #1 Assessment Roll

Lot Type	**Lot Type 4 (40 Ft)**
Equivalent Units	**$33,618.72**
Assessment	**0.57**

Year[1]	Principal & Interest[2]	Principal & Interest[3]	Administrative Expenses[4]	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	$1,797	$0	$87	$144	($1,797)	$230
9/30/24	$1,885	$320	$88	$144	$0	$2,437
9/30/25	$1,885	$322	$90	$142	$0	$2,439
9/30/26	$1,884	$322	$92	$139	$0	$2,437
9/30/27	$1,886	$321	$94	$137	$0	$2,437
9/30/28	$1,886	$321	$96	$134	$0	$2,436
9/30/29	$1,887	$321	$97	$131	$0	$2,438
9/30/30	$1,889	$322	$99	$129	$0	$2,439
9/30/31	$1,889	$321	$101	$126	$0	$2,436
9/30/32	$1,891	$321	$103	$122	$0	$2,438
9/30/33	$1,892	$321	$105	$119	$0	$2,437
9/30/34	$1,892	$320	$108	$116	$0	$2,436
9/30/35	$1,895	$322	$110	$112	$0	$2,438
9/30/36	$1,896	$321	$112	$108	$0	$2,436
9/30/37	$1,898	$321	$114	$104	$0	$2,438
9/30/38	$1,901	$321	$116	$100	$0	$2,438
9/30/39	$1,903	$321	$119	$95	$0	$2,437
9/30/40	$1,904	$321	$121	$90	$0	$2,436
9/30/41	$1,907	$321	$124	$85	$0	$2,437
9/30/42	$1,911	$322	$126	$80	$0	$2,439
9/30/43	$1,913	$322	$129	$74	$0	$2,438
9/30/44	$1,915	$321	$131	$69	$0	$2,437
9/30/45	$1,920	$321	$134	$62	$0	$2,437
9/30/46	$1,923	$321	$136	$56	$0	$2,436
9/30/47	$1,926	$321	$139	$49	$0	$2,436
9/30/48	$1,932	$322	$142	$42	$0	$2,438
9/30/49	$1,936	$321	$145	$34	$0	$2,436
9/30/50	$1,941	$321	$148	$27	$0	$2,436
9/30/51	$1,948	$322	$151	$18	$0	$2,438
9/30/52	$1,954	$321	$154	$9	$0	$2,437
Total	**$57,083**	**$9,315**	**$3,510**	**$2,797**	**($1,797)**	**$70,907**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2]Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Bond issuance.
[3]Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Assessment levy.
[4]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 (Mosaic – PID Pre-SAP)

Appendix G-6
Proposed Phase #1 Assessment Roll

Lot Type	**Lot Type 5 (Townhomes)**
Equivalent Units	**$26,576.03**
Assessment	**0.45**

Year[1]	Principal & Interest[2]	Principal & Interest[3]	Administrative Expenses[4]	Additional Interest	Capitalized Interest	Total Annual Installment
9/30/23	$1,421	$0	$68	$114	($1,421)	$182
9/30/24	$1,490	$253	$70	$114	$0	$1,926
9/30/25	$1,490	$255	$71	$112	$0	$1,928
9/30/26	$1,489	$254	$73	$110	$0	$1,926
9/30/27	$1,491	$254	$74	$108	$0	$1,927
9/30/28	$1,491	$253	$76	$106	$0	$1,926
9/30/29	$1,492	$254	$77	$104	$0	$1,927
9/30/30	$1,493	$255	$79	$102	$0	$1,928
9/30/31	$1,493	$253	$80	$99	$0	$1,926
9/30/32	$1,495	$254	$82	$97	$0	$1,927
9/30/33	$1,495	$254	$83	$94	$0	$1,926
9/30/34	$1,496	$253	$85	$91	$0	$1,926
9/30/35	$1,498	$254	$87	$88	$0	$1,927
9/30/36	$1,499	$253	$88	$85	$0	$1,926
9/30/37	$1,501	$254	$90	$82	$0	$1,927
9/30/38	$1,502	$254	$92	$79	$0	$1,927
9/30/39	$1,504	$254	$94	$75	$0	$1,927
9/30/40	$1,505	$253	$96	$71	$0	$1,926
9/30/41	$1,507	$254	$98	$67	$0	$1,926
9/30/42	$1,510	$255	$100	$63	$0	$1,928
9/30/43	$1,513	$255	$102	$59	$0	$1,928
9/30/44	$1,514	$254	$104	$54	$0	$1,926
9/30/45	$1,518	$253	$106	$49	$0	$1,926
9/30/46	$1,520	$254	$108	$44	$0	$1,926
9/30/47	$1,523	$254	$110	$39	$0	$1,925
9/30/48	$1,527	$255	$112	$33	$0	$1,927
9/30/49	$1,530	$254	$114	$27	$0	$1,925
9/30/50	$1,534	$254	$117	$21	$0	$1,926
9/30/51	$1,540	$255	$119	$14	$0	$1,928
9/30/52	$1,544	$253	$121	$7	$0	$1,927
Total	**$45,125**	**$7,363**	**$2,775**	**$2,211**	**($1,421)**	**$56,053**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2]Represents the principal and interest on the Phase #1 Bonds. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Bond issuance.
[3]Represents the principal and interest on the Phase #1 Reimbursement Agreement Obligation. Interest is calculated using an estimated interest rate of 5.00% and will be updated at the time of Assessment levy.
[4]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 (Mosaic – PID Pre-SAP)

EXHIBIT B

CITY OF CELINA, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of Celina, Texas on May 10, 2022, at or after 5:00 p.m. at the Celina City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009. The public hearing will be held to consider proposed assessments to be levied against the assessable property within Phase #1 of the Mosaic Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended.

The proposed improvements to be undertaken at this time for the benefit of Phase #1 of the District (the "Phase #1 Improvements") include (i) roadway improvements, water improvements, sanitary sewer improvements, storm drainage improvements, landscaping and hardscaping improvements, and other soft and miscellaneous costs related to the improvements benefitting Phase #1, (ii) payments of expenses incurred in the establishment, administration, and operation of the District; and (iii) 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 within the District.

The total costs of the Phase #1 Improvements, including administrative costs and the costs of issuing bonds, is approximately $19,543,647.

The total costs of improvements expected to be constructed for the benefit of Phase #1 throughout the development of the District, including the Phase #1 Improvements and administrative costs and the costs of issuing bonds is approximately $26,005,532.

The boundaries of the District 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, 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 proposed assessments within the District will be considered at the public hearing.

A copy of the proposed Phase #1 Assessment Roll, which includes the assessments proposed to be levied against each parcel of land within Phase #1 of the District that benefits from the Phase #1 Projects, is available for public inspection at the office of the City Secretary, 142 N. Ohio Street, Celina, Texas 75009.

Attachment: Draft Resolution (Mosaic – PID Pre-SAP)

Life Connected.

Engineering
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Linda Majeed, City Engineer
CC: Andy Glasgow, Director of Engineering
Date: April 12, 2022
Re:

Action Requested:
Consider and act upon an amendment to Exhibit A of Ordinance 2000-45 to modify for the addition of school zones for the Celina ISD. (Glasgow)

Staff Recommendation:

Figure 1CITY OF CELINA, TEXAS

ORDINANCE NO. 2022-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE CELINA CODE OF ORDINANCES, CHAPTER 12: TRAFFIC AND VEHICLES, ARTICLE 12:03: OPERATION OF VEHICLES, DIVISION 2: TRAFFIC SCHEDULES, SECTION 12.03.057 SPEED LIMITES TO ADD SCHOOL ZONE LOCATIONS; 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 PENALTY; PROVIDING FOR SEVERABILITY; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING FOR AN IMMEDIATE 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, Section 541.302(13) of the Texas Transportation Code defines a "school crossing zone" as a reduced speed zone designated on a street by a local authority to facilitate safe crossing of the street by children going to or leaving a public or private elementary or secondary school during the time the reduced speed limit applies; and

WHEREAS, due to new school construction the City Council hereby finds it necessary to provide for additional school zones within 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 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 interests of the City of Celina, Texas, and of the public health, safety and welfare.

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

SECTION 3
AMENDMENT

3.01 That the Celina Code of Ordinances, Chapter 12: Traffic and Vehicles; Article 12.03: Operation of Vehicles; Division 2: Traffic Schedules; is hereby amended to read as follows:

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

Exhibit A

Sec. 12.03.051 (a) School Zones

SCHOOL NAME	STREET NAME	DESCRIPTION	SCHOOL ZONE TIMES	SCHOOL TIME	SPEED	STATUS
Celina ISD						
Lykins Primary	Malone St	Malone St from Texas Dr to SH 289	7:10 AM to 8:10 AM	7:55 AM to 3:25 PM	20 mph	Existing
	Texas Drive	Texas Dr from Maple St to Malone St	3:10 PM to 4:10 PM	Monday through Friday		
Celina Sixth Grade & Celina Junior High	Pecan St	From Preston Rd (SH 289) to New Mexico Dr	7:05 AM to 8:05 AM 3:15 PM to 4:15 PM	7:50 AM to 3:30 PM Monday through Friday	20 mph	Existing
Celina Elementary	Sunset Blvd	From 250 ft west of Tolleson Dr to S Utah Dr	7:00 AM to 8:00 AM	7:45 AM to 3:15 PM	20 mph	Existing
	S Arizona Dr	From W Ash Street to W Cedar Street				
	S Georgia Dr	From W Ash Street to W Cedar Street				
	W Cedar St	From S. Arizona Dr to S. Utah Dr				
	S Utah Dr	From Ash St to Sunset Blvd				
	G.A. Moore Pkwy (CR 99)	From 1654 ft east of the intersection of G.A. Moore Pkwy (CR 99) and Louisiana Dr (BUS 289)	3:00 PM to 4:00 PM	Monday through Friday	20 mph	New
	N Louisiana Dr (BUS 289)	From 400 ft south of G.A. Moore Pkwy (CR 99) to 1600 ft north of G.A. Moore Pkwy (CR 99)			35 mph	
Celina Middle School	G.A. Moore Pkwy (CR 99)	From 1654 ft east of the intersection of G.A. Moore Pkwy (CR 99) and Louisiana Dr (BUS 289)	7:30 AM to 8:30 AM	8:15 AM to 3:45 PM	20 mph	New
	N Louisiana Dr (BUS 289)	From 400 ft south of G.A. Moore Pkwy (CR 99) to 1600 ft north of G.A. Moore Pkwy (CR 99)	3:30 PM to 4:30 PM	Monday through Friday	35 mph	
O'Dell Elementary	Punk Carter Pkwy	From 700 ft east of the intersection with Palomino Ln to Indigo Ln	7:00 AM to 8:00 AM	7:45 AM to 3:15 PM	20 mph	Existing
	Monarch Ln	From Berry St to Field St				
	Berry St	From Lawndale St to 100 east of Monarch Ln	3:00 PM to 4:00 PM	Monday through Friday		
Prosper ISD						
Boyer Elementary	Bridgewater Blvd	From Frontier Pkwy to Montgomery Ln	7:00 AM to 8:00 AM 2:05 PM to 3:05 PM	7:45 AM to 2:50 PM Monday - Friday	20 mph	Existing
Light Farms	Cypress Creek Way	From Light Farms Way to Langley Drive	7:00 AM to 8:00 AM 2:05 PM to 3:05 PM	7:45 AM to 2:50 PM Monday - Friday	20 mph	Existing
	Light Farms Way	From Cypress Creek Way to Wildrye Ridge				
Sam Johnson	Water View Trail	From Carmel Road to 300 feet south of Roseland Pkwy	7:00 AM to 8:00 AM 2:05 PM to 3:05 PM	7:45 AM to 2:50 PM Monday - Friday	20 mph	Existing
	Roseland Pkwy	From 1000 feet south of Waterview Trail to Waterview Trail				

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

Exhibit B
Sec. 12.03.051 (b) Non-School Zones

STREET	LOCATION	SPECIAL PROVISIONS	SPEED LIMIT
		Locomotive, engine or railroad train or streetcar	25 mph
	Fire zone as follows: the north one-half of Blocks 5 and 16; the full Blocks 6 and 15; the south one-half of Blocks 7 and 14		20 mph
	Intersection of Texas Street and Maple Street heading north 0.700 mile and from the intersection of New Mexico on Mallone heading east to State Highway 289 exactly one mile of roadway running east and west in front of Celina Elementary School	One mile running east and west on Mallone Street from New Mexico to State Highway 289 between the hours of 7:30 a.m. to 8:30 a.m. and 2:30 p.m. to 3:45 p.m., Monday through Friday	20 mph
		One mile running east and west on Mallone Street from New Mexico to State Highway 289 at other times than listed immediately above	30 mph
		Starting at the intersection of Texas Street and Maple Street heading north 0.70 mile to Mallone Street during the hours of 7:30 a.m. to 8:30 a.m. and 2:30 p.m. to 3:45 p.m., Monday through Friday	20 mph
		Starting at the intersection of Texas Street and Maple Street heading north 0.70 mile to Mallone Street during times listed contrary to immediately above	30 mph

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

Andalusian Trail			25 mph
Appaloosa Lane			25 mph
Arabian Lane			25 mph
Breton Lane			25 mph
C.R. 56	From 250 feet west of the intersection with Tolleson Road to the intersection with Utah	Between the hours of 7:30 a.m. and 8:30 a.m. and between the hours of 2:30 p.m. and 4:00 p.m. on school days	20 mph
Connemara Court			25 mph
Connemara Trail			25 mph
Dartmoor Drive			25 mph
Equine Lane			25 mph
F.M. 428	Beginning at the point (Station 0+00) being at the intersection of F.M. 455; thence continuing along F.M. 428 in a southerly direction for a distance of 0.200 mile, approximately, the point being Station 10+56		45 mph
Farm Road Highway 455	Beginning at the point (Station 1+16) being the west city limits; thence in an easterly direction for a distance of 4.842 miles approximately		55 mph
	Continuing east in an easterly direction for a distance of 0.200 mile approximately		45 mph
	Continuing in an easterly direction for a distance of 1.044 miles approximately	When signed for school locations at specified times	30 mph
	Continuing in an easterly direction for a distance of 0.200 mile approximately		45 mph

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

	Continuing in an easterly direction for a distance of five miles approximately, the point (Station 298+21) being the east city limits		55 mph
Frontier Parkway	Westbound lanes, from its intersection with State Highway 289 westward to its intersection with the Burlington Northern Santa Fe Railway line (more particularly depicted in exhibit A attached to Ordinance 2009-18)		45 mph
	Westbound lanes, designated as "school zone" (more particularly depicted in exhibit A attached to Ordinance 2014-33)		20 mph
	Frontier Parkway between Dallas Parkway and Coleman Street		45 mph
Lipizzane Lane			25 mph
Loop Highway 483	Beginning at the point (Station 0+00) being at the intersection of S.H. 289 (North); thence continuing in a southerly direction for a distance of 2.356 miles approximately		55 mph
	Continuing in a southerly direction for a distance of 0.900 mile approximately	Continuing in a southerly direction for a distance of 0.900 mile approximately	40 mph

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

Loop Highway 483, cont'd.	Continuing in a southerly and easterly direction for a distance of 0.866 mile approximately, the point (Station 217+65) being the south city limits		30 mph
Lusitano Court			25 mph
Morgan Drive			25 mph
Mustang Trail			25 mph
Old Stables Drive			25 mph
Paddock Lane			25 mph
Palomino Lane			25 mph
Quarter Horse Lane			25 mph
Saddlebred Trail			25 mph
Shire Court			25 mph
Shire Lane			25 mph
Stallions Lane			25 mph
State Highway 289	Beginning at the northern city limits, thence continuing south along S.H. 289 for a distance of 2.301 miles		60 mph
	Continuing along S.H. 289 in a southerly direction for a distance of 2.586 miles		55 mph
	Continuing along S.H. 289 in a southerly direction for a distance of 0.583 mile		50 mph
	Continuing along S.H. 289 in a southerly direction for a distance of 0.357 mile		45 mph
	Continuing along S.H. 289 in a southerly direction for a distance of 0.458 mile		55 mph
State Highway 289, cont'd.	Continuing along S.H. 289 in a southerly direction, to the southern city limits, for a distance of 3.622 miles		60 mph
Tarpan Trail			25 mph
Tobiano Court			25 mph
Trakehner Trail			25 mph
Winchester Drive			25 mph

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

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 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 the 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 traffic and vehicles within the City of Celina, 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
PENALTY CLAUSE

Any person violating any of the provisions of this Ordinance shall be deemed guilty of a Class C misdemeanor upon conviction and shall be fined, except as otherwise provided herein, in a sum not to exceed five hundred dollars ($500.00) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

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.

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 exact Caption and Effective Date clause 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

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

This Ordinance shall be in full force and effect 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 _____ day of _____, 2021.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

_____
Lance Vanzant, City Attorney
City of Celina, Texas

Attachment: Amended School Zones_Speed Limits 04122022 (School Zone Speed Limit Update)

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: April 12, 2022
Re: Doe Branch Bank Stabilization

Action Requested:
Consider and act to award bid 2022-0131 for Doe Branch Bank Stabilization at the unit prices listed to Ark Contracting Services, LLC in an amount not to exceed $155,330.00. (Berry)

Background Information:
On March 22, 2022, the City received responses to bid 2022-0131 for Doe Branch Bank Stabilization. The bid invitation was advertised in the local paper and posted on the City's eProcurement system in which three hundred forty-two vendors were notified. One No-Bids and two responses were received.

The submittal's were reviewed by the Engineer of Record, Pacheco Koch.

The contract period is for 120 days.

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:
Standard contracts documents were used and have been previously reviewed.

Supporting Documents:
Tab Sheet
Contract

Staff Recommendation:
Award Bid # 2022-0131

				ARK Contracting Services, LLC		Stoic Civil Construction Inc	
				Total Price	**$155,330.00**	Total Price	$180,000.00
Line #	Description	QTY	UOM	Unit	Extended	Unit	Extended
1	Site Preparation	1	LS	$25,000.00	$25,000.00	$20,000.00	$20,000.00
2	Clearing and Grubbing (included debris Removal)	1	LS	$8,200.00	$8,200.00	$20,000.00	$20,000.00
3	General excavation	155	CY	$45.00	$6,975.00	$35.00	$5,425.00
4	3 foot by 3 foot gabion wall	100	CY	$335.00	$33,500.00	$400.00	$40,000.00
5	Concrete Tie-Back Beam	9	CY	$1,565.00	$14,085.00	$850.00	$7,650.00
6	Gabion Tie Back Components	350	LF	$71.00	$24,850.00	$80.00	$28,000.00
7	18 inch Thick Gabion Mattress along Channel Bottom	70	SY	$176.00	$12,320.00	$235.00	$16,450.00
8	3 foot by 3 foot gabion Grade Control	20	CY	$357.00	$7,140.00	$390.00	$7,800.00
9	Turf Reinforcement Erosion Control Matting	210	SY	$42.00	$8,820.00	$55.00	$11,550.00
10	Hydromulching and Seeding	420	SY	$7.00	$2,940.00	$5.00	$2,100.00
11	Rock Check Dam	200	LF	$38.00	$7,600.00	$80.00	$16,000.00
12	Construction Entrance	1	EA	$3,900.00	$3,900.00	$5,025.00	$5,025.00

Attachment: Bid Tabulation by Supplier Spreadsheet (Doe Branch Bank Stabilization Bid 2022-0131)

SECTION 00410

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 **Ark Contracting Services, LLC** (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
Doe Branch Bank Stabilization
BID 2022-0131
PROJECT D35

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 construction project includes:

Remodel of meeting room, break room, unisex to women's shower, work room divided into office and expansion for new men's lockers, showers, and restrooms. Approximately 3,436 SF.

ARTICLE 3 – ENGINEER

3.01 The Project has been designed by: **Pacheco Koch**

which hereinafter called ENGINEER and which is to act as OWNER'S representative, assume all duties and responsibilities, and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 – CONTRACT TIMES

4.01 Time of the Essence

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 Days to Achieve Substantial Completion and Final Payment

A. The Work will be substantially completed within 90 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 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

Attachment: 00-410 - Standard Form of Agreement (Doe Branch Bank Stabilization Bid 2022-0131)

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: **$155,330.00**

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

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.

Attachment: 00-410 - Standard Form of Agreement (Doe Branch Bank Stabilization Bid 2022-0131)

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;
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

Attachment: 00-410 - Standard Form of Agreement (Doe Branch Bank Stabilization Bid 2022-0131)

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:

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;

Attachment: 00-410 - Standard Form of Agreement (Doe Branch Bank Stabilization Bid 2022-0131)

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 **April 12, 2022.**

CITY OF CELINA, TEXAS	**CONTRACTOR.**
Jason Laumer, City Manager	
	Printed Name & Title
Date	Date
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-410, Bid Form for Construction Contract.
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Attachment: 00-410 - Standard Form of Agreement (Doe Branch Bank Stabilization Bid 2022-0131)

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: April 12, 2022
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:
Aprroval

CITY OF CELINA, TEXAS
ORDINANCE NO. 2022-

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: 2022-xx Amend Budget Ordinance April 12, 2022 (FY2022 Budget Amendment April 2022)

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 April 2022.

_____
Sean Terry, Mayor

ATTEST:

_____
Lauren Field, Deputy City Secretary

APPROVED AS TO FORM:

_____
City Attorney

Attachment: 2022-xx Amend Budget Ordinance April 12, 2022 (FY2022 Budget Amendment April 2022)

Exhibit A

Meeting date: April 12, 2022
FY2022 Budget Amendment Detail

Account #	Account Name	Description	Adjustment
102-400-014-4710	FOOTBALL LEAGUE REVENUE	7 on 7 football registration revenues	(20,000)
102-113-014-6711	FOOTBALL ACTIVITY EXPENSES	7 on 7 football referees and fees	20,000
102-113-000-6840	CAPITAL - VEHICLE	Cover increase costs of capital vehicle purchases	5,000
102-31-3050	FUND BALANCE	General Fund Balance	(5,000)
113-111-000-6840	CAPITAL - VEHICLE	Mini Dump Truck Replacement Unit #1602	65,000
113-113-000-6830	CAPITAL - EQUIPMENT	Tractor Replacement Unit #1408	42,000
113-113-000-6830	CAPITAL - EQUIPMENT	Polaris Replacement Unit #1618	19,000
113-113-000-6830	CAPITAL - BUDGET	FY2022 Original Adopted Budget	(34,104)
113-31-3050	FUND BALANCE	VERF Fund Balance	(91,896)
202-400-000-4758	REIMBURSEMENT - OTHER	Developer Reimbursement for CCN Acquisition	(208,083)
202-117-000-6851	CAPITAL-WATER CCN	Costs of CCN Acquisition	208,083
213-117-000-6840	CAPITAL - VEHICLE	Vehicle Replacement	37,000
213-31-3050	FUND BALANCE	Water/Wastewater Fund Balance	(37,000)
208-124-000-6870	Capital - Drainage	Full Size Dump Truck	140,000
208-124-000-6870	Capital - Drainage	FY2022 Original Adopted Budget	(57,933)
208-31-3050	FUND BALANCE	Stormwater Drainage Fund Balance	(82,067)
622-400-000-4729	2022 GENERAL BOND PROCEEDS	Sale of 2022 General Bond Obligations	(35,000,000)
622-8501..8600	CAPITAL IMPROVEMENT PROJECTS	Capital Improvement Projects to include but not limited to Design/Engineering, Construction, Land Acquisition for the renovating, improving, constructing, and equipping of Facilities, Parks, Roads, etc.	35,000,000
722-400-000-4729	2022 WATER/WASTEWATER BOND PROCEEDS	Sales of 2022 Water/Wastewater Bond Obligations	(35,000,000)
722-8501...8600	2022 WATER/WASTEWATER BOND PROCEEDS	Capital Improvement Projects to include but not limited to Design/Engineering, Construction, Land Acquisition for the renovating, improving, constructing, and equipping of Water, Sewer, Stormwater Drainage, etc.	35,000,000

Description
Budget Amendment Ordinance

Created By	Date			
Robin Bromiley		4/12/2022	Yes	No
Reviewed By	Date		Request Approval by Council	
Entered By	Date		Date	

Attachment: 2022-xx Amend Budget Ordinance April 12, 2022 (FY2022 Budget Amendment April 2022)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dawn Berry, Purchasing Manager
CC: Cody Webb, Director of Parks and Recreation
Date: April 12, 2022
Re: Utility Tractor - Parks Department

Action Requested:
Consider and Act to authorize the purchase a utility tractor for fiscal year 2022 for the Parks Department from Zimmerer Kubota & Equipment in an amount not to exceed $34,005.48. (Berry)

Background Information:
Staff request authorization to procure a utility tractor for the Parks Department. The vehicle will be purchased through a cooperative contract with BuyBoard Contract 597-19.

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 satisfy the competitive bidding requirements while saving time and funding in the development of specification 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:
Quotes

Staff Recommendation:
Authorize the Purchase of a Utility Tractor

BuyBoard Cooperative Purchasing
CE - #597-19
GM - #611-20

Date: 2/25/2022 12:18:03 PM

– Customer Information –
METDKER, STEVE
CITY OF CELINA
Smetdker@celina-tx.gov
(972) 382-2682

Quote Provided By
ZIMMERER KUBOTA & EQUIPMENT, INC.
JOHN AUSMUS
14851 US HWY 75
VAN ALSTYNE, TX 75495
email: johna@zkmail.com
phone: 9038167375

-- Standard Features --

Kubota

M Series

MX6000HST
UTILITY TRACTOR, 4WD, 2 POST FOLDABLE ROPS, HST TRANSMISSION
* * * EQUIPMENT IN STANDARD MACHINE * * *

DIESEL ENGINE
Model # V2403
Direct injection
4 Cyl. 148.6 cu. in.
^ 59.5 Net Eng. HP
^ 51.7 PTO HP
@ 2700 Eng. rpm
EPA Tier 4 Emmission Cert.
Turbo Common Rail Electronic Fuel Injection
12V - 600 CCA Battery
Charging Output 45 Amps

HYDRAULICS
Open Center - Gear Pump
4.9 gpm Power Steering
9.5 gpm Remote/3 Pt. Hitch
14.4 gpm Total Hyd. Flow
Cat I/II 3-point Hitch
At lift Point 2870 lbs.
24" Behind 2310 lbs.
Telescoping Lower Links
Telescoping Stabilizers

^ Manufacturer Estimate

FRONT AXLE
Hydrostatic Power Steering
4WD: Cast Iron, Bevel Gear

TRANSMISSION
3 Range Low/Med/High
Cruise Control Standard
Mech. Wet Disc Brakes
Left Side Brake Pedals
Rear Differential Lock

FLUID CAPACITY
Fuel Tank 13.5 gal
Cooling System 6.9 qts
Crankcase with filter 7.4 qts
Transmission and
Hydraulics 11.6 gal

POWER TAKE OFF
Live-Independent Hydraulic
540 rpm Rear PTO
@ 2700 Eng. rpm
SAE Std 1 3/8" Six Spline

SAFETY EQUIPMENT
2-Post Foldable ROPS w/
Retractable Seat Belt
Flip-Up PTO Shield
Safety Start Switches
Parking Brakes
Electric Key Shut Off
Turn Signals
SMV Sign

OPERATORS PLATFORM
Semi-Flat Deck w/Hanging Pedals
High Back Seat with Adjustable
Suspension
Rubber Floor Mat
Stationary PTO Switch
Cup Holder
Color Coded Controls

INSTRUMENTS
Tachometer/Hour Meter
Fuel Gauge Meter
Warning Symbols
Coolant Temperature Meter

SELECTED TIRES
AMXR8860A & AMXR8861
FRONT - 9.5-16 R1 GOODYEAR DURA TORQUE 6STUD
REAR-14.9-26 TITAN POWER LUG TL

-- Custom Options --

MX6000HST Base Price:	$34,114.00
(1) 72" QUICK ATTACH LIGHT MATERIAL BUCKET L2236-72" QUICK ATTACH LIGHT MATERIAL BUCKET	$740.00
(1) FRONT LOADER MX SERIES W/O VALVE LA1065A-FRONT LOADER MX SERIES W/O VALVE	$4,822.00
(1) LOADER VALVE FOR ROPS MODELS MX2131-LOADER VALVE FOR ROPS MODELS	$847.00
Configured Price:	$40,523.00
BUY BOARD Discount:	($8,104.60)
SUBTOTAL:	$32,418.40
Factory Assembly:	$260.00
Dealer Assembly:	$432.08
Freight Cost:	$645.00
PDI:	$250.00
Total Unit Price:	$34,005.48
Quantity Ordered:	1
Final Sales Price:	$34,005.48

Purchase Order Must Reflect the Final Sales Price

To order equipment – purchase orders must be made out and returned to:

Kubota Tractor Corporation
Attn: National Accounts
1000 Kubota Drive
Grapevine, TX 76051
or email NA.Support@kubota.com
or call 817-756-1171 or fax 844-582-1581

***All equipment specifications are as complete as possible as of the date on the quote. Additional attachments, options, or accessories may be added (or deleted) at the discounted price.** All specifications and prices are subject to change. Taxes are not included. The PDI fees and freight for attachments and accessories quoted may have additional charges added by the delivering dealer. These charges will be billed separately. Prices for product quoted are good for 60 days from the date shown on the quote. All equipment as quoted is subject to availability.

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Attachment: Kubota 34K tractor (FY 2022 Equipment Purchase - Parks)

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: April 12, 2022
Re: 2022 Truck - Utility Billing

Action Requested:
Consider and Act to authorize the purchase of a Chevrolet 1500 truck for fiscal year 2022 for the Utility Billing Department from El Dorado Chevrolet in an amount not to exceed $36,428.00. (Berry)

Background Information:
Staff request authorization to purchase a Chevrolet 1500 truck for the Utility Billing Department. Quotes were obtained from the open market.

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:
Quotes

Staff Recommendation:
Authorize the Purchase of a Chevrolet 1500

GM Vehicle Locator

Dealer Information

EL DORADO MOTORS, INC.
2300 N CENTRAL EXPRESSWAY
MCKINNEY, TX 75070
Phone: 972-569-0101
Fax: 972-569-0117

Aimee

$35,325 plus 1103 for lighting
$36,428 total

1GCPWAED3NZ216412

Model Year: 2022
Make: Chevrolet
Model: 1500 Silverado LTD
CC18543-Short Box, 2WD, Crew Cab
PEG: 1WT-Work Truck Preferred Equipment Group
Primary Color: GAZ-Summit White
Trim: H2G-1WT-Vinyl, Jet Black, Interior Trim
Engine: L84-Engine: 5.3L, EcoTec3 V-8, DI, Dynamic Fuel Mgt, V V T
Transmission: MQE-8-Speed Automatic

Event Code: 5000-Delivered to Dealer
Order #: BFJXST
MSRP: $41,575.00

Order Type: TRE-Retail Stock
Stock #: WHITE
Inventory Status: Available
Total Cash Allowance: N/A

Total Cash Allowance: N/A

Additional Vehicle Information	
GM Marketing Information	

Vehicle Options

Chargeable Options		MSRP
	1SZ-WT VALUE PACKAGE DISCOUNT	-$500.00
	CGN-Chevytec Spray-on Liner	$545.00
	KI4-120 Volt Electrical Receptacle, In Cab	$225.00
	L84-Engine: 5.3L, EcoTec3 V-8, DI, Dynamic Fuel Mgt, V V T	$1,395.00
	PEB-1WT Value Package	$1,515.00

No Cost Options

C5H-GVW Rating 6900 Lbs
FE9-Federal Emissions
GU5-Rear Axle: 3.23 Ratio
MQE-8-Speed Automatic
RD6-Wheels: 17" Steel - Painted Ultra Silver

Attachment: El Dorado (FY 2022 Vehicle Purchase - Utility Billing)

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: April 12, 2022
Re: 2022 Chevrolet Truck - Public Works

Action Requested:
Consider and Act to authorize the purchase of a Chevrolet 1500 truck for fiscal year 2022 for the Public Works Department from El Dorado Chevrolet in an amount not to exceed $36,428.00. (Berry)

Background Information:
Staff request authorization to purchase a Chevrolet 1500 truck for the Public Works Department. Quotes were obtained from the open market.

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 a Chevrolet 1500

GM Vehicle Locator

Dealer Information

EL DORADO MOTORS, INC.
2300 N CENTRAL EXPRESSWAY
MCKINNEY, TX 75070
Phone: 972-569-0101
Fax: 972-569-0117

Aimee

$35,325 plus 1103 for lighting
$36,428 total

1GCPWAED3NZ216412

Model Year: 2022
Make: Chevrolet
Model: 1500 Silverado LTD
CC18543-Short Box, 2WD, Crew Cab
PEG: 1WT-Work Truck Preferred Equipment Group
Primary Color: GAZ-Summit White
Trim: H2G-1WT-Vinyl, Jet Black, Interior Trim
Engine: L84-Engine: 5.3L, EcoTec3 V-8, DI, Dynamic Fuel Mgt, V V T
Transmission: MQE-8-Speed Automatic

Event Code: 5000-Delivered to Dealer
Order #: BFJXST
MSRP: $41,575.00

Order Type: TRE-Retail Stock
Stock #: WHITE
Inventory Status: Available
Total Cash Allowance: N/A

Total Cash Allowance: N/A

Additional Vehicle Information	
GM Marketing Information	

Vehicle Options

Chargeable Options		MSRP
	1SZ-WT VALUE PACKAGE DISCOUNT	-$500.00
	CGN-Chevytec Spray-on Liner	$545.00
	KI4-120 Volt Electrical Receptacle, In Cab	$225.00
	L84-Engine: 5.3L, EcoTec3 V-8, DI, Dynamic Fuel Mgt, V V T	$1,395.00
	PEB-1WT Value Package	$1,515.00

No Cost Options

C5H-GVW Rating 6900 Lbs
FE9-Federal Emissions
GU5-Rear Axle: 3.23 Ratio
MQE-8-Speed Automatic
RD6-Wheels: 17" Steel - Painted Ultra Silver

Attachment: Quote (FY 2022 Vehicle Purchase - Public Works)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dawn Berry, Purchasing Manager
CC: Cody Webb, Director of Parks and Recreation
Date: April 12, 2022
Re: Ford Rangers - Parks Department

Action Requested:
Consider and Act to authorize the purchase of two Ford Ranger Supercab trucks for fiscal year 2022 for the Parks Department from Silsbee Ford in an amount not to exceed $60,766.44. (Berry)

Background Information:
Staff request authorization to procure two Ford Rangers for the Parks Department. The vehicle will be purchased through a cooperative contract with The Interlocal Purchasing System (TIPS) Contract 210907.

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 satisfy the competitive bidding requirements while saving time and funding in the development of specification 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:
Quotes

Staff Recommendation:
Authorize the Purchase of a Chevrolet 1500

PRODUCT PRICING SUMMARY

TIPS USA 210907 AUTOMOBILES

VENDOR- Silsbee Ford, 1211 Hwy 96 N., Silsbee TX 77656

End User: CITY OF CELINA (TIPS #TX998775) **Prepared by:** RICHARD HYDER

Contact: GARY HENDRICKS 972.382.2682 **Phone:** 409.300.1385

Email: GHENDRICKS@CELINA-TX.GOV **Email:** RHYDER.COWBOYFLEET@GMAIL.COM

Product Description: FORD RANGER SUPERCAB **Date:** March 21, 2022

A. **Bid Item:** 49 **A. Base Price:** $ 23,839.22

B. **Factory Options**

Code	Description	Bid Price	Code	Description	Bid Price
R1E	RANGER XL SUPERCAB 4X2 6' BED	$ 1,295.00		BLUETOOTH	$ -
YZ	EXTERIOR WHITE	$ -			
SH	INTERIOR EBONY VINYL BUCKETS	$ -			
99H	2.3L I4 ECOBOOST	$ -			
101A	101A MID LEVEL PACKAGE	$ 1,135.00			
	POWER EQUIPMENT GROUP	$ -			
	CRUISE	$ -			
	SYNC	$ -			
	REMOTE KEYLESS ENTRY	$ -			

Total of B. Published Options: $ 2,430.00

Published Option Discount (5%) $ (121.50)

C. **Unpublished Options** **$=** 14.3 **%**

Description	Bid Price	Options	Bid Price
GRILL LEDS AMBER/BLUE X2	$ 270.00		
INSTALLATION	$ 300.00		
HIDDEN LEDS AMBER/BLUE REVERSE LIGHTS	$ 190.00		
PR1E UPGRADE	$ 3,000.00		

Total of C. Unpublished Options: $ 3,760.00

D. **Floor Plan Interest (for in-stock and/or equipped vehicles):** $ -

E. **Lot Insurance (for in-stock and/or equipped vehicles):** $ -

F. **Contract Price Adjustment:** $ -

G. **Additional Delivery Charge:** 317 **miles** $ 475.50

H. **Subtotal:** $ 30,383.22

I. **Quantity Ordered** 2 **x H =** $ 60,766.44

J. **Trade in:** $ -

K. **Total Purchase Price** $

Attachment: Ford Ranger Trucks April 2022 agenda (FY 2022 Vehicle Purchase - Parks)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dawn Berry, Purchasing Manager
CC: Kim Brawner, Executive Director of Public Services
Date: April 12, 2022
Re: IT Networking Hardware

Action Requested:
Consider and act to purchase IT Hardware through a cooperative contract with the State of Texas Department of Information Resources (DIR) in an amount not to exceed $1,596,945.78. (Berry)

Background Information:
Staff requests authorization to procure enterprise IT networking hardware for the upcoming new building projects. The hardware will be used to connect the buildings with Fiber and provide wired and wireless connections to new computer equipment. Due to the extended lead times on hardware, which varies and is exceeding three hundred business days, staff bundled the purchase by location. Below is the amount for each location and inclusive of five years of hardware and software support.

New Police Building	422,464.93
New Datacenter	558,722.64
Fiber Project	414,258.24
New Fire Station 3	76,268.50
New Senior Center	35,536.43
New City Hall Expansion	43,407.12
New Parks	46,287.92
	$1,596,945.78

Staff obtained quotes from two other cooperative vendors. All items will be purchased through the following cooperative agreement.

- State of Texas Department of Information Resources
- Contract #: DIR-CPO-4696

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. If the City of Celina does not award this purchase, the City will be unable to provide critical networking infrastructure that will support the new Law Enforcement Center, Fire Station 3, Senior Center, Parks Offices and City Hall Expansion.

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.

QTY	Item
4	MR56-HW
4	LIC-ENT-5YR
2	CCS-722XPM-48ZY8-2F-NA
120	SS-CVS-G-SWITCH-1M
1	LIC-FIX-1-FLX-L
4	SFP-10G-ER
1	LIC-FIX-G-MACSEC
120	SVC-722XPM-48ZY8-1M-RB
2	CAB-S-S-25G-1M
1	5PX3000RT3UNG2
1	NETWORK-M2
1	CWDM

Attachment: Arista_Final (IT Hardware - New Buildings)

Description	Category
Meraki MR56 Indoor Wi-Fi 6 802.11ax with Multigigabit Ethernet and Security Radio Access Point	Network
Meraki Cisco Meraki Enterprise Cloud Controller License 1 Access Point	Network
Arista 722XPM, 48x2.5G 60W POE, 8x25G SFP28 switch, front to rear air, MACSec, AC (2), NA Power Cords	Network
CloudVision Service Subscription License for 1-Month for 1 Switch. 1G Platforms	Network
FLX-Lite License for Arista Fixed Group 1 - Full Routing Up to 256K Routes, EVPN, V	Network
10GBASE-ER SFP+ (Extended Reach to 40km)	Network
MACSEC Encryption License for Arista Fixed 1G/mG Ethernet Switches, MACSEC capable ports	Network
1 Month A-Care Software Support and HW Replacement for 722XPM-48ZY8	Network
25GbE SFP25 to SFP25 twinax copper cable, 1M	Network
Eaton 5PX G2 UPS, 3U, 3000 VA, 3000 W, L5-30 input, Outputs: (1) L5-30R, (6) 5-20R, 120V	Network
Eaton Network Card-M2 - remote management adapter - Gigabit Ethernet x 1	Network
CWDM	Network

Attachment: Arista_Final (IT Hardware - New Buildings)

Use	Unit Price	Total
Campus Wifi Indoor	$ 1,253.67	$ 5,014.68
Campus Wifi Support & Cloud	$ 282.36	$ 1,129.44
	$ 7,966.60	$ 15,933.20
	$ 55.07	$ 6,608.40
	$ 2,895.10	$ 2,895.10
Optics for Switches to PD/Annex	$ 1,446.10	$ 5,784.40
Encryption	$ 634.66	$ 634.66
Support for Leaf	$ 30.04	$ 3,604.80
mlag between switches	$ 95.63	$ 191.26
UPS	$ 2,136.99	$ 2,136.99
UPS	$ 354.99	$ 354.99
	$ 2,000.00	$ 2,000.00

Attachment: Arista_Final (IT Hardware - New Buildings)

Life Connected.

Purchasing
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dawn Berry, Purchasing Manager
CC: Karla Stovall, Assistant City Manager
Date: April 12, 2022
Re:

Action Requested:
Consider and act upon a resolution adopting the City's Local Preference Policy; Incorporating Recitals and providing an effective date. (Berry)

Background Information:
Consider a resolution recommending adoption of the City's Local Preference Policy. The policy sets guidelines for the adoption of Local Government Code 271.905 and 271.9051.

The policy is beneficial to the City while providing a set of standard rules for both staff and Council to follow during the award process that utilizes local preference.

All aspects of the policy are in accordance with current State of Texas statutes.

All employees involved in the procurement process will attend mandatory training on the policy.

Alternatives:
Council may reject the policy and provide additional direction.

Financial Considerations:
There is no financial impact.

Legal Review:
The City Attorney has reviewed the policy.

Supporting Documentation
- Resolution
- Policy
- Application

Staff Recommendation:
Staff Recommends adopting the Local Preference Policy

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA TEXAS APPROVING A LOCAL PREFERENCE PURCHASING POLICY REGARDING THE LOCATION OF A BIDDER'S PRINCIPAL PLACE OF BUSINESS AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Celina elects to implement Local Government Code, Chapter 271.905 and 271.9051 regarding the location of a bidders' principal place of business.

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

1. That the City Council of the City of Celina, Texas hereby approves Local Preference Policy as described in the attached Exhibit A.

2. This Resolution hall become effective immediately upon its passage and approval.

3. That the City Council of the City of Celina, Texas may review and revise this policy as needed.

PASSED, APPROVED, AND RESOLVED this 12th day of April, 2022.

_____
Sean Terry, Mayor

ATTEST:

_____
Lauren Field, Deputy City Secretary

Life Connected.

CITY OF CELINA
LOCAL PREFERENCE POLICY

DESCRIPTION	EFFECTIVE DATE	RESOLUTION #
Adopted by Resolution on:	4/12/2022	
REVISIONS		

Attachment: Local Preference Policy - Final 2022 0406 (Local Preference Policy)

LOCAL PREFERENCE POLICY

1. PURPOSE

1.1 The purpose of this policy is to comply with Sections 271.905 and 271.9051 of the Texas Local Government Code allowing for consideration of location of bidder's principal place of business in the award of a competitively bid contract.

2. AUTHORIZATION

2.1. Section 271.905 of the Texas Local Government Code authorizes the City of Celina to consider the location of a bidder's principal place of business in awarding a bid for real or personal property. City Council must determine, in writing that the local bidder offers the City the best combination of contract price and additional economic development opportunities for the City created by the contract award. This includes the employment of residents of the City and increases tax revenues to the City.

2.2. Section 271.9051 of the Texas Local Government Code authorizes the City of Celina to consider the location of a bidder's principal place of business in awarding a bid for construction under $100,000. City Council must determine, in writing that the local bidder offers the City the best combination of contract price and additional economic development opportunities for the City created by the contract award. This includes the employment of residents of the City and increases tax revenues to the City.

2.3. The chart below summarizes the criteria for the lowest responsible bid.

LGC 271.905	LGC 271.9051
• 3% Differential • All other bids, excluding construction and services, greater than $500,000	• 5% Differential • Construction Bids less than $100,000 • All other bids, including services, less than $500,000

2.4. City Council may award a competitively bid contract to the lowest responsible bidder, a local bidder or reject all bids.

2.5. This policy does not apply to purchases obtained through a request for qualifications (RFQ), request for proposal (RFP), bids involving federal funds, grant funds, or interlocal agreements.

3. DEFINITIONS

3.1. **Local Public Official** means a member of the governing body or another officer, whether elected, appointed, paid or unpaid of the City of Celina.

3.2. **Lowest Responsible Bid** means price is the single determinant factor when awarding a bid to a responsible bidder.

Attachment: Local Preference Policy - Final 2022 0406 (Local Preference Policy)

3.3. **Best Value Bid** means price is only one of a number of determining factors that are weighted for evaluation purposes.

3.4. **Real Property** means land, improvement, or an estate or interest in real property, other than a mortgage or deed of trust creating a lien on property or an interest securing payment or performance of an obligation in real property.

3.5. **Personal Property** includes appliances, equipment, facilities, and furnishings, or an interest in personal property, whether movable or fixed, considered by the governing body of the governmental agency to be necessary, useful, or appropriate to one or more purposes of the governmental agency. The term includes all materials and labor incidental to the installation of that personal property. The term includes electricity and cloud computing services. The term does not include real property.

3.6. **Local Government** means the City of Celina.

3.7. **City** means the City of Celina.

3.8. **Debt** includes delinquent taxes, fines, fees, and delinquencies arising from written agreements with the City.

4. GENERAL PURPOSE AND INTENT

4.1. The purpose and intent of this Policy is to set forth the parameters under which the City of Celina may consider the location of a bidder's principal place of business in awarding a bid.

4.2. All applications will be considered on a case-by-case basis, and the decision to approve or deny consideration shall be at the discretion of the City Council.

4.3. **Tie Bids** - If all factors and conditions relating to the bids are equal, then the tie bid will be awarded to the local vendor. If more than one vendor is local or none is local, then a coin toss will be conducted by Purchasing with at least one witness.

4.4. **Award**

4.4.1. Bidders seeking local preference must meet all specifications and minimum requirements contained in the bid documents.

4.4.2. The City of Celina reserves the right to award a contract to the lowest bidder or to award the bidder whose principal place of business is within the Celina city limits.

4.4.3. The City Council must determine in writing that the local bidder offers the City the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of residents of the City of Celina and increases tax revenues to the City of Celina.

Attachment: Local Preference Policy - Final 2022 0406 (Local Preference Policy)

5. CONSIDERATIONS

5.1. The bids must be for any real property or personal property that is not affixed to real property.

5.2. The location of the bidder's principal place of business must be in the City Limits, as evidenced by submission of the current and valid Franchise Tax Certificate and the Certificate of Account Status on file with the Texas Secretary of State, or other documents if applicable under the Texas Business Organizations Code.

5.3. The local bidders bid price must be within 3% of the lowest and best-qualified bid for competitive bids of goods over $500,000.

5.4. The local bidders bid price must be within 5% of the lowest and best-qualified bid for construction under $100,000 and bids of goods or services less than $500,000.

5.5. The bidder must include in the bid a written application for the Local Business Preference providing objective information satisfactory to the City Council as to how the award of the bid will lead to additional economic development opportunities for the City created by the contract award, including (1) the employment of City residents, and (2) increases tax revenues to the local government. Such information shall be appropriate to the type of bid, but may include, but not limited to:

5.5.1. Bid amount as percentage of reported local annual sales/revenue;

5.5.2. Economic impact – number of employees added within past 12 months;

5.5.3. New job by salary category;

5.5.4. Local annual property taxes paid.

5.6. The bidder must not be tax-delinquent as to federal, state, or local taxes.

5.7. The bidder may not subcontract the award, or any part of the award.

5.8. The bidder must not be indebted to the City.

6. APPLICATION

6.1. Written Application: A bidder may request consideration for Local Business preference by submitting the required information as part of the bid.

6.2. There are no fees to submit the application.

6.3. Content of Application: The application must include objective, verifiable information from the bidder as to how the local bidder offers the City the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of City residents and increased tax revenues to the City. The application form may require such financial and other information as the City deems appropriate for evaluating the financial capacity and other relevant factors of the applicant.

Attachment: Local Preference Policy - Final 2022 0406 (Local Preference Policy)

Life Connected.

CITY OF CELINA

LOCAL PREFERENCE APPLICATION

This application for local preference consideration does not mean that the City of Celina is limiting responses to the competitive bid process to only businesses located within the City limits. All bids are welcome and encouraged.

Bidders who wish to request a local preference must have their principal place of business located within the City limits.

Bidders must:

1. Meet the minimum requirements of the bid;
2. Provide a Tax Certificate from the tax authority for your location (either Collin or Denton County Tax Assessor) showing the current status of taxes, penalties, interest, and any known costs due on a property; and
3. Submit the completed application.

Attachment: Local Preference Policy - Application Final 2022 0406 (Local Preference Policy)

Life Connected.

CITY OF CELINA
LOCAL BUSINESS PREFERENCE
APPLICATION

Solicitation # _____

Solicitation Name _____

Applicant Name _____

Business Name _____

DBA Name _____

Business Type: ☐ **Sole Proprietor** ☐ **Partnership** ☐ **Corporation**

☐ **Other:** _____

QUALIFICATIONS

A. Where is your principal place of business?

Principal place of business is defined as any business, which owns or leases a commercial building within the City limits and uses the building for actual business operations.

B. Are you delinquent in paying federal, state, or local taxes for the business listed above?

Yes _____ No _____

C. Are you registered to do business with the Texas Secretary of State?

Yes _____ No _____

1. Attach a copy of your current Franchise Tax Certificate on file with the Texas Secretary of State.

2. Attach a copy of your current Certificate of Account status on file with the Texas Secretary of State.

Attachment: Local Preference Policy - Application Final 2022 0406 (Local Preference Policy)

3. If the above documents do not apply, explain why and provide the equivalent documents required by the Texas Secretary of State and/or Texas Business Organizations Code for your typeof business entity.

D. Economic Development Opportunities.

1. How will the bid award lead to additional economic development opportunities for the City?

2. Total number of current employees who are residents of the City of Celina?

3. Will award of this contract result in the employment and retention of residents of the City of Celina?

4. Will award of this contract result in increased tax revenue to the City?

5. If yes, what type of taxes?
   a. Property
   b. Sales Taxes
   c. Hotel Occupancy Taxes

6. Other economic development benefits deemed pertinent by applicant. This information includes but is not limited to:
   a. Bid amount as percentage of reported local annual sales/revenue, or total commodity sales.
   b. Economic impact- number of employees added within past 12 months.
   c. New jobs by salary category.
   d. Local annual property taxes paid.

E. No Subcontracting of Award.

The bidder may not subcontract the award, or any part of the award. Doing so will be grounds for termination of the contract and penalties**.**

Agree Yes _____ No _____

F. Contributions to members of City Council.

All political contributions by the bidder to members of City Council for the previous 12 months by the bidder must be disclosed. This includes owners, principals or officers of the bidder that is a corporation or other legal entity. Complete the attached Affidavit.

G. Agreement to "Buy Local."

If you are awarded the bid, you agree to give preference and priority to City manufacturers, suppliers, contractors and labor, except where not reasonably possible to do so without added expense, substantial inconvenience, or sacrifice in operating efficiency.

Attachment: Local Preference Policy - Application Final 2022 0406 (Local Preference Policy)

H. Confidentiality

Information that is provided to the City in connection with an application or request for Local Business Preference shall be kept confidential and not be subjected to public disclosure except as required by law, the Texas Attorney General, or by an order of a court. Written information shall be released pursuant to a request under the Public Information Act, Chapter 552 of the Texas Government Code, as amended, by the officer for public information or his or her designee in accordance with the standards established under that act for confidentiality and closed records.

The undersigned does hereby affirm that the information supplied in this application are true and correct as of the date below.

Signature	Date
Printed Name	Title

Attachment: Local Preference Policy - Application Final 2022 0406 (Local Preference Policy)

AFFIDAVIT

To be completed by all vendors as described in section D of the local business preference application- By owner, if vendor is a sole proprietorship, or all principals and officers if the vendor is a corporation or other legal entity

THE STATE OF TEXAS COUNTY OF _____

I am fully competent to make this affidavit, and the information contained herein is based upon my personal knowledge.

1. My name is _____

2. My title: _____

3. For the previous twelve months, I, made the following campaign contributions, gifts or any transfers of cash, checks or anything of value to any member of the City of Celina City Council, any person related by marriage or birth to the City Council or any member of the City of Celina administrative staff: (Provide Date, Amount or Cash Value of Gift, and Recipient's Name and Title).

[add any additional information you think necessary or appropriate]

_____ _____

Signature Date

Attachment: Local Preference Policy - Application Final 2022 0406 (Local Preference Policy)

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:	Mike Foreman, City Manager
Date:	April 12, 2022
Re:	Creek Pointe Estates ROW - Annexation

Action Requested:
Conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of approximately 3.3 acres within the Extraterritorial Jurisdiction (ETJ), generally located west of Custer Road and approximately 1,800 feet north of Ousley Boulevard. (Creek Pointe Estates ROW - Annexation) (McAfee)

Applicant:
Cyndee Herrin
Like Mind Strategy Group, Ltd.
10182 County Road 133
Celina, Texas 75009

Background Information:
The subject property is approximately 3.3 acres, comprised of right-of-way out of the Creek Pointe Estates subdivision. The ROW will be annexed this evening. Please refer to the attached documents for further information, and the accompanying annexation service agreement agenda item.

Supporting Documents:
- Location Map
- Staff Presentation
- Draft Ordinance

Staff Recommendation:
Staff recommends approval.

CELINA TEXAS EST. 1876

Life Connected.

N CUSTER RD

Legend

- Subject Property
- ROW
- City Limits
- Roads
- Parcels

Creek Pointe Estates

City of Celina

3/15/2022

N W E S

0 220 440 Feet

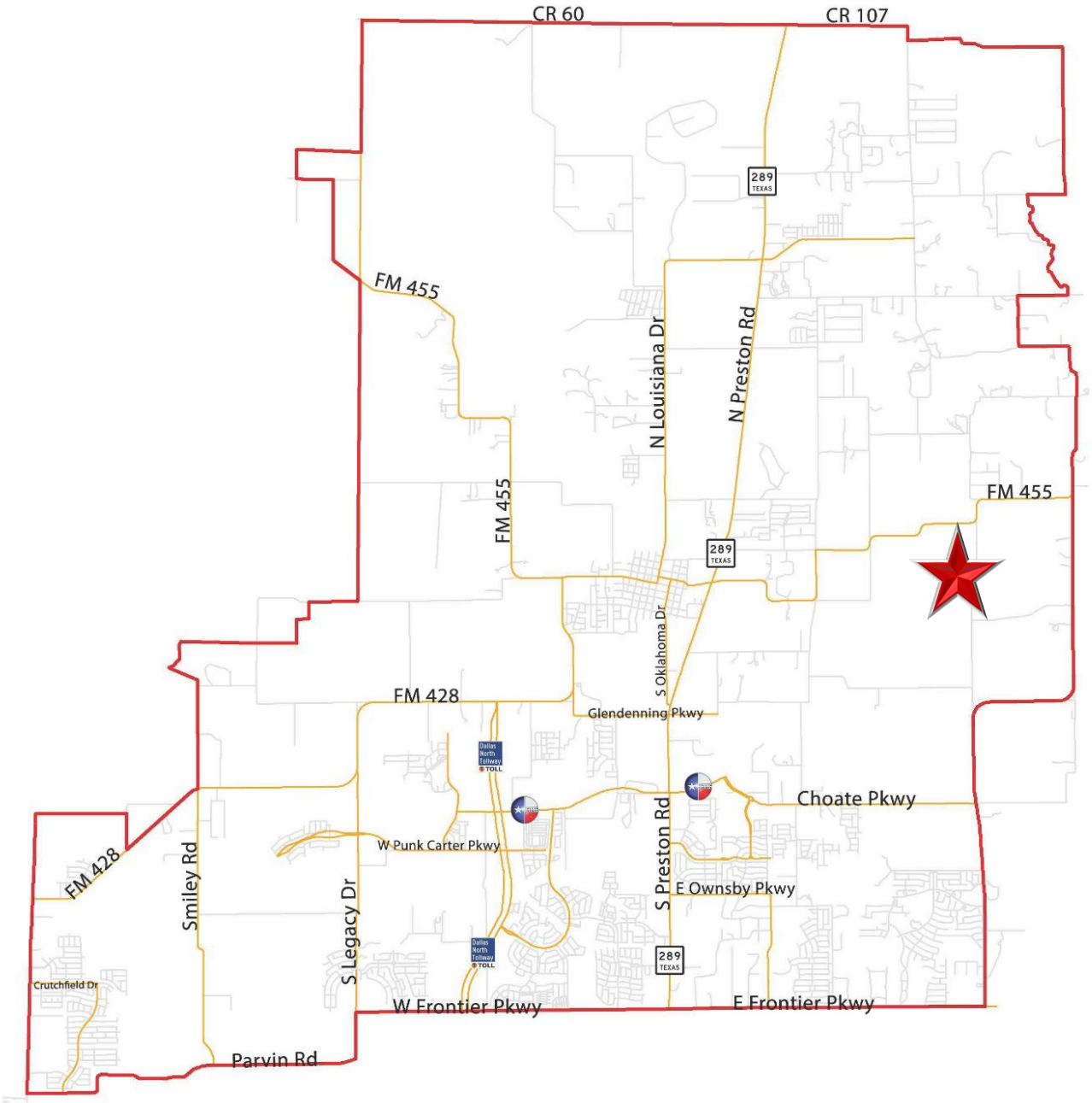
Attachment: Location Map (Creek Pointe Estates ROW - Annexation)

CREEK POINTE ESTATES – ROW

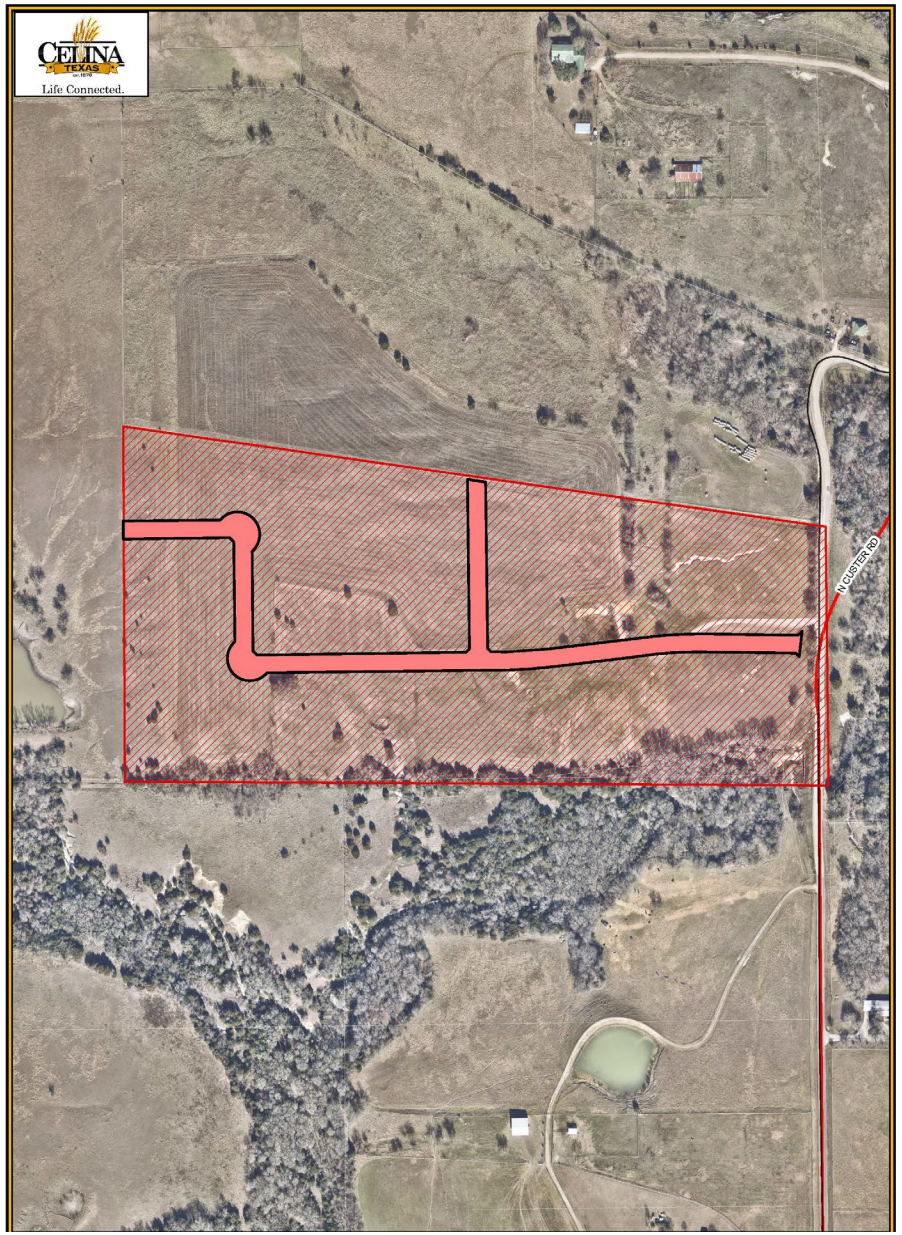
Annexation

City Council
April 12, 2022

Attachment: Staff Presentation (Creek Pointe Estates ROW - Annexation)



Attachment: Staff Presentation (Creek Pointe Estates ROW - Annexation)



LOCATION MAP

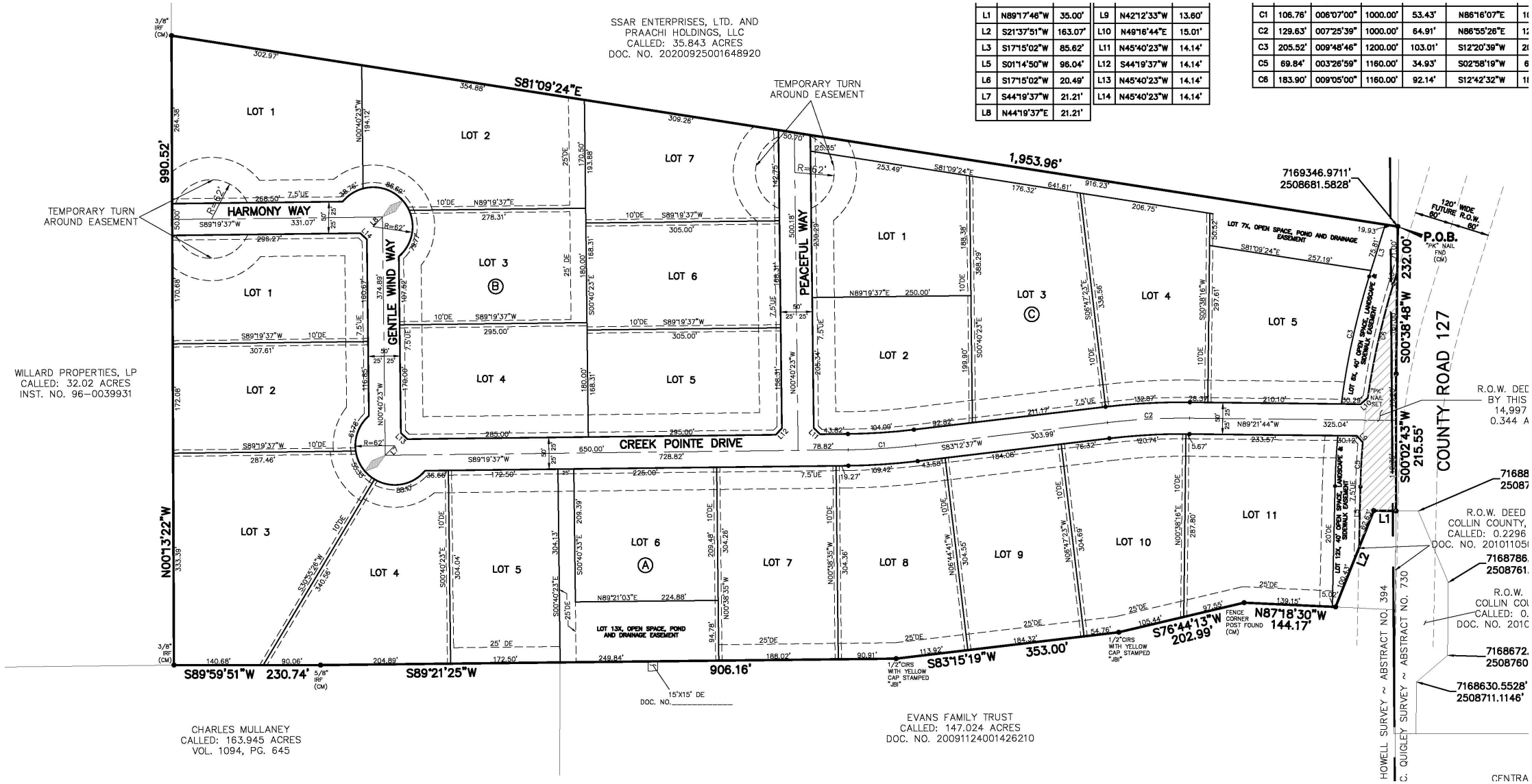
The subject property is generally located west of Custer Road and approximately 1,800 feet north of Ousley Boulevard

Attachment: Staff Presentation (Creek Pointe Estates ROW - Annexation)

BACKGROUND

- A development agreement that outlines the future annexation and zoning of the subject property was approved in 2021
- The estate residential neighborhood with 1+ acre lots is soon going to construction
- The voluntary annexation of the rights-of-way is the next step in the governing development agreement

Attachment: Staff Presentation (Creek Pointe Estates ROW - Annexation)



L1	N89°17'46"W	35.00'
L2	S21°37'51"W	163.07'
L3	S17°15'02"W	85.62'
L5	S01°14'50"W	96.04'
L6	S17°15'02"W	20.49'
L7	S44°19'37"W	21.21'
L8	N44°19'37"E	21.21'

L9	N42°12'33"W	13.60'
L10	N49°16'44"E	15.01'
L11	N45°40'23"W	14.14'
L12	S44°19'37"W	14.14'
L13	N45°40'23"W	14.14'
L14	N45°40'23"W	14.14'

C1	106.76'	006°07'00"	1000.00'	53.43'	N86°16'07"E
C2	129.63'	007°25'39"	1000.00'	64.91'	N86°55'26"E
C3	205.52'	009°48'46"	1200.00'	103.01'	S12°20'39"W
C5	69.84'	003°26'59"	1160.00'	34.93'	S02°58'19"W
C6	183.90'	009°05'00"	1160.00'	92.14'	S12°42'32"W

Attachment: Staff Presentation (Creek Pointe Estates ROW - Annexation)

POLICY CONSIDERATIONS

- The voluntary annexation is in compliance with the governing DA

Attachment: Staff Presentation (Creek Pointe Estates ROW - Annexation)

RECOMMENDATION

- Staff recommends approval of the proposed annexation as presented

Attachment: Staff Presentation (Creek Pointe Estates ROW - Annexation)

CITY OF CELINA, TEXAS
ORDINANCE NO. 2022-_____
CREEK POINTE ESTATES ROW 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 3.3 ACRES OF RIGHT-OF-WAY LAND, COLLIN COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN AND GRAPHICALLY DEPICTED IN EXHIBIT "A", SUCH TRACT IS GENERALLY LOCATED WEST OF CUSTER ROAD AND APPROXIMATELY 1,800 FEET NORTH OF OUSLEY BOULEVARD, 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 April, 2022, 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, 28th day of March, 2022, 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 (10) year

Attachment: Draft Ordinance (Creek Pointe Estates ROW - 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 (Creek Pointe Estates ROW - 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 April, 2022.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Lauren Field, Deputy City Secretary
City of Celina, Texas

APPROVED AS TO FORM:

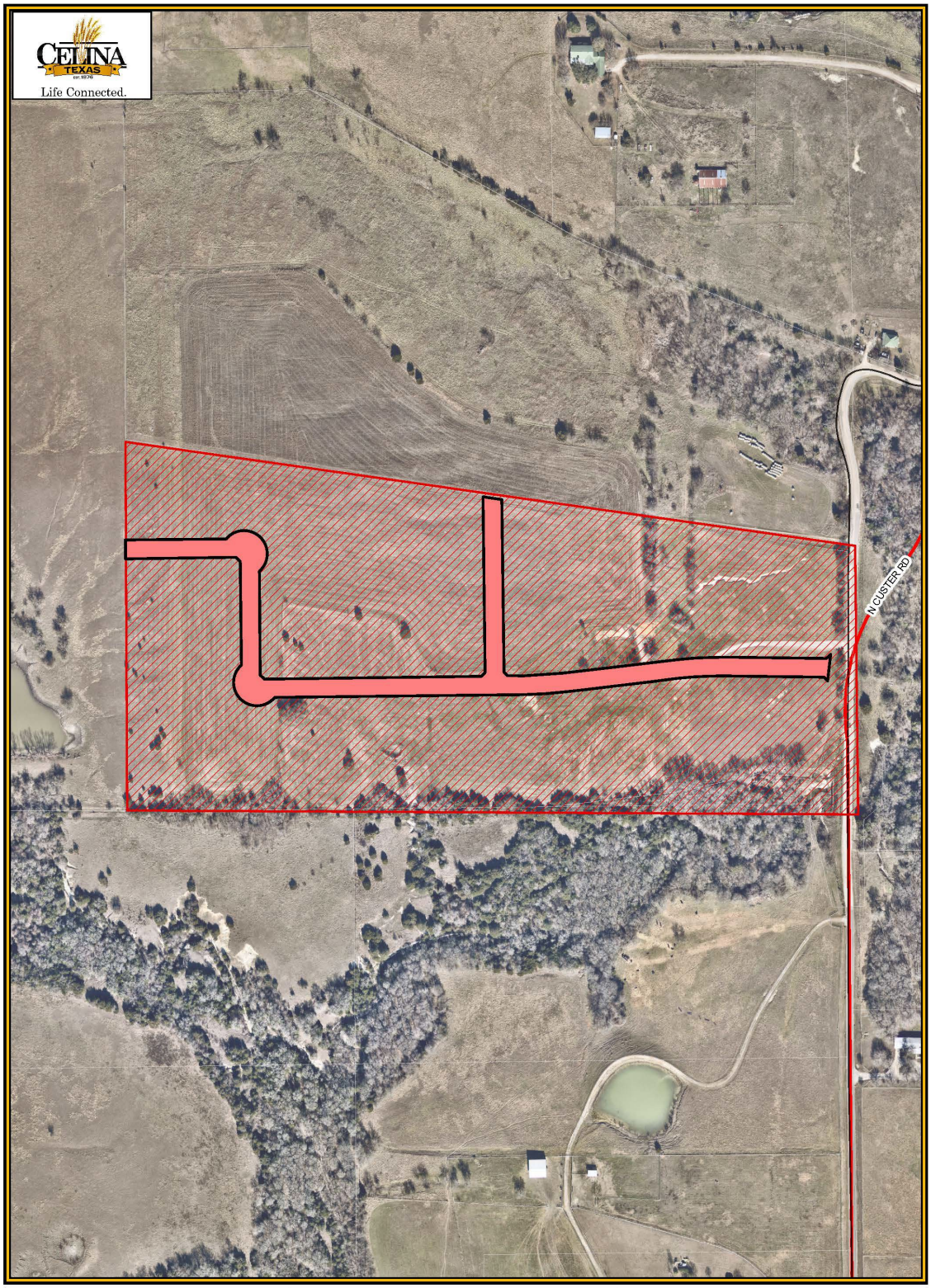
_____
City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (Creek Pointe Estates ROW - Annexation)

Exhibit "A"
Property Legal Description and Depiction
Including and any and all adjacent rights-of-way

Being an approximately 3.3 acre tract of land out of the Daniel Howell Survey, Abstract Number 394, situated in Collin County, Texas, and being all of that called 35.947 acre tract of land described in deed to Celina Warren 36, LP as recorded in Document Number 20070521000684890, Official Public Records of Collin County, Texas.

Attachment: Draft Ordinance (Creek Pointe Estates ROW - Annexation)



Attachment: Draft Ordinance (Creek Pointe Estates ROW - 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.

Attachment: Draft Ordinance (Creek Pointe Estates ROW - Annexation)

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 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 (Creek Pointe Estates ROW - 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 (Creek Pointe Estates ROW - 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 (Creek Pointe Estates ROW - 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 (Creek Pointe Estates ROW - Annexation)

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:	April 12, 2022
Re:	First Leo Portion (Legacy North) - Annexation

Action Requested:
Conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of approximately 79 acres within the Extraterritorial Jurisdiction (ETJ), generally located at the northwest corner of future Glendenning Parkway and future Legacy Drive. (First Leo Portion (Legacy North) - Annexation) (McAfee)

Applicant:
The Law Offices of Robert D. Daake, PLLC
P.O. Box 6250
McKinney, Texas 75069

Background Information:
The subject property is approximately 79 acres. It is currently within the Extraterritorial Jurisdiction (ETJ), and will be annexed this evening. 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 as presented.

CELINA TEXAS EST. 1876
Life Connected.

MOBBERLY RD
COUNTY ROAD 9
COUNTY ROAD 8
DALLAS NORTH TOLLWAY
FAIRFIELD RD
McNABB DR
SMILEY RD
CELINA RD
W GLENDENNING PKWY
COUNTY ROAD 108
SHELBY LN
FM 428

Attachment: Location Map (First Leo Portion (Legacy North) - Annexation)

Legend

- Subject Property
- City Limits
- Roads
- Parcels

First Leo
Location Map
City of Celina

3/8/2022

N
W E
S

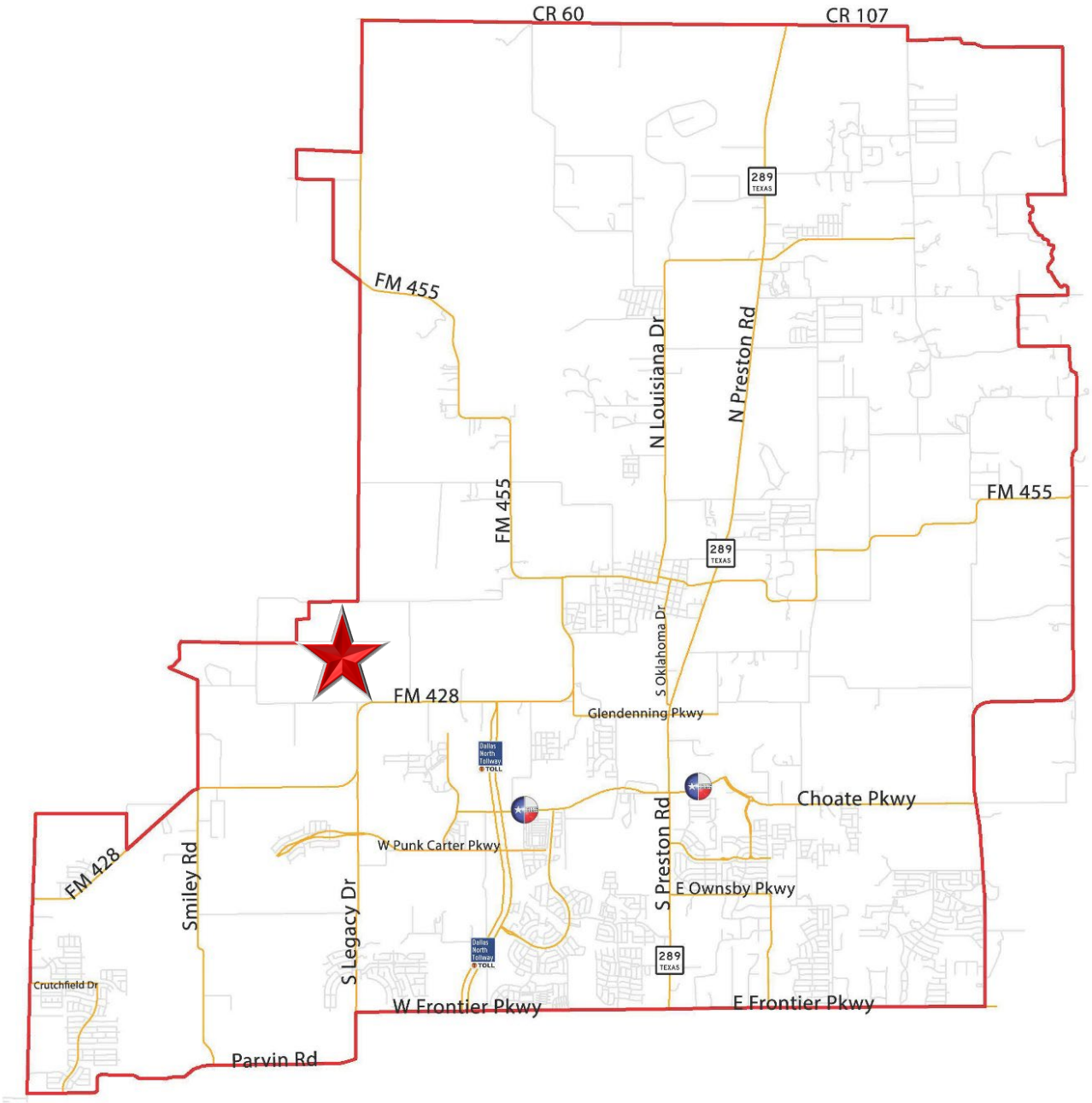
0 500 1,000 Feet

LEGACY NORTH (FIRST LEO)

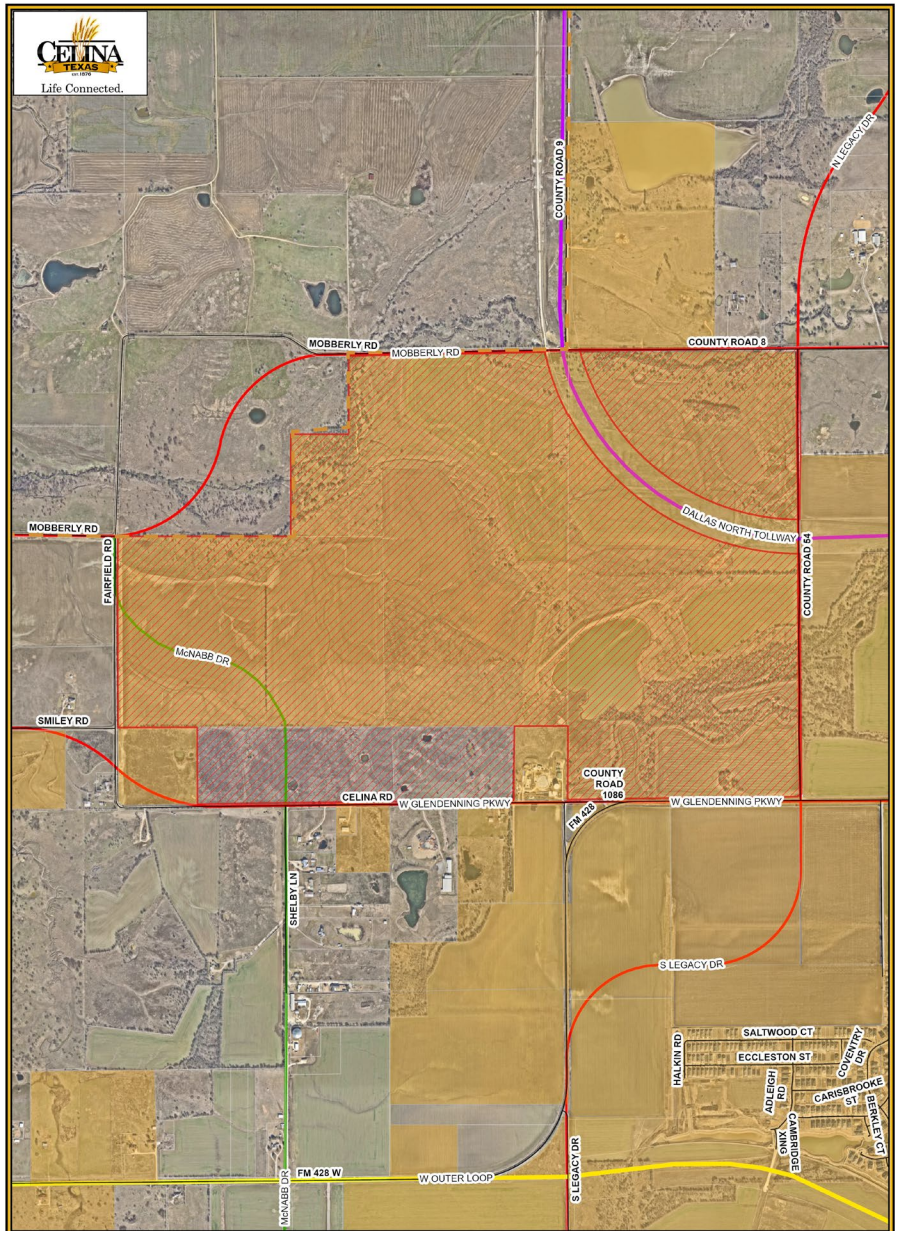
Annexation & Planned Development

City Council
April 12, 2022

Attachment: Staff Presentation (First Leo Portion (Legacy North) - Annexation)



Attachment: Staff Presentation (First Leo Portion (Legacy North) - Annexation)



LOCATION MAP

The subject property is generally located at the northwest corner of future Glendenning Parkway and future Legacy Drive

Attachment: Staff Presentation (First Leo Portion (Legacy North) - Annexation)

BACKGROUND

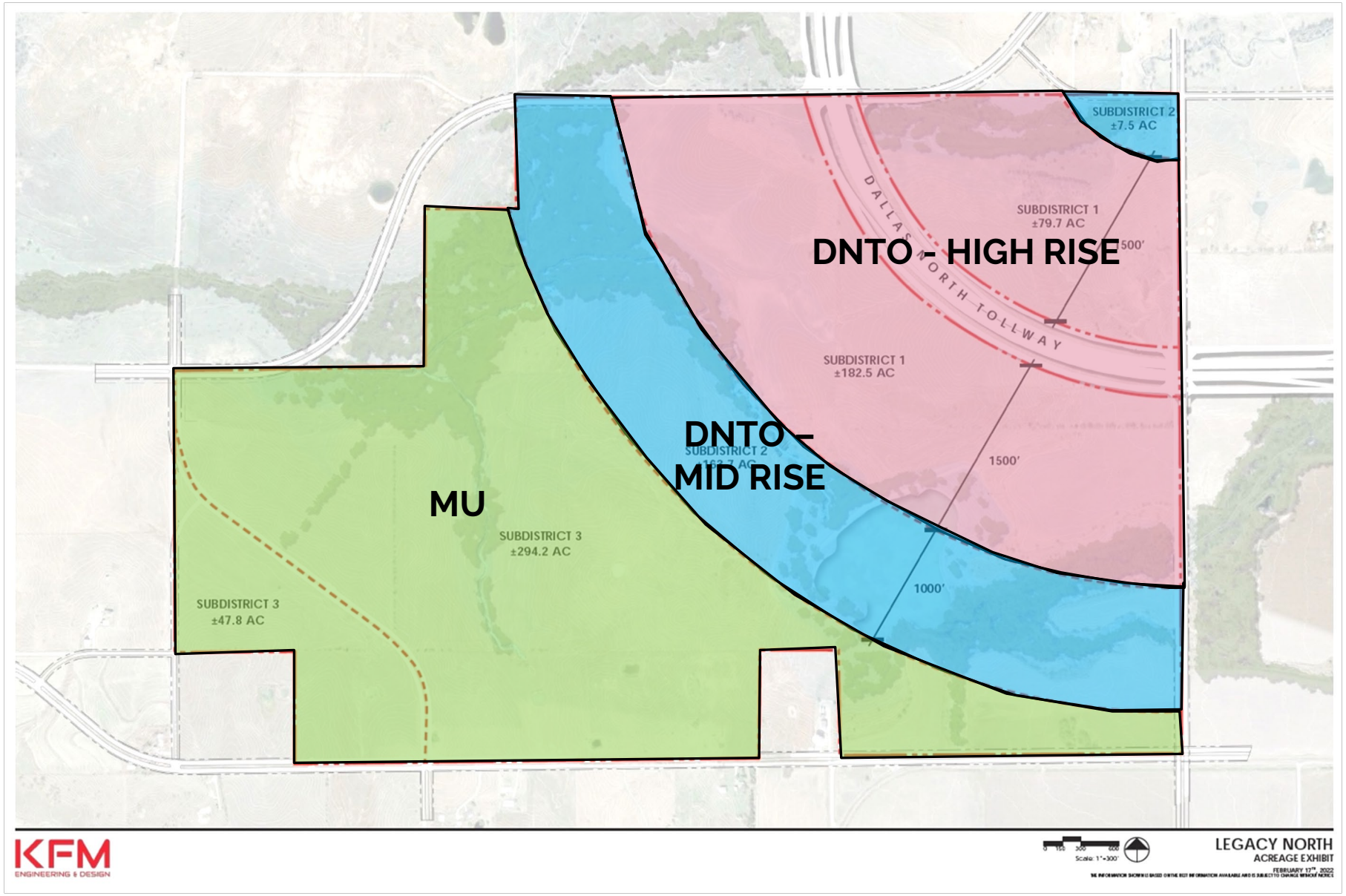
- The subject property is approximately 788 acres, located both within the City Limits and the Extraterritorial Jurisdiction (ETJ)
- The portions of the property within the City Limits (approximately 709 acres) are zoned Agriculture District (AG)
- The applicant is proposing to zone the property to a Planned Development with a base zoning of the Dallas North Tollway Overlay District (DNTO) and Mixed-Use District (MU)
- The portions within the ETJ will be annexed this evening

Attachment: Staff Presentation (First Leo Portion (Legacy North) - Annexation)

PROJECT OVERVIEW

- Approximately half of the property will be zoned the Dallas North Tollway Overlay District (DNTO) with the appropriate sub-districts (High-Rise, Mid-Rise), with the remainder to be zoned Mixed-Use (MU)
- Within the Mixed-Use (MU) district, 400 units of MF-0 are permitted
- The project will abide by all zoning standards, including architecture

Attachment: Staff Presentation (First Leo Portion (Legacy North) - Annexation)



Attachment: Staff Presentation (First Leo Portion (Legacy North) - Annexation)

POLICY CONSIDERATIONS

- The property is surrounded by major thoroughfares (DNT, Legacy Drive, Mobberly Road, Glendenning Parkway, and McNabb Drive)
- DNTO and MU is an appropriate base zoning designation at this location
- The more intense and higher value development is reserved for the DNT frontage portions of the subject property, which incrementally decreases in intensity the farther away the property is from the DNT

Attachment: Staff Presentation (First Leo Portion (Legacy North) - Annexation)

P&Z PUBLIC HEARING

- There was no public feedback at the public hearing

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RECOMMENDATION

- The Planning & Zoning Commission unanimously recommended approval of the request at its March 24th regular meeting
- Staff recommends approval of the proposed annexation & zoning as presented

Attachment: Staff Presentation (First Leo Portion (Legacy North) - Annexation)

CITY OF CELINA, TEXAS
ORDINANCE NO. 2022-_____
LEGACY NORTH (FIRST LEO) 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 79 ACRES OF LAND, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN AND GRAPHICALLY DEPICTED IN EXHIBIT "A", SUCH TRACT IS GENERALLY LOCATED NORTHWEST OF FUTURE GLENDENNING PARKWAY AND FUTURE LEGACY DRIVE, 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 April, 2022, 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, 28th day of March, 2022, 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 (10) year

Attachment: Draft Ordinance (First Leo Portion (Legacy North) - 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 (First Leo Portion (Legacy North) - 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 April, 2022.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Lauren Field, Deputy City Secretary
City of Celina, Texas

APPROVED AS TO FORM:

_____
City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (First Leo Portion (Legacy North) - Annexation)

Exhibit "A"
Property Legal Description and Depiction
Including and any and all adjacent rights-of-way

TRACT 1:

All that certain tract or parcel of land lying and being situated in Denton County, Texas, a part of the ROBERT COWAN SURVEY, ABSTRACT No. 211, and being and including all that tract said to contain 58.17 acres as described under the caption "EXHIBIT B" in a deed to Carol H. Peterson, et al., recorded under Clerk's Document No. 2018-66086, Real Property Records Denton County, said tract or parcel of land is herein described as follows; to wit:

BEGINNING at an 5/8 inch iron rod (with cap marked "J.E. SMITH 3700") set for the northeast corner of the premises herein described, said corner being the northwest corner of a tract said to contain 20.053 acres as described in a deed to Carol H. Peterson, et al, recorded in under Clerk's Document No. 2021-61684, Real Property Records Denton County, said corner also being on the south line of a tract said to contain 744.7097 acres as described in a deed to First Leo Land Company, LLC, recorded under Clerk's Document No. 2016-31284, Real Property Records Denton County;

THENCE south 00 degrees 51 minutes 54 seconds west 910.46 feet to a 5/8 inch iron rod set in Celina Road for the southeast corner hereof, said corner being the southwest corner of said record 20.053 acre tract;

THENCE with Celina Road and along the south line of said 58.17 acre tract, south 89 degrees 16 minutes 42 seconds west 1718.45 feet a 5/8 inch capped iron rod set at the point where Celina Road is intersected by Shelby Road, said corner being the northwest corner of Theeringer Estates per the Plat recorded under Clerk's Document No. 2016-48, Plat Records of Denton County;

THENCE continuing with said Road, south 89 degrees 12 minutes 33 seconds west 1017.63 feet to a 5/8 inch capped iron rod set for the southeast corner of a tract said to contain 20.37 acres as described in a deed to Simna Real Estate, Ltd., recorded under Clerk's Document No. 2018-99119, said corner being the southwest corner hereof;

THENCE along the east line of said 20.37 acre tract, north 00 degrees 20 minutes 57 seconds west 934.80 feet to a 5/8 inch capped iron rod set on the south line of said 744.7097 acre tract for the northwest corner hereof;

THENCE North 89 degrees 48 minutes 30 seconds east 995.88 feet to a 5/8 inch capped iron rod set for corner;

THENCE North 89 degrees 41 minutes 20 seconds east 1202.53 feet to a fence corner post at the apparent southeast corner of the E. LUNN SURVEY, ABSTRACT NO. 783 and the occupied southwest corner of the J. McFARLAND SURVEY, ABSTRACT NO. 1480;

THENCE north 89 degrees 51 minutes 19 seconds east a distance of 556.90 feet to the Place of BEGINNING and containing 58.12 acres of land, more or less.

TRACT 2:

All that certain tract or parcel of land lying and being situated in Denton County, Texas, a part of the ROBERT COWAN SURVEY, ABSTRACT NO. 211, and being and including all that tract said to contain 20.053 acres as described in a deed from the Veteran's Land Board of the State of Texas to Ivan Hobson recorded under Clerk's Document No. 1994-83119, Real Property Records of Denton County, and being that same record 20.053 acre tract conveyed to Carol H. Peterson, et al, by deed recorded under Clerk's Document No. 2021-61684, Real Property Records of Denton County, said tract or parcel of land is herein described as follows; to wit:

BEGINNING at a 5/8 inch iron rod set (with cap marked "J.E. SMITH 3700") for the northeast corner of a tract said to contain 100 acres, more or less, (as described in a deed recorded in Volume 319, page 630, Deed Records, Denton County, Texas) and the northeast corner of the premises herein described, said corner being a re-entrant corner of a tract said to contain 744.7097 acres as described in a deed to First Leo Land Company, LLC, recorded under Clerk's

Attachment: Draft Ordinance (First Leo Portion (Legacy North) - Annexation)

Document No. 2016-31284, Real Property Records, Denton County;

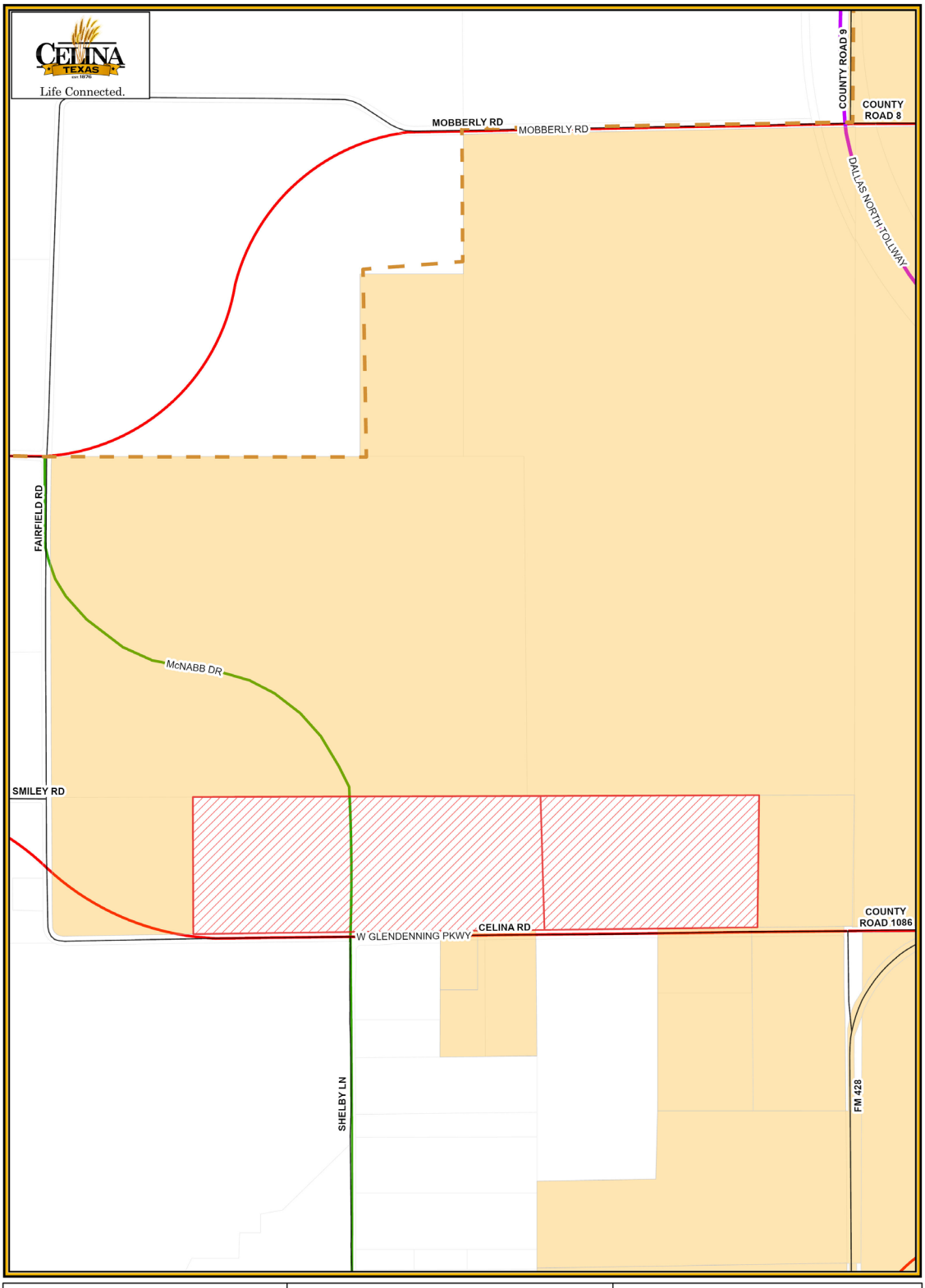
THENCE south 00 degrees 51 minutes 54 seconds west 900.40 feet to an one-half inch iron rod found in Celina Road at the southeast corner of said 20.053 acre tract and the southeast corner hereof;
THENCE with said Road, south 89 degrees 11 minutes 17 seconds west 963.70 feet to a 5/8 inch capped iron rod set at the southwest corner of said 20.053 acre tract, said corner being the southeast corner of a tract said to contain 58.17 acres described under the caption EXHIBIT B in a deed to Carol H. Peterson, et al, recorded under Clerk's Document No. 2018-66086, Real Property Records of Denton County;

THENCE north 00 degrees 51 minutes 54 seconds east 910.46 feet to a 5/8 inch capped iron rod set at the northwest corner of said 20.053 acre tract, said corner being the northeast corner of said record 58.17 acre tract;

THENCE north 89 degrees 38 minutes 03 seconds east 706.67 feet to a 5/8 inch capped iron rod set for corner;

THENCE south 89 degrees 47 minutes 44 seconds east a distance of 256.80 feet to the Place of BEGINNING and containing 20.04 acres of land, more or less.

Attachment: Draft Ordinance (First Leo Portion (Legacy North) - Annexation)



Attachment: Draft Ordinance (First Leo Portion (Legacy North) - 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.

Attachment: Draft Ordinance (First Leo Portion (Legacy North) - Annexation)

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 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 (First Leo Portion (Legacy North) - 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 (First Leo Portion (Legacy North) - 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 (First Leo Portion (Legacy North) - 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 (First Leo Portion (Legacy North) - Annexation)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Madhuri Mohan AICP, Planning Director
CC:	Jason Laumer, City Manager
Date:	April 12, 2022
Re:	Legacy North (First Leo) - PD Zoning

Action Requested:
Conduct a public hearing to consider and act upon a request to zone approximately 788 acres to a Planned Development (PD) with a base zoning of the Dallas North Tollway Overlay District (DNTO) and Mixed-Use District (MU), with modified regulations, generally located at the northwest corner of future Glendenning Parkway and future Legacy Drive. (Legacy North (First Leo) - PD Zoning) (McAfee)

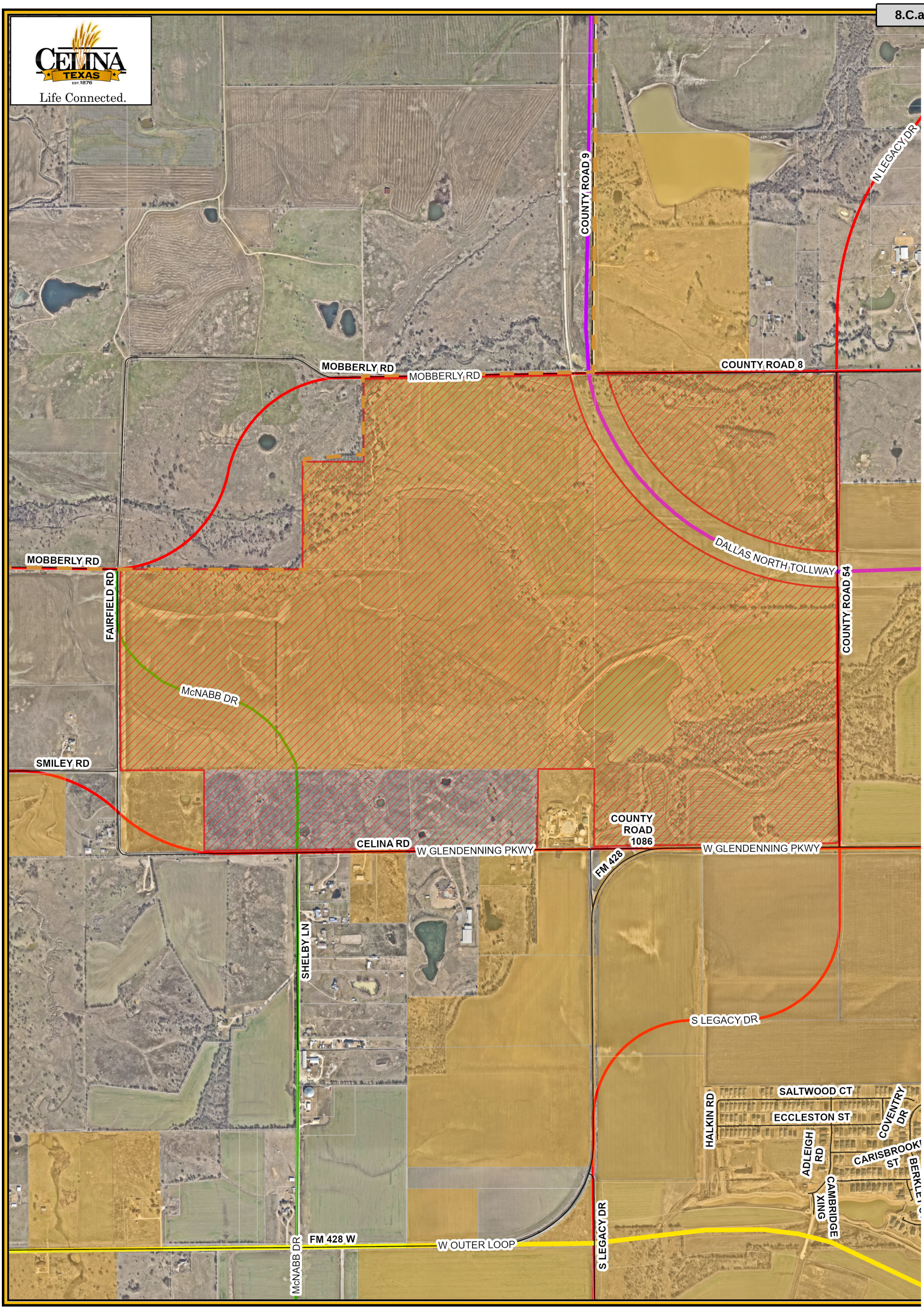
Applicant:
The Law Offices of Robert D. Daake, PLLC
P.O. Box 6250
McKinney, Texas 75069

Background Information:
The zoning request is for the Legacy North (First Leo) development, a future master planned community. Please refer to the attached documents and the associated annexation agenda items for further information.

Supporting Documents:
- Location Map
- Draft Ordinance

Staff Recommendation:
Staff recommends approval as presented.

CELINA TEXAS EST. 1876
Life Connected.



Legend

- Subject Property
- City Limits
- Roads
- Parcels

First Leo Location Map

City of Celina

3/10/2022

N W E S

0 500 1,000 Feet

Attachment: Location Map (Legacy North (First Leo) - PD Zoning)

CITY OF CELINA, TEXAS

ORDINANCE 2022-____
LEGACY NORTH (FIRST LEO)
PLANNED DEVELOPMENT #130

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 788 ACRES LOCATED IN THE ROBERT COWAN SURVEY, ABSTRACT NO. 211, THE E. LUNN SURVEY, ABSTRACT NO. 783, THE J. MCFARLAND SURVEY, ABSTRACT NO. 1480, AND THE COLLIN COUNTY SCHOOL LAND SURVEY, ABSTRACT NO. 168 DENTON COUNTY, TEXAS, AND GENERALLY LOCATED AT THE NORTHWEST CORNER OF FUTURE GLENDENNING PARKWAY AND FUTURE LEGACY DRIVE; AS DESCRIBED IN EXHIBIT "A" AND INCORPORATED HEREIN TO BE ZONED "PD" PLANNED DEVELOPMENT DISTRICT NO. 130; 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 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 Land Plan and Development Regulations, set forth in Exhibit "C" and "D," respectively, attached hereto and incorporated herein, define 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

Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

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 establish the zoning classification for the Property as "PD" Planned Development District No. 130 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:	Land Plan
Exhibit D:	Development Regulations

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. 130, and incorporates the Land Plan and Development Regulations, attached hereto as Exhibit "C" and "D," 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

Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

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.

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

Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

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 12th day of April, 2022.

_____
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 North (First Leo) - PD Zoning)

Exhibit A
Legal Description

TRACT 1:

All that certain tract or parcel of land lying and being situated in Denton County, Texas, a part of the ROBERT COWAN SURVEY, ABSTRACT No. 211, and being and including all that tract said to contain 58.17 acres as described under the caption “EXHIBIT B” in a deed to Carol H. Peterson, et al., recorded under Clerk’s Document No. 2018-66086, Real Property Records Denton County, said tract or parcel of land is herein described as follows; to wit:

BEGINNING at an 5/8 inch iron rod (with cap marked "J.E. SMITH 3700") set for the northeast corner of the premises herein described, said corner being the northwest corner of a tract said to contain 20.053 acres as described in a deed to Carol H. Peterson, et al, recorded in under Clerk’s Document No. 2021-61684, Real Property Records Denton County, said corner also being on the south line of a tract said to contain 744.7097 acres as described in a deed to First Leo Land Company, LLC, recorded under Clerk's Document No. 2016-31284, Real Property Records Denton County;

THENCE south 00 degrees 51 minutes 54 seconds west 910.46 feet to a 5/8 inch iron rod set in Celina Road for the southeast corner hereof, said corner being the southwest corner of said record 20.053 acre tract;

THENCE with Celina Road and along the south line of said 58.17 acre tract, south 89 degrees 16 minutes 42 seconds west 1718.45 feet a 5/8 inch capped iron rod set at the point where Celina Road is intersected by Shelby Road, said corner being the northwest corner of Theeringer Estates per the Plat recorded under Clerk's Document No. 2016-48, Plat Records of Denton County;

THENCE continuing with said Road, south 89 degrees 12 minutes 33 seconds west 1017.63 feet to a 5/8 inch capped iron rod set for the southeast corner of a tract said to contain 20.37 acres as described in a deed to Simna Real Estate, Ltd., recorded under Clerk's Document No. 2018-99119, said corner being the southwest corner hereof;

THENCE along the east line of said 20.37 acre tract, north 00 degrees 20 minutes 57 seconds west 934.80 feet to a 5/8 inch capped iron rod set on the south line of said 744.7097 acre tract for the northwest corner hereof;

THENCE North 89 degrees 48 minutes 30 seconds east 995.88 feet to a 5/8 inch capped iron rod set for corner;

THENCE North 89 degrees 41 minutes 20 seconds east 1202.53 feet to a fence corner post at the apparent southeast corner of the E. LUNN SURVEY, ABSTRACT NO. 783 and the occupied southwest corner of the J. McFARLAND SURVEY, ABSTRACT NO. 1480;

THENCE north 89 degrees 51 minutes 19 seconds east a distance of 556.90 feet to the Place of BEGINNING and containing 58.12 acres of land, more or less.

TRACT 2:

All that certain tract or parcel of land lying and being situated in Denton County, Texas, a part of the ROBERT COWAN SURVEY, ABSTRACT NO. 211, and being and including all that tract said to contain 20.053 acres as described in a deed from the Veteran’s Land Board of the State of Texas to Ivan Hobson recorded under Clerk’s Document No. 1994-83119, Real Property Records of Denton County, and being that same record 20.053 acre tract conveyed to Carol H. Peterson, et al, by deed recorded under Clerk’s Document No. 2021-61684, Real Property Records of Denton County, said tract or parcel of land is herein described as follows; to wit:

BEGINNING at a 5/8 inch iron rod set (with cap marked “J.E. SMITH 3700”) for the northeast corner of a tract said to contain 100 acres, more or less, (as described in a deed recorded in Volume 319, page 630, Deed Records, Denton County, Texas) and the northeast corner of the premises herein described, said corner being a re-entrant corner of a tract said to contain 744.7097 acres as described in a deed to First Leo Land Company, LLC, recorded under Clerk’s Document No. 2016-31284, Real Property Records, Denton County;

Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

THENCE south 00 degrees 51 minutes 54 seconds west 900.40 feet to an one-half inch iron rod found in Celina Road at the southeast corner of said 20.053 acre tract and the southeast corner hereof;
THENCE with said Road, south 89 degrees 11 minutes 17 seconds west 963.70 feet to a 5/8 inch capped iron rod set at the southwest corner of said 20.053 acre tract, said corner being the southeast corner of a tract said to contain 58.17 acres described under the caption EXHIBIT B in a deed to Carol H. Peterson, et al, recorded under Clerk's Document No. 2018-66086, Real Property Records of Denton County;

THENCE north 00 degrees 51 minutes 54 seconds east 910.46 feet to a 5/8 inch capped iron rod set at the northwest corner of said 20.053 acre tract, said corner being the northeast corner of said record 58.17 acre tract;

THENCE north 89 degrees 38 minutes 03 seconds east 706.67 feet to a 5/8 inch capped iron rod set for corner;

THENCE south 89 degrees 47 minutes 44 seconds east a distance of 256.80 feet to the Place of BEGINNING and containing 20.04 acres of land, more or less.

TRACT 3:

Being 621.971 acres of land situated in the E. Lunn Survey, Abstract No. 783, the J. McFarland Survey, Abstract No. 1480 and the Collin County School Land Survey, Abstract No. 168, Collin County, Texas and Denton County, Texas, and being a part of that certain called 744.7097 acre tract of land described in the deed to First Leo Land Company, LLC, recorded in Instrument No. 20160322000336340, Official Public Records, Collin County, Texas and Instrument No. 2016-31284, Official Public Records, Denton County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod found for the Southwest corner of the tract being described herein, same as the Southwest corner of said 744.7097 acre tract of land, and being the Northwest corner of that certain called 20.37 acre tract of land as conveyed by deed to 10,000 Celina Road, LLC, recorded in Instrument No. 2021-8638, Official Public Records, Denton County, Texas, and being the Northeast corner of that certain called 78.24 acre tract of land as conveyed by deed to Pignataro Intl., LTD., recorded in Instrument No. 2018-149830, Official Public Records, Denton County, Texas, and being the Southeast corner of that certain called 30.00 acre tract of land as conveyed by deed to Campra, LLC, recorded in Instrument No. 2017-155746, Official Public Records, Denton County, Texas, and being at or near the intersection of Smiley Road and Fairfield Road, and being the Southeast corner of the M.E.P. & P. R.R. Co. Survey, Abstract No. 926 and the Southwest corner of the E. Lunn Survey, Abstract No. 783, and being in the North line of the R. Cowen Survey, Abstract No. 211, from which a 1/2-inch capped iron rod stamped "5312" for the Southwest corner of said 20.37 acre tract of land bears S00°42'52"E, a distance of 936.58 feet, and a 1/2-inch capped iron rod stamped "Owen Surveying 5560" found for the Southeast corner of said 78.24 acre tract of land bears S00°42'52"E, a distance of 956.07 feet;

THENCE N00°00'09"W, with the West line of said 744.7097 acre tract of land and the East lines of said 30.00 acre tract of land and that certain called 40.622 acre tract of land as conveyed by deed to The Corpuz Family Partnership, Dolores A. Corpuz, Trustee, recorded in Volume 5147, Page 3184, Real Property Records, Denton County, Texas, and the East line of said M.E.P. & P. R.R. Co. Survey and the West line of said E. Lunn Survey, a distance of 2,238.23 feet to a 1/2-inch iron rod found for the southernmost Northwest corner of said 744.7097 acre tract of land and the Northeast corner of said 40.622 acre tract of land, and being in the South line of that certain called 1,878.903 acre tract of land as conveyed to Talley Ranch Management, LTD., recorded in Instrument No. 2004-156267, Official Public Records, Denton County, Texas, and being at or near the intersection of Mobberly Road and Fairfield Road, and being the Northwest corner of said E. Lunn Survey and the southernmost Northeast corner of said M.E.P. & P. R.R. Co. Survey, and being in the South line of the H. Cochran Survey, Abstract No. 262;

THENCE 589°48'08"E, with a North line of said 744.7097 acre tract of land and a South line of said 1,878.903 acre of land, a distance of 2,095.50 feet to a 5/8-inch iron rod with plastic cap stamped "Landpoint" (hereinafter referred to as a capped iron rod) set for a reentrant corner of said tract being described herein;

THENCE N01°05'28"W, with a westerly line of said 744.7097 acre tract of land and an easterly line of said 1878.903 acre tract of land, a distance of 1,230.60 feet to a fence post for corner;

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THENCE N85°26'28"E, with a North line of said 744.7097 acre tract of land and a South line of said 1,878.903 acre tract of land, a distance of 655.10 feet to a fence post for corner, and being in the East line of said H. Cochran Survey and the northernmost West line of the J. McFarland Survey, Abstract No. 1480;

THENCE NOO°16'46"W, with a westerly line of said 744.7097 acre tract of land and an easterly line of said 1,878.903 acre tract of land, a distance of 871.95 feet to a point at or near the centerline of said Mobberly Road, and being the Northwest corner of said J. McFarland Survey, the southernmost Southwest corner of the M.E.P. & P. R.R. Co. Survey, Abstract No. 942, and being in the East line of said H. Cochran Survey, from which a 1-inch iron pipe found bears S03°58'10"E, a distance of 6.46 feet;

THENCE N89°00'08"E, with the North line of said 744.7097 acre tract of land and a southerly line of said 1,878.903 acre tract of land, and being at or near the centerline of said Mobberly Road, a distance of 2,298.83 feet to a capped iron rod set in a curve being the West right-of-way line of County Road Parcel 42-7 SBSR-1, as described by deed to North Texas Tollway Authority, recorded in Instrument No. 2020-106022, Official Public Records, Denton County, Texas, from which a 1/2-inch iron rod found bears N89°00'08"E, a distance of 262.73 feet;

THENCE severing said 744.7097 acre tract of land, with the West right-of-way line of said County Road Parcel 427 SBSR-1, being a curve to the right, an arc length of 4,134.46 feet, having a radius of 3,064.79 feet, a central angle of 77°17'35", and a chord which bears S51°21'37"E, a distance of 3,828.01 feet to a point for corner, and being in the East line of said 744.7097 acre tract of land and the West line of that certain called 243.846 acre tract of land, described by deed to Texas Republic Realty, LTD., recorded in Inst. No. 20160610000726690, Official Public Records, Collin County, Texas, from which a 5/8-inch iron rod with aluminum cap stamped "North Texas Tollway Authority - Dallas North Tollway ROW" for a point of tangency bears N86°10'36"W, a distance of 2.16 feet;

THENCE SOO°22'20"E, with the East line of said 744.7097 acre tract of land and the West line of said 243.846 acre tract of land, a distance of 2,809.12 feet to a 1/2-inch iron rod found being in the North right-of-way line of Farm-to-Market 428 (FM 428);

THENCE S89°41'22"W, with the North right-of-way line of said FM 428, a distance of 17.50 feet to a capped iron rod set;

THENCE S44°37'26"W, continuing with the North right-of-way line of said FM 428, a distance of 43.39 feet to a capped iron rod set;

THENCE S89°41'23"W, continuing with the North right-of-way line of said FM 428, a distance of 2,285.43 feet to a 1/2-inch iron rod found for a reentrant corner in the South line of said 744.7079 acre tract of land;

THENCE S00°18'37"E, a distance of 46.87 feet to a capped iron rod set at or near the approximate centerline of Celina Road;

THENCE 589°19'39"W, with the approximate centerline of Celina Road, a distance of 434.37 feet to a 1/2-inch iron rod found for the Southeast corner of the City of Celina Celina Road Pump Station Site, as shown on the plat recorded in Cabinet V, Page 661, Plat Records, Collin County, Texas, from which a 1/2-inch iron rod found for the Southwest corner of said City of Celina Celina Road Pump Station Site and the Southeast corner of that certain called 20.469 acre tract of land, as described in Exhibit "A" by deed to Jeffery C. Diehl and Gwen H. Diehl, Trustees of the Jeffery C. and Gwen H. Diehl Living Trust, recorded in Inst. No. 2019-16703, Official Public Records, Collin County, Texas, bears S89°16'27"W, a distance of 594.45 feet;

THENCE NOO°14'26"E, with the East line of said City of Celina Celina Road Pump Station Site, a distance of 891.94 feet to a capped iron rod set for the Northeast corner of said City of Celina Celina Road Pump Station Site;

THENCE N89°40'47"W, with the South line of said 744.7097 acre tract of land and the North line of said City of Celina Celina Road Pump Station Site, a distance of 593.44 feet to a 5/8-inch capped iron rod stamped "J.E. Smith 3700" found for a deflection point and being the Northwest corner of said City of Celina Celina Road Pump Station site and the Northeast corner of said 20.469 acre tract of land;

THENCE S89°50'29"W, continuing with the South line of said 744.7097 acre tract of land and the North lines of said 20.469 acre tract of land and that certain called 58.167 acre tract of land, as described in Exhibit "B" by deed to Jeffery

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C. Diehl and Gwen H. Diehl, Trustees of the Jeffery C. and Gwen H. Diehl Living Trust, recorded in Instrument No. 2019-16703, Official Public Records, Collin County, Texas, a distance 1,519.72 feet to a fence post for a deflection point;

THENCE 589°40'30"W, continuing with the South line of said 744.7097 acre tract of land and the North line of said 58.167 acre tract of land, a distance of 1,202.36 feet to a capped iron rod set for a deflection point;
THENCE 589°45'52"W, continuing with the South line of said 744.7097 acre tract of land and the North line of said 58.167 acre tract of land, a distance of 996.06 feet to a capped iron rod set for a deflection point, and being the Northwest corner of said 58.167 acre tract of land and the Northeast corner of said 20.47 acre tract of land;

THENCE S89°20'48"W, continuing with the South line of said 744.7097 acre tract of land and the North line of said 20.47 acre tract of land, a distance of 952.28 feet to the POINT OF BEGINNING and containing 621.971 acres, more or less.

TRACT 4:

Being 87.534 acres of land situated in the Collin County School Land Survey, Abstract No. 168, Collin County, Texas, and being a part of that certain called 744.7097 acre tract of land described in the deed to First Leo Land Company, LLC, recorded in Instrument No. 20160322000336340, Official Public Records, Collin County, Texas, and Instrument No. 2016-31284, Official Public Records, Denton County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod found for the Northeast corner of said 744.7097 acre tract of land, and being the Northwest corner of that certain called 37.614 acre tract of land conveyed by deed to Michael C. Hollifield and wife, Deborah Baker Hollifield, recorded in Volume 5696, Page 1982, Deed Records, Collin County, Texas, same being the intersection of County Road 8 and County Road 54;

THENCE S00°22'20"E, with the East line of said 744.7097 acre tract of land and the West line of said 37.614 acre tract of land, and generally along said County Road 54, passing at a distance of 1,253.09 feet, the southwest corner of said 37.614 acre tract of land and the Northwest corner of that certain called 243.846 acre tract of land conveyed by deed to Texas Republic Realty, LTD., recorded in Instrument No. 20160610000726690, O.P.R.C.C.T., from which a 1/2-inch iron rod found bears S73 °46'08"W, a distance of 3.24 feet, and continuing on said course for a total distance of 2,009.27 feet to a point for the Southeast corner of the tract being described herein, from which an iron rod with a 3 and 1/4-inch aluminum cap stamped "North Texas Tollway Authority - Dallas North Tollway ROW" found bears 586°17'26"W, a distance of 2.53 feet, said Southeast corner being the beginning of a curve to the right;

THENCE severing said 744.7097 acre tract of land, with said curve to the right, same being the Easterly right-of-way line of that certain tract of land described as County Road Parcel 42-7 NBSR-1, as conveyed by deed to the North Texas Tollway Authority, recorded in Instrument No. 2020-106022, Official Public Records, Denton County, Texas, an arc distance of 3,507.22 feet, having a radius of 2,664.79 feet, a central angle of 75°24'32, and a chord that bears N52°14'51"W, a distance of 3,259.51 feet to an iron rod with 3 and 1/4-inch aluminum cap stamped "North Texas Tollway Authority - Dallas North Tollway ROW" for the Northwest corner of the tract being described herein, and being in the North line of said 744.7097 acre tract of land, and being in the South line of that certain called 104.271 acre tract of land, as conveyed by deed to Old Celina, LTD., recorded in Instrument No. 20080929001158870, Official Public Records, Collin County, Texas, and also being at or near the centerline of County Road No. 8, from which a 1/2-inch iron rod found for reference bears S89°41'48"W, a distance of 147.55 feet;

THENCE N89°41'48"E, with the North line of said 744.7097 acre tract of land and the South line of said 104.271 acre tract of land, generally along said County Road No. 8, passing the Southeast corner of said 104.271 acre tract of land, same being the Southwest corner of that certain called 32.62 acre tract of land, as conveyed by deed to Saraswathi Swamy, recorded in Instrument No. 20090123000070160, Official Public Records, Collin County, Texas, and continuing on said course passing the Southeast corner of said 32.62 acre tract of land, same being the Southwest corner of a right-of-way dedication for County Road No. 8, by plat of Eva's Ridge, an addition to the City of Celina, Collin County, Texas, according to the plat thereof recorded in Instrument Number 20181112010005160, Official Public Records, Collin County, Texas, and continuing on said course passing the Southeast corner of said right-of-way dedication, same being the Southwest corner of that certain called 42.544 acre tract of land, as conveyed by deed to Rebecca A. Barnett, recorded in Volume 1606, Page 698, Deed Records, Collin County, Texas, and continuing on said

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course for a total distance of 2,564.15 feet to the POINT OF BEGINNING and containing 87.534 acres of land, more or less.

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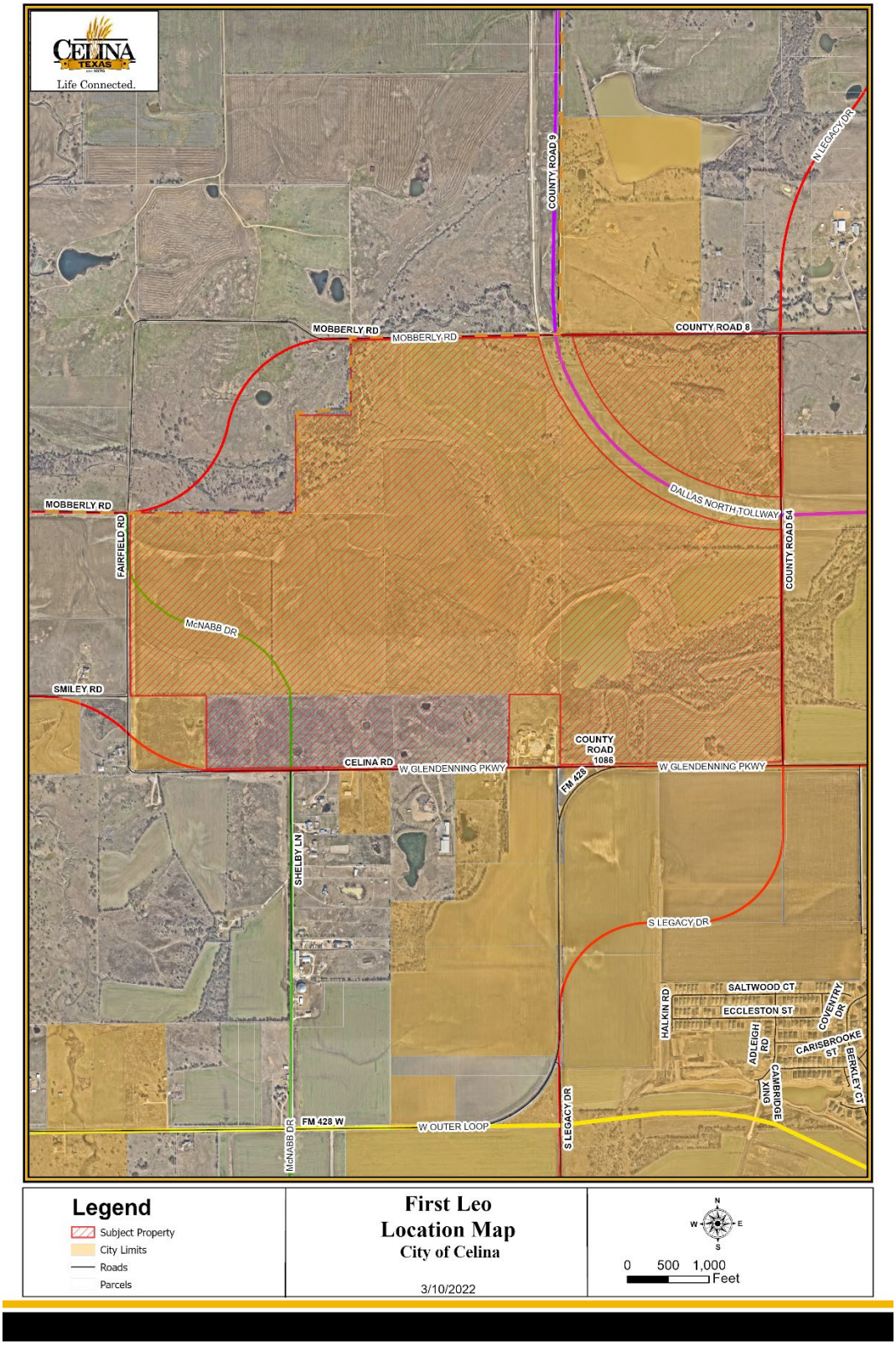
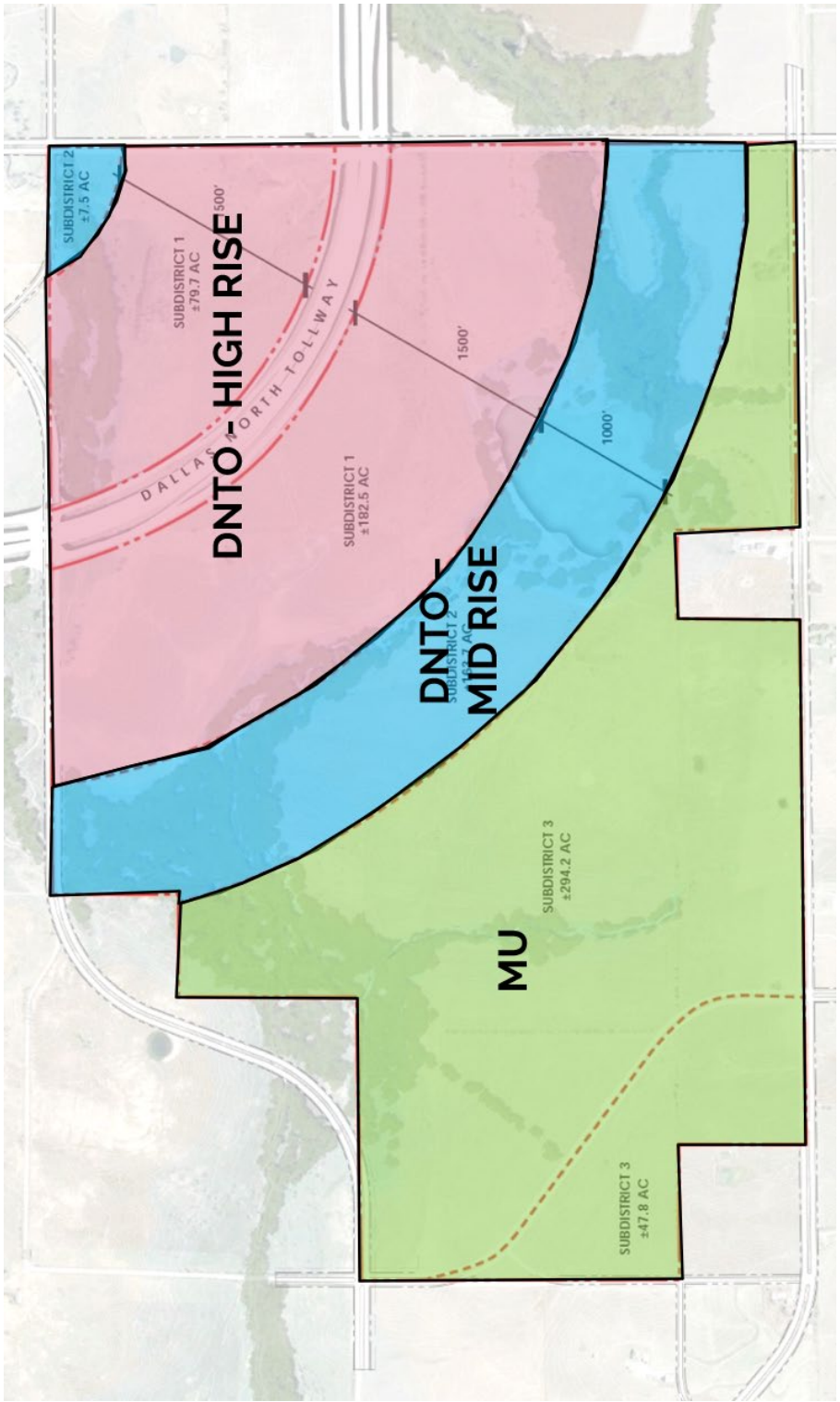
Exhibit B
Depiction of Property



Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

Exhibit C
Land Plan



Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

Exhibit D
Development Regulations

Part I - General Provisions

A. Description. The Legacy North Celina Planned Development ("PD") is established on property generally bounded by the Dallas North Tollway on the east, FM 428 on the south McNabb Drive on the west, and Mobberly Road on the north. The Legacy North Celina PD is approximately 787.665-acres in size.

B. Purpose. The purpose of the Legacy North Celina PD is to integrate urban design into land use development regulation and to define the desired scale and character of particular portions of the property. The Legacy North Celina PD shall further the policy interests described in the Dallas North Tollway Overlay District while providing meaningful buffering to less intense land uses to properties located further from the Dallas North Tollway.

C. Vision. The Legacy North Celina PD has been designed to further the economic interests of the community by providing high intensity land development along the strategic Dallas North Tollway Corridor while reducing density and land use intensity as a function of distance from the Dallas North Tollway thereby preserving quality of life for single family residents to the west and east of the tollway. Legacy North will be the heart of a thriving commercial and residential center consistent with the Dallas North Tollway Overlay District and the Celina 2040 Comprehensive Plan.

D. Components.

(1) Part 1. General Provisions. Applies to the Property.

(2) Part 2. Subdistrict Regulations. Applies only to each subdistrict respectively as depicted on Exhibit C.

(a) High-Rise Subdistrict

(b) Mid-Rise Subdistrict

(c) Mixed-Use Subdistrict

E. Land Plan. The subject property shall generally develop per the Land Plan attached as Exhibit C. The Land Plan illustrates the general location and configuration of land use. Minor modifications are contemplated at the time of construction plan review and permitting and such modifications may be granted by the Executive Director of Development Services. It is anticipated that practical concerns related to rational platting layouts and internal site circulation will result in site layouts requiring slight deviations from the land use divisions shown on the Land Plan and shall be permitted. In no event, however, shall the area illustrated in each of the three major land use subdistricts be permitted to deviate more than five percent (5%) absent rezoning.

Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

Major modifications such as major relocations or reconfigurations of various land uses shall require a revision to this PD District zoning ordinance. If the PD requires an amendment, either textual or relating to an exhibit, only the areas being amended, including subdistricts or individual parcels, must be noticed and included in the rezoning process.

F. Architectural Standards. The subject property is an architecturally, historically, and culturally significant tract of land that is meaningfully located; thus all structures shall abide by the City's architectural standards, and as may be amended.

Part II - Subdistrict Regulations

A. High-Rise Subdistrict (Subdistrict 1). The High-Rise Subdistrict shall conform in all material respects, including Building Facade Standards and the Dallas North Tollway Overlay District, as may be amended.

B. Mid-Rise Subdistrict (Subdistrict 2). The Mid-Rise Subdistrict shall conform in all material respects, including Building Facade Standards and the Dallas North Tollway Overlay District, as may be amended.

C. Mixed-Use Subdistrict (Subdistrict 3). The base zoning for the Mixed-Use subdistrict shall be Mixed-Use, MU, as may be amended. The subject property shall be developed in a manner consistent with this district, except as amended as follows:

The Mixed-Use Subdistrict shall be permitted to include four hundred (400) single family for rent units (multiple units on each lot). Such units may be constructed as attached or detached residential product.

The following standards shall apply to single family for rent product:

- Maximum overall density of 12 units/per acre;
- Maximum building height is 36’ and two (2) stories;
- Maximum 4 units per building;
- Six-foot masonry wall required along all perimeters abutting public rights-of-way and where adjacent to single-family residential;
- No gates shall be permitted to cross any required fire lane;
- Parking shall be provided at a rate of no less than 1.5 spaces per unit;
- Enclosed parking (garages) shall be comply with the MF-1 standards of 10% minimum;
- Covered parking and enclosed parking shall be included when counting the minimum number of required off-street parking;
- Repetition of building elevations shall be permitted with the use of a minimum of three different building elevations per building type and at least three different color schemes for the development;
- Residential fences are allowed within landscape setbacks that are not adjacent to public streets, and no wooden fence shall be visible

Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

without evergreen screening or being replaced by ornamental iron when visible;

- Yard spaces may be divided by 6-ft. wooden fences;
- A neighborhood pool and amenity area shall be provided for residents; and
- All units shall abide by the City's single-family architectural design standards for masonry materials, which is 80% brick or stone, with the remainder allowed to be stucco or cementitious fiber-board, on all facades.

Attachment: Draft Ordinance (Legacy North (First Leo) - PD Zoning)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Madhuri Mohan AICP, Planning Director
CC: Jason Laumer, City Manager
Date: April 12, 2022
Re: Summit Commons - Rezoning

Action Requested:
Conduct a public hearing to consider and act upon a request to rezone approximately 7 acres to Commercial, Office, & Retail District (C) with the Preston Road Overlay (PRO), generally located at the northeast corner of Preston Road and Glendenning Parkway, within the City Limits. (Summit Commons - Rezoning) (Mohan)

Applicant:
Bohler Engineering
6017 Main Street
Frisco, TX 75034

Background Information:
This item is for the rezoning of 7 acres to a base zoning of Commercial, Office, & Retail District (C), with the Preston Road Overlay (PRO). Please refer to the attached documents for further information.

Supporting Documents:
- Location Map
- Staff Presentation
- Draft Ordinance

Staff Recommendation:
Staff recommends approval as presented.

CELINA TEXAS EST. 1876

Life Connected.

E CHERRY WOOD LN

S OKLAHOMA DR

S PRESTON RD

KC ROBINSON LN

BUS 289

S PRESTON RD

OLD GLENDENNING RD

COUNTY ROAD 9

W GLENDENNING PKWY

W GLENDENNING PKWY

E GLENDENNING PKWY

E GLENDENNING PKWY

CHOATE PKWY

Legend

- Subject Property
- City Limits
- Roads
- Parcels

Summit Commons Location Map

City of Celina

3/10/2022

N W E S

0 345 690 Feet

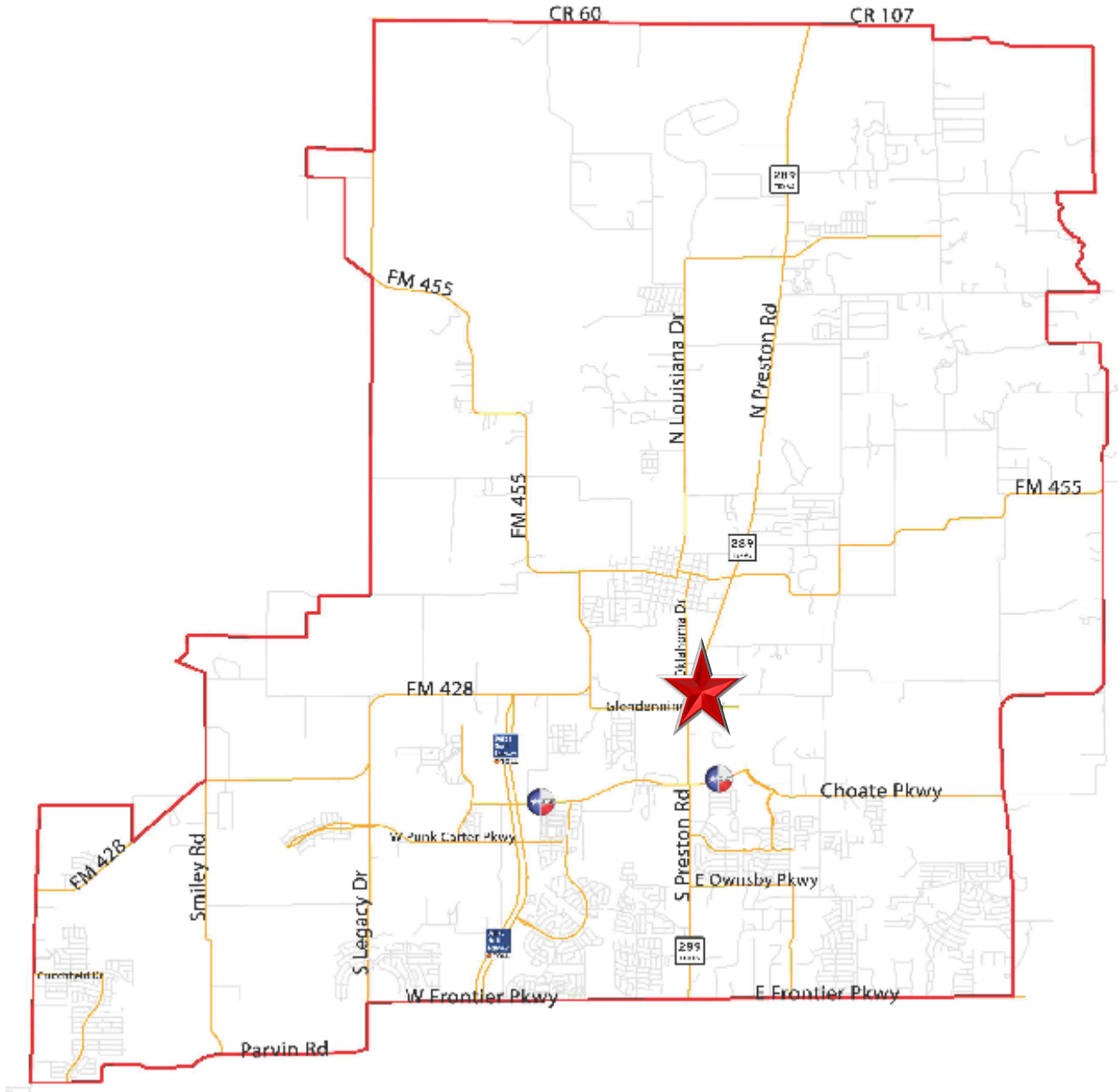
Attachment: Location Map (Summit Commons - Rezoning)

SUMMIT COMMONS

Rezoning

City Council
April 12, 2022

Attachment: Staff Presentation (Summit Commons - Rezoning)



Attachment: Staff Presentation (Summit Commons - Rezoning)

LOCATION MAP

The subject property is generally located at the northeast corner of Preston Road and Glendenning Parkway.

Attachment: Staff Presentation (Summit Commons - Rezoning)

BACKGROUND

- The subject property is approximately 6.2 acres, within City Limits, and currently zoned Agricultural District (AG)
- The applicant is requesting to rezone the property to Commercial, Office, & Retail District (C) with the Preston Road Overlay (PRO)
- The proposed zoning would allow for a mixture of land uses including, but not limited to, restaurants and retail

Attachment: Staff Presentation (Summit Commons - Rezoning)

POLICY CONSIDERATIONS

- Commercial uses are appropriate for the intersection of two future six-lane thoroughfares
- The Preston Road corridor supports more intense land uses
- The subject property is unlikely to develop as a residential or agricultural use
- The request is in conformance with the Future Land Use Plan

Attachment: Staff Presentation (Summit Commons - Rezoning)

P&Z PUBLIC HEARING

- There was no public feedback at the public hearing

Attachment: Staff Presentation (Summit Commons - Rezoning)

RECOMMENDATION

- The Planning & Zoning Commission unanimously recommended approval of the request at its March 24th regular meeting
- Staff recommends approval as presented

Attachment: Staff Presentation (Summit Commons - Rezoning)

CITY OF CELINA, TEXAS

ORDINANCE 2022-____
SUMMIT COMMONS

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 7 ACRES LOCATED IN THE COLLIN COUNTY SCHOOL LAND SURVEY, ABSTRACT NO. 167, COLLIN COUNTY, TEXAS, AND GENERALLY LOCATED AT THE NORTHEAST CORNER OF PRESTON ROAD AND GLENDENNING PARKWAY; AS DESCRIBED IN EXHIBIT "A" AND INCORPORATED HEREIN TO BE REZONED FROM AGRICULTURAL DISTRICT (AG) TO COMMERCIAL, OFFICE, & RETAIL DISTRICT (C) WITH THE PRESTON ROAD OVERLAY (PRO); 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 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 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

Attachment: Draft Ordinance (Summit Commons - Rezoning)

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 Commercial, Office & Retail District (C) with the Preston Road Overlay (PRO).

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 Commercial, Office & Retail District (C) base zoning with the Preston Road Overlay (PRO).

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.

Attachment: Draft Ordinance (Summit Commons - Rezoning)

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 (Summit Commons - Rezoning)

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 12th day of April 2022.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Lauren Field, Deputy City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

_____
City Attorney
City of Celina, Texas

Attachment: Draft Ordinance (Summit Commons - Rezoning)

Exhibit A
Legal Description

BEING a tract of land situated in the City of Celina, Collin County, Texas, being a part of the Collin County School Land Survey, Abstract No. 167, being a part of a called 20.000 acre tract of land described in a Special Warranty Deed to Summit Center at Preston, LLC, as recorded in Instrument No. 20130708000945990, Official Public Records, Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at brass monument stamped "TXDOT" found at an angle point of called 0.3180 acre tract of land described as Parcel 10 in a Right-of-Way Deed to the State of Texas, as recorded in Instrument No. 20120106000020330, O.P.R.C.C.T., said monument being in the southeast line of Preston Road-State Highway 289 (a variable width right-of-way) and the beginning of a non-tangent curve to the right;

THENCE along the southeast line of said Preston Road-State Highway 289, the following courses and distances:

> In a northeasterly direction, a distance of 503.80 feet, having a central angle of 05 degrees 06 minutes 01 seconds, a radius of 5,659.58 feet, tangent length of 252.07 feet and whose chord bears North 11 degrees 56 minutes 23 seconds East a distance of 503.64 feet to a brass monument stamped "TXDOT" found at an angle point of said 0.3180 acre tract of land;
>
> North 13 degrees 12 minutes 06 seconds East, a distance of 48.08 feet to a one-half inch iron rod with yellow plastic cap stamped "Bohler Eng." set at the northeast corner of said 0.3180 acre tract of land and the southwest corner of a called 16.987 acre tract of land described in a Warranty Deed to James Chan Wu and Chin-Chao Wu Revocable Trust, as recorded in Instrument No. 20210401000647290, O.P.R.C.C.T.,

THENCE North 89 degrees 35 minutes 34 seconds East, a distance of 307.43 feet along the north line of said 20.000 acre tract of land and the south line of said 16.987 acre tract of land to a point for corner, from which a three-eighths inch iron rod found at the northeast corner of said 20.000 acre tract of land and the southeast corner of said 16.987 acre tract of land bears North 89 degrees 35 minutes 34 seconds East a distance of 802.36 feet;

THENCE South 00 degrees 17 minutes 38 seconds East, a distance of 723.60 feet over and across said 20.000 acre tract of land to a point for corner, said point being in south line of said 20.000 acre tract of land, the north line of a called 77.694 acre tract of land described in a Warranty Deed to Vera Lucile Jinks, as recorded in Volume 1102, Page 752, O.P.R.C.C.T. and being in or near the centerline of County Road 89, from which a one-half inch iron rod found at the southeast corner of said 20.000 acre tract of land and the southwest corner of a called 71.296 acre tract of land described in a Special Warranty Deed to Celina Land Investors, LTD., as recorded in Instrument No. 20150116000051930, O.P.R.C.C.T. bears North 89 degrees 22 minutes 26 seconds East a distance of 806.03 feet;

THENCE South 89 degrees 22 minutes 26 seconds West, a distance of 399.66 feet along the south line of said 20.000 acre tract of land, the north line of said 77.694 acre tract of land and the centerline of said County Road 89 to a chiseled "X" cut in concrete set for the southeast corner of said 0.3180 acre tract of land and the northeast corner of a called 0.1734 acre tract of land described as Parcel 11 in a Right-of-Way Deed to the State of Texas, as recorded in Instrument No. 20110913000970440, O.P.R.C.C.T., said brass monument being in the southeast line of said Preston Road-State Highway 289, from which a brass monument stamped "TXDOT" found at an angle point said 0.1734 acre tract of land bears South 05 degrees 42 minutes 46 seconds West a distance of 26.02 feet;

Attachment: Draft Ordinance (Summit Commons - Rezoning)

THENCE along the southeast line of said Preston Road-State Highway 289, the following courses and distances:

North 05 degrees 42 minutes 46 seconds East, a distance of 101.41 feet to a brass monument stamped "TXDOT" found at an angle point of said 0.3180 acre tract of land;

North 23 degrees 19 minutes 00 seconds East, a distance of 92.89 feet to the **POINT OF BEGINNING** and containing 273,839 square feet or 6.286 acres of land.

Attachment: Draft Ordinance (Summit Commons - Rezoning)

Exhibit B
Depiction of Property

Attachment: Draft Ordinance (Summit Commons - Rezoning)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Jonathan Pollard, Senior Planner
CC: Jason Laumer, City Manager
Date: April 12, 2022
Re: Celina Hills - Levy Ordinance

Action Requested:
Conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Celina Hills Public Improvement District Service and Assessment Plan, including the assessment roll; making a finding of special benefit to property within the Celina 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 the assessed property, in accordance with Chapter 372 of the Texas Local Government Code, as amended. (Celina Hills – Levy Ordinance) (Pollard)

Background:
Please refer to the attachments for additional information.

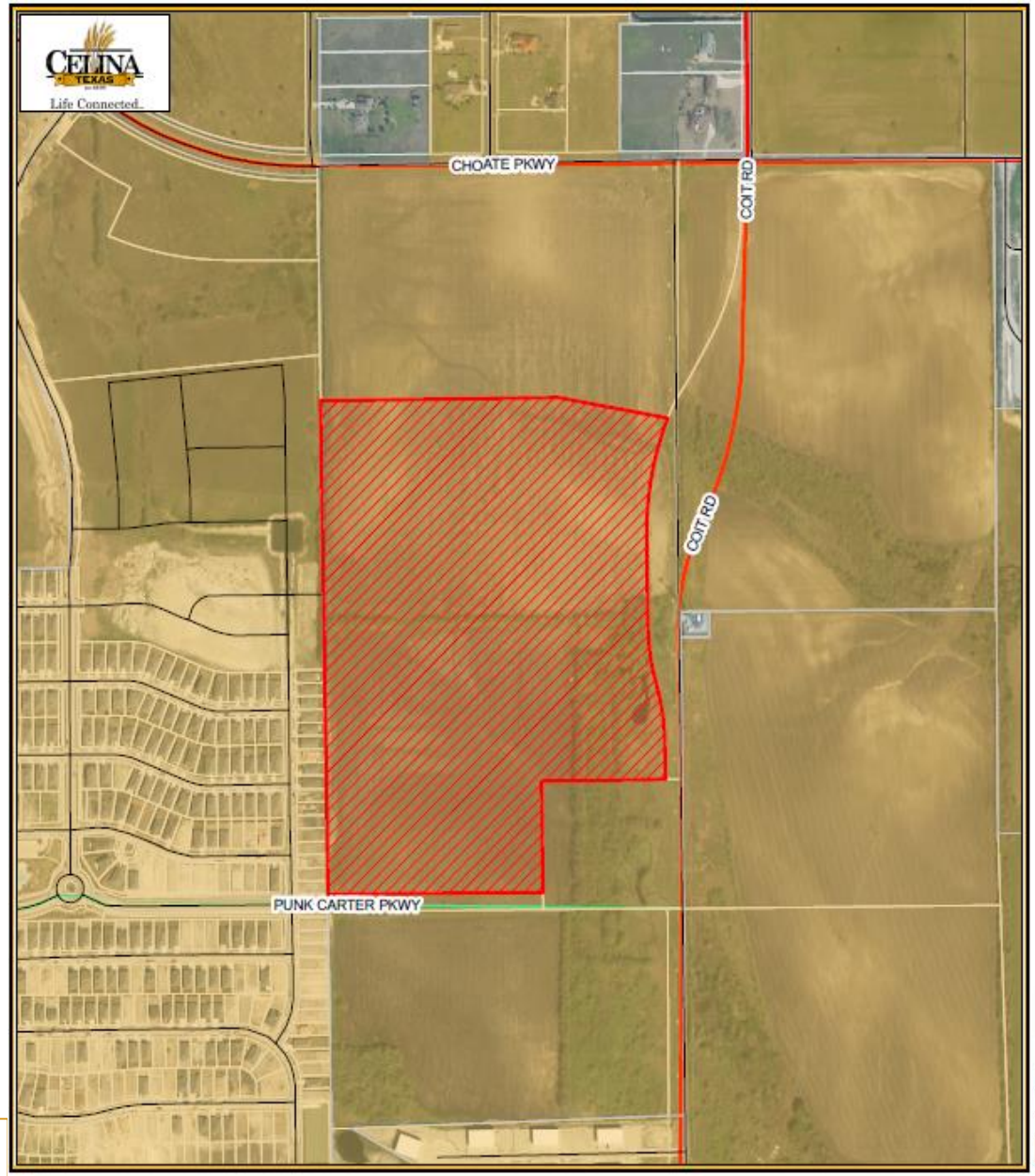
Supporting Documents:
- Staff Presentation
- Draft Ordinance

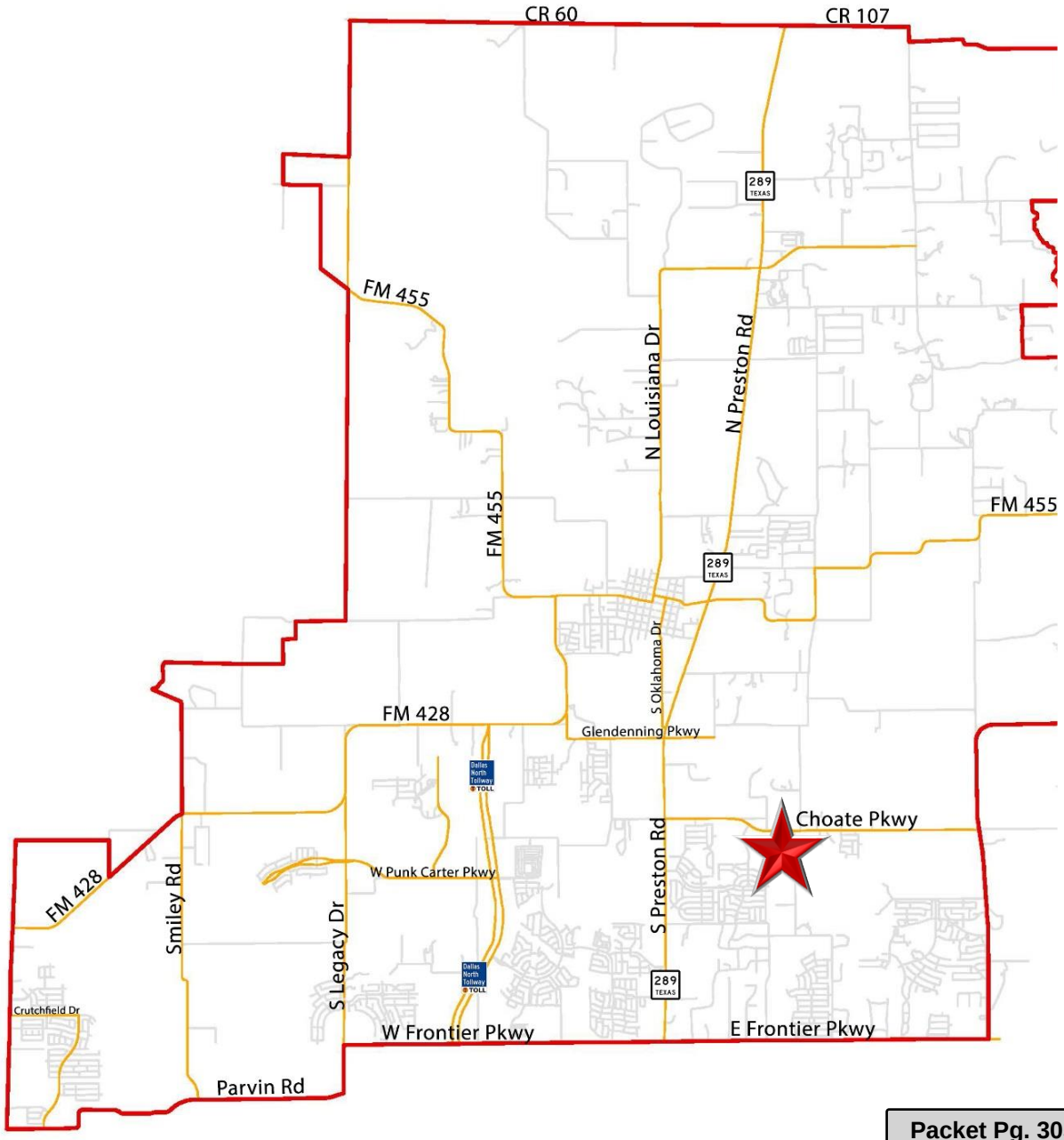
Staff Recommendation:
Staff recommends approval.

CELINA HILLS

PID ASSESSMENT LEVY

City Council
April 12, 2022





Attachment: Staff Presentation (Celina Hills – Levy Ordinance)

PID OVERVIEW

- 277 lots
- Estimated Authorized Improvement cost: $6.2 mm
- Estimated PID assessment amount: $7.5 mm

Attachment: Staff Presentation (Celina Hills – Levy Ordinance)

PID ASSESSMENT

Assessment per Unit	
60' Lot	$34,632.53
50' Lot	$29,783.98
Townhome Lot	$21,818.50

Attachment: Staff Presentation (Celina Hills – Levy Ordinance)

PID TIMELINE

- ~~June 11, 2019– PID Petition Resolution~~
- ~~June 11, 2019 – PID Dissolution Petition Resolution~~
- ~~July 9, 2019– PID Dissolution Resolution~~
- ~~July 9, 2019 – PID Creation Resolution~~
- ~~March 15, 2022 – PID Pre-SAP Resolution (Action item)~~
- April 12, 2022 – SAP/Levy Ordinance
- April 12, 2022 – Bond Ordinance

Attachment: Staff Presentation (Celina Hills – Levy Ordinance)

RECOMMENDATION

- Staff recommends approval as presented

Attachment: Staff Presentation (Celina Hills – Levy Ordinance)

ORDINANCE NO. 2022-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR THE CELINA HILLS PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY WITHIN THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE 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 located within the corporate limits 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. 2019-37R (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the Celina Hills Public Improvement District (the "District") in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, on July 26, 2019, the City published notice of its authorization of the District in the *Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the City Secretary; and

WHEREAS, on March 15, 2022, the City Council adopted a resolution approving a preliminary service and assessment plan, including a proposed assessment roll for the District; calling for a public hearing to consider an ordinance levying assessments on property within the District (the "Assessments"); authorizing and directing the City Secretary or the Deputy City Secretary of the City to file the proposed assessment roll for the District and make such

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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 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 March 16, 2022, the City Secretary or Deputy City Secretary filed the Assessment Roll (defined below) and made the same available for public inspection; and

WHEREAS, the City Secretary or Deputy City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on March 21, 2022 in the *Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, the City Secretary or Deputy 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 Assessments; and

WHEREAS, the City Council opened the Levy and Assessment Hearing on April 12, 2022, 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 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 improvements to be undertaken for the benefit of the Assessed Property (as defined in the Service and Assessment Plan) (the "Authorized Improvements"), the purposes of the Assessments, the special benefits of the Authorized 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 Assessment Roll and the Celina Hills Public Improvement District Service and Assessment Plan, dated April 12, 2022, 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 "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 Authorized Improvements (as described in the Service and Assessment Plan), the Assessment Roll, or the levy of the Assessments against the Assessed Property; and

WHEREAS, the owners (the "Landowners"), or their representatives, of the majority of the privately-owned and taxable property located within 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 Assessment Roll, approval of this Ordinance, and approval of the levy of the Assessments against their property located within 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

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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 Authorized 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 Assessed Property will receive from the construction of the Authorized 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 Authorized Improvements, and (iii) includes a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended.

(c) The Service and Assessment Plan apportions the Actual Costs of the Authorized Improvements to be assessed against the Assessed Property as Assessments and such apportionment is made on the basis of special benefits accruing to the property because of the Authorized Improvements;

(d) All of the real property in the District which is being assessed in the amounts shown in the Assessment Roll will be benefited by the Authorized Improvements proposed to be constructed as described in the Service and Assessment Plan, and each assessed parcel of 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 Authorized Improvements and Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the Actual Costs of the Authorized 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;

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

(g) The Assessment Roll should be approved as the assessment roll for the 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 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.

Section 4. Assessment Roll.

The Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Assessment Roll of the District.

Section 5. Levy and Payment of Assessments for Actual Costs of the Authorized Improvements.

(a) The City Council hereby levies an assessment on each parcel of 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 Assessment Roll, in the respective amounts shown on the Assessment Roll, as a special assessment on the properties set forth in the Assessment Roll.

(b) The levy of the Assessments shall be effective on the date of the adoption 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.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

(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 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 Authorized 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.

Section 8. Prepayments of Assessments.

As provided in Section VI of the Service and Assessment Plan, the owner of any Assessed Property subject to an 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 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 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.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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 or the Deputy City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and the 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 or the Deputy 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 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 hereof.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

PASSED AND ADOPTED, this the 12th day of April, 2022.

CITY OF CELINA, TEXAS

Sean Terry, Mayor

ATTEST:

Lauren Field, Deputy City Secretary

(City Seal)

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of _____, 2022 by Sean Terry, Mayor of the City of Celina, Texas on behalf of said City.

Notary Public, State of Texas

(SEAL)

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

EXHIBIT A

Service and Assessment Plan

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

CELINA HILLS
PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

DRAFT

PRELIMINARY SERVICE AND ASSESSMENT PLAN

March 15, 2022

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

CELINA HILLS
PUBLIC IMPROVEMENT DISTRICT

PRELIMINARY SERVICE AND ASSESSMENT PLAN

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Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On July 9, 2019, the City Council of the City of Celina, Texas passed and approved Resolution No. 2019-37R approving and authorizing the creation of the Celina Hills 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 City limits.

The property in the PID is proposed to be developed in one phase. Assessments will be imposed on the property that receives a special benefit from the public improvements to be financed.

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 Celina 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 roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter." The Assessment Roll for the PID is included as Appendix G of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

Attachment: Draft Ordinance (Celina Hills – 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. 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 and 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 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, and (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, permit fees, development fees), insurance premiums and miscellaneous expenses.

Actual Costs may include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

"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.F of this Service and Assessment Plan.

"Administrative Expenses" means the administrative, organization, maintenance and operation costs associated with, or incidental 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, maintenance, and operation of the PID and the Authorized Improvements, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and 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 or any costs of issuance associated with 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 Roll attached hereto as Appendix G, 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 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 Assessment Roll included in this Service and Assessment Plan as Appendix G or any other Assessment Roll in an amendment or supplement to this Service and

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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 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 GRBK Edgewood, LLC, a Texas limited liability company.

"Development Agreement" means that certain development agreement by and between the City and Westgate HS Celina Investments, L.P., and related to the Property effective June 11, 2019, as partially assigned to the Developer, under that certain Partial Assignment of Development Agreement (Celina Hills)," by and between Westgate HS Celina Investments, L.P., and the developer, effective December 29,2020 and as the same may be amended from time to time.

"Equivalent Units" means, 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.

"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.

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"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 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.

"Maximum Assessment Per Unit" means an Assessment per unit for each applicable Lot Type as follows:

Lot Type 1 (60 Ft Lot)	$34,632.53
Lot Type 2 (50 Ft Lot)	$29,783.98
Lot Type 3 (Townhome)	$21,818.50

"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.C.

"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 the 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.

"PID Bonds" mean the certain City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project) that are secured primarily by Assessment Revenues.

"**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.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

"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.

"Service and Assessment Plan" or **"SAP"** 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.

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Attachment: Draft Ordinance (Celina Hills – 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 80.87 acres of land. A map of the property within the PID is shown on Appendix A and described in Appendix C to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 277 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots and the classification of each lot are based upon the proposed development plan.

The property within the PID is proposed to be developed as follows:

Table II-A
Proposed Development within the PID

Proposed Development	Quantity	Measurement
60 Ft Lot	71	Units
50 Ft Lot	73	Units
25 Ft Lot (Townhome)	133	Units
Total	**277**	**Units**

The estimated number of units at the build-out of the PID is based on the land use approvals for the property, the anticipated subdivision of property in the PID, and the Developer's estimate of the highest and best use of the property within the PID.

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Attachment: Draft Ordinance (Celina Hills – 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. on the following page and shown in the opinion of probable costs included as Appendix B and on the

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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.

B. DESCRIPTIONS OF THE AUTHORIZED IMPROVEMENTS

The Authorized Improvements benefit the entire PID. The costs of the Authorized 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.

The Authorized Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs 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. To the extent that an Authorized Improvement is oversized or otherwise provides special benefit to property outside of the PID, the costs of such oversizing are not included in this SAP.

A description of the Authorized Improvements are as follows:

Roadway Improvements:

The roadway portion of the Authorized Improvements includes clearing, grubbing, excavation of streets and right of ways, construction of lime treated subgrade and reinforced concrete street pavements, removal of existing curb or pavement asphalt street pavements, deceleration lanes, turn lanes, sidewalks, signage and traffic control devices, 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 Authorized Improvements include PVC waterlines, various gate valves and boxes, fire hydrants, and tapping sleeves, service lines, trench safety and other water line appurtenances 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 Authorized Improvements includes PVC pipes, manholes, service lines, clean-outs, concrete encasements, and other sewer line appurtenances and 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.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

Storm Drainage Improvements:

The storm drainage collection system portion of the Authorized 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 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.

Landscaping and Open Space Improvements

The landscaping and open space portion of the of the Authorized Improvements includes landscaping along streets, irrigation, and other street landscaping improvements, along with trails, parks, open space improvements, entry features, and other public amenities. The landscaping and open space improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City or by the homeowners' association.

Soft and Miscellaneous Costs

Soft and miscellaneous costs consist of costs related to designing, constructing, and installing the Authorized Improvements including land planning and design, city fees, legal fees, engineering, soil testing, survey, construction staking, construction management, and contingency, costs associated with financing the Authorized Improvements, and a portion of the costs incurred in the establishment, administration and operation of the District.

Table III-A
Estimated Authorized Improvement Costs

Description	Total
Roadway Improvements	$2,181,459
Water Improvements	$961,483
Sanitary Sewer Improvements	$1,348,788
Storm Drainage Improvements	$870,593
Landscaping and Open Space Improvements	$100,698
Soft and miscellaneous costs	$740,171
Total Authorized Improvements	**$6,203,192**

[1]The above shown estimated costs are provided by Developer. 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 costs of Authorized Improvements amount does not exceed $6,203,192.00. Amounts are rounded to the nearest dollar

Attachment: Draft Ordinance (Celina Hills – 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. Construction of the Authorized Improvements began in August 2021 is near completion. It is anticipated that acceptance of the Authorized Improvements will occur by the end of the second quarter 2022.

The Budgeted Costs for Authorized Improvements and payment of expenses incurred in the establishment, administration, and operation of the PID are $7,535,000 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."

Table IV-A shows the estimated sources and uses of funds for the Authorized Improvements.

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Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

Table IV-A
Estimated Sources and Uses

Sources of Funds	Total
Par Amount	$7,535,000
Other Funding Sources	$0
Total Sources	**$7,535,000**
Uses of Funds	
Authorized Improvements:	
Roadway Improvements	$2,181,459
Water Improvements	$961,483
Sanitary Sewer Improvements	$1,348,788
Storm Drainage Improvements	$870,593
Landscaping and Open Space Improvements	$100,698
Soft and miscellaneous costs	$740,171
Subtotal	*$6,203,192*
Estimated Bond Issuance Costs:	
Debt Service Reserve Fund	$500,750
Administrative Expenses	$45,000
Capitalized Interest	$110,932
Cost of Issuance	$449,076
Underwriters Discount	$226,050
Subtotal	*$1,331,808*
Total Uses	**$7,535,000**

B. FIVE-YEAR SERVICE AND ASSESSMENT PLAN

The annual projected costs and annual projected indebtedness are shown in Table IV-B on the following page. The annual projected costs and indebtedness are 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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Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

Table IV-B
Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Cost	Annual Projected Indebtedness	Sources other than PID Bonds	Projected Annual Installments
2022	$4,973,100	$7,535,000	$0	$0
2023	$2,561,900	$0	$0	$580,325
2024	$0	$0	$0	$579,643
2025	$0	$0	$0	$583,704
2026	$0	$0	$0	$582,234
2027	$0	$0	$0	$580,509
Total	**$7,535,000**	**$7,535,000**	**$0**	**$2,906,415**

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Authorized Improvements shown in Table III-A, 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.

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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Attachment: Draft Ordinance (Celina Hills – 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 Budgeted Costs of the Authorized Improvements shall be allocated as described below:

1. The Authorized Improvement costs shall be allocated on the basis of Equivalent Units once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

2. The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home prices provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the Authorized Improvements.

3. The Assessed Property is classified into different Lot Types as described in Appendix F based on the type and size of proposed development on each Parcel.

4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.

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 Authorized Improvements, (ii) provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized Improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Authorized Improvements to Parcels in a manner that results in equal shares of the Actual Costs of the Authorized Improvements being apportioned to Parcels similarly benefited.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

B. Special Benefit

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the PID Act. These Authorized Improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The Authorized Improvements provide a special benefit to the Assessed Property as a result of 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

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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 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);

4. Financing of the costs of the Authorized Improvements through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,

5. As a result, the special benefit 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.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

1. Assessment Methodology for the Authorized Improvements

For purpose of this Service and Assessment Plan, the City Council has determined that the Budgeted Costs of the Authorized Improvements to be financed with the PID Bonds shall be allocated to the Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units anticipated to be developed on each Parcel within the PID.

Based on the Budgeted Costs of the Authorized Improvements, as set forth in Table III-A, the City Council has determined that the benefit to the Assessed Property of the Authorized Improvements is at least equal to the Assessments levied on the 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 calculated and shown in Appendix F using the types, number and average home value of Lots anticipated to be developed on each Parcel.

The Assessment and Annual Installments for each Parcel or Lot located within the PID is shown on the 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.

D. ASSESSMENTS

The Assessments will be levied on each Parcel according to the Assessment Roll, attached hereto as Appendix G. The Annual Installments will be collected at the time and in the amounts shown on the Assessment Roll subject to any revisions made during an Annual Service Plan Update.

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, attached as Appendix G, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

F. 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 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 PID 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 shall be

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

funded until it reaches 5.50% of the outstanding Bonds unless otherwise stipulated in the Trust Indenture. 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.

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Attachment: Draft Ordinance (Celina Hills – 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 Assessed Property located within the PID is shown on the 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 the Assessed Property in an amount sufficient to pay (i) principal and interest on the PID 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 the PID shall be calculated by taking into consideration any available capitalized interest applicable to the Parcel.

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 total Equivalent Units to be built on each new subdivided Parcel
D = the sum of the estimated total Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated 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.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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 exceeds the applicable Maximum Assessment per Unit shown 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 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.

D. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed, Actual Costs for such Authorized Improvements are less than the Budgeted Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds such excess Bond proceeds shall be applied to redeem Bonds as provided in the Trust 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, such excess Bond proceeds shall be applied to redeem Bonds as provided in the Trust

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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.

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 to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Additional Interest

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the issuance of the PID Bonds.

Each Assessment Roll sets forth for each year the Annual Installment for each parcel based on an estimated interest rate of 5.00% on the PID Bonds and 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 Roll. The Assessment Roll is shown as Appendix G.

The Annual Installments shall be reduced to equal the Actual Costs of repaying the PID 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.

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 an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits 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.

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

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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 issuance of the PID Bonds.

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Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

VII. THE ASSESSMENT ROLL

A. 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 Authorized Improvements, and other development factors deemed relevant to determine the amount of Assessed Property within the PID.

The Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Authorized Improvements. Table VII-A summarizes the $7,535,000 in special benefit received by the Assessed Property from the Authorized Improvements. The par amount of the PID Bonds is $7,535,000 which is equal to the benefit received by the Assessed Property. Accordingly, the total Assessment to be applied to all the Assessed Property is $7,535,000 plus annual Administrative Expenses. The Assessment for each Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Assessment Roll is attached hereto as Appendix G.

Table VII-A
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements	$6,203,192
Bond Issuance Costs:	
Debt Service Reserve Fund	$500,750
Administrative Expenses	$45,000
Capitalized Interest	$110,932
Cost of Issuance	$449,076
Underwriters Discount	$226,050
PID Formation/Bond Cost of Issuance	*$1,331,808*
Total Special Benefit	**$7,535,000**
Special Benefit:	
Total Special Benefit	$7,535,000
Projected Assessment	$7,535,000
Excess Benefit	**$0**

(a) See Table III-A for details.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

B. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the 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 and 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. The Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect the issuance of Bonds, if any.

Once the PID 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 PID Bonds. This update shall reflect the actual interest on the PID 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 (Celina Hills – 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 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 (Celina Hills – 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.

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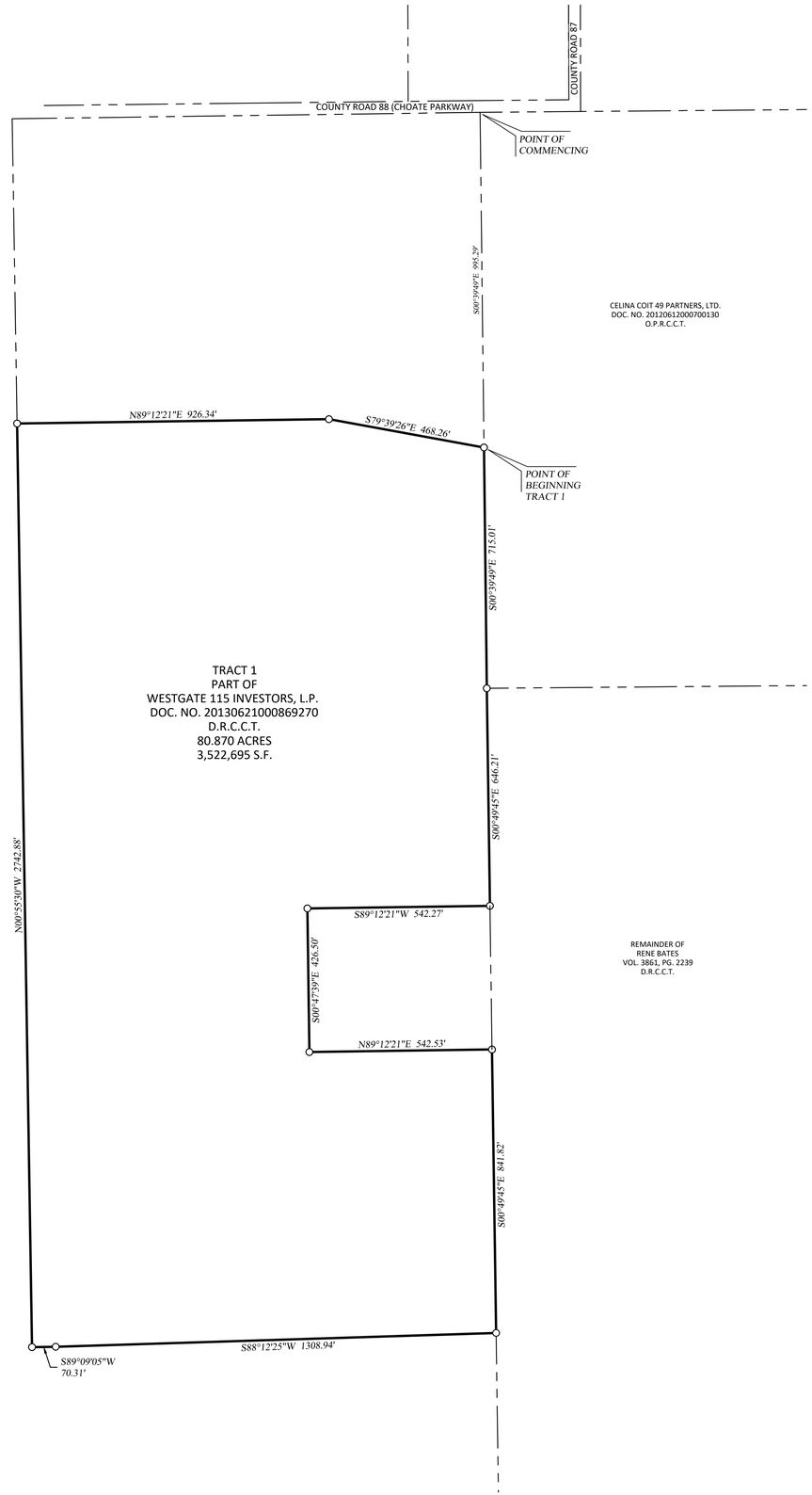
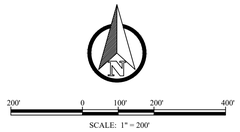
Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

APPENDIX A
PID MAP

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)





PROPERTY DESCRIPTION

BEING a tract of land situated in the M. Wilhite Surveys, Abstract Numbers 1008 and 1009, City of Celina, Collin County, Texas, being part of the tract described in the deed to WESTGATE 115 INVESTORS, L.P., recorded in Document Number 20130621000869270, Official Public Records, Collin County, Texas, the subject tract being more particularly described as follows (bearings are based on the State Plane Coordinate System, Texas North Central Zone (4202), North American Datum of 1988 (NAD '88), description is based on recorded documents, limited field survey work was performed. This description for use in zoning/PID application only, is preliminary, and shall not be used, viewed or relied upon as a final survey document):

COMMENCING at a 1/2 inch rebar found within an asphalt roadway at the northwest corner of the tract described in the deed to Celina Coit 49 Partners, LTD, recorded under Document Number 20120612000700130, Official Public Records, Collin County, Texas;

THENCE with the west line of said Celina Coit 49 Partners, LTD. Tract, SOUTH 00 degrees 39 minutes 49 seconds EAST, a distance of 995.29 feet to the northwest corner and **POINT OF BEGINNING** of the herein described tract;

THENCE with the west line of said Celina Coit 49 Partners tract, SOUTH 00 degrees 39 minutes 49 seconds EAST, a distance of 715.01 feet to the southwest corner of said Celina Coit 49 Partners tract, from which a PK nail found bears SOUTH 17 degrees EAST, 4.25 feet;

THENCE with the east line of said Westgate 115 Investors tract, SOUTH 00 degrees 49 minutes 45 seconds EAST, a distance of 646.21 feet;

THENCE through the interior of said Westgate 115 Investors tract, the following calls:

1. SOUTH 89 degrees 12 minutes 21 seconds WEST, a distance of 542.27 feet;
2. SOUTH 00 degrees 47 minutes 39 seconds EAST, a distance of 426.50 feet;
3. NORTH 89 degrees 12 minutes 21 seconds EAST, a distance of 542.53 feet to the east line of said Westgate 115 Investors tract;

THENCE with the perimeter and to the corners of said Westgate 115 Investors tract, the following calls:

1. SOUTH 00 degrees 49 minutes 45 seconds EAST, a distance of 841.82 feet;
2. SOUTH 88 degrees 12 minutes 25 seconds WEST, a distance of 1308.94 feet;
3. SOUTH 89 degrees 09 minutes 05 seconds WEST, a distance of 70.31 feet;
4. NORTH 00 degrees 55 minutes 30 seconds WEST, a distance of 2742.88 feet;

THENCE through the interior of said Westgate 115 Investors tract, NORTH 89 degrees 12 minutes 21 seconds EAST, a distance of 926.34 feet;

THENCE through the interior of said Westgate 115 Investors tract, SOUTH 79 degrees 39 minutes 26 seconds EAST, a distance of 468.26 feet, returning to the **POINT OF BEGINNING** and enclosing 80.870 acres (3,522,695 square feet) of land, more or less.

TITLE COMMITMENT NOTES

This exhibit was prepared without the benefit of a commitment for title insurance. Therefore, easements, agreements, or other documents, either recorded, or unrecorded may exist that affect the subject property that are not shown on this survey.

PID EXHIBIT

CELINA HILLS
CITY OF CELINA
COLLIN COUNTY, TEXAS

kirkman ENGINEERING
4821 Merlot Avenue, Suite 210
Grapevine, Texas 76051
Phone: 817-488-4960

JOB NUMBER:	TBD
DRAWN BY:	BCS
CHECKED BY:	JHB
REV:	

CELINA HILLS

CELINA, TEXAS

PID EXHIBIT

SHEET:

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

SURVEY PREPARED BY: KIRKMAN ENGINEERING, LLC. 4821 MERLOT AVENUE, SUITE 210, GRAPEVINE, TX, TBPLS FIRM# 10194474

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

Celina Hills PID Breakdown

PUBLIC IMPROVEMENTS		Public Cost
Paving	$	2,181,459.39
Water	$	961,482.50
Sewer	$	1,348,787.60
Storm	$	870,593.40
Landscape/Open Space (within Public ROW)	$	100,698.25
Miscellaneous Soft Costs (Eng, Srvy, Testing, Insp Fees)	$	740,171.10
Total	**$**	**6,203,192.24**

PRIVATE IMPROVEMENTS		Private Cost
Erosion Control (Lot Improvements)	$	96,476.14
Excavation (Lot Improvements)	$	311,408.46
Retaining Walls	$	353,421.00
Franchise Utilities (including street lights)	$	459,000.00
Private Open Space HS/LS/IRR	$	761,293.75
Miscellaneous Soft Costs (Eng, Srvy, Testing, Park Fees)	$	896,492.90
Total	**$**	**2,878,092.25**

Total Public + Private Improvements	**$**	**9,081,284.49**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

	Description (Excavation)	Quantity	Unit	Unit Price	Total
1	Public (ROW)	1	LS	$ 207,605.64	$ 207,605.64
2	Private (Lot Improvements)	1	LS	$ 311,408.46	$ 311,408.46
	TOTAL Water				**$ 519,014.10**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

	Description (WATER)	Quantity	Unit	Unit Price	Total
1	8" PVC Waterline (Incl Fittings & Blocking)	10,125	LF	$ 41.50	$ 420,187.50
2	24" PVC Waterline (Incl Fittings & Blocking)	26	LF	$ 1,135.00	$ 29,510.00
3	8" Gate Valve	43	EA	$ 1,380.00	$ 59,340.00
4	24" Butterfly Valve	2	EA	$ 18,750.00	$ 37,500.00
5	Remove Plug & Connect to Ex	3	EA	$ 850.00	$ 2,550.00
6	8" Plug	2	EA	$ 300.00	$ 600.00
7	1" Single Water Service	277	EA	$ 681.00	$ 188,637.00
8	1.5" Single Water Service	1	EA	$ 1,300.00	$ 1,300.00
9	Fire Hydrants	21	EA	$ 5,490.00	$ 115,290.00
10	24x8 Cut-in-Tee	2	EA	$ 10,750.00	$ 21,500.00
11	1" Irrigation Service	1	EA	$ 750.00	$ 750.00
12	1.5" Irrigation Service	3	EA	$ 1,400.00	$ 4,200.00
13	4" Pavement Sleeves	866	LF	$ 23.00	$ 19,918.00
14	Pressure Test	10,125	LF	$ 1.50	$ 15,187.50
15	Trench Safety	10,125	LF	$ 0.10	$ 1,012.50
16	Maint Bond	1	LS	$ 44,000.00	$ 44,000.00
	TOTAL Water				**$ 961,482.50**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

	Description (ON-SITE SANITARY SEWER)	Quantity	Unit	Unit Price	Total
1	8" PVC (SDR-35)	7,750	LF	$ 41.00	$ 317,750.00
2	8" PVC (SDR-26) at X-ings	270	LF	$ 43.00	$ 11,610.00
3	10" PVC (SDR-35)	980	LF	$ 53.60	$ 52,528.00
4	Cement Stabilized Sand	330	LF	$ 35.00	$ 11,550.00
5	4' Diam Manhole	28	EA	$ 5,320.00	$ 148,960.00
6	4' External Drop Manhole	1	EA	$ 7,400.00	$ 7,400.00
7	4" Service	277	EA	$ 665.00	$ 184,205.00
8	6" Service	1	EA	$ 900.00	$ 900.00
9	Vacuum Test	29	EA	$ 165.00	$ 4,785.00
10	Testing	9,000	LF	$ 2.00	$ 18,000.00
11	Trench Safety	9,000	LF	$ 0.10	$ 900.00
	TOTAL				**$ 758,588.00**

	Description (OFF-SITE SANITARY SEWER thru Wilson Creek Meadows West)	Quantity	Unit	Unit Price	Total
1	8" PVC (SDR 35) - Direct Bill to Pulte	-	LF	$ 47.00	$ -
2	10" PVC (SDR-35)	10	LF	$ 53.60	$ 536.00
3	10" PVC (SDR-26)	142	LF	$ 55.80	$ 7,923.60
4	12" PVC (SDR-35)	2,734	LF	$ 61.20	$ 167,320.80
5	12" PVC (SDR-26)	1,723	LF	$ 138.00	$ 237,774.00
6	21" Bore & Casing Pipe	(275)	LF	$ 440.00	$ (121,000.00)
7	24" Open Cut & Steel Casing	275	LF	$ 230.00	$ 63,250.00
8	4' Diam Manhole	10	EA	$ 6,250.00	$ 62,500.00
9	5' Diam Manhole	6	EA	$ 8,800.00	$ 52,800.00
10	5' Diam Drop Manhole	1	EA	$ 17,750.00	$ 17,750.00
11	Remove 12" Stub & Connect	1	EA	$ 1,135.00	$ 1,135.00
12	8" Plug	9	EA	$ 275.00	$ 2,475.00
13	10" Plug	1	EA	$ 530.00	$ 530.00
14	4" Wye & Plug for Future San	-	EA	$ 550.00	$ -
15	Vacuum Test	17	EA	$ 165.00	$ 2,805.00
16	Testing	4,609	LF	$ 2.00	$ 9,218.00
17	Trench Safety	4,609	LF	$ 0.10	$ 460.90
	TOTAL				**$ 505,478.30**

	Description (OFF-SITE SANITARY SEWER along Coit)	Quantity	Unit	Unit Price	Total
1	8" PVC (SDR-35)	24	LF	$ 47.00	$ 1,128.00
2	10" PVC (SDR-35)	509	LF	$ 53.60	$ 27,282.40
3	10" PVC (SDR-26)	204	EA	$ 55.80	$ 11,383.20
4	50' Bore & Casing	120	EA	$ 250.00	$ 30,000.00
5	4' Diam Manhole	2	EA	$ 6,250.00	$ 12,500.00
6	8" Plug	2	EA	$ 275.00	$ 550.00
7	Vacuum Test	2	EA	$ 165.00	$ 330.00
8	Testing	737	EA	$ 2.00	$ 1,474.00
9	Trench Safety	737	EA	$ 0.10	$ 73.70
	TOTAL				**$ 84,721.30**

TOTAL Sanitary Sewer (On-Site & Off-Site)	**$ 1,348,787.60**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

	Description (STORM)	Quantity	Unit	Unit Price	Total
1	18" HP Storm	842	LF	$ 49.00	$ 41,258.00
2	21" HP Storm	802	LF	$ 63.00	$ 50,526.00
3	24" HP Storm	2,217	LF	$ 57.00	$ 126,369.00
4	30" HP Storm	257	LF	$ 99.00	$ 25,443.00
5	36" HP Storm	381	LF	$ 119.00	$ 45,339.00
6	42" HP Storm	490	LF	$ 131.00	$ 64,190.00
7	48" HP Storm	630	LF	$ 173.00	$ 108,990.00
8	60" HP Storm	309	LF	$ 249.00	$ 76,941.00
9	4x4 Storm Manhole	5	EA	$ 5,280.00	$ 26,400.00
10	Large Debris Separator	4	EA	$ 19,750.00	$ 79,000.00
11	8' Inlet	20	EA	$ 4,300.00	$ 86,000.00
12	10' Inlet	10	EA	$ 4,510.00	$ 45,100.00
13	12' Inlet	3	EA	$ 4,840.00	$ 14,520.00
14	Flexamat	121	SY	$ 83.00	$ 10,043.00
15	6x6 Outfall Structure	1	EA	$ 9,800.00	$ 9,800.00
16	18" Headwall	4	EA	$ 3,400.00	$ 13,600.00
17	36" Headwall	1	EA	$ 4,455.00	$ 4,455.00
18	48" Headwall	2	EA	$ 6,545.00	$ 13,090.00
19	60" Headwall	1	EA	$ 9,130.00	$ 9,130.00
20	Inlet Protection	33	EA	$ 205.00	$ 6,765.00
21	Testing	5,928	LF	$ 2.20	$ 13,041.60
22	Trench Safety	5,928	LF	$ 0.10	$ 592.80
	TOTAL Storm				**$ 870,593.40**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

	Description (PAVING)	Quantity	Unit	Unit Price	Total
1	7" Reinf Concrete Pavment	30,610	SY	$ 38.85	$ 1,189,198.50
2	Decorative 7" Pavement	100	SY	$ 150.00	$ 15,000.00
3	8" Reinf concrete Pavement	1,050	SY	$ 50.00	$ 52,500.00
4	Decorative 8" Pavement	95	SY	$ 165.00	$ 15,675.00
5	6" Refin Pavement (Parking Lot)	790	SY	$ 50.00	$ 39,500.00
6	Curb & Gutter for Parking Lot	405	LF	$ 1.00	$ 405.00
7	6" Lime Prep	36,580	SY	$ 3.35	$ 122,543.00
8	hydrated Lime for Street	677	TON	$ 172.00	$ 116,444.00
9	8" Temp Unreinf Concrete	1,035	SY	$ 50.00	$ 51,750.00
10	Sawcut Concrete Pavement & Connect	402	LF	$ 30.00	$ 12,060.00
11	Remove Barricade & Connect to Ex	1	EA	$ 500.00	$ 500.00
12	Stop Sign w/ Blades	19	EA	$ 700.00	$ 13,300.00
13	Street Name Sign	6	EA	$ 650.00	$ 3,900.00
14	Stop Sign	16	EA	$ 385.00	$ 6,160.00
15	Maint Bonds	1	LS	$ 17,600.00	$ 17,600.00
17	Earthwork/Erosion	1	LS		
	TOTAL Paving				**$ 1,656,535.50**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

	Description (Hardscape)	Quantity	Unit	Unit Price	Total
1	7' Main Entry Monument	2	EA	$ 24,796.00	$ 49,592.00
2	6' Secondary Entry Sign Wall	2	EA	$ 13,807.00	$ 27,614.00
3	Elec Services	1	LS	$ 29,150.00	$ 29,150.00
4	6' Screening Wall	322	LF	$ 104.00	$ 33,488.00
5	7' Stone Column	5	EA	$ 1,830.00	$ 9,150.00
6	6' Screening Wall atop Retaining Wall	832	LF	$ 116.00	$ 96,512.00
7	7' Stone column atop Retaining Wall	10	EA	$ 1,980.00	$ 19,800.00
8	4' Ornamental Iron Fence	1,021	LF	$ 35.00	$ 35,735.00
9	4' Ornamental Iron Fence atop Retaining Wall	43	LF	$ 35.00	$ 1,505.00
10	42" Ornamental Iron Fence atop Retaining Wall	120	LF	$ 35.00	$ 4,200.00
11	27x15 Cedar Shade Structure	1	EA	$ 32,441.00	$ 32,441.00
12	Playground	1	LS	$ 91,760.00	$ 91,760.00
13	Park Bench	4	EA	$ 2,445.00	$ 9,780.00
14	Park Table	2	EA	$ 2,584.00	$ 5,168.00
15	Trash Receptable	2	EA	$ 1,830.00	$ 3,660.00
16	Pet Waste Station	1	EA	$ 644.00	$ 644.00
17	10' Concrete Trail	12,760	SF	$ 6.35	$ 81,026.00
18	8' Concrete Trail	6,010	SF	$ 6.00	$ 36,060.00
19	6' Concrete Trail	18,360	SF	$ 5.35	$ 98,226.00
20	5' Concrete Trail	10,375	SF	$ 5.35	$ 55,506.25
21	Barrier Free Ramps	31	EA	$ 1,500.00	$ 46,500.00
22	Permit Fees	1	LS	$ 1,250.00	$ 1,250.00
23	Maint Bond	1	LS	$ 7,000.00	$ 7,000.00
24	Site Facilities	1	LS	$ 750.00	$ 750.00
	TOTAL Hardscape				**$ 776,517.25**

Public	**$ 317,318.25**
Private	**$ 459,199.00**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

	Description (Landscape)	Quantity	Unit	Unit Price	Total
1	Fine Grading	1	LS	$ 5,253.12	$ 5,253.12
2	Soil Prep	1	LS	$ 11,478.04	$ 11,478.04
3	Misc Materials	1	LS	$ 9,911.70	$ 9,911.70
4	3" caliper Live Oak	34	EA	$ 332.50	$ 11,305.00
5	3" caliper Shumard Oak	13	EA	$ 332.50	$ 4,322.50
6	3" caliper Cedar Elm	26	EA	$ 332.50	$ 8,645.00
7	3" Caliper Bald Cypress	5	EA	$ 332.50	$ 1,662.50
8	3" Caliper Chinese Pistache	6	EA	$ 332.50	$ 1,995.00
9	2" Caliper Chaste Tree	5	EA	$ 213.84	$ 1,069.20
10	2" Caliper Crape Myrtle	3	EA	$ 213.84	$ 641.52
11	7 gallon Abelia	9	EA	$ 54.70	$ 492.30
12	7 gallong Purple Diamond Loropetalum	31	EA	$ 54.70	$ 1,695.70
13	3 gallon Upright Rosemary	58	EA	$ 19.97	$ 1,158.26
14	3 gallon Dallas Bllue Swithgrass	11	EA	$ 19.97	$ 219.67
15	3 gallon Russian Sage	102	EA	$ 19.97	$ 2,036.94
16	3 gallon Ligustrum	55	EA	$ 19.97	$ 1,098.35
17	1 gallon Lavendar Cotton	33	EA	$ 9.05	$ 298.65
18	1 gallon Little Bunny Dwarf	226	EA	$ 9.05	$ 2,045.30
19	1 gallon Weeping Love Grass	88	EA	$ 9.05	$ 796.40
20	4" Pot Annual Color	420	EA	$ 2.14	$ 898.80
21	Common Bermuda	262,660	SF	$ 0.42	$ 110,317.20
22	3" Decomposed Red Granite	110	SF	$ 2.76	$ 303.60
23	Oklahoma Moss Rock Boulders	2	TON	$ 357.50	$ 536.25
24	Irrigation System (Complete)	1	LS	$ 224,612.00	$ 224,612.00
	TOTAL Landscape				**$ 402,793.00**

Public	**$ 100,698.25**
Private	**$ 302,094.75**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

	Description (EROSION CONTROL)	Quantity	Unit	Unit Price	Total
1	Construction Entrance	1	EA	$ 2,000.00	$ 2,000.00
2	Wire-reinf Silt Fence	2,500	LF	$ 1.55	$ 3,875.00
3	Rock Check Dam	1	EA	$ 950.00	$ 950.00
4	Z-Panel Inlet Protection	32	EA	$ 155.00	$ 4,960.00
5	8' Curlex	23,540	LF	$ 1.40	$ 32,956.00
6	Seed & Harrow	42	AC	$ 310.00	$ 13,020.00
7	Curlex Matting (Pond Slopes)	12,902	LF	$ 1.53	$ 19,740.06
8	Maint Budget	287	LT	$ 75.00	$ 21,525.00
9	Tax	1	LS	$ 8,169.65	$ 8,169.65
	TOTAL Erosion Control				**$ 107,195.71**

Public	**$ 10,719.57**
Private	**$ 96,476.14**

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

APPENDIX C
LEGAL DESCRIPTION

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

CELINA HILLS
PID DESCRIPTION
CELINA, COLLIN COUNTY, TEXAS
METES-AND-BOUNDS DESCRIPTION

BEING a tract of land situated in the M. Wilhite Surveys, Abstract Numbers 1008 and 1009, City of Celina, Collin County, Texas, being part of the tract described in the deed to WESTGATE 115 INVESTORS, L.P., recorded in Document Number 20130621000869270, Official Public Records, Collin County, Texas, the subject tract being more particularly described as follows (bearings are based on the State Plane Coordinate System, Texas North Central Zone (4202), North American Datum of 1988 (NAD '88), description is based on recorded documents, limited field survey work was performed. This description for use in zoning/PID application only, is preliminary, and shall not be used, viewed or relied upon as a final survey document):

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THENCE through the interior of said Westgate 115 Investors tract, the following calls:

1. SOUTH 89 degrees 12 minutes 21 seconds WEST, a distance of 542.27 feet;
2. SOUTH 00 degrees 47 minutes 39 seconds EAST, a distance of 426.50 feet;
3. NORTH 89 degrees 12 minutes 21 seconds EAST, a distance of 542.53 feet to the east line of said Westgate 115 Investors tract;

THENCE with the perimeter and to the corners of said Westgate 115 Investors tract, the following calls:

1. SOUTH 00 degrees 49 minutes 45 seconds EAST, a distance of 841.82 feet;
2. SOUTH 88 degrees 12 minutes 25 seconds WEST, a distance of 1308.94 feet;
3. SOUTH 89 degrees 09 minutes 05 seconds WEST, a distance of 70.31 feet;
4. NORTH 00 degrees 55 minutes 30 seconds WEST, a distance of 2742.88 feet;

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

CELINA HILLS
PID DESCRIPTION
CELINA, COLLIN COUNTY, TEXAS
METES-AND-BOUNDS DESCRIPTION

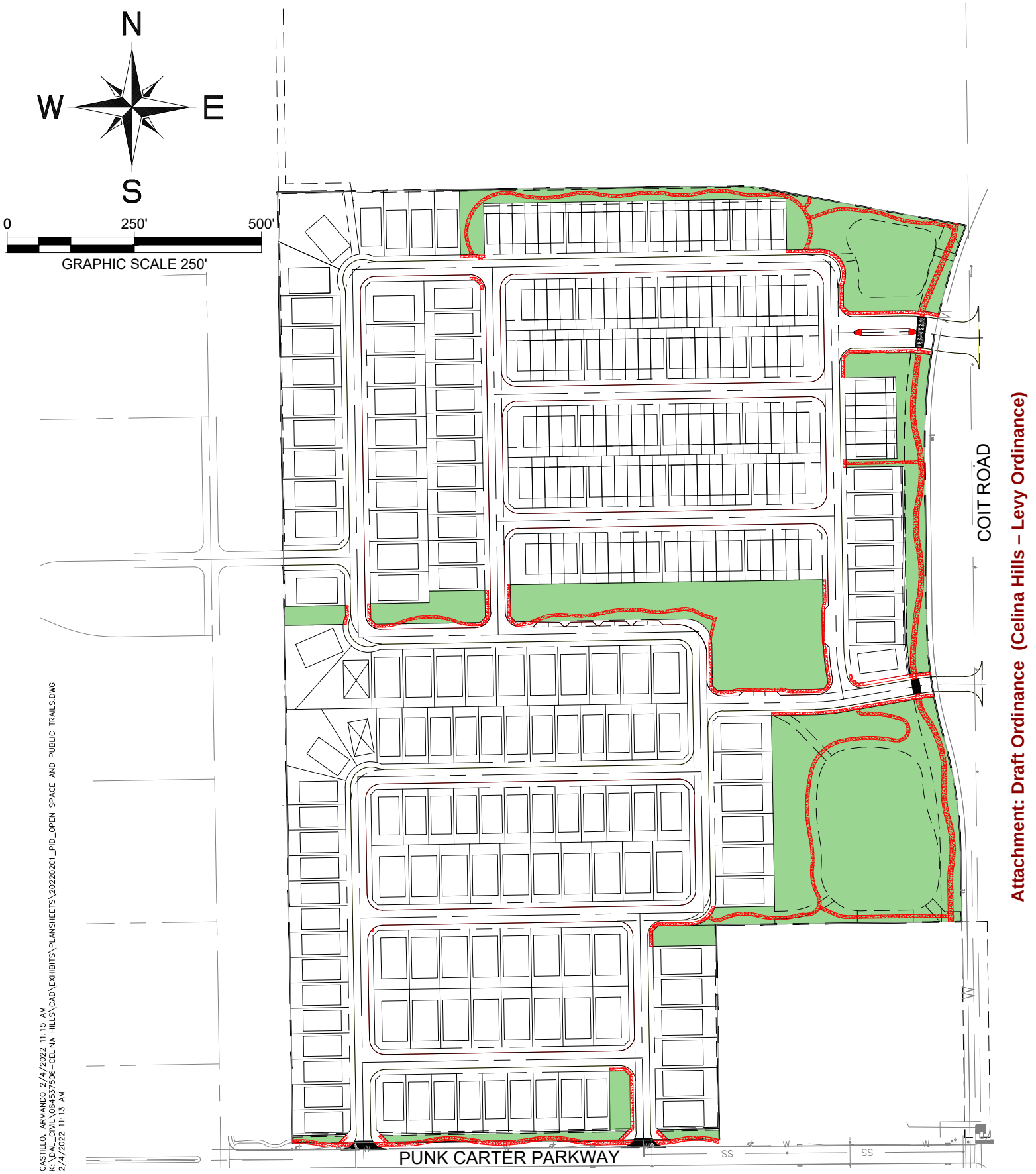
THENCE through the interior of said Westgate 115 Investors tract, NORTH 89 degrees 12 minutes 21 seconds EAST, a distance of 926.34 feet;

THENCE through the interior of said Westgate 115 Investors tract, SOUTH 79 degrees 39 minutes 26 seconds EAST, a distance of 468.26 feet, returning to the **POINT OF BEGINNING** and enclosing 80.870 acres (3,522,695 square feet) of land, more or less.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

APPENDIX D
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)



Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

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2/4/2022 11:13 AM

PLOTTED BY
DWG NAME
LAST SAVED

Celina Hills

PID Exhibits - Open Space and Public Trails
Celina Hills, Texas
February 2022

Kimley»Horn
13455 Noel Road
Suite 700
Dallas, Texas 75240
(972)770-1300

NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

CASTILLO, ARMANDO 2/4/2022 10:16 AM
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2/4/2022 10:15 AM

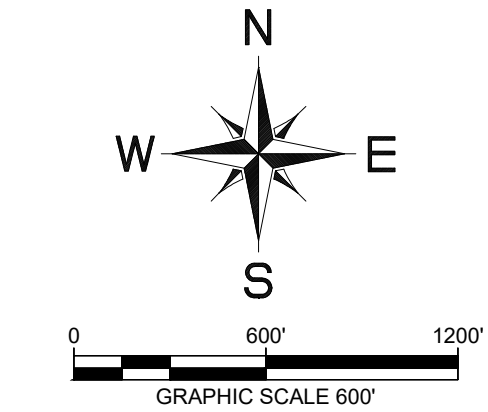
PLOTTED BY
DWG NAME
LAST SAVED

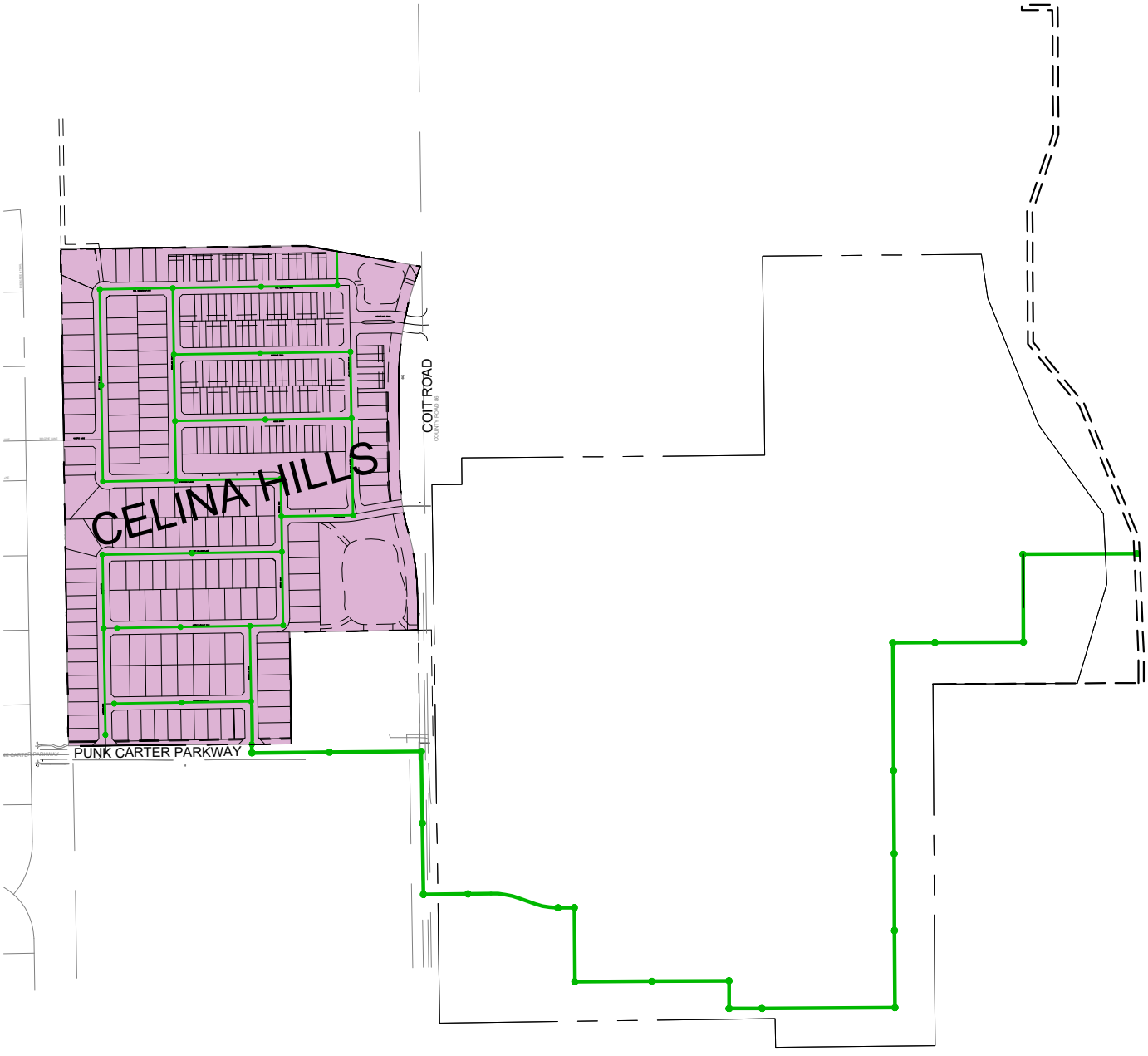
Celina Hills

PID Exhibits - Pavement Extents
Celina Hills, Texas
February 2022

Kimley»Horn
13455 Noel Road
Suite 700
Dallas, Texas 75240
(972)770-1300

NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.





Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

HERNANDEZ, CHRISTOPHER 2/4/2022 11:48 AM
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2/4/2022 11:30 AM

PLOTTED BY
DWG NAME
LAST SAVED

Celina Hills

PID Exhibits - Sanitary Sewer
Celina Hills, Texas
February 2022

Kimley»Horn
13455 Noel Road
Suite 700
Dallas, Texas 75240
(972)770-1300

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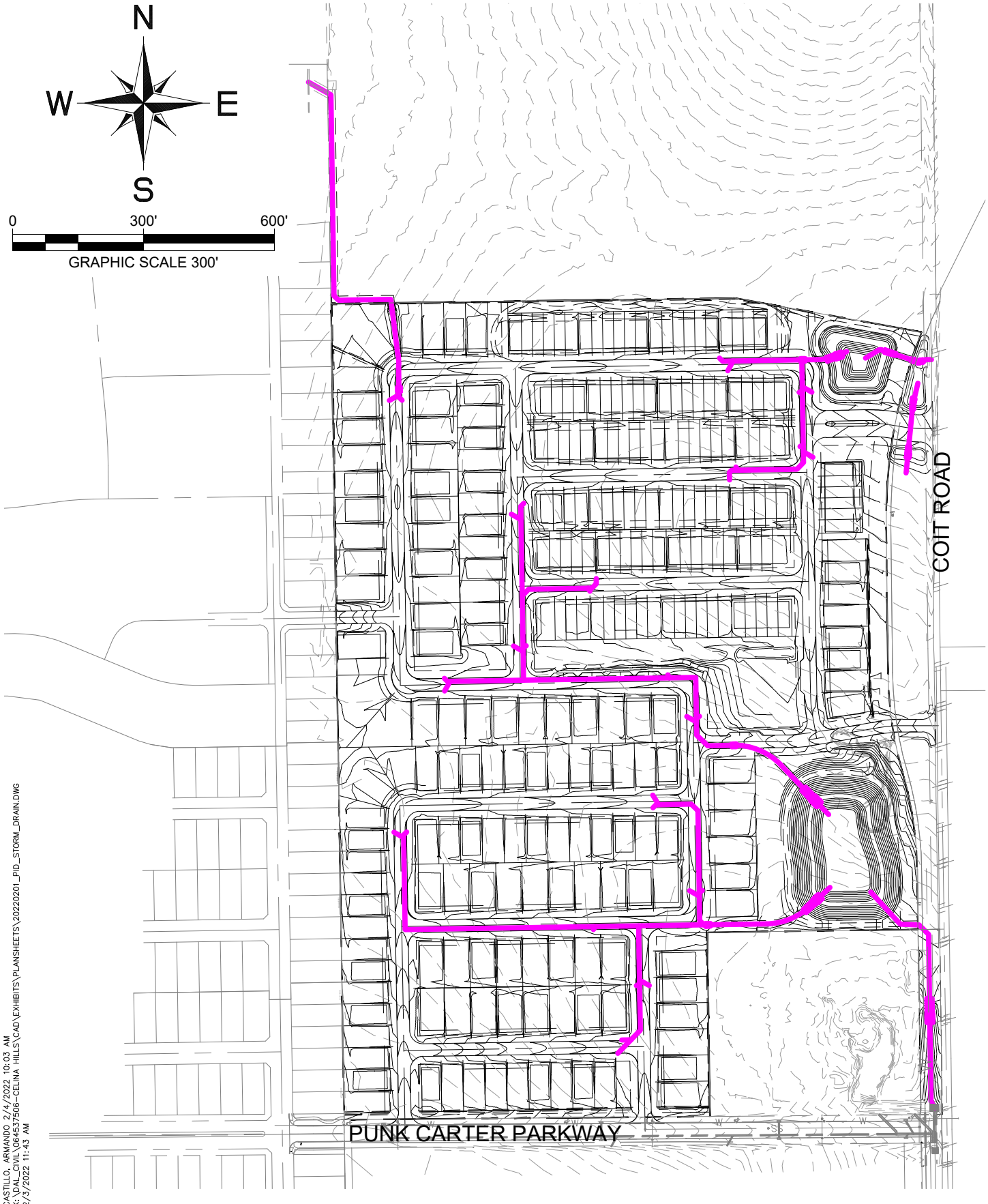


Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

CASTILLO, ARMANDO 2/4/2022 10:03 AM
K:\DAL_CIVIL\064537506-CELINA HILLS\CAD\EXHIBITS\PLANSHEETS\20220201_PID_STORM_DRAIN.DWG
2/3/2022 11:43 AM

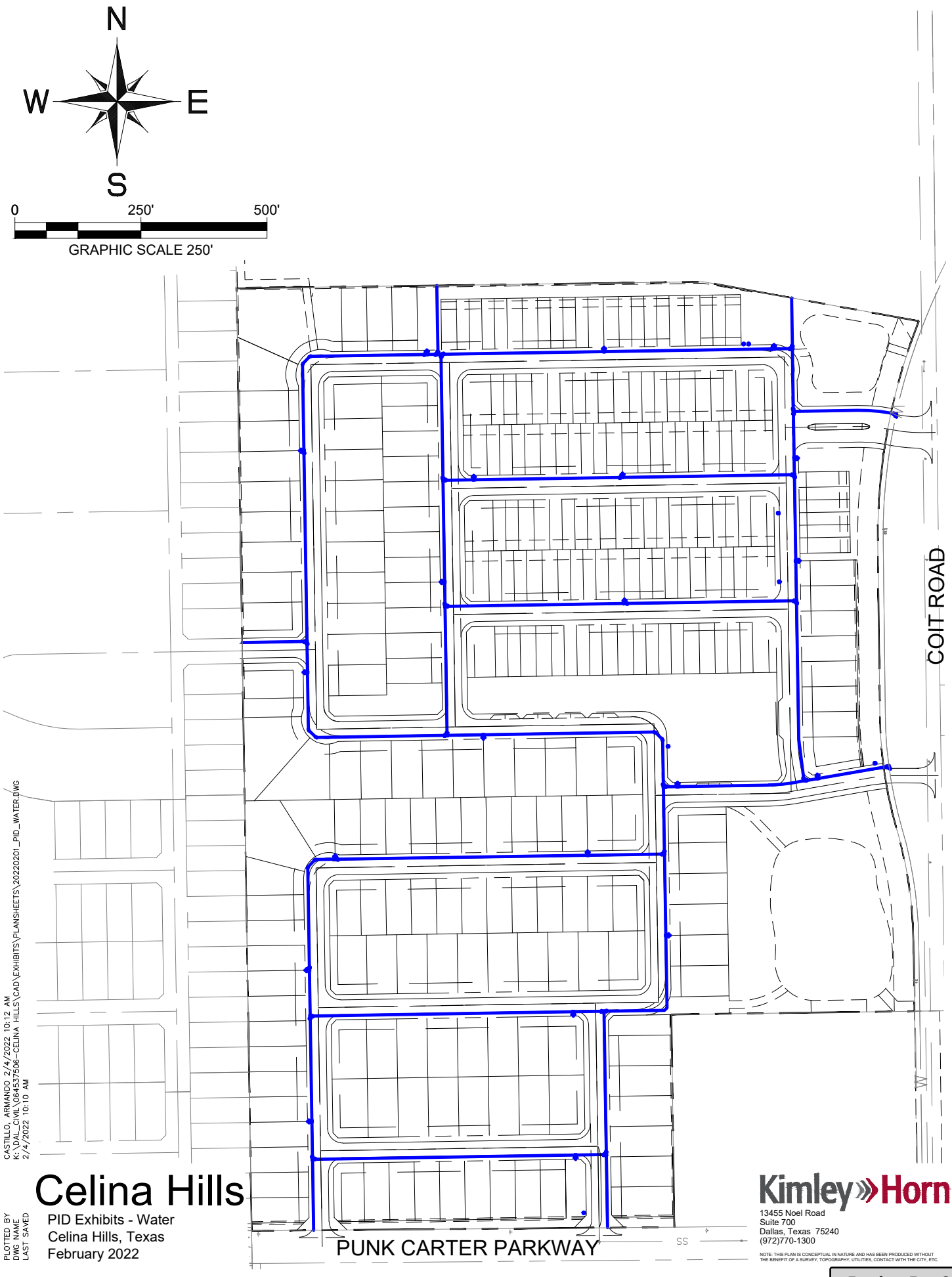
PLOTTED BY
DWG NAME
LAST SAVED

Celina Hills

PID Exhibits - Storm Drain
Celina Hills, Texas
February 2022

Kimley»Horn
13455 Noel Road
Suite 700
Dallas, Texas 75240
(972)770-1300

NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.



Celina Hills

PID Exhibits - Water
Celina Hills, Texas
February 2022

CASTILLO, ARMANDO 2/4/2022 10:12 AM
K:\DAL_CIVIL\064537506-CELINA HILLS\CAD\EXHIBITS\PLANSHEETS\20220201_PID_WATER.DWG
PLOTTED BY
DWG NAME
LAST SAVED 2/4/2022 10:10 AM

Kimley»Horn
13455 Noel Road
Suite 700
Dallas, Texas 75240
(972)770-1300

NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

APPENDIX E
HOMEBUYER DISCLOSURE

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

AFTER RECORDING RETURN TO:

_____
_____
_____
_____
_____][1]

NOTICE OF OBLIGATION TO PAY PUBLIC 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 ***Celina 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 (Celina Hills – 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 (Celina Hills – 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 (Celina Hills – 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 (Celina Hills – Levy Ordinance)

APPENDIX F
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE EQUIVALENTS

Attachment: Draft Ordinance (Celina Hills – 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.

"Lot Type 2" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet.

"Lot Type 3" means lots identified as Townhomes on the Assessment Roll, being generally lots for an attached single family dwelling unit on individually platted lots.

A) Proposed Development

Table F-1 shows the proposed residential units to be developed within the PID.

Table F-1
Proposed Development within the PID

Description	Proposed Development	
Lot Type 1 (60 Ft)	71	Units
Lot Type 2 (50 Ft)	73	Units
Lot Type 3 (Townhome)	133	Units
Total	**277**	**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 Budgeted Costs of the Authorized Improvements to be financed with the PID Bonds shall be allocated to the Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

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, Townhomes, 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 3

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

(Townhome) representing the lowest value for residential lots are set forth in Table F-2. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lots) to 1.0.

Table F-2
Equivalent Unit Factors

Lot Type	Estimated Average Value	Equivalent Unit Factor	
Lot Type 1 (60 Ft)	$465,000	1.00	Per dwelling unit
Lot Type 2 (50 Ft)	$398,000	0.86	Per dwelling unit
Lot Type 3 (Townhome)	$295,000	0.63	Per dwelling unit

The total Equivalent Units for the PID are shown in Table F-3 as calculated based on the Equivalent Unit factors shown in Table F-2, estimated Lot Types and number of units estimated to be built within the PID.

Table F-3
Equivalent Units- PID

Description	Planned No. of Units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft)	71	1.00	71.00
Lot Type 2 (50 Ft)	73	0.86	62.78
Lot Type 3 (Townhome)	133	0.63	83.79
Total	**277**		**217.57**

C) Allocation of Assessments to Lots within the PID

The total amount of the PID Bonds, which represents the total Assessment to be allocated on all Parcels within the PID, is $7,535,000. As shown in Table F-3, there are a total of 217.57 Equivalent Units, resulting in an Assessment per Equivalent Unit of $34,632.53 (i.e., $7,535,000 ÷ 217.57 = $34,632.53).

Table F-4 sets forth the Assessment per dwelling unit within the PID.

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

Table F-4
Assessment Per Unit – PID

Description	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (60 Ft)	71	$34,632.53	1.00	$34,632.53	Per dwelling unit	$2,458,910
Lot Type 2 (50 Ft)	73	$34,632.53	0.86	$29,783.98	Per dwelling unit	$2,174,230
Lot Type 3 (Townhome)	133	$34,632.53	0.63	$21,818.50	Per dwelling unit	$2,901,860
Total	**277**					**$7,535,000**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table F-5.

Table F-5
Projected Leverage – PID

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft)	71	$114,000	$465,000	$34,632.53	3.29	13.43
Lot Type 2 (50 Ft)	73	$95,000	$398,000	$29,783.98	3.19	13.36
Lot Type 3 (Townhome)	133	$70,000	$295,000	$21,818.50	3.21	13.52

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-6.

Table F-6
Estimated Tax Rate Equivalent per unit – PID

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)	71	$114,000	$465,000	$2,679.44	$2.3504	$0.5762
Lot Type 2 (50 Ft)	73	$95,000	$398,000	$2,304.32	$2.4256	$0.5790
Lot Type 3 (Townhome)	133	$70,000	$295,000	$1,688.05	$2.4115	$0.5722

The Assessment and Annual Installments for each Parcel or Lot located within the PID is shown on the 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 (Celina Hills – Levy Ordinance)

APPENDIX G
PROPOSED ASSESSMENT ROLL

Attachment: Draft Ordinance (Celina Hills – Levy Ordinance)

Appendix G-1
Proposed Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**217.57**
Assessment	**$7,535,000**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
2022	$0	$110,932	$0	$0	($110,932)	$0
2023	$120,000	$376,750	$45,900	$37,675	$0	$580,325
2024	$125,000	$370,750	$46,818	$37,075	$0	$579,643
2025	$135,000	$364,500	$47,754	$36,450	$0	$583,704
2026	$140,000	$357,750	$48,709	$35,775	$0	$582,234
2027	$145,000	$350,750	$49,684	$35,075	$0	$580,509
2028	$155,000	$343,500	$50,677	$34,350	$0	$583,527
2029	$160,000	$335,750	$51,691	$33,575	$0	$581,016
2030	$170,000	$327,750	$52,725	$32,775	$0	$583,250
2031	$180,000	$319,250	$53,779	$31,925	$0	$584,954
2032	$190,000	$310,250	$54,855	$31,025	$0	$586,130
2033	$195,000	$300,750	$55,952	$30,075	$0	$581,777
2034	$205,000	$291,000	$57,071	$29,100	$0	$582,171
2035	$220,000	$280,750	$58,212	$28,075	$0	$587,037
2036	$230,000	$269,750	$59,377	$26,975	$0	$586,102
2037	$240,000	$258,250	$60,564	$25,825	$0	$584,639
2038	$250,000	$246,250	$61,775	$24,625	$0	$582,650
2039	$265,000	$233,750	$63,011	$23,375	$0	$585,136
2040	$280,000	$220,500	$64,271	$22,050	$0	$586,821
2041	$290,000	$206,500	$65,557	$20,650	$0	$582,707
2042	$305,000	$192,000	$66,868	$19,200	$0	$583,068
2043	$320,000	$176,750	$68,205	$17,675	$0	$582,630
2044	$335,000	$160,750	$69,569	$16,075	$0	$581,394
2045	$355,000	$144,000	$70,960	$14,400	$0	$584,360
2046	$370,000	$126,250	$72,380	$12,625	$0	$581,255
2047	$390,000	$107,750	$73,827	$10,775	$0	$582,352
2048	$410,000	$88,250	$75,304	$8,825	$0	$582,379
2049	$430,000	$67,750	$76,810	$6,775	$0	$581,335
2050	$450,000	$46,250	$78,346	$4,625	$0	$579,221
2051	$475,000	$23,750	$79,913	$2,375	$0	$581,038
Total	**$7,535,000**	**$7,008,932**	**$1,780,564**	**$689,800**	**($110,932)**	**$16,903,364**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2] Interest is calculated using an estimated interest rate of 5.00% 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 Ordinance (Celina Hills – Levy Ordinance)

Appendix G-2
Proposed Assessment Roll by Lot Type

Parcel	**Lot Type 1 (60 Ft)**
Equivalent Units	**1.00**
Assessment	**$34,633**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
2022	$0	$510	$0	$0	($510)	$0
2023	$552	$1,732	$211	$173	$0	$2,667
2024	$575	$1,704	$215	$170	$0	$2,664
2025	$620	$1,675	$219	$168	$0	$2,683
2026	$643	$1,644	$224	$164	$0	$2,676
2027	$666	$1,612	$228	$161	$0	$2,668
2028	$712	$1,579	$233	$158	$0	$2,682
2029	$735	$1,543	$238	$154	$0	$2,670
2030	$781	$1,506	$242	$151	$0	$2,681
2031	$827	$1,467	$247	$147	$0	$2,689
2032	$873	$1,426	$252	$143	$0	$2,694
2033	$896	$1,382	$257	$138	$0	$2,674
2034	$942	$1,338	$262	$134	$0	$2,676
2035	$1,011	$1,290	$268	$129	$0	$2,698
2036	$1,057	$1,240	$273	$124	$0	$2,694
2037	$1,103	$1,187	$278	$119	$0	$2,687
2038	$1,149	$1,132	$284	$113	$0	$2,678
2039	$1,218	$1,074	$290	$107	$0	$2,689
2040	$1,287	$1,013	$295	$101	$0	$2,697
2041	$1,333	$949	$301	$95	$0	$2,678
2042	$1,402	$882	$307	$88	$0	$2,680
2043	$1,471	$812	$313	$81	$0	$2,678
2044	$1,540	$739	$320	$74	$0	$2,672
2045	$1,632	$662	$326	$66	$0	$2,686
2046	$1,701	$580	$333	$58	$0	$2,672
2047	$1,793	$495	$339	$50	$0	$2,677
2048	$1,884	$406	$346	$41	$0	$2,677
2049	$1,976	$311	$353	$31	$0	$2,672
2050	$2,068	$213	$360	$21	$0	$2,662
2051	$2,183	$109	$367	$11	$0	$2,671
Total	**$34,633**	**$32,215**	**$8,184**	**$3,170**	**($510)**	**$77,692**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2] Interest is calculated using an estimated interest rate of 5.00% 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 Ordinance (Celina Hills – Levy Ordinance)

Appendix G-3
Proposed Assessment Roll by Lot Type

Parcel	**Lot Type 2 (50 Ft)**
Equivalent Units	**0.86**
Assessment	**$29,784**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
2022	$0	$438	$0	$0	($438)	$0
2023	$474	$1,489	$181	$149	$0	$2,294
2024	$494	$1,465	$185	$147	$0	$2,291
2025	$534	$1,441	$189	$144	$0	$2,307
2026	$553	$1,414	$193	$141	$0	$2,301
2027	$573	$1,386	$196	$139	$0	$2,295
2028	$613	$1,358	$200	$136	$0	$2,307
2029	$632	$1,327	$204	$133	$0	$2,297
2030	$672	$1,296	$208	$130	$0	$2,305
2031	$711	$1,262	$213	$126	$0	$2,312
2032	$751	$1,226	$217	$123	$0	$2,317
2033	$771	$1,189	$221	$119	$0	$2,300
2034	$810	$1,150	$226	$115	$0	$2,301
2035	$870	$1,110	$230	$111	$0	$2,320
2036	$909	$1,066	$235	$107	$0	$2,317
2037	$949	$1,021	$239	$102	$0	$2,311
2038	$988	$973	$244	$97	$0	$2,303
2039	$1,047	$924	$249	$92	$0	$2,313
2040	$1,107	$872	$254	$87	$0	$2,320
2041	$1,146	$816	$259	$82	$0	$2,303
2042	$1,206	$759	$264	$76	$0	$2,305
2043	$1,265	$699	$270	$70	$0	$2,303
2044	$1,324	$635	$275	$64	$0	$2,298
2045	$1,403	$569	$280	$57	$0	$2,310
2046	$1,463	$499	$286	$50	$0	$2,298
2047	$1,542	$426	$292	$43	$0	$2,302
2048	$1,621	$349	$298	$35	$0	$2,302
2049	$1,700	$268	$304	$27	$0	$2,298
2050	$1,779	$183	$310	$18	$0	$2,290
2051	$1,878	$94	$316	$9	$0	$2,297
Total	**$29,784**	**$27,705**	**$7,038**	**$2,727**	**($438)**	**$66,815**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2] Interest is calculated using an estimated interest rate of 5.00% 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 Ordinance (Celina Hills – Levy Ordinance)

Appendix G-4
Proposed Assessment Roll by Lot Type

Parcel	**Lot Type 3 (Townhome)**
Equivalent Units	**0.63**
Assessment	**$21,818**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment
2022	$0	$321	$0	$0	($321)	$0
2023	$347	$1,091	$133	$109	$0	$1,680
2024	$362	$1,074	$136	$107	$0	$1,678
2025	$391	$1,055	$138	$106	$0	$1,690
2026	$405	$1,036	$141	$104	$0	$1,686
2027	$420	$1,016	$144	$102	$0	$1,681
2028	$449	$995	$147	$99	$0	$1,690
2029	$463	$972	$150	$97	$0	$1,682
2030	$492	$949	$153	$95	$0	$1,689
2031	$521	$924	$156	$92	$0	$1,694
2032	$550	$898	$159	$90	$0	$1,697
2033	$565	$871	$162	$87	$0	$1,685
2034	$594	$843	$165	$84	$0	$1,686
2035	$637	$813	$169	$81	$0	$1,700
2036	$666	$781	$172	$78	$0	$1,697
2037	$695	$748	$175	$75	$0	$1,693
2038	$724	$713	$179	$71	$0	$1,687
2039	$767	$677	$182	$68	$0	$1,694
2040	$811	$638	$186	$64	$0	$1,699
2041	$840	$598	$190	$60	$0	$1,687
2042	$883	$556	$194	$56	$0	$1,688
2043	$927	$512	$197	$51	$0	$1,687
2044	$970	$465	$201	$47	$0	$1,683
2045	$1,028	$417	$205	$42	$0	$1,692
2046	$1,071	$366	$210	$37	$0	$1,683
2047	$1,129	$312	$214	$31	$0	$1,686
2048	$1,187	$256	$218	$26	$0	$1,686
2049	$1,245	$196	$222	$20	$0	$1,683
2050	$1,303	$134	$227	$13	$0	$1,677
2051	$1,375	$69	$231	$7	$0	$1,682
Total	**$21,818**	**$20,295**	**$5,156**	**$1,997**	**($321)**	**$48,946**

[1]The 9/30/XX dates represent the fiscal year end for the Bonds.
[2] Interest is calculated using an estimated interest rate of 5.00% 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 Ordinance (Celina Hills – Levy Ordinance)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Jonathan Pollard, Senior Planner
CC:	Jason Laumer, City Manager
Date:	April 12, 2022
Re:	Celina Hills - PID Bond Ordinance

Action Requested:
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 2022 (Celina Hills Public Improvement District Project); approving and authorizing related agreements; and providing an effective date. (Celina Hills - PID Bond Ordinance) (Pollard)

Background Information:
The pre-pricing ordinance is attached. The ordinance with final pricing will be provided to Council at the regular meeting.

Legal Review:
This item has been reviewed by the City Attorney.

Supporting Documents:
- Draft Bond Ordinance

Staff Recommendation:
Staff recommends approval as presented.

ORDINANCE NO. 2022_____

AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022 (CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT); AND APPROVING AND AUTHORIZING RELATED AGREEMENTS.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the “Celina Hills Public Improvement District” (the "District"), pursuant to Resolution No. 2019-37R adopted by the City Council of the City (the "City Council") on July 9, 2019; and

WHEREAS, pursuant to the PID Act, the City Council published notice of and convened a public hearing on April 12, 2022, regarding the levy of special assessments against benefitted property located within the District, and, after hearing testimony at such public hearing, the City Council closed the public hearing and adopted Ordinance No. 2022-_____ (the “Assessment Ordinance”) on April 12, 2022; and

WHEREAS, in the Assessment Ordinance, the City Council approved and accepted the Celina Hills Public Improvement District Service and Assessment Plan, dated April 12, 2022 (as updated, amended, and/or restated, the “Service and Assessment Plan”) relating to the District and levied special assessments (the “Assessments”) against the Assessed Property as shown on the Assessment Roll that is attached to the Service and Assessment Plan as Appendix G; and

WHEREAS, capitalized terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Assessments and other revenues received for the purposes of (i) paying a portion of the Actual Costs of the Authorized Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Authorized Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization and administration of the District, and (v) paying costs of issuance of the Bonds; and

WHEREAS, the City Council hereby finds and determines that it is in the best interests of the City to issue its bonds to be designated “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project)” (the “Bonds”), such series to be payable from and secured by the Trust Estate (as defined in the Indenture); and

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

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

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

(a) The issuance of the Bonds in the principal amount of $_____ for the purpose of providing funds for (i) paying a portion of the Actual Costs of the Authorized Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Authorized Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization and administration of the District, and (v) paying costs of issuance of the Bonds, is hereby authorized and approved.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of May 1, 2022, between the City and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), which Indenture is hereby approved in substantially the form attached hereto as **Exhibit A,** which is incorporated herein as a part hereof for all purposes, with such changes or additions thereto as may be approved by the Mayor or Mayor Pro Tem of the City (upon the advice of the City Manager) as evidenced by the execution and delivery thereof. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary or the Deputy City Secretary is hereby authorized and directed to attest such signature of the Mayor or Mayor Pro Tem and such officials are hereby authorized to deliver the Indenture.

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

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

SECTION 3. Limited Offering Memorandum. The form and substance of the Preliminary Limited Offering Memorandum for the Bonds and any addenda, supplement or amendment thereto (the "Preliminary Limited Offering Memorandum") and the final Limited Offering Memorandum (the "Limited Offering Memorandum") are hereby in all respects approved and adopted. The Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor or Mayor Pro Tem of the City and the Underwriter, may be used by the

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Underwriter in the offering and sale of the Bonds. The City Secretary, the Assistant City Secretary, or the Deputy City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in the offering of the Bonds is hereby ratified, approved and confirmed and the Preliminary Limited Offering Memorandum is hereby deemed "final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. Notwithstanding the approval and delivery of such Preliminary Limited Offering Memorandum and Limited Offering Memorandum by the Mayor or Mayor Pro Tem, this City Council, including the Mayor and Mayor Pro Tem, are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and Limited Offering Memorandum pertaining to the Development (as defined in the Limited Offering Memorandum), the Developer (as defined in the Limited Offering Memorandum) or their financial ability, or of any builders, any landowners, or the appraisal of the property in the District.

SECTION 4. Continuing Disclosure Agreement. That certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project) Continuing Disclosure Agreement of the Issuer" (the "Continuing Disclosure Agreement") between the City, MuniCap, Inc., and HTS Continuing Disclosure Services, a Division of Hilltop Securities Inc., is hereby authorized and approved in substantially the form attached hereto as **Exhibit C** which is incorporated herein as a part hereof for all purposes and the City Manager, Assistant City Manager, Mayor, and Mayor Pro Tem of the City is authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager, Assistant City Manager, Mayor or Mayor Pro Tem, such approval to be evidenced by the execution thereof.

SECTION 5. Additional Actions. The Mayor, the Mayor Pro Tem, the City Manager, the Assistant City Manager, the Finance Director, and the City Secretary, the Assistant City Secretary or the Deputy City Secretary are each hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, the Mayor Pro Tem, the City Manager, the Assistant City Manager, the Finance Director, the City Secretary, the Assistant City Secretary and the Deputy City Secretary are each hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance or any other certificates, agreements, or other documents subsequent to the delivery of the Bonds which may be necessary or appropriate to carry out or fulfill the purpose and intent of the Service and Assessment Plan and the acquisition and construction of the Authorized Improvements.

SECTION 6. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 8. Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 9. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 10. Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 11. Effective Date. This Ordinance shall take effect and be in force immediately from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

[Remainder of Page Intentionally Left Blank]

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

PASSED AND ADOPTED, this April 12, 2022.

CITY OF CELINA, TEXAS

Sean Terry, Mayor

ATTEST:

Lauren Field, Deputy City Secretary

(City Seal)

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT A

INDENTURE OF TRUST

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

INDENTURE OF TRUST

By and Between

CITY OF CELINA, TEXAS

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

DATED AS OF MAY 1, 2022

SECURING

$_____
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT
PROJECT)

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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INDENTURE OF TRUST

THIS INDENTURE, dated as of May 1, 2022 is by and between the CITY OF CELINA, TEXAS (the "City"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, DALLAS, TEXAS, as trustee (together with its successors, the "Trustee"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition was submitted and filed with the City Secretary of the City (the "City Secretary") pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "PID Act"), requesting the creation of a public improvement district located within the corporate limits of the City to be known as the Celina Hills Public Improvement District (the "District"); and

WHEREAS, the petition contained the signature of the owner of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Collin Central Appraisal District, and the signature of the property owner who owns 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 the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Section 372.009 of the PID Act and on July 9, 2019, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2019-37R adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services and also made findings and determinations relating to the estimated total costs of certain Authorized Improvements; and

WHEREAS, on July 26, 2019, the City published notice of its authorization of the District in the *Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after July 26, 2019; and

WHEREAS, on March 15, 2022 the City Council by Resolution No. 2022-___R made findings and determinations relating to the Actual Costs of certain Authorized Improvements, received and accepted a preliminary service and assessment plan and proposed assessment roll, called a public hearing for April 12, 2022, and directed City staff to (i) file the proposed assessment roll with the City Secretary and to make it available for public inspection as required by Section 372.016(b) of the PID Act, and (ii) publish and mail such notice of the April 12, 2022 public hearing as required by Section 372.016(b) of the PID Act; and

WHEREAS, on _____, 2022, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of the public hearing in the *Celina Record*, a newspaper of general circulation in the City, to consider the proposed Service and Assessment Plan and the Assessment Roll and the levy of the Assessments on the property within the District; and

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

WHEREAS, the City Council opened and convened the hearing on April 12, 2022 and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Service and Assessment Plan, the proposed Assessment Roll, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of estimated costs of the Authorized Improvements to the Assessed Property within the District, the purposes of the Assessments, the special benefits of the Authorized Improvements, and the penalties and interest on Annual Installments and on delinquent Annual Installments of the Assessments, and there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of estimated costs of the Authorized Improvements to the Assessed Property within the District, the Assessment Roll, and the levy of the Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, the City Council approved and accepted Ordinance No. 2022-___, which levied the Assessments and approved and accepted the Service and Assessment Plan, in conformity with the requirements of the PID Act; and

WHEREAS, the City Council found and determined that the Assessments should be levied as provided in the Service and Assessment Plan; and

WHEREAS, the City Secretary of the City filed a copy of the Assessment Ordinance not later than the seventh day after the date the City Council approved the Assessment Ordinance and the Service and Assessment Plan with the County Clerk of Collin County; and

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

WHEREAS, the City Council now desires to issue revenue bonds, in accordance with the PID Act, such bonds to be entitled “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project)” (the “Bonds”), such Bonds being payable solely from the Trust Estate and for the purposes set forth in the preamble of this Indenture; and

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

NOW, THEREFORE, the City, in consideration of the foregoing premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

are hereby acknowledged, does hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN, and DELIVER to the Trustee for the benefit of the Owners, a security interest in all of the moneys, rights and properties described in the Granting Clauses hereof, as follows (collectively, the "Trust Estate"):

FIRST GRANTING CLAUSE

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

SECOND GRANTING CLAUSE

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

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

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

PROVIDED, HOWEVER, that if and to the extent Assessments have been prepaid, the lien on real property associated with such Assessment prepayment shall be released and any rights of the Trustee and the Owners, as provided in this Indenture, to request the City to proceed with foreclosure procedures for the purpose of protecting and enforcing the rights of the Owners with respect to such property shall terminate;

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

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

ARTICLE I

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. Definitions.

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

“Account” means any of the accounts established pursuant to Section 6.1 of this Indenture.

“Actual Costs” 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 and 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 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, permit fees, development fees), insurance premiums and miscellaneous expenses.

“Additional Interest” means the amount collected by application of the Additional Interest Rate.

"Additional Interest Rate" means the 0.50% additional interest rate charged on the Assessments pursuant to Section 372.018 of the PID Act.

"Additional Interest Reserve Account" means the reserve account administered by the City and segregated from other funds of the City in accordance with the provisions of Section 6.7 of this Indenture.

"Additional Interest Reserve Requirement" means an amount equal to 5.50% of the principal amount of the Outstanding Bonds to be funded from Assessment Revenues to be deposited to the Pledged Revenue Fund and transferred to the Additional Interest Reserve Account.

“Additional Obligations” means any bonds or obligations, including specifically, any installment contracts, reimbursement agreements, temporary notes, or time warrants, secured in whole or in part by an assessment, other than the Assessments securing the Bonds, levied against property within the District in accordance with the PID Act.

“Administrative Expenses” means the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

operation of the District, including, but not limited to, the costs of: (i) creating and organizing the District, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, maintenance, and operation of the District and the Authorized Improvements, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and 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 or any costs of issuance associated with 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.

"Administrative Fund" means that Fund established by Section 6.1 and administered pursuant to Section 6.9 hereof.

"Administrator" means an employee of the City or third-party designee of the City who shall have the responsibilities provided in the Service and Assessment Plan, this Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is MuniCap, Inc.

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

"Annual Installment" means, with respect to each Assessed Parcel, each annual payment of the Assessment, including both principal of and interest on the Assessments, as shown on the Assessment Roll attached to the Service and Assessment Plan as Appendix G and related to the Authorized Improvements; which annual payment includes the Administrative Expenses and the Additional Interest collected on each annual payment of the Assessments as described in Section 6.7 herein and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update.

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

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

“Assessed Property” means, collectively, all Assessed Parcels.

“Assessment Ordinance” means Ordinance No. 2022-_____ adopted by the City Council on April 12, 2022, that levied the Assessments on the Assessed Property.

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

“Assessment Roll” means the assessment roll attached as Appendix G to the Service and Assessment Plan or any other assessment roll for the District in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Assessments levied against the Assessed Property, and/or the portion of the total Assessment levied against each Assessed Parcel, related to the Bonds and the Authorized Improvements, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

“Assessments” means the aggregate assessments shown on the Assessment Roll. The singular of such term means the assessment levied against an Assessed Parcel, including the portion to be paid for Administrative Expenses and Additional Interest, as shown on the Assessment Roll or in the Service and Assessment Plan, subject to reallocation upon the subdivision of an Assessed Parcel or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

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

"Authorized Improvements" means those public improvements described in Appendix B of the Service and Assessment Plan and Section 372.003 of the PID Act, and for which the Assessments are levied against the Assessed Property that are designed, constructed, and installed in accordance with the Development Agreement, and the Service and Assessment Plan or an Annual Service Plan Update, as further described in Section III of the Service and Assessment Plan.

"Authorized Improvements Account” means the Account of such name established pursuant to Section 6.1.

“Bond” means any of the Bonds.

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

"Bond Date" means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

"Bond Fund" means the Fund of such name established pursuant to Section 6.1 and administered as provided in Section 6.4.

"Bond Ordinance" means Ordinance No. 2022-___ adopted by the City Council on April 12, 2022, authorizing the issuance of the Bonds pursuant to this Indenture.

"Bond Pledged Revenue Account" means the Account of such name established pursuant to Section 6.1.

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

"Bonds" means the City's bonds authorized to be issued by Section 3.1 of this Indenture entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project)".

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

"Capitalized Interest Account" means the Account of such name established pursuant to Section 6.1.

"Certificate for Payment" means a certificate substantially in the form of Exhibit A attached to the Reimbursement Agreement or otherwise approved by the Developer and a City Representative executed by a Person approved by a City Representative, delivered to a City Representative and the Trustee specifying the amount of work performed related to the Authorized Improvements and the Actual Costs thereof, and requesting payment for such Actual Costs from money on deposit in an account of the Project Fund, as further described in the Reimbursement Agreement and Section 6.5 herein.

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

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

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

"Closing Disbursement Request" means a certificate substantially in the form of Exhibit B attached to the Reimbursement Agreement or otherwise approved by the Developer and a City Representative executed by a City Representative or a Person approved by a City Representative, delivered to a City Representative and the Trustee at the time of the Closing Date, specifying the costs incurred in the establishment, administration, and operation of the District or issuing the Bonds, and requesting payment for such costs from money on deposit in the Cost of Issuance Account of the Project Fund, as further described in Section 6.5 herein.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

"Costs of Issuance Account" means the Account of such name established pursuant to Section 6.1.

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

"Delinquent Collection Costs" means the costs related to the foreclosure on Assessed Property and the costs of collection of a delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under the Service and Assessment Plan and in accordance with the PID Act, including penalties and reasonable attorney's fees actually paid, but excluding amounts representing the Assessment, interest, and penalty interest.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in St. Paul, Minnesota or such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"Developer" means GRBK Edgewood, LLC, a Texas limited liability company, and its successors and assigns.

"Development Agreement" means the "Development Agreement (Celina Hills)" between the City and the Original Landowner, dated June 11, 2019, as partially assigned to the Developer pursuant to the "Partial Assignment of Development Agreement (Celina Hills)", between the Original Landowner and the Developer, dated December 29, 2020, which provides for the development of property within the District, the creation of the District, the construction and financing of the Authorized Improvements, and other matters related thereto.

"District" means the Celina Hills Public Improvement District.

"District Administration Account" means the Account of such name established pursuant to Section 6.1.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

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

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments against any Assessed Property, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"Fund" means any of the funds established pursuant to Section 6.1 of this Indenture.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

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

"Initial Bond" means the Initial Bond as set forth in Exhibit A to this Indenture.

"Interest Payment Date" means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 1 and September 1 of each year, commencing September 1, 2022.

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

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

"Minor Amount Redemption" means a redemption, pursuant to Section 4.4 of this Indenture, of a principal amount of Bonds that is less than ten percent (10%) of the Outstanding principal amount of the Bonds.

"Original Landowner" means Westgate HS Celina Investments L.P., a Texas limited partnership, and its successors and assigns.

"Outstanding" means, as of any particular date when used with reference to the Bonds, all Bonds authenticated and delivered under this Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in Article IV, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Section 3.10 herein.

"Owner" means the Person who is the registered owner of a Bond or Bonds, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with Section 3.11 herein.

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

"PID Act" means Texas Local Government Code, Chapter 372, as amended.

"Pledged Funds" means the Pledged Revenue Fund, the Bond Fund, the Project Fund, the Reserve Fund, and the Redemption Fund.

"Pledged Revenue Fund" means that fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.3 herein.

"Pledged Revenues" means the sum of (i) Assessment Revenue less the Administrative Expenses and (ii) any additional revenues that the City may pledge to the payment of Bonds.

"Prepayment" means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment.

"Principal and Interest Account" means the Account of such name established pursuant to Section 6.1.

"Project Fund" means that fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.5 herein.

"Purchaser" means the initial purchaser of the Bonds.

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

"Rebate Fund" means that fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.8 herein.

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

"Redemption Fund" means that fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.6 herein.

"Redemption Price" means, when used with respect to any Bond or portion thereof, the amount of par plus accrued and unpaid interest to the date of redemption.

"Refunding Bonds" means bonds issued pursuant to the PID Act and/or Chapter 1207 of the Texas Government Code or any other applicable law of the State of Texas (each, as amended) to refund all or any portion of the then Outstanding Bonds.

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

"Reimbursement Agreement" means the "PID Reimbursement Agreement – Celina Hills" between the City and the Original Landowner relating to the Bonds, dated as of March 10, 2020, as assigned, in part, to the Developer, pursuant to that certain "Assignment of Public Improvement District Receivables Agreement", between the Original Landowner and the Developer, dated as of December 29, 2020, which provides, in part, for the deposit of proceeds from the issuance and sale of the Bonds and the payment of costs of Authorized Improvements within the District, the issuance of bonds, the reimbursement of costs to the Developer from the proceeds of the bonds for funds advanced by the Developer and used to pay costs of such Authorized Improvements and other matters related thereto.

"Reserve Account" means the Account of such name established pursuant to Section 6.1.

"Reserve Account Requirement" means the least of: (i) Maximum Annual Debt Service on the Bonds as of the Closing Date, (ii) 125% of average Annual Debt Service on the Bonds as of the Closing Date, or (iii) 10% of the lesser of the principal amount of the Outstanding Bonds or the original issue price of the Bonds. As of the Closing Date, the Reserve Account Requirement is $_____ which is an amount equal to the Maximum Annual Debt Service on the Bonds as of the Closing Date.

"Reserve Fund" means that fund of such name established pursuant to Section 6.1 and administered in Section 6.7 herein.

"Service and Assessment Plan" means the "Celina Hills Public Improvement District Service and Assessment Plan" dated April 12, 2022, including the Assessment Roll, as hereinafter amended, updated, and/or restated by an Annual Service Plan Update or otherwise, a version of which is attached as an Exhibit to the Assessment Ordinance.

"Sinking Fund Installment" means the amount of money to redeem or pay at maturity the principal of Bonds payable from such installments at the times and in the amounts provided in Section 4.2 herein.

"Stated Maturity" means the date the Bonds, or any portion of the Bonds, as applicable, are scheduled to mature without regard to any redemption or prepayment.

"Substantial Amount Redemption" means a redemption, pursuant to Section 4.4 of this Indenture, of a principal amount of Bonds that is greater than or equal to ten percent (10%) of the Outstanding principal amount of the Bonds.

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

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

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

Section 1.2. Findings.

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

Section 1.3. Table of Contents, Titles and Headings.

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

Section 1.4. Interpretation.

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

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

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

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

ARTICLE II

THE BONDS

Section 2.1. Security for the Bonds.

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

The lien on and pledge of the Trust Estate shall be valid and binding and fully perfected from and after the Closing Date, without physical delivery or transfer of control of the Trust Estate, the filing of this Indenture or any other act; all as provided in Texas Government Code, Chapter

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

1208, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by the City under this Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by the City under this Indenture is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in such pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in such pledge to occur.

Section 2.2. Limited Obligations.

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

Section 2.3. Authorization for Indenture.

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

Section 2.4. Contract with Owners and Trustee.

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

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

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of $_____ for the purpose of (i)

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

paying a portion of the Actual Costs of the Authorized Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Authorized Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization and administration of the District, and (v) paying costs of issuance of the Bonds.

Section 3.2. Date, Denomination, Maturities, Numbers and Interest.

(a) The Bonds shall be dated May 12, 2022 (the "Bond Date") and shall be issued in Authorized Denominations. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing September 1, 2022, computed on the basis of a 360-day year of twelve 30-day months.

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

Year	Principal Amount($)	Interest Rate (%)

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

Section 3.3. Conditions Precedent to Delivery of Bonds.

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

(i) a copy of the executed Assessment Ordinance;

(ii) a copy of the executed Bond Ordinance;

(iii) a copy of the executed Development Agreement;

(iv) a copy of the executed Reimbursement Agreement;

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(v) a copy of this Indenture executed by the Trustee and the City; and

(vi) a City Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City.

Section 3.4. Medium, Method and Place of Payment.

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

(b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from or on behalf of the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

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

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

(e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.

(f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State of Texas, any such payments remaining unclaimed by the Owners entitled thereto for two (2) years after the applicable payment or redemption date shall

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be applied to the next payment or payments on such Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any Owners of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State of Texas.

Section 3.5. Execution and Registration of Bonds.

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

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

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

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

Section 3.6. Ownership.

(a) The City, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

the Person in whose name such Bond is registered on the relevant Record Date) and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Trustee, nor the Paying Agent/Registrar, shall be bound by any notice or knowledge to the contrary.

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

Section 3.7. Registration, Transfer and Exchange.

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

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

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and bearing the same interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange.

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

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

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(g) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond or portion thereof called for redemption prior to maturity within forty-five (45) days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond redeemed in part.

Section 3.8. Cancellation.

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

Section 3.9. Temporary Bonds.

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

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

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

Section 3.10. Replacement Bonds.

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

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Trustee, pursuant to the applicable laws of the State of Texas and in the absence of notice or

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knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

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

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

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

(iv) satisfies any other reasonable requirements imposed by the City and the Trustee.

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

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

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

Section 3.11. Book-Entry Only System.

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

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC,

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Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the relevant Record Date, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.12. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from the City to DTC, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, and notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability through DTC of certificated Bonds and cause the Paying Agent/Registrar to transfer one or more separate registered Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

Section 3.13. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the blanket letter of representations from the City to DTC.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

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

Section 4.2. Mandatory Sinking Fund Redemption.

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

Term Bonds Maturing _____, 20__

Redemption Date	Sinking Fund Installment ($)

_____
* maturity

Term Bonds Maturing _____, 20__

Redemption Date	Sinking Fund Installment ($)

_____
* maturity

Term Bonds Maturing _____, 20__

Redemption Date	Sinking Fund Installment ($)

_____
* maturity

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Term Bonds Maturing _____, 20__

Redemption Date	Sinking Fund Installment ($)

_____
* maturity

(b) At least forty-five (45) days prior to each mandatory sinking fund redemption date, and subject to any prior reduction authorized by subparagraphs (c) and (d) of this Section 4.2, the Trustee shall select a principal amount of Bonds (in accordance with Section 4.5) of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6.

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

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

Section 4.3. Optional Redemption.

The City reserves the right and option to redeem Bonds maturing on or after September 1, 20__, before their respective scheduled maturity date, in whole or in part, on any date on or after _____ 1, 20__ at the Redemption Price.

Section 4.4. Extraordinary Optional Redemption.

Notwithstanding any provision in this Indenture to the contrary, the City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part and in an amount specified in a City Certificate, on the first day of any month, at the Redemption Price of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments

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(including related transfers to the Redemption Fund made pursuant to Sections 6.3(d), 6.7(b), or 6.7(d)), any other transfers to the Redemption Fund under the terms of this Indenture, or as a result of unexpended amounts transferred from the Project Fund pursuant to the terms of this Indenture. The City will provide the Trustee a City Certificate directing the Bonds to be redeemed pursuant to this Section 4.4, and in accordance with the provisions Section 4.5 hereof.

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to Sections 4.2, 4.3, or 4.4, Bonds shall be redeemed in minimum principal amounts of $1,000 or any integral multiple thereof. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by $1,000. No redemption shall result in a Bond in a denomination of less than the Authorized Denomination in effect at that time; provided, however, if the amount of the Outstanding Bond is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than $1,000, may be issued.

(b) In selecting the Bonds to be redeemed pursuant to Section 4.2, the Trustee may select Bonds in any method that results in a random selection.

(c) In selecting the Bonds to be redeemed pursuant to Section 4.3, the Trustee may rely on the directions provided in a City Certificate.

(d) If less than all of the Bonds are called for extraordinary optional redemption pursuant to Section 4.4 hereof, the Bonds to be redeemed shall be selected in the following manner:

(i) with respect to a Substantial Amount Redemption, the principal amount called for redemption shall be allocated on a pro rata basis among all Outstanding Bonds of all maturities; and

(ii) with respect to a Minor Amount Redemption, the Outstanding Bonds of all maturities shall be redeemed in inverse order of maturity.

(e) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.7 of this Indenture, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) The Trustee shall give notice of any redemption of Bonds by sending notice by United States mail, first-class, postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register. So long as the Bonds are in book-entry-only form and held by DTC as security depository, references to Owner in this Indenture means Cede & Co., as nominee for DTC.

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(b) The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, and subject to Section 4.5 hereof, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

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

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.3 or 4.4 by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

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

Section 4.7. Payment Upon Redemption.

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

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office of the Trustee on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.8. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the Redemption Price of such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

ARTICLE V

FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in Exhibit A to this Indenture with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

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

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

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

Section 5.2. CUSIP Registration.

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

Section 5.3. Legal Opinion.

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

(i) Pledged Revenue Fund;

(ii) Bond Fund;

(iii) Project Fund;

(iv) Reserve Fund;

(v) Redemption Fund;

(vi) Rebate Fund; and

(vii) Administrative Fund.

(b) Creation of Accounts.

(i) The following Account is hereby created and established under the Pledged Revenue Fund:

(A) Bond Pledged Revenue Account.

(ii) The following Accounts are hereby created and established under the Bond Fund:

(A) Capitalized Interest Account; and

(B) Principal and Interest Account.

(iii) The following Accounts are hereby created and established under the Project Fund:

(A) Authorized Improvements Account; and

(B) Costs of Issuance Account.

(iv) The following Accounts are hereby created and established under the Reserve Fund:

(A) Reserve Account; and

(B) Additional Interest Reserve Account.

(v) The following Account is hereby created and established under the Administrative Fund:

(A) District Administration Account.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(c) Each Fund and each Account created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds.

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

Section 6.2. Initial Deposits to Funds and Accounts.

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

(i) to the Capitalized Interest Account of the Bond Fund: $_____;

(ii) to the Authorized Improvements Account of the Project Fund: $_____;

(iii) to the Costs of Issuance Account of the Project Fund: $_____;

(iv) to the Reserve Account of the Reserve Fund: $_____; and

(v) to the District Administration Account of the Administrative Fund: $_____.

Section 6.3. Pledged Revenue Fund.

(a) On or before February 15 of each year while the Bonds are Outstanding and beginning February 15, 2023, the City shall deposit or cause to be deposited the Pledged Revenues into the Pledged Revenue Fund. From amounts deposited to the Pledged Revenue Fund, the City shall deposit or cause to be deposited Assessment Revenues as follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds next coming due in such calendar year, (ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement, in accordance with Section 6.7(a) hereof, (iii) third, to the Additional Interest Reserve Account of the Reserve Fund in an amount equal to the Additional Interest collected, in accordance with Section 6.7(b) hereof, (iv) fourth, to pay other Actual Costs of the Authorized Improvements, and (v) fifth, to pay other costs permitted by the PID Act.

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

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7 herein, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Principal and Interest

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Account first, to the payment of interest and, second, to the payment of principal (including any Sinking Fund Installments) on the Bonds, as described in Section 11.4(a) hereof.

(d) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Prepayments to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Prepayments to the Redemption Fund.

(e) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Foreclosure Proceeds to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer Foreclosure Proceeds first, to the Reserve Account to restore any transfers from the Reserve Account made with respect to the Assessed Parcel(s) to which the Foreclosure Proceeds relate, second, to the Additional Interest Reserve Account to restore any transfers from the Additional Interest Reserve Account made with respect to the Assessed Parcel(s) to which the Foreclosure Proceeds relate, and third to the Redemption Fund.

(f) After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds and to fund any deficiency that may exist in an account of the Reserve Fund, the City may direct the Trustee by City Certificate to apply Assessments for any lawful purposes permitted by the PID Act for which Assessments may be paid.

(g) Any additional Pledged Revenues remaining after the satisfaction of the foregoing shall be applied by the Trustee, as instructed by the City pursuant to a City Certificate, for any lawful purpose permitted by the PID Act for which such additional Pledged Revenues may be used, including transfers to other Funds and Accounts created pursuant to this Indenture.

Section 6.4. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and/or interest then due and payable on the Bonds, less any amount to be used to pay interest on the Bonds on such Interest Payment Date from the Capitalized Interest Account as provided below.

(b) If amounts in the Principal and Interest Account are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency in the order described in Section 6.7(f) hereof. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

(c) Moneys in the Capitalized Interest Account shall be used for the payment of interest on the Bonds on the following dates and in the following amounts:

Date	**Amount ($)**

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Any amounts on deposit in the Capitalized Interest Account after the payment of interest on the dates and in the amounts listed above shall be transferred to the Authorized Improvements Account of the Project Fund, or if the Authorized Improvements Account of the Project Fund has been closed as provided in Section 6.5(f) herein, such amounts shall be transferred to the Redemption Fund to be used to redeem Bonds and the Capitalized Interest Account shall be closed.

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1 hereof.

(b) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to either one or more City Certificates or an executed, completed, and accepted Closing Disbursement Request.

(c) Disbursements from the other Accounts of the Project Fund to pay Actual Costs of the Authorized Improvements shall be made by the Trustee upon receipt by the Trustee of either a properly executed and completed Certificate for Payment or written direction from the City or its designee approving the disbursement. The disbursement of funds from the Authorized Improvements Account of the Project Fund pursuant to a Certificate for Payment shall be pursuant to and in accordance with the disbursement procedures described in the Reimbursement Agreement or as provided in such written direction. Such provisions and procedures related to such disbursement contained in the Reimbursement Agreement and no other provisions of the Reimbursement Agreement, are herein incorporated by reference and deemed set forth herein in full.

(d) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Authorized Improvements Account of the Project Fund are not expected to be expended for purposes of the Project Fund due to the abandonment, or constructive abandonment of the Authorized Improvements, such that, in the opinion of the City Representative, it is unlikely that the amounts in the Authorized Improvements Account of the Project Fund will ever be expended for the purposes of the Project Fund, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Authorized Improvements Account of the Project Fund that are not expected to be used for purposes of the Project Fund. If such City Certificate is so filed, the amounts on deposit in the Authorized Improvements Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds on the earliest practicable date after notice of redemption has been provided in accordance with the Indenture.

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

(f) Upon the filing of a City Certificate stating that all Authorized Improvements have been completed and that all Actual Costs of the Authorized Improvements have been paid, or that any such Actual Costs are not required to be paid from the Project Fund pursuant to either a Certificate for Payment or written direction from the City or its designee, the Trustee (i) shall transfer the amount, if any, remaining within the Authorized Improvements Account of the Project Fund to the Bond Fund and (ii) the Authorized Improvements Account of the Project Fund shall be closed. If the Authorized Improvements Account of the Project Fund has been closed

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pursuant to the provisions of this Section and the Costs of Issuance Account of the Project fund has been closed pursuant to the provisions of Section 6.5(g), then the Project Fund shall be closed.

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

Section 6.6. Redemption Fund.

(a) The Trustee shall cause to be deposited to the Redemption Fund from the Bond Pledged Revenue Account of the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) The City agrees with the Owners of the Bonds to accumulate from the deposits outlined in Section 6.3(a) hereof, and when accumulated, maintain in the Reserve Account of the Reserve Fund, an amount equal to not less than the Reserve Account Requirement except to the extent such deficiency is due to the application of Section 6.7(d) hereof. All amounts deposited in the Reserve Account of the Reserve Fund shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund, as provided in this Indenture.

(b) The Trustee, if needed, will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Additional Interest Reserve Account on March 1 and September 1 of each year, commencing March 1, 2023, an amount equal to the Additional Interest collected, if any, until the Additional Interest Reserve Requirement has been has accumulated in the Additional Interest Reserve Account. If the amount on deposit in the Additional Interest Reserve Account shall at any time be less than the Additional Interest Reserve Requirement, the Trustee shall notify the City, in writing, of the amount of such shortfall, and the City shall resume collecting the Additional Interest and shall file a City Certificate with the Trustee instructing the Trustee to resume depositing the Additional Interest from the Bond Pledged Revenue Account of the Pledged Revenue Fund into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account; provided, however, that the City shall not be required to replenish the Additional Interest Reserve Account in the event funds are transferred from the Additional Interest Reserve Account to the Redemption Fund as a result of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment pursuant to Section 4.4 of this Indenture. In the event the amount on deposit in the Additional Interest Reserve Account is less than the Additional Interest Reserve Requirement, then the deposits described in the immediately preceding sentence shall continue until the Additional Interest Reserve Account has been fully replenished to the Additional Interest Reserve Requirement. If, after such deposits,

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there is surplus Additional Interest remaining, the Trustee shall transfer such surplus Additional Interest to the Redemption Fund, and shall notify the City of such transfer in writing. In calculating the amounts to be transferred pursuant to this Section, the Trustee may conclusively rely on the Annual Installments as shown on the Assessment Roll in the Service and Assessment Plan or an Annual Service Plan Update unless and until it receives a City Certificate directing that a different amount be used.

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

(d) Whenever Bonds are to be redeemed with the proceeds of Prepayments pursuant to Section 4.4, the Trustee shall transfer, on the Business Day prior to the redemption date (or on such other date as agreed to by the City and the Trustee), from the Reserve Account of the Reserve Fund to the Redemption Fund, an amount specified in a City Certificate to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to the principal amount of Bonds to be redeemed with Prepayments multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayments toward payment of accrued interest, there are insufficient funds in the Redemption Fund to pay the principal amount plus accrued and unpaid interest to the date fixed for redemption of the Bonds to be redeemed, as identified in a City Certificate as a result of such Prepayments and as a result of the transfer from the Reserve Account under this Section 6.7(d), the Trustee shall transfer an amount equal to the shortfall, and/or any additional amounts necessary to permit the Bonds to be redeemed in minimum principal amounts of $1,000, from the Additional Interest Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of debt service on the Bonds on the next Interest Payment Date in accordance with Section 6.4 hereof, unless within thirty days of such notice to the City Representative, the Trustee receives a City Certificate instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to an account of the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof, or (iii) for such other use specified in such City Certificate if the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that such alternate use will not adversely affect the exemption from federal income tax of the interest on any Bond.

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

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(g) At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Additional Interest Reserve Account shall be transferred to the Principal and Interest Account of the Bond Fund and applied to the payment of the principal of the Bonds.

(h) If, after a Reserve Account withdrawal pursuant to Section 6.7(f) hereof, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with Section 6.3.

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

Section 6.8. Rebate Fund: Rebate Amount.

(a) There is hereby established a special fund of the City to be designated "City of Celina, Texas, Rebate Fund" (the "Rebate Fund") to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts relating to the Bonds due the United States Government in accordance with the Code.

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

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

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

Section 6.9. Administrative Fund.

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

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

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Section 6.10. Investment of Funds.

(a) Money in any Fund or Account established pursuant to this Indenture shall be invested by the Trustee as directed by the City pursuant to a City Certificate filed with the Trustee at least two (2) days in advance of the making of such investment. The money in any Fund or Account shall be invested in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of September 30. Amounts in the Additional Interest Reserve Account may not be invested above the Yield (as defined in Section 7.5(a) hereof) on the Bonds, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such yield restriction will not adversely affect the exemption from federal income tax of the interest on any Bond. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold to prevent any default.

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

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall have no investment discretion and the Trustee's shall follow the written instruction of any City Certificate. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments.

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

(e) The Trustee will furnish the City and the Administrator monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder;

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and, unless the Trustee receives a written request, the Trustee is not required to provide brokerage confirmations so long as the Trustee is providing such monthly cash transaction statements.

Section 6.11. Security of Funds.

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

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Assessments.

The City hereby confirms, covenants, and agrees that the Assessments to be collected from the Assessed Property are as so reflected in the Service and Assessment Plan (as it may be updated from time to time), and, in accordance with the Assessment Ordinance, it has levied the Assessments against the respective Assessed Parcels from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Assessments.

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

(b) The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessment or the corresponding Assessed Parcel. Furthermore, nothing shall obligate the City, the City Attorney, or any appropriate designee to undertake collection or foreclosure actions against delinquent accounts in violation of applicable state law, court order, or existing contractual provisions between the City and its appropriate collections enforcement designees.

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Section 7.3. Against Encumbrances.

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

(b) So long as Bonds are Outstanding hereunder, the City shall not issue any bonds, notes or other evidences of indebtedness other than the Bonds and Refunding Bonds, if any, secured by any pledge of or other lien or charge on the Pledged Revenues or other property pledged under this Indenture, except for other indebtedness incurred in compliance with Section 13.2 of this Indenture.

Section 7.4. Records, Accounts, Accounting Reports.

The City hereby covenants and agrees that so long as any of the Bonds or any interest thereon remain Outstanding and unpaid, and/or the obligation to the Developer to reimburse it for funds it has contributed to pay Actual Costs of the Authorized Improvements remain outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts pertaining to the Assessments. The Trustee and the Owners of any Bonds or any duly authorized agent or agents of such Owners shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds during the City's regular business hours and on a mutually agreeable date not later than thirty days after the City receives such request.

Section 7.5. Covenants to Maintain Tax-Exempt Status.

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

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

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

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

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

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

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

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

"Yield" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

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

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

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

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

(d) No Private Loan.

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

(ii) The City covenants and agrees that the levied Assessments will meet the requirements of the "tax assessment loan exception" within the meaning of Section 1.141-5(d) of the Regulations on the date the Bonds are delivered and will ensure that the Assessments continue to meet such requirements for so long as the Bonds are outstanding hereunder.

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

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

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

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

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

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its

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official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall, pursuant to a City Certificate, direct the Trustee to transfer to the Rebate Fund from the funds or subaccounts designated in such City Certificate and direct the Trustee to pay to the United States from the Rebate Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

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

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

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

ARTICLE VIII

LIABILITY OF CITY

The City shall not incur any responsibility in respect of the Bonds or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to

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ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds, or as to the existence of a default or Event of Default thereunder.

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

No provision of this Indenture, the Bonds, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (the "Bond Documents"), shall require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Trust Estate and the Administrative Expenses) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

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

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

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

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discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

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

ARTICLE IX

THE TRUSTEE

Section 9.1. Trustee as Paying Agent/Registrar.

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

Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to spend its own funds, to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified, to the extent permitted by law, to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct; provided, however, the Trustee may not request or require indemnification as a condition to making any deposits, payments, or transfers when required hereunder, or delivering any notice when required hereunder. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Pledged Revenue Fund or the District Administration Account of the Administrative Fund to pay all costs and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall, to the extent permitted by law, be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.3. Responsibilities of the Trustee.

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

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The Trustee has the right to act through agents and attorneys and shall have no liability for the negligence or willful misconduct of the agents and attorneys appointed with due care.

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

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

The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default hereunder, unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the City or by the holders of at least fifty-one percent (51%) of the aggregate principal amount of Bonds then Outstanding. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no default or Event of Default.

In case a default or an Event of Default has occurred and is continuing hereunder (of which the Trustee has been notified), the Trustee shall exercise those rights and powers vested in it by this Indenture and shall use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

Section 9.4. Property Held in Trust.

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

Section 9.5. Trustee Protected in Relying on Certain Documents.

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

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in

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

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

Section 9.6. Compensation.

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

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Owner of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights of Owners or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the Owners of a majority in aggregate outstanding principal amount of the Bonds.

Section 9.8. Resignation of Trustee.

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

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Section 9.9. Removal of Trustee.

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

Section 9.10. Successor Trustee.

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

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

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

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

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least $50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on

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reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

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

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

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

Section 9.12. Merger, Conversion or Consolidation of Trustee.

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

Section 9.13. Trustee to File Continuation Statements.

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

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Section 9.14. Accounts, Periodic Reports and Certificates.

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

Section 9.15. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds. Permissive rights of the Trustee are not to be construed as duties.

ARTICLE X

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

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

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

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

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

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City and the Trustee may deem

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necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds;

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

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

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

Notwithstanding the above, no Supplemental Indenture under this Section shall be effective unless the City first delivers to the Trustee an opinion of Bond Counsel to the effect that such amendment is permitted and will not adversely affect the: (i) interest of the Owners in any material respect, or (ii) exclusion of interest on any Bond from gross income for purposes of federal income taxation.

Section 10.2. Owners' Meetings.

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

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

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

Such Supplemental Indenture shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided and the City or Bond Counsel, acting on the City's behalf, has delivered to the Trustee an opinion of Bond Counsel to the effect that such amendment is permitted and will not adversely affect the exclusion of interest on any Bond from gross income for purposes of federal income taxation. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 11.6 herein. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore

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provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of such notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period; provided, however, that the Trustee during such sixty day period and any such further period during which any such action or proceeding may be pending shall be entitled in its sole discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture, as it may deem expedient; provided, further, that the Trustee shall have no obligation to take or refrain from taking any such action and the Trustee shall have no liability with respect to any action taken or any instance of inactions.

Section 10.4. Effect of Supplemental Indenture.

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

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

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

Section 10.6. Amendatory Endorsement of Bonds.

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

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Section 10.7. Waiver of Default.

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

Section 10.8. Execution of Supplemental Indenture.

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

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.1. Events of Default.

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

(i) The failure of the City to deposit the Pledged Revenues to the Bond Pledged Revenue Account of the Pledged Revenue Fund;

(ii) The failure of the City to enforce the collection of the Assessments, including the prosecution of foreclosure proceedings;

(iii) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within thirty (30) days; provided, however, that the payments are to be made only from Pledged Revenues or other funds currently available in the Pledged Funds and available to the City to make any such payments; and

(iv) Default in the performance or observance of any covenant, agreement or obligation of the City under this Indenture and the continuation thereof for a period of ninety (90) days after written notice to the City by the Trustee, or by the Owners of at least 25% of the aggregate outstanding principal of the Bonds with a copy to the Trustee, specifying such default and requesting that the failure be remedied.

(b) Nothing in Section 11.1(a) will be an Event of Default if it is in violation of any applicable state law or court order.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, the Trustee may, and at the written direction of the Owners

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of at least 25% of the Bonds then Outstanding and its receipt of indemnity satisfactory, shall proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies of default.

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

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

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

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of not less than 25% of the aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 herein, (iv)

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the Trustee has for ninety (90) days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 90-day period by the Owners of at least 51% of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice this Indenture by its, his, or their action or to enforce any right hereunder except in the manner provided herein, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

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

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

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

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

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

SECOND: To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds, or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of

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principal due and to the Owners entitled thereto, without any discrimination or preference.

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

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

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

Section 11.5. Effect of Waiver.

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

Section 11.6. Evidence of Ownership of Bonds.

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

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

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

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of Bonds shall bind all future Owners of the same

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Bonds in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

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

Section 11.8. Mailing of Notice.

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

Section 11.9. Exclusion of Bonds.

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

Section 11.10. Remedies Not Exclusive.

No remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity, by statute or by contract.

Section 11.11. Direction of Owners.

Anything herein to the contrary notwithstanding, the Owners of at least 25% of the aggregate outstanding principal of the Bonds shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the choice of remedies and the time, method, and place of conducting a proceeding for any remedy available to the Trustee hereunder, under each Supplemental Indenture, or otherwise, or exercising any trust or power conferred upon the Trustee, including the power to direct or withhold directions with respect to any remedy available to the Trustee or the Owners, provided, (i) such direction shall not be otherwise than in accordance with Applicable Laws and the provisions hereof, (ii) that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and (iii) that the Trustee shall have the right to decline to follow any such direction which, in the opinion of the Trustee, would be unjustly prejudicial to Owners not parties to such direction.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Trust Estate.

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

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

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

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

Section 12.2. Accounts, Periodic Reports and Certificates.

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

Section 12.3. General.

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

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances,

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

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

Section 13.2. Additional Obligations or Other Liens.

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

(b) Other than Refunding Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be or omitted to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired.

(c) Additionally, the City has reserved the right to issue bonds or other obligations secured by and payable from Pledged Revenues so long as such pledge is subordinate to the pledge of Pledged Revenues securing payment of the Bonds.

(d) Notwithstanding anything to the contrary herein, no Refunding Bonds, Additional Obligations or subordinate obligations described by Section 13.2(c) above may be issued by the City unless: (1) the principal (including sinking fund installments) of such Refunding Bonds, Additional Obligations or subordinate obligations are scheduled to mature on September 1 of the years in which principal is schedule to mature, and (2) the interest on such Refunding Bonds, Additional Obligations or subordinate obligations must be scheduled to be paid on March 1 and/or September 1 of the years in which interest is scheduled to be paid.

Section 13.3. Books of Record.

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

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

ARTICLE XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

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

Section 14.2. Satisfaction of Indenture.

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

Section 14.3. Bonds Deemed Paid.

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

ARTICLE XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

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

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

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

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

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

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

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

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

Section 15.4. Waiver of Personal Liability.

No member, officer, agent, or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent, or employee from the performance of any official duty provided by law.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

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

If to the City:	City of Celina, Texas 142 North Ohio Street Celina, Texas 75009 Attn: City Manager
If to the Trustee or the Paying Agent/Registrar:	U.S. Bank Trust Company National Association Attention: Bond Operations 111 Fillmore Avenue East St. Paul, Minnesota 55107-1402

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

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

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

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Section 15.6. Partial Invalidity.

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

Section 15.7. Applicable Laws.

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

Section 15.8. Payment on Business Day.

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

Section 15.9. Counterparts.

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

Section 15.10. No Boycott of Israel.

To the extent this Indenture constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Indenture. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel,' a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Trustee understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Trustee within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

The Trustee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf, https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or https://comptroller.texas.gov/purchasing/docs/fto-list.pdf. The foregoing representation is made solely to enable the City to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Trustee understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Trustee within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 15.12. No Discrimination Against Fossil Fuel Companies.

To the extent this Indenture constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Trustee 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 Indenture. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, 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 (A) 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 (B) does business with a company described by (A) above. The Trustee understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Trustee within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Section 15.13. No Discrimination Against Firearm Entities and Firearm Trade Associations.

(a) To the extent this Indenture constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Indenture. The foregoing verification is made solely to

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification and the following definitions:

(i) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association;

(ii) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting); and

(iii) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(b) The Trustee understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Trustee within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

[*Remainder of Page Intentionally Left Blank*]

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

CITY OF CELINA, TEXAS

By: _____
Mayor

ATTEST:

_____
Deputy City Secretary

[CITY SEAL]

U.S. BANK TRUST COMPANY NATIONAL ASSOCIATION
as Trustee

By: _____
Authorized Officer

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT A

(a) Form of Bond.

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

REGISTERED
No. _____

REGISTERED
$_____

United States of America
State of Texas

CITY OF CELINA, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

INTEREST RATE	MATURITY DATE	DATE OF DELIVERY	CUSIP NUMBER
_____%	September 1, 20__	May 12, 2022	_____

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

_____

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

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on March 1 and September 1 of each year, commencing September 1, 2022, until maturity or prior redemption.

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

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in St. Paul, Minnesota (the "Designated Payment/Transfer Office"), of U.S. Bank Trust Company National Association, as trustee and paying agent/registrar (the "Trustee", which term includes any successor trustee under the Indenture), or, with respect to a successor

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the fifteenth calendar day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated May 12, 2022, issued in the aggregate principal amount of $_____ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of May 1, 2022 (the "Indenture"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of (i) paying a portion of the Actual Costs of the Authorized Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Authorized Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization and administration of the District, and (v) paying costs of issuance of the Bonds.

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

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

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

Term Bonds Maturing _____, 20__

Redemption Date	Sinking Fund Installment ($)

* maturity

Term Bonds Maturing _____, 20__

Redemption Date	Sinking Fund Installment ($)

* maturity

Term Bonds Maturing _____, 20__

Redemption Date	Sinking Fund Installment ($)

* maturity

Term Bonds Maturing _____, 20__

Redemption Date	Sinking Fund Installment ($)

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

* maturity

At least forty-five (45) days prior to each mandatory sinking fund redemption date, and subject to any prior reduction authorized by the Indenture, the Trustee shall select for redemption, pursuant to the provisions of the Indenture, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in the Indenture.

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

The City reserves the right and option to redeem Bonds maturing on or after September 1, 20__ before their scheduled maturity dates, in whole or in part, on any date on or after _____, 20__, such redemption date or dates to be fixed by the City, at a price of par (the "Redemption Price"), plus accrued interest to the date of redemption.

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

The Trustee shall give notice of any redemption of Bonds by sending notice by United States mail, first-class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

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

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond redeemed in part.

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

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

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

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

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

_____
Mayor, City of Celina, Texas

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

_____
[Assistant City Secretary] [Deputy City Secretary], City of Celina, Texas

[City Seal]

(b) Form of Comptroller's Registration Certificate.

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

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

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____

_____
Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

The following Certificate of Trustee shall appear on all bonds except the Initial Bond:

CERTIFICATE OF TRUSTEE

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

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

DATED: _____

By:_____
Authorized Signatory

(d) Form of Assignment.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):

_____

_____

_____

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

Date: _____ _____

Signature Guaranteed By:

_____

_____

Authorized Signatory

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

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

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

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

Year	Principal Amount ($)	Interest Rate (%)"

(Information to be inserted from Section 3.2(c) hereof); and

(iii) the Initial Bond shall be numbered T-1.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT B

BOND PURCHASE AGREEMENT

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

$8,155,000
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

BOND PURCHASE AGREEMENT

April 12, 2022

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 75009

Ladies and Gentlemen:

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

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the $8,155,000 aggregate principal amount of the "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project)" (the "Bonds"), at a purchase price of $_____ (representing the aggregate principal amount of the Bonds, less an Underwriter's discount of $_____) and no accrued interest.

Inasmuch as this purchase and sale represents a negotiated transaction, the City understands, and hereby confirms, that the Underwriter is not acting as a municipal advisor or fiduciary of the City (including, without limitation, a "municipal advisor" (as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act)), but rather is acting solely in its capacity as Underwriter for its own account. The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's length commercial transaction between the City and the Underwriter, (ii) in connection with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

The Bonds shall be dated as of the Closing Date (defined below), and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Schedule I hereto. Payment for and delivery of the Bonds, and the other actions described herein, shall take place on May 12, 2022 (or such other date as may be agreed to by the City and the Underwriter) (the "Closing Date").

2. Authorization Instruments and Law. The Bonds were authorized by an ordinance enacted by the City Council of the City (the "City Council") on April 12, 2022 (the "Bond Ordinance") and shall be issued pursuant to the provisions of the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "Act"), and the Indenture of Trust, dated as of May 1, 2022, between the City and the Trustee, authorizing the issuance of the Bonds (the "Indenture"). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the Trust Estate (as defined in the Indenture) consisting primarily of revenue from assessments (the "Assessments") levied pursuant to a separate ordinance adopted by the City Council on April 12, 2022 (the "Assessment Ordinance") against assessable property (the "Assessed Property") located within the Celina Hills Public Improvement District (the "District") all to the extent and upon the conditions described in the Indenture. The District was established by a resolution (the "Creation Resolution"), enacted by the City Council on July 9, 2019, in accordance with the Act. The service and assessment plan for the District was approved on April 12, 2022 (the "Service and Assessment Plan"). The Creation Resolution, the Assessment Ordinance, the Bond Ordinance and the Indenture are collectively referred to herein as the "Authorizing Documents."

The Bonds shall be as described in Schedule I attached hereto, the Indenture, and the Limited Offering Memorandum. The proceeds of the Bonds shall be used for the purposes described in the Limited Offering Memorandum under "PLAN OF FINANCE – The Bonds" and shall be generally applied as described in the Limited Offering Memorandum under "SOURCES AND USES OF FUNDS."

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

The City has been advised that the Reserve Account, funded at the Reserve Account Requirement, is reasonably required for the purposes for which the Reserve Account has been established, is a vital factor in marketing the Bonds, and facilitates the marketing of the Bonds at interest rates comparable to those of other bonds of a similar type.

3. Public Offering. The Underwriter agrees to make a bona fide limited public offering of all of the Bonds in accordance with Section 4 hereof to no more than thirty-five persons that qualify as "Accredited Investors" (as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended and as then in effect (the "Securities Act")) or "Qualified Institutional Buyers" (within the meaning of Rule 144A under the Securities Act). On or before the third (3rd) business day prior to the Closing Date, the Underwriter shall execute and deliver to Bond Counsel (as defined herein) the Issue Price Certificate (as defined herein), in substantially the form attached hereto as Appendix B.

4. Establishment of Issue Price.

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

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

c. The City and the Underwriter agree that the restrictions set forth in the next sentence shall apply to those maturities of the Bonds for which the 10% test has not been met as of the date of this Agreement, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(i) the close of the fifth (5th) business day after the sale date; or

(ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

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

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

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

(i) "public" means any person other than an underwriter or a related party to an underwriter;

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

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

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

5. Limited Offering Memorandum.

a. Delivery of Limited Offering Memorandum. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Limited Offering Memorandum for the Bonds dated March [28], 2022 (the "Preliminary Limited Offering Memorandum"), in a "designated electronic format," as defined in the MSRB Rule G-32 ("Rule G-32"). The City will prepare, or cause to be prepared, a final Limited Offering Memorandum relating to the Bonds (as more particularly defined below, the "Limited Offering Memorandum") which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission's Rule 15c2-12, as amended ("Rule 15c2-12"), (iii) in a "designated electronic format," and (iv) substantially in the form of the most recent version of the Preliminary Limited Offering Memorandum provided to the Underwriter before the execution hereof, except for the inclusion of the information permitted to be excluded from the Preliminary Limited Offering Memorandum by Section (b)(1) of Rule 15c2-12. The Limited Offering Memorandum, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds are collectively referred to herein as the "Limited Offering Memorandum." Until the Limited Offering Memorandum has been prepared and is available for distribution, the City shall provide to the Underwriter, upon request, sufficient quantities (which may be in electronic format) of the Preliminary Limited Offering Memorandum as the Underwriter reasonably deems necessary to satisfy the obligation of the Underwriter under Rule 15c2-12 with respect to distribution to each potential customer.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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

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

d. Updating of Limited Offering Memorandum. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than the twenty-fifth (25th) day after the "end of the underwriting period" for the Bonds), the City becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the City will promptly notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time reasonably request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the City will forthwith prepare and furnish, at no expense to the Underwriter (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Limited Offering Memorandum so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or so that the Limited Offering Memorandum will comply with law; provided, however, that for all

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

purposes of this Agreement and any certificate delivered by the City in accordance herewith, the City makes no representations with respect to the following information (collectively, the "Non-City Disclosures") (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of The Depository Trust Company, New York, New York ("DTC"), or its book-entry-only system, and (ii) the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum in the maps of the District therein or under the captions and subcaptions "PLAN OF FINANCE" (except for the information under the subcaption "– The Bonds"), "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS," "BOOK-ENTRY ONLY SYSTEM," "THE AUTHORIZED IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER," "THE PID ADMINISTRATOR," "APPRAISAL," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Authorized Improvements, and the Development, as defined in the Limited Offering Memorandum), "LEGAL MATTERS – Litigation – The Developer," "CONTINUING DISCLOSURE – The Developer" and "– The Developer's Compliance with Prior Undertakings," "INFORMATION RELATING TO THE TRUSTEE," "APPENDIX E-2," "APPENDIX F," and "APPENDIX G." If such notification shall be subsequent to the Closing (as defined herein), the City, at no expense to the Underwriter, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Limited Offering Memorandum. The City shall provide any such amendment or supplement or cause any such amendment or supplement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

e. Filing with MSRB. The Underwriter hereby agrees to timely file the Limited Offering Memorandum with the MSRB through its Electronic Municipal Market Access ("EMMA") system within one (1) business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the "end of the underwriting period" for purposes of Rule 15c2-12 is the Closing Date.

f. Limited Offering. The Underwriter hereby represents, warrants and covenants that the Bonds were initially sold pursuant to a limited offering. The Bonds were sold to not more than thirty-five (35) persons that qualify as "Accredited Investors" (as defined in Rule 501 of Regulation D under the Securities Act) or "Qualified Institutional Buyers" (within the meaning of Rule 144A under the Securities Act).

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

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

(i) to enter into and perform its duties and obligations under:

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(1) this Agreement;

(2) the Indenture;

(3) the Development Agreement (Celina Hills), effective as of June 11, 2019, between the City and Westgate HS Celina Investments, L.P., a Texas limited partnership ("Westgate"), as partially assigned to GRBK Edgewood LLC, a Texas limited liability company (the "Developer"), by Westgate by the Partial Assignment of Development Agreement (Celina Hills), executed on December 28, 2020, and effective as of December 29, 2020 (the "Development Agreement");

(4) the PID Reimbursement Agreement Celina Hills effective March 10, 2020, between the City and Westgate, as assigned to the Developer by Westgate by the Assignment of Public Improvement District Receivables Agreement, effective as of December 29, 2020 (the "PID Reimbursement Agreement"); and

(5) the Continuing Disclosure Agreement of the Issuer with respect to the Bonds, dated as of May 1, 2022 (the "Continuing Disclosure Agreement of the Issuer"), executed and delivered by the City, MuniCap, Inc., as PID Administrator (the "PID Administrator), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent (the "Dissemination Agent").

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the Development Agreement, (4) the PID Reimbursement Agreement, (5) the Continuing Disclosure Agreement of the Issuer, (6) the Limited Offering Memorandum and (7) any other documents and certificates described in any of the foregoing (the documents described by subclauses (1) through (7) being referred to collectively herein as the "City Documents").

b. Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors' rights generally. The City has

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complied, and will at the Closing be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

c. Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell and deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the Bond Ordinance and the other City Documents.

d. No Breach or Default. As of the time of acceptance hereof, and to its knowledge, the City is not, and as of the Closing Date the City will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument related to the Bonds and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City's ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

e. No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the

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City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City's knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

f. Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of certain revenues and the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

g. Assessments. The Assessments constituting the security for the Bonds have been levied by the City in accordance with the Act on those parcels of land identified in the Assessment Roll (as defined in the Service and Assessment Plan). According to the Act, such Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

h. Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

i. Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Assessments which secure the Bonds without the prior approval of the Underwriter.

j. Preliminary Limited Offering Memorandum. The information contained in the Preliminary Limited Offering Memorandum is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Non-City Disclosures.

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k. Limited Offering Memorandum. At the time of the City's acceptance hereof and (unless the Limited Offering Memorandum is amended or supplemented pursuant to paragraph (d) of Section 5 of this Agreement) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the information contained in the Limited Offering Memorandum does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Non-City Disclosures; and further provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

l. Supplements or Amendments to Limited Offering Memorandum. If the Limited Offering Memorandum is supplemented or amended pursuant to paragraph (d) of Section 5 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the Limited Offering Memorandum as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

m. Compliance with Rule 15c2-12. During the past five (5) years, the City has complied in all material respects with its previous continuing disclosure undertakings made by it in accordance with Rule 15c2-12, except as described in the Limited Offering Memorandum.

n. Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

o. Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws

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of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

p. Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

q. Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

r. Financial Advisor. The City has engaged Hilltop Securities Inc. as its financial advisor (the "Financial Advisor") in connection with its offering and issuance of the Bonds.

By delivering the Limited Offering Memorandum to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Limited Offering Memorandum, the representations, warranties and covenants set forth above.

7. Developer Letter of Representations. At the signing of this Agreement, the City and Underwriter shall receive from the Developer an executed Developer Letter of Representations (the "Developer Letter of Representations") in the form of Appendix A hereto, and at the Closing, a certificate signed by the Developer as set forth in Section 10(e) hereof (the "Developer Closing Certificate").

8. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its "FAST" System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Norton Rose Fulbright US LLP ("Bond Counsel"), or a place to be mutually agreed upon by the City and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the "Closing." The Bonds will be made available to the Underwriter or Underwriter's Counsel (as defined herein) for inspection not less than twenty-four (24) hours prior to the Closing.

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9. Underwriter's Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and in the Developer Letter of Representations and the performance by the City of its obligations under this Agreement, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions:

a. Bring-Down Representations of the City. The representations and covenants of the City contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

b. Executed Agreements and Performance Thereunder. At the time of the Closing:

(i) the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter;

(ii) the Authorizing Documents shall be in full force and effect;

(iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Underwriter's Counsel, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents;

(iv) there shall be in full force and effect such other resolutions or actions of the Developer as, in the opinions of General Counsel of the Developer and Shupe Ventura, PLLC ("Developer's Special Counsel"), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in the Developer Letter of Representations, the Development Agreement, the PID Reimbursement Agreement, and the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of May 1, 2022, executed and delivered by the Developer, the PID Administrator, and the Dissemination Agent (the "Continuing Disclosure Agreement of Developer" and, together with the Developer Letter of Representations, the Development Agreement, and the PID Reimbursement Agreement, the "Developer Documents"); and

(v) the City shall perform or have performed its obligations required or specified in the City Documents to be performed at or prior to Closing.

c. No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the City Documents, the Developer Documents or other documents relating to the financing and construction of the Authorized Improvements and the Development (as defined in the Limited Offering Memorandum), and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely

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impact the ability of the Developer to pay the Assessments when due or complete the Authorized Improvements.

d. Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 10 below.

e. Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter's reasonable judgment, the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(i) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either the House or the Senate thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either the House or the Senate of the Congress of the United States by a Committee of such the House or the Senate to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof; or

(ii) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as described herein or by the Limited Offering Memorandum, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"); or

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(iii) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(iv) there shall have occurred (whether or not foreseeable) (i) any outbreak of hostilities (including, without limitation, an act of terrorism) including, but not limited to, an escalation of hostilities that existed prior to the date hereof, (ii) national or international calamity or crisis, including, but not limited to, an escalation in the scope or magnitude of any pandemic or natural disaster, or (iii) material financial crisis or adverse change in the financial or economic conditions affecting the United States government or the securities markets in the United States, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner described in the Limited Offering Memorandum; or

(v) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed or described in the Limited Offering Memorandum; or

(vi) any state blue sky or securities commission or other governmental agency or body in any state in which more than ten percent (10%) of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(vii) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Assessments pledged to pay principal of and interest on the Bonds; or

(viii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(ix) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Limited Offering Memorandum, or has the effect that the Limited Offering Memorandum contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under

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which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(x) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Limited Offering Memorandum; or

(xi) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and shall be in force; or

(xii) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(xiii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as described in this Agreement or in the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the Closing Date, including the Securities Act, the Securities Exchange Act of 1934 and the Trust Indenture Act; or

(xiv) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (viii), (xiii) and (xiv) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

10. Closing Documents. At or prior to the Closing, the Underwriter (or Underwriter's Counsel on behalf of the Underwriter) shall receive the following documents:

a. Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix D to the Limited Offering Memorandum, together with a reliance letter from Bond Counsel, dated the Closing Date and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 10(b) hereof, to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

b. Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to Underwriter's Counsel, to the following effect:

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(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum, but that Bond Counsel has reviewed the statements and information appearing therein under the captions and subcaptions "PLAN OF FINANCE – The Bonds," "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS," "ASSESSMENT PROCEDURES" (except for the subcaptions "Assessment Methodology" and "Assessment Amounts"), "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS – Legal Proceedings" (first paragraph only), "– Legal Opinions," "CONTINUING DISCLOSURE – The City," "REGISTRATION AND QUALIFICATION OF BONDS FOR SALE," "LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS" and APPENDIX B and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance and the Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has or at the time of the adoption thereof had full power and authority to adopt the Creation Resolution, the Assessment Ordinance (including approving the Service and Assessment Plan) and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the "City Actions") and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the Development Agreement, the PID Reimbursement Agreement, the Continuing Disclosure Agreement of the Issuer, and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors' rights, or by the application of equitable principles if equitable remedies are sought and to the application of Texas law relating to governmental immunity applicable to governmental entities.

c. City Legal Opinion. An opinion of an attorney for the City, dated the Closing Date and addressed to the Underwriter, the City, Bond Counsel, General Counsel to the Developer, Developer's Special Counsel, and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter.

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d. Opinion(s) of Counsel to the Developer. (i) An opinion of General Counsel to the Developer, substantially in the form of Appendix D-1 hereto, dated the Closing Date, and (ii) an opinion of Developer's Special Counsel, substantially in the form of Appendix D-2 hereto, dated the Closing Date, each of which shall be addressed to the City, Bond Counsel, the Attorney for the City, the Underwriter, and the Trustee. Such opinions shall be in substantially such forms unless the City and the Underwriter mutually agree upon changes thereto.

e. Developer Closing Certificate. The Developer Closing Certificate dated as of the Closing Date, signed by authorized officers of the Developer in substantially the form of Appendix E hereto.

f. City Closing Certificate. A certificate of the City, dated the Closing Date, to the effect that:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Authorizing Documents and City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Limited Offering Memorandum, no litigation or proceeding against the City is pending or, to the best of the knowledge of such person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to the best of such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

g. Trustee's Counsel Opinion. An opinion of counsel to the Trustee, dated the Closing Date and addressed to the Underwriter, the City and Bond Counsel, in form and substance acceptable to Underwriter's Counsel, the City and Bond Counsel to the following effect:

(i) The Trustee is duly organized, validly existing and in good standing as a national banking association organized under the laws of the United States of America, and is duly qualified to serve as Trustee in accordance with the qualifications set forth for the Trustee in the Indenture;

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(ii) The Trustee has full right, power, and authority to enter into the Indenture, to perform its obligations under, and to carry out and consummate all of the transactions involving the Trustee contemplated by, the Indenture; and

(iii) The Indenture has been duly authorized, executed and delivered by the Trustee and is valid and enforceable against the Trustee in accordance with its terms.

h. Trustee's Certificate. A customary authorization and incumbency certificate dated prior to the Closing Date, signed by authorized officers of the Trustee in form and substance acceptable to the Underwriter, Underwriter's Counsel and Bond Counsel.

i. Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Orrick, Herrington & Sutcliffe LLP ("Underwriter's Counsel"), to the effect that:

(i) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(ii) Such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness, or fairness of any of the statements contained in the Preliminary Limited Offering Memorandum or in the Limited Offering Memorandum and it has not independently verified the accuracy, completeness, or fairness of any such statements. In its capacity as counsel to the Underwriter, to assist the Underwriter in part of its responsibility with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, such counsel has participated in conferences with representatives of the Underwriter, representatives of the City, and its counsel, Norton Rose Fulbright US LLP, as bond counsel, Hilltop Securities Inc., as Financial Advisor, the Administrator, the Developer, and its engineers and others, during which the contents of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and related matters were discussed. Based on such counsel's participation in the above-mentioned conferences (which, with respect to the Preliminary Limited Offering Memorandum, did not extend beyond the date of this Agreement, and, with respect to the Limited Offering Memorandum, did not extend beyond its date), and in reliance thereon, on oral and written statements and representations of the City, the Developer and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the Underwriter as a matter of fact and not opinion that, during the course of such counsel's representation of the Underwriter on this matter, (a) no facts had come to the attention of the attorneys in such counsel's firm rendering legal services to the Underwriter in connection with the Preliminary Limited Offering Memorandum which caused such counsel to believe, as of the date of the Preliminary Limited Offering Memorandum and as of the date of this Agreement, based on the documents, drafts and facts in existence and reviewed as of those dates, that the

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Preliminary Limited Offering Memorandum contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except any information marked as preliminary or subject to change, any information permitted to be omitted by Securities and Exchange Commission Rule 15c2-12 or otherwise left blank and any other differences with the information in the Limited Offering Memorandum), and (b) no facts had come to the attention of the attorneys in such counsel's firm rendering legal service to the Underwriter in connection with the Limited Offering Memorandum which caused such counsel to believe that the Limited Offering Memorandum as of its date contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, such counsel expressly excludes from the scope of this paragraph and expresses no opinion or conclusion, with respect to both the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, about any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about verification, feasibility, valuation, appraisals, absorption, real estate or environmental matters, relationship among the parties, Appendices, or any information about book-entry, DTC, Cede & Co., tax exemption, underwriters, or underwriting included or referred to therein or omitted therefrom. No responsibility is undertaken or conclusion expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum; and

(iii) The Continuing Disclosure Agreement of the Issuer satisfies the requirements contained in Securities and Exchange Commission Rule 15c2-12(b)(5) for an undertaking by the City for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule; provided that, for purposes of this opinion, such counsel is not expressing any view regarding the content of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum that is not expressly stated in numbered paragraph ii, above.

j. Limited Offering Memorandum. The Limited Offering Memorandum and each supplement or amendment, if any, thereto.

k. Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

l. Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

m. Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and Underwriter's Counsel setting forth the facts, estimates

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

and circumstances in existence on the Closing Date, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

n. Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

o. Continuing Disclosure Agreements. The Continuing Disclosure Agreement of the Issuer and the Continuing Disclosure Agreement of Developer shall have been executed by the parties thereto in substantially the forms attached to the Limited Offering Memorandum as Appendix E-1 and Appendix E-2.

p. Letter of Representation of the Appraiser. (i) Letter of Representation of the Appraiser, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter, and (ii) a copy of the real estate appraisal of the property in the District dated February 16, 2022.

q. Letter of Representation of PID Administrator. Letter of Representation of PID Administrator, substantially in the form of Appendix G hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

r. Evidence of Filing of Creation Resolution and Assessment Ordinance. Evidence that the Creation Resolution and the Assessment Ordinance, including the legal description of the property within the District, the Assessment Roll, and the Service and Assessment Plan, have been filed of record in the real property records of Collin County, Texas.

s. Reserved.

t. Developer Organizational Documents. The Developer shall have delivered to the Underwriter and the City, (i) fully executed copies of the Developer's organizational documents, (ii) a Certificate of Status from the Texas Secretary of State and (iii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

u. Rule 15c2-12 Certification. A resolution, an ordinance (including the Bond Ordinance) or a certificate of the City whereby the City has deemed the Preliminary Limited Offering Memorandum final as of its date, except for permitted omissions, as contemplated by Section (b)(1) of Rule 15c2-12 in connection with the offering of the Bonds, which action may be based on the approval of the release of the Preliminary Limited Offering Memorandum by an authorized City official (if such official has been duly authorized to take such action by the City Council), or certification, if made in the form of a certificate, may be included in the City Certificate required by Section 10(f) hereof.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

v. Dissemination Agent. Evidence acceptable to the Underwriter in its sole discretion that the City and the Developer have engaged a dissemination agent acceptable to the Underwriter for the Bonds, with the execution of the Continuing Disclosure Agreement of the Issuer and the Continuing Disclosure Agreement of Developer by other parties thereto being conclusive evidence of such acceptance by the Underwriter.

w. Blanket Letter of Representations. A copy of the Blanket Issuer Letter of Representation to DTC relating to the Bonds and signed by the City.

x. Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or Underwriter's Counsel may reasonably deem necessary.

11. City's Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the Closing Date of the purchase price set forth in Section 1 hereof, the Attorney General Opinion and the opinion of Bond Counsel described in Section 10(a) hereof.

12. Consequences of Termination. If the City shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter and the City shall have no further obligation hereunder, except as further set forth in Sections 13, 15 and 20 hereof.

13. Costs and Expenses.

a. The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Limited Offering Memorandum, the final Limited Offering Memorandum and any supplements and amendments thereto; (iii) the fees and disbursements of the City's Financial Advisor, the Trustee's counsel, Bond Counsel, General Counsel to the Developer, Developer's Special Counsel, and the Trustee relating to the issuance of the Bonds; (iv) the Attorney General's review fees; (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the PID Administrator; and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

b. The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in subsection 13(a) above.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

c. The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation ("Texas MAC") whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities.

14. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Celina, Texas, 142 North Ohio Street, Celina, Texas 75009, Attention: City Manager.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: FMSbonds, Inc., 5 Cowboys Way, Suite 300-25, Frisco, Texas 75034, Attention: Mr. R.R. "Tripp" Davenport, III, Director.

15. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in or by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

16. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. The City and the Underwriter agree that electronic signatures to this Agreement may be regarded as original signatures.

17. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

18. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State.

19. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter or the City without the prior written consent of the other party hereto.

20. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

21. Anti-Boycott Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Underwriter hereby verifies that it and its parent company, wholly- or

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majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the Issuer to comply with such Section 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.

22. Iran, Sudan and Foreign Terrorist Organizations. The Underwriter represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to enable the Issuer to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes the Underwriter and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

23. No Discrimination Against Fossil-Fuel Companies. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Underwriter 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 enable the City to comply with such Section and to the extent such Section does not contravene applicable federal or Texas law. As used in the foregoing verification, "boycott energy companies," shall mean, 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 (A) 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 (B) does business with a company described by (A) above.

24. No Discrimination Against Firearm Entities and Firearm Trade Associations. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Underwriter hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates,

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if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable federal or State law.

As used in the foregoing verification,

(a) "discriminate against a firearm entity or firearm trade association" (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(b) "firearm entity" means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and

(c) "firearm trade association" means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

25. Affiliate. As used in Sections 21 through 24, the Underwriter understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.133(f), and exists to make a profit.

26. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Underwriter's participation in the execution of this Agreement generated by the Texas Ethics

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Underwriter, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Underwriter and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Underwriter; and, neither the City nor its consultants have verified such information.

27. Entire Agreement. This Agreement is made solely for the benefit of the City and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Sections 13 and 15 shall survive any termination of this Agreement.

[*Signature pages follow*.]

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

FMSbonds, Inc.,
as Underwriter

By: _____
Name: R.R. "Tripp" Davenport, III
Title: Director, Investment Banking

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Accepted at _____ a.m./p.m. central time on the date first stated above.

City of Celina, Texas

By: _____
City Manager

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

SCHEDULE I

$8,155,000
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

Dated Date: May 12, 2022
Interest Accrues From: Date of Delivery

$_____ ____% Term Bonds, Due September 1, 20__, Priced to Yield _____% [(a)(b)(c)(d)]
$_____ ____% Term Bonds, Due September 1, 20__, Priced to Yield _____% [(a)(b)(c)(d)]

(a) The initial reoffering prices or yields of the Bonds have been determined in accordance with the 10% test.

(b) The Bonds maturing on or after September 1, 20__ may be redeemed before their scheduled maturity date, in whole or in part, on any date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at the redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued and unpaid interest to the date fixed of redemption.

(c) The Bonds are also subject to extraordinary optional redemption as described in the Limited Offering Memorandum under "DESCRIPTION OF THE BONDS – Redemption Provisions."

(d) The yield shown is the yield to the first optional call date, September 1, 20__.

(e) The Bonds are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedules.

$___ Term Bonds maturing September 1, 20__

Redemption Date	Sinking Fund Installment Amount
September 1, 20__	
September 1, 20__	
September 1, 20__†	

The Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installment Amounts as set forth in the following schedule.

$___ Term Bonds maturing September 1, 20__

Redemption Date	Sinking Fund Installment Amount
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__†	

† Stated maturity.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

APPENDIX A

FORM OF DEVELOPER LETTER OF REPRESENTATIONS

$8,155,000
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

DEVELOPER LETTER OF REPRESENTATIONS

April 12, 2022

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

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Ladies and Gentlemen:

This letter is being delivered to the City of Celina, Texas (the "City") and FMSbonds, Inc. (the "Underwriter"), in consideration for your entering into the Bond Purchase Agreement dated the date hereof (the "Bond Purchase Agreement") for the sale and purchase the $8,155,000 "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project)" (the "Bonds"). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase from the City, and the City has agreed to sell to the Underwriter, the Bonds. In order to induce the City to enter into the Bond Purchase Agreement and as consideration for the execution, delivery, and sale of the Bonds by the City and the purchase of them by the Underwriter, GRBK Edgewood LLC, a Texas limited liability company (the "Developer"), makes the representations, warranties, and covenants contained in this Developer Letter of Representations. Unless the context clearly indicates otherwise, each capitalized term used in this Developer Letter of Representations will have the meaning set forth in the Bond Purchase Agreement.

1. Purchase and Sale of Bonds. Inasmuch as the purchase and sale of the Bonds represents a negotiated transaction, the Developer understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Developer, but rather is acting solely in its capacity as Underwriter of the Bonds for its own account.

2. Updating of the Limited Offering Memorandum. If, after the date of this Developer Letter of Representations, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

to Rule 15c2-12 (the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than twenty-five (25) days after the "end of the underwriting period" for the Bonds), the Developer becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the Developer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request); however, that for the purposes of this Developer Letter of Representations and any certificate delivered by the Developer in accordance with the Bond Purchase Agreement, the Developer makes no representations with respect to the information appearing in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum except for the information set forth in the maps of the District therein and under the captions and subcaptions "PLAN OF FINANCE" (except for the information under the subcaption "– The Bonds"), "THE AUTHORIZED IMPROVEMENTS," "THE DEVELOPMENT" and "THE DEVELOPER" and, to the Developer's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Authorized Improvements and the Development, as defined in the Limited Offering Memorandum), "LEGAL MATTERS – Litigation – The Developer," "CONTINUING DISCLOSURE – The Developer" and "– The Developer's Compliance with Prior Undertakings," "SOURCES OF INFORMATION – Source of Certain Information," "APPENDIX E-2" and "APPENDIX F" (collectively, the "Developer Disclosures") in accordance with subsection 4(f) herein.

3. Developer Documents. The Developer has executed and delivered each of the below listed documents (individually, a "Developer Document" and collectively, the "Developer Documents") in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

a. this Developer Letter of Representations;

b. the Development Agreement (Celina Hills), effective as of June 11, 2019, between the City and Westgate HS Celina Investments, L.P., a Texas limited partnership ("Westgate"), as partially assigned to the Developer by Westgate by the Partial Assignment of Development Agreement (Celina Hills), executed on December 28, 2020, and effective as of December 29, 2020 (the "Development Agreement");

c. the PID Reimbursement Agreement Celina Hills effective March 10, 2020, between the City and Westgate, as assigned to the Developer by Westgate by the Assignment of Public Improvement District Receivables Agreement, effective as of December 29, 2020 (the "PID Reimbursement Agreement"); and

d. the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of May 1, 2022, executed and delivered by the Developer, MuniCap, Inc., as PID Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities, Inc., as Dissemination Agent.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

The Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

The representations and warranties of the Developer contained in the Developer Documents are true and correct in all material respects on and as of the date hereof.

4. Developer Representations, Warranties and Covenants. The Developer represents, warrants, and covenants to the City and the Underwriter that:

a. Due Organization and Existence. The Developer is duly formed and validly existing as a limited liability company under the laws of the State of Texas.

b. Organizational Documents. The copies of the organizational documents of the Developer provided by the Developer (the "Developer Organizational Documents") to the City and the Underwriter are fully executed, true, correct, and complete copies of such documents and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

c. No Breach. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party.

d. No Litigation. There are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that are either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

e. Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum was, and is, as of this date, true and correct in all material respects.

f. Preliminary Limited Offering Memorandum and Limited Offering Memorandum. The Developer represents and warrants that the information set forth in the Developer Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (f) with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

g. Events of Default. No "Event of Default" or "event of default" by the Developer under any of the Developer Documents, any documents to which the Developer is a party described in the Limited Offering Memorandum, or under any material documents relating to the financing and construction of the Authorized Improvements to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such "Event of Default" or "event of default" by the Developer has occurred and is continuing.

5. Indemnification.

a. The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Developer Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission, untrue statement or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

b. Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity herein shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

6. Survival of Representations, Warranties and Covenants. All representations, warranties, and agreements in this Developer Letter of Representations will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of any payment by the Underwriter for the Bonds hereunder, and (c) any termination of the Bond Purchase Agreement.

7. Binding on Successors and Assigns. This Developer Letter of Representations will be binding upon the Developer and its successors and assigns and inure solely to the benefit of the Underwriter and the City, and no other person or firm or entity will acquire or have any right under or by virtue of this Developer Letter of Representations.

[*Signature page follows.*]

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Dated: _____

GRBK Edgewood LLC,
a Texas limited liability company

By: _____

Name: _____

Title: _____

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

APPENDIX B

$8,155,000
CITY OF CELINA, TEXAS,
ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of FMSbonds, Inc. ("FMS"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds") of the City of Celina, Texas (the "Issuer").

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) FMS offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, FMS agreed in writing on or prior to the Sale Date that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail or other third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail or other third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms***.

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which FMS sold at least 10% of such Hold-the-Offering-

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 12, 2022.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The remainder of this page is left blank intentionally.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents FMS's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Certificate as to Tax Exemption with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Norton Rose Fulbright US LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

FMSbonds, Inc.,
as Underwriter

By:_____

Name: R.R. "Tripp" Davenport, III
Title: Director, Investment Banking

Date: _____, 2022

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(*Attached*)

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(*Attached*)

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

APPENDIX C

LETTERHEAD OF MESSER, FORT & MCDONALD, PLLC

May 12, 2022

City of Celina
142 North Ohio Street
Celina, Texas 76201

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Norton Rose Fulbright US, LLP
2200 Ross Avenue
Suite 3600
Dallas, Texas 75201-7932

U.S. Bank Trust Company, National Association, as Trustee
111 Filmore Avenue East
St. Paul, Minnesota 55107
Attn: Bond Operations

Shupe Ventura, PLLC
9406 Biscayne Boulevard
Dallas, Texas 75218

[General Counsel of Developer]

$8,155,000
CITY OF CELINA, TEXAS,
ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

Ladies and Gentlemen:

This firm has acted as special counsel to the City of Celina, Texas (the "City") and are rendering this opinion for limited purposes in connection with the issuance and sale of $8,155,000 "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project)" (the "Bonds"), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. 2022-__, enacted by the City Council of the City (the "City Council") on April 12, 2022 (the "Bond Ordinance"), and were issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "Act"), and the Indenture of Trust dated as of May 1, 2022 (the "Indenture") by and between the City and U.S. Bank Trust Company National Association, as trustee (the "Trustee"). The Bonds are being sold to FMSbonds, Inc. pursuant to the Bond Purchase Agreement dated April 12, 2022, between the City and FMSbonds Inc. (the "Bond Purchase Agreement"). This opinion is being delivered pursuant to Section 10(c) of the Bond Purchase Agreement. Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

In our capacity as special counsel to the to the City, and for the purposes of rendering opinions set forth herein, we have reviewed the following (the "Reviewed Documents"):

(a) Resolution No. 2019-37R (the "Creation Resolution"), enacted by the City Council on July 9, 2019;

(b) Ordinance No. 2022-_____, accepted and approved by the City Council on April 12, 2022 (the "Assessment Ordinance," and the Amended and Restated Service and Assessment Plan (the "Service and Assessment Plan") attached as an exhibit thereto;

(c) The Bond Ordinance;

(d) The Indenture;

(e) The Development Agreement (Celina Hills), effective as of June 11, 2019, between the City and Westgate HS Celina Investments, L.P., a Texas limited partnership ("Westgate"), as partially assigned to the Developer by Westgate by the Partial Assignment of Development Agreement (Celina Hills), executed on December 28, 2020, and effective as of December 29, 2020 (the "Development Agreement");

(f) the PID Reimbursement Agreement Celina Hills effective March 10, 2020, between the City and Westgate, as assigned to the Developer by Westgate by the Assignment of Public Improvement District Receivables Agreement, effective as of December 29, 2020 (the "PID Reimbursement Agreement"); and

(g) the Continuing Disclosure Agreement of the Issuer with respect to the Bonds, dated as of May 1, 2022 (the "Continuing Disclosure Agreement of the Issuer"), executed and delivered by the City, MuniCap, Inc., as PID Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc, as Dissemination Agent.

In rendering the opinions expressed below, we have, with your concurrence and without any inquiry or other investigation, made and relied upon the following assumptions: (a) the due authorization, execution and delivery of each of the Reviewed Documents by all parties thereto other than the City; (b) the genuineness of all signatures to the Reviewed Documents; (c) the correctness and truthfulness of all the statements of fact contained in the Reviewed Documents; (d) the authenticity of the Reviewed Documents; (e) the conformity to original documents of the Reviewed Documents submitted to us as copies; and (f) the additional assumptions set forth on **Exhibit A** attached to this letter and the exclusions set forth on **Exhibit B** attached to this letter. Our opinions are limited to matters expressly stated herein and no opinion is to be inferred or may be implied beyond the matters expressly stated.

In rendering the opinions set forth below, we have also relied upon: (a) the representations and warranties contained in the Reviewed Documents; (b) the resolutions and other documents of the parties to the Reviewed Documents authorizing or approving the Reviewed Documents; (c) the Closing Certificate of the Developer delivered pursuant to the Bond Purchase Agreement; (d) the Developer Letter of Representations delivered pursuant to the Bond Purchase Agreement; (e) the legal opinion delivered pursuant to the Bond Purchase Agreement by General Counsel to the Developer; and (f) the legal opinion delivered pursuant to the Bond Purchase Agreement by Shupe

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Ventura, PLLC, Developer's Special Counsel (collectively, the "Reliance Materials"). We have not made any independent or other investigation, review, analysis, or inquiry as to any of the facts, matters, circumstances or legal opinions or conclusions contained in the Reviewed Documents or Reliance Materials or the accuracy or completeness thereof. Additionally, we have assumed that none of the Reviewed Documents or Reliance Materials contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances in which they are made, not misleading. We have not made any examination of any accounting or financial matters, and we express no opinion with respect thereto.

The opinions expressed herein are subject to the correctness in understanding that no beneficiary to this opinion letter may rely on this opinion letter to the extent that such beneficiary or its counsel has actual knowledge of any applicable laws, facts, or circumstances which would make any opinion expressed herein incorrect, subject to question, or require further investigation of any laws, facts or circumstances.

Whenever our opinion or advice with respect to the existence or absence of facts is indicated to be based on our knowledge, we are referring to the actual knowledge of the Messer, Fort & McDonald, PLLC attorneys who have given attention to matters concerning the City during the course of our representation of the City in connection with the Reviewed Documents, which knowledge has been obtained by such attorneys in their capacity as such. In particular, our response does not include matters known to any attorney of our firm in a capacity other than as special counsel to the City. Further, the words "our knowledge," "our actual knowledge" and similar expressions used in this opinion letter are intended to be limited to the actual knowledge of Julie Fort of our firm who have been directly involved in representing the City. We have not undertaken any independent investigation to determine the existence or absence of such facts, and no inference as to our knowledge concerning such facts should be drawn from the fact that such limited representation has been undertaken by us.

Based upon and subject to the foregoing and the additional qualifications, limitations, and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Reviewed Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Reviewed Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of Celina Hills Public Improvement District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the Assessments in the District pursuant to the provisions of the Assessment Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability, or the City's performance of the Reviewed Documents, (e) contesting the exclusion of the interest on the Bonds

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

4. The Reviewed Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such Reviewed Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, or (c) the application of State law relating to action by future councils and relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Reviewed Documents will not violate any provision of any Federal or State constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Reviewed Documents.

8. Based upon our limited participation in the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum (collectively, the "Limited Offering Memorandum"), the statements and information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum with respect to the City under the captions and subcaptions "ASSESSMENT PROCEDURES – Assessment Methodology" (except for the information and data in the tables labeled "Assessment Per Unit – PID" and "Estimated Tax Rate Equivalent per unit – PID") and "– Assessment Amounts" (except for the information and data in the table labeled "Projected Leverage – PID"), "THE CITY," "THE DISTRICT," "LEGAL MATTERS – Litigation – The City," and "CONTINUING DISCLOSURE – The City" are a fair and accurate summary of the laws and the documents and facts summarized therein.

9. The execution and delivery of the Reviewed Documents and the compliance with the provisions of the Reviewed Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with, or constitute on the part of the City, a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with, or constitute on the part of the City, a violation, breach of, or default under any existing law, regulation, court order or consent decree to which the City is subject.

The foregoing opinions are, with your concurrence, predicated on, limited by and qualified in their entirety by the following:

(a) The foregoing opinions are based on and limited to the laws of the State of Texas, and we render no opinion with respect to the federal laws of the United States or to the laws of any other jurisdiction.

(b) We express no opinion with respect to the enforceability of provisions of the Reviewed Documents that relate to (i) mediation or arbitration; (ii) limitations or restrictions on, or waiver of, legal or equitable remedies; (iii) indemnity or release;

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(iv) limitations or restrictions on assignment or transfer of rights, interests or property; (v) the rights or obligations of third parties; (vi) evidentiary standards; (vii) waiver of rights to notice or the obligations of good faith, fair, dealing, diligence or reasonableness; (viii) self-help, subrogation, delay or omission to enforce rights or remedies, contribution or severability; (ix) the availability of specific performance, injunctive relief or any other equitable remedy (regardless of whether such question is considered in a proceeding in equity or at law); (x) fixed, stipulated or liquidated damages; (xi) the making of determinations in the sole and absolute (or similarly described) discretion of a party to the Reviewed Documents; (xii) authorizing any party to exercise any rights other than in accordance with applicable law; (xiii) liability of any party for payment of any amount payable under the Reviewed Documents to the extent such amounts (A) accrue, or are attributable to any period of time, after the termination of any of the Reviewed Documents, (B) allow any other party to recover more than the "benefit of its bargain" or (C) exceed the amount of any party's actual damages; (xiv) rendering inapplicable any otherwise applicable law (other than those laws which by their terms may be rendered inapplicable); (xv) requiring all amendments, waivers and terminations be in writing or requiring disregard of any course of dealing between the parties; (xvi) establishing any obligation of the parties as absolute or unconditional regardless of the occurrence or non-occurrence or existence or non-existence of any event or other state of facts; (xvii) obligations of the parties by reference to and/or incorporation of any provision of any agreement other than the Reviewed Documents, or that consist of or employ provisions (whether operative or definitional) contained in any such other agreement; (xviii) obligating any party to take action it has no legal right to take, or to take or not take an action if taking or failing to take the same would constitute, or aid or abet, a violation of applicable law; (xix) certain agreements of non-signatories, or obligations of signatories with respect to non-signatories or other persons or entities, whether or not signatories, not under the control of such signatories; (xx) selection of venue; (xxi) modifying the time at which any applicable statute of limitation begins to run or at which any cause of action begins to accrue; (xxii) an exemption from any sales or other taxes; (xxiii) disclaiming or limiting warranties implied by or required pursuant to law; (xxiv) waiving the defense that an adequate remedy at law exists; and (xxv) waiving any suretyship defenses.

(c) The validity, binding effect, and enforceability of the Reviewed Documents may be limited by (i) applicable bankruptcy, insolvency, reorganization, receivership, moratorium, liquidation, redemption, conservatorship, rearrangement, fraudulent conveyance, or other similar statutes, regulations or laws affecting creditor's rights and remedies generally; (ii) general principles of equity; (iii) judicial discretion; (iv) the exercise by political subdivisions or governmental authorities or corporations acting on their behalf of sovereign or governmental immunity, legislative or governmental powers, police powers, taxing powers, or rights of appropriation; and (v) applicable court decisions relating to a duty or obligation to mitigate damages.

(d) We express no opinion regarding the effect of the laws of usury or similar laws regarding interest rate limitations on the provisions of the Reviewed Documents.

(e) We express no opinion with respect to the matters described on Exhibit B attached to this letter.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(f) The opinions set forth herein are also subject to the qualification that enforceability of the Reviewed Documents may be limited by (i) the provisions of Section 130.002 of the Texas Civil Practice and Remedies Code regarding limitations on indemnifications; (ii) Section 28 of the Texas Property Code regarding prompt payment to contractors and subcontractors; (iii) Section 16.071 of the Texas Civil Practice and Remedies Code regarding the time period for a claimant to give notice of a claim for damages as a condition precedent to the right to sue on a contract; (iv) Section 16.070 of the Texas Civil Practice and Remedies Code regarding permitted contractual limitations on when a claimant may bring suit on a contract; (v) Section 38.02 of the Texas Civil Practice and Remedies Code providing for the notice time period in order for a claimant to recover attorneys' fees; (vi) the "express negligence" and "clear and conspicuous" rules adopted by the Texas Supreme Court, as applied to any indemnity or release provisions in the Reviewed Documents; (vii) Section 35.52 of the Texas Business and Commerce Code; (viii) Section 162.001 et seq. of the Texas Property Code; (ix) Section 302.002 of the Texas Finance Code; (x) Section 28.009 of the Texas Property Code; and (xi) claims of sovereign or governmental immunity by political subdivisions or governmental authorities or corporations acting on their behalf.

We express no opinion as to the laws of any jurisdiction other than the laws of Texas and the laws of the United States of America. The opinions expressed above concern only the effect of the laws (excluding the principles of conflict of laws) of Texas and the United States of America as currently in effect.

We assume there are no material misstatements in the legal opinions delivered by the other parties and entities to this transaction; and further specifically rely upon Bond Counsel to the City with regard to the Bond Ordinance, Indenture, bond purchase agreement or other documents prepared, delivered or executed in connection with the Bonds and Bond documents, and the Attorney General's review and approval of the transaction.

This opinion letter has been rendered solely for the benefit of the addressees named above in connection with the transactions described therein, and may not be used, circulated, quoted, relied upon or otherwise referred to for any other purpose or by any other person without our prior written consent. This opinion letter does not constitute a warranty or guarantee or an opinion as to matters of fact and should not be construed or relied upon as such. This opinion letter is as of the date hereof only, and we undertake no, and hereby disclaim any, obligation to advise you of any change in any matter set forth herein.

Very truly yours,
MESSER, FORT & MCDONALD, PLLC

_____

By: JULIE FORT
Special Counsel to the City

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT A TO OPINION LETTER

ADDITIONAL ASSUMPTIONS

In addition to the assumptions contained in the letter to which this Exhibit A is attached, we have, with your concurrence and without any inquiry or other investigation, made and relied upon the following additional assumptions:

1. The legal capacity of all natural persons executing the Reviewed Documents;

2. No undue influence, duress, fraud, or deceit exists with respect to the transactions described in the Reviewed Documents, and there has not been any mutual mistake of fact or misunderstanding with respect to the same;

3. The conduct of the parties to the Reviewed Documents has complied, and will comply, with any requirement of good faith, fair dealing, and conscionability;

4. There are no agreements or understandings, written or oral, among the parties to the Reviewed Documents, and there is no usage or trade or course of prior dealing among the parties to the Reviewed Documents that would, in either case, define, supplement, or qualify the terms of the Reviewed Documents;

5. All statutes and ordinances enacted by an official legislative body were validly enacted and are constitutional, and all rules and regulations promulgated or issued by an administrative body and not adjudicated invalid or unenforceable are valid and enforceable;

6. All parties to the Reviewed Documents have complied with all legal requirements that are applicable to them to the extent necessary to authorize such parties to enter into the Reviewed Documents and, except as to the City, the Reviewed Documents are enforceable against the other parties thereto;

7. There has been no modification of any provision of the Reviewed Documents, and no waiver or release of any right or remedy thereunder;

8. All parties to the Reviewed Documents will act in accordance with, and will refrain from taking any action that is forbidden by, the terms and conditions of the Reviewed Documents;

9. All parties to the Reviewed Documents will obtain all permits and governmental approvals required in the future, and take all actions similarly required, relevant to subsequent consummation of the transactions evidenced by the Reviewed Documents or performance of the Reviewed Documents; and

10. There are no material misstatements in the legal opinions delivered pursuant to the Bond Purchase Agreement by: (i) Norton Rose Fulbright US LLP, Bond Counsel to the City; (ii) Shupe Ventura, PLLC, Developer's Special Counsel; and (iii) General Counsel to the Developer.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT B TO OPINION LETTER

ADDITIONAL EXCLUSIONS

None of the opinions expressed in the letter to which this Exhibit B is attached include any implied opinion unless such implied opinion is both (a) essential to the legal conclusion reached by the express opinions set forth in this letter and (b) based upon prevailing norms and expectations among experienced lawyers in the State of Texas, reasonable in the circumstances. Moreover, unless explicitly addressed in the letter to which this Exhibit B is attached, our opinions do not address any of the following legal issues or the effects thereof on the transactions evidenced by the Bond Purchase Agreement or any other documents prepared, delivered, or executed in connection with the Bonds (the "***Bond Documents***"), and we specifically express no opinion with respect to the Bond Documents:

1. Federal and State securities laws and regulations administered by the Securities and Exchange Commission and state "***Blue Sky***" laws and regulations;

2. The compliance or noncompliance by the Underwriter, the Trustee, the Developer, any party to the Bond Documents, or the purchasers of the Bonds with any federal and state laws or regulations applicable to the transactions evidenced by the Bond Documents;

3. Compliance with fiduciary duty requirements;

4. Decisions, orders, rules, policies, and regulations of any political subdivision, department, agency, organization, or entity of any kind created under or pursuant to federal law and judicial decisions to the extent they deal with any of the foregoing;

5. Title to any asset or property described or referred to in the Bond Documents or the accuracy or sufficiency of its description;

6. The creation, attachment, perfection, priority or enforcement of any lien, security interest or right of offset purported to be granted under the Bond Documents or created by operation of law;

7. The recordation or filing of any Bond Documents or related documents;

8. Federal and state environmental laws and regulations;

9. Federal and state land use and subdivision laws and regulations;

10. Federal and state tax laws and regulations;

11. Federal patent, copyright and trademark, state trademark, and other federal and state intellectual property laws and regulations;

12. Federal and state racketeering laws and regulations (e.g., RICO);

13. Federal and state health and safety laws and regulations (e.g., OSHA);

14. Federal and state labor laws and regulations;

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

15. Federal and state laws, regulations and policies concerning (i) national and local emergency, (ii) possible judicial deference to acts of sovereign states, and (iii) criminal and civil forfeiture laws; and

16. Other federal and state statutes of general application to the extent they provide for criminal prosecution (e.g., mail fraud and wire fraud statutes).

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

APPENDIX D-1

[LETTERHEAD OF GENERAL COUNSEL TO DEVELOPER]

May 12, 2022

City of Celina
142 North Ohio Street
Celina, Texas 76201

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Norton Rose Fulbright US, LLP
2200 Ross Avenue
Suite 3600
Dallas, Texas 75201-7932

U.S. Bank Trust Company, National Association, as Trustee
111 Filmore Avenue East
St. Paul, Minnesota 55107
Attn: Bond Operations

Messer, Fort & McDonald PLLC
6371 Preston Rd., Suite 200
Frisco, Texas 75034

Shupe Ventura, PLLC
9406 Biscayne Blvd.
Dallas, Texas 75218

$8,155,000
CITY OF CELINA, TEXAS,
ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

Ladies and Gentlemen:

I am General Counsel for GRBK Edgewood LLC, a Texas limited liability company (the "***Developer***"), including in connection with the issuance and sale by the City of Celina, Texas (the "***City***"), of $8,155,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project) (the "***Bonds***"), pursuant to that certain Indenture of Trust dated as of May 1, 2022 (the "***Indenture***"), by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "***Trustee***"). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "Celina Hills" (the "***Development***") located in the City.

The Bonds are being sold to FMSbonds, Inc. (the "***Underwriter***"), pursuant to that certain Bond Purchase Agreement dated April 12, 2022 (the "***Bond Purchase Agreement***"), between the City and the Underwriter. This opinion is being delivered pursuant to Section 10(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

Assumptions and Bases for Opinions and Assurances

In our capacity as Counsel for the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents being executed, entered into and/or issued, as the case may be, in connection with the issuance of the Bonds (collectively, the "***Material Documents***"):

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(1) the *Development Agreement (Celina Hills)*, effective as of June 11, 2019, between the City and Westgate HS Celina Investments, L.P., a Texas limited partnership ("Westgate"), as partially assigned to the Developer by Westgate by the Partial Assignment of Development Agreement (Celina Hills), executed on December 28, 2020, and effective as of December 29, 2020 (the "Development Agreement"); and

(2) the *Developer Letter of Representations* executed by the Developer as of April 12, 2022; and

(3) the *PID Reimbursement Agreement Celina Hills* effective March 10, 2020, between the City and Westgate, as assigned to the Developer by Westgate by the Assignment of Public Improvement District Receivables Agreement, effective as of December 29, 2020 (the "PID Reimbursement Agreement"); and

(4) the *Continuing Disclosure Agreement of Developer,* dated as of May 1, 2022, made by and among the Developer, MuniCap, Inc., as PID Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities, Inc., as Dissemination Agent.

(b) Officer's Certificate of Developer and the Developer Closing Certificate, each dated as of the date hereof (together, the "***Developer Certificate***");

(c) Each of the documents and certificates described in ***Exhibit A*** attached hereto and made a part hereof (the items in paragraphs (i), (iv), (v), (vi) and (ix) of Exhibit A are hereinafter referred to as the "***Developer Basic Documents***");

(d) Certificate from the Secretary of State of the State of Texas listed on ***Exhibit A*** indicating that the Developer is in existence in the State of Texas (the "***Texas Existence Certificate***");

(e) Statement of Franchise Tax Account Status obtained through the website of the Texas Comptroller of Public Accounts and listed on ***Exhibit A***, which statement indicates that, as of the date and time thereof, the right of the Developer to transact business in Texas was "***active***" (the "***FTAS Page***");

(f) The Preliminary Limited Offering Memorandum, dated March [28], 2022 relating to the issuance of the Bonds (the "***Preliminary Limited Offering Memorandum***");

(g) The final Limited Offering Memorandum, dated April 12, 2022, relating to the issuance of the Bonds (the, the "***Limited Offering Memorandum***"); and

(h) Such other documents, records, agreements, and certificates of the Developer and General Partner and their respective constituent parties and such other parties as we have deemed necessary or appropriate to enable us to render the opinions expressed below.

In rendering the opinions set forth herein, we have assumed: (i) the due authorization, execution, and delivery of each of the documents referred to in this opinion letter by all parties thereto (other than the authorization, execution, and delivery by the Developer) and that each such document constitutes a valid, binding, and enforceable obligation of each party (other than the Developer) thereto, (ii) all of the parties to the documents referred to in this opinion letter are duly organized, validly existing, in good standing and have the requisite power, authority (corporate, limited liability company, partnership or other) and legal

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

right to execute, deliver, and perform its obligations under such documents (except to the extent set forth in our opinions set forth herein regarding valid existence and power and authority of the Developer to execute, deliver, and perform its obligations under the Material Documents), (iii) each certificate from governmental officials reviewed by us is accurate, complete, and authentic, and all official public records are accurate and complete, (iv) the legal capacity of all natural persons, (v) the genuineness of all signatures (other than those of the Developer in respect of the Material Documents), (vi) the authenticity and accuracy of all documents submitted to us as originals, (vii) the conformity to original documents of all documents submitted to us as photostatic or certified copies, (viii) that no laws or judicial, administrative, or other action of any Governmental Authority (as defined in Schedule I attached hereto) of any jurisdiction not expressly opined to herein would adversely affect the opinions set forth herein, and (ix) that the execution and delivery by each party of, and performance of its agreements in, the Material Documents do not breach or result in a default under any existing obligation of such party under any agreements, contracts or instruments to which such party is a party to or otherwise subject to or any order, writ, injunction or decree of any court applicable to such party.

Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

1. The Developer is (a) a limited liability company, (b) based solely upon the Texas Existence Certificate, validly existing under the laws of the State of Texas, and (c) based solely upon the FTAS Page, in good standing under the laws of the State of Texas.

3. The Developer has the power and authority under the *Texas Business Organizations Code* and the Developer Basic Documents to execute, deliver and perform its obligations under the Material Documents to which it is a party. The execution and delivery by the Developer of each Material Document to which it is a party, and the performance by the Developer of its obligations set forth therein, have been duly authorized by all necessary action under the *Texas Business Organizations Code* and the Developer Basic Documents.

4. The execution and delivery by the Developer of the Material Documents and the performance by the Developer of its obligations under the Material Documents will not (i) violate any Applicable Law (as defined in Schedule I attached hereto); (ii) conflict with or result in the breach of any court decree or order of any governmental body identified in the Developer Certificate, if any, or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion binding upon or affecting the Developer, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer to perform its obligations under the Material Documents to which it is a party; or (iii) constitute a violation of its limited partnership agreement or certificate of formation.

5. No Governmental Approval (as defined in Schedule I attached hereto) which has not been obtained or taken is required to be obtained or taken by the Developer on or before the date hereof as a condition to (a) the execution and delivery by the Developer of the Material Documents to which it is a party, or (b) the performance by the Developer of its obligations under the Material Documents to which it is a party, except for Governmental Approvals that may be required to comply with certain covenants contained in the Material Documents (including, without limitation, covenants to comply with applicable laws).

6. The Material Documents to which the Developer is a party have been duly executed and delivered by the Developer and constitute the legal, valid, and binding obligation of the Developer,

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

enforceable against the Developer in accordance with its terms, subject to the following qualifications: (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and (ii) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity), and (iii) the effect that enforceability of the indemnification provisions therein may be limited, in whole or in part.

7. There are no actions, suits or proceedings pending or, as identified in the Developer Certificate or otherwise actually known as to the lawyers who have provided substantive attention to the representation reflected in this opinion, threatened against the Developer in any court of law or equity, or before or by any governmental instrumentality with respect to (i) its organization or existence or qualification to do business in the State of Texas; (ii) its authority to execute or deliver the Material Documents to which it is a party; (iii) the titles of the parties executing the Material Documents; (iv) the execution and delivery of the Material Documents on behalf of the Developer; (v) the operations or financial condition of the Developer that would materially adversely affect those operations or the financial condition of the Developer; (vi) the acquisition and construction of the property and improvements identified in the Limited Offering Memorandum the cost of which is to be funded or reimbursed, in whole or in part, by proceeds of the Bonds; or (vii) with respect to the validity or enforceability against it of such Material Documents or the transactions described therein.

8. The execution and delivery of the Material Documents do not, and the transactions described therein may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, indenture, bond note, resolution, agreement or other instrument to which the Developer is a party, or is otherwise subject and which have been identified in the Developer Certificate, which violation, breach or default would materially adversely affect the Developer or its performance of its obligations under the transactions described in the Material Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer, except as expressly described in the Material Documents (a) under Applicable Law or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

9. The information set forth in the Preliminary Limited Offering Memorandum and Limited Offering Memorandum under the captions and subcaptions "***PLAN OF FINANCE – Development Plan,***" "***– Development Agreement," "– PID Reimbursement Agreement"*** and ***"– Lot Purchase and Sale Agreements; Home Construction,"*** "***THE AUTHORIZED IMPROVEMENTS,***" "***THE DEVELOPMENT,***" and "***THE DEVELOPER,***" and, to the best of my knowledge after due inquiry, under the captions "***BONDHOLDERS' RISKS***" (only as it pertains to the Developer, the Authorized Improvements, and the Development), "***LEGAL MATTERS – Litigation – The Developer,***" and "***CONTINUING DISCLOSURE – The Developer***" and "***– Developer's Compliance With Prior Undertakings***" adequately and fairly describe the information summarized under such captions and are correct as to matters of law.

In addition, based upon our participation at conferences with representatives of the City and its counsel, and with representatives of the Developer at which the Preliminary Limited Offering Memorandum, the Limited Offering Memorandum and related matters were discussed, and although we have not independently verified the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and any amendment or supplement thereto, no facts

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph with respect to the Preliminary Limited Offering Memorandum, as of the date of the Preliminary Limited Offering Memorandum and as of March [28], 2022, and with respect to the Limited Offering Memorandum, as of the date of the Limited Offering Memorandum and the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We express no opinion as to the laws of any jurisdiction other than the laws of Texas and the laws of the United States of America. The opinions expressed above concern only the effect of the laws (excluding the principles of conflict of laws) of Texas and the United States of America as currently in effect. This opinion is rendered solely as the date hereof, and we assume no obligation to supplement this opinion if any applicable laws change after the date of this opinion, or if we become aware of any facts that might change the opinions expressed above after the date of this opinion.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Schedule I

As used herein, "***Applicable Law***" means the laws, rules and regulations of the State of Texas and the United States of America and the rules and regulations adopted thereunder; for the avoidance of doubt, the foregoing shall not include any local or municipal laws, environmental laws or regulations, development laws or regulations, land ordinances or water management laws or regulations.

As used herein, "***Governmental Approval***" means any consent, approval, license, authorization or validation of, or filing, recording or registration with, any Governmental Authority of the State of Texas or any governmental authority or instrumentality of the United States of America pursuant to any Applicable Law.

As used herein, "***Governmental Authority***" means the government of the State of Texas, and any agency, authority, statewide subdivision instrumentality, regulatory body, court or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to such government.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT A

ATTACHMENT TO OPINION

1. Certificate of Formation of GRBK Edgewood LLC certified by the Secretary of State of the State of Texas on _____, 2022, and all amendments thereto; and

2. Statement of Franchise Tax Account Status obtained through the website of the Texas Comptroller of Public Accounts, accessed _____, 2022, at __:__ _.m., which statement indicates that, as of the date and time thereof, the right of GRBK Edgewood LLC to transact business in Texas is "***active***."

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

APPENDIX D-2

LETTERHEAD OF SHUPE VENTURA, PLLC
DEVELOPER' SPECIAL COUNSEL

May 12, 2022

City of Celina
142 North Ohio Street
Celina, Texas 76201

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Norton Rose Fulbright US, LLP
2200 Ross Avenue
Suite 3600
Dallas, Texas 75201-7932

U.S. Bank Trust Company, National Association, as Trustee
111 Filmore Avenue East
St. Paul, Minnesota 55107
Attn: Bond Operations

Messer, Fort & McDonald PLLC
6371 Preston Rd., Suite 200
Frisco, Texas 75034

$8,155,000
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

Ladies & Gentlemen:

We have acted as special counsel to GRBK Edgewood LLC, a Texas limited liability company (the "***Developer***") in connection with the issuance and sale by the City of Celina, Texas (the "***City***"), of $8,155,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project) (the "***Bonds***"), pursuant to Indenture of Trust dated as of May 1, 2022 (the "***Indenture***"), by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "***Trustee***"). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "Celina Hills" (the "***Development***") located in the City.

The Bonds are being sold to FMSbonds, Inc. (the "***Underwriter***"), pursuant to that certain Bond Purchase Agreement dated April 12, 2022 (the "***Bond Purchase Agreement***"), between the City and the Underwriter. This opinion is being delivered pursuant to Section 10(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(a) The following documents to which the Developer is a party (collectively, the "***Reviewed Documents***"):

(1) the *Development Agreement (Celina Hills)*, effective as of June 11, 2019, between the City and Westgate HS Celina Investments, L.P., a Texas limited partnership ("Westgate"), as partially assigned to the Developer by Westgate by the Partial Assignment of Development Agreement (Celina Hills), executed on December 28, 2020, and effective as of December 29, 2020 (the "Development Agreement"); and

(2) the *Developer Letter of Representations* executed by the Developer as of April 12, 2022; and

(3) the *PID Reimbursement Agreement Celina Hills* effective March 10, 2020, between the City and Westgate, as assigned to the Developer by Westgate by the Assignment of Public Improvement District Receivables Agreement, effective as of December 29, 2020 (the "PID Reimbursement Agreement"); and

(4) the *Continuing Disclosure Agreement of Developer,* dated as of May 1, 2022, made by and among the Developer, MuniCap, Inc., as PID Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities, Inc., as Dissemination Agent.

(b) The *Preliminary Limited Offering Memorandum,* dated March [28], 2022, relating to the issuance of the Bonds; and

(c) The final *Limited Offering Memorandum* dated April 12, 2022, relating to the issuance of the Bonds; and

(d) Such other documents, records, agreements and certificates of the Developer as we have deemed necessary or appropriate to render the opinions expressed below.

In rendering the opinions expressed below, we have, with your concurrence and without any inquiry or other investigation, made and relied upon the following assumptions: (a) the due authorization, execution and delivery of each of the Reviewed Documents by all parties thereto other than the Developer; (b) the genuineness of all signatures to the Reviewed Documents; (c) the correctness and truthfulness of all the statements of fact contained in the Reviewed Documents; (d) the authenticity of the Reviewed Documents; (e) the conformity to original documents of the Reviewed Documents submitted to us as copies; and (f) the additional assumptions set forth on **Exhibit A** attached to this letter and the exclusions set forth on **Exhibit B** attached to this letter. Our opinions are limited to matters expressly stated herein and no opinion is to be inferred or may be implied beyond the matters expressly stated.

In rendering the opinions set forth below, we have also relied upon: (a) the representations and warranties contained in the Reviewed Documents; (b) the resolutions and other documents of the parties to the Reviewed Documents authorizing or approving the Reviewed Documents; (c) the Closing Certificate of the Developer delivered pursuant to the Bond Purchase Agreement; (d) the legal opinion delivered pursuant to the Bond Purchase Agreement by General Counsel to the Developer; and (e) the legal opinion delivered pursuant to the Bond Purchase Agreement by Messer, Fort & McDonald PLLC, special counsel to the City (collectively, the "Reliance

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Materials"). We have not made any independent or other investigation, review, analysis, or inquiry as to any of the facts, matters, circumstances or legal opinions or conclusions contained in the Reviewed Documents or Reliance Materials or the accuracy or completeness thereof. Additionally, we have assumed that none of the Reviewed Documents or Reliance Materials contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances in which they are made, not misleading. We have not made any examination of any accounting or financial matters, and we express no opinion with respect thereto.

The opinions expressed herein are subject to the correctness in understanding that no beneficiary to this opinion letter may rely on this opinion letter to the extent that such beneficiary or its counsel has actual knowledge of any applicable laws, facts, or circumstances which would make any opinion expressed herein incorrect, subject to question, or require further investigation of any laws, facts or circumstances.

Whenever our opinion or advice with respect to the existence or absence of facts is indicated to be based on our knowledge, we are referring to the actual knowledge of the Shupe Ventura, PLLC attorneys who have given substantive attention to matters concerning the Developer during the course of our representation of the Developer in connection with the Reviewed Documents, which knowledge has been obtained by such attorneys in their capacity as such. In particular, our response does not include matters known to any attorney of our firm in a capacity other than as special counsel to the Developer. Further, the words "our knowledge," "our actual knowledge" and similar expressions used in this opinion letter are intended to be limited to the actual knowledge of Misty Ventura, Corey Admire, and Roxanne Sheehan of our firm who have been directly involved in representing the Developer. We have not undertaken any independent investigation to determine the existence or absence of such facts, and no inference as to our knowledge concerning such facts should be drawn from the fact that such limited representation has been undertaken by us.

Based upon the foregoing, but subject to the assumptions, qualifications, and limitations set forth both above and below, and having due regard for such legal considerations as we deem relevant, we are of the opinion that:

1. The Reviewed Documents constitute legal, valid, and binding obligations of and are enforceable against the Developer in accordance with their respective terms.

2. The execution, delivery, and performance by the Developer of its obligations under the Reviewed Documents do not violate any existing laws of the State of Texas applicable to the Developer or any ordinances of the City applicable to the Developer.

3. No consents or approvals are required from the City, the State of Texas, or any other political subdivision or agency of the State of Texas in connection with the execution, delivery, and performance by the Developer of its obligations under the Reviewed Documents except those consents and approvals: (i) already obtained; (ii) required or described in the express terms of the Reviewed Documents; and (iii) that are necessary for the Developer to perform its obligations under the Reviewed Documents and are ordinarily and customarily required to develop

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

land within the City and to operate the businesses of the Developer that are described in the Reviewed Documents.

The foregoing opinions are, with your concurrence, predicated on, limited by and qualified in their entirety by the following:

(a) The foregoing opinions are based on and limited to the laws of the State of Texas, and we render no opinion with respect to the federal laws of the United States or to the laws of any other jurisdiction.

(b) We express no opinion with respect to the enforceability of provisions of the Reviewed Documents that relate to (i) mediation or arbitration; (ii) limitations or restrictions on, or waiver of, legal or equitable remedies; (iii) indemnity or release; (iv) limitations or restrictions on assignment or transfer of rights, interests or property; (v) the rights or obligations of third parties; (vi) evidentiary standards; (vii) waiver of rights to notice or the obligations of good faith, fair, dealing, diligence or reasonableness; (viii) self-help, subrogation, delay or omission to enforce rights or remedies, contribution or severability; (ix) the availability of specific performance, injunctive relief or any other equitable remedy (regardless of whether such question is considered in a proceeding in equity or at law); (x) fixed, stipulated or liquidated damages; (xi) the making of determinations in the sole and absolute (or similarly described) discretion of a party to the Reviewed Documents; (xii) authorizing any party to exercise any rights other than in accordance with applicable law; (xiii) liability of any party for payment of any amount payable under the Reviewed Documents to the extent such amounts (A) accrue, or are attributable to any period of time, after the termination of any of the Reviewed Documents, (B) allow any other party to recover more than the "benefit of its bargain" or (C) exceed the amount of any party's actual damages; (xiv) rendering inapplicable any otherwise applicable law (other than those laws which by their terms may be rendered inapplicable); (xv) requiring all amendments, waivers and terminations be in writing or requiring disregard of any course of dealing between the parties; (xvi) establishing any obligation of the parties as absolute or unconditional regardless of the occurrence or non-occurrence or existence or non-existence of any event or other state of facts; (xvii) obligations of the parties by reference to and/or incorporation of any provision of any agreement other than the Reviewed Documents, or that consist of or employ provisions (whether operative or definitional) contained in any such other agreement; (xviii) obligating any party to take action it has no legal right to take, or to take or not take an action if taking or failing to take the same would constitute, or aid or abet, a violation of applicable law; (xix) certain agreements of non-signatories, or obligations of signatories with respect to non-signatories or other persons or entities, whether or not signatories, not under the control of such signatories; (xx) selection of venue; (xxi) modifying the time at which any applicable statute of limitation begins to run or at which any cause of action begins to accrue; (xxii) an exemption from any sales or other taxes; (xiii) disclaiming or limiting warranties implied by or required pursuant to law; (xxiv) waiving the defense that an adequate remedy at law exists; and (xxv) waiving any suretyship defenses.

(c) The validity, binding effect, and enforceability of the Reviewed Documents may be limited by (i) applicable bankruptcy, insolvency, reorganization, receivership,

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

moratorium, liquidation, redemption, conservatorship, rearrangement, fraudulent conveyance, or other similar statutes, regulations or laws affecting creditor's rights and remedies generally; (ii) general principles of equity; (iii) judicial discretion; (iv) the exercise by political subdivisions or governmental authorities or corporations acting on their behalf of sovereign or governmental immunity, legislative or governmental powers, police powers, taxing powers, or rights of appropriation; and (v) applicable court decisions relating to a duty or obligation to mitigate damages.

(d) We express no opinion regarding the effect of the laws of usury or similar laws regarding interest rate limitations on the provisions of the Reviewed Documents.

(e) We express no opinion with respect to the matters described on Exhibit B attached to this letter.

(f) The opinions set forth herein are also subject to the qualification that enforceability of the Reviewed Documents may be limited by (i) the provisions of Section 130.002 of the Texas Civil Practice and Remedies Code regarding limitations on indemnifications; (ii) Section 28 of the Texas Property Code regarding prompt payment to contractors and subcontractors; (iii) Section 16.071 of the Texas Civil Practice and Remedies Code regarding the time period for a claimant to give notice of a claim for damages as a condition precedent to the right to sue on a contract; (iv) Section 16.070 of the Texas Civil Practice and Remedies Code regarding permitted contractual limitations on when a claimant may bring suit on a contract; (v) Section 38.02 of the Texas Civil Practice and Remedies Code providing for the notice time period in order for a claimant to recover attorneys' fees; (vi) the "express negligence" and "clear and conspicuous" rules adopted by the Texas Supreme Court, as applied to any indemnity or release provisions in the Reviewed Documents; (vii) Section 35.52 of the Texas Business and Commerce Code; (viii) Section 162.001 et seq. of the Texas Property Code; (ix) Section 302.002 of the Texas Finance Code; (x) Section 28.009 of the Texas Property Code; and (xi) claims of sovereign or governmental immunity by political subdivisions or governmental authorities or corporations acting on their behalf.

(g) The opinions expressed herein are based on our consideration of laws of the State of Texas which, in our experience, are normally applicable to transactions of the type described in the Reviewed Documents.

This opinion letter has been rendered solely for the benefit of the addressees named above in connection with the Bond Purchase Agreement and the transactions described therein, and may not be used, circulated, quoted, relied upon or otherwise referred to for any other purpose or by any other person without our prior written consent. A copy of this opinion letter may be delivered by the Underwriter in connection with the issuance of the Bonds, and the Underwriter may rely on the opinions expressed above. This opinion letter does not constitute a warranty or guarantee or an opinion as to matters of fact and should not be construed or relied upon as such. This opinion letter is as of the date hereof only, and we undertake no, and hereby disclaim any, obligation to advise you of any change in any matter set forth herein.

Very truly yours,

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT A TO OPINION LETTER

ADDITIONAL ASSUMPTIONS

In addition to the assumptions contained in the letter to which this Exhibit A is attached, we have, with your concurrence and without any inquiry or other investigation, made and relied upon the following additional assumptions:

1. The legal capacity of all natural persons executing the Reviewed Documents;

2. No undue influence, duress, fraud, or deceit exists with respect to the transactions described in the Reviewed Documents, and there has not been any mutual mistake of fact or misunderstanding with respect to the same;

3. The conduct of the parties to the Reviewed Documents has complied, and will comply, with any requirement of good faith, fair dealing, and conscionability;

4. There are no agreements or understandings, written or oral, among the parties to the Reviewed Documents, and there is no usage or trade or course of prior dealing among the parties to the Reviewed Documents that would, in either case, define, supplement, or qualify the terms of the Reviewed Documents;

5. All statutes and ordinances enacted by an official legislative body were validly enacted and are constitutional, and all rules and regulations promulgated or issued by an official administrative body and not adjudicated invalid or unenforceable are valid and enforceable;

6. All parties to the Reviewed Documents have complied with all legal requirements that are applicable to them to the extent necessary to authorize such parties to enter into the Reviewed Documents and, except as to the Developer, the Reviewed Documents are enforceable against the other parties thereto;

7. There has been no modification of any provision of the Reviewed Documents, and no waiver or release of any right or remedy thereunder;

8. All parties to the Reviewed Documents will act in accordance with, and will refrain from taking any action that is forbidden by, the terms and conditions of the Reviewed Documents;

9. All parties to the Reviewed Documents will obtain all permits and governmental approvals required in the future, and take all actions similarly required, relevant to subsequent consummation of the transactions evidenced by the Reviewed Documents or performance of the Reviewed Documents; and

10. There are no material misstatements in the legal opinions delivered pursuant to the Bond Purchase Agreement by: (i) Norton Rose Fulbright US, LLP, Bond Counsel to the City; (ii) Messer, Fort & McDonald PLLC, special counsel to the City; (iii) Orrick, Herrington & Sutcliffe LLP, counsel to the Underwriter; or (iv) General Counsel to the Developer.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT B TO OPINION LETTER

ADDITIONAL EXCLUSIONS

None of the opinions expressed in the letter to which this Exhibit B is attached include any implied opinion unless such implied opinion is both (a) essential to the legal conclusion reached by the express opinions set forth in this letter and (b) based upon prevailing norms and expectations among experienced lawyers in the State of Texas, reasonable in the circumstances. Moreover, unless explicitly addressed in the letter to which this Exhibit B is attached, our opinions do not address any of the following legal issues or the effects thereof on the transactions evidenced by the Bond Purchase Agreement or any other documents prepared, delivered, or executed in connection with the Bonds (the "***Bond Documents***"), and we specifically express no opinion with respect to the Bond Documents related to:

1. Federal and State securities laws and regulations administered by the Securities and Exchange Commission and state "***Blue Sky***" laws and regulations.

2. The compliance or noncompliance by the Underwriter, the Trustee, the City, any party to the Bond Documents, or the purchasers of the Bonds with any federal and state laws or regulations applicable to the transactions evidenced by the Bond Documents;

3. Compliance with fiduciary duty requirements;

4. Decisions, orders, rules, policies, and regulations of any political subdivision, department, agency, organization, or entity of any kind created under or pursuant to federal law and judicial decisions to the extent they deal with any of the foregoing.

5. Title to any asset or property described or referred to in the Bond Documents or the accuracy or sufficiency of its description;

6. The creation, attachment, perfection, priority or enforcement of any lien, security interest or right of offset purported to be granted under the Bond Documents or created by operation of law;

7. The recordation or filing of any Bond Documents or related documents;

8. Federal and state environmental laws and regulations;

9. Federal and state land use and subdivision laws and regulations;

10. Federal and state tax laws and regulations;

11. Federal patent, copyright and trademark, state trademark, and other federal and state intellectual property laws and regulations;

12. Federal and state racketeering laws and regulations (e.g., RICO);

13. Federal and state health and safety laws and regulations (e.g., OSHA);

14. Federal and state labor laws and regulations;

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

15. Federal and state laws, regulations and policies concerning (i) national and local emergency, (ii) possible judicial deference to acts of sovereign states, and (iii) criminal and civil forfeiture laws;

16. Other federal and state statutes of general application to the extent they provide for criminal prosecution (e.g., mail fraud and wire fraud statutes); and

17. The Bond Purchase Agreement, Indenture, Preliminary Limited Offering Memorandum, final Limited Offering Memorandum, and any other Bond Documents.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

APPENDIX E

CLOSING CERTIFICATE OF DEVELOPER

GRBK Edgewood LLC, a Texas limited liability company (the "Developer"), DOES HEREBY CERTIFY the following as of the date hereof. All capitalized terms not otherwise defined herein shall have the meaning given to such term in the Limited Offering Memorandum.

1. The Developer is a Texas limited liability company organized, validly existing and in good standing under the laws of the State of Texas.

2. Representatives of the Developer have provided information to the City of Celina, Texas (the "*City*") and FMSbonds, Inc. (the "Underwriter") to be used in connection with the offering by the City of its $8,155,000 aggregate principal amount of Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project) (the "Bonds"), pursuant to the Preliminary Limited Offering Memorandum, dated March [28], 2022 (the "Preliminary Limited Offering Memorandum"), and Limited Offering Memorandum dated April 12, 2022 (the "Limited Offering Memorandum").

3. The Developer has delivered to the Underwriter and the City true, correct, complete and fully executed copies of the Developer's organizational documents, and such documents have not been amended or supplemented since delivery to the Underwriter and the City and are in full force and effect as of the date hereof.

4. The Developer has delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

5. The Developer has executed and delivered each of the below listed documents (individually, a "Developer Document" and collectively, the "Developer Documents") in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

(a) the Developer Letter of Representations, dated April 12, 2022;

(b) the PID Reimbursement Agreement Celina Hills effective March 10, 2020, between the City and Westgate, as assigned to the Developer by Westgate by the Assignment of Public Improvement District Receivables Agreement, effective as of December 29, 2020 (the "PID Reimbursement Agreement"); and

(c) the Development Agreement (Celina Hills), effective as of June 11, 2019, between the City and Westgate HS Celina Investments, L.P., a Texas limited partnership ("Westgate"), as partially assigned to the Developer by Westgate by the Partial Assignment of Development Agreement (Celina Hills), executed on December 28, 2020, and effective as of December 29, 2020 (the "Development Agreement"); and

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(d) the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of May 1, 2022, executed and delivered by the Developer, MuniCap, Inc., as PID Administrator, and HTS Continuing Disclosure, a division of Hilltop Securities Inc., as Dissemination Agent.

6. The Developer owned all of the Assessed Property (as defined in the Service and Assessment Plan) located in the District on the date that the Assessment Ordinance was adopted and is not an entity that may claim a homestead right under Texas law.

7. The representations and warranties of the Developer contained in the Developer Documents are true and correct in all material respects on and as of the date hereof.

8. The Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

9. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party. There are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that is either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Limited Offering Memorandum.

10. The Developer has reviewed and approved the information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in the maps of the District therein and under the captions and subcaptions "PLAN OF FINANCE" (except for the information under the subcaption "– The Bonds"), "THE AUTHORIZED IMPROVEMENTS," "THE DEVELOPMENT" and "THE DEVELOPER" and, to the Developer's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Authorized Improvements and the Development, as defined in the Limited Offering Memorandum), "LEGAL MATTERS – Litigation – The Developer," "CONTINUING DISCLOSURE – The Developer" and "– The Developer's Compliance with Prior Undertakings," "APPENDIX E-2" and "APPENDIX F" (collectively, the "Developer Disclosures") and certifies that the same does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading, as of the date of the Preliminary Limited Offering Memorandum and as of the date of the Limited Offering Memorandum; provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum.

11. The Developer has reviewed and approved the information contained in the Developer Disclosures in the Limited Offering Memorandum and certifies that the same does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, as of the date of the Limited Offering Memorandum and as of the date hereof; provided,

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Limited Offering Memorandum.

12. To the Developer's knowledge, the Developer is in compliance in all material respects with all provisions of applicable law relating to the Developer in connection with the Development. Except as otherwise described in the Limited Offering Memorandum: (a) to the Developer's knowledge, there is no default of any zoning condition, land use permit or development agreement binding upon the Developer or any portion of the Development that would materially and adversely affect the Developer's ability to complete or cause to be completed the development of the property within the District as described in the Limited Offering Memorandum; and (b) the Developer has no reason to believe that any additional permits, consents and licenses required to complete the development of the property within the District as and in the manner described in the Limited Offering Memorandum will not be reasonably obtainable in due course.

13. The Developer is not insolvent and has not made an assignment for the benefit of creditors, filed or consented to a petition in bankruptcy, petitioned or applied (or consented to any third-party petition or application) to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction.

14. The levy of Assessments on property in the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, deed of trust, indenture or other instrument to which the Developer is a party or to which the Developer or any of its property or assets is subject.

15. The Developer is not in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets is subject, which default would have a material and adverse effect on the Bonds or the Developer's ability to perform its obligations under the Developer Documents.

16. The Developer has no knowledge of any physical condition of the Development owned or to be developed by the Developer that currently requires, or currently is reasonably expected to require in the process of development investigation or remediation under any applicable federal, state or local governmental laws or regulations relating to the environment in any material and adverse respect.

17. During the term of the PID Reimbursement Agreement and the Development Agreement, the Developer hereby verifies that it does not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Developer shall repay the incentives granted herein within 120 days after the date the 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.

18. To the extent the PID Reimbursement Agreement and the Development Agreement constitute a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Developer hereby verifies that it and its parent company,

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the terms of the PID Reimbursement Agreement and the Development Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, 'boycott Israel,' a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, 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.

19. The Developer represents that, as of the date of the PID Reimbursement Agreement and the Development Agreement, to the extent the PID Reimbursement Agreement and the Development Agreement constitute governmental contracts within the meaning of Section 2252.151 of the Texas Government Code, as amended, 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 or Texas 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.

20. As used in Paragraphs 16 through 18 above, the Developer understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

21. To the extent the PID Reimbursement Agreement and the Development Agreement constitute contracts for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer hereby verifies that for the purpose of the requirements under Section 2274.002 of the Texas Government Code, as amended, that the Developer 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 the PID Reimbursement Agreement or the Development Agreement.

[*Signature page follows.*]

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Dated: _____

DEVELOPER:

GRBK Edgewood LLC,
a Texas limited liability company

By: _____

Name: _____

Title: _____

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

APPENDIX F

LETTERHEAD OF INTEGRA REALTY RESOURCES – DFW

May 12, 2022

City of Celina, Texas
101 Main Street
Celina, Texas 76052

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

U.S. Bank Trust Company, National Association, as Trustee
111 Filmore Avenue East
St. Paul, Minnesota 55107
Attn: Bond Operations

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, an authorized representative of Integra Realty Resources – DFW ("Appraiser"), the appraiser of the undeveloped property contained in Celina Hills Public Improvement District (the "District"), does hereby represent the following:

1. Appraiser has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated March [28], 2022 and the Limited Offering Memorandum for the Bonds, dated April 12, 2022 (together, the "Limited Offering Memorandum"), relating to the issuance of the Bonds by the City of Celina, Texas, as described above. The information Appraiser provided for the Limited Offering Memorandum is the real estate appraisal of the property in the District, located in APPENDIX G to the Limited Offering Memorandum, and the description thereof, set forth under the caption "APPRAISAL."

2. To the best of my professional knowledge and belief, as of the date of my appraisal report, the portion of the Limited Offering Memorandum described above does not contain an untrue statement of a material fact as to the information and data set forth therein and does not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

3. Appraiser agrees to the inclusion of the Appraisal in the Limited Offering Memorandum and the use of its name in the Limited Offering Memorandum for the Bonds.

4. Appraiser agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about May 12, 2022) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in any material fact or render any statement in the Appraisal materially misleading.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

5. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representations.

Sincerely yours,

INTEGRA REALTY RESOURCES – DFW

_____

By: _____

Its: _____

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

APPENDIX G

LETTERHEAD OF MUNICAP, INC.

May 12, 2022

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

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201-2784

U.S. Bank Trust Company, National Association
111 Filmore Avenue East
St. Paul, Minnesota 55107

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, an authorized representative of MuniCap, Inc. ("MuniCap", "we" or "our"), consultant in connection with the creation by the City of Celina, Texas (the "City"), of Celina Hills Public Improvement District (the "District"), does hereby represent the following:

1. MuniCap has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated March [28], 2022, and the final Limited Offering Memorandum for the Bonds, dated April 12, 2022 (together, the "Limited Offering Memorandum"), relating to the issuance of the Bonds by the City, as described above. The information MuniCap provided for the Limited Offering Memorandum is located (a) under the captions "ASSESSMENT PROCEDURES" and "THE PID ADMINISTRATOR" and (b) in the Service and Assessment Plan (the "SAP") for the City located in APPENDIX C to the Limited Offering Memorandum.

2. To our professional knowledge and belief, the portions of the Limited Offering Memorandum described above do not contain an untrue statement of a material fact as to the information and data set forth therein and does not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

3. We agree to the inclusion of the SAP in the Limited Offering Memorandum and to the use of our name in the Limited Offering Memorandum for the Bonds.

4. We agree that, to the best of our ability, we will inform you immediately should we learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about May 12, 2022) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in any material fact or render any such information materially misleading.

5. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representation.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Sincerely yours,

MUNICAP, INC.

By: _____

Its: _____

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT C

CONTINUING DISCLOSURE AGREEMENT

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

CONTINUING DISCLOSURE AGREEMENT OF ISSUER

This Continuing Disclosure Agreement of the Issuer dated as of May 1, 2022 (this "Disclosure Agreement") is executed and delivered by and between the City of Celina, Texas (the "Issuer"), MuniCap, Inc., (the "Administrator"), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (in such capacity, the "Dissemination Agent") with respect to the Issuer's "Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project)" (the "Bonds"). The Issuer, the Administrator, and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer, the Administrator, and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Disclosure Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of May 1, 2022, relating to the Bonds (the "Indenture"), which apply to any capitalized term used in this Disclosure Agreement, as amended or supplemented, including the Exhibits hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Administrative Expenses" shall have the meaning assigned to such term in the Indenture.

"Administrator" shall mean an employee of the Issuer or third-party designee of the Issuer who shall have the responsibilities provided in the Service and Assessment Plan, the Indenture, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District. The initial Administrator is MuniCap, Inc.

"Affiliate" shall have the meaning assigned to such term in Section 22 of this Disclosure Agreement.

"Annual Financial Information" shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Annual Installment" shall have the meaning assigned to such term in the Indenture.

"Annual Service Plan Update" shall have the meaning assigned to such term in the Indenture.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

"Assessment" shall have the meaning assigned to the term "Assessments" in the Indenture.

"Audited Financial Statements" shall mean the audited financial statements of the Issuer that have been prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer and that has been audited by an independent certified public accountant.

"Authorized Improvements" shall have the meaning assigned to such term in the Service and Assessment Plan.

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

"Developer" shall mean GRBK Edgewood, LLC, a Texas limited liability company, and its successors and assigns.

"Disclosure Agreement of Developer" shall mean the Continuing Disclosure Agreement of Developer, dated as of May 1, 2022, executed and delivered by the Developer, the Administrator, and the Dissemination Agent.

"Disclosure Representative" shall mean the Director of Finance of the Issuer or his or her designee, or such other officer or employee as the Issuer may designate in writing to the Dissemination Agent from time to time.

"Dissemination Agent" shall mean HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., acting solely in its capacity as dissemination agent, or any successor Dissemination Agent designated in writing by the Issuer, and which has filed with the Trustee a written acceptance of such designation.

"District" shall mean Celina Hills Public Improvement District.

"EMMA" shall mean the Electronic Municipal Market Access System available on the internet at http://emma.msrb.org.

"Financial Obligation" shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall mean the Issuer's fiscal year, currently the twelve-month period from October 1 through September 30.

"Foreclosure Proceeds" shall have the meaning assigned to such term in the Indenture.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board, or any other entity designated or authorized by the SEC to receive continuing disclosure reporting pursuant to the Rule.

"Outstanding" shall have the meaning assigned to such term in the Indenture.

"Owner" shall have the meaning assigned to such term in the Indenture.

"Participating Underwriter" shall mean FMSbonds, Inc., and its successors and assigns.

"PID Act" shall mean Chapter 372, Subchapter A, Texas Local Government Code, as amended.

"Rule" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" shall mean the United States Securities and Exchange Commission.

"Service and Assessment Plan" shall have meaning assigned to such term in the Indenture.

"Trustee" shall have the meaning assigned to such term in the Indenture.

SECTION 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) Commencing with the Fiscal Year ending September 30, 2022, the Issuer shall provide or cause to be provided to the MSRB, in the electronic or other format required by the MSRB (i) not later than six (6) months after the end of the Issuer's Fiscal Year, its Annual Financial Information and (ii) not later than twelve (12) months after the end of the Issuer's Fiscal Year, its Audited Financial Statements. In each case, the Annual Financial Information and the Audited Financial Statements, as applicable, may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer's Fiscal Year changes, it shall file notice of such change (including the date of the new Fiscal Year) with the MSRB prior to the next date by which the Issuer otherwise would be required to provide the Annual Financial Information or Audited Financial Statements, as applicable, pursuant to Section 4 of this Disclosure Agreement. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(b) Upon delivery by the Issuer of the Annual Financial Information or the Audited Financial Statements, as applicable, to the Dissemination Agent together with written instructions to file such information or financial statements, as applicable, with the MSRB, the Dissemination Agent shall:

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Financial Information or the Audited Financial Statements, as applicable, on the respective dates required in subsection (a); and

(ii) file the Annual Financial Information or the Audited Financial Statements, as applicable, on the respective dates required, containing or incorporating by reference the information set forth in Section 4 hereof;

(c) If the Issuer has provided the Dissemination Agent with the completed Annual Financial Information or the Audited Financial Statements, as applicable, together with written instructions to file such financial information or financial statements with the MSRB and the Dissemination Agent has filed such financial information or financial statements with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Financial Information or the Audited Financial Statements, as applicable, has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB, which such financial information or financial statements shall include a filing receipt from the MSRB.

SECTION 4. Content and Timing of Annual Financial Information and Audited Financial Statements. The Annual Financial Information and the Audited Financial Statements shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent, the following:

(a) *Annual Financial Information*. Within six (6) months after the end of each Fiscal Year, the Annual Financial Information of the Issuer (any or all of which may be unaudited) being:

(i) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount remaining Outstanding;

(B) The amounts in the funds and accounts under the Indenture securing the Bonds and a description of the related investments; and

(C) The assets and liabilities of the Trust Estate.

(ii) Financial information and operating data with respect to the Issuer of the general type, in substantially similar form to that shown in the tables provided under Sections 4(a)(ii)(A) and 4(a)(ii)(B) of Exhibit B attached hereto. Such information shall be provided: (a) as of the end of the Fiscal Year (for tables in Section 4(a)(ii)(A) of Exhibit B), and (b) both as of the end of the Fiscal Year and through February 1 of the calendar year immediately succeeding such Fiscal Year (for tables in Section 4(a)(ii)(B) of Exhibit B).

(iii) Updates to the information in the Service and Assessment Plan or the Annual Service Plan Update as most recently amended or supplemented, including any changes to the methodology for levying the Assessments in the District.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

(iv) Until building permits have been issued for parcels or lots representing, in the aggregate, ninety-five percent (95%) of the total Assessments levied within the District, the Annual Financial Information (in the Annual Service Plan Update or otherwise) shall include the number of certificates of occupancy ("COs") issued for new homes completed in the District during such Fiscal Year and the aggregate number of COs issued for new homes completed within the District since filing the initial Annual Financial Information for Fiscal Year ending September 30, 2022.

(v) If the total amount of delinquencies greater than 150 days equals or exceeds ten percent (10%) of the amount of Assessments due in any fiscal year, a list of delinquent property owners.

(vi) A description of any amendment to this Disclosure Agreement and a copy of any restatements to the Issuer's audited financial statements during such Fiscal Year.

(b) *Audited Financial Statements*. Within twelve (12) months after the end of each Fiscal Year, the Audited Financial Statements of the Issuer, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer. If such audited financial statements are not complete within twelve (12) months after the end of each Fiscal Year, then the Issuer shall provide unaudited financial statements within such period and shall provide audited financial statements for the applicable Fiscal Year when and if the audit report on such statements becomes available.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraphs. The Issuer has designated MuniCap, Inc., as the initial Administrator. The Administrator, and if no Administrator is designated, Issuer staff, shall prepare the Annual Financial Information. In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of the Annual Financial Information and Audited Financial Statements under this Section 4.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.

2. Non-payment related defaults, if material.

3. Unscheduled draws on debt service reserves reflecting financial difficulties.

4. Unscheduled draws on credit enhancements reflecting financial difficulties.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

5. Substitution of credit or liquidity providers, or their failure to perform.

6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

7. Modifications to rights of Owners, if material.

8. Bond calls, if material, and tender offers.

9. Defeasances.

10. Release, substitution, or sale of property securing repayment of the Bonds, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar event of the Issuer.

13. The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.

15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material.

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

Any sale by the Developer of real property within the District in the ordinary course of the Developer's business will not constitute a Listed Event for the purposes of paragraph (10) above.

For these purposes, any event described in paragraph (12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

The Issuer intends the words used in paragraphs (15) and (16) above and the definition of Financial Obligation to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018. For the avoidance of doubt, the issuance of additional bonds under the Indenture or the incurrence of additional obligations without the filing of a corresponding official statement with the MSRB will constitute the incurrence of a material Financial Obligation for which a notice of a Listed Event in accordance with this Section 5 must be filed with the MSRB.

Upon the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent, in writing, to immediately file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

Additionally, the Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide Audited Financial Statements (or unaudited financial statements, if Audited Financial Statements are not available) or Annual Financial Information, as applicable, as required under this Disclosure Agreement. See Exhibit A hereto for a form for submitting "Notice to MSRB of Failure to File."

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures made pursuant to Sections 4 and 5 of this Disclosure Agreement. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, promptly, and not more than three (3) Business Days after obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative in writing of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. If the Dissemination Agent has been instructed by the Disclosure Representative on behalf of the Issuer to report the occurrence of a Listed Event under this subsection (b), the Dissemination Agent shall file a notice of such occurrence with the MSRB no later than the Business Day immediately following the day on which it receives written instructions from the Issuer. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event but is under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer, the Participating Underwriter, the Trustee, or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8 (as to bond calls only), 10, 13, 14, or 15 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly, but in no case more than five (5) Business Days after occurrence of the event, notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (b).

SECTION 6. Termination of Reporting Obligations. The obligations of the Issuer, the Administrator, and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to the Bonds under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent. If the Issuer discharges the Dissemination Agent, the Issuer shall use best efforts to appoint a successor Dissemination Agent within 30 days of such discharge. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. The Issuer will give prompt written notice to the Developer, or any other party responsible for providing quarterly information pursuant to the Disclosure Agreement of Developer, of any change in the identity of the Dissemination Agent under the Disclosure Agreement of Developer.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Financial Information or Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Audited Financial Statements for the fiscal year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Financial Information, Audited Financial Statements or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Financial Information, Audited Financial Statements or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Owner or beneficial owner of the Bonds may, and the Trustee (at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and upon being indemnified to its satisfaction) shall, take such actions as may be necessary and appropriate to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement of Developer by the Developer, and a default under the Disclosure Agreement of Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Financial Information and the Audited Financial Statements) prepared by the Issuer pursuant to this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Administrative Expenses collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent shall not be responsible for the Issuer's failure to submit a complete Annual Financial Information or Audited Financial Statements to the MSRB. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(b) The Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

this Disclosure Agreement with respect to the Administrator. To the extent permitted by law, the Issuer agrees to hold harmless the Administrator, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Administrative Expenses collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Administrator's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Administrator for losses, expenses or liabilities arising from information provided to the Administrator by third parties, or the failure of any third party to provide information to the Administrator as and when required under this Disclosure Agreement, or the failure of the Developer to provide information to the Administrator as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an "obligated person" under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

The Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(c) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR, OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, THE ADMINISTRATOR, OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT OR THE ADMINISTRATOR IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 12. Assessments Timeline. 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 C, which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments. Failure to adhere to such expected timeline shall not constitute a default by the Issuer under this Disclosure Agreement, the Indenture, the Bonds or any other document related to the Bonds.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer, the Administrator, or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer, the Administrator, or Dissemination Agent in other than that person's official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Sovereign Immunity. The Dissemination Agent and the Administrator agree that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Administrator, the Dissemination Agent, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent and Administrator Compensation. The fees and expenses incurred by the Dissemination Agent and the Administrator for their respective services rendered in accordance with this Disclosure Agreement constitute Administrative Expenses and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent and the Administrator, but only with funds to be provided from the Administrative Expenses component of the Annual Installments collected from the property owners in the District, for the fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 18. Anti-Boycott Verification. To the extent this Disclosure Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Dissemination Agent and the Administrator, each respectively, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Disclosure Agreement. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott Israel" means refusing to deal with,

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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.

SECTION 19. Iran, Sudan and Foreign Terrorist Organizations. The Dissemination Agent and the Administrator, each respectively, 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 enable the Issuer to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Dissemination Agent and the Administrator, each respectively, 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.

SECTION 20. No Discrimination Against Fossil-Fuel Companies. To the extent this Disclosure Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Dissemination Agent and the Administrator, each respectively, 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 Disclosure Agreement. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies" shall mean, 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 (A) 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 or Texas law; or (B) does business with a company described by (A) above.

SECTION 21. No Discrimination Against Firearm Entities and Firearm Trade Associations. To the extent this Disclosure Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Dissemination Agent and the Administrator, each respectively, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Disclosure Agreement. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. As used in the foregoing verification, (a) "firearm entity" means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (b) "firearm trade association" means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which insures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

SECTION 22. Affiliate. As used in Sections 18 through 21, the Dissemination Agent and Administrator, each respectively, understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator within the meaning of SEC Rule 405, 17.C.F.R. § 230.405, and exists to make a profit.

SECTION 23. Disclosure of Interested Parties. Pursuant to Section 2252.908(c)(4), Texas Government Code, as amended, the Dissemination Agent hereby certifies it is a publicly traded business entity and is not required to file a Certificate of Interested Parties Form 1295 related to this Disclosure Agreement.

SECTION 24. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

SECTION 25. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The Issuer, the Administrator and the Dissemination Agent agree that electronic signatures to this Disclosure Agreement may be regarded as original signatures.

Signature pages follow.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

CITY OF CELINA, TEXAS
(as Issuer)

By: _____
Assistant City Manager

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

HTS CONTINUING DISCLOSURE SERVICES,
a division of Hilltop Securities Inc.
(as Dissemination Agent)

By: _____

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

MUNICAP, INC.,
(as Administrator)

By: _____
Authorized Officer

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE [ANNUAL FINANCIAL INFORMATION] [AUDITED FINANCIAL STATEMENTS]

Name of Issuer:	City of Celina, Texas
Name of Bond Issue:	Special Assessment Revenue Bonds, Series 2022 (Celina Hills Public Improvement District Project)
Date of Delivery	_____, 20__
CUSIP Nos:	[Insert CUSIP Nos]

NOTICE IS HEREBY GIVEN that the City of Celina, Texas, has not provided [an Annual Financial Information] [Audited Financial Statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement of Issuer dated as of May 1, 2022, between the Issuer, MuniCap, Inc., as Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent. The Issuer anticipates that [the Annual Financial] [Audited Financial Statements] will be filed by _____.

Dated: _____

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.,
on behalf of the City of Celina, Texas
(solely in its capacity as Dissemination Agent)

By: _____

Title: _____

cc: City of Celina, Texas

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT B

CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(CELINA HILLS PUBLIC IMPROVEMENT DISTRICT PROJECT)

ANNUAL FINANCIAL INFORMATION*

Delivery Date: _____, 20___

CUSIP Nos: [Insert CUSIP Nos]

DISSEMINATION AGENT

Name: _____
Address: _____
City: _____
Telephone: _____
Contact Person _____

Section 4(a)(i)(A)

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

Section 4(a)(i)(B)

INVESTMENTS

Fund/Account Name	Investment Description	Par Value	Book Value	Market Value

* Excluding Audited Financial Statements of the Issuer

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Section 4(a)(i)(A)

ASSETS AND LIABILITIES OF PLEDGED TRUST ESTATE

ASSETS

Bonds (Principal Balance)	_____
Funds and Accounts [list]	_____
TOTAL ASSETS	_____

LIABILITIES

Outstanding Bond Principal	_____
Outstanding Program Expenses (if any)	_____
TOTAL LIABILITIES	_____

EQUITY

Assets Less Liabilities	_____
Parity Ratio	_____

Form of Accounting ☐ Cash ☐ Accrual ☐ Modified Accrual

Section 4(a)(ii)(A)

FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL YEAR

Debt Service Requirements on the Bonds

Year Ending (September 30)	Principal	Interest	Total

Top Assessment Payers[(1)]

Property Owner	No. of Parcels/Lots	Percentage of Parcels/Lots	Outstanding Assessments	Percentage of Total Assessments

[(1)] Does not include those owing less than one percent (1%) of total Assessments.

Assessed Value of the District

The [YEAR] certified total assessed value for the land in the District is approximately $[AMOUNT] according to the Collin Central Appraisal District.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

Section 4(a)(ii)(B)

FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL YEAR AND AS OF FEBRUARY 1 OF THE NEXT SUCCEEDING YEAR

Foreclosure History Related to the Assessments

Time Period	Parcels in Foreclosure Proceedings	Delinquent Assessment Amount in Foreclosure Proceedings	Foreclosure Sales	Foreclosure Proceeds Received
[FISCAL YEAR END]		$		$
[FEB. 1 OF CURRENT YEAR][1]		$		$

[1] As of February 1, 20__.

Collection and Delinquency History of Assessments

Time Period	Total Assessment Levied	Parcels Levied[1]	Delinquent Amount as of 2/1	Delinquent % as of 2/1	Delinquent Amount as of 8/1	Delinquent % as of 8/1	Total Assessments Collected[2]
[FISCAL YEAR END]	$		$	%	$	%	$
[FEB 1. OF CURRENT YEAR][3]	$		$	%	N/A	N/A	$

[1] Pursuant to Section 31.031, Texas Tax Code, certain veterans, persons aged 65 or older, and the disabled, who qualify for an exemption under either Section 11.13(c), 11.32, or 11.22, Texas Tax Code, are eligible to pay property taxes in four equal installments ("Installment Payments"). Effective January 1, 2018, pursuant to Section 31.031(a-1), Texas Tax Code, the Installment Payments are each due before February 1, April 1, June 1, and August 1. Each unpaid Installment Payment is delinquent and incurs penalties and interest if not paid by the applicable date.

[2] [Does/does not] include interest and penalties.

[3] Collected as of February 1, 20__.

History of Prepayment of Assessments

Time Period	Number of Prepayments	Amount of Prepayments	Bond Call Date	Amount of Bonds Redeemed
[FISCAL YEAR END]		$		$
[FEB. 1 OF CURRENT YEAR][1]		$		$

[1] As of February 1, 20__.

ITEMS REQUIRED BY SECTION 4(a)(iii) - (vi)

[Insert a line item for each applicable listing]

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

EXHIBIT C

BASIC TIMELINE FOR ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES[1]

Date	Delinquency Clock (Days)	Activity
January 31		Assessments are due.
February 1	1	Assessments are delinquent if not received. Upon receipt but no later than February 15, Issuer forwards payment to Trustee for all collections received, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter. Issuer and/or Administrator should be aware of actual and specific delinquencies. Administrator should be aware if Reserve Fund needs to be utilized for debt service payments during the corresponding Fiscal Year. **If there is to be a shortfall of any Annual Installments due to be paid that Fiscal Year, the Dissemination Agent should be immediately notified in writing**. Issuer and/or Administrator should determine if previously collected surplus funds, if any, plus actual Annual Installment collections will be fully adequate for debt service in the corresponding March and September.
March 1	28/29	Issuer and/or Administrator should be aware of actual and specific delinquencies. Trustee pays bond interest payments to Owners. Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent in writing of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw or the Reserve Fund.

[1] Illustrates anticipated dates and procedures for pursuing the collection of delinquent Assessments, which dates and procedures shall be in accordance with Chapters 31, 32, 33 and 34, Texas Tax Code, as amended (the "Code"), and the County Tax/Assessor Collector's procedures, and are subject to adjustment by the Issuer. If the collection and delinquency procedures under the Code are subsequently modified, whether due to an executive order of the Governor of Texas or an amendment to the Code, such modifications shall control.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

April 1	**59/60**	At this point, if total delinquencies are under 5% and if there is adequate funding for September payments, no further action is anticipated for collection of Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure delinquency. **For properties delinquent by more than one year or if the delinquency exceeds $10,000, the matter will be referred for commencement of foreclosure, in accordance with the County Tax/Assessor Collector's procedures.** **If there are over 5% delinquencies or if there is insufficient funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account of the Bond Fund such amounts as shall be required for the full March and September payments, the collection-foreclosure procedure will proceed against all delinquent properties, in accordance with the County Tax/Assessor Collector's procedures.**
July 1	**152/153**	Issuer, or the Administrator on behalf of the Issuer, determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments, in accordance with the County Tax/Assessor Collector's procedures. **Issuer and/or Administrator to notify Dissemination Agent in writing for disclosure to MSRB of all delinquencies.** **Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent in writing of the commencement of preliminary foreclosure activity.** If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer. If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the Owners under Section 11.2 of the

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

		Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
August 15	197/198	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those Owners who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than August 15 (day 197/198).
		Foreclosure action to be filed with the court.
		Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status in writing. Dissemination Agent notifies Owners.
		If Owners and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

A committee of not less than 25% of the Owners may request a meeting with the City Manager or Director of Finance to discuss the Issuer's actions in pursuing the repayment of any delinquencies. This would also occur after day 30 if it is apparent that a Reserve Fund draw is required. Further, if delinquencies exceed 5%, Owners may also request a meeting with the Issuer at any time to discuss the Issuer's plan and progress on collection and foreclosure activity. If the Issuer is not diligently proceeding with the foreclosure process, the Owners may seek an action for mandamus or specific performance to direct the Issuer to pursue the collection of delinquent Special Assessments.

Attachment: Draft Bond Ordinance (Celina Hills - PID Bond Ordinance)

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:	April 12, 2022
Re:	CELINA CO 2022 NOI

Action Requested:
Consider and act upon all matters incident and related to approving and authorizing publication of notice of intention to issue certificates of obligation, including the adoption of a resolution pertaining thereto. (Stovall)

Background Information:
The agenda item is requesting approval of a resolution authorizing the publication of a notice of intention to issue certificates of obligation. The total amount of bonds will be for $70 mm. The funds will be evenly distributed between general services projects and water wastewater projects.

Board Review/Citizen Input:
N/A

Alternatives:
N/A

Financial Considerations:
Issuance of Certificates of Obligation Bonds in the amount of $70 million.

Legal Review:
Bond Counsel has provided a Resolution

Supporting Documents:
Resolution
Exhibit A

Staff Recommendation:
Approval

RESOLUTION NO. 2022-___

A RESOLUTION Approving and Authorizing Publication of Notice of Intention to Issue Certificates of Obligation.

WHEREAS, the City Council of the City of Celina, Texas (the "City"), has determined that certificates of obligation should be issued under and pursuant to the provisions of Subchapter C of Chapter 271, Texas Local Government Code, as amended, for the purpose of paying contractual obligations to be incurred for: (i) renovating, improving and equipping existing buildings or facilities, (ii) acquiring, constructing, improving, remodeling, renovating and equipping park facilities, including the acquisition of land and rights-of-way therefor and including public art projects and enhancements, (iii) designing, constructing, equipping and improving public safety facilities, including the acquisition of land and rights-of-way and the acquisition of vehicles therefor, (iv) constructing and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, entryways, pedestrian pathways, signage and traffic signalization and the acquisition of land and rights-of-way therefor, (v) improving and extending the City's combined waterworks and sewer system, including the acquisition of land and rights-of-way therefor and (vi) professional services rendered in connection therewith; and

WHEREAS, prior to the issuance of such certificates, the City Council is required to publish notice of its intention to issue the same in a newspaper of general circulation in the City and on the City's website, said notice stating (i) the time and place the Council tentatively proposes to pass the ordinance authorizing the issuance of the certificates, (ii) the maximum amount proposed to be issued, (iii) the purposes for which the certificates are to be issued and (iv) the manner in which the Council proposes to pay the certificates; now, therefore,

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

SECTION 1: That the City Secretary is hereby authorized and directed to cause notice to be published of the Council's intention to issue certificates of obligation in one or more series in the principal amount not to exceed SEVENTY MILLION DOLLARS ($70,000,000) for the purpose of paying contractual obligations to be incurred for: (i) renovating, improving and equipping existing buildings or facilities, (ii) acquiring, constructing, improving, remodeling, renovating and equipping park facilities, including the acquisition of land and rights-of-way therefor and including public art projects and enhancements, (iii) designing, constructing, equipping and improving public safety facilities, including the acquisition of land and rights-of-way and the acquisition of vehicles therefor, (iv) constructing and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, entryways, pedestrian pathways, signage and traffic signalization and the acquisition of land and rights-of-way therefor, (v) improving and extending the City's combined waterworks and sewer system, including the acquisition of land and rights-of-way therefor and (vi) professional services rendered in connection therewith; and; such certificates to be payable from ad valorem taxes and a limited pledge of the net revenues of the City's combined Waterworks and Sewer System. The notice hereby approved and authorized to be published shall read substantially in the form and content of **Exhibit A** hereto attached and incorporated herein by reference as a part of this resolution for all purposes.

SECTION 2: That the City Secretary shall cause the aforesaid notice to be (i) published in a newspaper of general circulation in the City, once a week for two consecutive weeks, the date of the first publication to be at least forty-six (46) days prior to the date stated therein for the passage of the ordinance authorizing the issuance of the certificates of obligation and (ii) posted continuously on the City's website for at least forty-five (45) days before the date stated therein for the passage of the ordinance authorizing the issuance of the certificates of obligation.

Attachment: CELINA CO 2022 - Intent Resolution 04.12.22 (CELINA CO 2022 NOI)

SECTION 3: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 4: This Resolution shall be in force and effect from and after its passage on the date shown below.

Attachment: CELINA CO 2022 - Intent Resolution 04.12.22 (CELINA CO 2022 NOI)

PASSED AND ADOPTED, this April 12, 2022.

CITY OF CELINA, TEXAS

_____
Mayor

ATTEST:

_____
City Secretary

(City Seal)

Attachment: CELINA CO 2022 - Intent Resolution 04.12.22 (CELINA CO 2022 NOI)

EXHIBIT A

CITY OF CELINA, TEXAS
NOTICE OF INTENTION TO ISSUE
CERTIFICATES OF OBLIGATION

TAKE NOTICE that the City Council of the City of Celina, Texas, shall convene at 5:00 p.m. on June 14, 2022, at the City Council chambers located at 112 N. Colorado Street, in the City of Celina, Texas, and, during such meeting, the City Council will consider the passage of one or more ordinances authorizing the issuance of certificates of obligation in one or more series in an amount not to exceed SEVENTY MILLION DOLLARS ($70,000,000) for the purpose of paying contractual obligations to be incurred for: (i) renovating, improving and equipping existing buildings or facilities, (ii) acquiring, constructing, improving, remodeling, renovating and equipping park facilities, including the acquisition of land and rights-of-way therefor and including public art projects and enhancements, (iii) designing, constructing, equipping and improving public safety facilities, including the acquisition of land and rights-of-way and the acquisition of vehicles therefor, (iv) constructing and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, entryways, pedestrian pathways, signage and traffic signalization and the acquisition of land and rights-of-way therefor, (v) improving and extending the City's combined waterworks and sewer system, including the acquisition of land and rights-of-way therefor and (vi) professional services rendered in connection therewith; and; such certificates to be payable from ad valorem taxes and a limited pledge of the net revenues of the City's combined waterworks and sewer system. In accordance with Texas Local Government Code Section 271.049, (i) the current principal amount of all of the City's outstanding public securities secured by and payable from ad valorem taxes is $216,480,000; (ii) the current combined principal and interest required to pay all of the City's outstanding public securities secured by and payable from ad valorem taxes on time and in full is $ 280,873,570; (iii) the estimated combined principal and interest required to pay the certificates of obligation to be authorized on time and in full is $122,235,000; (iv) the maximum interest rate for the certificates may not exceed the maximum legal interest rate; and (v) the maximum maturity date of the certificates to be authorized is September 1, 2047. The certificates are to be issued, and this notice is given, pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271, as amended.

City Secretary
City of Celina, Texas

Attachment: CELINA CO 2022 - Intent Resolution 04.12.22 (CELINA CO 2022 NOI)

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: April 12, 2022
Re: CELINA CO 2022 RR

Action Requested:
Consider and act upon of all matters incident and related to declaring expectation to reimburse expenditures with proceeds of future debt, including the adoption of a resolution pertaining thereto. (Stovall)

Background Information:
The City in the previous agenda item has requested approval to issue certificates of obligation for $70 million. This agenda item provides a resolution that provides for a reimbursement of expenditures with proceeds from the future debt.

Board Review/Citizen Input:
N/A

Alternatives:
N/A

Financial Considerations:
N/A

Legal Review:
Bond Counsel has provided the Resolution

Supporting Documents:
Resolution

Staff Recommendation:
Approval

RESOLUTION NO. 2022-___

A RESOLUTION Declaring Expectation to Reimburse Expenditures With Proceeds of Future Debt.

WHEREAS, the City of Celina, Texas (the "City"), intends to issue debt for the following purposes, to wit: (i) renovating, improving and equipping existing buildings or facilities, (ii) acquiring, constructing, improving, remodeling, renovating and equipping park facilities, including the acquisition of land and rights-of-way therefor and including public art projects and enhancements, (iii) designing, constructing, equipping and improving public safety facilities, including the acquisition of land and rights-of-way and the acquisition of vehicles therefor, (iv) constructing and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, entryways, pedestrian pathways, signage and traffic signalization and the acquisition of land and rights-of-way therefor and (v) improving and extending the City's combined waterworks and sewer system, including the acquisition of land and rights-of-way therefor (collectively, the "Project"); and

WHEREAS, the City further intends to make certain capital expenditures with respect to the Project and currently desires and expects to reimburse the capital expenditures with proceeds of such debt; and

WHEREAS, under Treas. Reg. § 1.150-2 (the "Regulation"), to fund such reimbursement with proceeds of tax-exempt obligations, the City must declare its expectation to make such reimbursement; and

WHEREAS, the City desires to preserve its ability to reimburse the capital expenditures with proceeds of tax-exempt obligations; now, therefore,

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

SECTION 1: The City reasonably expects to reimburse capital expenditures with respect to the Project with proceeds of tax-exempt obligations hereafter to be incurred by the City, and this resolution shall constitute a declaration of official intent under the Regulation. The maximum principal amount of obligations expected to be issued for the Project is $70,000,000.

SECTION 2: This Resolution shall be in force and effect from and after its passage on the date shown below.

PASSED AND ADOPTED, this April 12, 2022.

CITY OF CELINA, TEXAS

ATTEST:

_____
Mayor

_____
City Secretary

Attachment: CELINA CO 2022 - Reimbursement Resolution 04.12 (1) (CELINA CO 2022 Reimbursement R)

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: April 12, 2022
Re: Amendment to the Resolution Adopting PACE

Action Requested:
Consider and act upon an amendment to the resolution adopting the City of Celina Property Assessed Clean Energy Program ("City of Celina PACE"). (Satarino)

Background Information:
The City Council held a public hearing and adopted a resolution establishing PACE at the October 12, 2021 City Council meeting. Since this time, Staff has held discussions with other non-profit PACE service providers that could potentially administer the program. The original resolution specially indicated one administrator. In an effort to provide greater flexibility to the development community, Staff is requesting to amend this resolution (as allowed per the originally adopted resolution) to remove the exclusivity to a single non-profit administer thus increasing the reach of the program. Attached is the redline version noting the proposed changes to the resolution adopted on October 12th, as well as the final version for signature. Below is an overview of the PACE program as previously discussed.

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.

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 adopting the City of Celina Property Assessed Clean Energy Program ("City of Celina PACE") and Chapter 399 Report (redline version); and
Resolution adopting the City of Celina Property Assessed Clean Energy Program ("City of Celina PACE") and Chapter 399 Report.

Staff Recommendation:
Recommend for approval

CITY OF CELINA, TEXAS CITY COUNCIL
RESOLUTION **NO. 2021-___**

A RESOLUTION OF THE CITY OF CELINA, TEXAS AMENDING
THE CITY OF CELINA PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM;
AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the 83rd regular sessionRegular 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 municipalitycity or county, to designate anall or a portion of the area of the territory of the local government as a region within which an authorized representative of a local government representative and the record owners of commercial, industrial, and large multifamily residential (5five 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 certain 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 ("City of Celina" or "City") 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 conservingqualified projects (as defined in the PACE Act) through contractual assessments maintained by the City ("PACE financing")("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 finds that the administration of the PACE program for the Program by one or more registered municipal advisor ("RMA") or nonprofit organizations as independent third-party ("Authorized Representative or Authorized Representatives") contracted by City of Celina on September 14, 2021 including a reference to the report onthe 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 websitecompensated by application and for inspection in the office of the City Manager at 142 N. Ohio Street, Celina, Texas 75009; and

Attachment: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting 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~~administration fees paid by the ~~parties obtaining PACE loans and charitable grants are sufficient revenue streams to support the non-profitorganization, and~~participating property owners, will enable the ~~program~~PACE 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 City of Celina; and

WHEREAS, the City Council also finds that because no City funds will be expended for PACE ~~financing~~Financing of the –Authorized Representative's –services, –the –selection –of– such an independent third-party Authorized ~~Representative~~Representatives is not subject to the Professional Services Procurement Act or other City purchasing requirements~~;~~;; and

WHEREAS, the City Council adopted a Resolution of Intent to establish a PACE Program for City of Celina on _____, 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 of Celina website and for inspection in the City Mayor's office; and

WHEREAS, the City Council held a public hearing on ~~October 12, 2021~~_____ at 5pm in the Celina, City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009 at –which –the public ~~hearing could~~had an opportunity to comment on the proposed program, including the report available for public inspection, as mentioned above and as required by Section 399.008(a)(2~~):~~) of the PACE Act:

NOW THEREFORE, ~~BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS AS FOLLOWS~~be it resolved by the City Council of City of Celina that:

1. ~~SSECTION 1.~~ Recitals. The recitals to this ~~resolution~~Resolution are true and correct and are incorporated into this ~~resolution~~Resolution for all purposes.

2. ~~SSECTION 2.~~ Establishment –of –Program. ~~The~~ –City –of –Celina– hereby –adopts this Resolution ~~Establishing~~establishing the City of Celina– Property –Assessed –Clean –Energy Program ~~(City of Celina PACE),~~, herein called the "City of Celina PACE Program~~,~~" or 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 of Celina and its citizens.

3. ~~SSECTION 3.~~ Contractual Assessments. ~~The~~ City of Celina will, at ~~the~~a property owner's request, impose –contractual –assessments –on –the –property –to –repay –PACE ~~–financing~~Financing for qualified ~~energy and water conserving projects~~improvements available –to –owners –of –privately owned commercial~~,~~ or industrial~~, and large multifamily~~ real property or residential real property with five or more dwelling units.

Attachment: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting PACE)

~~SECTION 4.~~

4. Qualified Projects. The following types of projects are qualified projects for PACE ~~financing~~ 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~~,~~ or industrial~~,~~ real property 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.~~

5. Region. ~~The boundaries of the~~ entire geographic area ~~located~~ within ~~City's~~City of Celina's jurisdiction ~~are~~is included in the boundaries of the region where PACE ~~financing~~Financing and assessments can occur under the Program.

6. ~~SECTION 6.~~ Third-Party Financing. ~~FFinancing~~ Financing for qualified projects under the Program will be provided by ~~qualified~~ third-party ~~lenders chosen~~ capital providers selected by the property owners. Such ~~lenders~~ capital providers 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~~capital providers 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~~capital providers and the owners for the installation or modification of qualified ~~projects~~improvements, 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~~capital providers and the owners. ~~The~~ City of Celina will maintain and continue the assessments for the benefit of such ~~lenders~~capital providers and will enforce the assessment lien for the benefit of a ~~lender~~capital provider in the event of a default by an owner. ~~The~~ City of Celina will not~~, at this time,~~ provide financing ~~of any sort for the City of Celina PACE program~~under the Program.

Attachment: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting PACE)

~~SECTION 7.~~

7. Authorized ~~Representative.~~ Representatives. The ~~City~~ Council ~~designates Texas PACE Authority, a~~ will designate one or more registered municipal advisor firms or non-profit ~~organization,~~organizations to act as ~~the~~ Authorized ~~representative~~Representatives 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 the Denton or Collin 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~~of Celina Mayor or his designee will be the liaison with the Authorized ~~representative~~Representatives.

~~SECTION 8. Enforcement. The City will enforce the collection of past due~~

8. assessments and may contract with a qualified ~~law~~ firm to assist in collection efforts.

9. ~~SECTION 9. Report.~~ The final report on the ~~City~~ of Celina PACE ~~program,~~ Program, prepared in accordance with Section 399~~.009~~ of the Texas Local Government Code is attached hereto and incorporated into this resolution. The City Mayor or his/her designee will post the ~~resolution and~~ report on the ~~City's~~ City of Celina website and make it available for public inspection at the City of Celina, City Hall, 142 North Ohio Street. Celina, TX 75009.

10. ~~SECTION 10.~~ Amendment of Program. The Celina City Council may amend the City of Celina PACE Program by resolution. However, ~~another~~an additional public hearing is required before the City of Celina PACE Program may be amended to provide for City of Celina financing of qualified improvements through assessments.

~~ADOPTED, PASSED, AND APPROVED on~~

Adopted this ~~the 12th~~ _____ day of ~~October, 2021.~~ _____, 20____.

_____

~~Ma~~
~~yor~~
CITY OF CELINA CITY COUNCIL

_____
CITY MAYOR

ATTEST:

Attachment: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting PACE)

~~City Secretary~~

CITY CLERK

(SEAL)

Attachment: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting 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: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting 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: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting 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: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting 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.

Attachment: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting PACE)

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,

Attachment: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting 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: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting 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: PACE Redline- Amendment and 399 Report (Amendment to the Resolution Adopting PACE)

CITY OF CELINA CITY COUNCIL
RESOLUTION AMENDING
THE CITY OF CELINA 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 city or county, to designate all or a portion of the area of the local government as a region within which an authorized local government representative and the record owners of commercial, industrial, and large multifamily residential (five 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 certain 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 ("City of Celina" or "City") will further the goals of energy and water conservation without cost to the public; and

WHEREAS, the City Council finds that financing qualified projects (as defined in the PACE Act) through contractual assessments ("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 finds that the administration of the PACE Program by one or more registered municipal advisor ("RMA") or nonprofit organizations as independent third-party ("Authorized Representative or Authorized Representatives") contracted by City of Celina and compensated by application and administration fees paid by the participating property owners, will enable the PACE 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 City of 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 Representatives is not subject to the Professional Services Procurement Act or other City purchasing requirements; and

WHEREAS, the City Council adopted a Resolution of Intent to establish a PACE Program for 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 of Celina website and for inspection in the City Mayor's office; and

WHEREAS, the City Council held a public hearing on October 12, 2021 at 5pm in the Celina, City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009 at which the public had an opportunity to comment on the proposed program, including the report available for public inspection, as mentioned above and as required by Section 399.008(a)(2) of the PACE Act:

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

NOW THEREFORE, be it resolved by the City Council of City of Celina that:

1. Recitals. The recitals to this Resolution are true and correct and are incorporated into this Resolution for all purposes.

2. Establishment of Program. City of Celina hereby adopts this Resolution amending the City of Celina Property Assessed Clean Energy Program, herein called the "City of Celina PACE Program" or 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 City of Celina and its citizens.

3. Contractual Assessments. City of Celina will, at a property owner's request, impose contractual assessments on the property to repay PACE Financing for qualified improvements available to owners of privately owned commercial or industrial real property or residential real property with five or more dwelling units.

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 or industrial real property 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.

5. Region. The entire geographic area located within City of Celina's jurisdiction is included in the boundaries of the region where PACE Financing and assessments can occur under the Program.

6. Third-Party Financing. Financing for qualified projects under the Program will be provided by third-party capital providers selected by the property owners. Such capital providers 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 capital providers 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 capital providers and the owners for the installation or modification of qualified improvements, 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 capital providers and the owners. City of Celina will maintain and continue the assessments for the benefit of such capital providers and will enforce the assessment lien for the benefit of a capital provider in the event of a default by an owner. City of Celina will not provide financing under the Program.

7. Authorized Representatives. The City Council will designate one or more registered municipal advisor firms or non-profit organizations to act as Authorized Representatives with authority to enter into written contracts with the record owners of real property in 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 the Denton or Collin County, all on behalf of City of Celina. The City of Celina Mayor or his designee will be the liaison with the Authorized Representatives.

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

8. Enforcement. The City will enforce the collection of past due assessments and may contract with a qualified firm to assist in collection efforts.

9. Report. The final report on the City of Celina PACE Program, prepared in accordance with Section 399 of the Texas Local Government Code is attached hereto and incorporated into this resolution. The City Mayor or his/her designee will post the report on the City of Celina website and make it available for public inspection at the City of Celina, City Hall, 142 North Ohio Street. Celina, TX 75009.

10. Amendment of Program. The Celina City Council may amend the City of Celina PACE Program by resolution. However, an additional public hearing is required before the City of Celina PACE Program may be amended to provide for City of Celina financing of qualified improvements through assessments.

Adopted this _____ day of _____, 20_____.

CITY OF CELINA CITY COUNCIL

_____
CITY MAYOR

ATTEST:

_____
CITY CLERK

(SEAL)

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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.

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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.

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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]

6 TX. Local Gov't Code §399.009(b).
7 TX. Local Gov't Code §399.010.

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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:

[8] The servicer will be responsible for maintaining payment records, account balances, and reporting to the Authorized Representative as required.

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(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.

[9] TX. Local Gov't Code §399.011.

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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

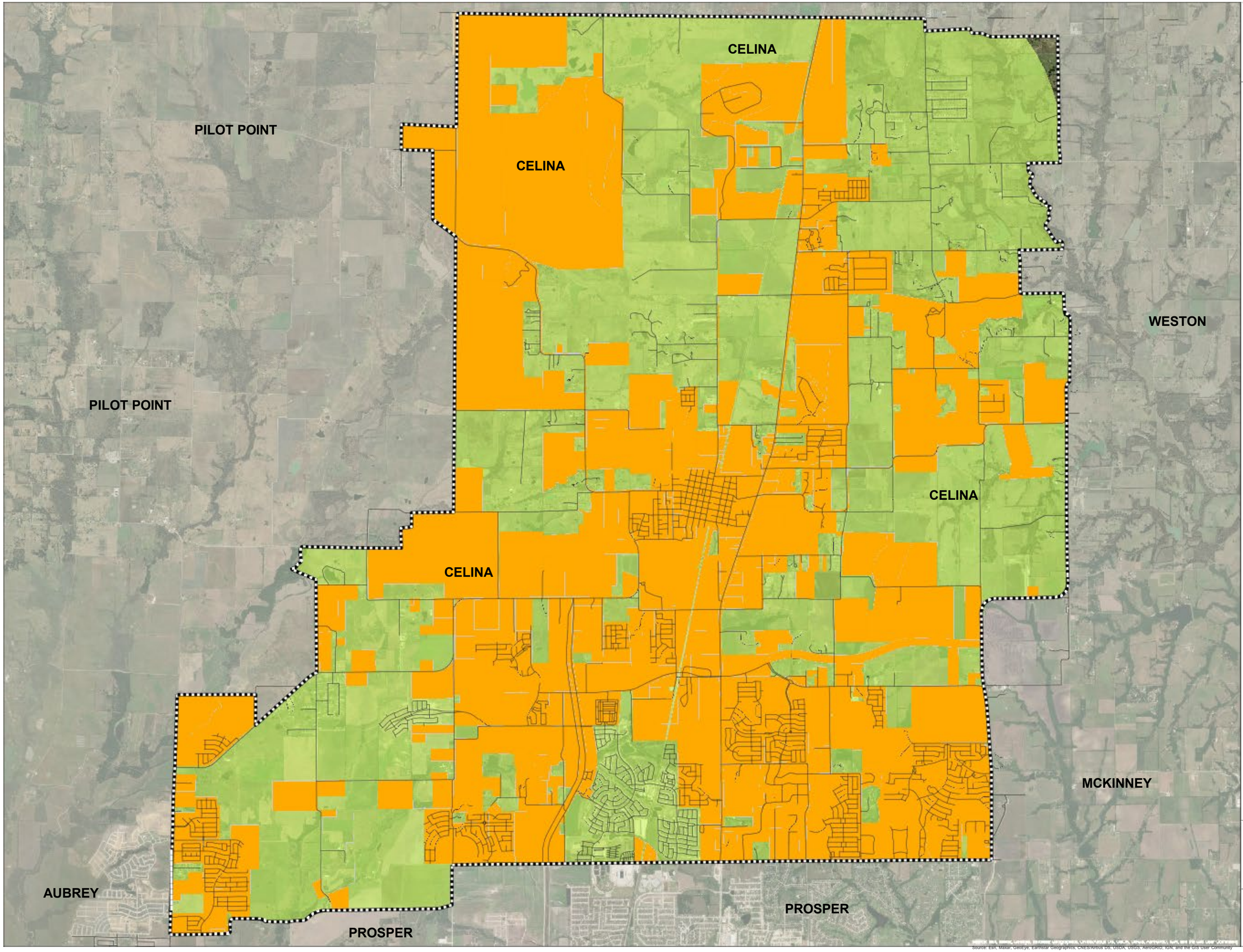
(2) Mail to the owner a second notice of delinquency and demand for payment by both certified mail (return receipt requested) and first class mail, at least 30 days after the date of the first notice if the delinquency is continuing.

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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

EXHIBIT 1 MAP OF CITY of CELINA PACE BOUNDARY



Legend

- Ultimate Boundai
- Roads
- Celina City Limits
- Celina ETJ

2

0 0.3 0.6 1.2 1.8 Mi

Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

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 _____("**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

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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.

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

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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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

EXHIBIT A

NOTICE OF CONTRACTUAL ASSESSMENT LIEN PURSUANT TO PROPERTY ASSESSED CLEAN ENERGY ACT

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

EXHIBIT B

MORTGAGE HOLDER(S) CONSENT

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

EXHIBIT D

CONSTRUCTION TERMS

[if applicable]

Date	Draw down Amount	Purpose

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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 _____("**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

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

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(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.

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(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.

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(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.

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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

EXHIBIT A

OWNER CONTRACT

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

EXHIBIT C

CONSTRUCTION TERMS

[if applicable]

Date	Draw down Amount	Purpose

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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 _____("**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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

EXHIBIT A

PROPERTY DESCRIPTION

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

EXHIBIT B

QUALIFIED IMPROVEMENTS

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting 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: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

INDEXING INSTRUCTION:

Grantor: _____, Property Owner
Grantees: _____, Local Government
_____, Lender

After recording, return to- _____
_____
_____
_____

Attachment: Resolution Amending PACE Program - City of Celina- NE.docx (Amendment to the Resolution Adopting PACE)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Kari White, Senior Planner
CC: Jason Laumer, City Manager
Date: April 12, 2022
Re: 21-02 Annexation Petition Verification

Action Requested:
Discussion regarding City Secretary's verification of whether there are sufficient signatures to the petition for annexation of approximately 1,079 acres, in the extraterritorial jurisdiction; generally located north of future Frontier Parkway, east of FM 1385, south of Marilee Road, and west of future Peterman Parkway, as described below. (21-02 Annexation Petition Verification) (Field)

1) Denton CAD property 52652, being an approximately 14.09 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3,; generally located approximately 1,770 feet south of Carey Road and 1,685 feet west of future Legacy Drive (Merritt/Thornton Farm P/S),
2) A portion of Denton CAD Property ID 52706, being an approximate 30.25 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),
3) A portion of Denton CAD Property ID 52711, being an approximate 1.52 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),
4) A portion of Denton CAD Property ID 52723, being an approximate 11.18 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 52731, being an approximately 41.16 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889 in the J. McKim Survey, Tract 2; generally located approximately 1,960 feet north of future Frontier Parkway and 3,140 feet east of Smiley Road (Merritt/Thornton Farm P/S),
6) Denton CAD property 983680, being an approximately 261 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2A; generally located north of future Frontier Parkway and approximately 880 feet west of Legacy Drive (Tellus Texas I, LLC),
7) Denton CAD property 983682, being an approximately 22 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3A; generally

located approximately 3,445 feet north of future Frontier Parkway and 1,750 feet west of Legacy Drive (Tellus Texas I, LLC),

8) Denton CAD property 983685, being an approximately 55.48 acre tract of land in Denton County, Texas, legally described as Abstract No. 1028A in the A. Phillips Survey, Tract 1C; generally located approximately 2,710 feet north of future Frontier Parkway and 2,700 feet west of Legacy Drive (Tellus Texas I, LLC),
9) Denton CAD property 983689, being an approximately 30.31 acre tract of land in Denton County, Texas, legally described as Abstract No. 0253A in the C. Copenhaver Survey, Tract 3A; generally located approximately 400 feet north of future Frontier Parkway and 1,125 feet east of Smiley Road (Tellus Texas I, LLC),
10) Denton CAD property 983690, being an approximately 19.85 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791A in the J. Morton Survey, Tract 6A; generally located approximately 2,640 feet north of future Frontier Parkway and 2,685 feet west of Legacy Drive (Tellus Texas I, LLC),
11) Denton CAD property 983691, being an approximately 48.88 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2B; generally located approximately 700 feet south of future Frontier Parkway and 720 feet west of Legacy Drive (Tellus Texas I, LLC),
12) Denton CAD property 991067, being an approximately 30.39 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2C; generally located at the northwest corner of Legacy Drive and Parvin Road (Merritt Crossing Development, LLC),
13) 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),
14) 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),
15) 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),
16) 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),
17) 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),
18) 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),
19) 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),
20) 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),

21) 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),
22) 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), and
23) 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).

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
- C-4 Annexation Application
- Petition Verification Table

Staff Recommendation:
NA

Attachment: Location Map (21-02 Annexation Petition Verification)

Life Connected.

Potential Annexations
City of Celina

Date: 3/4/2022

Legend

- Ultimate Boundary
- Roads
- Potential Annexations
- Petition
- Parcels

N
W E
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0 3,950 7,900 Feet

C-4 VOLUNTARY ANNEXATION PETITION OF THE CITY OF CELINA, TEXAS:

The City of Celina has adopted a Resolution of Intent to annex the area described below, provided notice and conducted a public hearing as required by Texas Local Government Code Sections 43.0682, 43.0683 and 43.0684. The City of Celina is now seeking to gather signatures of more than 50% of the registered voters of the area OR, if the registered voters of the area do not own more than 50% of the land in the area, the owners having an ownership interest greater than 50% of the hereinafter described tract(s) or parcel(s) of land (collectively, the "Area").

ONLY IF YOU CONSENT TO THE ANNEXATION OF YOUR PROPERTY AND/OR THE PROPERTY UPON WHICH YOU RESIDE AS A REGISTERED VOTER, execute a signature page below that indicates (A) whether you are an owner of property in the Area, (B) a registered voter in the Area, or (C) both. If the number of signatures required by state law are received, annexation will extend the present city limits over the Area, containing approximately 1,079 acres of land, described as follows:

1) **Denton CAD property 52652, being an approximately 14.09 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3,; generally located approximately 1,770 feet south of Carey Road and 1,685 feet west of future Legacy Drive (Merritt/Thornton Farm P/S),**
2) **A portion of Denton CAD Property ID 52706, being an approximate 30.25 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),**
3) **A portion of Denton CAD Property ID 52711, being an approximate 1.52 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),**
4) **A portion of Denton CAD Property ID 52723, being an approximate 11.18 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 52731, being an approximately 41.16 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889 in the J. McKim Survey, Tract 2; generally located approximately 1,960 feet north of future Frontier Parkway and 3,140 feet east of Smiley Road (Merritt/Thornton Farm P/S),**
6) **Denton CAD property 983680, being an approximately 261 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2A; generally located north of future Frontier Parkway and approximately 880 feet west of Legacy Drive (Tellus Texas I, LLC),**
7) **Denton CAD property 983682, being an approximately 22 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3A; generally located approximately 3,445 feet north of future Frontier Parkway and 1,750 feet west of Legacy Drive (Tellus Texas I, LLC),**
8) **Denton CAD property 983685, being an approximately 55.48 acre tract of land in Denton County, Texas, legally described as Abstract No. 1028A in the A. Phillips Survey, Tract 1C; generally located approximately 2,710 feet north of future Frontier Parkway and 2,700 feet west of Legacy Drive (Tellus Texas I, LLC),**

Attachment: C-4 Annexation Application (21-02 Annexation Petition Verification)

9) **Denton CAD property 983689, being an approximately 30.31 acre tract of land in Denton County, Texas, legally described as Abstract No. 0253A in the C. Copenhaver Survey, Tract 3A; generally located approximately 400 feet north of future Frontier Parkway and 1,125 feet east of Smiley Road (Tellus Texas I, LLC),**
10) **Denton CAD property 983690, being an approximately 19.85 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791A in the J. Morton Survey, Tract 6A; generally located approximately 2,640 feet north of future Frontier Parkway and 2,685 feet west of Legacy Drive (Tellus Texas I, LLC),**
11) **Denton CAD property 983691, being an approximately 48.88 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2B; generally located approximately 700 feet south of future Frontier Parkway and 720 feet west of Legacy Drive (Tellus Texas I, LLC),**
12) **Denton CAD property 991067, being an approximately 30.39 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2C; generally located at the northwest corner of Legacy Drive and Parvin Road (Merritt Crossing Development, LLC),**
13) **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),**
14) **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),**
15) **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),**
16) **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),**
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19) **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),**
20) **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),**

Attachment: C-4 Annexation Application (21-02 Annexation Petition Verification)

21) **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),**
22) **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), and**
23) **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).**

I desire to enter into a written agreement for municipal services to my property with the City of Celina pursuant to Section 43.0672 of the Local Government Code. If any portion of my property is appraised for ad valorem tax purposes as agricultural, wildlife management use or timber land under Chapter 23 of the Tax Code, I certify that (a) I was offered a development agreement pursuant to Section 43.016 of the Local Government Code, (b) declined said development agreement and/or entered into an agreement pursuant to Section 212.172 Local Government Code, and (c) voluntarily executed this petition.

I further certify and attest that I have the authority to petition for annexation for the portion of the Area that I own or where I am a registered voter, or both.

Attachment: C-4 Annexation Application (21-02 Annexation Petition Verification)

OWNERS:

Merritt/Thornton Farm P/S

Signature: Margaret M Thornton Number of acres owned: 98.175 acres
Print Name: Margaret M. Thornton

STATE OF TEXAS §
§
COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared Margaret M Thornton, 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 on behalf of the Owner.

Given under my hand and seal of office this 11th day of March, 2022.

Monica Smith
NOTARY PUBLIC in and for the
STATE OF TEXAS

(SEAL)

MONICA SMITH
Notary ID #12342039
My Commission Expires
June 1, 2025

Monica Smith
Printed Name
My commission expires: 6.1.25

Attachment: C-4 Annexation Application (21-02 Annexation Petition Verification)

OWNERS:

Tellus Texas I, LLC

Signature: _____ Number of acres owned: 437.515 acres
Print Name: DAVID R BLOM
MANAGER

STATE OF TEXAS §
§
COUNTY OF Collin §

BEFORE ME, the undersigned authority, on this day personally appeared David R. Blom, 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 on behalf of the Owner.

Given under my hand and seal of office this 11 day of March, 2022.

(SEAL)

Melissa Bryson
NOTARY PUBLIC in and for the
STATE OF TEXAS

MELISSA BRYSON
Notary Public, State of Texas
Comm. Expires 09-09-2023
Notary ID 132163031

Melissa BRYSON
Printed Name
My commission expires: 09-09-2023

Attachment: C-4 Annexation Application (21-02 Annexation Petition Verification)

OWNER:

Merritt Crossing Development, LLC

Signature: Robert T. Gumby III Number of acres owned: 30.382 acres
Print Name: Robert T. Gumby III

STATE OF TEXAS §
§
COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared Robert T. Gumby, 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 on behalf of the Owner.

Given under my hand and seal of office this 11th day of March, 2022.

Monica Smith
NOTARY PUBLIC in and for the
STATE OF TEXAS

(SEAL)

MONICA SMITH
Notary ID #12342039
My Commission Expires
June 1, 2025

Monica Smith
Printed Name
My commission expires: 6.1.25

Attachment: C-4 Annexation Application (21-02 Annexation Petition Verification)

FOR OFFICE USE ONLY:

The City has verified that the above signatories to this voluntary petition for annexation pursuant to subchapter C-4 of Chapter 43 of the Texas Local Government Code constitute more than 50% of the registered voters of the area OR, if the registered voters of the area do not own more than 50% of the land in the area, having an ownership interest greater than 50% of the herein described Area.

The signatures hereto were gathered during the time period prescribed by Section 43.0685(b) of the Texas Local Government Code.

Date of verification by City: _____

Attachment: C-4 Annexation Application (21-02 Annexation Petition Verification)

PROP ID	Owner	Address	City	State	Zip	Acreage
52652	MERRITT/THORNTON FARM P/S	5524 EDLEN DR	DALLAS	TX	75220-2106	14.086
52706	MERRITT/THORNTON FARM P/S	5524 EDLEN DR	DALLAS	TX	75220-2106	30.24372
52711	MERRITT/THORNTON FARM P/S	5524 EDLEN DR	DALLAS	TX	75220-2106	1.51769
52723	MERRITT/THORNTON FARM P/S	5524 EDLEN DR	DALLAS	TX	75220-2106	11.17572
52731	MERRITT/THORNTON FARM P/S	5524 EDLEN DR	DALLAS	TX	75220-2106	41.152
983680	TELLUS TEXAS I LLC	130 N PRESTON RD STE 130	PROSPER	TX	75078-9800	261
983682	TELLUS TEXAS I LLC	130 N PRESTON RD STE 130	PROSPER	TX	75078-9800	22
983685	TELLUS TEXAS I LLC	130 N PRESTON RD STE 130	PROSPER	TX	75078-9800	55.48
983689	TELLUS TEXAS I LLC	130 N PRESTON RD STE 130	PROSPER	TX	75078-9800	30.31
983690	TELLUS TEXAS I LLC	130 N PRESTON RD STE 130	PROSPER	TX	75078-9800	19.847
983691	TELLUS TEXAS I LLC	130 N PRESTON RD STE 130	PROSPER	TX	75078-9800	48.878
991067	MERRITT CROSSING DEVELOPMENT LLC	8235 DOUGLAS AVE STE 350	DALLAS	TX	75225-6027	30.382
Total Signed						**566.07213**
995070	LAWLER JODY FURLONG	PO BOX 369	FRISCO	TX	75034-0007	42.32
995098	BUNCH LIVING TRUST THE	7905 CADDO CV	MCKINNEY	TX	75071-3472	17.75
995739	GANJI SHAUN	3235 MERRIFIELD AVE	DALLAS	TX	75223-1925	93.453
2725109	LAWLER JODY FURLONG	PO BOX 369	FRISCO	TX	75034-0007	75.16
2725111	LAWLER JODY FURLONG	PO BOX 369	FRISCO	TX	75034-0007	84.1
2760320	ELEVATED ROOFING LLC	15222 KING RD STE 402	FRISCO	TX	75036-8736	27.804
991813	BARNETT REBECCA A	13526 COUNTY ROAD 8	CELINA	TX	75009-3518	35
2753685	10226 CELINA LC	1417 E MCKINNEY ST STE 220	DENTON	TX	76209-2504	22.61
2762213	10226 CELINA LC	1417 E MCKINNEY ST STE 220	DENTON	TX	76209-2504	39.2
2125473	PALMER MARK & DEBBIE	11150 COUNTY ROAD 58	CELINA	TX	75009-2172	54.5669
2071429	SAFI SHAH & LAILUMA & HOMAYUN SAFI	9717 SUMMER DR	FRISCO	TX	75035-2133	20.707
Total Unsigned						**512.6709**
					Total Acreage	**1078.74303**

This C-4 annexation is for a total of 1078.74303 acres
The 12 properties which have signed represent 566.07213 acres
566.07213 acres out of the total acreage of 1078.74303 represents approximately 52.5% of signatures
This is more than 50% of ownership interest, which satisifies the C-4 voluntary annexation petition process

Attachment: Petition Verification Table (21-02 Annexation Petition Verification)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Kari White, Senior Planner
CC: Jason Laumer, City Manager
Date: April 12, 2022
Re: 21-01 Annexation Petition Verification Resolution

Action Requested:
Consider and act upon a resolution, accepting the City Secretary's verification of the signatures to the petition for annexation of approximately 1,079 acres, in the extraterritorial jurisdiction; generally located north of future Frontier Parkway, east of FM 1385, south of Marilee Road, and west of future Peterman Parkway, as described below, and all County Road rights-of-way adjacent thereto; calling two public hearings regarding annexation and the service plan; and directing notices as prescribed by law. (21-02 Annexation Petition Verification Resolution) (White)

1) Denton CAD property 52652, being an approximately 14.09 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3,; generally located approximately 1,770 feet south of Carey Road and 1,685 feet west of future Legacy Drive (Merritt/Thornton Farm P/S),
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Background Information:
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~~October 12, 2021 - 1st Public Hearing~~

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May 10, 2022 - 2nd Public Hearing

June 14, 2022 - 3rd Public Hearing and Annexation Ordinance adoption

Supporting Documents:
- Location Map
- Staff Presentation
- Draft Resolution

Staff Recommendation:
Staff Recommends approval as presented.

CELINA TEXAS EST. 1876

Life Connected.

Potential Annexations
City of Celina

Date: 3/4/2022

Legend

- Ultimate Boundary
- Roads
- Potential Annexations
- Petition
- Parcels

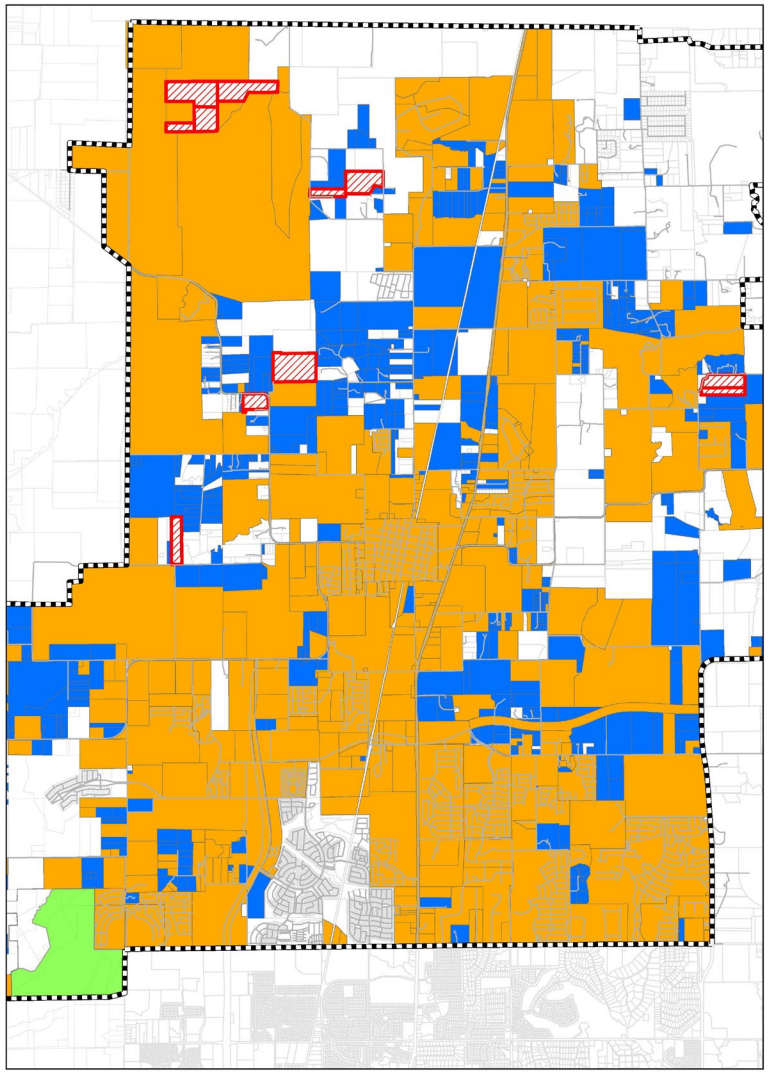
N W E S

0 3,950 7,900 Feet

ANNEXATION 21-02
PETITION VERIFICATION

City Council
April 12, 2022

ANNEXATION MAP



Legend

- Ultimate Boundary
- Roads
- Potential Annexations
- Petition

Attachment: Staff Presentation (21-02 Annexation Petition Verification Resolution)

ANNEXATION TIMELINE

- ~~September 14, 2021– Annexation Resolution~~
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Attachment: Staff Presentation (21-02 Annexation Petition Verification Resolution)

RECOMMENDATION

Staff recommends approval.

Attachment: Staff Presentation (21-02 Annexation Petition Verification Resolution)

CITY OF CELINA, TEXAS

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY OF CELINA, TEXAS, ACCEPTING THE CITY SECRETARY'S VERIFICATION OF THE SIGNATURES TO THE PETITION FOR ANNEXATION OF CERTAIN TERRITORIES IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF CELINA, TEXAS, TO WIT BEING ±1,079 ACRES GENERALLY LOCATED NORTH OF FUTURE FRONTIER PARKWAY, EAST OF FM 1385, SOUTH OF MARILEE ROAD, AND WEST OF FUTURE PETERMAN PARKWAY, AND THAT PORTION OF ALL COUNTY ROAD RIGHTS-OF-WAY ADJACENT TO SAID TERRITORY; AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN EXHIBIT "A" AND GRAPHICALLY DEPICTED IN EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN; CALLING TWO PUBLIC HEARINGS REGARDING ANNEXATION AND THE SERVICE PLAN, DIRECTING NOTICES OF PUBLIC HEARING BE PROVIDED AS PRESCRIBED BY LAW; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR SEVERABILITY; 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 Counties, Texas, created in accordance with the provisions of the Texas Local Government Code (the "Act") and operating pursuant to the enabling legislation of the State of Texas and the Celina City Charter; and

WHEREAS, legal descriptions of the area proposed to be annexed is attached hereto as Exhibit "A" and the area, and adjacent right-of-way to be annexed, is geographically depicted in Exhibit "B", both of which are attached hereto and incorporated herein as if written word for word (together the "Area"); and

WHEREAS, the City Council adopted Resolution No. R-2021-86R expressing its intent to annex the Area and containing all elements required by Section 43.0682 of the Act (the "Resolution of Intent"); and

WHEREAS, following proper notice, a public hearing was held on October 12, 2021, which date was not earlier than 21 days or later than the 30th day after the date of adoption of the Resolution of Intent, after which the City circulated a petition in conformance with the requirements of Section 43.0685 of the Act (the "Petition"); and

WHEREAS, the Petition period prescribed by Section 43.0685 of the Act has ended and the City Secretary verified to the City Council that the Petition contained the minimum number of signatures required to annex the Area; and

WHEREAS, the City Council directs publication, mailing and distribution of notice(s) for two public hearings, as required by the Act, to consider the annexation of the Area; and

Attachment: Draft Resolution (21-02 Annexation Petition Verification Resolution)

WHEREAS, all required statutory notices and procedures related to the Petition in Chapter 43 of the Act have been accomplished; and

WHEREAS, in accordance with Chapter 43 of the act, a Service Plan for the Area to be annexed, which was included with the Resolution of Intent, shall be presented at the public hearings and made available to the public, and is attached hereto as Exhibit "C" and incorporated herein as if written word for word; and

WHEREAS, the City Council of the City of Celina, Texas has determined that the Area to be annexed, as set forth in the Petition, is located within the extraterritorial jurisdiction of the City; and

WHEREAS, the City Council of the City of Celina, Texas has investigated into, has determined and officially finds that no part of the Area is within the extraterritorial jurisdiction of any other incorporated city or town.

NOW, THEREFORE, BE IT RESOLVED 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, are incorporated herein, are legislative findings of the City Council, and are made a part hereof for all purposes.

SECTION 2
ACCEPTANCE OF PETITION VERIFICATION, CALLING OF PUBLIC HEARINGS AND PROVIDING NOTICES

A. Acceptance of Petition Verification. Prior to the City Council adopting this resolution, the City Secretary, in an open meeting of the City Council, verified that:

i. the Area has a population of less than 200; and
ii. registered voters of the Area proposed to be annexed and described in the Petition do not own more than 50 percent of the land in the Area; and
iii. the Petition was signed by the owners of land in the Area that are not registered voters; and
iv. the Petition clearly stated whether each signer was signing as a registered voter of the Area, an owner of land in the Area, or both; and
v. the Petition was signed by more than 50 percent of the owners of land in the Area; and
vi. the signatures sufficient to verify the Petition were placed on the Petition during the timeframe required by Section 43.0685(b) of the Act.

The City Council hereby accepts and approves the verification, finds and affirms that the statements in this Section 2.A. are true and correct, and adopts the statements in this Section 2.A. as legislative findings of the City Council.

B. Calling of Public Hearings. The City Council hereby calls two public hearings about annexation of the Area, at which members of the public shall be given an opportunity to be heard, at **CELINA COUNCIL CHAMBERS, 112 NORTH COLORADO,**

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CELINA, TEXAS 75009, on the following dates and times (the second public hearing shall be not earlier than the 10th day after the first public hearing):

i. May 10, 2022 at 5:00 p.m.; and
ii. June 14, 2022 at 5:00 p.m.

The ordinance annexing the Area may be adopted immediately following the second public hearing called above.

C. Notice of Results of Petition and Public Hearings. The City Secretary is hereby authorized and directed to cause notice of the results of the Petition and notice of the two public hearings called by Section 2.B. to be sent to; (i) residents and property owners in the Area, (ii) any school district or public entity providing services to the Area, and (iii) any railroad having right-of-way in the Area, at least 11 days before the date of the first public hearing. In addition, such notice shall be posted on the City's website and published once in a newspaper having general circulation in the City and in the Area at least 11 days before the date of the first public hearing.

SECTION 3
SERVICE PLAN

The proposed Service Plan for the Area, attached hereto as Exhibit "C", shall be presented at the beginning of the public hearings, made publicly available and submitted in accordance with Chapter 43 of the Texas Local Government Code.

SECTION 4
SEVERABILITY

If any section, article, paragraph, sentence, clause, phrase or word in this resolution, or application thereof to any land, property, 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 this resolution, and the City Council hereby declares it would have passed such remaining portions of this resolution 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", the City Council would have included 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 resolution.

SECTION 5
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Celina is hereby directed to engross and enroll this resolution by copying the caption in the minutes of the City Council of the City of Celina and by filing this resolution in the resolution records of the City.

SECTION 6
EFFECTIVE DATE

This resolution shall be in full force and effect from and after its date of passage.

AND IT IS SO RESOLVED.

Attachment: Draft Resolution (21-02 Annexation Petition Verification Resolution)

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this 12th day of April 2022.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Lauren Field, Deputy City Secretary
City of Celina, Texas

APPROVED AS TO FORM:

_____
City Attorney/Attorney for City
City of Celina, Texas

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Exhibit "A"
LEGAL DESCRIPTION OF AREA

The City intends to annex the area, approximately 1,079 acres, generally located in the description below:

1) Denton CAD property 52652, being an approximately 14.09 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3,; generally located approximately 1,770 feet south of Carey Road and 1,685 feet west of future Legacy Drive (Merritt/Thornton Farm P/S),
2) A portion of Denton CAD Property ID 52706, being an approximate 30.25 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),
3) A portion of Denton CAD Property ID 52711, being an approximate 1.52 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),
4) A portion of Denton CAD Property ID 52723, being an approximate 11.18 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 52731, being an approximately 41.16 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889 in the J. McKim Survey, Tract 2; generally located approximately 1,960 feet north of future Frontier Parkway and 3,140 feet east of Smiley Road (Merritt/Thornton Farm P/S),
6) Denton CAD property 983680, being an approximately 261 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2A; generally located north of future Frontier Parkway and approximately 880 feet west of Legacy Drive (Tellus Texas I, LLC),
7) Denton CAD property 983682, being an approximately 22 acre tract of land in Denton County, Texas, legally described as Abstract No. 1265A in the A. Thompson Survey, Tract 3A; generally located approximately 3,445 feet north of future Frontier Parkway and 1,750 feet west of Legacy Drive (Tellus Texas I, LLC),
8) Denton CAD property 983685, being an approximately 55.48 acre tract of land in Denton County, Texas, legally described as Abstract No. 1028A in the A. Phillips Survey, Tract 1C; generally located approximately 2,710 feet north of future Frontier Parkway and 2,700 feet west of Legacy Drive (Tellus Texas I, LLC),
9) Denton CAD property 983689, being an approximately 30.31 acre tract of land in Denton County, Texas, legally described as Abstract No. 0253A in the C. Copenhaver Survey, Tract 3A; generally located approximately 400 feet north of future Frontier Parkway and 1,125 feet east of Smiley Road (Tellus Texas I, LLC),
10) Denton CAD property 983690, being an approximately 19.85 acre tract of land in Denton County, Texas, legally described as Abstract No. 0791A in the J. Morton Survey, Tract 6A; generally located approximately 2,640 feet north of future Frontier Parkway and 2,685 feet west of Legacy Drive (Tellus Texas I, LLC),
11) Denton CAD property 983691, being an approximately 48.88 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2B; generally located approximately 700 feet south of future Frontier Parkway and 720 feet west of Legacy Drive (Tellus Texas I, LLC),

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12) Denton CAD property 991067, being an approximately 30.39 acre tract of land in Denton County, Texas, legally described as Abstract No. 0889A in the J. McKim Survey, Tract 2C; generally located at the northwest corner of Legacy Drive and Parvin Road (Merritt Crossing Development, LLC),
13) 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),
14) 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),
15) 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),
16) 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),
17) 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),
18) 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),
19) 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),
20) 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),
21) 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),
22) 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), and
23) 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).

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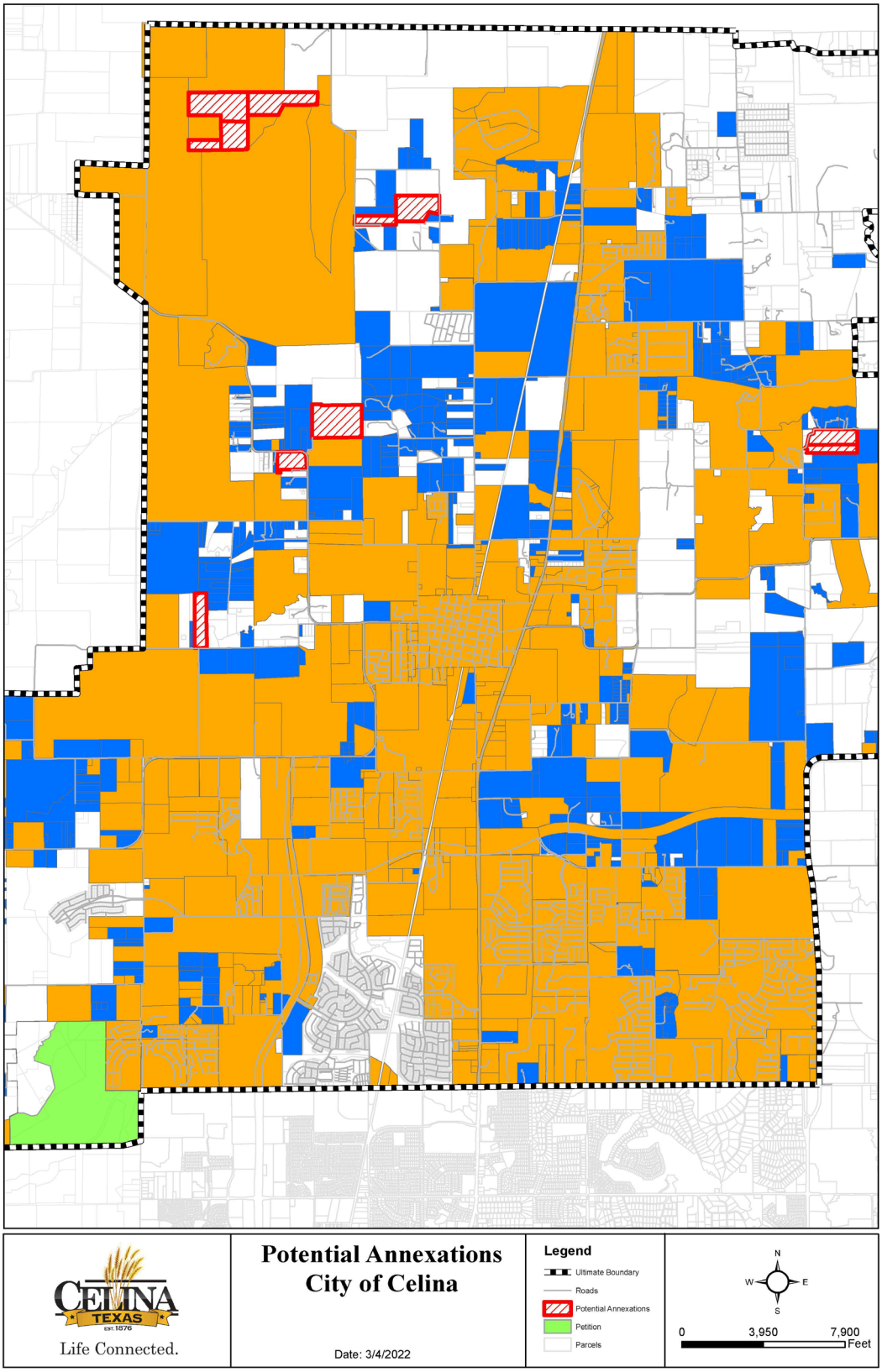
Exhibit "B"



Attachment: Draft Resolution (21-02 Annexation Petition Verification Resolution)

Exhibit "C"
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 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

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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 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.

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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.

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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.

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L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at http://www.franklinlegal.net/codes.html.

M) TERM

1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

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Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Kari White, Senior Planner
CC: Jason Laumer, City Manager
Date: April 12, 2022
Re: 21-03 Annexation Petition Verification

Action Requested:

1. Collin CAD Property ID 2674384, being an approximate 85.95 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 1,290 feet south of future Marilee Road (HC Celina 414, LLC.),
2. Collin CAD Property ID 2839556, being an approximate 102.19 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 14; generally located south of future Marilee Road and approximately 1,355 feet west of future Custer Road (HC Celina 414, LLC.),
3. Collin CAD Property ID 2839562, being an approximate 134.54 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1; generally located at the southeast corner of future Coit Road and Marilee Road (HC Celina 414, LLC.),
4. Collin CAD Property ID 2839563, being an approximate 16.77 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located east of future Coit Road and approximately 835 feet north of future Stallcup Boulevard (HC Celina 414, LLC.),
5. Collin CAD Property ID 2839564, being an approximate 74.43 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 at the northeast corner of future Coit Road and future Stallcup Boulevard (HC Celina 414, LLC.),
6. 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),
7. 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),
8. 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 (Narla, Srinivasa & Indumathi),

9. 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),
10. 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),
11. 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),
12. 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),
13. 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),
14. 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),
15. 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
16. 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 public hearing is relating to the intent to annex certain properties.

Below is the anticipated annexation schedule for the properties:

~~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

Supporting Documents:

- Location Map
- C-4 Annexation Application
- Petition Verification Table

Staff Recommendation:
NA.

Attachment: Location Map (21-03 Annexation Petition Verification)

Life Connected.

Potential Annexations
City of Celina

Date: 4/4/2022

Legend

- Ultimate Boundary
- Roads
- Petition
- Potential Annexations
- Parcels

N
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0 4,500 9,000 Feet

Prop ID	Owner	Address	City	State	Zip	Acres
2674384	HC CELINA 414 LLC	8200 DOUGLAS AVE STE 300	DALLAS	TX	75225-0015	85.95
2839556	HC CELINA 414 LLC	8200 DOUGLAS AVE STE 300	DALLAS	TX	75225-0015	102.19
2839562	HC CELINA 414 LLC	8200 DOUGLAS AVE STE 300	DALLAS	TX	75225-0015	134.54
2839563	HC CELINA 414 LLC	8200 DOUGLAS AVE STE 300	DALLAS	TX	75225-0015	16.77
2839564	HC CELINA 414 LLC	8200 DOUGLAS AVE STE 300	DALLAS	TX	75225-0015	74.43
Total Signed						**413.88**
2071427	SHEWCHUK DWIGHT M & REBECCA	13526 COUNTY ROAD 8	CELINA	TX	75009-3518	14.88
991788	BARNETT REBECCA A	13526 COUNTY ROAD 8	CELINA	TX	75009-3518	7.54
2689584	NARLA SRINIVASA & INDUMATHI	1513 ROLLINS DR	ALLEN	TX	75013-2932	20.0994
1014388	MARINKO LIVING TRUST	8723 EAKIN CEMETERY RD	JUSTIN	TX	76247-3062	10.659
2657698	JML CATTLE COMPANY LLC	9636 COUNTY ROAD 106	CELINA	TX	75009-2581	13.552
2658131	EQUITY TRUST COMPANY DBA STERLING TRUST	9636 COUNTY ROAD 106	CELINA	TX	75009-2581	10.448
2674385	EQUITY TRUST COMPANY DBA STERLING TRUST CUSTODIAN FBO JAMES L LABORDE	9636 COUNTY ROAD 106	CELINA	TX	75009-2581	7.734
2707587	MCCAULEY JEFFREY DAVID &	PO BOX 383	CELINA	TX	75009-0383	12
173394	FONSECA, MARIA ROCIO	1290 HAZEL GREEN DR	FRISCO	TX	75033-0552	5.011
52870	18 FARM ON SMILEY RD LTD	4541 LANCELOT DR	PLANO	TX	75024-4718	18
173398	SADEGHIAN, KHOSROW TRTS OF KAMY REAL PROPERTY TRUST	PO BOX 50593	DENTON	TX	76206-0593	1.61
Total Unsigned						**121.5334**
					Total Acreage	**535.4134**

This C-4 annexation is for a total of 535.4134 acres
The five properties which have signed represent 413.88 acres
413.88 acres out of the total acreage of 535.6884 represents approximately 77.3% of signatures
This is more than 50% of ownership interest, which satisifies the C-4 voluntary annexation petition process

Attachment: Petition Verification Table (21-03 Annexation Petition Verification)

C-4 VOLUNTARY ANNEXATION PETITION OF THE CITY OF CELINA, TEXAS:

The City of Celina has adopted a Resolution of Intent to annex the area described below, provided notice and conducted a public hearing as required by Texas Local Government Code Sections 43.0682, 43.0683 and 43.0684. The City of Celina is now seeking to gather signatures of more than 50% of the registered voters of the area OR, if the registered voters of the area do not own more than 50% of the land in the area, the owners having an ownership interest greater than 50% of the hereinafter described tract(s) or parcel(s) of land (collectively, the "Area").

ONLY IF YOU CONSENT TO THE ANNEXATION OF YOUR PROPERTY AND/OR THE PROPERTY UPON WHICH YOU RESIDE AS A REGISTERED VOTER, execute a signature page below that indicates (A) whether you are an owner of property in the Area, (B) a registered voter in the Area, or (C) both. If the number of signatures required by state law are received, annexation will extend the present city limits over the Area, containing approximately 536 acres of land, described as follows, and partially described in Exhibit A:

1. **Collin CAD Property ID 2674384, being an approximate 85.95 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 1,290 feet south of future Marilee Road (HC Celina 414, LLC.),**
2. **Collin CAD Property ID 2839556, being an approximate 102.19 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 14; generally located south of future Marilee Road and approximately 1,355 feet west of future Custer Road (HC Celina 414, LLC.),**
3. **Collin CAD Property ID 2839562, being an approximate 134.54 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1; generally located at the southeast corner of future Coit Road and Marilee Road (HC Celina 414, LLC.),**
4. **Collin CAD Property ID 2839563, being an approximate 16.77 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located east of future Coit Road and approximately 835 feet north of future Stallcup Boulevard (HC Celina 414, LLC.),**
5. **Collin CAD Property ID 2839564, being an approximate 74.43 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 at the northeast corner of future Coit Road and future Stallcup Boulevard (HC Celina 414, LLC.),**
6. **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),**
7. **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),**
8. **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 (Narla, Srinivasa & Indumathi),**

Attachment: C-4 Annexation Application (21-03 Annexation Petition Verification)

9. **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),**
10. **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),**
11. **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),**
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13. **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),**
14. **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),**
15. **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**
16. **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).**

I desire to enter into a written agreement for municipal services to my property with the City of Celina pursuant to Section 43.0672 of the Local Government Code. If any portion of my property is appraised for ad valorem tax purposes as agricultural, wildlife management use or timber land under Chapter 23 of the Tax Code, I certify that (a) I was offered a development agreement pursuant to Section 43.016 of the Local Government Code, (b) declined said development agreement and/or entered into an agreement pursuant to Section 212.172 Local Government Code, and (c) voluntarily executed this petition.

I further certify and attest that I have the authority to petition for annexation for the portion of the Area that I own or where I am a registered voter, or both.

Attachment: C-4 Annexation Application (21-03 Annexation Petition Verification)

OWNER:

HC Celina 414, LLC.

Signature: Sue A Blankenship Number of acres owned: 413.88 acres
Print Name: Authorized Agent
Sue A Blankenship.

STATE OF TEXAS §
§
COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared Sue A. Blankenship, 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 on behalf of the Owner.

Given under my hand and seal of office this 7 day of April, 2022.

(SEAL)

ROXANNE CABRERA
Notary ID #12217308
My Commission Expires
March 20, 2025

Roxanne Cabrera
NOTARY PUBLIC in and for the
STATE OF TEXAS

Roxanne Cabrera
Printed Name
My commission expires: 3-20-25

Attachment: C-4 Annexation Application (21-03 Annexation Petition Verification)

FOR OFFICE USE ONLY:

The City has verified that the above signatories to this voluntary petition for annexation pursuant to subchapter C-4 of Chapter 43 of the Texas Local Government Code constitute more than 50% of the registered voters of the area OR, if the registered voters of the area do not own more than 50% of the land in the area, having an ownership interest greater than 50% of the herein described Area.

The signatures hereto were gathered during the time period prescribed by Section 43.0685(b) of the Texas Local Government Code.

Date of verification by City: _____

Attachment: C-4 Annexation Application (21-03 Annexation Petition Verification)

EXHIBIT A
METES AND BOUNDS DESCRIPTION OF PROPERTIES 1-5

SITUATED in the State of Texas, County of Collin, being part of the John Davis Survey, Abstract No. 247, part of the W. C. Lewis Survey, Abstract No. 533, part of the T & P Railway Company Survey, Abstract No. 931, part of the B.B. B. & C. Railway Company Survey, Abstract No. 127, being part of a 300 acre tract of land as recorded in Volume 758, Page 493 and Volume 1154, Page 497, part of a 210 acre tract as recorded in Volume 5086, Page 2603, and part of a 110 acre tract as recorded in Volume 334, Page 397 all in the Collin County Land Records, with said premises being more particularly described as follows:

BEGINNING at a Mag Nail for corner in the approximate middle of County Road 107 and being in the north line of said 300 acre tract, from which a 1/2" iron rod found for reference bears South 00°16'10" East, 17.81 feet, said beginning corner being the northeast corner of a 74.937 acre tract as recorded under County Clerk No. 20150521000592850 of the Collin County Land Records, from said beginning corner the northwest corner of said 300 acre tract bears North 89°21'56" West, 748.16 feet, additionally said beginning corner being in the south line of a called 66.38 acre tract as recorded in Volume 2611, Page 680 of the Deed Records of Grayson County, Texas;

THENCE with the approximate middle of County Road 107, the north line of said 300 acre tract and said 210 acre tract, and the south line of said 66.38 acre tract, the south line of a called 45.927 acre tract as recorded in Volume 3539, Page 866, the south line of a called 19.985 acre tract as recorded under Doc. No. 2017-11996, and partway with the south line of a called 3.00 acre tract in Volume 2508, Page 93 all in the Deed Records of Grayson County, Texas, South 89°21'56" East (Basis of Bearing), 2579.69 feet to a P.K. Nail set marking the northwest corner of a 1.00 acre Cell Tower Site retained by the current owner;

THENCE departing said roadway and along the west line of said 1.00 acre Cell Tower Site, South 00°39'21" East, 208.71 feet to a point marking the southwest corner of said Cell Tower Site;

THENCE with the south line of said 1.00 acre Cell Tower Site, South 89°21'56" East, 208.76 feet to a point marking the southeast corner of said 1.00 acre Cell Tower Site;

THENCE with the east line of said 1.00 acre Cell Tower Site, North 00°39'21" West, passing at 30.00 feet a ½" reference iron rod found on line, passing at 193.71 feet a ½" iron rod set on line for reference, and continuing for a total distance of 208.71 feet to a P.K. Nail set marking the northeast corner of said 1.00 acre Cell Tower Site in the approximate middle of County Road 107, and being in the north line of said 300 acre tract, and the south line of the aforementioned 3.00 acre tract;

THENCE with the approximate middle of County Road 107, the north line of said 300 acre tract, the north line of the aforementioned 110 acre tract, the south line of said 3.00 acre tract, the south line of a called 2.40 acre tract recorded in Volume 2386, Page 212, the south line of a called 10.25 acre tract as recorded in Volume 1625, Page 78, the south line of a called 60.9 acre tract as recorded in Volume 2521, Page 687 all in the Deed Records of Grayson County, Texas, South 89°21'56" East, 701.69 feet to a Mag Nail found marking the northerly most northwest corner of William Drummond's 1.363 acre tract Correction Deed as recorded under Clerk's No. 20200922001614070 of the Collin County Land Records;

THENCE departing said roadway and with the perimeter of said 1.363 acre tract as follows: South 00°39'21" East, passing a Roome capped iron rod set 92.21 feet, and continuing for a total distance of 353.37 feet to a Roome capped iron rod found marking its southwest corner; North 86°37'23" East with the south line of said 1.363 acre tract, a distance of 171.22 feet to a wood fence corner post found marking its southeast corner, same being in the east line of said 110 acre tract, the west line of the aforementioned 210 acre tract, and also being in the west line of a 22.02 acre tract as recorded under Clerk's No. 20181204001480170 of the Collin County Land Records;

THENCE with the general course of a wire fence along the east line of said 110 acre tract, the west line of said 210 acre tract, with the west line of said 22.02 acre tract, the west line of a 20.00 acre tract as

Attachment: C-4 Annexation Application (21-03 Annexation Petition Verification)

recorded under County Clerk No. 20200629000991104O, and a 20.00 acre tract under County Clerk No. 20200817001339900 of the Collin County Land Records, South 00°39'21" East, 1,746.66 feet to a ½" iron rod found marking the southwest corner of said 20.00 acre tract (CC#20200817001339900);

THENCE with the south line of said 20.00 acre tract, and passing through said 210 acre tract, South 89°21'56" East, passing at 1266.39 feet a ½" iron rod found for reference, and continuing for a total distance of 1296.39 feet to a Mag Nail found marking the southeast corner of said 20.00 acre tract, and being in the approximate of County Road 132, and a called 9.40 acre tract as recorded in Volume 4646, Page 1192 of the Collin County Land Records;

THENCE South 00°47'36" East along the east line of said 210 acre tract, the west line said 9.40 acre tract, the west line of a called 69.3 acre tract as recorded under Clerk's No. 20170605000723319, the west line of a called 1.500 acre tract as recorded under Clerk's No. 20180606000696520, the west line of Magnum Estates as recorded in Volume 2019, Page 157, and the west line of a called 4.3441 acre tract as recorded under Clerk's No. 20191216001595160 all in the Collin County Land Records or Map Records, a total distance of 1,476.44 feet to a point for corner from which a P.K. Nail for reference bears North 31°48'49" West, 0.38 feet, said point for corner being the northwest corner of Highland Crossing as recorded in Volume 2019, Page 300 of the Collin County Map Records;

THENCE continuing with the approximate middle of County Road 132, the east line of said 210 acre tract, and the west line of Highland Crossing, South 00°52'38" East, 380.56 feet to a Railroad Spike found marking the northeast corner of a called 26.13 acre tract as recorded under Clerk's No. 20170502000560210 of the Collin County Land Records;

THENCE departing said roadway, South 88°49'47" West, passing through said 210 acre tract, and with the north line of said 26.13 acre tract, passing at 15.00 feet a ½" iron rod found for reference, and continuing for a total distance of 948.30 feet to a Roome capped iron rod found marking the northwest corner of said 26.13 acre tract;

THENCE passing through said 210 acre tract and with the west line of said 26.13 acre tract, South 00°44'16" East, 905.28 feet to a Roome capped iron rod found marking the northeast corner of Laborde's 7.734 acre tract as recorded under Clerk's No. 20110915000983700 of the Collin County Land Records;

THENCE passing through said 210 acre tract, and with the north line of said 7.734 acre tract, South 88°49'58" West, 415.91 feet to a steel fence corner post found for corner from which a Roome capped iron rod found bears North 69°28'57" East, 0.32 feet, said point for corner being the northwest corner of said 7.734 acre tract, and the southeast corner of a called 13.552 acre tract as recorded under Clerk's No. 20091015001273960 of the Collin County Land Records;

THENCE with the general course of a wire fence and passing through said 210 acre tract and along a common line with said 13.552 acre tract as follows: North 00°45'23" West, 413.01 feet to a point for corner from which a steel fence corner post bears North 88°50' East, 0.78 feet; South 88°49'58" West, 529.56 feet to a steel fence corner post from which a Roome capped iron rod bears South 70°09' East. 0.79 feet; North 00°41'46" West, 152.89 feet to a fence corner post from which a Roome capped iron rod found bears North 73°22' East, 0.42 feet; and South 88°49'58" West, 656.73 feet to a point for corner between two existing fences and marking the northwest corner of said 13.552 acre tract, being in the west line of said 210 acre tract, and being in the east line of a called 99.376 acre tract as recorded in Volume 5145, Page 3200 of the Collin County Land Records;

THENCE with the general course of a wire fence, the west line of said 210 acre tract, and the east line of said 99.376 acre tract, North 00°39'11" West, 338.79 feet to a fence post for corner from which a ½" iron rod found bears North 59°22'East, 0.41 feet, said fence post marking the northeast corner of said 99.376 acre tract, and the southeast corner of the aforementioned 300 acre tract;

Attachment: C-4 Annexation Application (21-03 Annexation Petition Verification)

THENCE with the general course of a wire fence, the south line of said 300 acre tract, and the north line of said 99.376 acre tract, South 89°17'50" West, 2438.96 feet to a Roome capped iron rod found marking the southeast corner of the aforementioned 74.937 acre tract;

THENCE with the general course of a wire fence, and the east line of said 74.937 acre tract, North 00°16'10" West, passing at 4064.32 feet said ½" reference iron rod found, and continuing for a total distance of 4082.13 feet to the place of beginning and containing 413.880 acres of land.

Attachment: C-4 Annexation Application (21-03 Annexation Petition Verification)

Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Kari White, Senior Planner
CC: Jason Laumer, City Manager
Date: April 12, 2022
Re: 21-03 Annexation Petition Verification Resolution

Action Requested:

1. Collin CAD Property ID 2674384, being an approximate 85.95 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 1,290 feet south of future Marilee Road (HC Celina 414, LLC.),
2. Collin CAD Property ID 2839556, being an approximate 102.19 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 14; generally located south of future Marilee Road and approximately 1,355 feet west of future Custer Road (HC Celina 414, LLC.),
3. Collin CAD Property ID 2839562, being an approximate 134.54 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1; generally located at the southeast corner of future Coit Road and Marilee Road (HC Celina 414, LLC.),
4. Collin CAD Property ID 2839563, being an approximate 16.77 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located east of future Coit Road and approximately 835 feet north of future Stallcup Boulevard (HC Celina 414, LLC.),
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Background Information:

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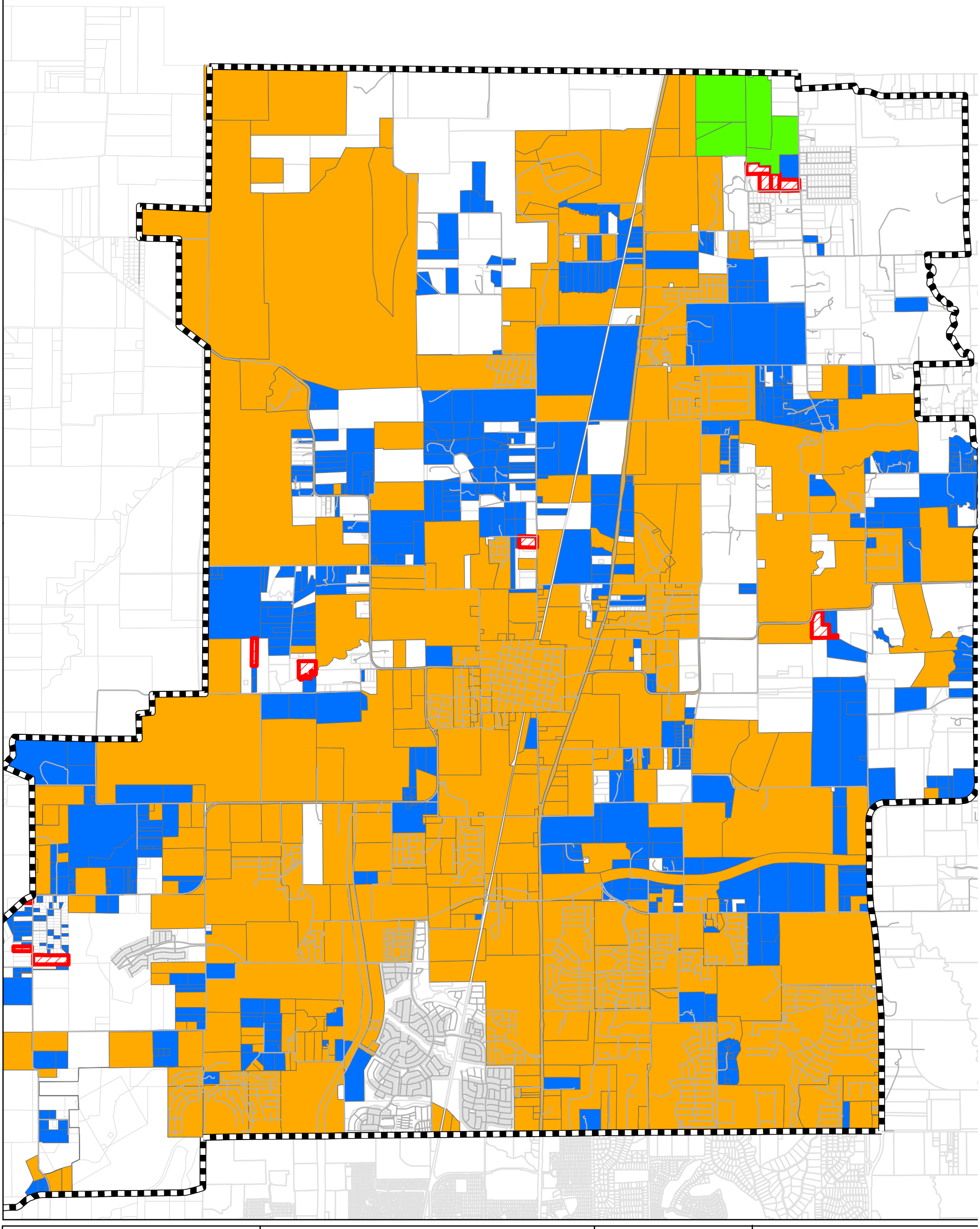
Supporting Documents:

- Location Map
- Staff Presentation
- Draft Resolution

Staff Recommendation:
NA.



Attachment: Location Map (21-03 Annexation Petition Verification Resolution)

CELINA TEXAS EST. 1876

Life Connected.

Potential Annexations
City of Celina

Date: 4/4/2022

Legend

- Ultimate Boundary
- Roads
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- Potential Annexations
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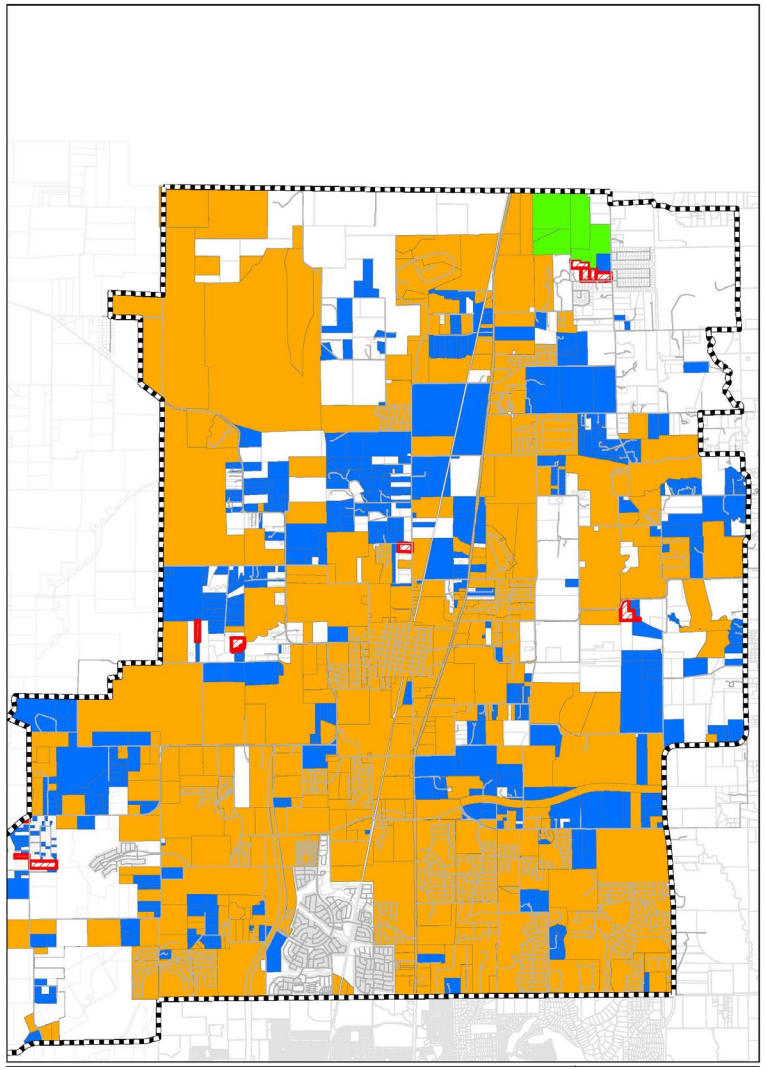
N
W E
S

0 4,500 9,000 Feet

ANNEXATION 21-03
PETITION VERIFICATION

City Council
April 12, 2022

ANNEXATION MAP



Legend

- Ultimate Boundary
- Roads
- Potential Annexations
- Petition

Attachment: Staff Presentation (21-03 Annexation Petition Verification 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 Petition Verification Resolution)

RECOMMENDATION

Staff recommends approval.

Attachment: Staff Presentation (21-03 Annexation Petition Verification Resolution)

CITY OF CELINA, TEXAS

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY OF CELINA, TEXAS, ACCEPTING THE CITY SECRETARY'S VERIFICATION OF THE SIGNATURES TO THE PETITION FOR ANNEXATION OF CERTAIN TERRITORIES IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF CELINA, TEXAS, TO WIT BEING ±536 ACRES GENERALLY LOCATED NORTH OF FUTURE PUNK CARTER PARKWAY, EAST OF FM 1385, SOUTH OF MARILEE ROAD, AND WEST OF FUTURE PETERMAN PARKWAY, AND THAT PORTION OF ALL COUNTY ROAD RIGHTS-OF-WAY ADJACENT TO SAID TERRITORY; AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN EXHIBIT "A" AND GRAPHICALLY DEPICTED IN EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN; CALLING TWO PUBLIC HEARINGS REGARDING ANNEXATION AND THE SERVICE PLAN, DIRECTING NOTICES OF PUBLIC HEARING BE PROVIDED AS PRESCRIBED BY LAW; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR SEVERABILITY; 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 Counties, Texas, created in accordance with the provisions of the Texas Local Government Code (the "Act") and operating pursuant to the enabling legislation of the State of Texas and the Celina City Charter; and

WHEREAS, legal descriptions of the area proposed to be annexed is attached hereto as Exhibit "A" and the area, and adjacent right-of-way to be annexed, is geographically depicted in Exhibit "B", both of which are attached hereto and incorporated herein as if written word for word (together the "Area"); and

WHEREAS, the City Council adopted Resolution No. 2021-98R expressing its intent to annex the Area and containing all elements required by Section 43.0682 of the Act (the "Resolution of Intent"); and

WHEREAS, following proper notice, a public hearing was held on November 9, 2021, which date was not earlier than 21 days or later than the 30th day after the date of adoption of the Resolution of Intent, after which the City circulated a petition in conformance with the requirements of Section 43.0685 of the Act (the "Petition"); and

WHEREAS, the Petition period prescribed by Section 43.0685 of the Act has ended and the City Secretary verified to the City Council that the Petition contained the minimum number of signatures required to annex the Area; and

WHEREAS, the City Council directs publication, mailing and distribution of notice(s) for two public hearings, as required by the Act, to consider the annexation of the Area; and

Attachment: Draft Resolution (21-03 Annexation Petition Verification Resolution)

WHEREAS, all required statutory notices and procedures related to the Petition in Chapter 43 of the Act have been accomplished; and

WHEREAS, in accordance with Chapter 43 of the act, a Service Plan for the Area to be annexed, which was included with the Resolution of Intent, shall be presented at the public hearings and made available to the public, and is attached hereto as Exhibit "C" and incorporated herein as if written word for word; and

WHEREAS, the City Council of the City of Celina, Texas has determined that the Area to be annexed, as set forth in the Petition, is located within the extraterritorial jurisdiction of the City; and

WHEREAS, the City Council of the City of Celina, Texas has investigated into, has determined and officially finds that no part of the Area is within the extraterritorial jurisdiction of any other incorporated city or town.

NOW, THEREFORE, BE IT RESOLVED 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, are incorporated herein, are legislative findings of the City Council, and are made a part hereof for all purposes.

SECTION 2
ACCEPTANCE OF PETITION VERIFICATION, CALLING OF PUBLIC HEARINGS AND PROVIDING NOTICES

A. Acceptance of Petition Verification. Prior to the City Council adopting this resolution, the City Secretary, in an open meeting of the City Council, verified that:

i. the Area has a population of less than 200; and
ii. registered voters of the Area proposed to be annexed and described in the Petition do not own more than 50 percent of the land in the Area; and
iii. the Petition was signed by the owners of land in the Area that are not registered voters; and
iv. the Petition clearly stated whether each signer was signing as a registered voter of the Area, an owner of land in the Area, or both; and
v. the Petition was signed by more than 50 percent of the owners of land in the Area; and
vi. the signatures sufficient to verify the Petition were placed on the Petition during the timeframe required by Section 43.0685(b) of the Act.

The City Council hereby accepts and approves the verification, finds and affirms that the statements in this Section 2.A. are true and correct, and adopts the statements in this Section 2.A. as legislative findings of the City Council.

B. Calling of Public Hearings. The City Council hereby calls two public hearings about annexation of the Area, at which members of the public shall be given an opportunity to be heard, at **CELINA COUNCIL CHAMBERS, 112 NORTH COLORADO,**

Attachment: Draft Resolution (21-03 Annexation Petition Verification Resolution)

CELINA, TEXAS 75009, on the following dates and times (the second public hearing shall be not earlier than the 10th day after the first public hearing):

i. May 10, 2022 at 5:00 p.m.; and
ii. June 14, 2022 at 5:00 p.m.

The ordinance annexing the Area may be adopted immediately following the second public hearing called above.

C. Notice of Results of Petition and Public Hearings. The City Secretary is hereby authorized and directed to cause notice of the results of the Petition and notice of the two public hearings called by Section 2.B. to be sent to; (i) residents and property owners in the Area, (ii) any school district or public entity providing services to the Area, and (iii) any railroad having right-of-way in the Area, at least 11 days before the date of the first public hearing. In addition, such notice shall be posted on the City's website and published once in a newspaper having general circulation in the City and in the Area at least 11 days before the date of the first public hearing.

SECTION 3
SERVICE PLAN

The proposed Service Plan for the Area, attached hereto as Exhibit "C", shall be presented at the beginning of the public hearings, made publicly available and submitted in accordance with Chapter 43 of the Texas Local Government Code.

SECTION 4
SEVERABILITY

If any section, article, paragraph, sentence, clause, phrase or word in this resolution, or application thereof to any land, property, 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 this resolution, and the City Council hereby declares it would have passed such remaining portions of this resolution 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", the City Council would have included 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 resolution.

SECTION 5
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Celina is hereby directed to engross and enroll this resolution by copying the caption in the minutes of the City Council of the City of Celina and by filing this resolution in the resolution records of the City.

SECTION 6
EFFECTIVE DATE

This resolution shall be in full force and effect from and after its date of passage.

AND IT IS SO RESOLVED.

Attachment: Draft Resolution (21-03 Annexation Petition Verification Resolution)

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this 12th day of April 2022.

_____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

_____
Lauren Field, Deputy City Secretary
City of Celina, Texas

APPROVED AS TO FORM:

_____
City Attorney/Attorney for City
City of Celina, Texas

Attachment: Draft Resolution (21-03 Annexation Petition Verification Resolution)

Exhibit "A"
LEGAL DESCRIPTION OF AREA

The City intends to annex the area, approximately 536 acres, generally located in the description below:

1. Collin CAD Property ID 2674384, being an approximate 85.95 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 1,290 feet south of future Marilee Road (HC Celina 414, LLC.),
2. Collin CAD Property ID 2839556, being an approximate 102.19 acre tract of land in Collin County, Texas, legally described as Abstract No. A0127 in the B B B & C Ry Co Survey, Tract 14; generally located south of future Marilee Road and approximately 1,355 feet west of future Custer Road (HC Celina 414, LLC.),
3. Collin CAD Property ID 2839562, being an approximate 134.54 acre tract of land in Collin County, Texas, legally described as Abstract No. A0247 in the John Davis Survey, Tract 1; generally located at the southeast corner of future Coit Road and Marilee Road (HC Celina 414, LLC.),
4. Collin CAD Property ID 2839563, being an approximate 16.77 acre tract of land in Collin County, Texas, legally described as Abstract No. A0533 in the W. C. Lewis Survey, Tract 1; generally located east of future Coit Road and approximately 835 feet north of future Stallcup Boulevard (HC Celina 414, LLC.),
5. Collin CAD Property ID 2839564, being an approximate 74.43 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 at the northeast corner of future Coit Road and future Stallcup Boulevard (HC Celina 414, LLC.),
6. 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),
7. 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),
8. 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 (Narla, Srinivasa & Indumathi),
9. 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),
10. 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),
11. 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),

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12. 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),
13. 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),
14. 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),
15. 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
16. 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).

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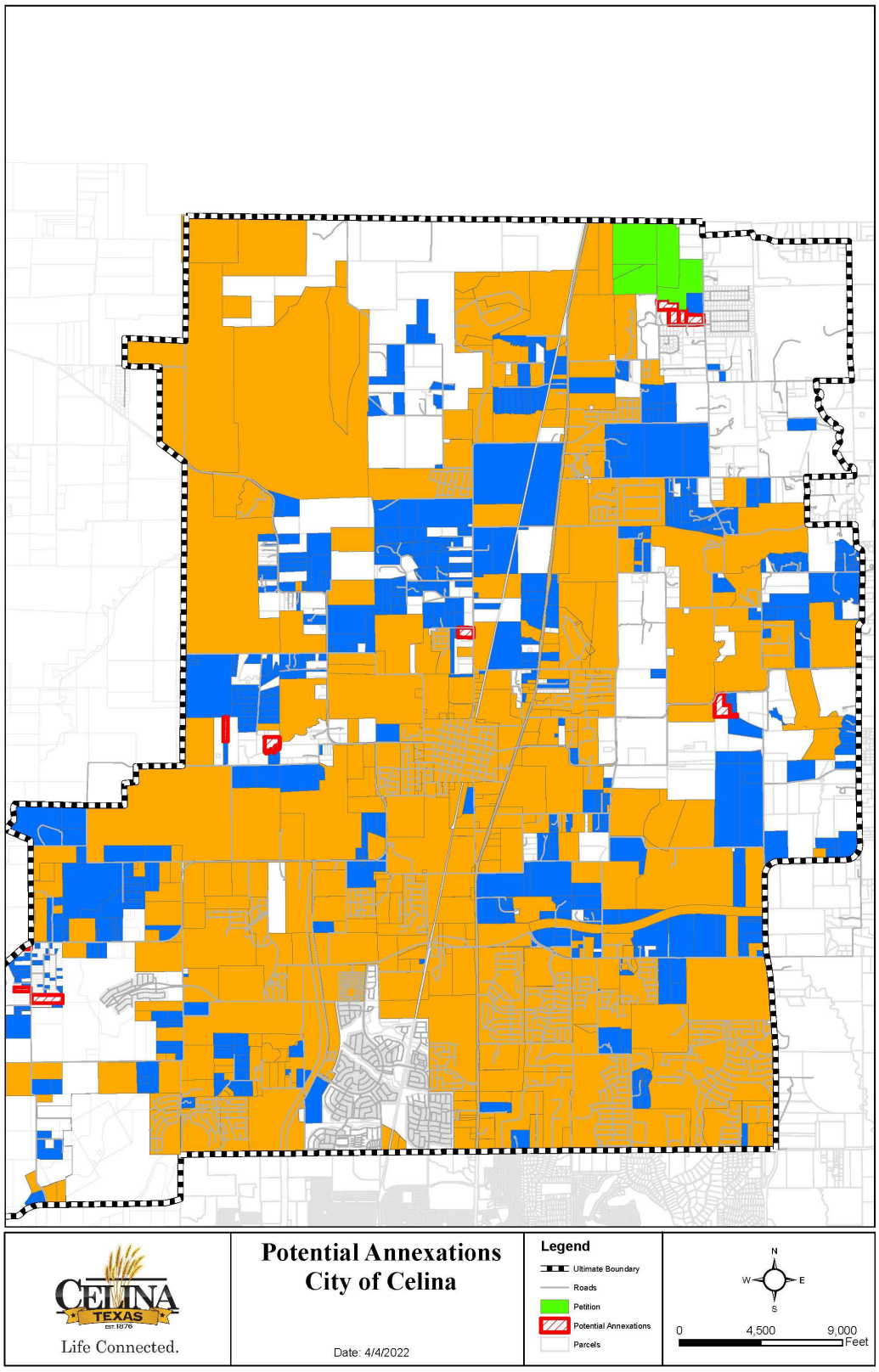
Exhibit "B"



Attachment: Draft Resolution (21-03 Annexation Petition Verification Resolution)

Exhibit "C"
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 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

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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 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.

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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.

Attachment: Draft Resolution (21-03 Annexation Petition Verification 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 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.

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L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at http://www.franklinlegal.net/codes.html.

M) TERM

1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

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