



# City of Rowlett

## Meeting Agenda

### City Council

4000 Main Street  
Rowlett, TX 75088  
www.rowlett.com

*City of Rowlett City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at 972-412-6115 or write 4000 Main Street, Rowlett, Texas, 75088, at least 48 hours in advance of the meeting.*

---

Tuesday, September 15, 2015

6:00 P.M.

Municipal Building – 4000 Main Street

---

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.

The City of Rowlett reserves the right to reconvene, recess or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

**1. CALL TO ORDER**

**2. EXECUTIVE SESSION (6:00 P.M.)** \* Times listed are approximate.

**2A.** The City Council shall convene into Executive Session pursuant to the Texas Government Code, §551.087 (Economic Development) and §551.071 (Consultation with Attorney) to receive legal advice from the City Attorney and to discuss and deliberate the offer of financial or other incentives to business prospects that the City may seek to have locate on property at 3313 Enterprise Drive. (20 minutes)

**2B.** The City Council shall convene into Executive Session pursuant to the Texas Government Code, §551.071 (Consultation with Attorney) to receive legal advice from the City Attorney regarding a proposed interlocal participant agreement and an interlocal user agreement with the cities of Garland and Mesquite for a public safety radio system. (20 minutes)

**3. WORK SESSION (6:40 P.M.)**

**3A.** Discuss City of Rowlett Boards and Commissions – their scope, purpose, Council's expectations, and Council liaison appointments. (45 minutes)

**4. DISCUSS CONSENT AGENDA ITEMS**

**CONVENE INTO THE COUNCIL CHAMBERS (7:30 P.M.)\***

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

## **TEXAS PLEDGE OF ALLEGIANCE**

*Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.*

## **5. PRESENTATIONS AND PROCLAMATIONS**

- 5A.** Presentation of Proclamation recognizing October 6, 2015, as ROWLETT NIGHT OUT.
- 5B.** Presentation of \$20,000.00 Donation Check for Kids Kingdom from Milestone Electric.
- 5C.** Presentation of \$1,000.00 donation check for Kids Kingdom from the Rowlett Firefighters Association.
- 5D.** Update from the City Council and Management: Financial Position, Major Projects, Operational Issues, Upcoming Dates of Interest and Items of Community Interest.

## **6. CITIZENS' INPUT**

*At this time, three-minute comments will be taken from the audience on any topic. To address the Council, please submit a fully-completed request card to the City Secretary prior to the beginning of the Citizens' Input portion of the Council meeting. No action can be taken by the Council during Citizens' Input.*

## **7. CONSENT AGENDA**

*The following may be acted upon in one motion. A City Councilmember or a citizen may request items be removed from the Consent Agenda for individual consideration.*

- 7A.** Consider action to approve minutes from the August 25, 2015, City Council Work Session, the August 26, 2015, City Council Special Meeting, and the September 1, 2015, City Council Regular Meeting.
- 7B.** Consider action approving a resolution amending the Master Fee Schedule for rate and fee changes to the Parks and Recreation fees, Water and Sewer Rates, and Solid Waste Fees.
- 7C.** Consider approving a resolution authorizing the City Manager to enter into a two-year interlocal agreement with the City of Garland for Public Health Services for FY2016 and FY2017.
- 7D.** Consider action to approve a resolution authorizing the City Manager to enter into an interlocal agreement with Dallas County for Mosquito Ground Control for FY2016.
- 7E.** Consider a resolution approving Change Order Number 2 to the contract with Tri-Con Services in the amount of \$78,533 for installation of a 16 inch by 16 inch tapping sleeve with additional work by hot tap operation for the Big A 20 Inch Water Transmission Project and authorize the Mayor to execute the necessary documents.
- 7F.** Consider action to approve a resolution authorizing the final acceptance, release of retainage and early completion bonus for the PGBT 12 Inch Waterline from Miller Heights Drive to Rowlett High

School Project (WA2101) in the amount of \$126,608.00 to LKG Resources, LLC and to authorize the Mayor to execute the necessary documents for said services.

- 7G.** Consider action to approve a resolution awarding the annual bid for motor fuel to Petroleum Traders Corporation in the unit amounts bid for transporting and delivery per fuel gallon and type in an estimated annual amount of \$380,312.
- 7H.** Consider action to amend the Fiscal Year 2014-15 Adopted Operating and Capital Improvements Program Budget.
- 7I.** Consider action to approve a resolution accepting the bid of and awarding a contract to HD Supply Waterworks in the amount of \$144,094.78 for the purchase of inventory and line replacement parts and materials for the distribution system.
- 7J.** Consider action to authorize the City Manager to negotiate and execute an interlocal participation agreement and an interlocal user agreement with the cities of Garland and Mesquite for the acquisition of equipment and facilities, and the participation in the Public Safety Radio Project.
- 7K.** Consider appointments to the various Boards and Commissions.

#### **8. ITEMS FOR INDIVIDUAL CONSIDERATION**

- 8A.** Conduct a public hearing and consider the adoption of a resolution authorizing the creation of the Bayside Public Improvement District (PID) submitted on behalf of Bayside Land Partners LLC for the property known as Bayside.
- 8B.** Consider action to approve an ordinance approving and adopting the budget for FY2015-2016.
- 8C.** Consider an ordinance approving and adopting the proposed ad valorem tax rate of \$0.787173 per \$100 of taxable value for FY2015-2016.

#### **TAKE ANY NECESSARY OR APPROPRIATE ACTION ON CLOSED/EXECUTIVE SESSION MATTERS**

#### **9. ADJOURNMENT**

*Laura Hallmark*

---

Laura Hallmark, City Secretary

I certify that the above notice of meeting was posted on the bulletin boards located inside and outside the doors of the Municipal Center, 4000 Main Street, Rowlett, Texas, as well as on the City's website ([www.rowlett.com](http://www.rowlett.com)) on the 11<sup>th</sup> day of September 2015, by 5:00 p.m.



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
[www.rowlett.com](http://www.rowlett.com)

---

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 2A

**TITLE**

The City Council shall convene into Executive Session pursuant to the Texas Government Code, §551.087 (Economic Development) and §551.071 (Consultation with Attorney) to receive legal advice from the City Attorney and to discuss and deliberate the offer of financial or other incentives to business prospects that the City may seek to have locate on property at 3313 Enterprise Drive. (20 minutes)



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
[www.rowlett.com](http://www.rowlett.com)

---

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 2B

**TITLE**

The City Council shall convene into Executive Session pursuant to the Texas Government Code, §551.071 (Consultation with Attorney) to receive legal advice from the City Attorney regarding a proposed interlocal participant agreement and an interlocal user agreement with the cities of Garland and Mesquite for a public safety radio system. (20 minutes)



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 3A

**TITLE**

Discuss the scope, purpose and expectations of City of Rowlett Boards and Commissions, and Council liaisons. (45 minutes)

**STAFF REPRESENTATIVE**

Laura Hallmark, City Secretary

**SUMMARY**

The City of Rowlett has ten various Boards and Commissions that serve in an advisory or quasi-judicial capacity. The Boards and Commissions Handbook outlines each ones scope, purpose, and makeup. The purpose of this item is to discuss the role of the boards and direction for the future.

**BACKGROUND INFORMATION**

During the interview process for the Boards and Commissions, Councilmembers discussed the need to review the scope and purpose for each of the boards and help provide a clear direction in terms of expectations.

**DISCUSSION**

As part of this discussion, Councilmembers would like to review the Boards and Commissions Handbook and the verbiage relating to purpose for the boards. As part of setting a clear direction moving forward, Council would like to meet one-on-one with the boards throughout the year and have the boards report on the following:

- What did the board accomplish over the last year?
- What is the board's plan for the upcoming year?
- How does the board provide advisory services to Council for the citizens of Rowlett?

When Council annually appoints members to the Boards and Commissions, they also make selections for which boards they will serve as liaisons. This is Council's opportunity to discuss any changes, if necessary.

**FINANCIAL/BUDGET IMPLICATIONS**

N/A

**RECOMMENDED ACTION**

This item is for discussion purposes only. Council liaison appointments will be considered as part of the Consent Agenda.



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 5A

**TITLE**

Presentation of Proclamation recognizing October 6, 2015, as ROWLETT NIGHT OUT.

**STAFF REPRESENTATIVE**

Mike Brodnax, Chief of Police

**SUMMARY**

The proclamation is intended to recognize the 32<sup>nd</sup> "National Night Out" and to proclaim October 6, 2015, as Rowlett Night Out.

**BACKGROUND INFORMATION**

Each year, the National Association of Town Watch (NATW) sponsors a unique, nationwide crime, drug and violence prevention program on the first Tuesday in October called "National Night Out" (NNO).

**DISCUSSION**

The proclamation is intended to recognize the 32<sup>nd</sup> "National Night Out" and to proclaim October 6, 2015, as Rowlett Night Out; showing the importance of promoting cooperative, police-community crime prevention efforts.

**FINANCIAL/BUDGET IMPLICATIONS**

N/A

**ATTACHMENT**

Proclamation

## **ROWLETT NIGHT OUT**

**WHEREAS**, the National Association of Town Watch (NATW) is sponsoring a unique, nationwide crime, drug and violence prevention program on the first Tuesday in October called “National Night Out” (NNO); and

**WHEREAS**, the 32<sup>nd</sup> Annual “National Night Out” provides a unique opportunity for Rowlett, Texas to join forces with thousands of other communities across the country in promoting cooperative, police-community crime prevention efforts; and

**WHEREAS**, Rowlett, Texas plays a vital role in assisting the local police through joint crime, drug and violence prevention efforts in Rowlett, and is supporting “National Night Out 2015” locally; and

**WHEREAS**, it is essential that all citizens of Rowlett, Texas be aware of the importance of crime prevention programs and the impact that their participation can have on reducing crime, drug and violence in Rowlett; and

**WHEREAS**, police-community partnerships, neighborhood safety, awareness and cooperation are important themes of the “National Night Out” program.

**NOW, THEREFORE**, I, Todd W. Gottel, Mayor of the City of Rowlett, Texas, and on behalf of the City Council, do hereby proclaim October 6, 2015 as

## **ROWLETT NIGHT OUT**

in the City of Rowlett and call upon all citizens of Rowlett to join the Rowlett Police and National Association of Town Watch in supporting the 32<sup>nd</sup> Annual “National Night Out”.



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 5B

**TITLE**

Presentation of \$20,000 Donation Check for Kids Kingdom from Milestone Electric.

**STAFF REPRESENTATIVE**

Jermel Stevenson, Director of Parks and Recreation  
Keith Flournoy, Parks Division Manager  
Angela Smith, Recreation Division Manager

**SUMMARY**

On Tuesday, September 1, 2015, PAB/Playground Committee Member E. C. Umberger, Keith Flournoy, Parks Division Manager and Elise Bowers, Playground Committee Member met Gus Antos, Co-Owner of Milestone Electric at their Garland, Texas office to discuss a donation towards the rebuilding effort. At the conclusion of the meeting, Mr. Antos graciously agreed to make a cash donation of \$20,000 to Kids Kingdom. Mr. Antos and Co-Owner Mark Robinson started Milestone Electric in 2004 in the City of Fate, Texas. From 2009 through 2012 the company was headquartered here in Rowlett. Today they are headquartered just a few miles away in Garland near Firewheel Mall. Mr. Antos and his partner continue to be supporters in the Rowlett community as they are involved with Church in the City on Lakeview Parkway and Dalrock Road.

**BACKGROUND INFORMATION**

One of the goals of the 2015 Bond Task Force was to make a recommendation to City Council for the funding of the rebuilding of Kids Kingdom Playground. Prior to making their recommendation the Task Force needed to know the estimated cost for the rebuild effort. The cost estimate from our selected playground design firm came in at \$750,000. On Tuesday, February 10, 2015, the Bond Taskforce recommended to the City Council that \$557,500 be allocated to the rebuild effort. City Council in 2013 had allocated \$100,000 towards the rebuild effort, which gave us a total of \$657,000 to go towards Kids Kingdom. It was recommended at the Tuesday, February 10, 2015, City Council Meeting that the shortfall be achieved through fundraising efforts spearheaded by the Parks Advisory Board (PAB). The PAB fundraising goal was set at \$93,000 to pay for five (5) elements of the playground.

**DISCUSSION**

At the City Council meeting on Tuesday, September 15, 2015, Milestone Electric will be presenting a \$20,000 check to the Parks and Recreation Department, Park Advisory Board and the Playground Committee for the rebuilding efforts of Kids Kingdom.

**FINANCIAL/BUDGET IMPLICATIONS**

### Fundraising Elements for Kids Kingdom

| Playground Element               | Quantity | Cost            | Funded    |
|----------------------------------|----------|-----------------|-----------|
| Zip Line                         | 1        | \$10,500        | Yes       |
| Bouncy Spider                    | 1        | \$14,240        | Yes       |
| Mini Apollo                      | 1        | \$14,030        | Yes       |
| T-Rex                            | 1        | \$16,800        | Yes       |
| <b>Quad Pod</b>                  | <b>1</b> | <b>\$36,700</b> | <b>No</b> |
| Total Estimated Fundraising Goal |          | \$92,270        |           |

In the above table we have raised enough funds for four (4) elements of the Kids Kingdom Playground. We are continuing our efforts to raise funds for the remaining item. When that goal is reached, the Quad Pod will be installed after the initial build because we have missed the order date to have it on location at the time of the re-build.

#### **RECOMMENDED ACTION**

That City Council recognize Milestone Electric for their generous gift of \$20,000 to the citizens of Rowlett during the presentation part of the agenda.



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

---

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 5C

**TITLE**

Presentation of check for funds donated by the Rowlett Firefighters Association Local 3358 to the Playground Committee of the Parks and Recreation Board for the Kid's Kingdom Rebuild Project.

**STAFF REPRESENTATIVE**

Neil Howard, Fire Chief  
Joshua Brock, President  
Rowlett Professional Firefighters Association Local 3358

**BACKGROUND / HISTORY**

The Rowlett Professional Firefighters Association would like to present a donation of \$1000.00 for the Kids Kingdom Rebuild Project to the Parks and Recreation Board. It is our desire to be integrally involved in our community, and what better way to represent community involvement than to invest in our kids? To the Mayor, the City Council and the Rowlett Parks and Recreation Board, thank you for investing in our kids. The Rowlett Professional Firefighters Association Local 3358 is excited to give to this project. Part of our mission is to be a part of making Rowlett the greatest community in the world. And so far, we haven't found a match!



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
[www.rowlett.com](http://www.rowlett.com)

---

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 5D

**TITLE**

Update from the City Council and Management: Financial Position, Major Projects, Operational Issues, Upcoming Dates of Interest and Items of Community Interest.

**STAFF REPRESENTATIVE**

Brian Funderburk, City Manager



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7A

**TITLE**

Consider action to approve minutes from the August 25, 2015, City Council Work Session, the August 26, 2015, City Council Special Meeting, and the September 1, 2015, City Council Regular Meeting.

**STAFF REPRESENTATIVE**

Laura Hallmark, City Secretary

**SUMMARY**

Section 551.021 of the Government Code provides as follows:

- (a) A governmental body shall prepare and keep minutes or make a tape recording of each open meeting of the body.
- (b) The minutes must:
  - (1) state the subject of each deliberation; and
  - (2) indicate each vote, order, decisions or other action taken.

**RECOMMENDED ACTION**

Move to approve, amend or correct the minutes for the August 25, 2015, City Council Work Session, the August 26, 2015, City Council Special Meeting, and the September 1, 2015, City Council Regular Meeting.

**ATTACHMENTS**

08-25-15 City Council Work Session Minutes  
08-26-15 City Council Special Meeting Minutes  
09-01-15 City Council Regular Meeting Minutes



# City of Rowlett

## Work Session Meeting Minutes

### City Council

4000 Main Street  
Rowlett, TX 75088  
www.rowlett.com

*City of Rowlett City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at 972-412-6115 or write 4000 Main Street, Rowlett, Texas, 75088, at least 48 hours in advance of the meeting.*

---

Tuesday, August 25, 2015

5:30 P.M.

Municipal Building – 4000 Main Street

---

The City of Rowlett reserves the right to reconvene, recess or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

**Council Present:** Mayor Gottel, Mayor Pro Tem Gallops, Deputy Mayor Pro Tem Dana-Bashian, Councilmember Bobbitt, Councilmember Sheffield and Councilmember van Bloemendaal

**Council Absent:** Councilmember Pankratz

#### 1. CALL TO ORDER

Mayor Gottel called the meeting to order at 5:34 p.m.

#### 2. WORK SESSION ITEM

##### 2A. Conduct interviews of board and commission applicants.

Council interviewed 13 applicants for vacancies on the following boards and commissions:

Animal Shelter Advisory Board  
Arts and Humanities Commission  
Board of Adjustment  
Economic Development Advisory Board  
Golf Advisory Board  
Library Advisory Board  
Parks and Recreation Advisory Board  
Planning and Zoning Commission  
Senior Advisory Board  
Traffic and Safety Advisory Commission

#### 3. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:05 p.m.



# City of Rowlett

## Special Meeting Minutes

### City Council

4000 Main Street  
Rowlett, TX 75088  
www.rowlett.com

*City of Rowlett City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at 972-412-6115 or write 4000 Main Street, Rowlett, Texas, 75088, at least 48 hours in advance of the meeting.*

---

Wednesday, August 26, 2015

5:30 P.M.

Municipal Building – 4000 Main Street

---

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session.

The City of Rowlett reserves the right to reconvene, recess or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

**Council Present:** Mayor Gottel, Deputy Mayor Pro Tem Dana-Bashian, Councilmember Bobbitt, Councilmember Sheffield and Councilmember van Bloemendaal

**Council Absent:** Mayor Pro Tem Gallops and Councilmember Pankratz

**1. CALL TO ORDER**

Mayor Gottel called the meeting to order at 5:38 p.m.

**2. WORK SESSION ITEM**

**2A. Conduct interviews of board and commission applicants.**

Council interviewed 8 applicants for vacancies on the following boards and commissions:

Animal Shelter Advisory Board  
Arts and Humanities Commission  
Board of Adjustment  
Economic Development Advisory Board  
Golf Advisory Board  
Library Advisory Board  
Parks and Recreation Advisory Board  
Planning and Zoning Commission  
Senior Advisory Board  
Traffic and Safety Advisory Commission

**CONVENE INTO EXECUTIVE SESSION (8:30 P.M.)**\* Times listed are approximate.

**3. EXECUTIVE SESSION**

- 3A.** The City Council shall convene into Executive Session pursuant to the TEXAS GOVERNMENT CODE, §551.074 (Personnel) to discuss appointments to the Planning and Zoning Commission and Board of Adjustment.

In 7:52 p.m. Out 8:23 p.m.

**RECONVENE INTO OPEN SESSION**

- 4.** Discuss appointments to the various boards and commissions.

Council discussion regarding the applicants and the member applications for reappointments.

**TAKE ANY NECESSARY OR APPROPRIATE ACTION ON CLOSED/EXECUTIVE SESSION MATTERS**

There was no action taken. Appointments will be considered at the September 15, 2015 Council meeting.

**5. ADJOURNMENT**

There being no further business, the meeting adjourned at 9:56 p.m.



# City of Rowlett

## Meeting Minutes

### City Council

4000 Main Street  
Rowlett, TX 75088  
www.rowlett.com

*City of Rowlett City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at 972-412-6115 or write 4000 Main Street, Rowlett, Texas, 75088, at least 48 hours in advance of the meeting.*

---

Tuesday, September 1, 2015

5:45 P.M.

Municipal Building – 4000 Main Street

---

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.

The City of Rowlett reserves the right to reconvene, recess or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

**Present:** Mayor Gottel, Mayor Pro Tem Gallops, Deputy Mayor Pro Tem Dana-Bashian, Councilmember van Bloemendaal, Councilmember Pankratz and Councilmember Sheffield

**Absent:** Councilmember Bobbitt

#### 1. CALL TO ORDER

Mayor Gottel called the meeting to order at 5:49 p.m.

#### 2. EXECUTIVE SESSION (5:45 P.M.) \* Times listed are approximate.

- 2A.** The City Council shall convene into Executive Session pursuant to the Texas Government Code, §551.071 (Consultation with Attorney) and §551.074 (Personnel) to receive legal advice from the City Attorney and to discuss pay and other matters for municipal judges and prosecutors. (30 minutes)

In at 5:49 p.m. Out at 6:11 p.m.

#### 3. WORK SESSION (6:15 P.M.)

- 3A.** Discuss FY2016 Budget. (30 minutes)

Brian Funderburk, City Manager, reviewed the changes and updates made thus far for the proposed budget and introduced the possibility of using sales tax from liquor sales to provide additional funds for Economic Development. Council discussion regarding a discussion held with members of the Golf Advisory Board and a request for additional funds for small projects at Waterview Golf Club.

**3B.** Update on Community Health Paramedicine Pilot Program. (10 minutes)

Neil Howard, Fire Chief, reviewed the program thus far and the proposal for continuing the program through grant funding from the Dallas County Hospital Coalition.

**3C.** Discuss FY2015 Budget Amendment. (20 minutes)

Terri Doby, Budget Officer, reviewed the three changes for the update.

**4. DISCUSS CONSENT AGENDA ITEMS**

Item 7H was pulled at the request of the City Attorney. It will be discussed at the next Council meeting. Council requested clarification of item 7G.

Council took a short break at 7:07 p.m. Mayor Gottel left the meeting at this time.

**CONVENE INTO THE COUNCIL CHAMBERS (7:30 P.M.)\***

Council reconvened at 7:31 p.m.

**INVOCATION** – Larry Traylor, Church in the City

**PLEDGE OF ALLEGIANCE**

**TEXAS PLEDGE OF ALLEGIANCE** – Led by the City Council

**5. PRESENTATIONS AND PROCLAMATIONS**

**5A.** Presentation of Proclamation to Cliff and Jan Hand, owners of Recherche' Furnishings, Inc., Keep Texas Beautiful Civic Organization Award for a Locally Owned Business.

Councilmember van Bloemendaal, along with Martha Brown of Keep Rowlett Beautiful, presented the proclamation.

**5B.** Presentation of Proclamation in recognition of Hunger Action Month.

Mayor Pro Tem Gallops presented the proclamation to Chris and Tina Kizziar of Life Message.

**5C.** Presentation of Proclamation in recognition of Blood Cancer Awareness Month.

Deputy Mayor Pro Tem Dana-Bashian presented the proclamation with her husband, Barry, who is a cancer survivor.

**5D.** Hear presentation of the Monthly Financial report for the period ending July 31, 2015.

Interim Finance Director, Wendy Badgett, presented the report.

- 5E. Hear Third Quarter Investment Report for June 30, 2015.

Interim Finance Director, Wendy Badgett, presented the report.

- 5F. Update from the City Council and Management: Financial Position, Major Projects, Operational Issues, Upcoming Dates of Interest and Items of Community Interest.

Mayor Pro Tem Gallops announced the following: Council meetings - Next regular Council meetings will be held on Tuesday, September 15<sup>th</sup>. Notice – no Council meeting on the first Tuesday in October – 10/6, so that Council may attend National Night Out events throughout the City. Council meetings in October will be Tuesday, October 13<sup>th</sup> and 20<sup>th</sup>. P & Z meetings - Tuesday, September 8<sup>th</sup> and 22<sup>nd</sup> – held in the City Hall Conference Room at 6:30pm. Rowlett Library - Library Visioning Task Force meets Wednesday, September 2<sup>nd</sup>, 6:30pm in the Annex Conference Room. Upcoming events: Family Saturday crafts – September 12<sup>th</sup>, held @ RCC @ 2pm. Technology Petting Zoo – Saturday, Sept 26<sup>th</sup>, held @ Library @ 2pm. Arts & Humanities photography contest - Entries accepted @ the RCC this Saturday, September 5<sup>th</sup> from 10am to noon. 2015 theme – Whatever Floats Your Boat. Visit Arts & Humanities page at rowlett.com for more information. Parks and Recreation - Kids Kingdom - Kids Kingdom Playground Committee meets weekly, all meetings open to public – Held on Tuesday evenings at RCC; for more information check on the City’s website on the home page, rebuild Kids Kingdom! Selling fence pickets now – for the price \$50 each. Volunteers needed!! Sign up now for “build week” – Nov. 30 – Dec. 6. Activities for seniors: Senior potluck lunch social - Second Thursday of the month; 11:30am at RCC. September 10<sup>th</sup> and October 8<sup>th</sup> are the next lunches. Lunch around town - Fourth Tuesday of the month @ 11:30 am; September 22<sup>nd</sup> next date. Animal shelter - Low cost vaccine clinic at Animal Shelter – Saturday, September 12<sup>th</sup>, 1 – 3pm. Located at 4402 Industrial St. Shelter is open Monday – Saturday, 10am – 5pm. City offices closed for Labor Day holiday Monday, September 7<sup>th</sup>. There will be regular trash pick-up for Monday.

Animal Shelter staff brought Atlas, a Labrador Retriever, who is one of the many animals available for adoption at the shelter. Mayor Pro Tem Gallops offered to pay \$5 of the adoption fee.

## 6. CITIZENS’ INPUT

There were no speakers.

## 7. CONSENT AGENDA

- 7A. Consider action to approve minutes from the August 11, 2015, Joint City Council and Charter Review Commission Meeting, the August 17, 2015, City Council Budget Work Session, and the August 18, 2015, City Council Regular Meeting.

**This item was approved on the Consent Agenda.**

- 7B. Consider action to approve a resolution authorizing the final acceptance and release of retainage for the Eastside Lift Station Upgrades Project in the amount of \$155,625 to J.S. Haren Company and authorize the Mayor to execute the necessary documents for said services.

**This item was approved as RES-098-15 on the Consent Agenda.**

- 7C.** Consider action to approve a resolution accepting the bid of and awarding a contract to Silsbee Ford for the purchase of one (1) Ford Fusion Hybrid in the amount of \$25,081.00 for the Fleet Department through the Interlocal Cooperative Purchasing Agreement with the Texas Local Government Purchasing Cooperative (BuyBoard), Contract # 430-13.

**This item was approved as RES-099-15 on the Consent Agenda.**

- 7D.** Consider action to approve a resolution accepting the bid of and awarding a contract to Freedom-CDJR for the purchase of one (1) four wheel drive Chevy Colorado in the amount of \$29,790.00 for the Fleet Department through the Interlocal Cooperative Purchasing Agreement with the Texas Local Government Purchasing Cooperative (Texas Smart Buy), Contract # 071-A1.

**This item was approved as RES-100-15 on the Consent Agenda.**

- 7E.** Consider action to approve a resolution accepting the bid of and awarding contract to Freedom-CDJR in the amount of \$34,505.00 for the purchase of one (1) Regular Cab Dodge Ram 2500 long bed for the Fleet Department through the Interlocal Cooperative Purchasing Agreement with Houston-Galveston Area Council (H-GAC), Contract # VE11-13, Product Code # J04.

**This item was approved as RES-101-15 on the Consent Agenda.**

- 7F.** Consider a resolution to approve Task Authorization #143-FNI for the Agreement for Professional Services with Freese & Nichols, Inc. in the amount of \$110,364.00 to update the City's stormwater utility ordinance and fee schedule and authorizing the Mayor to execute the necessary documents for said services.

**This item was approved as RES-102-15 on the Consent Agenda.**

- 7G.** Consider action to approve a resolution authorizing Change Order #1 in the amount of \$3,000.00, and the final acceptance of the 2015 Chamber Building Relocation Project, and authorizing the Mayor to execute the necessary documents.

**This item was approved as RES-103-15 on the Consent Agenda.**

- 7H.** Consider action to authorize the City Manager to negotiate and execute an interlocal agreement between the City of Garland and the City of Rowlett for the acquisition of the Public Safety Radio System.

**This item was pulled from the Consent Agenda and was not considered.**

**Passed the Consent Agenda**

**A motion was made by Deputy Mayor Pro Tem Dana-Bashian, seconded by Councilmember Sheffield, including all the preceding items marked as having been**

approved on the Consent Agenda. The motion carried with a unanimous vote of those members present.

## **8. ITEMS FOR INDIVIDUAL CONSIDERATION**

- 8A.** Consider and take action on a request to allow an alternative building material at 8120 Lakeview Parkway, further described as Lot 1, Block A, Primo Plaza Addition, City of Rowlett, Dallas County, Texas.

Marc Kurbansade, Director of Development Services, provided the background information on this item. Council discussion regarding life of the product and line of sight of the improvements.

**A motion was made by Councilmember Sheffield, seconded by Deputy Mayor Pro Tem Dana-Bashian, to approve the item as presented. The motion carried with a unanimous vote of those members present. This item was approved as RES-104-15 on the Consent Agenda.**

- 8B.** Conduct a public hearing (2nd) on the ad valorem tax rate for FY 2015-16.

The public hearing opened and closed with no speakers.

- 8C.** Conduct a public hearing (2nd) on the proposed budget for FY 2015-16.

The public hearing opened and closed with no speakers.

Council discussion regarding clarification of increase in water rates for average account and the need to not push off maintenance of water/wastewater infrastructure for too long.

## **TAKE ANY NECESSARY OR APPROPRIATE ACTION ON CLOSED/EXECUTIVE SESSION MATTERS**

There was no action taken.

## **9. ADJOURNMENT**

Mayor Pro Tem Gallops adjourned the meeting at 8:36 p.m.



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7B

**TITLE**

Consider action approving a resolution amending the Master Fee Schedule for rate and fee changes to the Parks and Recreation fees, Water and Sewer Rates, and Solid Waste Fees.

**STAFF REPRESENTATIVE**

Brian Funderburk, City Manager  
Terri Doby, Budget Officer

**SUMMARY**

On August 4, 2015, Brian Funderburk, City Manager submitted the proposed budget for FY2016. The City Council held Budget Work Sessions on August 17, August 18 and September 1, 2015. The City Council also held two public hearings on August 18, 2015, and September 1, 2015.

Within the recommended budget and during the budget work sessions, City Council was briefed on the various changes to the Master Fee schedule related to specific services. These specific recommendations are based on the recommended budget and additional minor revisions proposed by staff.

**BACKGROUND INFORMATION**

The City of Rowlett Master Fee Schedule provides a schedule of fees and rates for various City services. The schedule is updated each year as part of the City's annual budget process and as needed from time to time. Typically, the fee schedule is updated at budget time to reflect increases in water and sewer rates, and any other fees that need to be increased due to increases in the cost of the service or be more in line with the fees other cities charge. This is also an opportunity to update any fees due to changes in operations, ordinances or state law and perform any administrative "clean up" of the schedule.

**DISCUSSION**

There are three section changes requested by staff in the proposed resolution, which are based on recommendations in the FY2016 Proposed Budget and include fees and charges for utilities, parks and recreation, and solid waste.

**WATER FEES**

In the **Utilities** section, the following changes are requested for water fees:

| <b>Monthly Water Rate Charges:</b>             |            |          |
|------------------------------------------------|------------|----------|
| RES-144-07, RES-090-12; RES-081-13; RES-078-14 | <1 inch    | \$31.26  |
| RES-144-07, RES-090-12; RES-081-13; RES-078-14 | 1 inch     | \$34.46  |
| RES-144-07, RES-090-12; RES-081-13; RES-078-14 | 1 1/2 inch | \$41.98  |
| RES-144-07, RES-090-12; RES-081-13; RES-078-14 | 2 inch     | \$48.68  |
| RES-144-07, RES-090-12; RES-081-13; RES-078-14 | 3 inch     | \$67.61  |
| RES-144-07, RES-090-12; RES-081-13; RES-078-14 | 4 inch     | \$76.10  |
| RES-144-07, RES-090-12; RES-081-13; RES-078-14 | 6 inch     | \$113.53 |
| RES-144-07, RES-090-12; RES-081-13; RES-078-14 | 8 inch     | \$130.54 |

Water revenues are projected to decrease on a budgetary basis by approximately (\$142,643) or 0.8 percent, which has been discussed at the budget workshops. Water consumption is expected to remain low in the upcoming fiscal year. North Texas Municipal Water District (NTMWD) has adopted water conservation measures that include only allowing customers to water twice a week, and the length and severity of the drought may have caused changes to customer behavior.

The Proposed rate change increases the average utility customer bill (assuming 10,000 gallons per month) by \$3.30 or 4.8 percent per month in FY2016. The model only passes on the increase from NTMWD and affects residential customers as shown in the chart below.

| <b>Water Residential Customers Only</b>             | <b>Revised FY2015 (after drought restrictions lifted)</b> | <b>Proposed FY2016</b> |
|-----------------------------------------------------|-----------------------------------------------------------|------------------------|
| <b>Beginning Base Rate</b>                          | \$22.30                                                   | \$22.30                |
| <b>Increase in Base Rate from NTMWD</b>             | \$5.66                                                    | \$8.96                 |
| <b>Temporary Surcharge</b>                          | n/a                                                       | n/a                    |
| <b>New Base Rate</b>                                | \$27.96                                                   | \$31.26                |
| <b>Volume Rate</b>                                  | \$4.07                                                    | \$4.07                 |
| <b>Total Monthly Fee @ 10,000 gallons per month</b> | \$68.66                                                   | \$71.96                |
| <b>Dollar change</b>                                | n/a                                                       | \$3.30                 |
| <b>Percent change</b>                               | n/a                                                       | 4.8%                   |

**SEWER FEES**

In the **Utilities** section, the following changes are requested for sewer fees:

| <b>Monthly Sewer Rate Charges:</b>                                                 |                                                           |         |
|------------------------------------------------------------------------------------|-----------------------------------------------------------|---------|
| RES-144-07, RES-090-12; RES-081-13; RES-078-14                                     | Monthly Base customer charge - all meters                 | \$17.83 |
| RES-144-07, RES-134-08, ORD-027-09, RES-076-10, RES-133-11, RES-090-12             | Volume charge per month per 1,000 gallons                 | \$4.39  |
| RES-144-07, RES-134-08, ORD-027-09, RES-076-10, RES-133-11, RES-090-12             | (10,000 gallon per month limit for residential customers) | \$43.90 |
| RES-144-07, RES-134-08, ORD-027-09, RES-076-10, RES-133-11, RES-090-12; RES-081-13 | Maximum residential bill (per month)                      | \$61.73 |

Sewer charges are projected to increase on a budgetary basis by approximately \$405,279 or 3.9 percent due to a projected increase in sewer treatment services by the City of Garland from \$2.59 to \$2.67 per thousand gallons.

The Proposed rate increases the bill for the average utility customer (assuming 10,000 gallons per month) by \$0.78 or 1.3 percent per month in FY2016. The model passes on “only” the increase from the City of Garland and affects residential customers as shown in the chart:

| <b>Sewer Residential Customers Only</b>             | <b>Adopted FY2015</b> | <b>Proposed FY2016</b> |
|-----------------------------------------------------|-----------------------|------------------------|
| <b>Beginning Base Rate</b>                          | \$16.42               | \$16.42                |
| <b>Increase in Base Rate from City of Garland</b>   | \$0.63                | \$1.41                 |
| <b>New Base Rate</b>                                | \$17.05               | \$17.83                |
| <b>Volume Rate</b>                                  | \$4.39                | \$4.39                 |
| <b>Total Monthly Fee @ 10,000 gallons per month</b> | \$60.95               | \$61.73                |
| <b>Dollar change</b>                                | n/a                   | \$0.78                 |
| <b>Percent change</b>                               | n/a                   | 1.3%                   |

**PARKS AND RECREATION FEES**

In the **Parks and Recreation** section, the following changes are requested:

| <b>Parks and Recreation Fees:</b> |                                          |             |
|-----------------------------------|------------------------------------------|-------------|
| RES-144-07, RES-133-08            | Small Pavilion Rental - 1/2 day - r/nr   | \$35/\$70   |
| RES-144-07, RES-133-08            | Small Pavilion Rental - Full Day - r/nr  | \$70/\$140  |
| RES-144-07, RES-133-08            | Medium Pavilion Rental - 1/2 Day - r/nr  | \$50/\$100  |
| RES-144-07, RES-133-08            | Medium Pavilion Rental - Full Day - r/nr | \$100/\$200 |

| <b>Parks and Recreation Fees:</b>  |                                                                                             |                            |
|------------------------------------|---------------------------------------------------------------------------------------------|----------------------------|
|                                    | Large Pavilion Rental - 1/2 Day - r/nr                                                      | \$75/\$150                 |
|                                    | Large Pavilion Rental - Full Day - r/nr                                                     | \$150/\$300                |
| RES-144-07, RES-133-08             | Association/League hourly fee for field use                                                 | \$15/\$30 lit              |
| RES-057-08                         | Youth Athletic Fees - Resident                                                              | Vary by association/league |
| RES-057-08                         | Youth Athletic Fees - nonresident                                                           |                            |
|                                    | Sand Volleyball Court Rental per hour - Association                                         | \$15.00                    |
|                                    | Sand Volleyball Court Rental per hour - General                                             | \$20.00                    |
| RES-057-08                         | Concession Stand Rental Fee - % of Gross Sales                                              | 17.5%                      |
| RES-144-07, RES-177-07, RES-001-09 | Wet Zone Resident - Season Pass                                                             | \$50.00                    |
| RES-144-07, RES-177-07, RES-001-09 | Wet Zone Non-Resident Season Pass                                                           | \$60.00                    |
|                                    | Wet Zone Youth Pass (Kids under 48")                                                        | \$40.00                    |
|                                    | Wet Zone Family Pass - per person                                                           | \$40.00                    |
|                                    | Delete all astricks; Fees cannot be paid on monthly basis; special monthly fees established |                            |
| RES-192-07, RES-133-08             | RCC Individual Non-Resident                                                                 | \$202.00                   |
|                                    | RCC Individual Monthly Resident                                                             | \$10.75                    |
|                                    | RCC Individual Monthly Non-Resident                                                         | \$19.75                    |
|                                    | RCC Senior Monthly Non-Resident                                                             | \$14.75                    |
| RES-144-07                         | RCC Audio Visual Equipment                                                                  | \$25.00                    |
| RES-152-07, RES-192-07, RES-133-08 | Adult/Teen Programs                                                                         | \$0-\$400                  |
| RES-152-07, RES-192-07, RES-133-08 | Preschool/Youth Programs/Camps                                                              | \$0-\$400                  |

As previously stated, a yearly update of the Master Fee schedule is necessary due to changes in operations and to perform any administrative "clean up" of the schedule. Specifically, many of the existing parks and recreation fees are outdated. Over the last few years we have regulated fees in order to charge like services like fees, and these changes will bring the Master Fee Schedule up to date.

In Spring 2015 a new pavilion rental program was instituted and we aligned the rental fees with the sizes of the pavilion and the amenities available; therefore, these fees now need to be updated.

In addition, the Wet Zone has traditionally offered three season passes (Silver, Gold & Platinum). In the last few years, fewer and fewer of the Gold and Platinum passes have been sold. In an

effort to streamline the fees, Silver passes will be raised \$10 each per season, and the Gold and Platinum will no longer be offered. With the upgrades to the facility and the new feature, this change will result in an increase in revenue to the park.

### **SOLID WASTE FEES**

In the **Solid Waste** section, the following additions are requested:

| <b>Solid Waste Fees:</b> |         |
|--------------------------|---------|
| Temporary Waste Haulers  |         |
| Permit Fee               | \$75.00 |
| Inspection Fee           | \$75.00 |
| Container Fee            | \$50.00 |

The Community Services division of the Police Department is in the process of creating a temporary debris solid waste hauler permit to regulate waste haulers in the City. This permit requires administrative processing and vehicle inspections to ensure all regulations are adhered to. Regulations will mirror that which we currently require of our solid waste contractor.

### **FINANCIAL/BUDGET IMPLICATIONS**

The anticipated collection of the fees, as proposed, was submitted as revenue in the proposed FY2016 budget. The proposed rates will go into effect on October 1, 2015.

### **RECOMMENDED ACTION**

Approve the resolution amending the Master Fee Schedule for rate and fee changes to the Water and Sewer Rates.

### **RESOLUTION**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, AMENDING THE MASTER FEE SCHEDULE FOR THE CITY OF ROWLETT TO AMEND THE FEES SET FORTH IN THE UTILITIES SECTION, PARKS AND RECREATION SECTION, AND SOLID WASTE SECTION OF THE MASTER FEE SCHEDULE; PROVIDING THAT OTHER FEES NOT LISTED BUT NOW CHARGED PURSUANT TO OTHER ORDINANCES AND RESOLUTIONS SHALL REMAIN IN EFFECT UNTIL TRANSFERRED TO THE MASTER FEE SCHEDULE BY AMENDMENT; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Rowlett has heretofore adopted a Master Fee Schedule for the purpose of setting forth the comprehensive fees assessed and collected by the City for a range of applications, permits, licenses, services and activities; and

**WHEREAS**, the City Council desires to amend the said Fee Schedule to revise or add existing or new fees and does so by this Resolution; and

**WHEREAS**, in the event there is a conflict between a fee listed in the Master Fee Schedule and the provisions of any other City ordinance or resolution, the provisions of the Master Fee Schedule shall prevail; and

**WHEREAS**, although the purpose of this resolution is to amend the Master Fee Schedule, this resolution is not intended to amend, abolish or change any fee heretofore established that is not listed in the Master Fee Schedule.

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

**Section 1:** That from and after the effective date of this Resolution the fees and charges set out in the Master Fee Schedule attached hereto as Exhibit "A" shall be collected on behalf of the City for Utilities, Parks and Recreation, and Solid Waste as shown in Exhibit "A". Other sections, fees or charges not referenced in Exhibit "A" shall remain unaffected by this Resolution.

**Section 2:** That in the event of a conflict between a fee set out in the Master Fee Schedule and the provisions of any other city ordinance or resolution, the provisions of the Master Fee Schedule shall prevail; however, this resolution shall not amend, abolish or change any fee heretofore established that is not listed in the Master Fee Schedule and such fees shall continue in effect for all purposes until amended by ordinance or resolution or transferred to the Master Fee Schedule.

**Section 3:** That all provisions of the ordinances and resolutions of the City of Rowlett in conflict with the provisions of this resolution be and the same are hereby repealed and all other provisions of the ordinances and resolutions of the City of Rowlett not in conflict with the provisions hereof shall remain in full force and effect.

**Section 4:** That if any section, sentence, clause, or phrase of this resolution is for any reason held to be unconstitutional or otherwise invalid or unenforceable by a court of competent jurisdiction, such decision shall not affect the validity of the remaining sections, sentences, clauses, or phrases of this resolution, it being the legislative intent that the provisions of this resolution are severable and that the resolution shall continue in effect notwithstanding the invalidity of such section, sentence, clause, or phrase.

**Section 5:** That the fees provided for in Section 1 of this Resolution relative to the various proposed rates and fees shall become effective on the 1<sup>st</sup> day of October 2015.

## **ATTACHMENT**

Exhibit A – Master Fee Schedule pages with proposed changes

**MASTER FEE SCHEDULE  
PARKS AND RECREATION**

| Applicable Code, Ordinance or Resolution | Description                                                                                                            | Amount                     |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------|----------------------------|
| RES-144-07, RES-133-08                   | Pavilion use fee for residents for first hour                                                                          | \$20.00                    |
|                                          | <u>Small Pavilion Rental – ½ day – resident/non-resident</u>                                                           | <u>\$35.00/\$70.00</u>     |
| RES-144-07, RES-133-08                   | Pavilion use fee for nonresidents for first hour                                                                       | \$40.00                    |
|                                          | <u>Small Pavilion Rental – full day – resident/non-resident</u>                                                        | <u>\$70.00/\$140.00</u>    |
| RES-144-07, RES-133-08                   | Additional hour for residents                                                                                          | \$10.00                    |
|                                          | <u>Medium Pavilion Rental – ½ day – resident/non-resident</u>                                                          | <u>\$50.00/\$100.00</u>    |
| RES-144-07, RES-133-08                   | Additional hour for nonresidents                                                                                       | \$20.00                    |
|                                          | <u>Medium Pavilion Rental – full day – resident/non-resident</u>                                                       | <u>\$100.00/\$200.00</u>   |
|                                          | <u>Large Pavilion Rental – ½ day – resident/non-resident</u>                                                           | <u>\$75.00/\$150.00</u>    |
|                                          | <u>Large Pavilion Rental – full day – resident/non-resident</u>                                                        | <u>\$150.00/\$300.00</u>   |
| RES-144-07                               | Sports clinic hourly fee for field use                                                                                 | \$20.00                    |
|                                          | <u>Association/League hourly fee for field use</u>                                                                     | <u>\$15.00/30.00 lit</u>   |
| RES-057-08                               | Youth baseball, resident                                                                                               | \$7.50                     |
|                                          | <u>Youth Athletic Fees - resident</u>                                                                                  | <u>Vary by association</u> |
| RES-057-08                               | Youth baseball, nonresident                                                                                            | \$9.00                     |
|                                          | <u>Youth Athletic Fees – non-resident</u>                                                                              | <u>Vary by association</u> |
| RES-144-07                               | Leasing fee for concession stand                                                                                       | \$100.00 deposit           |
| RES-144-07                               | Associations Fee for concession stand:                                                                                 |                            |
| RES-057-08                               | — Youth Baseball                                                                                                       | 15% of gross revenues      |
| RES-057-08                               | — Girl's Softball                                                                                                      | 15% of gross revenues      |
| RES-057-08                               | — Adult Softball                                                                                                       | 17.5% of gross revenues    |
|                                          | <u>Concession stand rental fee - % of gross sales</u>                                                                  | <u>17.5%</u>               |
|                                          | <u>Sand Volleyball Court rental per hour – Association</u>                                                             | <u>\$15.00</u>             |
|                                          | <u>Sand Volleyball Court rental per hour – General</u>                                                                 | <u>\$20.00</u>             |
| RES-144-07, RES-177-07, RES-001-09       | Resident – Season Pass                                                                                                 | <del>\$40.00</del> \$50.00 |
| RES-144-07, RES-177-07, RES-001-09       | Non-Resident – Season Pass                                                                                             | <del>\$50.00</del> \$60.00 |
|                                          | <u>Youth Pass (Kids under 48")</u>                                                                                     | <u>\$40.00</u>             |
|                                          | <u>Family Pass – per person</u>                                                                                        | <u>\$40.00</u>             |
|                                          | Community Centre:                                                                                                      |                            |
|                                          | Membership annually:                                                                                                   |                            |
|                                          | Memberships marked with an asterisk (*) can be paid on a monthly basis (the fee divided by 10 paid-out over 12 months) |                            |
| RES-192-07, RES-133-08, RES-137-11       | *Individual, Resident only (effective 12-01-11)                                                                        | \$101.00                   |

**MASTER FEE SCHEDULE**

|                                    |                                                                  |                                      |
|------------------------------------|------------------------------------------------------------------|--------------------------------------|
|                                    | <u>Individual Monthly Resident</u>                               | <u>\$10.75</u>                       |
| RES-192-07, RES-133-08, RES-110-09 | *Family, Resident only                                           | \$230.00                             |
| RES-192-07, RES-133-08             | Youth, Resident only                                             | \$25.00                              |
| RES-192-07, RES-133-08             | *Corporate                                                       | \$140.00                             |
| RES-192-07, RES-133-08, RES-110-09 | *Family, Non-Resident                                            | \$460.00                             |
| RES-192-07, RES-133-08             | *Individual Non-Resident                                         | <del>\$173.00</del> <u>\$202.00</u>  |
|                                    | <u>Individual Monthly Non-Resident</u>                           | <u>\$19.75</u>                       |
| RES-192-07                         | *Youth Non-Resident                                              | \$50.00                              |
| RES-192-07                         | Guests fee charge for Daily Admission                            | \$5.00                               |
| RES-075-09                         | Senior (60 years and older):                                     |                                      |
| RES-144-07, RES-058-08             | Senior activity fee, resident                                    | \$5.00                               |
| RES-058-08                         | Senior activity fee, non-resident                                | \$10.00                              |
| RES-058-08                         | Senior Individual Pass, resident                                 | \$10.00                              |
| RES-058-08                         | *Senior Individual Pass, non-resident                            | \$144.00                             |
|                                    | <u>Senior Monthly Non-Resident</u>                               | <u>\$14.75</u>                       |
| RES-144-07                         | <del>Training room equipment</del> <u>Audio Visual Equipment</u> | <del>\$50.00</del> <u>\$25.00</u>    |
| RES-152-07, RES-192-07, RES-133-08 | Adult/Teen Programs                                              | \$0 to \$400                         |
| RES-152-07, RES-192-07, RES-133-08 | <del>Youth Programs</del> <u>Preschool/Youth Programs/Camps</u>  | \$0 to <del>\$100</del> <u>\$400</u> |
| RES-152-07, RES-192-07             | <del>Camps</del>                                                 | <del>\$0 to \$290</del>              |

**SOLID WASTE**

| Applicable Code, Ordinance or Resolution | Description                    | Amount         |
|------------------------------------------|--------------------------------|----------------|
|                                          | <u>Temporary Waste Haulers</u> |                |
|                                          | <u>Permit Fee</u>              | <u>\$75.00</u> |
|                                          | <u>Inspection Fee</u>          | <u>\$75.00</u> |
|                                          | <u>Container Fee</u>           | <u>\$50.00</u> |

**UTILITIES**

| Applicable Code, Ordinance or Resolution                   | Description                 | Amount                            |
|------------------------------------------------------------|-----------------------------|-----------------------------------|
|                                                            | Monthly water rate charges: |                                   |
| RES-144-07, RES-090-12; RES-081-13, RES-078-14, RES-086-15 | <1 inch                     | <del>\$27.96</del> <u>\$31.26</u> |

**MASTER FEE SCHEDULE**

|                                                                                                      |                                                           |                                     |
|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------|
| RES-144-07, RES-090-12; RES-081-13;<br>RES-078-14, RES-086-15                                        | 1 inch                                                    | <del>\$31.16</del> <u>\$34.46</u>   |
| RES-144-07, RES-090-12; RES-081-13;<br>RES-078-14, RES-086-15                                        | 1½ inch                                                   | <del>\$38.68</del> <u>\$41.98</u>   |
| RES-144-07, RES-090-12; RES-081-13;<br>RES-078-14, RES-086-15                                        | 2 inch                                                    | <del>\$45.38</del> <u>\$48.68</u>   |
| RES-144-07, RES-090-12; RES-081-13;<br>RES-078-14, RES-086-15                                        | 3 inch                                                    | <del>\$64.31</del> <u>\$67.61</u>   |
| RES-144-07, RES-090-12; RES-081-13;<br>RES-078-14, RES-086-15                                        | 4 inch                                                    | <del>\$72.80</del> <u>\$76.10</u>   |
| RES-144-07, RES-090-12; RES-081-13;<br>RES-078-14, RES-086-15                                        | 6 inch                                                    | <del>\$110.23</del> <u>\$113.53</u> |
| RES-144-07, RES-090-12; RES-081-13;<br>RES-078-14, RES-086-15                                        | 8 inch                                                    | <del>\$127.24</del> <u>\$130.54</u> |
| Monthly sewer rate charges:                                                                          |                                                           |                                     |
| RES-144-07, RES-090-12; RES-081-13;<br>RES-078-14                                                    | Monthly Base customer charge - all meters                 | <del>\$17.05</del> <u>\$17.83</u>   |
| RES-144-07, RES-134-08, ORD-027-09,<br>RES-076-10, RES-133-11, RES-090-12                            | Volume charge per month per 1,000 gallons                 | \$4.39                              |
| RES-144-07, RES-134-08, ORD-027-09,<br>RES-076-10, RES-133-11, RES-090-12                            | (10,000 gallon per month limit for residential customers) | \$43.90                             |
| RES-144-07, RES-134-08, ORD-027-09,<br>RES-076-10, RES-133-11, RES-090-12;<br>RES-081-13, RES-078-14 | Maximum residential bill (per month)                      | <del>\$60.95</del> <u>\$61.73</u>   |



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7C

**TITLE**

Consider approving a resolution authorizing the City Manager to enter into a two-year interlocal agreement with the City of Garland for Public Health Services for FY2016 and FY2017.

**STAFF REPRESENTATIVE**

Chuck Dumas, Environmental Services Manager

**SUMMARY**

The City of Rowlett entered into an agreement with the City of Garland Health Department initially in FY2008 to provide Public Health Services for immunizations, Communicable Disease Investigation services and Well Baby exams and supplements. The current contract will expire on September 30, 2015.

**BACKGROUND INFORMATION**

The City of Rowlett entered into an agreement with the City of Garland Health Department initially in FY 2008 to provide Public Health Services for immunizations, Communicable Disease Investigation services and Well Baby exams and supplements. The current contract will expire on September 30, 2015.

**DISCUSSION**

The interlocal agreement with the City of Garland Health Department will provide immunizations, well baby exams and communicable disease investigation services for the City of Rowlett for Fiscal Years 2015-2016 and 2016-2017. The City of Garland Health Staff has requested that the City of Rowlett enter into a two-year agreement. The reasoning for this request was to coincide with the City of Garland's annual renewal with their appointed Health Authority, Dr. Timothy Lambert. The proposed contract recognizes Dr. Timothy Lambert as its Health Authority and the Garland nursing staff works under his standing orders. By utilizing the City of Garland Health Department, Rowlett residents will have access to the various Public Health services on a weekly basis. The City of Garland Health Clinic, located at 206 Carver Street in Garland (east side), conducts walk-in clinics on Tuesday and Thursday afternoons. Appointments can be made for other times during the week by calling in advance. Currently, many Rowlett residents and students are using the Garland Health Clinic for vaccination needs.

Prior to FY2008 the City of Rowlett had contracted Public Health Services with Dallas County. Since the transition, the costs with the City of Garland have been lower and services to Rowlett Citizens are offered in a localized clinic with substantially more frequent service times than the once a month option from Dallas County.

Since the Cities of Rowlett and Garland share geographic boundaries and the majority of Rowlett's population lies within the Garland Independent School District, the service option with the City of Garland has worked well.

The senior wellness checks that are performed at the Rowlett Community Centre will continue to be offered by Rowlett Fire Rescue.

In FY2014, there were a total of 493 Rowlett client visits by Rowlett citizens to the Garland Health Clinic. The average cost per client was \$7.30. There were 563 client visits by Rowlett residents to the Garland Health Clinic for FY2015. The average cost per client was \$6.39.

#### **FINANCIAL/BUDGET IMPLICATIONS**

The City of Garland Health Services fees will be \$3,600 per year as in the previous agreements. There is \$5,000 budgeted in line item account 1016020 6407 for Mosquito Control and Public Health Services. In this account, \$3,600 is dedicated for services with the City of Garland Health Department for FY2016.

Most fees for co-pays by Rowlett residents will remain the same while a few may have changed from the previous year for some services.

| <b>Budget Account Number</b> | <b>Account Title</b> | <b>Budget Amount</b> | <b>Proposed Amount</b> |
|------------------------------|----------------------|----------------------|------------------------|
| 1016020 6407                 | Health               | \$3,600              | \$3,600                |
| <b>Total</b>                 |                      | <b>\$3,600</b>       | <b>\$3,600</b>         |

#### **RECOMMENDED ACTION**

City Staff recommends move to approve the resolution authorizing the City Manager to enter into an interlocal agreement with the Garland Health Department for Public Health Services for FY 2016 and FY 2017.

#### **RESOLUTION**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AN INTERLOCAL AGREEMENT WITH THE CITY OF GARLAND, TEXAS FOR PUBLIC HEALTH SERVICES FOR FISCAL YEARS 2015-2016 AND 2016-2017; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Rowlett and the City of Garland entered into a professional Services Agreement for the purposes of Garland providing Public Health Services (PHS) for Rowlett citizens; and

**WHEREAS**, the City of Garland Health Department will provide immunizations, Well Child Exams and Communicable Disease Investigation Services for the City of Rowlett.

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

**Section 1:** That the City Council of the City of Rowlett hereby approves, and authorizes the City Manager to execute an interlocal agreement with the City of Garland as attached hereto and incorporated herein as Exhibit A.

**Section 2:** That this resolution shall become effective immediately upon its passage.

**ATTACHMENTS**

Exhibit A – Interlocal Agreement with the City of Garland

Exhibit B – Clinical Services Fee Schedule

STATE OF TEXAS           §  
                                           §                   **PROFESSIONAL SERVICES AGREEMENT**  
 COUNTY OF DALLAS    §

This Amendment (“**AMENDMENT**”) is made to the Professional Services Agreement (“**AGREEMENT**”) entered into by and between the City of Rowlett, Texas (“**CITY**”) and The City of Garland, Texas (“**Garland**”) acting by and through their authorized representatives.

**RECITALS:**

**WHEREAS**, the **CITY of Rowlett** and the City of **Garland** entered into a Professional Services Agreement on or about the 1<sup>st</sup> day of October, 2015, for the purposes of **Garland** providing Public Health Services (**PHS**) for Rowlett citizens; and

**WHEREAS**, the **AGREEMENT** provides for the City of Garland Health Department to provide Immunizations, Well Child Health Care and Communicable Disease Investigation Services for Rowlett. The fee for these services is \$3,600.00 payable to the City of Garland by quarterly payments per year. Additionally the City of Rowlett agrees to appoint Dr. Timothy Lambert M.D., as Rowlett’s Health Authority until contract termination or expiration. Rowlett residents are responsible for co-pays attached in “Exhibit A” upon delivery of services. The services shall be provided at locations deemed by the City of Garland.

**WHEREAS**, the **AGREEMENT** is scheduled to terminate on September 30, 2017 unless renewed by both parties.

**NOW, THEREFORE**, the Parties hereby agree as follows: Nothing in this agreement shall be construed to restrict the authority of the **CITY** over its health or environmental programs or limit the operations or services of these programs.

ASSURANCES           The City of Garland shall operate and supervise the program.

**ACCESS TO RECORDS**

The City of Garland agrees that upon request that books and records pertaining to Rowlett citizens’ services will be available. Both parties agree to all applicable confidentiality provisions as mandated by federal and state law.

**TERMINATION**

- A. Without Cause: This Agreement may be terminated in writing, without cause, by either party upon (30) calendar days prior written notice to the other party.
- B. With Cause: Either party may terminate the Agreement immediately, in whole or part, at its sole discretion, by written notice to the other party for the following reasons:

- 1. Lack of or reduction in funding or payment;
- 2. Non-performance of services;

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 2015

**CITY OF ROWLETT, TEXAS**

By: \_\_\_\_\_  
Brian Funderburk, City Manager

**ATTEST:**

By: \_\_\_\_\_  
Laura Hallmark, City Secretary

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
David M. Berman, City Attorney

EXECUTED this 3<sup>rd</sup> day of September, 2015

**CITY OF GARLAND, TEXAS**

By: [Signature]  
Bryan Bradford, City Manager

**ATTEST:**

By: [Signature]  
Rene Dowl, City Secretary

**APPROVED AS TO FORM:**

By: [Signature]  
Brad Neighbor, City Attorney

## GARLAND PUBLIC HEALTH FEE SCHEDULE

|                 |                                                              |                   |
|-----------------|--------------------------------------------------------------|-------------------|
| <u>CHILDREN</u> | VFC-eligible children<br>(One vaccine dose)                  | \$22.00/per child |
|                 | VFC-eligible children<br>(Multiple vaccine doses)            | \$25.00/per child |
|                 | Insured children Charges dependent<br>on insurance coverage. |                   |
|                 | Shot Records                                                 | \$5.00            |
| <u>ADULTS</u>   | ASN-eligible Adults<br>(*Only for ASN vaccines)              | \$25.00/per adult |
|                 | • TB Tests                                                   | \$35.00           |
|                 | • *Td                                                        | \$50.00           |
|                 | • *Adacel® or Boostrix®(Tdap)                                | \$55.00           |
|                 | • *Hepatitis A<br>(2 doses 6 months apart)                   | \$50.00/per dose  |
|                 | • *Hepatitis B<br>(Series of 3)                              | \$55.00/per dose  |
|                 | • *Twinrix<br>HepA/HepB combination series of 3              | \$75.00/per dose  |
|                 | • Chickenpox                                                 | \$110.00          |
|                 | • HIB                                                        | \$45.00/per dose  |
|                 | • *Human Papillomavirus (HPV)                                | \$175.00/per dose |
|                 | • Meningitis Vaccine                                         | \$120.00          |
|                 | • Menomune Vaccine                                           | \$135.00/per dose |
|                 | • *MMR                                                       | \$75.00           |
|                 | • *PCV13 (Pevnar)                                            | \$165.00          |
|                 | • Shingles                                                   | \$185.00          |
|                 | • *Pneumococcal Polysaccharide                               | \$90.00           |
|                 | • Polio                                                      | \$45.00           |
|                 | • Rabies Vaccine                                             | \$285.00/per dose |
|                 | • Typhoid                                                    | \$75.00           |
|                 | • Yellow Fever                                               | \$150.00          |
|                 | <u>Lab Services</u>                                          |                   |
|                 | Lead Test                                                    | \$25.00           |
|                 | Hemoglobin                                                   | \$25.00           |
| FLU VACCINE:    | Flu Vaccine - Quadrivalent                                   | \$35.00           |

- Medicaid accepted for Immunizations (under 18yrs) with Medicaid I.D.
- Prices subject to change without notice.



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7D

**TITLE**

Consider action to approve a resolution authorizing the City Manager to enter into an interlocal agreement with Dallas County for Mosquito Ground Control for FY2016.

**STAFF REPRESENTATIVE**

Chuck Dumas, Environmental Services Manager

**SUMMARY**

Dallas County has provided Mosquito Ground Control services for over 20 years for the City of Rowlett. The contract for FY2015 Mosquito Control expires September 30, 2015. This agreement will continue services for FY2016.

**BACKGROUND INFORMATION**

Dallas County has provided Mosquito Ground Control services for over 20 years for the City of Rowlett. These services largely remained unnoticed until the 2012 season, when there were numerous cases of West Nile virus, both in the City of Rowlett and the Metroplex as a whole. This agreement will continue the City's contract with Dallas County for the provision of Mosquito Ground Control Services for FY2016.

**DISCUSSION**

The previous agreement with Dallas County Health and Human Services expires on September 30, 2015. This agreement is identical to last year's contract and will be effective through September 30, 2016.

The Mosquito Ground Control Services agreement will include trapping, mosquito testing, larviciding and adult spraying services. The agreement is only for ground control spraying. Aerial spraying would only be completed through the Dallas County Emergency Plan for St. Louis encephalitis and/or West Nile virus outbreaks. Participation in aerial spraying is a decision that is based on individual City preference.

Dallas County has been testing captured mosquitoes in Rowlett, weekly, since early April 2013. At the time of this report, there have been four (4) mosquito trap samples that were positive for West Nile virus during FY2015. In 2011-2012, ten (10) Rowlett citizens were confirmed to have West Nile virus and one of those cases involved a fatality. In FY2013, no residents were officially confirmed as cases. In FY2014, there were positive trap tests for West Nile virus on two separate occasions. Upon confirmation of these positive tests, Dallas County commenced spraying in this region of the City for two nights. Ground spraying for FY2015 consists of three (3) consecutive nights.

## FINANCIAL/BUDGET IMPLICATIONS

The City has budgeted \$5,000.00 in line item account 1016020 6407 for Environmental Monitoring. In this account, only \$1,400.00 of the total will be dedicated for Mosquito Control Services.

The Mosquito Ground Control Agreement is charged at \$185.00 per hour of spraying services only with a minimum of one hour service assessed. After the initial one hour minimum, then services will be pro-rated at thirty minute intervals. Assessed time will only be for spraying time and not travel time to and from the site, which will not be charged. Fees are required to be paid within thirty days of the monthly request for payment.

The City did not spend any dollars for FY2008-FY2014. Dallas County sent out invoices for services rendered in FY2015. Based on previous years, staff did not expect the County to issue invoices for FY2015 spraying services. The initial invoices total \$4,400.00 for 4 separate ground spray events. Based upon a total of four ground spraying events (12 nights) by Dallas County, it is anticipated that the costs for FY2016 will be approximately \$4,400.00 but could be higher or lower dependent upon viral activity and lab results.

| Budget Account Number | Account Title | Budget Amount     | Proposed Amount   |
|-----------------------|---------------|-------------------|-------------------|
| 1016020 6407          | Health        | \$5,000.00        | \$1,400.00        |
| <b>Total</b>          |               | <b>\$5,000.00</b> | <b>\$1,400.00</b> |

## RECOMMENDED ACTION

Staff recommends approval of a resolution authorizing the City Manager to enter into an interlocal agreement with Dallas County for Mosquito Ground Control for FY2016.

## RESOLUTION

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING A ONE YEAR RENEWAL OF AN INTERLOCAL AGREEMENT WITH DALLAS COUNTY HEALTH AND HUMAN SERVICES FOR MOSQUITO GROUND CONTROL FOR FISCAL YEAR 2015-2016; AUTHORIZING THE CITY MANAGER TO EXECUTE THE RENEWAL AGREEMENT ON BEHALF OF THE CITY; AND, PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Rowlett, Texas has determined that the Mosquito Ground Control Agreement is necessary in the City of Rowlett; and

**WHEREAS**, it is the desire of the City Council to provide Mosquito Ground Control; and

**WHEREAS**, the City Council finds it is in the best interest of the public to provide these services by entering into an interlocal agreement with Dallas County for Mosquito Control Services.

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

**Section 1:** That the City Council of the City of Rowlett hereby approves an interlocal agreement for mosquito ground control with Dallas County and authorizes the City Manager to execute the interlocal agreement with Dallas County, acting through its Health and Human Services department, as provided in Exhibit A, which is attached hereto and incorporated herein

**Section 2:** That this resolution shall become effective immediately upon its passage.

**ATTACHMENT**

Exhibit A – Mosquito Ground Control Agreement

STATE OF TEXAS     § MOSQUITO GROUND CONTROL AGREEMENT BETWEEN  
                           § DALLAS COUNTY, TEXAS, ON BEHALF OF THE DALLAS  
                           § COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT, AND  
 COUNTY OF DALLAS § THE CITY OF ROWLETT, TEXAS, A MUNICIPALITY

## 1. PARTIES

This Interlocal Agreement ("Agreement") is an Interlocal contract made by and between the City of Rowlett, Texas, a "Municipality" as defined by Section 1.005(3) of the Texas Local Government Code ("Municipality"), and Dallas County, Texas ("County"), on behalf of the Dallas County Health and Human Services Department ("DCHHS"), based on the authority of the Interlocal Cooperation Act in Chapter 791 of the Texas Government Code, and the Local Public Health Reorganization Act in Chapter 121 of the Texas Health and Safety Code, to protect the public health by controlling the population of mosquitos by ground spraying of adult mosquitoes ("adulticiding") and by treating standing water to destroy mosquito larvae ("larvaciding") in order to prevent and control the outbreak of diseases associated with mosquitoes.

## 2. DURATION OF THIS AGREEMENT

This Agreement is effective from October 1, 2015 through September 30, 2016, unless otherwise stated in this Agreement.

## 3. ADULTICIDING AND LARVACIDING SPRAYING SERVICES

A Upon written request from Municipality, County will provide adulticiding and larvaciding by way of **ground application** at the rate set forth in Paragraph 4;

B. In the event that aerial spraying is needed to control the St. Louis Encephalitis or the West Nile virus throughout the County, Municipality will have the option to participate in the County's separate emergency aerial mosquito spraying plan. If Municipality agrees to participate in the County's separate emergency aerial mosquito spraying plan, Municipality must provide written notice to County and agree in writing to the following:

- 1) Indicate in writing the areas and amount of acres to be sprayed; and
- 2) Pay Municipality's proportioned share of the cost based upon the number of acres to be sprayed multiplied by the per-acre spraying cost, as determined by County.

## 4. BUDGET AND PAYMENT BY MUNICIPALITY TO COUNTY

A Municipality will pay County at a rate of One Hundred Eighty-Five (\$185.00) Dollars per hour, with a minimum of one (1) hour of service assessed.

B. After the initial one (1) hour minimum service time for a given day of spraying, spraying services will be assessed using thirty (30) minute minimum intervals.

C. Only spraying time will be assessed. Travel time to or from the site of ground spraying or treating standing water will not be assessed.

D. Municipality must pay County the assessed fees within thirty (30) days of receipt by Municipality of the monthly written request for payment, or if County fails to make any written payment request(s), then Municipality will pay any remaining assessed fees no later than the last day of the term of this Agreement.

E. Any payment not made within thirty (30) days of its due date will bear interest in accordance with Chapter 2251 of the Texas Government Code. Municipality's obligation

to pay fees assessed and interest accrued under this Agreement will survive the term of this Agreement until the Municipality pays the assessed fees and accrued interest.

## 5. AUDITING AND WITHHOLDING OF PAYMENTS

The Dallas County Auditor has the exclusive right and authority to audit this Agreement or to demand access to or copies of County's records concerning this Agreement or the County's administration of this Agreement. Municipality will have no right or authority to audit this Agreement or to demand access to or copies of County's records concerning this Agreement or the County's administration of this Agreement. Municipality has no right to withhold payments to County pending any audit of or inquiry about this Agreement or the County's administration of this Agreement.

## 6. TERMINATION

- A. Without Cause: This Agreement may be terminated in writing, without cause, by either party upon thirty (30) days prior written notice to the other party.
- B. With Cause: The County reserves the right to terminate the Agreement immediately, in whole or in part, at its sole discretion, for the following reasons:
  - 1) Municipality's lack of or reduction in funding or resources, financial or otherwise; or
  - 2) Municipality's misuse of resources, financial or otherwise; or
  - 3) Municipality's failure to comply with the terms of this Agreement; or
  - 4) Municipality's submission of inaccurate, incomplete, or false data, statements, or reports.

## 7. NOINDEMNIFICATION

**COUNTY AND MUNICIPALITY, INCLUDING THEIR RESPECTIVE ELECTED OFFICIALS AND EMPLOYEES, AGREE THAT EACH WILL BE RESPONSIBLE FOR ITS OWN NEGLIGENT ACTS OR OMISSIONS OR OTHER TORTIOUS CONDUCT IN THE COURSE OF PERFORMANCE OF THIS AGREEMENT, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITIES AVAILABLE TO COUNTY OR MUNICIPALITY UNDER TEXAS LAW OR OTHER APPLICABLE LAWS AND WITHOUT WAIVING ANY AVAILABLE DEFENSES UNDER TEXAS LAW OR OTHER APPLICABLE LAWS. NOTHING IN THIS PARAGRAPH MAY BE CONSTRUED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, IN OR TO ANY THIRD PERSONS OR ENTITIES.**

## 8. INSURANCE

Municipality agrees that Municipality will at all times during the term of this Agreement maintain in full force and effect general liability insurance; or self-insurance, to the extent permitted by applicable law under a plan of self-insurance, that is also maintained in accordance with sound, generally accepted accounting practices. Municipality expressly understands and agrees that it is solely responsible for 1) all costs of such general liability insurance; 2) any and all deductible amounts in any general liability insurance policy; and 3) any liability in the event that any insurance company denies coverage for any incident reasonably related to the performance of this Agreement.

## 9. NOTICE

Any notice or certification required or permitted to be delivered under this Agreement will be deemed to have been given when personally delivered, or if mailed, seventy-two (72) hours

after deposit of the notice or certification in the United States Mail, postage prepaid, by certified or registered mail, return receipt requested, and properly addressed to the contact person shown at their respective addresses set forth below, or at such other addresses as may be specified by written notice delivered by the methods described above in this subsection:

Dallas County, Texas  
 Zachary Thompson, Director  
 Dallas County Health & Human Svcs  
 2377 N. Stemmons Frwy, Suite 600  
 Dallas, Texas 75207-2710

City of Rowlett, Texas  
 Brian Funderburk, City Manager  
 Attn: Chuck Dumas, Environmental Svc. Mgr.  
 4000 Main St.  
 Rowlett, Texas 75088

## **10. ENTIRE AGREEMENT AND AMENDMENTS**

This Agreement, including any Exhibits and Attachments, constitutes the entire agreement between the parties and supersedes any other agreement concerning the subject matter of this transaction, whether oral or written. No modification, amendment, novation, renewal, or other alteration of this Agreement can be effective unless mutually agreed upon in writing and executed by the parties.

## **11. COUNTERPARTS, NUMBER, GENDER, AND HEADINGS**

This Agreement may be executed in multiple counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument when considered together in context. Words of any gender used in this Agreement will be held and construed to include any other gender any words in the singular will include the plural and vice versa, unless the context clearly requires otherwise. Headings are for the convenience of reference only and cannot be considered in any interpretation of this Agreement.

## **12. SEVERABILITY**

If any term of this Agreement is construed to be illegal, invalid, void or unenforceable, this construction will not affect the legality or validity or any of the remaining terms. The unenforceable or illegal term will be deemed stricken and deleted, but the remaining terms will not be affected or impaired and such remaining terms will remain in full force and effect.

## **13. FISCAL FUNDING CLAUSE**

Notwithstanding any terms contained in this Agreement, the obligations of the County under this Agreement are expressly contingent upon the availability of funding for each item and obligation for the term of the Agreement and any pertinent extensions. Municipality has no right of action against County in the event County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding for any item or obligation from any source utilized to fund this Agreement or failure to budget or authorize funding for this Agreement during the current or future fiscal years. In the event that County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding, or if funds become unavailable, County, at its sole discretion, may provide funds from a separate source or may terminate this Agreement by written notice to Municipality at the earliest possible time prior to the end of its fiscal year.

## **14. DEFAULT- CUMULATIVE RIGHTS- MITIGATION**

It is not a waiver of default if the non-defaulting party fails to immediately declare a default or delays in taking any action. The rights and remedies provided by this Agreement are cumulative, and either party's use of any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance, or otherwise. Both parties have a duty to mitigate damages.

#### 15. SOVEREIGN IMMUNITY

THIS AGREEMENT IS EXPRESSLY MADE SUBJECT TO MUNICIPALITY'S AND COUNTY'S GOVERNMENTAL IMMUNITIES, INCLUDING, WITHOUT LIMITATION, TITLE 5 OF THE TEXAS CIVIL PRACTICE AND REMEDIES CODE AND ALL APPLICABLE STATE AND FEDERAL LAWS. THE PARTIES EXPRESSLY AGREE THAT NO TERM OF THIS AGREEMENT IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER OF ANY IMMUNITIES FROM SUIT OR FROM LIABILITY, OR A WAIVER OF ANY TORT LIMITATION, AND ANY DEFENSES THAT MUNICIPALITY OR COUNTY HAVE BY OPERATION OF LAW, OR OTHERWISE. NOTHING IN THIS AGREEMENT IS INTENDED TO OR DOES BENEFIT ANY THIRD PARTY BENEFICIARY.

#### 16. COMPLIANCE WITH LAW, CHOICE OF LAW, AND VENUE

In providing services required by this Agreement, Municipality and County must observe and comply with all licenses, legal certifications, or inspections required for the services, facilities, equipment, or materials, and all applicable Federal, State, and local statutes, ordinances, rules, and regulations. The laws of the State of Texas govern this Agreement. Exclusive venue for any action or claim arising from this Agreement is in the State or Federal District Courts that are physically located in Dallas County, Texas.

#### 17. RELATIONSHIP OF PARTIES

County and Municipality are each independent political subdivisions of the State of Texas. Neither is an agent, servant, joint enterpriser, joint venturer, or employee of the other. Municipality and County agree and acknowledge that each governmental entity will be responsible for its own acts, forbearance, negligence and deeds, and for those of its agents or employees in conjunction with the performance of work covered under this Agreement.

The remainder of this page is intentionally left blank.

**18. SIGNATORY WARRANTY**

Municipality and County represent that each has the full right, power, and authority to enter and perform this Agreement in accordance with all of its terms and conditions, and that the execution and delivery of this Agreement has been made by authorized representatives of the parties to validly and legally bind the parties to all terms set forth in this Agreement.

**COUNTY:**

**MUNICIPALITY:**

\_\_\_\_\_  
BY: Clay Lewis Jenkins  
County Judge  
Dallas County, Texas

\_\_\_\_\_  
BY: \_\_\_\_\_  
Mayor or City Manager  
City of Rowlett, Texas

**DATE SIGNED:** \_\_\_\_\_

**DATE SIGNED:** \_\_\_\_\_

**Recommended:**

\_\_\_\_\_  
BY: Zachary Thompson  
Director, DCHHS  
Dallas County, Texas

**Approved as to Form\*:**

**Approved as to Form:**

**DALLAS COUNTY**

**MUNICIPALITY**

**Craig Watkins**  
**District Attorney**

**Teresa Guerra Snelson**  
**Chief, Civil Division**

\_\_\_\_\_  
BY: Ben L. Stool  
Assistant District Attorney  
Civil Division

\_\_\_\_\_  
BY: \_\_\_\_\_  
\_\_\_\_\_  
Attorney for Municipality

\*By law, the District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7E

**TITLE**

Consider a resolution approving Change Order Number 2 to the contract with Tri-Con Services in the amount of \$78,533 for installation of a 16 inch by 16 inch tapping sleeve with additional work by hot tap operation for the Big A 20 Inch Water Transmission Project and authorize the Mayor to execute the necessary documents.

**STAFF REPRESENTATIVE**

Timothy Rogers, Director of Public Works  
Walter Allison, City Engineer

**SUMMARY**

The purpose of this item is to authorize Change Order Number 2 in the amount of \$78,533 for installation of a 16 inch by 16 inch tapping sleeve with additional work by hot tap operation for the Big A 20 Inch Water Transmission Project.

**BACKGROUND INFORMATION**

The City is developing an upper pressure plane to serve the western and northwestern areas of the City with higher pressure by utilizing the existing infrastructure as much as practical and possible. The City's water infrastructure consultants, Freese and Nichols and Neel-Schaffer Inc., have analyzed the water system and recommended additional infrastructure improvements to continue the process of developing a permanent upper pressure plane and increase water pressure in both the lower and upper pressure planes. As a result of the system analysis, a new elevated water tank is currently under construction to serve the western and northwestern areas. In addition, Neel-Schaffer Inc. recommended the Big A 20 inch transmission line to increase water pressure in both the lower and upper pressure planes.

On March 18, 2014, Council approved a Professional Services Agreement with Neel-Schaffer, Inc. to provide engineering design services of the Big A 20 Inch Water Transmission Project.

On April 7, 2015, Council awarded the Big A 20 Inch Water Transmission Project construction contract to Tri-Con services in the amount of \$1,520,000 for the total base bid plus 10 percent contingency in the amount of \$152,000 and up to \$15,000 for the early completion bonus, resulting in a total project amount of \$1,687,000 (RES-041-15).

On May 11, 2015, Tri-Con Services was issued a Notice to Proceed with a project completion date of October 28, 2015.

On August 25, 2015, staff approved change order number one in the amount of \$7,636 for miscellaneous related driveway, sidewalk and ramp improvements and additional traffic control.

## DISCUSSION

Tri-Con encountered a conflict with an existing 16 inch main located off of the location shown in the construction plans. The conflict affects the proposed tee connection at State Highway 66 and Rowlett Road. Staff determined the preferred alternative is to install a “hot tap” tapping sleeve in order to negate service interruptions in the existing 16 inch main and reduce traffic interruptions on State Highway 66. Additional backfill and traffic control are required by the Texas Department of Transportation. Staff determined that the change order in the amount of \$78,533 is reasonable to remedy the unforeseen conditions.

The chart identifies a list of change orders to date for the Big A 20 Inch Water Transmission Project:

| Change Order # | Status                   | Date               | Cost             | Additional Days | Reason                                                                                                                                                                                                       |
|----------------|--------------------------|--------------------|------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1              | Staff Approved           | 08/25/15           | \$7,636          | 13              | Removal of 238 SY of Concrete Payment and the installation of 210 SY of Concrete Sidewalk, 49 SY of Concrete Driveway, 8 Barrier Free Ramps and Additional Traffic Control Plan (\$17,000 Project Credits)   |
| 2              | Seeking Council Approval | 09/15/15           | \$78,533         | 16              | Furnish and Install a 16” x 16” Tapping Sleeve and Valve, 10LF of 16” Water Main, Furnish a 16” Gate Valve, Install Quick Set Flowable Fill and Additional Bonding and Insurance (\$106,428 Project Credits) |
|                |                          | <b>TOTAL</b>       | <b>\$ 86,169</b> | <b>28</b>       |                                                                                                                                                                                                              |
|                |                          | <b>CONTINGENCY</b> | <b>\$152,000</b> |                 |                                                                                                                                                                                                              |

## FINANCIAL/BUDGET IMPLICATIONS

Funds for change order number 2 are available in the amount of \$78,533 within Big A Water Line Improvements (WA2110), account number 5288101 6701.

| <b>Project Code</b> | <b>Project Title</b>         | <b>Available Amount</b> | <b>Proposed Amount</b> |
|---------------------|------------------------------|-------------------------|------------------------|
| WA2110              | Big A Waterline Improvements | \$144,364               | \$78,533               |
| <b>TOTAL</b>        |                              | <b>\$144,364</b>        | <b>\$78,533</b>        |

**RECOMMENDED ACTION**

City staff recommends approving a resolution for Change Order Number 2 to the contract with Tri-Con Services in the amount of \$78,533 for installation of a 16 inch by 16 inch tapping sleeve with additional work by hot tap operation for the Big A 20 Inch Water Transmission Project and authorize the Mayor to execute the necessary documents.

**RESOLUTION**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING CHANGE ORDER NUMBER TWO TO THE CONTRACT WITH TRI-CON SERVICES FOR THE BIG A 20 INCH WATER TRANSMISSION PROJECT IN THE AMOUNT OF \$78,533; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Rowlett has been presented and has considered Change Order Number 2 to the Big A 20 Inch Water Transmission Project for modifying the water main installation and removal in the amount of \$78,533, a copy of which is attached hereto and incorporated herein by reference as Exhibit A; and

**WHEREAS**, the City Council of the City of Rowlett, Texas desires to approve Change Order Number 2 in the amount of \$78,533 to the Big A 20 Inch Water Transmission Project contract to Tri-Con Services and to authorize the execution of the necessary documents.

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

**Section 1:** That the City Council of the City of Rowlett does hereby approve Change Order Number 2 to the Big A 20 Inch Water Transmission Project in the amount of \$78,533 to Tri-Con Services, resulting in a new contract amount of \$1,606,169.

**Section 2:** The City of Rowlett does hereby authorize the Mayor to execute Change Order Number 2, attached hereto and incorporated herein by reference as Exhibit A, and does further hereby authorize the issuance of appropriate change order purchase orders conforming to this resolution.

**Section 3:** This resolution shall become effective immediately upon its passage.

**ATTACHMENT**

Exhibit A – Change Order Number 2



**CHANGE ORDER #2**

|                    |                                                 |                       |
|--------------------|-------------------------------------------------|-----------------------|
| <b>PROJECT:</b>    | <u>Big A 20 Inch Water Transmission Project</u> | <b>PROJECT NUMBER</b> |
| <b>OWNER:</b>      | <u>City of Rowlett</u>                          | <u>2015-05</u>        |
| <b>CONTRACTOR:</b> | <u>Tri-Con Services, Inc.</u>                   |                       |
| <b>ENGINEER:</b>   | <u>Neel-Schaffer, Inc.</u>                      |                       |

**CHANGE ORDER NO.:** 2 **DATE:** 31-Aug-15

Make the following additions, modifications or deletions to the work described in the Contract Documents:

| Item          | Description                                         | Quantity | Units | Unit Cost   | Total Cost         |
|---------------|-----------------------------------------------------|----------|-------|-------------|--------------------|
| 19            | F & I 16"x16" Tapping Sleeve, Valve & Vault         | -1       | EA    | \$50,000.00 | -\$50,000.00       |
| 37            | Credit Project for Use of Compact Fittings          | -1       | LS    | \$14,889.00 | -\$14,889.00       |
| 38            | Credit Project for Reduction in Restrained Joints   | -1       | LS    | \$33,839.00 | -\$33,839.00       |
| 39            | Additions to Bonding & Insurance                    | 1        | LS    | \$6,359.00  | \$6,359.00         |
| 40            | Additions to Traffic Control Plan for Hwy 66 Tie in | 1        | LS    | \$17,478.00 | \$17,478.00        |
| 41            | Remove & Replace Existing Reinf. Conc.Pave.         | 13       | SY    | \$1,221.00  | \$15,873.00        |
| 42            | Backfill of Roadway With Quick Set Flowable Fill    | 1        | LS    | \$38,221.00 | \$38,221.00        |
| 43            | F&I 16"x16" Tapping Sleeve & Valve (Left Open)      | 1        | LS    | \$46,631.00 | \$46,631.00        |
| 44            | Furnish & Install 16" C905 PVC Water Pipe           | 10       | LF    | \$850.00    | \$8,500.00         |
| 45            | Furnish & Install 16" Gate Valve                    | 1        | LS    | \$37,138.00 | \$37,138.00        |
| 46            | Overhead & Profit                                   | 1        | LS    | \$14,761.00 | \$14,761.00        |
| 13            | F&I 8" DR18 C-900 PVC Water Pipe By Open Cut        | -35      | LF    | \$220.00    | -\$7,700.00        |
| <b>Total:</b> |                                                     |          |       |             | <b>\$78,533.00</b> |

The compensation agreed upon in this Change Order is full, complete and final payment for all costs the Contractor may incur as a result of or relating to this change whether said costs are known, unknown, foreseen or unforeseen at this time, including without limitation, any cost for delay, extended overhead, ripple or impact cost, or any other effect on changed or unchanged work as a result of this Change Order.

|                                         |                   |
|-----------------------------------------|-------------------|
| Original Contract Amount                | \$ 1,520,000.00   |
| Previously Approved Change Order Amount | \$ 7,636.00       |
| Adjusted Contract Amount                | \$ 1,527,636.00   |
| Proposed Change Order Amount            | \$ 78,533.00      |
| Revised Contract Amount                 | \$ 1,606,169.00   |
| Previous Contract Time                  | 183               |
| Previous Substantial Completion Date    | November 10, 2015 |
| Previous Final Completion Date          | November 10, 2015 |
| Net Change in Contract Time             | 16                |
| Revised Contract Time                   | 199               |
| Revised Substantial Completion Date     | November 26, 2015 |
| Revised Final Completion Date           | November 26, 2015 |

Approved by  
[ENGINEER]

By Richard E. Simpson 9/2/15  
Neel-Schaffer, Inc. Date

Approved by  
[CONTRACTOR]

By [Signature]  
Date 8-31-15

Approved by  
[OWNER]

By \_\_\_\_\_  
City of Rowlett Date

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7F

**TITLE**

Consider action to approve a resolution authorizing the final acceptance, release of retainage and early completion bonus for the PGBT 12 Inch Waterline from Miller Heights Drive to Rowlett High School Project (WA2101) in the amount of \$126,608.00 to LKG Resources, LLC and authorize the Mayor to execute the necessary documents for said services.

**STAFF REPRESENTATIVE**

Timothy Rogers, Director of Public Works  
Walter Allison, City Engineer

**SUMMARY**

This project consists of the installation of 1,654 linear feet of 12-inch water main beginning at Miller Heights Drive going north parallel with the northbound PGBT service road to Rowlett High School.

**BACKGROUND INFORMATION**

On April 07, 2015, City Council adopted a resolution awarding the base bid to LKG Resources, LLC in the amount of \$156,440.00 for the PGBT 12 Inch Waterline from Miller Heights Drive to Rowlett High School Project and authorized the Mayor to execute the Standard Public Works Construction Contract for said services.



**DISCUSSION**

LKG Resources, LLC has satisfactorily completed the project as designed in accordance with the contract plans and specifications. One change order was issued on this project for the

establishment of hydro-mulch rather than block sod to establish vegetation along with the addition of two gate valves for a total of \$7,216.00, which increased the total construction amount to \$163,656.00. Staff has inspected the construction ensuring compliance with the provisions of the contract and recommends acceptance of such improvements with a final acceptance and release of retainage in the amount of \$121,608.00 plus an early completion bonus of \$5,000.00 for a total amount of \$126,608.00.

**FINANCIAL/BUDGET IMPLICATIONS**

Final payment amount of \$105,242.40 plus retainage of \$16,365.60 plus a \$5,000.00 early completion bonus yields a final payment in the amount of \$126,608.00. Funding in the amount of \$126,608.00 is available in PGBT 12 Inch Waterline from Miller Heights to Rowlett High School Project (WA2101).

| <b>Project Code</b> | <b>Project Title</b>                                              | <b>Budget Available</b> | <b>Actual Amount</b> |
|---------------------|-------------------------------------------------------------------|-------------------------|----------------------|
| WA2101              | PGBT 12 Inch Waterline from Miller Heights to Rowlett High School | \$182,916.00            | \$126,608.00         |
| <b>Total</b>        |                                                                   | <b>\$182,916.00</b>     | <b>\$126,608.00</b>  |

**RECOMMENDED ACTION**

Staff recommends City Council approve a resolution authorizing the final acceptance, release of retainage and early completion bonus for the PGBT 12 Inch Waterline from Miller Heights Drive to Rowlett High School Project in the amount of \$126,608.00 to LKG Resources, LLC and authorize the Mayor to execute the necessary documents for said services.

**RESOLUTION**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, AUTHORIZING FINAL ACCEPTANCE, RELEASE OF RETAINAGE AND EARLY COMPLETION BONUS FOR THE PGBT 12 INCH WATERLINE FROM MILLER HEIGHTS DRIVE TO ROWLETT HIGH SCHOOL PROJECT IN THE AMOUNT OF \$126,608.00 TO LKG RESOURCES, LLC; AUTHORIZING THE MAYOR TO EXECUTE THE NECESSARY DOCUMENTS FOR SAID SERVICES PURSUANT TO APPROVAL; AND, PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council adopted Resolution Number RES-035-15 accepting the bid of and awarding a contract to LKG Resources, LLC in the amount of \$156,440.00 for the total base bid plus ten percent contingency in the amount \$15,644.00 and up to \$5,000.00 for the early completion bonus, resulting in a total project amount of \$177,084.00 for the PGBT 12-Inch Waterline from Miller Heights Drive to Rowlett High School Project (WA2101); and

**WHEREAS**, change order #1 was issued in the amount of \$7,216.00 which increased the total base bid from \$156,440.00 to \$163,656.00; and

**WHEREAS**, LKG Resources, LLC has completed the project ahead of schedule qualifying them for the early completion bonus of \$5,000.00 and within budget; and

**WHEREAS**, City staff has inspected the construction ensuring that it complies with the provisions of the contract and recommends acceptance of such improvements as well as the release of retainage.

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

**Section 1:** That the City Council of the City of Rowlett does hereby accept the completion of the PGBT 12 Inch Waterline from Miller Heights Drive to Rowlett High School Project and approves the release of retainage and early completion bonus to LKG Resources, LLC in the amount \$126,608.00.

**Section 2:** The City Council of the City of Rowlett does hereby authorize the Mayor to execute the necessary documents to conform to this resolution.

**Section 3:** This resolution shall become effective immediately upon its passage.

**ATTACHMENT**

Exhibit A – Final Payment Request Form



PAYMENT REQUEST (4.51)

|                    |                                             |                       |
|--------------------|---------------------------------------------|-----------------------|
| <b>PROJECT:</b>    | <u>P.G.B.T. Service Road 12" Water Main</u> | <b>PROJECT NUMBER</b> |
| <b>OWNER:</b>      | <u>City of Rowlett, TX</u>                  | <u>2015-44</u>        |
| <b>CONTRACTOR:</b> | <u>LKG Resources, LLC</u>                   |                       |
| <b>ENGINEER:</b>   | <u>Grantham &amp; Associates</u>            |                       |

**PAYMENT PERIOD FROM:** 08/01/15 **TO** 08/31/15 **ESTIMATE NO.:** 2

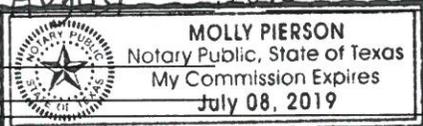
**SUMMARY OF PAYMENT ESTIMATE VALUES FROM ATTACHED TABULATIONS**

|                                                                                     |                     |
|-------------------------------------------------------------------------------------|---------------------|
| Original Contract Amount                                                            | \$156,440.00        |
| Approved Change Orders                                                              | \$7,216.00          |
| Current Contract Amount                                                             | \$163,656.00        |
| Total Value of Original Contract Performed<br>(Attachment "A" consisting of 1 page) | \$156,440.00        |
| Extra Work on Approved Change Orders<br>(Attachment "B" consisting of 0 page)       | \$7,216.00          |
| Materials on Hand<br>(Attachment "C" consisting of 0 pages)                         | \$0.00              |
| Total Value of Work to Date                                                         | \$163,656.00        |
| Less Amount Retained at <u>0</u> %                                                  | \$0.00              |
| Net Amount Earned on Contract                                                       | \$163,656.00        |
| Less Amount of Previous Payments                                                    | \$42,048.00         |
| <b>BALANCE DUE THIS STATEMENT</b>                                                   | <b>\$121,608.00</b> |
| Percentage of Contract Paid to Date                                                 | 100.00%             |

The undersigned Contractor certifies that all work, including materials on hand, covered by this Periodical Payment has been completed and delivered and stored in accordance with the Contract Documents, that all amounts have been paid by him for work, materials, and equipment for which previous Periodical Payments were issued and received from the Owner, and that the current payment shown herein is now due.

Contractor: LKG Resources, LLC By [Signature]  
 Date: 8/26/15

Subscribed and sworn to before me this 26<sup>th</sup> day of August 2015  
 Notary Public: [Signature]  
 My Commission expires: 7/8/19



|                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Recommended for Payment by</b><br/> <b>Grantham &amp; Associates</b></p> <p>By <u>[Signature]</u> <u>8/26/15</u><br/>                 Date</p> <p><b>Approved for Payment by</b><br/> <b>CITY of ROWLETT</b></p> <p>By <u>[Signature]</u> <u>08/27/15</u><br/>                 Date</p> | <p><b>Recommended for Payment by</b><br/> <b>City of Rowlett Inspector</b></p> <p>By <u>[Signature]</u> <u>8/27/15</u><br/>                 Date</p> <p><u>[Signature]</u> <u>8/28/15</u></p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

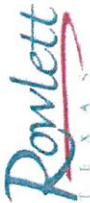


**ATTACHMENT "A"**  
**PAYMENT REQUEST**  
**TABULATION OF VALUES FOR ORIGINAL CONTRACT WORK PERFORMED**

|                                                                                                            |                           |
|------------------------------------------------------------------------------------------------------------|---------------------------|
| P.G.B.T. Service Road 12" Water Main<br>City of Rowlett, TX<br>LKG Resources, LLC<br>Grantham & Associates | PROJECT NUMBER<br>2015-44 |
|------------------------------------------------------------------------------------------------------------|---------------------------|

| ITEM NO.                        | DESCRIPTION OF ITEM                              | QUANTITY ORIGINAL ESTIMATE | UNIT OF MEASURE | UNIT PRICE  | TOTAL CONTRACT AMOUNT | PREVIOUS QUANTITY | QUANTITY THIS ESTIMATE | VALUE OF WORK THIS ESTIMATE | BALANCE OF MATERIALS ON HAND | TOTAL VALUE OF WORK COMPLETED | % OF WORK COMPLETE  |               |                     |             |
|---------------------------------|--------------------------------------------------|----------------------------|-----------------|-------------|-----------------------|-------------------|------------------------|-----------------------------|------------------------------|-------------------------------|---------------------|---------------|---------------------|-------------|
| 1                               | MOBILIZATION                                     | 1                          | LS              | \$5,500.00  | \$5,500.00            | 1.00              |                        | \$0.00                      | \$0.00                       | \$5,500.00                    | 100%                |               |                     |             |
| 2                               | CLEARING AND GRUBBING                            | 1.00                       | LS              | \$10,000.00 | \$10,000.00           | 1.00              |                        | \$0.00                      | \$0.00                       | \$10,000.00                   | 100%                |               |                     |             |
| 3                               | BARRICADE, SIGN, TRAFFIC CONTROL                 | 1                          | LS              | \$1,200.00  | \$1,200.00            | 0.50              | 0.50                   | \$600.00                    | \$0.00                       | \$1,200.00                    | 100%                |               |                     |             |
| 4                               | TEMPORARY CONSTRUCTION FENCING                   | 800                        | LF              | \$1.50      | \$1,200.00            | 0.00              | 800.00                 | \$1,200.00                  | \$0.00                       | \$1,200.00                    | 100%                |               |                     |             |
| 5                               | EROSION CONTROL                                  | 1                          | LS              | \$3,600.00  | \$3,600.00            | 1.00              |                        | \$0.00                      | \$0.00                       | \$3,600.00                    | 100%                |               |                     |             |
| 6                               | FURNISH & INSTALL CAPITAL IMPROVEMENTS SIGN      | 1                          | EA              | \$600.00    | \$600.00              | 1.00              |                        | \$0.00                      | \$0.00                       | \$600.00                      | 100%                |               |                     |             |
| 7                               | REMOVE TREE 6" OR GREATER                        | 10                         | EA              | \$300.00    | \$3,000.00            | 10.00             |                        | \$0.00                      | \$0.00                       | \$3,000.00                    | 100%                |               |                     |             |
| 8                               | SAWCUT, REMOVE, & DISPOSE CONCRETE DRIVEWAY      | 11                         | SY              | \$25.00     | \$275.00              | 0.00              | 11.00                  | \$275.00                    | \$0.00                       | \$275.00                      | 100%                |               |                     |             |
| 9                               | REMOVE, SALVAGE AND RESTORE STONE RIPRAP         | 1                          | LS              | \$3,500.00  | \$3,500.00            | 0.00              | 1.00                   | \$3,500.00                  | \$0.00                       | \$3,500.00                    | 100%                |               |                     |             |
| 10                              | CONNECT TO EXISTING WATER (VARIABLE SIZE)        | 2                          | EA              | \$1,200.00  | \$2,400.00            | 1.00              | 1.00                   | \$1,200.00                  | \$0.00                       | \$2,400.00                    | 100%                |               |                     |             |
| 11                              | FURNISH & INSTALL 12" DR-18 PVC WATER            | 1,654                      | LF              | \$40.00     | \$66,160.00           | 300.00            | 1,354.00               | \$54,160.00                 | \$0.00                       | \$66,160.00                   | 100%                |               |                     |             |
| 12                              | FURNISH & INSTALL DUCTILE IRON FITTINGS          | 1                          | TN              | \$8,000.00  | \$8,000.00            | 0.20              | 1.20                   | \$9,600.00                  | \$0.00                       | \$11,200.00                   | 100%                |               |                     |             |
| 13                              | FURNISH & INSTALL MECHANICAL JOINT RESTRAINTS    | 40                         | EA              | \$120.00    | \$4,800.00            | 6.00              | 34.00                  | \$4,080.00                  | \$0.00                       | \$4,800.00                    | 100%                |               |                     |             |
| 14                              | FURNISH & INSTALL 12" GATE VALVE                 | 6                          | EA              | \$2,000.00  | \$12,000.00           | 2.00              | 4.00                   | \$8,000.00                  | \$0.00                       | \$12,000.00                   | 100%                |               |                     |             |
| 15                              | FURNISH & INSTALL FIRE HYDRANT AND 6" VALVE      | 6                          | EA              | \$3,200.00  | \$19,200.00           | 1.00              | 5.00                   | \$16,000.00                 | \$0.00                       | \$19,200.00                   | 100%                |               |                     |             |
| 16                              | TRENCH SAFETY (WATER)                            | 1,790                      | LF              | \$1.00      | \$1,790.00            | 300.00            | 1,490.00               | \$1,490.00                  | \$0.00                       | \$1,790.00                    | 100%                |               |                     |             |
| 17                              | WATER TEST                                       | 1                          | LS              | \$600.00    | \$600.00              | 0.00              | 1.00                   | \$600.00                    | \$0.00                       | \$600.00                      | 100%                |               |                     |             |
| 18                              | CONSTRUCT CLASS "C" COMMERCIAL DRIVEWAY PAVEMENT | 11                         | SY              | \$715.00    | \$7,865.00            | 0.00              | 11.00                  | \$7,865.00                  | \$0.00                       | \$7,865.00                    | 100%                |               |                     |             |
| 19                              | BERMUDA SOD                                      | 1,300                      | SY              | \$4.00      | \$5,200.00            | 0.00              | 1,300.00               | \$5,200.00                  | \$0.00                       | \$5,200.00                    | 100%                |               |                     |             |
| 20                              | HYDROMULCH                                       | 1,500                      | SY              | \$1.00      | \$1,500.00            | 0.00              | 1,500.00               | \$1,500.00                  | \$0.00                       | \$1,500.00                    | 100%                |               |                     |             |
| 21                              | FURNISH TRENCH BACKFILL DENSITY/MOISTURE TEST    | 1                          | LS              | \$2,000.00  | \$2,000.00            | 0.20              | 0.80                   | \$1,600.00                  | \$0.00                       | \$2,000.00                    | 100%                |               |                     |             |
| <b>TOTAL FOR PAGE / PROJECT</b> |                                                  |                            |                 |             |                       |                   |                        |                             |                              | <b>\$156,440.00</b>           | <b>\$109,720.00</b> | <b>\$0.00</b> | <b>\$156,440.00</b> | <b>100%</b> |

08/01/15 TO 08/31/15 ESTIMATE NO.: 3



**ATTACHMENT "B"**  
**PAYMENT REQUEST**  
**TABULATION OF VALUES FOR APPROVED CHANGE ORDERS**

**PROJECT:** P.G.B.T. Service Road 12" Water Main  
**OWNER:** City of Rowlett  
**CONTRACTOR:** LKG Resources, LLC  
**ENGINEER:** Grantham & Associates

**PROJECT NUMBER**  
2015-44

| PAYMENT PERIOD FROM:            |                                         | TO                         |                 | ESTIMATE NO.: |                     |                   |                        |                                       |                              |                               |                    |
|---------------------------------|-----------------------------------------|----------------------------|-----------------|---------------|---------------------|-------------------|------------------------|---------------------------------------|------------------------------|-------------------------------|--------------------|
| 08/01/15                        |                                         | 8/31/2015                  |                 | 2             |                     |                   |                        |                                       |                              |                               |                    |
| ITEM NO.                        | DESCRIPTION OF ITEM                     | QUANTITY ORIGINAL ESTIMATE | UNIT OF MEASURE | UNIT PRICE    | CHANGE ORDER AMOUNT | PREVIOUS QUANTITY | QUANTITY THIS ESTIMATE | VALUE OF WORK COMPLETED THIS ESTIMATE | BALANCE OF MATERIALS ON HAND | TOTAL VALUE OF WORK COMPLETED | % OF WORK COMPLETE |
| 1                               | Delete Temporary Construction Fencing   | -800.00                    | LF              | \$1.50        | \$(1,200.00)        |                   | -800.00                | -\$1,200.00                           |                              | -\$1,200.00                   | 100.00%            |
| 2                               | Delete Mechanical Joint Restraints      | -4.00                      | EA              | \$120.00      | \$(480.00)          |                   | -4.00                  | -\$480.00                             |                              | -\$480.00                     | 100.00%            |
| 3                               | Delete Bermuda Sod                      | -1,300.00                  | SY              | \$4.00        | \$(5,200.00)        |                   | -1,300.00              | -\$5,200.00                           |                              | -\$5,200.00                   | 100.00%            |
| 4                               | Furnish & Install Ductile Iron Fittings | 0.037                      | TN              | \$8,000.00    | \$296.00            |                   | 0.037                  | \$296.00                              |                              | \$296.00                      | 100.00%            |
| 5                               | Furnish & Install Gate Valve            | 2.00                       | EA              | \$2,000.00    | \$4,000.00          |                   | 2.00                   | \$4,000.00                            |                              | \$4,000.00                    | 100.00%            |
| 6                               | Extra Depth at Connection Points        | 1.00                       | LS              | \$8,500.00    | \$8,500.00          |                   | 1.00                   | \$8,500.00                            |                              | \$8,500.00                    | 100.00%            |
| 7                               | Hydromulch                              | 1,300.00                   | SY              | \$1.00        | \$1,300.00          |                   | 1,300.00               | \$1,300.00                            |                              | \$1,300.00                    | 100.00%            |
| 8                               |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 9                               |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 10                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 11                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 12                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 13                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 14                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 15                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 16                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 17                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 18                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 19                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 20                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 21                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 22                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 23                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 24                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 25                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 26                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 27                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 28                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 29                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 30                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 31                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 32                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 33                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 34                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| 35                              |                                         |                            |                 |               | \$-                 |                   |                        | \$0.00                                |                              | \$0.00                        |                    |
| <b>TOTAL FOR PAGE / PROJECT</b> |                                         |                            |                 |               | <b>\$7,216.00</b>   |                   |                        | <b>\$7,216.00</b>                     |                              | <b>\$7,216.00</b>             | <b>100.00%</b>     |



**ATTACHMENT "D"**  
**PROJECT SUMMARY**

|                    |                                             |                       |
|--------------------|---------------------------------------------|-----------------------|
| <b>PROJECT:</b>    | <u>P.G.B.T. Service Road 12" Water Main</u> | <b>PROJECT NUMBER</b> |
| <b>OWNER:</b>      | <u>City of Rowlett, TX</u>                  | <u>2015-44</u>        |
| <b>CONTRACTOR:</b> | <u>LKG Resources, LLC</u>                   |                       |
| <b>ENGINEER:</b>   | <u>Grantham &amp; Associates</u>            |                       |

|                             |                 |           |                 |                      |          |
|-----------------------------|-----------------|-----------|-----------------|----------------------|----------|
| <b>PAYMENT PERIOD FROM:</b> | <u>08/01/15</u> | <b>TO</b> | <u>08/31/15</u> | <b>ESTIMATE NO.:</b> | <u>3</u> |
|-----------------------------|-----------------|-----------|-----------------|----------------------|----------|

**CONTRACT TIME SUMMARY**

|                                                  |                  |
|--------------------------------------------------|------------------|
| Date of Notice to Proceed                        | <u>1-Jun-15</u>  |
| Original Contract Duration                       | <u>90 Days</u>   |
| Original Date of Contract Substantial Completion | <u>30-Aug-15</u> |
| Original Date of Contract Final Completion       | <u>30-Aug-15</u> |
| Approved Time Extensions                         | <u>0 Days</u>    |
| Current Contract Duration                        | <u>90 Days</u>   |
| Current Date of Contract Substantial Completion  | <u>30-Aug-15</u> |
| Current Date of Contract Final Completion        | <u>30-Aug-15</u> |
| Rain Out Days                                    | <u>0 Days</u>    |
| Days Charged to Project to Date                  | <u>0 Days</u>    |
| Days Remaining in Contract                       | <u>90 Days</u>   |
| Percent of Current Project Duration              |                  |
| Current Scheduled Completion Date                | <u>30-Aug-15</u> |
| Project is (Ahead/Behind) Schedule               |                  |

**CONTRACT COST SUMMARY**

|                                                |                     |
|------------------------------------------------|---------------------|
| Original Contract Amount                       | <u>\$156,440.00</u> |
| Approved Change Orders                         | <u>\$7,216.00</u>   |
| Current Contract Amount                        | <u>\$163,656.00</u> |
| Contract Earnings to Date on Original Contract | <u>\$156,440.00</u> |
| Earnings on Approve Change Orders              | <u>\$7,216.00</u>   |
| Materials on Hand                              | <u>\$0.00</u>       |
| Total Current Project Amount Earned            | <u>\$163,656.00</u> |
| Percent of Contract Earned to Date             | <u>100.00%</u>      |
| Retainage                                      | <u>\$0.00</u>       |
| Amount Paid to Date                            | <u>\$163,656.00</u> |
| Percent of Contract Paid to Date               | <u>100.00%</u>      |



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7G

**TITLE**

Consider action to approve a resolution awarding the annual bid for motor fuel to Petroleum Traders Corporation in the unit amounts bid for transporting and delivery per fuel gallon and type in an estimated annual amount of \$380,312.

**STAFF REPRESENTATIVE**

Tim Rogers, Director of Public Works  
Robbin Webber, Assistant Director of Public Works

**SUMMARY**

This bid is for the annual contract of motor fuel for all City departments.

**BACKGROUND INFORMATION**

On September 16, 2014, the City Council approved Resolution Number RES-082-14 exercising the second and final one-year renewal option to extend the motor fuel bid to Martin Eagle Oil Company, Incorporated in the unit amounts bid for transporting and delivery per fuel gallon and type in an estimated annual amount of \$380,312.

**DISCUSSION**

A blanket purchase order will be issued indicating the transportation and delivery fee per gallon and per type of fuel. This price will be in addition to the average net Oil Price Information Service (OPIS) report for Dallas Metro per gallon per fuel type, plus twenty cents state tax and the Texas load fee. The OPIS price changes daily based on the market. The handling fee per gallon will be locked in for the twelve month period. Prices will fluctuate each month due to the OPIS index rate for Dallas Metro, TX (OPIS Contract Net Benchmark File) changing daily.

Notice to bidders for the annual bid for motor fuel was advertised in the *Rowlett Lakeshore Times* on August 13 and 20, 2015. The bid documents were also placed on the City website. Sealed bids were received in the Purchasing Office until 2:00 p.m., August 27, 2015, and then publicly opened and read aloud in the City Annex Conference Room in accordance with Texas Local Government Code.

The budgeted amount for FY2015 was \$380,312 and the same amount was proposed for FY2016. The City's cost over the last four years has been within this amount. It is anticipated that 96,763 gallons of unleaded gasoline and 46,239 gallons of TX LED diesel fuel will be ordered during the next twelve month contract period. With the purchases of new vehicles and equipment, which are more fuel efficient over the past three years, City staff believes the estimated budget amount will be sufficient for the purchase of fuel for the City's use based on past usage and the replacement of older vehicles and equipment.

The unit price is the handling cost per gallon per fuel type. Please refer to the attached bid tabulation for additional costs and information.

This price will be in addition to the average net Oil Price Information Service (OPIS) report for Dallas Metro per gallon per fuel type, plus twenty cents state tax, the Texas load fee, and other related fuel costs as shown on the attached bid tabulation. The OPIS price changes daily based on the market. The handling fee per gallon will be locked in for the twelve month period and has options for two one-year renewals at the same price provided both parties are in agreement. Prices will fluctuate each month due to the OPIS index rate for Dallas Metro changing daily.

Nine bids were received. All bids were very close. On the attached bid tabulation the individual handling cost per fuel gallon is indicated for the picking up the fuel, transporting, and delivery. A summary is also shown which extends the cost for a typical delivery for the City when calculations were made based on our typical order of 6,000 gallons of regular unleaded fuel and 2,000 gallons of TX LED diesel fuel plus the combination load fee bid and state tax by each vendor. A one percent (1%) discount was offered per gallon by Martin Eagle Oil if paid within "Net 10 days terms by ACH or EFT". The low dollar bidders are SC Fuels and IPC (USA) Incorporated; however their bids included utilizing the OPIS Gross Report instead of the OPIS Net Report as specified; therefore, they have retracted their bids as they are unable to honor the pricing bid. The low bid meeting specifications is Petroleum Traders Corporation. They have been in business for 36 years. References include the Cities of McKinney and Port Arthur and Plano ISD. Several years ago Petroleum Traders Corporation was awarded the City of Rowlett fuel contract and performed satisfactorily.

**Summary of the basic cost for a typical delivery are show below:**

|             |                                             |
|-------------|---------------------------------------------|
| \$14,390.60 | SC Fuels (Bid Retracted)                    |
| \$14,523.40 | IPC (USA) Incorporated (Bid Non-responsive) |
| \$14,564.20 | Petroleum Traders, Corp.                    |
| \$14,597.57 | Martin Eagle Oil Company, Incorporated      |
| \$14,699.20 | Indigo Energy Partners                      |
| \$14,709.00 | Lykins Energy                               |
| \$14,733.00 | Gold Star Petroleum, Incorporated           |
| \$14,784.25 | RKA Petroleum                               |
| \$15,158.65 | Sun Coast Resources, Incorporated           |

**FINANCIAL/BUDGET IMPLICATIONS**

Funding in the amount of \$380,312 has been proposed in the FY2016 budget for the user departments in account 6222. Fuel costs are allocated monthly to each department according to the usage report, which is processed by Fleet, Accounting, and Purchasing Divisions.

| Budget Account Number | Account Title     | Budget Amount    | Proposed Amount  |
|-----------------------|-------------------|------------------|------------------|
| 6222                  | Supplies/Gasoline | \$380,312        | \$380,312        |
| <b>Total</b>          |                   | <b>\$380,312</b> | <b>\$380,312</b> |

**RECOMMENDED ACTION**

City staff recommends the City Council adopt a resolution awarding a bid for motor fuel to Petroleum Traders Corporation in the unit amounts bid for transporting and delivery per fuel gallon and type in an estimated annual amount of \$380,312.

## **RESOLUTION**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, AWARDED A BID FOR MOTOR FUEL TO PETROLEUM TRADERS CORPORATION IN THE UNIT AMOUNTS BID FOR TRANSPORTING AND DELIVERY PER FUEL GALLON AND TYPE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE AS EXHIBIT A AND IN AN ESTIMATED ANNUAL AMOUNT OF \$380,312; AUTHORIZING THE ISSUANCE OF PURCHASE ORDERS PURSUANT TO APPROVAL; AND, PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, it is necessary to purchase motor fuel for the City departments and divisions;  
and

**WHEREAS**, the Purchasing Division has taken competitive bids as per bid documents recommends the bid award for the transporting and delivery per fuel gallon and type to the lowest responsible bidder meeting specifications as per Bid #2015-82; and

**WHEREAS**, the annual contract is for a term commencing October 1, 2015 to September 30, 2016, with options for two one-year renewals at the same price, provided both parties are in agreement; and

**WHEREAS**, the City Council of the City of Rowlett, Texas desires to award the bid to the lowest responsible bidder meeting specifications, Petroleum Traders Corporation, in an amount not to exceed \$380,312.

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

**Section 1:** The City of Rowlett does hereby accept the bid of and awards a contract to Petroleum Traders Corporation for transporting and delivery per fuel gallon and type, as described in Exhibit A attached hereto and incorporated herein, in an estimated annual amount of \$380,312.

**Section 2:** That the City Manager is hereby authorized to issue purchase orders to conform to this resolution to this resolution as appropriate.

**Section 3:** This resolution shall become effective immediately upon its passage.

## **ATTACHMENT**

Exhibit A – Bid Tabulation

**City of Rowlett Bid Tabulation for Annual Contract for Motor Fuel**  
**Bid No. 2015-82**  
**August 27, 2015 2:00 PM**

|                                                                                                                | <i>Gold Star Petroleum, Inc.</i>                     | <i>Indigo Energy Partners</i>                                                                                   | <i>IPC (USA) Inc.</i>                                                                   | <i>Lykins Energy</i>                                                          |
|----------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
|                                                                                                                | <i>JJ Rodriguez</i>                                  | <i>Clayton Niegsch</i>                                                                                          | <i>James Takeuchi</i>                                                                   | <i>Lisa Hare</i>                                                              |
|                                                                                                                | <i>281-379-5928</i>                                  | <i>678-600-8522</i>                                                                                             | <i>949-648-5647</i>                                                                     | <i>239-455-0883</i>                                                           |
| Minimum Number of Gallons for Transport Loads:                                                                 |                                                      |                                                                                                                 |                                                                                         |                                                                               |
| A. Unleaded                                                                                                    | <u>8500</u>                                          | <u>7500</u>                                                                                                     | <u>8200</u>                                                                             | <u>8500</u>                                                                   |
| B. TX LED Diesel                                                                                               | <u>7500</u>                                          | <u>7500</u>                                                                                                     | <u>7200</u>                                                                             | <u>7500</u>                                                                   |
| C. Combination                                                                                                 | <u>8000</u>                                          | <u>7500</u>                                                                                                     | <u>7200</u> – Minimum amounts if city does not order split load to maximize truck space | <u>8000</u>                                                                   |
| OPIS (Net) 8/20/15 10AM (\$1.6511 Unleaded; \$1.5329 Diesel)– Handling fee is marked up/down from OPIS average |                                                      |                                                                                                                 | *Non-responsive – OPIS Gross proposed                                                   |                                                                               |
| 1. <b>Unleaded – Handling Fee</b><br>OPIS Net \$ <u>1.6511</u> + handling fee                                  | + .0187<br>= \$1.6698                                | + 0.0159<br>= \$1.667                                                                                           | -0.0100<br>= \$1.6411                                                                   | + 0.0157<br>= \$1.6668                                                        |
| 2. <b>TX LED Diesel – Handling Fee</b><br>OPIS Net \$ <u>1.5329</u> + handling fee                             | + .0187<br>= \$1.5516                                | + 0.0102<br>= \$1.5431                                                                                          | + 0.0000<br>= \$1.5329                                                                  | + 0.0157<br>= \$1.5486                                                        |
| Brand of Fuel Bid                                                                                              | Unbranded per OPIS                                   | Various                                                                                                         | Unbranded                                                                               | Flint Hills, Direct Fuels, Valero, Motiva/Shell, Conoco/Phillips, Exxon/Mobil |
| Current Texas State Gas Tax Rate                                                                               | \$ 0.2000                                            | \$ 0.2000                                                                                                       | \$0.2000 – Unleaded<br>\$0.1900 – Diesel                                                | \$0.2000                                                                      |
| Current Texas Load Fee for Combination Load                                                                    | N/A                                                  | \$ 8.65/>8000=11.00                                                                                             | \$ see attached letter                                                                  | \$ 11.00                                                                      |
| FED OIL SPILL LIAB – 10% ETH/BIO                                                                               | \$ 0.0017                                            | \$ .00171                                                                                                       | \$ 0.0017                                                                               | \$ 0.00171                                                                    |
| FED LUST FEE GASOLINE                                                                                          | \$ 0.0010                                            | \$ .0010                                                                                                        | \$ 0.0010                                                                               | \$ 0.0100                                                                     |
| TX PRODUCT DELIVERY FEE                                                                                        | \$11.00                                              | \$ 8.65/>8000=11.00                                                                                             | \$ see attached letter                                                                  | \$ 8.65                                                                       |
| FED LUST FEE DIESEL                                                                                            | \$ 0.0010                                            | \$ .0010                                                                                                        | \$ 0.0010                                                                               | \$ 0.0010                                                                     |
| FED OIL SPILL LIAB CONV/DIESEL                                                                                 | \$ 0.0019                                            | \$ .0019                                                                                                        | \$ 0.0018                                                                               | \$ 0.0019                                                                     |
| Delivery Time (ARO)                                                                                            | 2 days                                               | 1 day                                                                                                           | 1-2 days                                                                                | 1 day                                                                         |
| Payment Terms                                                                                                  | Net 30                                               | Net 30                                                                                                          | Net 30                                                                                  | Net 10 days                                                                   |
| Method for Temperature Adjustment                                                                              | 60 F adjustment @ loading point of refinery terminal | The temperature adjustment is done at the terminal where the product is pulled and is on the terminal manifest. |                                                                                         | Temp adjusted to 60 F – same at all racks, shown on every manifest.           |
| Analysis sheet for each product                                                                                | Yes                                                  | Yes                                                                                                             | MSDS provided per Addendum 1                                                            |                                                                               |
| Does bidder meet all specifications                                                                            | Yes                                                  | Yes                                                                                                             | Yes                                                                                     | Yes                                                                           |
| Exceptions to Specifications                                                                                   | None                                                 | None                                                                                                            | None                                                                                    | None                                                                          |
| Addenda No. 1 Acknowledged?                                                                                    | Yes                                                  | Yes                                                                                                             | Yes                                                                                     | Yes                                                                           |

**City of Rowlett Bid Tabulation for Annual Contract for Motor Fuel  
Bid No. 2015-82**

August 27, 2015 2:00 PM

|    |                                                                                                                   |                                                                                                                                                                     |                                                                         |                                                        |                                     |
|----|-------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------|
|    |                                                                                                                   | <i>Martin Eagle Oil Co.</i>                                                                                                                                         | <i>Petroleum Traders Corp.</i>                                          | <i>RKA Petroleum Co.</i>                               | <i>SC Fuels</i>                     |
|    |                                                                                                                   | <i>Phillip Childers III</i>                                                                                                                                         | <i>Linda Stephens</i>                                                   | <i>Michael Calhoon</i>                                 | <i>Karen Koep</i>                   |
|    |                                                                                                                   | <i>940-383-2351</i>                                                                                                                                                 | <i>800-348-3705 x4</i>                                                  | <i>734-946-2216</i>                                    | <i>805-389-3550</i>                 |
|    | Minimum Number of Gallons for Transport Loads                                                                     |                                                                                                                                                                     |                                                                         |                                                        |                                     |
|    | A. Unleaded                                                                                                       | <u>7500</u>                                                                                                                                                         | <u>8500</u>                                                             | <u>5000</u>                                            | <u>8500</u>                         |
|    | B. TX LED Diesel                                                                                                  | <u>7500</u>                                                                                                                                                         | <u>5000</u>                                                             | <u>5000</u>                                            | <u>7500</u>                         |
|    | C. Combination                                                                                                    | <u>7500</u>                                                                                                                                                         | <u>7500</u>                                                             | <u>7500</u>                                            | <u>8000</u>                         |
|    | OPIS (Net) 8/20/15 10AM (\$1.6511 Unleaded; \$1.5329 Diesel)–<br>Handling fee is marked up/down from OPIS average |                                                                                                                                                                     |                                                                         |                                                        | Bid retracted-OPIS<br>Gross offered |
| 1. | <b>Unleaded – Handling Fee</b><br>OPIS Net \$ <u>1.6511</u> + handling fee                                        | + 0.0207<br>= \$1.6718                                                                                                                                              | -0.0054<br>= \$1.6457                                                   | + 0.0260<br>= \$1.6771                                 | - 0.0241<br>= \$1.627               |
| 2. | <b>TX LED Diesel – Handling Fee</b><br>OPIS Net \$ <u>1.5329</u> + handling fee                                   | + 0.0207<br>= \$1.5536                                                                                                                                              | + 0.0066<br>= \$1.5395                                                  | + 0.0236<br>= \$1.5565                                 | - 0.0241<br>= \$1.5088              |
|    | Brand of Fuel Bid                                                                                                 | Not indicated                                                                                                                                                       | Not indicated                                                           | Not indicated                                          | Not indicated                       |
|    | Current Texas State Gas Tax Rate                                                                                  | \$ 0.2000                                                                                                                                                           | \$ 0.20                                                                 | \$ 0.20                                                | \$ 0.20                             |
|    | Current Texas Load Fee for Combination Load                                                                       | \$ see attachments                                                                                                                                                  | \$ 8.65 - 5000 to 8000 gal loads<br>\$ 11.00 – 8000 to 10,000 gal loads | \$ 8.65                                                | \$ 8.65/load <8000 gal              |
|    | FED OIL SPILL LIAB – 10% ETH/BIO                                                                                  | \$ 0.001714                                                                                                                                                         | \$ 0.00171                                                              | \$ 0.0019                                              | \$ 0.001714                         |
|    | FED LUST FEE GASOLINE                                                                                             | \$ 0.0010                                                                                                                                                           | \$ 0.001                                                                | \$ 0.001                                               | \$ 0.001                            |
|    | TX PRODUCT DELIVERY FEE                                                                                           | \$ 5.46 - 5000 to 8000 gal loads<br>\$ 6.95 – 8000 to 10,000 gal loads                                                                                              | \$ see above                                                            | \$ 8.65                                                | \$ 11.00/load => 8000 gal           |
|    | FED LUST FEE DIESEL                                                                                               | \$ 0.0010                                                                                                                                                           | \$ 0.001                                                                | \$ 0.001                                               | \$ 0.001                            |
|    | FED OIL SPILL LIAB CONV/DIESEL                                                                                    | \$ 0.001905                                                                                                                                                         | \$ 0.0019                                                               | \$ 0.0019                                              | \$ 0.001905                         |
|    | Delivery Time (ARO)                                                                                               | <u>1 day</u>                                                                                                                                                        | <u>1 day</u>                                                            | <u>1 day</u>                                           | <u>1 day</u>                        |
|    | Payment Terms                                                                                                     | 1% discount for Net 10 days                                                                                                                                         | Net 30                                                                  | Net 30                                                 | Net 30                              |
|    | Method for Temperature Adjustment                                                                                 | The product is temp. adjusted<br>and is listed on the terminal BOL<br>if load is greater than 5000 gal.<br>These EPA regulated terminals<br>calibrate meters daily. | Net gallons-<br>temperature adjusted<br>to 60 degrees                   | Net gallons –<br>temperature adjusted<br>to 60 degrees | Refinery BOL net<br>gallons         |
|    | Analysis sheet for each product                                                                                   |                                                                                                                                                                     | Yes                                                                     | Yes                                                    | Yes – MSDS                          |
|    | Does bidder meet all specifications                                                                               | Yes                                                                                                                                                                 | Yes                                                                     | Yes                                                    | Yes                                 |
|    | Exceptions to Specifications                                                                                      | None                                                                                                                                                                | None                                                                    | None                                                   | None                                |
|    | Addenda No. 1 Acknowledged?                                                                                       | Yes                                                                                                                                                                 | Yes                                                                     | Yes                                                    | Yes                                 |

**City of Rowlett Bid Tabulation for Annual Contract for Motor Fuel  
Bid No. 2015-82**

August 27, 2015 2:00 PM

|    |                                                                                                                           |                                                                                     |
|----|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|    |                                                                                                                           | <i>Sun Coast Resources</i>                                                          |
|    |                                                                                                                           | <i>Lisa Moore</i>                                                                   |
|    |                                                                                                                           | <i>713-429-6702</i>                                                                 |
|    |                                                                                                                           |                                                                                     |
|    | Minimum Number of Gallons for Transport Loads                                                                             |                                                                                     |
|    | A. <i>Unleaded</i>                                                                                                        | 8000                                                                                |
|    | B. <i>TX LED Diesel</i>                                                                                                   | 7000                                                                                |
|    | C. <i>Combination</i>                                                                                                     | 7500                                                                                |
|    |                                                                                                                           |                                                                                     |
|    | <i>OPIS (Net) 8/20/15 10AM (\$1.6511 Unleaded; \$1.5329 Diesel)–<br/>Handling fee is marked up/down from OPIS average</i> |                                                                                     |
|    |                                                                                                                           |                                                                                     |
| 1. | <b><i>Unleaded – Handling Fee</i></b><br>OPIS Net <u>\$1.6511</u> + handling fee                                          | + 0.0722<br><br>= \$ 1.7233                                                         |
|    |                                                                                                                           |                                                                                     |
| 2. | <b><i>TX LED Diesel – Handling Fee</i></b><br>OPIS Net <u>\$1.5329</u> + handling fee                                     | + 0.0722<br><br>= \$1.6051                                                          |
|    |                                                                                                                           |                                                                                     |
|    | Brand of Fuel Bid                                                                                                         | Not indicated                                                                       |
|    | Current Texas State Gas Tax Rate                                                                                          | \$ 0.200                                                                            |
|    | Current Texas Load Fee for Combination Load                                                                               | \$ 8.65                                                                             |
|    | FED OIL SPILL LIAB – 10% ETH/BIO                                                                                          | \$ 0.00171                                                                          |
|    | FED LUST FEE GASOLINE                                                                                                     | \$ 0.0010                                                                           |
|    | TX PRODUCT DELIVERY FEE                                                                                                   | \$ see above TX load fee                                                            |
|    | FED LUST FEE DIESEL                                                                                                       | \$ 0.0010                                                                           |
|    | FED OIL SPILL LIAB CONV/DIESEL                                                                                            | \$ 0.0019                                                                           |
|    | Delivery Time (ARO)                                                                                                       | <u>24 hours</u>                                                                     |
|    | Payment Terms                                                                                                             | <i>Net 30</i>                                                                       |
|    | Method for Temperature Adjustment                                                                                         | <i>A bill of lading from the terminal lifted<br/>will be provided with invoice.</i> |
|    | Analysis sheet for each product                                                                                           | Yes                                                                                 |
|    | Does bidder meet all specifications                                                                                       |                                                                                     |
|    | Exceptions to Specifications                                                                                              | <i>See exceptions page</i>                                                          |
|    | Addenda No. 1 Acknowledged?                                                                                               | Yes                                                                                 |

## City of Rowlett Bid Tabulation for Annual Contract for Motor Fuel

Bid No. 2015-82

August 27, 2015 2:00 PM

## Evaluation:

|    |                                                                                           |                                                             |                                                           |                                                           |                                                           |
|----|-------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
|    | <b>Unleaded – OPIS 8/20/15</b><br>OPIS Net \$1.6511 +\$ .20 state tax + handling fee      |                                                             |                                                           |                                                           |                                                           |
|    | <b>TX LED Diesel – OPIS 8/20/15</b><br>OPIS Net \$1.5329 +\$ .20 state tax + handling fee |                                                             |                                                           |                                                           |                                                           |
|    |                                                                                           | <b><u>Gold Star Petroleum, Inc.</u></b>                     | <b><u>Indigo Energy Partners</u></b>                      | <b><u>IPC (USA) Inc.</u></b>                              | <b><u>Lykins Energy</u></b>                               |
| 1. | <u>6000 unleaded/Total cost</u><br><u>2000 diesel/Total cost</u>                          | <u>\$1.8698 / 11,218.80</u><br><u>\$1.7516 / 3,503.20</u>   | <u>\$1.867 / 11,202.00</u><br><u>\$1.7431 / 3,486.20</u>  | <u>\$1.8411 / 11,046.60</u><br><u>\$1.7329 / 3,465.80</u> | <u>\$1.8668 / 11,200.80</u><br><u>\$1.7486 / 3,497.20</u> |
|    | <b>Load Total:</b>                                                                        | \$ 14,722.00                                                | \$ 14,688.20                                              | \$ 14,512.40                                              | \$ 14,698.00                                              |
|    | <b>Plus load fee:</b>                                                                     | \$ 11.00                                                    | \$ 11.00                                                  | \$ 11.00                                                  | \$ 11.00                                                  |
|    | <b>Grand Total:</b>                                                                       | <b>\$ 14,733.00</b>                                         | <b>\$ 14,699.20</b>                                       | <b>\$ 14,523.40*</b>                                      | <b>\$ 14,709.00</b>                                       |
|    |                                                                                           |                                                             |                                                           | *Non-responsive –<br>OPIS Gross proposed                  |                                                           |
|    |                                                                                           | <b><u>Martin Eagle Oil Co.</u></b>                          | <b><u>Petroleum Traders Corp.</u></b>                     | <b><u>RKA Petroleum Co.</u></b>                           | <b><u>SC Fuels</u></b>                                    |
| 1. | <u>6000 unleaded/Total cost</u><br><u>2000 diesel/Total cost</u>                          | <u>\$1.8718 / 11,118.49*</u><br><u>\$1.7536 / 3,472.13*</u> | <u>\$1.8457 / 11,074.20</u><br><u>\$1.7395 / 3,479.00</u> | <u>\$1.8771 / 11,262.60</u><br><u>\$1.7565 / 3,513.00</u> | <u>\$1.827 / 10,962.00</u><br><u>\$1.7088 / 3,417.60</u>  |
|    | <b>Load Total:</b>                                                                        | \$ 14,590.62                                                | \$ 14,553.20                                              | \$ 14,775.60                                              | \$ 14,379.60                                              |
|    | <b>Plus load fee:</b>                                                                     | \$ 6.95                                                     | \$ 11.00                                                  | \$ 8.65                                                   | \$ 11.00                                                  |
|    | <b>Grand Total:</b>                                                                       | <b>\$ 14,597.57*</b>                                        | <b>\$ 14,564.20</b>                                       | <b>\$ 14,784.25</b>                                       | <b>\$ 14,390.60*</b>                                      |
|    |                                                                                           | *Includes 1% disc.                                          |                                                           |                                                           | *Bid Retracted-OPIS<br>Gross offered                      |
|    |                                                                                           | <b><u>Sun Coast Resources Inc.</u></b>                      |                                                           |                                                           |                                                           |
| 1. | <u>6000 unleaded/Total cost</u><br><u>2000 diesel/Total cost</u>                          | <u>\$1.9233 / 11,539.80</u><br><u>\$1.8051 / 3,610.20</u>   |                                                           |                                                           |                                                           |
|    | <b>Load Total:</b>                                                                        | \$ 15,150.00                                                |                                                           |                                                           |                                                           |
|    | <b>Plus load fee:</b>                                                                     | \$ 8.65                                                     |                                                           |                                                           |                                                           |
|    | <b>Grand Total:</b>                                                                       | <b>\$ 15,158.65</b>                                         |                                                           |                                                           |                                                           |



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7H

**TITLE**

Consider action to amend the Fiscal Year 2014-15 Adopted Operating and Capital Improvements Program Budget.

**STAFF REPRESENTATIVE**

Terri Doby, Budget Officer

**SUMMARY**

Regular budget amendments are an accepted practice in local government and represent a visible demonstration that the municipality manages its fiscal affairs appropriately and with transparency. City staff has completed a detailed analysis of revenues and expenditures and recommends adjustments consistent with that analysis.

TxDOT has submitted a proposal to complete the acquisition of three parcels owned by the City of Rowlett as part of the agreement regarding the President George Bush Turnpike (PGBT). The City has received payment in the amount of \$669,600 and needs to amend the budget to allocate these funds.

The FY2015 CIP totals \$30.1 million from utility revenue bonds and cash funded projects; a budget of this size and scope requires constant monitoring and adjustment. As projects funded with past bond issues or cash CIP funds are completed and final expenditures recorded, new development or other circumstances occur, which cause new projects to be initiated or existing projects to change in scope. An amendment is required to reallocate funding between various related projects.

Garland Independent School District (GISD) has requested that Rowlett add three additional School Resource Officers (SROs) and is willing to start funding the program as soon as officers are hired. These three officers will start on August 27<sup>th</sup>. While these three officers are included in the FY2016 budget, this budget amendment is needed to allocate funding for the final month of FY2015.

**BACKGROUND INFORMATION**

On September 16, 2014, the City Council adopted the operating and capital improvements program budget for Fiscal Year 2014-15. The budget was amended on May 5, 2015, to make necessary adjustments to the Capital Improvements Program. An additional amendment focused on the Utility Fund was approved by City Council on July 21, 2015, to proactively address the revenue shortfall that has resulted from Stage 3 water restrictions followed by the wettest May on record.

### Economic Development Fund

On November 7, 2006, the City of Rowlett entered into an Interlocal Agreement between the North Texas Tollway Authority (NTTA), Texas Department of Transportation (TxDOT) and the City of Rowlett regarding the President George Bush Turnpike Eastern Extension (RES-183-06). Several parcels of land along the PGBT were adjusted to accommodate the development and alignment. TxDOT has submitted a proposal to complete the acquisition of three parcels owned by the City of Rowlett as part of the agreement regarding the President George Bush Turnpike (PGBT). The City has received payment in the amount of \$669,600 and needs to amend the budget to allocate these funds.

### Capital Improvements Program

The FY2015 CIP totals \$30.1 million from utility revenue bonds and cash funded projects; budgets of this size and scope require constant monitoring and adjustment. As projects funded with past bond issues or cash CIP funds are completed and final expenditures recorded, then new development or other circumstances occur, which cause new projects to be initiated or existing projects to change in scope.

### Additional School Resource Officers

Rowlett has had an agreement in place to fund School Resource Officers (SROs) in Garland Independent School District (GISD) since 1992. Under the current agreement, Rowlett Police Department provides five (5) SROs spread between the high school, two middle schools, and elementary schools located in the City of Rowlett. In May of 2015, GISD Superintendent Dr. Bob Morrison met with police chiefs and representatives from Rowlett, Garland, and Sachse to discuss a proposal to add additional SROs. Dr. Morrison emphasized that GISD's request was to enhance security and safety of the students and faculty. GISD understood that this request was short notice and was willing to start funding the program as soon as officers are hired.

## **DISCUSSION**

### Economic Development Fund

TxDOT has submitted a proposal to complete the acquisition of three parcels owned by the City of Rowlett as part of the agreement regarding the President George Bush Turnpike (PGBT). The City has received payment in the amount of \$669,600 and needs to amend the budget to allocate these funds. At the City Council Strategy Session in July, City Council reached consensus that these funds should be set aside in the Economic Development Fund and used for economic development opportunities as they occur in the future.

### Capital Improvements Program

The FY2015 CIP totals \$30.1 million from utility revenue bonds and cash funded projects; budgets of this size and scope require constant monitoring and adjustment. As projects funded with past bond issues or cash CIP funds are completed and final expenditures recorded, then new development or other circumstances occur, which cause new projects to be initiated or existing projects to change in scope. The re-allocation amendments to the capital improvements program budget being requested by City staff do not require an increase in spending in the FY2015 CIP

but move remaining funds to other projects that need additional resources. Specifically, the proposed re-allocation of project funds is included in the table below.

| From/<br>To | Project<br>Number | Project Title                                | Adjustment  | Purpose                                                                                                                                       |
|-------------|-------------------|----------------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| From        | WA2095            | Upper Pressure Plane/Rowlett Rd Pump Station | (\$408,550) | WA2095 completed; remaining funds being allocated as previously discussed during bid acceptance of WA2110; both projects are part of the UPP. |
| To          | WA2110            | Big A Water Line Improvements                | \$408,550   |                                                                                                                                               |
| From        | WA2108            | 24" Water Line LPP                           | (\$182,290) | WA2108, WA2101, and WA2107 bid or completed under budget; reallocating funds to new project, WA2115                                           |
|             | WA2101            | PGBT Water Line Miller Heights to RHS        | (175,000)   |                                                                                                                                               |
|             | WA2107            | 1.25 MG Elevated Storage Tank UPP            | (150,000)   |                                                                                                                                               |
| To          | WA2115            | 16" Water Line West PGBT Service RD          | \$507,290   |                                                                                                                                               |
| From        | WA2100            | Martha Elevated Tank Refurbishing            | (\$60,300)  | Consolidating remaining funding from completed water tank projects to fund future water tank projects                                         |
|             | WA1118            | Water Tank Refurbishing                      | (\$74,473)  |                                                                                                                                               |
| To          | WA2104            | Tower and Tank Maintenance                   | \$134,773   |                                                                                                                                               |
| From        | SS1102            | Misc. Sewer Line Replacement                 | (\$18,833)  | Allocating to complete funding of emergency repair project                                                                                    |
| To          | SS2104            | 24" Force Main and TV Inspection             | \$18,833    |                                                                                                                                               |
| From        | ST2074            | Merritt Rd Interconnector                    | (\$100,000) | ST2074 completed; remaining funds being allocated to new project                                                                              |
|             | ST2052            | Misc. Concrete Repair                        | (\$410,000) |                                                                                                                                               |
| To          | ST2103            | Big A Shoulder Stabilization and Widening    | \$510,000   |                                                                                                                                               |

- On April 7, 2015, Council approved Big "A" Water Line project (WA 2110) bid at higher than the original engineering's estimate of probably cost. During that discussion, staff recommended reallocated some of the remaining funds from the Rowlett Road Pump Station Improvements (WA2095) to Big "A" Water Line Project (WA2110). Both projects are part of the upper pressure plane.
- The 16" PGBT Water Line West PGBT Service Road (WA2115) is a new project and is currently unfunded. With other projects being completed under budget, this line project can be funded and is the last section that needs to be designed and installed in order to complete the two pressure planes. Funds will be reallocated from the 24" Water Line LPP project (WA2018), PGBT Water Line Miller Height to Rowlett High School (WA 2101), and

the 1.25 MG Elevated Storage Tank project (WA2107). This new line project will allow the City to complete the Upper and Lower Planes by next summer.

- This amendment would consolidate remaining funding from completed water tank projects to fund future water tank projects. Funding from Martha Elevated Tank Refurbishing Project (WA2100) and Water Tank Refurbishing (WA118) will move to Tower and Maintenance (WA2104). These transfers to eliminate alike programs and create a balance adequate enough to perform maintenance activities.
- Funding is allocated to several projects in the CIP that are labeled as Miscellaneous where the money is used for various smaller repair and replacement projects throughout the City. This funding is also available to be moved to larger projects when needed. Additionally, the 24" Force Main and TV Inspection project (SS2104) was considered a priority repair project after potential for failure was discovered by TV inspection during August 2013, and has been funded from various completed projects. The project is now complete, and this amendment will fully fund and finish the project.
- Big Road Shoulder Stabilization and Widening Project (ST2103) is a new street project associated with water line improvements on Big A Road. The size of the project merits it being moved from Miscellaneous Concrete Repair (ST2052) to a standalone project. Funds remaining from completed Merritt Road Interconnector Phase I (ST2074) are also being utilized.

#### Additional School Resource Officers

Garland Independent School District (GISD) has requested that Rowlett add three additional School Resource Officers (SROs) and is willing to start funding the program as soon as officers are hired. This agreement will be a separate agreement from our current agreement and will fully fund the cost of three police officers and equipment and half of the cost associated with the police vehicles. This proposal was presented to the City Council during the work session at the June 2, 2015 meeting.

Rowlett Police Department currently has in place a fast track hiring process which hires only trained, experienced officers. Recruiting for these three additional police positions began soon after the presentation to City Council in June. As a result, these three officers will start on August 27<sup>th</sup>. While these three officers are included in the FY2016 budget, this budget amendment is needed to allocate funding for the final month of FY2015.

#### **FINANCIAL/BUDGET IMPLICATIONS**

As indicated, this ordinance adjusts revenues and expenditures identified for FY2015. Exhibits A, B and C to the proposed ordinance details the type and purpose.

#### **RECOMMENDED ACTION**

City staff recommends the City Council adopt an ordinance approving the restructuring and amending of the FY2015 Adopted budget.

## **ORDINANCE**

**AN ORDINANCE OF THE CITY OF ROWLETT, TEXAS, AMENDING ORDINANCE NUMBER ORD-031-14, REPRESENTING THE 2014-2015 FISCAL YEAR BUDGET, BY REALLOCATING FUNDS WITHIN THE BUDGET; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR BE MADE IN ACCORDANCE WITH SAID AMENDED BUDGET; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, on September 16, 2014, the City Council of the City of Rowlett, Texas, adopted its budget for Fiscal Year 2014-2015 by adopting Ordinance Number ORD-031-14, and

**WHEREAS**, the City Council of the City of Rowlett, Texas, has determined, after due consideration and study, that it is necessary to the efficient business and operation of the City to amend the budget for fiscal year 2014-2015, and

**WHEREAS**, there are adequate funds available for such amendment, and

**WHEREAS** the budget amendments set forth hereinafter are in the best interest of the public health, safety, and welfare.

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

**Section 1:** That Ordinance No. ORD-031-14, the Fiscal Year 2014-2015 Budget Ordinance of the City of Rowlett, Texas, adopted on or about September 16, 2014, be and the same is hereby amended by reallocating funds in accordance with the budget amendment attached hereto and incorporated herein as Exhibits "A", "B", and "C" and all funds authorized and expended as set forth herein shall be deemed to be properly expended and approved as provided by law.

**Section 2:** That the City be and is hereby authorized to expend those funds allocated under the budget ordinance, as amended herein and the fund balance at the end of the current fiscal year will be carried forward to the next budget to fund the allocations for the next fiscal year.

**Section 3:** That except as amended hereby, or as heretofore amended, the provisions of Ordinance No. ORD-031-14, the Fiscal Year 2014-2015 Budget Ordinance, shall remain in full force and effect.

**Section 4:** That should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part decided to be invalid, illegal or unconstitutional.

**Section 5:** That this ordinance shall take effect immediately from and after its passage as the law in such cases provides, and the Budget Officer is directed to furnish a copy of this ordinance to the County Clerk as required by law.

**ATTACHMENTS**

Exhibit A – General Fund and Economic Development Fund Amendment FY2015

Exhibit B – Capital Improvements Program Amendment FY2015

Exhibit C – Grants Fund Amendment FY2015

**FY 2015****CITY OF ROWLETT BUDGET****GENERAL FUND**

|                      | Adopted<br>FY2014-15 | Change  | Revised Adopted<br>FY2014-15 |
|----------------------|----------------------|---------|------------------------------|
| Revenues:            |                      |         |                              |
| Beginning Resources  | \$ 4,526,776         |         | \$ 4,526,776                 |
| Current Revenues:    |                      |         |                              |
| Tax Revenues         | 24,179,696           |         | 24,179,696                   |
| Franchise Fees       | 3,077,967            |         | 3,077,967                    |
| Licenses and Permits | 722,933              |         | 722,933                      |
| Charges for Services | 2,806,768            |         | 2,806,768                    |
| Fines & Forfeitures  | 1,008,407            |         | 1,008,407                    |
| Other                | 741,584              | 667,000 | 1,408,584                    |
| Transfers In         | 4,560,112            |         | 4,560,112                    |
| Current Revenues     | <u>37,097,467</u>    |         | <u>37,764,467</u>            |
| Available Resources  | <u>41,624,243</u>    |         | <u>42,291,243</u>            |
| Expenditures:        |                      |         |                              |
| Personnel Services   | 24,775,943           |         | 24,775,943                   |
| Supplies             | 1,714,727            |         | 1,714,727                    |
| Purchase Services    | 8,060,816            |         | 8,060,816                    |
| Capital Outlay       | 903,599              |         | 903,599                      |
| Capital Improvements | -                    |         | -                            |
| Debt Service         | -                    |         | -                            |
| Transfers Out        | 1,565,976            | 667,000 | 2,232,976                    |
| Total Expenditures   | <u>37,021,061</u>    |         | <u>37,688,061</u>            |
| Ending Resources     | \$ <u>4,603,182</u>  |         | \$ <u>4,603,182</u>          |

**FY 2015****CITY OF ROWLETT BUDGET****ECONOMIC DEVELOPMENT**

|                      | Adopted<br>FY2014-15 | Change  | Revised Adopted<br>FY2014-15 |
|----------------------|----------------------|---------|------------------------------|
| Revenues:            |                      |         |                              |
| Beginning Resources  | \$ 266,695           |         | \$ 266,695                   |
| Current Revenues:    |                      |         |                              |
| Tax Revenues         | -                    |         | -                            |
| Franchise Fees       | -                    |         | -                            |
| Licenses and Permits | 1,500                |         | 1,500                        |
| Charges for Services | -                    |         | -                            |
| Fines & Forfeitures  | -                    |         | -                            |
| Other                | 250                  |         | 250                          |
| Transfers In         | 314,944              | 667,000 | 981,944                      |
| Current Revenues     | 316,694              |         | 983,694                      |
| Available Resources  | 583,389              |         | 1,250,389                    |
| Expenditures:        |                      |         |                              |
| Personnel Services   | 225,668              |         | 225,668                      |
| Supplies             | 5,850                |         | 5,850                        |
| Purchase Services    | 205,075              |         | 205,075                      |
| Capital Outlay       | -                    |         | -                            |
| Capital Improvements | -                    |         | -                            |
| Debt Service         | -                    |         | -                            |
| Transfers Out        | -                    |         | -                            |
| Total Expenditures   | 436,593              |         | 436,593                      |
| Ending Resources     | \$ 146,796           |         | \$ 813,796                   |

**FY 2015 CITY OF ROWLETT BUDGET**
**CAPITAL IMPROVEMENTS PROJECTS**

|      | PROJECT NUMBER | PROJECT NAME                                 | ACCOUNT NUMBER       | CHANGE                   |
|------|----------------|----------------------------------------------|----------------------|--------------------------|
| FROM | WA2095         | Upper Pressure Plane/Rowlett Rd Pump Station | 526 8101             | (\$408,550)              |
| TO   | WA2110         | Big A Water Line Improvements                | 526 8101             | \$408,550                |
| FROM | WA2108         | 24" Water Line Lower Pressure Plane          | 526 8101             | (\$182,290)              |
| TO   | WA2115         | 16" Water Line West PGBT Service Road        | 526 8101             | \$182,290                |
| FROM | WA2101         | PGBT Water Line Miller Heights to RHS        | 528 8101             | (\$175,000)              |
| TO   | WA2115         | 16" Water Line West PGBT Service Road        | 528 8101             | \$175,000                |
| FROM | WA2107         | 1.25 MG Elevated Storage Tank UPP            | 528 8101             | (\$150,000)              |
| TO   | WA2115         | 16" Water Line West PGBT Service Road        | 528 8101             | \$150,000                |
| FROM | WA2100         | Martha Elevated Tank Refurbishing            | 528 8101             | (\$60,300)               |
| TO   | WA2104         | Tower and Tank Maintenance                   | 528 8101             | \$60,300                 |
| FROM | WA1118         | Water Tank Refurbishing                      | 520 8101             | (\$72,473)               |
| TO   | WA2104         | Tower and Tank Maintenance                   | 520 8101             | \$72,473                 |
| FROM | SS1102         | Misc. Sewer Line Replacement                 | 520 8102             | (\$18,833)               |
| TO   | SS2104         | 24" Force Main and TV Inspection             | 520 8102             | \$18,833                 |
| FROM | ST2074         | Merritt Rd Interconnector Phase I            | 309 8002<br>310 8002 | (\$56,530)<br>(\$43,470) |
| TO   | ST2103         | Big A Shoulder Stabilization and Widening    | 309 8002<br>310 8002 | \$56,530<br>\$43,470     |
| FROM | ST2052         | Miscellaneous Concrete Repair                | 302 8002             | (\$410,000)              |
| TO   | ST2103         | Big A Shoulder Stabilization and Widening    | 302 8002             | \$410,000                |

**FY 2015****CITY OF ROWLETT BUDGET****GRANTS FUND**

|                      | Adopted<br>FY2014-15 | Change | Revised Adopted<br>FY2014-15 |
|----------------------|----------------------|--------|------------------------------|
| Revenues:            |                      |        |                              |
| Beginning Resources  | \$ -                 |        | \$ 5,617                     |
| Current Revenues:    |                      |        |                              |
| Tax Revenues         | -                    |        | -                            |
| Franchise Fees       | -                    |        | -                            |
| Licenses and Permits | -                    |        | -                            |
| Charges for Services | 31,954               |        | 31,954                       |
| Fines & Forfeitures  | -                    |        | -                            |
| Other                | 41,838               | 35,002 | 76,840                       |
| Transfers In         | -                    |        | -                            |
| Current Revenues     | <u>73,792</u>        |        | <u>108,794</u>               |
| Available Resources  | <u>73,792</u>        |        | <u>114,411</u>               |
| Expenditures:        |                      |        |                              |
| Personnel Services   | 71,434               | 17,502 | 88,936                       |
| Supplies             | -                    | 17,500 | 17,500                       |
| Purchase Services    | -                    |        | -                            |
| Capital Outlay       | -                    |        | -                            |
| Capital Improvements | -                    |        | -                            |
| Debt Service         | -                    |        | -                            |
| Transfers Out        | -                    |        | -                            |
| Total Expenditures   | <u>71,434</u>        |        | <u>106,436</u>               |
| Ending Resources     | \$ <u>2,358</u>      |        | \$ <u>7,975</u>              |



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 71

**TITLE**

Consider action to approve a resolution accepting the bid of and awarding a contract to HD Supply Waterworks in the amount of \$144,094.78 for the purchase of inventory and line replacement parts and materials for the distribution system.

**STAFF REPRESENTATIVE**

Tim Rogers, Director of Public Works  
Jake Gilliland, Utility Operations Manager

**SUMMARY**

This action item is for the purchase of ongoing construction, operations and maintenance inventory and line replacement parts/materials from competitive low bidder, HD Supply Waterworks, for the utility infrastructure system. This procurement of materials is to replenish inventory for FY2015 and to procure materials for line replacement of such roadway reconstruction projects as Dalrock Estates and Highland Meadows approved through the FY 2015 Bond Election and will be utilized during FY2016.

**BACKGROUND INFORMATION**

During the standard operations and maintenance efforts, staff consistently expends inventory to replace failed parts/materials on an as needed basis and to provide for our routine maintenance programs such as hydrant, valve, pump, meter and meter box maintenance. Funding is allocated in the operating budget to replace utility infrastructure items as failure occurs.

October 1, 2012, Council approved a utility rate increase to assist in improving the maintenance, operations and upgrades of the aged utility infrastructure. Staff has allocated \$1.225 million within the Utility Fund Cash CIP specifically for line replacement parts/materials associated with a distribution and collection system (hydrant, pump, valve, service and mainline materials, etc.).

Notice to bidders was published in the *Rowlett Lakeshore Times* on August 13 and 20, 2015. Sealed proposals were received in the Purchasing Office until 2:00 pm, August 27, 2015, and then publicly opened and read aloud in the City Annex Conference Room in accordance with Texas Local Government Code. HD Supply Waterworks is the competitive low bid (see Exhibit A) as listed below:

- |                         |              |
|-------------------------|--------------|
| 1. HD Supply Waterworks | \$144,094.78 |
| 2. Fortiline Waterworks | \$148,131.10 |

## DISCUSSION

The use of miscellaneous parts and fittings are necessary to complete each project. Various cast iron tee fittings are utilized in street intersections and areas where two main lines are connected.

Water valves and fire hydrants are key components to the water distribution system. Water system valves allow crews to isolate specific sections of main line to perform service and repairs when needed. Fire hydrants are crucial in the safety of our community and an important device used to flush air and contaminants from the system. As hydrants in the system age and do not operate correctly or become completely inoperable, it is necessary to have them repaired or replaced.

Service lines are also a crucial part of the distribution system, which consists of various miscellaneous parts such as compression and mechanical fittings, tubing, meter boxes and ball valves.

This purchase provides staff with the ability to complete repairs and service necessary to ensure continued operation of the distribution system more efficiently and effectively.

It has been determined that failed water mains cause degradation of subgrades under pavement. During major road reconstruction, it is necessary to assess the condition of the underground utilities and replace based on age and condition. This ensures long lasting integrity of the newly installed pavement. In preparation of the upcoming street reconstruction in the Dalrock Estates Subdivision approved in the May 2015 Bond Election, staff will be replacing all main lines and associated service connections. Approximately 80 percent of this purchase will be utilized in this project.

## FINANCIAL/BUDGET IMPLICATIONS

Funding is available in the amount of \$144,094.78 in the Utility Fund Cash CIP WA1108.

| <b>Budget Account Number/Project Code</b> | <b>Account or Project Title</b>                 | <b>Budget Available</b> | <b>Proposed Amount</b> |
|-------------------------------------------|-------------------------------------------------|-------------------------|------------------------|
| 5208101 6701/WA1108                       | Miscellaneous Water Line Repair And Replacement | \$642,941.00            | \$144,094.78           |
| <b>Total</b>                              |                                                 | <b>\$642,941.00</b>     | <b>\$144,094.78</b>    |

## RECOMMENDED ACTION

Staff recommends approving a resolution accepting the bid of and awarding a contract to HD Supply Waterworks in the amount of \$144,094.78 for the purchase of inventory and line replacement parts and materials for the distribution system.

## RESOLUTION

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, ACCEPTING THE BID OF AND AWARDING A CONTRACT TO HD SUPPLY WATERWORKS FOR THE PURCHASE OF UTILITY LINE PARTS AND MATERIALS IN THE AMOUNT OF \$144,094.78**

**FOR THE UTILITY DIVISION; AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS PURSUANT TO APPROVAL; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, it is necessary to procure water distribution parts and materials for the Utility Division and the City of Rowlett; and

**WHEREAS**, the Purchasing Division has obtained competitive bids and recommends the bid award for the procurement of water line parts and materials to the lowest responsible bidder meeting specifications as per Bid #2015-85; and

**WHEREAS**, the City Council of the City of Rowlett, Texas desires to award the bid to the lowest responsible bidder meeting specifications, HD Supply Waterworks, in the amount of \$144,094.78.

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

**Section 1:** That the City Council of the City of Rowlett does hereby accept the bid of and award a contract to HD Supply Waterworks for the purchase of utility line materials in the amount of \$144,094.78 for the Utility Division.

**Section 2:** That the City Council does hereby authorize the City Manager or his designee pursuant, to approval, to issue purchase orders to conform to this resolution as appropriate.

**Section 3:** This resolution shall become effective immediately upon its passage.

**ATTACHMENT**

Exhibit A – Bid Tabulation

**City of Rowlett**  
**972-412-6198 Fax 972-412-6144**  
**2015-85 Water Supply Materials**  
**8/27/2015**

Addenda 1 & 2 Acknowledged?

|                                                                                                                                               |                                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| <p align="center"><b>Ferguson Waterworks</b><br/>                 Daniel Prinz<br/>                 903-508-6341<br/>                 Yes</p> | <p align="center"><b>Fortiline Waterworks</b><br/>                 Whistle Maza<br/>                 214-462-2839<br/>                 Yes</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|

| Item | Quantity | Description                                                                                | Unit Price | Total Price | Mfg/Model/PN   | Unit Price | Total Price | Mfg/Model/PN      |
|------|----------|--------------------------------------------------------------------------------------------|------------|-------------|----------------|------------|-------------|-------------------|
| 1    | 300      | 1" Poly Pipe Stainless Steel Insert                                                        | \$1.10     | \$330.00    | Buy wholesale  | \$1.50     | \$450.00    | Ford 152          |
| 2    | 85       | 6" x 1" CC Thread Tap Saddle-AWWA Standard Double Strapped Low Lead Brass OD 13.20 - 14-38 | \$73.56    | \$6,252.60  | Mueller        | \$95.00    | \$8,075.00  | Ford 202B         |
| 3    | 143      | Meter Cans DFW 37C Lid & Body                                                              | \$74.49    | \$10,652.07 | DFW Plastucs   | \$80.00    | \$11,440.00 | DFW 37C           |
| 4    | 10       | 6" MJ Anchor 90 USA CP DI C153                                                             | \$176.41   | \$1,764.10  | Tyler Union    | \$210.00   | \$2,100.00  | Tyler             |
| 5    | 60       | 6" PVC Restraints with Accessory Kit                                                       | \$45.29    | \$2,717.40  | Ford Meter Box | \$39.00    | \$2,340.00  | Ford 1500 Dan     |
| 6    | 5        | 2" 90 Compression Fitting Mueller or Ford No Lead Brass                                    | \$139.60   | \$698.00    | Mueller        | \$165.00   | \$825.00    | Ford              |
| 7    | 9        | 8" Mueller or M & H MJ x H MJ x MJ Gate Valve                                              | \$654.50   | \$5,890.50  | Mueller        | \$600.00   | \$5,400.00  | MEH               |
| 8    | 6        | 6" Fire Hydrant Extension Kit Mueller A320-006 5 1/4 Valve Opening                         | \$340.00   | \$2,040.00  | Mueller        | \$257.00   | \$1,542.00  |                   |
| 9    | 100      | Blue Hydrant Street Reflector                                                              | \$2.50     | \$250.00    | Accucast       | \$3.50     | \$350.00    | BHM               |
| 10   | 40       | 8" PVC MJ Mega Lug Gland Pack Accessory Kit                                                | \$79.37    | \$3,174.80  | Ford Meter Box | \$51.00    | \$2,040.00  | Ford 1500 Dan     |
| 11   | 10       | 5' Bury Fire Hydrants Mueller NST or M & H with 1 1/2 nuts, 4" pumper nozzle & 1 1/2" pent | \$1,649.11 | \$16,491.10 | Mueller        | \$1,495.00 | \$14,950.00 | MH M129           |
| 12   | 29       | 6" Mueller or M & H MJ x MJ Gate Valve                                                     | \$410.15   | \$11,894.35 | Mueller        | \$385.00   | \$11,165.00 | MEH 4067          |
| 13   | 6        | 6" x 6" MJ Anchor Tee Cast Iron Ductile Iron CP DI C153 Domestic                           | \$164.51   | \$987.06    | Tyler Union    | \$185.00   | \$1,110.00  | Tyler             |
| 14   | 115      | 1" Compression Union Coupling Mueller or Ford                                              | \$13.70    | \$1,575.50  | Mueller        | \$16.00    | \$1,840.00  | Ford C44 44QNL    |
| 15   | 138      | 1" Corporations - Mueller, Ford CC Thread Pattern Low Lead Brass                           | \$34.79    | \$4,801.02  | Mueller        | \$39.00    | \$5,382.00  | Ford F1004QNL     |
| 16   | 138      | 1" Angle Stop Compression fitting Mueller, Ford No Lead Brass                              | \$36.15    | \$4,988.70  | Mueller        | \$43.00    | \$5,934.00  | Ford KU43 444WQNL |
| 17   | 3500     | 1" Poly Pipe, SDR9, Class 200 Polyethylene (Copper tube size)                              | \$0.45     | \$1,575.00  | ADS            | \$0.40     | \$1,400.00  | En Dot            |
| 18   | 5        | 2" Angle Stop Compression Fitting Mueller or Ford No Lead Brass                            | \$164.12   | \$820.60    | Mueller        | \$185.00   | \$925.00    | Ford FV43         |
|      |          |                                                                                            |            |             |                |            |             |                   |
|      |          |                                                                                            |            |             |                |            |             |                   |

| Item | Quantity | Description                                                                              | Ferguson Waterworks |             | Mfg/Model/PN        | Fortiline Waterworks |             | Mfg/Model/PN |
|------|----------|------------------------------------------------------------------------------------------|---------------------|-------------|---------------------|----------------------|-------------|--------------|
|      |          |                                                                                          | Unit Price          | Total Price |                     | Unit Price           | Total Price |              |
| 19   | 30       | 3/4" x 1" Meter Bushing Mueller H-10889 fem mtr x male mtr - low lead 254N AWWA Standard | \$6.81              | \$204.30    | Mueller             | \$15.00              | \$450.00    | Ford A34     |
| 20   | 123      | 3/4" Meter Tails No Lead Brass                                                           | \$6.31              | \$776.13    | Mueller             | \$7.50               | \$922.50    | Ford C38     |
| 21   | 50       | 1" Meter Tails No Lead Brass                                                             | \$9.71              | \$485.50    | Mueller             | \$12.00              | \$600.00    | Ford C38     |
| 22   | 123      | 3/4" Quest Fittings Female Threaded Compression                                          | No Bid              | No Bid      |                     | \$6.00               | \$738.00    | NDS          |
| 23   | 50       | 1" Quest Fittings Female Threaded Compression                                            | No Bid              | No Bid      |                     | \$9.00               | \$450.00    | NDS          |
| 24   | 3000     | 6" DR18 PVC Certa Lok, Certainteed or Equivalent                                         | \$8.13              | \$24,390.00 | Specified Utilities | \$7.15               | \$21,450.00 | Certa Lok    |
| 25   | 2000     | 8" DR18 PVC Certa Lok, Certainteed or Equivalent                                         | \$12.86             | \$25,720.00 | Specified Utilities | \$12.35              | \$24,700.00 | Certa Lok    |
| 26   | 4        | 8" x 6" MJ Anchor Tee Cast Iron Ductile Iron CP DI C153 Domestic                         | \$210.40            | \$841.60    | Tyler Union         | \$225.00             | \$900.00    | Tyler        |
| 27   | 10       | 6"x12" MJ Anchor Nipple Cast Iron Ductile Iron CP DI C153 Domestic                       | \$114.61            | \$1,146.10  | Tyler Union         | \$126.00             | \$1,260.00  | Tyler        |
| 28   | 38       | 8" x 1" CC Tap Saddle - AWWA Standard Double Strapped Low Lead Brass                     | \$92.30             | \$3,507.40  | Mueller             | \$105.00             | \$3,990.00  | Ford 202B    |
| 29   | 140      | 6" C900 PVC Pipe                                                                         | \$83.40             | \$11,676.00 | Diamond Plastics    | \$5.34               | \$747.60    | 614          |
| 30   | 5        | 6" x 2" CC Thread Tap Saddle AWWA Standard Double Strapped No Lead Brass                 | \$92.49             | \$462.45    | Mueller             | \$110.00             | \$550.00    | Ford         |
| 31   | 5        | 8" x 2" CC Thread Tap Saddle AWWA Standard Double Strapped No Lead Brass                 | \$92.49             | \$462.45    | Mueller             | \$125.00             | \$625.00    | Ford         |
| 32   | 5        | 1 1/2" Corporation CC Thread Mueller or Ford No Lead Brass                               | \$96.70             | \$483.50    | Mueller             | \$121.00             | \$605.00    | Ford         |
| 33   | 5        | 1 1/2" Angle Stop Compression Fitting Mueller or Ford No Lead Brass                      | \$127.30            | \$636.50    | Mueller             | \$161.00             | \$805.00    | Ford         |
| 34   | 20       | 3/4" Unon Compression Coupling Mueller or Ford No Lead Brass                             | \$12.61             | \$252.20    | Mueller             | \$15.00              | \$300.00    | Ford         |
| 35   | 20       | 3/4" 90 Compression Fitting Mueller or Ford No Lead Brass                                | \$15.72             | \$314.40    | Mueller             | \$20.00              | \$400.00    | Ford         |
| 36   | 5        | 6" x 12" Fire Hydrant Extension Kit Mueller A320-006 5 1/4" Valve Opening                | \$330.00            | \$1,650.00  | Mueller             | \$309.00             | \$1,545.00  |              |
| 37   | 5        | 6" Waterous Fire Hydrant Extension Kit                                                   | \$196.50            | \$982.50    | AFC                 | \$230.00             | \$1,150.00  |              |
| 38   | 5        | 6" x 12" WATEROUS Fire Hydrant Extension Kit                                             | \$241.20            | \$1,206.00  | AFC                 | \$270.00             | \$1,350.00  |              |
| 39   | 5        | 6" x 7 1/2" Full Circle Clamp Stainless Steel, Smith Blair or Ford OD 6.56 - 6.96        | \$37.50             | \$187.50    | Mueller             | \$50.00              | \$250.00    | Ford F1      |
| 40   | 5        | 8" x 7 1/2" Full Circle Clamp Stainless Steel, Smith Blair or Ford OD 8.99 - 9.39        | \$46.10             | \$230.50    | Mueller             | \$90.00              | \$450.00    | Ford F1      |
| 41   | 5        | 8" x 12 1/2" Full Circle Clamp Stainless Steel, Smith Blair or Ford OD 8.99 - 9.39       | \$74.12             | \$370.60    | Mueller             | \$135.00             | \$675.00    | Ford F1      |
| 42   | 5        | 6" x 7 1/2" Full Circle Clamp Stainless Steel, Smith Blair or Ford OD 6.62 - 7.42        | \$54.65             | \$273.25    | Mueller             | \$88.00              | \$440.00    | Ford F2      |

| Item                                     | Quantity | Description                                                                                           | Ferguson Waterworks                                |             | Mfg/Model/PN  | Fortiline Waterworks |              | Mfg/Model/PN |
|------------------------------------------|----------|-------------------------------------------------------------------------------------------------------|----------------------------------------------------|-------------|---------------|----------------------|--------------|--------------|
|                                          |          |                                                                                                       | Unit Price                                         | Total Price |               | Unit Price           | Total Price  |              |
| 43                                       | 5        | 6" x 12 1/2" Full Circle Clamp<br>Stainless Steel, Smith Blair or Ford<br>OD 6.62 - 7.42              |                                                    | \$0.00      |               | \$120.00             | \$600.00     | Ford F2      |
| 44                                       | 5        | 8" x 12 1/2" Full Circle Clamp<br>Stainless Steel, Smith or Blair<br>OD 8.99 - 9.79                   |                                                    | \$0.00      |               | \$135.00             | \$675.00     | Ford F2      |
| 45                                       | 5        | 8" x 7 1/2" Full Circle Clamp<br>Stainless Steel, Smith Blair or Ford<br>OD 8.99 - 9.79               |                                                    | \$0.00      |               | \$100.00             | \$500.00     | Ford F2      |
| 46                                       | 200      | 4" SDR35 PVC Sewer Pipe                                                                               |                                                    | \$0.00      |               | \$0.80               | \$160.00     | Diamond      |
| 47                                       | 50       | 4" Coupling Clay Tile - PVC                                                                           |                                                    | \$0.00      |               | \$4.00               | \$200.00     | GPK          |
| 48                                       | 25       | 4" Cast Iron Lateral Cleanout<br>Casting Bass & Hays 404                                              |                                                    | \$0.00      |               | \$62.00              | \$1,550.00   | 404          |
| 49                                       | 25       | 4" x 4" SDR35 Service Tee Wye<br>Gasket x Gasket                                                      |                                                    | \$0.00      |               | \$11.00              | \$275.00     | GPK          |
| 50                                       | 25       | 4" PVC SDR35 Sewer 22 1/2" Degree<br>Fitting Gasket x Gasket                                          |                                                    | \$0.00      |               | \$6.00               | \$150.00     | GPK          |
| 51                                       | 25       | 4" PVC SDR 35 Sewer 45 Degree Fitting Gasket x<br>Gasket                                              |                                                    | \$0.00      |               | \$7.00               | \$175.00     | GPK          |
| 52                                       | 25       | 4" SDR 35 Cleanout Adaptor HXF                                                                        |                                                    | \$0.00      |               | \$4.00               | \$100.00     | GPK          |
| 53                                       | 25       | 4" SDR35 Cleanout Plug with Raised Nut                                                                | \$2.40                                             | \$60.00     | Multifittings | \$2.00               | \$50.00      | GPK          |
| 54                                       | 25       | 3/4" Angle Stop Compression Fitting<br>Mueller, Ford & 110 Outlet for Quick Connect<br>Low Lead Brass | \$27.00                                            | \$675.00    | Mueller       | \$43.00              | \$1,075.00   | Ford         |
| <b>Grand Total</b>                       |          |                                                                                                       |                                                    | Incomplete  |               |                      | \$148,131.10 |              |
| <b>Delivery time (ARO):</b>              |          |                                                                                                       | *No bid items 22 & 23;<br>page 12 missing from bid |             |               |                      |              |              |
| <b>Payment terms:</b>                    |          |                                                                                                       | 15 days                                            |             |               | 10 days              |              |              |
| <b>Exceptions to Bid Specifications:</b> |          |                                                                                                       |                                                    |             |               | Net 30               |              |              |

**City of Rowlett**  
**972-412-6198 Fax 972-412-6144**  
**2015-85 Water Supply Materials**  
**8/27/2015**

Addenda 1 & 2 Acknowledged?

|                                                                    |
|--------------------------------------------------------------------|
| <b>HD Supply Waterworks</b><br>Greg Fontenot<br>972-635-2722<br>No |
|--------------------------------------------------------------------|

| Item | Quantity | Description                                                                                | Unit Price | Total Price | Mfg/Model/PN             |
|------|----------|--------------------------------------------------------------------------------------------|------------|-------------|--------------------------|
| 1    | 300      | 1" Poly Pipe Stainless Steel Insert                                                        | \$0.92     | \$276.00    | Ford 1" Insert #52       |
| 2    | 85       | 6" x 1" CC Thread Tap Saddle-AWWA Standard Double Strapped Low Lead Brass OD 13.20 - 14-38 | \$75.21    | \$6,392.85  | Ford 202B-750-CC4        |
| 3    | 143      | Meter Cans DFW 37C Lid & Body                                                              | \$90.00    | \$12,870.00 | DFW37C-12-1BAF           |
| 4    | 10       | 6" MJ Anchor 90 USA CP DI C153                                                             | \$176.31   | \$1,763.10  | Star USA MJHB9006D       |
| 5    | 60       | 6" PVC Restraints with Accessory Kit                                                       | \$37.35    | \$2,241.00  | Star USA PVC PK4006NK    |
| 6    | 5        | 2" 90 Compression Fitting Mueller or Ford No Lead Brass                                    | \$138.36   | \$691.80    | Ford L44-77QNL           |
| 7    | 9        | 8" Mueller or M & H MJ x H MJ x MJ Gate Valve                                              | \$646.25   | \$5,816.25  | Mueller 8" A23           |
| 8    | 6        | 6" Fire Hydrant Extension Kit Mueller A320-006 5 1/4 Valve Opening                         | \$221.64   | \$1,329.84  | HydraFlo 6" Mueller Ext. |
| 9    | 100      | Blue Hydrant Street Reflector                                                              | \$2.75     | \$275.00    | EGW                      |
| 10   | 40       | 8" PVC MJ Mega Lug Gland Pack Accessory Kit                                                | \$50.44    | \$2,017.60  | Star USA PVC PK4008ND    |
| 11   | 10       | 5' Bury Fire Hydrants Mueller NST or M & H with 1 1/2 nuts, 4" pumper nozzle & 1 1/2" pent | \$1,711.00 | \$17,110.00 | Mueller A423             |
| 12   | 29       | 6" Mueller or M & H MJ x MJ Gate Valve                                                     | \$396.17   | \$11,488.93 | Mueller A2360-20         |
| 13   | 6        | 6" x 6" MJ Anchor Tee Cast Iron Ductile Iron CP DI C153 Domestic                           | \$170.67   | \$1,024.02  | Star USA MJTH0606D       |
| 14   | 115      | 1" Compression Union Coupling Mueller or Ford                                              | \$15.00    | \$1,725.00  | Ford NL C44-44QNL        |
| 15   | 138      | 1" Corporations - Mueller, Ford CC Thread Pattern Low Lead Brass                           | \$36.70    | \$5,064.60  | Ford NL F1000-4QNL       |
| 16   | 138      | 1" Angle Stop Compression fitting Mueller, Ford No Lead Brass                              | \$40.42    | \$5,577.96  | Ford NL KV43-444WQ       |
| 17   | 3500     | 1" Poly Pipe, SDR9, Class 200 Polyethylene (Copper tube size)                              | \$0.38     | \$1,330.00  | Endot                    |
| 18   | 5        | 2" Angle Stop Compression Fitting Mueller or Ford No Lead Brass                            | \$183.15   | \$915.75    | Ford NL FV43-777WQNL     |

|      |          |                                                                                          | HD Supply Waterworks |             |                            |
|------|----------|------------------------------------------------------------------------------------------|----------------------|-------------|----------------------------|
| Item | Quantity | Description                                                                              | Unit Price           | Total Price | Mfg/Model/PN               |
| 19   | 30       | 3/4" x 1" Meter Bushing Mueller H-10889 fem mtr x male mtr - low lead 254N AWWA Standard | \$7.27               | \$218.10    | Mueller H-10889            |
| 20   | 123      | 3/4" Meter Tails No Lead Brass                                                           | \$7.68               | \$944.64    | Ford NL C38-23-2.5 NL      |
| 21   | 50       | 1" Meter Tails No Lead Brass                                                             | \$11.13              | \$556.50    | Ford NL C38-44-2.625NL     |
| 22   | 123      | 3/4" Quest Fittings Female Threaded Compression                                          | \$11.07              | \$1,361.61  | Ford NL C14-33QNL          |
| 23   | 50       | 1" Quest Fittings Female Threaded Compression                                            | \$15.53              | \$776.50    | Ford NL C14-44QNL          |
| 24   | 3000     | 6" DR18 PVC Certa Lok, Certainteed or Equivalent                                         | \$6.97               | \$20,910.00 | Certainteed                |
| 25   | 2000     | 8" DR18 PVC Certa Lok, Certainteed or Equivalent                                         | \$11.78              | \$23,560.00 | Certainteed                |
| 26   | 4        | 8" x 6" MJ Anchor Tee Cast Iron Ductile Iron CP DI C153 Domestic                         | \$212.98             | \$851.92    | Star USA MJTH0806D         |
| 27   | 10       | 6"x12" MJ Anchor Nipple Cast Iron Ductile Iron CP DI C153 Domestic                       | \$119.89             | \$1,198.90  | Star USA MJA0613D          |
| 28   | 38       | 8" x 1" CC Tap Saddle - AWWA Standard Double Strapped Low Lead Brass                     | \$93.07              | \$3,536.66  | Ford 202B962-CC4           |
| 29   | 140      | 6" C900 PVC Pipe                                                                         | \$3.60               | \$504.00    | J-M Eagle DR-18 G/J        |
| 30   | 5        | 6" x 2" CC Thread Tap Saddle AWWA Standard Double Strapped No Lead Brass                 | \$94.47              | \$472.35    | Ford 202B-750-CC7          |
| 31   | 5        | 8" x 2" CC Thread Tap Saddle AWWA Standard Double Strapped No Lead Brass                 | \$111.00             | \$555.00    | Ford 202B-962-CC7          |
| 32   | 5        | 1 1/2" Corporation CC Thread Mueller or Ford No Lead Brass                               | \$105.80             | \$529.00    | Ford FB1000-6QNL           |
| 33   | 5        | 1 1/2" Angle Stop Compression Fitting Mueller or Ford No Lead Brass                      | \$148.00             | \$740.00    | Ford FV43-666WQNL          |
| 34   | 20       | 3/4" Unon Compression Coupling Mueller or Ford No Lead Brass                             | \$13.50              | \$270.00    | Ford C44-33QNL             |
| 35   | 20       | 3/4" 90 Compression Fitting Mueller or Ford No Lead Brass                                | \$16.50              | \$330.00    | Ford L44-33QNL             |
| 36   | 5        | 6" x 12" Fire Hydrant Extension Kit Mueller A320-006 5 1/4" Valve Opening                | \$248.00             | \$1,240.00  | HydrFlo                    |
| 37   | 5        | 6" Waterous Fire Hydrant Extension Kit                                                   | \$214.00             | \$1,070.00  | Hydrant Repair Parts       |
| 38   | 5        | 6" x 12" WATEROUS Fire Hydrant Extension Kit                                             | \$250.00             | \$1,250.00  | Hydrant Repair Parts       |
| 39   | 5        | 6" x 7 1/2" Full Circle Clamp Stainless Steel, Smith Blair or Ford OD 6.56 - 6.96        | \$48.57              | \$242.85    | Smith Blair 226-066307-000 |
| 40   | 5        | 8" x 7 1/2" Full Circle Clamp Stainless Steel, Smith Blair or Ford OD 8.99 - 9.39        | \$59.40              | \$297.00    | Smith Blair 226-090507     |
| 41   | 5        | 8" x 12 1/2" Full Circle Clamp Stainless Steel, Smith Blair or Ford OD 8.99 - 9.39       | \$95.00              | \$475.00    | Smith Blair 226-090512-000 |
| 42   | 5        | 6" x 7 1/2" Full Circle Clamp Stainless Steel, Smith Blair or Ford OD 6.62 - 7.42        | \$50.38              | \$251.90    | Smith Blair 26-071007000   |

| Item                                     | Quantity | Description                                                                                           | HD Supply Waterworks |                     | Mfg/Model/PN               |
|------------------------------------------|----------|-------------------------------------------------------------------------------------------------------|----------------------|---------------------|----------------------------|
|                                          |          |                                                                                                       | Unit Price           | Total Price         |                            |
| 43                                       | 5        | 6" x 12 1/2" Full Circle Clamp<br>Stainless Steel, Smith Blair or Ford<br>OD 6.62 - 7.42              | \$80.71              | \$403.55            | Smith Blair 226-071012-000 |
| 44                                       | 5        | 8" x 12 1/2" Full Circle Clamp<br>Stainless Steel, Smith or Blair<br>OD 8.99 - 9.79                   | \$97.21              | \$486.05            | Smith Blair 226-094012-000 |
| 45                                       | 5        | 8" x 7 1/2" Full Circle Clamp<br>Stainless Steel, Smith Blair or Ford<br>OD 8.99 - 9.79               | \$60.71              | \$303.55            | Smith Blair 226-094007-000 |
| 46                                       | 200      | 4" SDR35 PVC Sewer Pipe                                                                               | \$0.79               | \$158.00            | J-M Eagle SDR-35           |
| 47                                       | 50       | 4" Coupling Clay Tile - PVC                                                                           | \$2.68               | \$134.00            | Fernco 1002-44             |
| 48                                       | 25       | 4" Cast Iron Lateral Cleanout<br>Casting Bass & Hays 404                                              | \$44.73              | \$1,118.25          | Bass & Hays 404 Lateral    |
| 49                                       | 25       | 4" x 4" SDR35 Service Tee Wye<br>Gasket x Gasket                                                      | \$10.73              | \$268.25            | Multi Fittings             |
| 50                                       | 25       | 4" PVC SDR35 Sewer 22 1/2" Degree<br>Fitting Gasket x Gasket                                          | \$4.67               | \$116.75            | Multi Fittings             |
| 51                                       | 25       | 4" PVC SDR 35 Sewer 45 Degree Fitting Gasket x<br>Gasket                                              | \$5.39               | \$134.75            | Multi Fittings             |
| 52                                       | 25       | 4" SDR 35 Cleanout Adaptor HXF                                                                        | \$2.58               | \$64.50             | Multi Fittings             |
| 53                                       | 25       | 4" SDR35 Cleanout Plug with Raised Nut                                                                | \$1.56               | \$39.00             | Multi Fittings             |
| 54                                       | 25       | 3/4" Angle Stop Compression Fitting<br>Mueller, Ford & 110 Outlet for Quick Connect<br>Low Lead Brass | \$32.66              | \$816.50            | KV43-332WQNL               |
| <b>Grand Total</b>                       |          |                                                                                                       |                      | <b>\$144,094.78</b> |                            |
| <b>Delivery time (ARO):</b>              |          |                                                                                                       | 14 days              |                     |                            |
| <b>Payment terms:</b>                    |          |                                                                                                       | Net 30               |                     |                            |
| <b>Exceptions to Bid Specifications:</b> |          |                                                                                                       |                      |                     |                            |



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7J

**TITLE**

Consider action to authorize the City Manager to negotiate and execute an interlocal participation agreement and an interlocal user agreement with the cities of Garland and Mesquite for the acquisition of equipment and facilities, and the participation in the Public Safety Radio Project.

**STAFF REPRESENTATIVE**

W.M. Brodnax, Chief of Police  
Neil Howard, Fire Chief

**SUMMARY**

The cities of Garland and Mesquite have signed interlocal agreements to purchase a Motorola 800 Megahertz public safety radio system. The Rowlett Public Safety Departments will continue to be a user on this public safety radio system and must enter into an interlocal agreement with the City of Garland, who is the hosting agency of the public safety radio system. At the time of publishing, the interlocal agreement was being developed to be reviewed by the City Attorney.

**BACKGROUND INFORMATION**

The Rowlett Public Safety Departments have been a user of the Garland Public Radio System for the past twenty (20) years. In 2013, the City of Rowlett was notified by the City of Garland that the public safety radio system would be coming to its end of life in December 2016. At that time, Garland requested that Rowlett remain a user of the public safety radio system along with Mesquite who is partner to the system and Sachse who is a user. Garland advised that having these partners and users on this project would help to reduce overall costs and to improve the infrastructure of the system.

After reviewing the options, it was decided that it would be in the best interest of Rowlett to remain as a user with Garland.

On February 19, 2014, City Manager, Brian Funderburk, signed a Letter of Intent to confirm the desire to work with the cities of Garland and Mesquite to identify and/or create the mechanism for the procurement of the radio system.

On March 11, 2014, Public Safety Staff discussed the public safety radio system with Council in a work session. In this meeting Staff presented preliminary equipment needs along with the estimated cost of the total project to Council.

Work began on the project to identify all cities that would be participating along with a needs assessment study conducted by RCC Consultants to identify equipment needs and any additional

radio towers. This study took approximately twelve months. As mentioned, Garland and Mesquite are partners and owners of the public safety radio system, while Rowlett, Sachse, and Garland ISD will be users of the system.

As a result of the alerting system upgrade, all cities involved are working with their Computer Aided Dispatch vendors to secure an interface for fire station alerting. Rowlett will be working with our dispatch vendor ICS to complete our interface. The estimated cost for this service is \$65,325, and a quote from ICS has been attached. Rowlett Fire Rescue also included EOC dispatch consoles that were left out by the Garland consultant. That is a cost of \$151,000, bringing the total proposal to \$2.68M that will be financed.

In September 2014, discussions began with two vendors, Motorola and Harris Corporation, for pricing of the new system. Both vendors gave presentations which outlined what their systems would provide and their respective estimated costs. In the first quarter of calendar year 2015, Motorola was chosen as the vendor of the new public safety radio system.

## **DISCUSSION**

With the selection of Motorola as the vendor of the new public safety radio system, we are ready to move forward with the project. The project is planned to be implemented and completed and operational by December, 2016.

This proposed interlocal agreement must be approved with Garland prior to moving forward with the public safety radio system implementation. All participating Cities will be required to issue purchase orders to Motorola for some of the equipment needed for this project.

## **FINANCIAL/BUDGET IMPLICATIONS**

There is no immediate financial implication regarding this interlocal agreement; however, this project is expected to cost \$2.68 million for the City of Rowlett. The interlocal agreement will depict future costs based upon established user fees once the new system is operational. The City of Rowlett will be purchasing all Motorola radio equipment directly from Motorola, based upon contract language and agreement. The City of Rowlett will be reimbursing the City of Garland for Rowlett's portion of infrastructure costs.

As discussed earlier this year, the City of Rowlett will issue 15-year Certificates of Obligation (CO's) to provide the funding on the Public Safety Radio System. The annual payment, depending upon the interest rate at the time of issuance, is expected to fall between \$240,000 and \$245,000 per year. This takes into account the interface charges and the EOC dispatch consoles that were not included in the previous Garland proposal. The mistake was discovered during our review, and the charges are now included in the cost chart below. The CO's will be sold in November or December, depending upon the timing of the project payments.

The projected costs are depicted as follows:

## Initial Rowlett System Costs

| Implementation Item                                                     | Total Cost         |
|-------------------------------------------------------------------------|--------------------|
| Remote Simulcast Site 8 (Table 13.2.4G) - <u>Schrade Road</u>           | \$1,430,131        |
| Ring <u>Schrade Road</u> (Fire Station 2) to Rowlett RD and SFP Modules | \$134,462          |
| Spur <u>Schrade Road</u> (Fire Station 2) to Rowlett Dispatch           | \$140,793          |
| Rowlett Dispatch Consoles                                               | \$317,450          |
| EOC Dispatch Consoles                                                   | \$151,000          |
| Rowlett Dispatch Logging Recorder – Upgrade / Replacement               | \$135,357          |
| Rowlett Fire Station Alerting                                           | \$142,858          |
| Additional FSA Scope                                                    | \$135,128          |
| Fire Station Sound System Cost Estimate (Table 13.2.14D) - Rowlett      | \$24,651           |
| Interoperability & Mutual Aid Equipment in Rowlett                      | \$20,666           |
| Rowlett User Radios                                                     | \$763,947          |
| Systems integration, Freight, Performance Bond                          | \$231,312          |
| ICS CAD Interface                                                       | \$65,325           |
| System Incentives and Warranty Credit                                   | (\$1,011,152)      |
| <b>Total</b>                                                            | <b>\$2,681,928</b> |

## System Maintenance Costs Years 3 & 4

| Maintenance Item                                | Rowlett Yearly Cost |
|-------------------------------------------------|---------------------|
| Infrastructure Equipment                        | \$34,394            |
| Microwave Radio Equipment                       | \$4,384             |
| Dispatch Equipment                              | \$3,772             |
| Mobile, Portable, and Control Station Equipment | 4-Year Warranty     |
| Software Maintenance Agreement                  | \$55,732            |
| Optional On-Site Response Service Subtotal      | \$77,804            |
| <b>Total Yearly Maintenance</b>                 | <b>\$176,086</b>    |

## System Maintenance Costs Years 5 - 10

| Maintenance Item                                | Rowlett Yearly Cost |
|-------------------------------------------------|---------------------|
| Infrastructure Equipment                        | \$34,394            |
| Microwave Radio Equipment                       | \$4,384             |
| Dispatch Equipment                              | \$3,772             |
| Mobile, Portable, and Control Station Equipment | \$13,502            |
| Software Maintenance Agreement                  | \$55,732            |
| Optional On-Site Response Service Subtotal      | \$77,804            |
| <b>Total Yearly Maintenance</b>                 | <b>\$189,588</b>    |

## System Maintenance Costs Breakdown\*\*\*

| Maintenance Item                               | Rowlett Yearly Cost |
|------------------------------------------------|---------------------|
| <b>Infrastructure Equipment</b>                |                     |
| Depot Repair Service (Infra Repair)            | \$34,394            |
| Tech Support                                   |                     |
| FSA Hardware                                   |                     |
| <b>Microwave Radio Equipment</b>               |                     |
| Microwave Warranty Plus (repair services)      | \$4384              |
| ProVision Support                              |                     |
| MPLS Warranty Plus (repair services)           |                     |
| <b>Dispatch Equipment</b>                      |                     |
| Depot Repair Service                           | \$3772              |
| Technical Support                              |                     |
| VPI Equipment Repair/Adv Replacement           |                     |
| <b>Software Maintenance Agreement</b>          |                     |
| SUA II (software and hardware refresh 2 years) | \$55,732            |
| Security Update Service                        |                     |

## **System Maintenance Costs Breakdown\*\*\* (cont.)**

| <b>Maintenance Item</b>                                     | <b>Rowlett Yearly Cost</b> |
|-------------------------------------------------------------|----------------------------|
| <b>On-Site Response Services Breakdown - \$77,804</b>       |                            |
| Infrastructure Eq On-Site Response                          | \$18,401                   |
| FSA Maintenance On-Site Response                            | \$5,393                    |
| Microwave Eq On-Site Response                               | \$7,122                    |
| MPLS Eq On-Site Response                                    | \$1,404                    |
| Dispatch Eq On-Site Response                                | \$3,999                    |
| Infrastructure Eq Call Management                           | \$1,690                    |
| Dispatch Eq Call Management Service                         | \$754                      |
| Optional Infrastructure Equipment Advanced Exchange Service | \$5,439                    |
| Optional Dispatch Equipment Advanced Exchange Service       | \$379                      |
| Optional VPI Software Support                               | \$11,184                   |
| Optional FSA Software Support                               | \$7,115                    |
| Optional Network Monitoring                                 | \$5,958                    |
| Optional Security Monitoring                                | \$4,214                    |
| Optional Preventive Maintenance (annual)                    | \$4,752                    |

## **System Maintenance Costs Breakdown\*\*\* (cont.)**

**\*\*\***

- No maintenance costs until Year 3
- Each of these items are negotiable and costs are based on quantities of equipment proposed.
- Costs are subject to change after Detailed Design Review (DDR)
- The City of Garland plans to provide support services in order to reduce overall operational costs

## Estimated Payment / Implementation Schedule

| Milestone                                   | Anticipated Date | Percentage on Infrastructure | Percentage on User Radio Equipment | Infrastructure Equipment Cost Due | User Radio Equipment Cost Due |
|---------------------------------------------|------------------|------------------------------|------------------------------------|-----------------------------------|-------------------------------|
| Contract Execution                          | Month 1          | 5%                           |                                    | \$85,083                          |                               |
| Design Review Complete                      | Month 3          | 5%                           |                                    | \$85,083                          |                               |
| Subscriber Radios Ship                      | Month 3          |                              | 70%                                |                                   | \$534,763                     |
| Successful Completion of Factory Staging    | Month 6          | 15%                          |                                    | \$255,249                         |                               |
| Delivery of Equipment                       | Month 6          |                              |                                    |                                   |                               |
| Infrastructure Installed*                   | Month 10         | 50%                          |                                    | \$850,830                         |                               |
| Successful Completion of Acceptance Testing | Month 15         | 15%                          |                                    | \$255,249                         |                               |
| Final System Acceptance                     | Month 17         | 10%                          | 30%                                | \$170,165                         | \$229,184                     |
| <b>Total by Category</b>                    |                  | <b>100%</b>                  | <b>100%</b>                        | <b>\$1,701,656</b>                | <b>\$763,947</b>              |
| <b>System Total</b>                         |                  |                              |                                    |                                   | <b>\$2,465,603</b>            |

The estimated costs to maintain our radio system over the next 15 years are in the chart below. This is just an estimate and includes equipment, maintenance agreements, and service costs. There will be no maintenance costs the first two years, because the equipment will be covered by the manufacturer's warranty.

|                                                                      | Years (1-5)        | Years (6-10)       | Years (10-15)      | Total              |
|----------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Annual payments for 15-year COs (funded thru Debt Service Fund)      | \$1,225,000        | \$1,225,000        | \$1,225,000        | \$3,675,000        |
| System Maintenance - starts in year 3 (funded thru General Fund)     | \$541,760          | \$961,442          | \$1,015,450        |                    |
| Less amount currently paid to City of Garland for system maintenance | <u>(220,765)</u>   | <u>(220,765)</u>   | <u>(220,765)</u>   | \$1,856,357        |
| Subtotal system maintenance                                          | \$320,995          | \$740,677          | \$794,685          |                    |
| <b>Total</b>                                                         | <b>\$1,545,995</b> | <b>\$1,965,677</b> | <b>\$2,019,685</b> | <b>\$5,531,357</b> |
| <b>*System maintenance is estimated beyond year 10.</b>              |                    |                    |                    |                    |

In a previous meeting with Council on February 11, 2014, staff discussed possible acquisition costs if we were to go it alone. At that time, because of the necessary radio towers and associated equipment, staff estimated that a new radio system could cost as much as \$9-\$12 million. This estimate was made, in part, because the cities of Garland and Mesquite budgeted \$24 million and \$15 million respectively. During this meeting, staff also indicated that the acquisition cost for Rowlett would be about \$4.0 million. In the end, Rowlett's acquisition costs will be about \$2.7 million. Staff wants to acknowledge the work of Garland and Mesquite to negotiate the final price as this represents a great solution to a regional problem.

### **RECOMMENDED ACTION**

Approve action to authorize the City Manager to negotiate and execute an interlocal agreement between the City of Garland and the City of Rowlett for the acquisition of the Public Safety Radio System.

### **RESOLUTION**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL PARTICIPANT AGREEMENT AND AN INTERLOCAL USER AGREEMENT WITH THE CITY OF GARLAND AND THE CITY OF MESQUITE TO PARTICIPATE IN THE PUBLIC SAFETY RADIO PROJECT WITH THE CITIES OF GARLAND AND MESQUITE; AUTHORIZING EXPENDITURES IN AN ESTIMATED TOTAL AMOUNT OF \$2,465,603; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Rowlett has been a user on the City of Garland's radio system for approximately 17 years; and

**WHEREAS**, the City Council of the City of Rowlett, Texas has presented a letter of intent to the City of Garland to enter into a proposed Agreement by and between the City of Garland and the City of Rowlett for participation in the Public Safety Radio Project; and

**WHEREAS**, the City Council finds that it is in the best interest of the public health and safety for the City to enter into Interlocal Participation and User Agreements with the City of Garland and the City of Mesquite.

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

**Section 1:** That the City Council of the City of Rowlett does hereby authorize the City Manager to negotiate, on the City's behalf, an Interlocal Participation Agreement and an Interlocal User Agreement with the City of Garland and the City of Mesquite to participate in and be a user of the Public Safety Radio Project, in an estimated amount of \$2,465,603.

**Section 2:** The City Council further authorizes the City Manager to execute the Public Radio System Project interlocal agreements on the City's behalf, subject to

approval of the City Attorney, and to issue appropriate purchase orders pursuant thereto.

**Section 3:** This resolution shall become effective immediately upon its passage.

**ATTACHMENT**

Attachment 1 – Letter of Intent for City of Rowlett

Attachment 2 – ICS Interface Quotation

Attachment 3 – Motorola Console Quotation



## Letter of Intent for City of Rowlett

The City of Garland has signed the attached "Letter of Intent" with the City of Mesquite to work cooperatively with the City of Mesquite to create a jointly owned and operated P25 Radio System to support interoperable communications.

As a current Garland Radio System User in the area a Radio System Needs Assessments was performed for the City of Rowlett during the Garland Radio Needs Assessment.

The purpose of this "Letter of Intent" is to confirm the desire of the City of Rowlett to work with the Cities of Garland and Mesquite to identify and/or create the mechanism for the procurement of the Radio System that will include the City of Rowlett. This model will serve all recipients; allocate the needed resources to fulfill this goal and to document the efforts in creating a combined, mutually beneficial Radio System.

A formal "**Inter-local Agreement**" will follow at a later date.

### The City of Rowlett

Authorized Signature: Brian Fulmer  
(City Manager's Signature)

Date: 2-19-14



## Quotation to Interface ICS CAD to Motorola MACH Alert

**Quotation Date:** 08/12/15

**Quote Number:** 081215A

**Project Due Date:** September 23, 2016  
(Garland radio upgrade completion date)

### Description of Fire Station Alerting Interface

#### Required Export Message Types

Upon units being dispatched to a call the following message types will be sent to the DCR interface using TCP/IP protocol:

- OP Code 1 \_ Tones
- OP Code 2 – Free text transfer
- OP Code 5 – Format text
- OP Code 6 – Redundant unit request
- OP Code 7 – Apparatus alert request
- OP Code 3 – Station status
- OP Code 50 – Message about station status
- OP Code 53 & 54

#### Testing Capabilities

In order to test the ICS interface DCR provides the following MACH Alert CAD vendor system Access:

##### Injection Testing using TCP/IP:

Use 71.16.140.14 Port 5006 – 5009.

This system has 25 stations currently enabled. (as of 02/12/2015)

##### Dispatch Client View:

<http://71.16.140.14> will allow monitoring of the MACH alert system as “Dispatch Position 1”.

Enable “**Download signed** [and **unsigned**] ActiveX and “**Run active controls and plug in**” in IE 9,10 or 11 settings. Right click and open IE “**Run as administrator**”, Download the VTS client app. From the menu you can also monitor CAD from the Alarm page as events or use the CAD Monitor App from the Menu button. We change the “Applications” based on what tests we are running, so call is you have problems. [Once you download the active thin client and run it, you can restore IE to original settings.] You can save the MACH Alert FSAA application shortcut to desktop by Right-clicking the top of the MACH alert window and “Save bookmark”. Click the shortcut, enter the password and connect (Without Internet Explorer).

MACH Alert FSAA running is: V6.000

User is: cadvendor

Password is: cadvendor

From the Menu button, you will have access to CAD monitoring screen, the alarm screen which shows CAD received alerts and processing (Oper 61). And see our *MACH Alert* FSAA system in action.

**Access CAD Serial or IP Text file:**

<ftp://71.16.140.14> will allow you to capture and download the file as a **CAD1-Date.DAT** for your review. CAD1 to CAD5 (based on the Serial or IP Port No.)

User is: cadvendor

Password is: cadvendor

**Aural Monitoring Testing:**

<http://71.16.140.14:444/MACHAlert> is the URL for Windows media or VLC. The TTS audio will be heard on alerts sent to station #1 only.

**IDB Display Sample:**

And finally using “RealVNC Viewer” program will allow to see the MACH Alert IDB (Incident Display board). Connect to 71.16.140.14. No Password is required.

It will display the text received, alert “Sequence requested”, a “turnout timer”, and a Map of the mapX, mapY (LAT, LON) information sent with the alert. And shows the weather or black when idle..

Please feel free to contact us directly for your programming questions.

Lantronix UDS 1100 Software:

[http://ltxfaq.custhelp.com/app/answers/detail/a\\_id/928](http://ltxfaq.custhelp.com/app/answers/detail/a_id/928)

## On-Site Time

Rowlett requires an ICS analyst to be on-site on the go-live day (8 hours).

## Assumptions

ICS assumes the following to be true/accurate:

- 1) MACH Alert CAD vendor system Access will be available for testing and functions as documented above.
- 2) DCR and/or Motorola will provide prompt replies to any questions that may arise.
- 3) Motorola Fire Dispatch Protocol Specification (MFD-P, version 7.35, dated November 18, 2014) is accurate and ICS will be notified immediately of any changes to this specification.

## ICS Resources

Team Lead – Due to the complexity and technology of this interface ICS must utilize our most senior analysts. Steve has been with ICS for more than 14 years, is a Computer Science graduate and will be the team lead.

## Time/Cost Estimate

After a thorough analysis of the documentation by management and senior developers, ICS estimates the time to design, develop, test and document this solution to be approximately 335 hours (includes on-site time).

ICS normal senior analyst hourly rate is \$275

Rowlett's preferred customer rate is \$195

Estimated project cost is  $335 \times 195 = \$65,325$

## Terms

ICS will commit resources to this project upon receipt of a Purchase Order and a 50% down payment.

When Rowlett goes live, utilizing this interface, the balance will be due.

If you have any questions concerning this quote, please email or phone me.

Thanks for your continued business.



## Ray Sims

President

Integrated Computer Systems, Inc.

Telephone: 214-544-0022 ext. 21

Facsimile: 214-544-0025

Mobile/Cell: 214-695-0315

Information: [www.icsnews.com](http://www.icsnews.com)





# City of Rowlett

## Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 7K

### **TITLE**

Consider appointments to the various boards and commissions.

### **STAFF REPRESENTATIVE**

Laura Hallmark, City Secretary

### **BACKGROUND / HISTORY**

City Council makes appointments to Boards and Commissions annually and when vacancies occur. Over a period of two evenings in August, Council interviewed 21 applicants to match their desire to serve with the appropriate board or commission. On August 28<sup>th</sup>, Council met in Executive Session to discuss the appointments to Planning and Zoning Commission and Board of Adjustment. Council met in open session to discuss appointments to all remaining boards and commissions.

### **POLICY EXPLANATION**

The Boards and Commissions vacancies to be considered for appointment at this meeting are as follows:

- Animal Shelter Advisory Board – 3 Regulars (1 veterinarian) and 2 Alternates
- Arts and Humanities Commission – 5 Regulars and 3 Alternates
- Board of Adjustment – 3 Regulars and 5 Alternates
- Economic Development Advisory Board – 1 Regular and 1 Member – Mayor's Designee
- Golf Advisory Board – 3 Regulars and 4 Alternates
- Library Advisory Board – 2 Regulars and 3 Alternates
- Parks and Recreation Advisory Board – 6 Regulars and 3 Alternates and 1 Junior Alternate
- Planning and Zoning Commission – 3 Regulars and 3 Alternates
- Senior Advisory Board – 3 Regulars and 3 Alternates
- Traffic and Safety Advisory Commission – 3 Regulars and 2 Alternates

Based on Council's discussion at the work session on September 15<sup>th</sup>, there may be additional appointments made at a later date. This item also includes setting the Council liaisons for each of the boards and commissions.

### **FISCAL IMPACT**

N/A

### **STAFF RECOMMENDATION**

To approve the recommended slate of Board and Commission appointees for FY 2015-2016.

### **ATTACHMENT**

Attachment 1 – List of Proposed Appointments

**Animal Shelter Advisory Board****COUNCIL LIAISON**

Robbert van Bloemendaal

**REGULAR MEMBERS**Lori McKelroy (Vet)  
Calvin Scott  
Leslie Williams**ALTERNATE MEMBERS**Deana Seigler  
Laqueata Brown**Arts & Humanities Commission****COUNCIL LIAISON**

Carl Pankratz

**REGULAR MEMBERS**Brian Hokanson  
Aimee Lanier  
Tamra Williams  
Jim Katzenberger  
Deborah Crosby**ALTERNATE MEMBERS**Jessica Bertucci  
Jeffery Winget  
Gabriela Borcoman**Board of Adjustment & Building  
Code Board of Review & Appeals****COUNCIL LIAISON**

Rick Sheffield

**REGULAR MEMBERS**Robert Vickers  
Tony Brown  
Kellie McKee**ALTERNATE MEMBERS**Frixmon Michael  
Jerry Hayes  
Mike Rasmussen**Economic Development Advisory  
Board****COUNCIL LIAISON**

N/A

**REGULAR MEMBERS**Elaine Ritchie  
Rick Sheffield (Mayor's Appt)**Golf Advisory Board****COUNCIL LIAISON**

Rick Sheffield

**REGULAR MEMBERS**Brent Dorenbecker  
Brad Marshall  
Larry Glick**ALTERNATE MEMBERS**Guy Hunsaker  
Michael Daffin  
Becky Sebastian  
Jonathan Andron**Library Advisory Board****COUNCIL LIAISON**

Rick Sheffield

**REGULAR MEMBERS**Tana Daniels  
Bill Schwab**ALTERNATE MEMBERS**Dyral Hargrove  
Cassie Wilson  
Linda Maki**Parks and Recreation  
Advisory Board****COUNCIL LIAISON**

Robbert van Bloemendaal

**REGULAR MEMBERS**Mike DeLatte  
E.C. Umberger  
Zabrina Martinson  
Lonnie Cornwell  
Bruce Hargrave  
Linda Fugitt**ALTERNATE MEMBERS**Rhetta Bowers  
Josh Kramer  
Dolores Henning  
Blake Margolis (Jr.)  
Kaitlyn Freeborn (Jr.)**Planning & Zoning  
Commission****COUNCIL LIAISON**

Robbert van Bloemendaal

**REGULAR MEMBERS**Chris Kilgore  
Jonas Tune  
Lisa Estevez**ALTERNATE MEMBERS**Jason Berry  
Kim Clark  
Stephen Ritchey**Senior Advisory Board****COUNCIL LIAISON**

Tammy Dana-Bashian

**REGULAR MEMBERS**Jerome Grossie  
Della Vickers  
Pamela Bell**ALTERNATE MEMBERS**Charles Gaugler  
Kim Lott**Traffic & Safety Advisory Commission**Appointments to be made at a later  
date.



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75030-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 8A

**TITLE**

Conduct a public hearing and consider the adoption of a resolution authorizing the creation of the Bayside Public Improvement District (PID) submitted on behalf of Bayside Land Partners LLC for the property known as Bayside.

**STAFF REPRESENTATIVE**

Brian Funderburk, City Manager  
Jim Grabenhorst, Director of Economic Development  
David Berman, City Attorney

**SUMMARY**

In May 2015, the City of Rowlett and the City of Dallas completed the sale of the Elgin B. Robertson property and boundary adjustment into Rowlett's municipal jurisdiction. As part of that sale transaction, the City of Rowlett entered into a Development Agreement with Bayside Land Partners LLC for development of the property into Bayside that would require, among other things, the creation of a PID to enable and facilitate adequate funding for infrastructure and maintenance of certain improvements.

Therefore, the purpose of this item is to hold the public hearing and Council consideration on the creation of the Bayside Public Improvement District.

**BACKGROUND INFORMATION**

The Bayside property consists of approximately 257 acres along Interstate 30 at the Dalrock Road interchange (see aerial map on following page). The north tract is located in Dallas County and consists of approximately 142 acres and the south tract is located in both Dallas County and Rockwall County and consists of approximately 115 acres.

*{remainder of page intentionally left blank}*



The property was originally acquired by the City of Dallas in 1966 as part of the Forney Reservoir development, which is now known as Lake Ray Hubbard and was designated as a “park” upon its purchase. The property is approximately ten miles outside of the main city limits of the City of Dallas.

The City of Rowlett and City of Dallas have had ongoing discussions over the past decade regarding the potential sale and boundary adjustment of this property. In order for a potential sale to occur, the City of Dallas needed voter approval to “de-park” the property. In November 2010, the City of Dallas placed a ballot proposition for voter approval and that proposition was rejected. In May 2013, the City of Dallas again placed ballot language for voter approval and that ballot proposition passed opening the door for the negotiations to begin in earnest.

On February 5, 2015, the Dallas Parks Board took action to recommend approval of the sale of the Bayside property to the City of Rowlett. On February 25, 2015, the Dallas City Council took action approving the interlocal agreement and the first of two sets of approvals for the resultant boundary adjustments. On March 17, 2015, Rowlett City Council approved the following items:

- Interlocal Agreement with the City of Dallas for the acquisition of the Bayside property (Resolution No. 029-15)
- Boundary Adjustments that would amend Rowlett's municipal jurisdiction to include the Bayside property (Ordinance No. 010-15)
- Amendment to the Interlocal Agreement and Lease between the City of Dallas and the City of Rowlett relating to the Take Line area (Resolution No. 030-15)
- Approval of a purchase and sale agreement with Donahue Development Corporation for the conveyance of the Bayside property (approximately 257 acres) pursuant to a Tax Increment Reinvestment Zone (Resolution No. 031-15)

On August 11, 2015, the landowner, Bayside Land Partners LLC, submitted a petition for the creation of said PID and on August 18, 2015, City Council passed a resolution accepting said petition and calling for a public hearing to occur on September 15, 2015 (Exhibit A).

## **DISCUSSION**

At the March 27, 2015, City Council Work Session, the City's financial advisors, First Southwest Company presented an overview on Public Improvement Districts, which included a general description; criteria for establishing; the Service and Assessment Plan (SAP) and responsibility of the City (Attachment 1).

Chapter 372 (Texas Local Government Code), authorizes the City to create public improvement districts and subject to the landowner petition filed with the City Secretary by Bayside Land Partners LLC, staff has reviewed said petition and determined that it complies with the requirements of Chapter 372 (Texas Local Government Code) and the filing of the petition was accepted. The City Council is holding the Public Hearing this evening and has provided notice of same at least fifteen days prior to the hearing.

The draft SAP (Attachment 2) provides details relating to the Bayside Public Improvement District. The Bayside Public Improvement District will encompass approximately 317 acres, however the Improvement Areas will be defined and assessments levied based on two distinct areas; the North Improvement Area (property north of Interstate 30) and the South Improvement Area (property south of Interstate 30). The draft SAP provides for the issuance of PID bonds and the levying of a special assessment for the North Improvement Area only. It is anticipated that future bond issuances and assessments will be levied for the South Improvement Area. Following are several tables from the draft SAP that will be discussed by the City's financial advisor, First Southwest Company:

**Table V-A  
North Improvement Area  
Sources and Uses of Funds**

| Sources of Funds                              |                             |
|-----------------------------------------------|-----------------------------|
| Gross Bond Amount                             | \$ 13,975,000               |
| Owner Contribution (a)                        | 10,940,000                  |
|                                               | <b><u>\$ 24,915,000</u></b> |
| Uses of Funds                                 |                             |
| Authorized Improvements (b)                   | <b><u>\$ 21,175,000</u></b> |
| Other Fund Deposits:                          |                             |
| Debt Service Reserve Fund (c)                 | \$ 1,054,000                |
| Capitalized Interest (d)                      | \$ 1,677,000                |
|                                               | <b><u>\$ 2,731,000</u></b>  |
| Cost of Issuance:                             | <b><u>\$ 450,000</u></b>    |
| Underwriter's Discount/Financial Advisor (e): | <b><u>\$ 559,000</u></b>    |
|                                               | <b><u>\$ 24,915,000</u></b> |

(a) Owners will fund all costs not covered by the PID Bonds.  
(b) See Table III-A and Table IV-A for details.  
(c) The PID Bonds will include a debt service reserve fund equal to the average annual debt service.  
(d) The PID Bonds will include 2 years of capitalized interest.  
(e) The PID Bonds will have a 4% Underwriter's Discount and Financial Advisor's Fee

**Table III-A  
North Improvement Area  
Authorized Improvements**

| Description                                 | Total                |
|---------------------------------------------|----------------------|
| <i>Authorized Improvements</i>              |                      |
| Dalrock and Major Collectors                | \$ 5,625,000         |
| Retaining Walls, etc.                       | \$ 6,875,000         |
| Wastewater, Lift Stations, & Sanitary Sewer | \$ 4,475,000         |
| Off & On-Site Water                         | \$ 2,500,000         |
| On-Site Roadways & Paving                   | \$ 1,075,000         |
| Parks, Public Art, Entry Monuments          | \$ 625,000           |
| <b>Total Authorized Improvements</b>        | <b>\$ 21,175,000</b> |

**Note: Cost estimates provided by Kimley-Horn Engineering. The figures shown in Table III-A are estimates, and may be revised in Annual Service Plan Updates.**

**Table IV-C  
North Improvement Area  
Special Assessment Allocation**

| Lot Size     | Units/SF     | Estimated Build Out Value | Total Special Assessment | Annual                                              | Special Assessment Per Unit/SF | Annual Installment Per Unit/SF | Equivalent Tax Rate (per \$100/AV) |
|--------------|--------------|---------------------------|--------------------------|-----------------------------------------------------|--------------------------------|--------------------------------|------------------------------------|
|              |              |                           |                          | Installment (1 <sup>st</sup> Full Year After Cap I) |                                |                                |                                    |
| 40'          | 72           | \$ 25,200,000             | \$ 1,041,985             | \$ 86,132                                           | \$ 14,472                      | \$ 1,196                       | \$ 0.34                            |
| 50'          | 145          | \$ 58,000,000             | \$ 2,398,220             | \$ 198,240                                          | \$ 16,539                      | \$ 1,367                       | \$ 0.34                            |
| 60'          | 142          | \$ 63,900,000             | \$ 2,642,177             | \$ 218,406                                          | \$ 18,607                      | \$ 1,538                       | \$ 0.34                            |
| MF           | 800          | \$ 120,000,000            | \$ 4,961,835             | \$ 410,152                                          | \$ 6,202                       | \$ 513                         | \$ 0.34                            |
| COMM         | 300,000      | \$ 67,500,000             | \$ 2,791,032             | \$ 230,711                                          | \$ 9.30                        | \$ 0.77                        | \$ 0.34                            |
| HOA          |              |                           | \$ 139,750               | \$ 11,552                                           |                                |                                |                                    |
| <b>Total</b> | <b>1,159</b> | <b>\$ 334,600,000</b>     | <b>\$ 13,975,000</b>     | <b>\$ 1,155,193</b>                                 |                                |                                |                                    |

Note: Estimates based on information available as of XX/XX/15, the date the original SAP was adopted by the City Council. Although the actual unit counts and estimated unimproved land value may vary from the estimates shown above, the initial assessment allocation for each Lot Type will not change unless modified in a Service Plan Update approved by the City Council, subject to the terms of this SAP, the PID Act, and any other documents associated with PID Bonds. The above estimate assumes an average 6.00% interest rate and a 30 year term for the PID Bonds and an annual administrative expense of \$45,000 increasing at 2.0% per year.

**FISCAL IMPACT/BUDGET IMPLICATIONS**

The cost of the authorized improvements as referenced in the SAP and any future improvements as authorized under annual service plans are to be financed from assessments levied against the property as apportioned solely to the PID property. The City is not responsible for any costs, as the authorized improvements will be paid solely from assessments levied against the PID property and from the proceeds of PID special revenue bonds issued by the City and secured solely by the assessments.

No other City funds, revenue, taxes or income of any kind shall be used to pay the costs of the authorized improvements unless approved by the City Council. The City will handle the administrative responsibilities for the creation of the PID and issuance of PID special revenue bonds along with the annual administration and reporting. Costs associated with handling this administrative role are reimbursable expenses to the City as part of the PID, which are currently estimated at \$45,000 annually increasing at 2.0 percent per year.

**RECOMMENDED ACTION**

Conduct the public hearing and approve a resolution authorizing the creation of the Bayside Public Improvement District and authorizing the Mayor to execute all necessary documents on the City's behalf.

**RESOLUTION**

**A RESOLUTION OF THE CITY COUNCIL OF ROWLETT TEXAS, MAKING FINDINGS THAT THE PROPOSED BAYSIDE PUBLIC IMPROVEMENT DISTRICT AND THE PROPOSED AUTHORIZED IMPROVEMENTS WILL PROMOTE THE INTERESTS OF THE CITY AND CONFER A SPECIAL BENEFIT ON A DEFINABLE PART OF THE CITY; PROVIDING THAT THE DISTRICT AND PROPOSED AUTHORIZED IMPROVEMENTS ARE FEASIBLE AND ADVISABLE; PROVIDING FINDINGS WITH RESPECT TO THE NATURE AND ESTIMATED COST OF THE PROPOSED AUTHORIZED IMPROVEMENTS, THE BOUNDARIES OF THE**

**DISTRICT, THE METHOD OF ASSESSMENT, AND APPORTIONMENT OF COSTS BETWEEN THE DISTRICT AND THE CITY; AUTHORIZING THE CREATION OF THE DISTRICT AND AUTHORIZING AND DIRECTING THE CITY SECRETARY TO PUBLISH NOTICE OF THE CREATION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the governing body (the "City Council") of the City of Rowlett, Texas (the "City"), is authorized by Chapter 372, Texas Local Government Code, as amended (the "Act"), to create public improvement districts within the corporate limits and extraterritorial jurisdiction of the City;

**WHEREAS**, on August 11, 2015, Bayside Land Partners, LLC, a Texas limited liability company ("Owner") filed with the municipal secretary of the City (the "City Secretary") a petition, a copy of which is on file with the City Secretary (the "Petition"), requesting the creation of Bayside Public Improvement District (the "District") consisting of approximately 317 contiguous acres, which property is described in the Petition and is the same property described by metes and bounds on the attached Exhibit A and depicted by the drawing on the attached Exhibit B (the "Property");

**WHEREAS**, the Petition has been on file with the City Secretary and available for public inspection at all times after it was filed;

**WHEREAS**, the City Council has investigated and determined that the Petition complies with and is sufficient under the Act to create the District;

**WHEREAS**, the City Council has investigated and determined that the matters set forth in the Petition are true and correct;

**WHEREAS**, the City Council has investigated and determined that the authorized improvements described in the Petition (the "Authorized Improvements") are authorized by the Act, promote the interests of the City, and confer a special benefit on the Property;

**WHEREAS**, the City Council has investigated and determined that the District may be created without a preliminary financial report and without the appointment of an advisory body;

**WHEREAS**, on August 18, 2015, the City Council approved Resolution No. RES-096-15 accepting the Petition, setting a public hearing for September 15, 2015 (the "Public Hearing") to hear public testimony on the feasibility and advisability of creating the District and the feasibility and advisability of the proposed Authorized Improvements and authorizing and directing the City Secretary to publish and mail notices of the Public Hearing as required by the Act;

**WHEREAS**, before the 15<sup>th</sup> day before the date of the Public Hearing, the City Secretary caused notice of the Public Hearing to be published in a newspaper of general circulation in the area where the proposed District is located;

**WHEREAS**, before the 15<sup>th</sup> day before the date of the Public Hearing, the City Secretary caused notice of the Public Hearing, addressed to "Property Owner," to be mailed to the current address (as reflected on the tax rolls) of owners of property subject to assessment under the proposed District;

**WHEREAS**, the City Council has investigated and determined that the content of the published and mailed notices complies with the act and were timely published and mailed in accordance with the Act;

**WHEREAS**, after publishing, mailing, and otherwise providing all notices required by the Act and by state law, the City Council, conducted the Public Hearing on September 15, 2015 at the time and place, and for the purposes, set forth in the notices;

**WHEREAS**, Owner appeared at the Public Hearing in support of creating the District and acknowledged that Owner received notice of the Public Hearing before the 15<sup>th</sup> day before the date of the hearing;

**WHEREAS**, no one appeared at the Public Hearing in opposition to the creation of the District; and

**WHEREAS**, after all persons having an interest in the creation of the District were given an opportunity to be heard, the City Council closed the Public Hearing on September 15, 2015.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, THAT:**

**Section 1.** The matters set forth in the "WHEREAS" recitals in this Resolution are true and correct, are fully incorporated as part of this Resolution for all purposes, and constitute findings of the City Council exercising its legislative authority and discretion.

**Section 2.** The form and content of the Petition, the form, content, and timing of the notices of the Public Hearing, and the conduct of the Public Hearing were in compliance with all requirements of the Act and are hereby ratified and approved.

**Section 3.** The City Council, after considering the Petition, information provided by the City staff, and the evidence, information, and testimony presented at the Public Hearing, makes the following findings, each of which represents the exercise by the City Council of its legislative authority and discretion:

- (1) The creation of the District and the undertaking and financing of the Authorized Improvements promote the interests of the City;

- (2) The creation of the District and the undertaking and financing of the Authorized Improvements confer a special benefit on a definable part of the City identified herein as the Property;
- (3) The creation of the District and the undertaking and financing of the Authorized Improvements are advisable and feasible;
- (4) The nature of the proposed Authorized Improvements are authorized by Section 372.003 of the Act and include, but are not limited to, the following:
  - a. costs and expenses to establish the District; and
  - b. the design, acquisition, construction, and installation of water and wastewater system improvements, roadway improvements, right-of-way acquisition, drainage improvements, park improvements and other improvement projects to serve development within the District.
- (5) The estimated cost to design, acquire and construct the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred for the establishment, administration and operation of the District is \$50,000,000.
- (6) The boundaries of the proposed District are the boundaries of the approximately 317 contiguous acres within the corporate limits of the City generally located along the shoreline of Lake Ray Hubbard north and south of Interstate Highway 30 near Dalrock Road, and as more particularly described by metes and bounds on the attached Exhibit A and depicted by the drawing on the attached Exhibit B.
- (7) The method of assessment (which shall be adopted by ordinance of the City Council after notice and another public hearing in accordance with the Act) will impose equal shares of the cost of the proposed Authorized Improvements on lots that are similarly benefited. Before assessments are levied, a Service and Assessment Plan will be prepared on behalf of the City Council and made available for public inspection that describes in greater detail the method by which assessments may be levied against the Property and against lots that result from the subdivision of the Property and the amount of the assessments against each lot or lot type. Once levied, the principal amount of the assessments may be reduced but not increased. All assessments shall be due and payable in accordance with the ordinance adopted by the City Council and may be paid in full at any time, together with interest through the date of payment. Assessments levied by the City Council, if not paid in full, may be paid in annual installments which may vary in amount from year to year as approved each year by the City Council, including an amount to pay principal, interest, costs of collection, costs of administration, and costs and penalties due to delinquencies. If an assessment is paid in installments, the installments must be in amounts necessary to

meet annual costs for the Authorized Improvements and must continue for a period necessary to retire any indebtedness incurred to finance the Authorized Improvements. Assessments may be effective (including the liens created against the Property) as of the effective date of the ordinance that levies the assessments; however, the ordinance may provide that the accrual of interest or the collection of annual installments, or both, may be deferred in accordance with any terms and conditions imposed by the City Council in the ordinance. If assessments are levied based on estimates of the costs of the Authorized Improvements, the levy must be structured so that it will be reduced in the event the actual costs are less than the estimate.

- (8) The costs of the Authorized Improvements to be financed from assessments levied against the Property will be apportioned solely to the District and none to the City. The costs of such Authorized Improvements will be paid solely from assessments levied against the Property and from the proceeds of District special revenue bonds issued by the City and secured solely by the assessments. No other City funds, revenue, taxes, or income of any kind shall be used to pay the costs of the Authorized Improvements unless approved by the City Council.

**Section 4.** The District be and is hereby authorized, established, and created as a public improvement district under the Act.

**Section 5.** The District shall be known as Bayside Public Improvement District.

**Section 6.** The City Secretary is hereby authorized and directed to cause the caption of this Resolution (together with a general description of the Property) to be published one time in a newspaper of general circulation in the area where the District is located as required by the Act; whereupon the authorization of the District shall take effect.

**Section 7.** This Resolution has been approved by majority vote of all members of the City Council and constitutes the improvement order establishing and creating the District in accordance with the Act.

**Section 8.** This Resolution shall take effect immediately from and after its passage and publication as required by this Resolution and the Act.

## **ATTACHMENTS**

Exhibit A – Resolution Accepting the Bayside Public Improvement District Petition & Notice of Public Hearing

Attachment 1 – First Southwest PID Overview Presentation

Attachment 2 – Draft Bayside PID Service and Assessment Plan



# City of Rowlett

## Official Copy

Resolution: RES-096-15

4000 Main Street  
Rowlett, TX 75088  
www.rowlett.com

---

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, ACCEPTING A LANDOWNER PETITION REQUESTING THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT; CALLING A PUBLIC HEARING TO CONSIDER THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT; AUTHORIZING AND DIRECTING THAT NOTICES OF THE PUBLIC HEARING BE GIVEN AS REQUIRED BY LAW; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.**

**WHEREAS**, Chapter 372, Texas Local Government Code, as amended (the "Act"), authorizes the City of Rowlett, Texas (the "City") to create public improvement districts within the corporate limits and extraterritorial jurisdiction of the City; and

**WHEREAS**, a landowner petition, a copy of which is attached as Exhibit A (the "Petition"), was filed with the City Secretary requesting the creation of the "Bayside Public Improvement District" (the "District") in accordance with the Act; and

**WHEREAS**, the City Council has determined that it is in the best interest of the City to accept the Petition and to call a public hearing (the "Public Hearing") at which the City Council will consider the adequacy of the Petition and hear public testimony regarding the feasibility and advisability of creating the proposed District.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, THAT:**

**Section 1.** The recitals set forth in the WHEREAS clauses of this Resolution are true and correct and are incorporated as part of this Resolution.

**Section 2.** City staff has reviewed the Petition and determined that the same complies with the requirements of the Act and the filing of the Petition is accepted.

**Section 3.** The City Council calls the Public Hearing to consider the adequacy of the Petition and to hear public testimony on the feasibility and advisability of creating the proposed District to be held beginning at or after 7:30 P.M. on Tuesday, September 15, 2015 in the City Council chambers in the City Hall Municipal Building located at 4000 Main Street, Rowlett, Texas. Attached hereto as Exhibit B is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and speak on the creation of the District.

---

**Section 4.** The Public Hearing may be adjourned from time to time.

**Section 5.** The City Secretary is hereby authorized and directed to give all notices of the Public Hearing as required by law, including notices required by the Texas Open Meetings Act and by the Act.

**Section 6.** Upon the closing of the Public Hearing, the City Council may consider the adoption of a resolution creating the proposed District or may defer the adoption of such a resolution for up to six months.

**Section 7.** This Resolution shall become effective immediately from and after it is passed and approved.

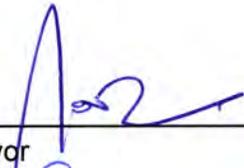
At a meeting of the City Council on August 18, 2015 this Resolution be adopted. The motion carried by the following vote:

**Ayes: 6** Mayor Gottel, Mayor Pro Tem Gallops, Deputy Mayor Pro Tem Dana-Bashian, Councilmember van Bloemendaal, Councilmember Bobbitt and Councilmember Sheffield

**Absent: 1** Councilmember Pankratz

The remainder of this page was intentionally left blank.

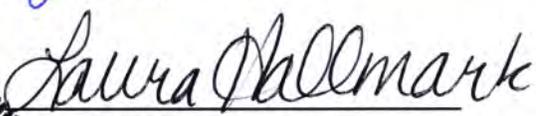
---

Approved by   
Mayor

Date August 18, 2015

Approved to form by   
City Attorney

Date August 18, 2015

  
  
City Secretary

Date August 18, 2015

PETITION FOR THE CREATION OF A  
PUBLIC IMPROVEMENT DISTRICT WITHIN  
THE CITY OF ROWLETT, TEXAS,  
FOR THE BAYSIDE DEVELOPMENT

This petition (the "Petition") is submitted and filed with the City Secretary of the City of Rowlett, Texas (the "City"), by Bayside Land Partners, LLC, a Texas limited liability company (the "Owner"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), requesting that the City create a public improvement district (the "District") to include property owned by the Owner and located within the corporate limits of the City (the "Property"), more particularly described in Exhibit A and depicted in Exhibit B. In support of this Petition, the Owner would present the following:

Section 1. General Nature of the Authorized Improvements. The purposes of the District include the design, acquisition, and construction of public improvement projects authorized by §372.003(b) of the Act that are necessary for development of the Property, which public improvements will include, but not be limited to, water and wastewater system improvements, roadway improvements, right-of-way acquisition, drainage improvements, park improvements and other improvement projects (collectively, the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the Property.

Section 2. Estimated Cost of the Authorized Improvements. The Owner estimates that the cost to design, acquire, and construct the Authorized Improvements is \$50,000,000.

Section 3. Boundaries of the Proposed District. The District is proposed to include the Property.

Section 4. Proposed Method of Assessment. The City shall levy an assessment on each lot within the District to pay the cost of the Authorized Improvements in a manner that results in imposing equal shares of the cost on property similarly benefited. Each assessment may be paid in full at any time (including accrued and unpaid interest) or may be paid in annual installments (including interest and debt). The installments must be paid in amounts necessary to meet annual costs for the Authorized Improvements and must continue for a period necessary to retire the indebtedness on the Authorized Improvements.

Section 5. Proposed Apportionment of Cost between the District and the City. The City shall not be obligated to provide any funds to finance the Authorized Improvements. The cost of the Authorized Improvements will be paid from the assessments and from other sources of funds, if any, available to the Owner.

Section 6. Management of the District. The Owner proposes that the District be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

Section 7. Owner Requests Establishment of the District. The person signing this Petition requests the establishment of the District.

Section 8. Advisory Board. The Owner proposes that the District be established and managed without the creation of an advisory body.

This Petition has been signed by (1) the owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and (2) record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.

This Petition is hereby filed with the City Secretary of the City in support of the creation of the District by the City Council as herein provided. The undersigned requests that the City Council grant its consent as above stated.

RESPECTFULLY SUBMITTED, on this the 11<sup>th</sup> day of August, 2015.

BAYSIDE LAND PARTNERS, LLC  
A Texas limited liability company

By: WK Bayside LLC  
a Texas limited liability company,  
its Managing Member

By: William Krue

Exhibit AMetes and Bounds Description of the Property

**BEING** a tract of land situated in the William Crabtree Survey, Abstract No. 346, Charles D. Merrill Survey, Abstract No. 957, Elmira Eveens Survey, Abstract No. 438, William Haden Thomas Survey, Abstract No. 213, H. McMillan Survey, Abstract No. 143, H. McMillan Survey, Abstract No. 853 and Jared Stephenson Survey, Abstract No. 258, City of Rowlett, Dallas County and Rockwall County, Texas; and being all of a tract of land described in Deed to City of Rowlett recorded May 18, 2015, in Instrument No. 201500126205 of the Official Public Records of Dallas County, Texas; being part of Fuqua Road right-of-way, part of Dalrock Road right-of-way and part of Interstate Highway No. 30 right-of-way; and being more particularly described as follows;

**BEGINNING** at the intersection of the centerline of Fuqua Road (a variable width right-of-way) and the prolongation of the south line of Lakecrest Estates, an addition to the City of Rowlett according to the plat recorded in 84138, Page 1906 of said Deed Records;

**THENCE** departing said centerline of Fuqua Road and with said south line of Lakecrest Estates Addition, North 88°40'50" East, a distance of 2589.61 feet to the southeast corner of said Lakecrest Estates Addition and in the south line of a tract of land described as "Tract 2" in Warranty Deed to Missouri Kansas-Texas Railroad Company recorded in Volume 72212, Page 515 of said Deed Records; said point also being the beginning of a non-tangent curve to the left having a central angle of 38°37'49", a radius of 4633.66 feet, a chord bearing and distance of South 64°46'31" East, 3065.29 feet;

**THENCE** in a southeasterly direction, with said south line of the Missouri Kansas-Texas Railroad Company tract and with said curve to the left, an arc distance of 3124.13 feet to a point for corner at the intersection of said south line of the Missouri Kansas-Texas Railroad Company tract and the east right-of-way line of Dalrock Road (a variable width right-of-way);

**THENCE** departing said south line of the Missouri Kansas-Texas Railroad Company tract and with said east right-of-way line of Dalrock Road, the following courses and distances:

South 0°26'16" East, a distance of 280.48 feet to a point for corner;  
South 89°33'44" West, a distance of 5.00 feet to a point for corner;  
South 0°26'16" East, a distance of 349.63 feet to a point for corner;  
South 30°08'56" East, a distance of 85.76 feet to a point for corner at the intersection of said east right-of-way line of Dalrock Road and the north right-of-way line of Interstate Highway No. 30 (a variable width right-of-way);

**THENCE** with said north right-of-way line of Interstate Highway No. 30, the following courses and distances:

North 59°51'04" East, a distance of 909.03 feet to a point for corner;  
South 30°08'56" East, a distance of 150.00 feet to a point for corner;

North 59°51'04" East, a distance of 500.00 feet to a point for corner;  
 North 54°43'34" East, a distance of 201.56 feet to a point for corner;  
 North 59°51'04" East, a distance of 84.81 feet to a point for corner;

**THENCE** departing said north right-of-way line of Interstate Highway No. 30, South 30°21'12" East, a distance of 415.59 feet to a point for corner in the south right-of-way line of said Interstate Highway No. 30;

**THENCE** with said south right-of-way line of Interstate Highway No. 30, South 59°38'48" West, a distance of 1411.44 feet to a point for corner in the 435.5 foot contour line as defined by a survey performed in September, 2014;

**THENCE** with said 435.5 foot contour line, the following courses and distances:

South 11°55'35" West, a distance of 13.30 feet to a point for corner;  
 South 83°55'34" East, a distance of 42.59 feet to a point for corner;  
 South 41°26'22" East, a distance of 22.81 feet to a point for corner;  
 North 84°26'38" East, a distance of 65.39 feet to a point for corner;  
 South 59°17'22" East, a distance of 176.45 feet to a point for corner;  
 South 48°46'22" East, a distance of 21.32 feet to a point for corner;  
 South 45°47'00" West, a distance of 31.45 feet to a point for corner;  
 South 26°22'16" East, a distance of 36.33 feet to a point for corner;  
 North 70°44'38" East, a distance of 69.54 feet to a point for corner;  
 South 49°36'30" East, a distance of 86.35 feet to a point for corner;  
 South 16°53'11" East, a distance of 90.81 feet to a point for corner;  
 South 28°32'17" West, a distance of 58.79 feet to a point for corner;  
 South 58°27'51" West, a distance of 238.99 feet to a point for corner;  
 South 69°33'01" West, a distance of 197.77 feet to a point for corner;  
 South 35°06'48" West, a distance of 147.15 feet to a point for corner;  
 South 11°57'05" West, a distance of 115.30 feet to a point for corner;  
 South 43°25'41" East, a distance of 251.60 feet to a point for corner;  
 South 53°03'14" East, a distance of 253.93 feet to a point for corner;  
 North 86°32'28" East, a distance of 214.90 feet to a point for corner;  
 North 58°46'44" East, a distance of 281.78 feet to a point for corner;  
 North 30°07'13" East, a distance of 21.71 feet to a point for corner;  
 North 56°49'51" East, a distance of 138.28 feet to a point for corner;  
 North 1°28'39" West, a distance of 18.10 feet to a point for corner;  
 North 74°07'21" East, a distance of 112.01 feet to a point for corner;  
 South 3°58'16" East, a distance of 20.21 feet to a point for corner;  
 North 77°08'51" East, a distance of 12.88 feet to a point for corner;  
 South 27°28'01" East, a distance of 20.33 feet to a point for corner;  
 South 74°24'40" East, a distance of 42.16 feet to a point for corner;  
 South 39°38'37" East, a distance of 39.65 feet to a point for corner;  
 South 35°13'43" East, a distance of 104.73 feet to a point for corner;  
 South 44°28'24" East, a distance of 100.03 feet to a point for corner;  
 South 27°26'58" East, a distance of 84.71 feet to a point for corner;

South 43°24'12" East, a distance of 57.43 feet to a point for corner;  
South 72°34'05" East, a distance of 29.28 feet to a point for corner;  
South 28°05'28" East, a distance of 22.60 feet to a point for corner;  
South 36°39'54" West, a distance of 54.35 feet to a point for corner;  
South 44°39'22" East, a distance of 70.13 feet to a point for corner;  
North 67°29'27" East, a distance of 182.05 feet to a point for corner;  
North 67°06'21" East, a distance of 217.39 feet to a point for corner;  
South 84°45'46" East, a distance of 12.17 feet to a point for corner;  
South 26°39'20" East, a distance of 6.33 feet to a point for corner;  
South 36°09'08" West, a distance of 12.52 feet to a point for corner;  
South 63°52'18" West, a distance of 96.33 feet to a point for corner;  
South 69°29'43" West, a distance of 163.46 feet to a point for corner;  
South 62°20'43" West, a distance of 143.00 feet to a point for corner;  
South 52°21'19" West, a distance of 193.69 feet to a point for corner;  
South 45°30'50" West, a distance of 363.13 feet to a point for corner;  
South 44°39'47" West, a distance of 370.91 feet to a point for corner;  
South 41°22'25" West, a distance of 320.04 feet to a point for corner;  
South 31°36'21" West, a distance of 65.70 feet to a point for corner;  
North 83°25'46" West, a distance of 14.98 feet to a point for corner;  
South 32°33'02" West, a distance of 95.59 feet to a point for corner;  
South 35°46'16" East, a distance of 12.66 feet to a point for corner;  
South 34°32'25" West, a distance of 36.10 feet to a point for corner;  
South 62°18'16" West, a distance of 65.83 feet to a point for corner;  
South 1°58'33" East, a distance of 51.91 feet to a point for corner;  
South 26°50'42" West, a distance of 129.43 feet to a point for corner;  
South 62°46'29" West, a distance of 41.91 feet to a point for corner;  
South 11°12'59" East, a distance of 68.97 feet to a point for corner;  
South 47°48'27" West, a distance of 23.25 feet to a point for corner;  
South 4°36'15" East, a distance of 51.19 feet to a point for corner;  
South 13°12'58" West, a distance of 141.85 feet to a point for corner;  
South 54°03'35" West, a distance of 98.43 feet to a point for corner;  
South 24°10'05" West, a distance of 172.42 feet to a point for corner;  
South 49°53'37" West, a distance of 75.41 feet to a point for corner;  
South 6°11'41" East, a distance of 73.51 feet to a point for corner;  
South 47°12'32" West, a distance of 79.93 feet to a point for corner;  
South 56°00'45" West, a distance of 90.47 feet to a point for corner;  
South 72°18'27" West, a distance of 87.85 feet to a point for corner;  
South 51°29'18" West, a distance of 89.24 feet to a point for corner;  
South 85°34'12" West, a distance of 104.03 feet to a point for corner;  
North 64°57'53" West, a distance of 54.08 feet to a point for corner;  
North 81°43'17" West, a distance of 46.51 feet to a point for corner;  
South 54°25'07" West, a distance of 52.94 feet to a point for corner;  
North 55°16'55" West, a distance of 52.07 feet to a point for corner;  
North 85°58'54" West, a distance of 47.93 feet to a point for corner;  
South 63°14'45" West, a distance of 38.93 feet to a point for corner;  
South 84°37'55" West, a distance of 51.06 feet to a point for corner;

South 25°45'34" West, a distance of 72.77 feet to a point for corner;  
South 85°11'40" West, a distance of 75.08 feet to a point for corner;  
North 39°34'51" West, a distance of 36.09 feet to a point for corner;  
South 82°09'28" West, a distance of 27.25 feet to a point for corner;  
South 9°14'30" West, a distance of 32.69 feet to a point for corner;  
South 68°08'51" West, a distance of 33.00 feet to a point for corner;  
North 22°48'58" West, a distance of 41.88 feet to a point for corner;  
North 46°41'47" West, a distance of 99.21 feet to a point for corner;  
North 23°23'14" East, a distance of 48.65 feet to a point for corner;  
North 8°18'04" West, a distance of 69.76 feet to a point for corner;  
North 38°05'11" West, a distance of 86.20 feet to a point for corner;  
North 7°56'03" West, a distance of 143.95 feet to a point for corner;  
North 16°14'28" East, a distance of 158.92 feet to a point for corner;  
North 9°37'07" West, a distance of 132.27 feet to a point for corner;  
North 27°15'57" West, a distance of 112.30 feet to a point for corner;  
North 8°23'52" West, a distance of 151.50 feet to a point for corner;  
North 6°05'24" East, a distance of 138.06 feet to a point for corner;  
North 44°18'55" West, a distance of 122.01 feet to a point for corner;  
North 6°31'27" West, a distance of 115.22 feet to a point for corner;  
North 69°52'54" East, a distance of 59.70 feet to a point for corner;  
North 27°40'34" East, a distance of 39.21 feet to a point for corner;  
North 61°58'50" East, a distance of 128.80 feet to a point for corner;  
North 8°55'12" East, a distance of 58.77 feet to a point for corner;  
North 37°21'04" West, a distance of 164.91 feet to a point for corner;  
North 3°33'00" West, a distance of 86.25 feet to a point for corner;  
North 31°13'34" West, a distance of 123.36 feet to a point for corner;  
North 87°16'52" West, a distance of 50.74 feet to a point for corner;  
North 21°44'49" West, a distance of 143.68 feet to a point for corner;  
North 32°09'38" West, a distance of 87.20 feet to a point for corner;  
North 64°21'16" West, a distance of 94.15 feet to a point for corner;  
South 81°56'58" West, a distance of 92.62 feet to a point for corner;  
North 74°45'07" West, a distance of 52.60 feet to a point for corner;  
North 50°15'56" West, a distance of 30.71 feet to a point for corner;  
North 24°14'09" East, a distance of 20.52 feet to a point for corner;  
North 30°17'25" West, a distance of 102.90 feet to a point for corner;  
North 74°27'55" West, a distance of 26.37 feet to a point for corner;  
North 7°10'36" West, a distance of 35.90 feet to a point for corner;  
North 41°21'59" East, a distance of 15.79 feet to a point for corner;  
North 6°29'38" West, a distance of 134.90 feet to a point for corner;  
North 25°48'14" West, a distance of 88.29 feet to a point for corner;  
North 56°22'03" West, a distance of 58.31 feet to a point for corner in said south right-of-way line of Interstate Highway No. 30;

**THENCE** with said south right-of-way line of Interstate Highway No. 30, South 61°35'17" West, a distance of 660.43 feet to a point for corner;

**THENCE** departing said south right-of-way line of Interstate Highway No. 30, North 28°20'16" West, a distance of 445.80 feet to a point for corner in said north right-of-way line of Interstate Highway No. 30;

**THENCE** with said north right-of-way line of Interstate Highway No. 30, the following courses and distances:

North 61°39'44" East, a distance of 328.90 feet to a point for corner;  
 North 58°14'01" East, a distance of 265.47 feet to a point for corner;  
 North 42°57'13" East, a distance of 41.07 feet to a point for corner in said 435.5 foot contour line as defined by a survey performed in September, 2014;

**THENCE** with said 435.5 foot contour line, the following courses and distances:

North 15°11'07" East, a distance of 33.95 feet to a point for corner;  
 North 38°32'25" West, a distance of 41.98 feet to a point for corner;  
 North 1°20'09" West, a distance of 33.21 feet to a point for corner;  
 North 21°50'43" West, a distance of 133.00 feet to a point for corner;  
 North 0°47'38" East, a distance of 13.66 feet to a point for corner;  
 North 45°35'38" West, a distance of 76.21 feet to a point for corner;  
 South 70°42'21" West, a distance of 26.72 feet to a point for corner;  
 North 36°29'31" West, a distance of 156.89 feet to a point for corner;  
 North 20°24'02" West, a distance of 59.62 feet to a point for corner;  
 North 10°49'43" West, a distance of 70.35 feet to a point for corner;  
 North 63°11'51" West, a distance of 27.62 feet to a point for corner;  
 North 26°44'09" West, a distance of 52.54 feet to a point for corner;  
 North 51°02'08" West, a distance of 56.72 feet to a point for corner;  
 North 12°36'06" West, a distance of 32.17 feet to a point for corner;  
 North 54°59'42" West, a distance of 13.53 feet to a point for corner;  
 North 26°47'59" West, a distance of 78.12 feet to a point for corner;  
 North 18°55'22" West, a distance of 118.54 feet to a point for corner;  
 North 29°41'22" West, a distance of 285.54 feet to a point for corner;  
 North 61°37'55" West, a distance of 57.22 feet to a point for corner;  
 North 48°48'30" West, a distance of 170.35 feet to a point for corner;  
 North 68°04'18" West, a distance of 64.90 feet to a point for corner;  
 South 73°26'00" West, a distance of 50.10 feet to a point for corner;  
 North 67°01'05" West, a distance of 219.00 feet to a point for corner;  
 North 56°10'58" West, a distance of 88.62 feet to a point for corner;  
 North 42°54'06" West, a distance of 88.55 feet to a point for corner;  
 North 77°26'37" West, a distance of 14.91 feet to a point for corner;  
 North 41°03'10" West, a distance of 118.70 feet to a point for corner;  
 North 68°20'31" West, a distance of 33.72 feet to a point for corner;  
 North 43°16'20" West, a distance of 33.69 feet to a point for corner;  
 North 12°55'12" West, a distance of 28.76 feet to a point for corner;  
 North 56°26'01" East, a distance of 19.57 feet to a point for corner;  
 North 8°29'37" East, a distance of 16.03 feet to a point for corner;

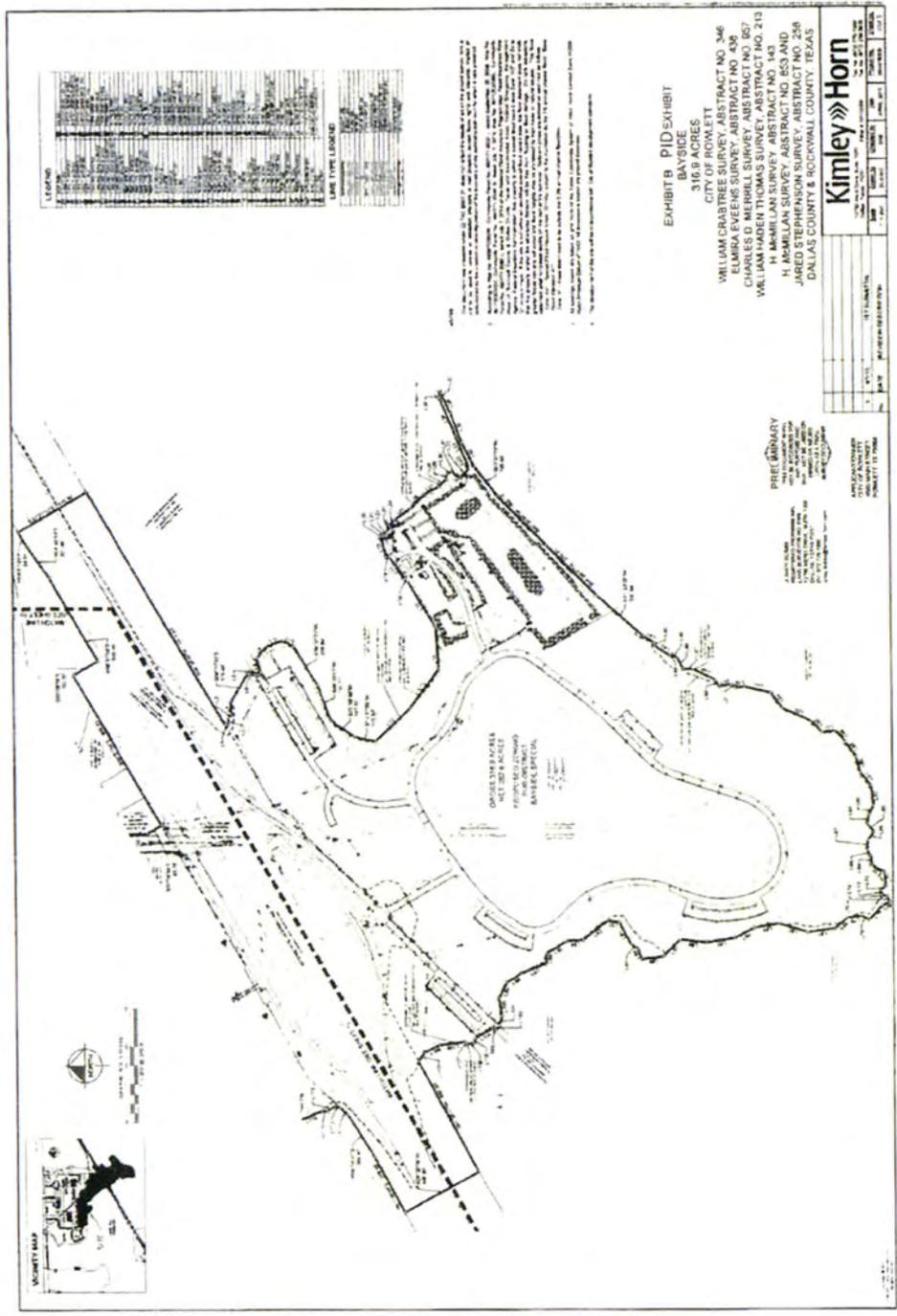
North 49°37'34" West, a distance of 12.59 feet to a point for corner;  
South 66°57'09" West, a distance of 32.84 feet to a point for corner;  
North 21°54'42" West, a distance of 15.83 feet to a point for corner;  
North 14°46'54" East, a distance of 12.29 feet to a point for corner;  
North 27°10'03" West, a distance of 80.01 feet to a point for corner;  
North 52°12'49" West, a distance of 35.85 feet to a point for corner;  
North 19°51'16" West, a distance of 139.14 feet to a point for corner;  
North 23°07'43" West, a distance of 108.57 feet to a point for corner;  
North 17°54'51" West, a distance of 163.14 feet to a point for corner;  
North 6°03'42" West, a distance of 57.89 feet to a point for corner;  
North 42°35'35" West, a distance of 36.45 feet to a point for corner;  
North 4°01'07" East, a distance of 10.14 feet to a point for corner;  
North 73°05'02" West, a distance of 24.74 feet to a point for corner;  
South 55°37'53" West, a distance of 29.44 feet to a point for corner;  
South 26°16'09" West, a distance of 95.55 feet to a point for corner;  
South 16°41'17" West, a distance of 106.41 feet to a point for corner;  
South 3°26'33" West, a distance of 32.45 feet to a point for corner;  
South 10°58'31" East, a distance of 105.46 feet to a point for corner;  
South 3°05'45" West, a distance of 30.72 feet to a point for corner;  
South 33°27'45" West, a distance of 23.96 feet to a point for corner;  
South 4°20'08" West, a distance of 67.61 feet to a point for corner;  
South 16°40'02" West, a distance of 139.95 feet to a point for corner;  
South 26°54'01" West, a distance of 104.86 feet to a point for corner;  
South 15°16'32" East, a distance of 87.29 feet to a point for corner;  
South 35°56'54" East, a distance of 168.48 feet to a point for corner;  
South 37°16'35" East, a distance of 150.16 feet to a point for corner;  
South 31°33'52" East, a distance of 34.48 feet to a point for corner;  
South 47°51'44" West, a distance of 16.29 feet to a point for corner;  
North 42°31'23" West, a distance of 83.69 feet to a point for corner;  
North 35°29'04" West, a distance of 256.66 feet to a point for corner;  
North 48°31'41" West, a distance of 62.23 feet to a point for corner;  
South 75°38'20" West, a distance of 120.99 feet to a point for corner;  
North 70°07'41" West, a distance of 129.33 feet to a point for corner;  
North 50°02'26" West, a distance of 194.59 feet to a point for corner;  
North 36°19'48" West, a distance of 205.49 feet to a point for corner;  
North 56°37'29" West, a distance of 236.89 feet to a point for corner;  
North 82°58'53" West, a distance of 567.27 feet to a point for corner;  
South 85°44'24" West, a distance of 91.58 feet to a point for corner;  
North 85°08'56" West, a distance of 283.18 feet to a point for corner;  
South 78°34'59" West, a distance of 68.18 feet to a point for corner;  
North 27°25'45" West, a distance of 32.06 feet to a point for corner;  
North 3°29'38" East, a distance of 38.39 feet to a point for corner;  
North 30°12'30" West, a distance of 50.91 feet to a point for corner;  
North 72°12'24" West, a distance of 98.50 feet to a point for corner;  
North 80°38'45" West, a distance of 79.08 feet to a point for corner;  
North 0°00'00" East, a distance of 159.01 feet to a point for corner;

North  $70^{\circ}56'23''$  West, a distance of 55.72 feet to a point in said centerline of Fuqua Road at the beginning of a non-tangent curve to the right having a central angle of  $24^{\circ}05'12''$ , a radius of 532.29 feet, a chord bearing and distance of North  $14^{\circ}51'05''$  West, 222.13 feet;

**THENCE** with said centerline of Fuqua Road, the following courses and distances:

In a northwesterly direction, with said curve to the right, an arc distance of 223.77 feet to a point for corner; North  $2^{\circ}34'23''$  West, a distance of 340.67 feet to the **POINT OF BEGINNING** and containing 316.9 acres of land.





**LEGEND**

|          |             |
|----------|-------------|
| [Symbol] | 1/4 SECTION |
| [Symbol] | 1/2 SECTION |
| [Symbol] | 3/4 SECTION |
| [Symbol] | SECTION     |
| [Symbol] | 1/4 ACRES   |
| [Symbol] | 1/2 ACRES   |
| [Symbol] | 3/4 ACRES   |
| [Symbol] | ACRES       |
| [Symbol] | 1/4 SECTION |
| [Symbol] | 1/2 SECTION |
| [Symbol] | 3/4 SECTION |
| [Symbol] | SECTION     |
| [Symbol] | 1/4 ACRES   |
| [Symbol] | 1/2 ACRES   |
| [Symbol] | 3/4 ACRES   |
| [Symbol] | ACRES       |

**LINE STYLE LEGEND**

|          |             |
|----------|-------------|
| [Symbol] | 1/4 SECTION |
| [Symbol] | 1/2 SECTION |
| [Symbol] | 3/4 SECTION |
| [Symbol] | SECTION     |
| [Symbol] | 1/4 ACRES   |
| [Symbol] | 1/2 ACRES   |
| [Symbol] | 3/4 ACRES   |
| [Symbol] | ACRES       |

1. The property shown on this map is the property of the City of Rowlett, Texas, and is subject to the following conditions:

- The property is subject to the easements and restrictions shown on this map.
- The property is subject to the easements and restrictions shown on the maps of record in the public records of Dallas County, Texas.
- The property is subject to the easements and restrictions shown on the maps of record in the public records of Tarrant County, Texas.
- The property is subject to the easements and restrictions shown on the maps of record in the public records of Rockwall County, Texas.

**EXHIBIT B PID EXHIBIT**  
**BAYSIDE**  
 316.9 ACRES  
 CITY OF ROWLETT  
 WILLIAM CRABTREE SURVEY, ABSTRACT NO. 346  
 ELMIRA EVELYN SURVEY, ABSTRACT NO. 406  
 CHARLES D. HENNING SURVEY, ABSTRACT NO. 213  
 WILLIAM D. HENNING SURVEY, ABSTRACT NO. 213  
 H. AMMILLAN SURVEY, ABSTRACT NO. 143  
 H. AMMILLAN SURVEY, ABSTRACT NO. 853 AND  
 JARED STEPHENSON SURVEY, ABSTRACT NO. 256  
 DALLAS COUNTY & ROCKWALL COUNTY, TEXAS

**Kimley»Horn**

10000 W. LBJ Fwy., Suite 1000  
 Dallas, Texas 75241  
 Phone: 214.343.7000  
 Fax: 214.343.7001  
 Email: info@kimleyhorn.com  
 Website: www.kimleyhorn.com

DATE OF PREPARATION: 12-21-10  
 DRAWN BY: J. HORN  
 CHECKED BY: J. HORN  
 PROJECT NO.: 10-00000000-0000



Contact:

Boyd London

Managing Director

325 North Saint Paul Street

Suite 800

Dallas, Texas 75201

214.953.4013

boyd.london@firstsw.com

Jim Sabonis

Managing Director

325 North Saint Paul Street

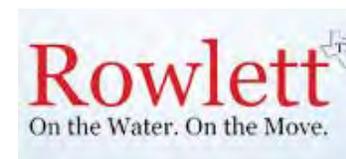
Suite 800

Dallas, Texas 75201

214.953.4195

jim.sabonis@firstsw.com

## Overview of Public Improvement Districts (PIDs)



## PID – Overview

---

PID's are created to fund higher quality or special public improvements and services within a designated area and repaid by incremental assessment collected on the annual ad valorem tax bill

- ✓ Public improvement districts are an economic development tools used to promote higher quality “special” developments (becoming common in North Texas – larger developments, higher quality amenity packages, development of “special places”, competitive nature of development.)
- ✓ Special Benefits - water, sewer, drainage, roads, police, fire, parks, libraries, and other development enhancements
- ✓ Additional Costs - assessments justified by benefit are placed on property to fund or reimburse the landowner / developer for capital costs
- ✓ Repaid by future land owners - home, apartment, commercial, retail property owners
- ✓ Higher tax equivalent cost to future property owners is justified and offset by the higher quality or special nature of developments / projects. Helps preserve future value.
- ✓ Isolate higher benefits and costs - only the landowners that are benefitting pay costs of the capital used to fund the “special benefit” - no financial cost or liability City to properties outside of the PID

## PID - Definition and Creation

---

- A Public Improvement District (“PID”) is a defined area within a City or its Extra Territorial Jurisdiction
  - Created and governed by the City Council
  - Initiated by submission of landowner petition
  - District is not a separate political subdivision, but a designated area that has an assessment levy justified by and to pay special benefit
  - Assessments are not taxes, and are a PID’s only available revenue
- PID’s are created to fund public improvements and services within the PID
  - Including water, sewer, drainage, roads, police, fire, parks, libraries, and other development enhancements
- The purpose of a PID is to provide these types of services and/or improvements without the obligation or financial support of the community as a whole

## PID – Service and Assessment Plan

---

- Service and Assessment Plan is required
  - Indicates project plan, maintenance and administration plan, allocation and levy of assessments based on benefit and capital funding process and timing
- PID revenues are generated solely through assessments levied against property in the PID
  - Assessments can be implemented on a per lot, per square foot, or per front foot basis
- Creates a lien on property (to be valid, must be before a homestead is established)
  - Assessments are Junior as to property taxes
  - Senior as to mortgage or other financing
- Assessments must be paid whether property remains vacant or is built on
- Capital assessments and interests may be payable in installments over a specified period of time

## PID - Assessments

---

### ➤ Capital Assessments

- Assessments are levied to pay for project capital costs
  - To monetize projected assessment cash flow to allow for the issuance of bonds to fund project costs
  - To reimbursement for project costs from actual assessment cash flow

### ➤ Maintenance Assessments

- Assessments are levied for annual costs
  - Cost of required administration, collection and reporting
  - Ongoing Maintenance of project costs

## PID – City Debt, Financial Responsibility and Liability

---

- PID Debt is issued by the City - “Special and Limited Revenue Bonds”
- Credit and repayment are solely from the assessments on and the ability to foreclose on the assessed property
- PID debt does not pledge or encumber any other City revenue or asset
- The City is responsible and liable for administrative responsibilities (just as it is in any other City debt – GOs, Water and Sewer Revenue Bonds, etc.)
  - ✓ Creation
  - ✓ Initial assessment levy, annual cash assessment collection and property foreclosure due to non payment of assessment (similar to process for non payment ad valorem taxes)
  - ✓ Administration and Reporting – Audit, SEC disclosure, IRS tax exemption

## PID - Summary

---

- PIDs are an economic development tool that enables an assessment to be placed on property that is used to fund / reimburse capital costs to facilitate higher quality project with better and more amenities
- The City creates the PID, levies the assessments on the property, issues debt, forecloses on property for non payment and collects cash assessments to pay bondholders
- PID “Special and Limited Revenue Debt” does not pledge or encumber any City funds or assets, but the City is responsible for administration and reporting
- The City is responsible to and has to consider the impact on citizens, PID landowners, PID Bond investors and other developers

# Bayside Public Improvement District

Service and Assessment Plan

SVLO 8.13.2015 Version 4

## Section I

### PLAN DESCRIPTION AND DEFINED TERMS

#### A. Introduction

On September 15, 2015, (the "**Creation Date**"), the City Council (the "**City Council**") of the City of Rowlett, Texas (the "**City**") approved Resolution No. \_\_\_\_\_, which authorized the creation of the Bayside Public Improvement District (the "**PID**") to finance the Actual Costs of the Public Improvements for the benefit of certain property in the PID, all of which is located within the city limits of the City.

Chapter 372 of the Texas Local Government Code (as amended, the "**PID Act**"), governs the creation and operation of public improvement districts within the State of Texas. This Service and Assessment Plan (this "**SAP**") was prepared pursuant to the PID Act. The PID Act requires that a service plan "cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements." The PID Act also requires a service plan "be reviewed and updated annually for the purpose of determining the annual budget for improvements." The service plan for the PID is described in more detail in Section V herein.

The only Assessment Roll for the PID at this time is attached hereto as **Appendix A-1**, and is addressed in **Section VII** of this SAP. The Special Assessments as shown on the Assessment Roll, including any additional Assessment Rolls relating to the Future Improvement Area Bonds, are based on the method for establishing and levying the Special Assessments described in **Sections IV** and **VI** of this SAP.

#### B. Definitions

Capitalized terms shall have the meanings ascribed to them as follows:

"**Actual Cost(s)**" means, with respect to a Public Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Public 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 incurred for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Public Improvement, (b) the costs incurred in preparing the construction plans for such Public Improvements, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Public Improvements, (d) a construction management fee of 4.0% of the costs incurred for the construction of such Public Improvements if an Owner is serving as the construction manager but not the general contractor, (e) the costs incurred for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (property and franchise) related to the Public Improvements (f) all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and materialmen in connection

with the acquisition, construction or implementation of the Public Improvements, (g) all related permitting, zoning and public approval expenses, architectural, engineering, legal and consulting fees, financing charges, taxes, governmental fees and charges, insurance premiums, and miscellaneous expenses, and (h) all payments for Administrative Expenses.

**“Administrative Expenses”** means the administrative, organization, maintenance and operation costs and expenses associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) creating and organizing the PID and preparing the Assessment Rolls, (iii) computing, levying, collecting and transmitting the Special Assessments or the Annual Installments thereof, (iv) maintaining the record of Special Assessments, including payments, reallocations and/or cancellations of the Special Assessments or Annual Installments thereof, (v) issuing, making debt service payments on, and redeeming the PID Bonds, (vi) investing or depositing the Special Assessments or other monies, (vii) complying with the PID Act with respect to the PID Bonds, (viii) paying the paying agent/registrar’s and trustee’s fees and expenses (including the fees and expenses of its legal counsel) related to the PID Bonds, and (ix) City costs of administering the construction of the Public Improvements. Annual Administration Expenses collected and not expended shall be carried forward and applied to reduce Administration Expenses in subsequent years to avoid over collection.

**“Administrator”** means an employee of the City or third party designee of the City who shall have the responsibilities provided for herein, in an Indenture relating to PID Bonds or in any other agreement approved by the City Council.

**“Annual Installment”** means, with respect to the Assessed Property, each annual payment of: (i) the Special Assessment (including the principal of and interest on), as shown on the Assessment Roll attached hereto as **Appendix A-1** and any future Assessment Rolls relating to Future Improvement Area Bonds, if any, as may be added in accordance with this SAP, or in an Annual Service Plan Update, and calculated as provided in **Section VI** of this SAP, (ii) Administrative Expenses, (iii) interest on the Special Assessment designated for the Prepayment Reserve described in **Section IV** of this SAP, and (iv) the Delinquency Reserve described in **Section IV** of this SAP.

**“Annual Service Plan Update”** has the meaning set forth in **Section V** of this SAP.

**“Assessed Property”** or **“Assessed Properties”** means property on which Special Assessments have been levied as shown on the Assessment Roll (as the same may be updated each year by the Annual Service Plan Update) and which includes any and all Parcels within the PID other than Non-Benefited Property.

**“Assessment Ordinance”** means each ordinance adopted by the City Council approving this SAP (or amendments or supplements to this SAP) and levying the Special Assessments.

**“Assessment Roll”** means, as applicable, the North Improvement Area Assessment Roll

included in this SAP as **Appendix A** and any additional Assessment Rolls relating to Future Improvement Area Bonds included in this SAP as described in **Section VII.B** of this SAP, if any, as each may be 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 PID Bonds or in connection with any Annual Service Plan Update.

**“Authorized Improvements”** means those improvements of the PID Act including those listed in **Section III.A** of this SAP authorized by Section 372.003.

**“City”** means the City of Rowlett, Texas.

**“City Council”** means the duly elected governing body of the City.

**“Commercial Parcel”** means a Parcel located within the PID which has been designated at the time of the adoption of the initial Assessment Rolls and approval of this SAP for the future development of commercial uses such as, but not limited to, office buildings, retail shopping centers, and multi-family residential projects.

**“County”** means Rockwall County, Texas.

**“Delinquency Reserve”** has the meaning set forth in **Section IV.J** of this SAP.

**“Delinquent Collection Costs”** means interest, penalties and expenses incurred or imposed with respect to any delinquent Special Assessment, or an Annual Installment thereof, in accordance with the PID Act which includes the costs related to pursuing collection of such delinquent Special Assessment, or an Annual Installment thereof, and the costs related to foreclosing the lien against the Assessed Property, including attorney’s fees to the extent permitted under Texas Law.

**“Future Improvement Areas”** means those Improvement Areas to be defined and developed after the North Improvement Area, and within the boundaries of the PID but which are not subject to development at this time.

**“Future Improvement Area Bonds”** means bonds issued to fund or refund Future Improvement Area Improvements (or a portion thereof) in Future Improvement Areas that are secured by Special Assessments levied on Assessed Property within such Future Improvement Areas. In connection with Future Improvement Area Bonds, Special Assessments related to such Future Improvement Area Bonds will be levied only on property located within the applicable Future Improvement Areas to finance Public Improvements which will only benefit such Future Improvement Areas.

**“Future Improvement Area Improvements”** means those Public Improvements which will confer a special benefit on the related Future Improvement Area.

**“Improvement Area”** means one or more Parcels within the PID that are anticipated to be developed in the same general time period. The Parcels within an Improvement Area other than the Non-Benefited Property will be assessed in connection with the issuance of PID Bonds for the Public Improvements (or the portion thereof) designated in an update to the Assessment Plan that specially benefit the Assessed Property within said Improvement Area, but any Parcels outside of the Improvement Area will not be assessed.

**“Indenture”** means an indenture of trust, trust agreement, ordinance or similar document between the City and Trustee setting forth the terms and other provisions relating to a series of PID Bonds, as modified, amended, and/or supplemented from time to time.

**“Lot”** means (i) for any portion of the Property for which a subdivision plat has been recorded in the official public records of the County, a tract of land described as a “lot” in such subdivision plat, and (ii) for any portion of the Property for which a subdivision plat has not been recorded in the official public records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat.

**“Lot Type”** means a classification of final building Lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, or other uses), as determined by the Administrator and confirmed by the City Council. In the case of single family residential Lots, the Lot Type shall be further defined by classifying the residential Lots based on the front footage of the Lot, as determined by the Administrator and confirmed by the City Council.

**“Non-Benefited Property”** means Parcels within the boundaries of the PID that accrue no special benefit from the Public Improvements as determined by City Council, which may include Public Property. Property identified as Non-Benefited Property at the time the Special Assessments (i) are levied or (ii) are reallocated pursuant to a subdivision of a Parcel if not assessed. Assessed Property converted to Non-Benefited Property, if the applicable Special Assessments may not be reallocated pursuant to **Section VI.E** or **Section VI.F**, remains subject to the Special Assessments and requires the Special Assessments to be prepaid as provided for in **Section VI.G**.

**“North Improvement Area”** means that portion of the Property generally shown on **Table II-B** and as specifically described in **Appendix B**.

**“North Improvement Area Assessed Property”** means, for any year, all Parcels within the North Improvement Area other than Non-Benefited Property and listed in the North Improvement Area Assessment Roll.

**“North Improvement Area Assessment Roll”** means the document included in this SAP as **Appendix A**, 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 the North Improvement Area Bonds or in connection with any Annual Service Plan Update.

**“North Improvement Area Bonds”** means those certain City of Rowlett, Texas Special Assessment Revenue Bonds, Series 2015 (Bayside Public Improvement District North Improvement Area Project) and any additional PID Bonds that are secured by Special Assessments levied on North Improvement Area Assessed Property.

**“North Improvements”** means those Public Improvements which will confer a special benefit on the related North Improvement Area.

**“Owner”** means Bayside Land Partners LLC, a Texas limited liability company, or other entity affiliated with Bayside Land Partners.

**“Owner’s Association”** means a homeowner’s association or property owner’s association.

**“Owner’s Association Special Assessment Allocation”** means 1% of the total Special Assessment for a specific Parcel or phase that is allocated to cover the PID benefit received by the Owner’s Association from the Public Improvements benefitting the Owner’s Association Property.

**“Owner’s 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 easement, to an owners’ association established for the benefit of a group of homeowners or property owners within the PID.

**“Parcel”** means a property identified by either a tax map identification number assigned by the Rockwall County Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means determined by the City.

**“PID”** means the Bayside Public Improvement District created by the City pursuant to Resolution No. \_\_\_\_ approved September 15, 2015.

**“PID Act”** means Chapter 372 of the Texas Local Government Code, as amended.

**“PID Bonds”** means the North Improvement Area Bonds and any Future Improvement Area Bonds which may be issued to finance Public Improvements in the North Improvement Area or in the Future Improvement Areas.

**“Prepayment Costs”** mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment allowed by applicable law, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of a Special Assessment and the PID Bonds secured by such Special Assessment.

**“Prepayment Reserve”** has the meaning set forth in **Section IV.I** of this SAP.

**“Property”** means the approximately 317 acres of property depicted and described by metes and bounds on **Exhibit A** to Resolution No. \_\_\_\_\_ as adopted by City Council on

September 15, 2015 and is legally described in **Appendix B** to this SAP and is depicted in **Table II.A** of this SAP.

**“Public Improvements”** mean the Authorized Improvements designed, constructed, and installed in accordance with this SAP for which Special Assessments are levied against the Assessed Property that receives a special benefit from such improvement, as set forth in **Section II**.

**“Public Property”** means real property, right of way and easements located within the boundaries of the PID owned by or irrevocably offered for dedication to the federal government, the State of Texas, the County, the City, a school district, a public utility provider or any other political subdivision or public agency, whether in fee simple, through an easement or by plat.

**“Residential Parcel”** means a Parcel located within the PID which has been designated at the time of the adoption of the initial North Improvement Area Assessment Roll and approval of this SAP for the future development of single family residential homes.

**“Service and Assessment Plan”** or **“SAP”** means this Bayside Public Improvement District Service and Assessment Plan (as such plan is amended, supplemented or updated from time to time) approved by the City Council in the first Assessment Ordinance.

**“Special Assessment”** means the 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 created by such subdivision or reduction according to the provisions hereof and the PID Act.

**“TIRZ No. 2”** or **“TIRZ”** means the Tax Increment Reinvestment Zone No. 2, City of Rowlett, Texas.

**“TIRZ Ordinance”** means City Ordinance No. ORD-013-15, adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to the Authorized Improvements as provided for in the Tax Increment Reinvestment Zone No. 2 Project Plan and Financing Plan (including amendments or supplements thereto).

**“TIRZ Revenues”** mean, for each year, the amounts paid by the City from the TIRZ No.2\_ tax increment fund pursuant to the TIRZ Ordinance, as calculated each year by the Administrator in collaboration with the City, in accordance with Section IV.K of this Service and Assessment Plan.

**“Trustee”** means the trustee as specified in an Indenture, and any successor thereto permitted under such Indenture.

## Section II

### PROPERTY INCLUDED IN THE PID

#### A. Property Included in the PID

The PID is comprised of the Property. The PID is currently located entirely within the corporate limits of the City. It contains approximately 317 acres planned for development as a mixed use master planned community.

A map of the Property is shown in **Table II-A**. Legal descriptions for all Parcels within the PID are included in **Appendix B**.

| TABLE II-A<br>Public Improvement District Boundaries |
|------------------------------------------------------|
|                                                      |
|                                                      |

#### B. Property Located in the North Improvement Area

The North Improvement Area consists of approximately 142 acres projected to consist of 359 single family residential units, 800 multi-family units, and 300,000 square feet of commercial space to be developed in one phase and which will be specially benefitted by the Public Improvements described in **Section III.B**.

A map of the Property, including the North Improvement Area, is shown in Table II-B. Legal descriptions for all Parcels within the PID are included in **Appendix B**.

| TABLE II-B<br>North Improvement Area Boundaries |
|-------------------------------------------------|
|                                                 |
|                                                 |

#### C. Property Included in Future Improvement Areas

As Future Improvement Areas are developed and in connection with the issuance of any Future Improvement Area Bonds, this Service and Assessment Plan will be amended to revise the table shown in **Section II.B** above (e.g. **Table II-B** will be revised to show the addition of such Future Improvement Area).

A map of the projected property within the Future Improvement Area is shown in **Table II-C**. The Future Improvement Areas are shown for illustrative purposes only and are subject to adjustment in the future.

| <b>TABLE II-C<br/>Proposed Future Improvement Areas</b> |
|---------------------------------------------------------|
|                                                         |
|                                                         |

DRAFT

### Section III

#### DESCRIPTION OF THE PUBLIC IMPROVEMENTS

##### A. Authorized Improvement Overview

Section 372.003 of the PID Act identifies the authorized improvements that a City may choose to undertake with the establishment of a PID. The Authorized Improvements identified in the PID Act 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 mall;
- (v) acquisition and installment of pieces of art;
- (vi) acquisition, construction or improvement of libraries;
- (vii) acquisition, construction or improvement of off-street parking facilities;
- (viii) acquisition, construction or improvement of 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.

The City has determined that of the improvements authorized under the PID Act, it will undertake at this time only those Public Improvements more particularly described in **Section III.B**. Any change to the list of Public Improvements, including any Future Improvement Area Improvements as described in **Section III.C**, will require the approval of the City.

## **B. Descriptions and Estimated Costs of North Improvements**

The North Improvements confer a special benefit solely to the North Improvement Area and will be financed with the proceeds from the issuance of one or more series of North Improvement Area Bonds.

The North Improvements are described below. **Table III-A** shows the estimated Actual Costs of the North Improvements. The estimated Actual Costs to construct the North Improvements is \$21,175,000. The costs shown in **Table III-A** are estimates and may be revised in Annual Service Plan Updates.

The estimated Actual Costs for the North Improvements are to be funded from (i) the proceeds of the North Improvement Area Bonds, issued in one or more series, and (ii) (funds contributed by the Owner, all as described herein including the use of funds provided by Tax Increment Reinvestment Zone No. 2 created by City Ordinance No. ORD-013-15,.

A description of the North Improvements follows:

- *Dalrock and Major Collectors*
  - To be added
- *Retaining Walls, etc.*
  - To be added
- *Wastewater, Lift Stations, & Sanitary Sewer*
  - To be added
- *Off & On-Site Water*
  - To be added
- *On-Site Roadways & Paving*
  - To be added
- *Parks, Public Art, Entry Monuments*
  - To be added

| <b>Table III-A<br/>North Improvement Area<br/>Authorized Improvements</b> |                      |
|---------------------------------------------------------------------------|----------------------|
| Description                                                               | Total                |
| <i>Authorized Improvements</i>                                            |                      |
| Dalrock and Major Collectors                                              | \$ 5,625,000         |
| Retaining Walls, etc.                                                     | \$ 6,875,000         |
| Wastewater, Lift Stations, & Sanitary Sewer                               | \$ 4,475,000         |
| Off & On-Site Water                                                       | \$ 2,500,000         |
| On-Site Roadways & Paving                                                 | \$ 1,075,000         |
| Parks, Public Art, Entry Monuments                                        | \$ 625,000           |
| <b>Total Authorized Improvements</b>                                      | <b>\$ 21,175,000</b> |

**Note: Cost estimates provided by Kimley-Horn Engineering. The figures shown in Table III-A are estimates, and may be revised in Annual Service Plan Updates.**

**C. Future Improvement Area Improvements**

As Future Improvement Areas are developed and Future Improvement Area Bonds are issued, this SAP will be amended to identify the specific Future Improvement Area Improvements that confer a special benefit to the portion of the Property inside each Future Improvement Area (e.g. a **Table III-B** will be added to show the estimated costs for the specific Future Improvement Area Improvements financed within the specific Future Improvement Area being developed.)

## Section IV

### ASSESSMENT PLAN

#### A. Introduction

The PID Act requires the City Council to apportion the cost of the Public Improvements based on the special benefits conferred to each Parcel from the Public Improvements. The PID Act provides that the Actual Costs 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 City Council may establish the methods of assessing the special benefits for various classes of improvements.

**Table IV-A** details the estimated allocation of costs of the North Improvements to the North Improvement Area Assessed Property.

This section of this SAP is intended to describe the special benefit conferred upon each Parcel within the North Improvement Area as a result of the North Improvements, to provide the basis and justification for the determination that this special benefit exceeds the amount of the Special Assessments, and to explain the methodologies by which the City Council allocates and reallocates the special benefit of the North Improvements to Parcels or Lots so that there is an equal share of the Actual Cost being apportioned to Parcels or Lots similarly benefited. The determination by the City Council of the assessment methodology 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 Owner and all future owners and developers of any Assessed Property.

The timetable for the development of that portion of the Property within the Future Improvement Areas is difficult to establish at this time and, as such, the special benefit conferred by Future Improvement Area Improvements, if any, cannot be determined with absolute certainty. Therefore, at this time the Future Improvement Areas will not be assessed and no special benefit is conferred to the Future Improvement Areas by the North Improvements. Accordingly, it is hereby understood and acknowledged by the City and the Owner that the Special Assessments associated with the North Improvements are the only Special Assessments that can be addressed with reasonable certainty in this SAP. As a result, this SAP will need to be amended, subject to City Council approval, if and when a Future Improvement Area is developed and/or Future Improvement Area Bonds, if any, are issued.

#### B. Special Benefit

The Assessed Property must receive a direct and special benefit from the Public Improvements, which must be equal to or greater than the amount of the Special

Assessments. The North Improvements are provided solely for the benefit of the North Improvement Area Assessed Property.

When the City Council approved this SAP, the Owner owned 100% of the North Improvement Area Assessed Property. The Owner has acknowledged that the North Improvements confer a special benefit on the North Improvement Area Assessed Property and consented to the imposition of the Special Assessments to pay for the Actual Costs associated therewith. The Owner has ratified, confirmed, accepted, agreed to and approved: (i) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Ordinance; (ii) this SAP and the Assessment Ordinance, and (iii) the levying of Special Assessments on the North Improvement Area Assessed Property.

The City Council determined that funding the Actual Costs for the North Improvements through the PID is beneficial to the City and confers a special benefit to the Assessed Property. Such special benefit exceeds the amount of the Special Assessment levied on the North Improvement Area Assessed Property. This conclusion is supported by the evidence, information, and testimony provided to the City Council.

### C. Allocation of Actual Costs of North Improvements

The North Improvements will provide a special benefit to that portion of the Property, other than the Non-Benefited Property, in the North Improvement Area. The Actual Costs of the North Improvements are, therefore, allocated entirely to the North Improvement Area Assessed Property, as shown in **Table IV-A**. The costs detailed in **Table IV-A** represent only estimates and are subject to revision through the Annual Service Plan Updates, but may not result in increased Special Assessments except as authorized under this SAP or the PID Act.

| <b>Table IV-A<br/>North Improvement Area<br/>Cost Allocation</b> |                       |                               |                       |
|------------------------------------------------------------------|-----------------------|-------------------------------|-----------------------|
| <b>Authorized Improvement</b>                                    | <b>Total Cost (a)</b> | <b>North Improvement Area</b> |                       |
|                                                                  |                       | <b>% Allocation</b>           | <b>Share of Costs</b> |
| Dalrock and Major Collectors                                     | \$ 5,625,000          | 100%                          | \$ 5,625,000          |
| Retaining Walls, etc.                                            | \$ 6,875,000          | 100%                          | \$ 6,875,000          |
| Wastewater, Lift Stations, & Sanitary Sewer                      | \$ 4,475,000          | 100%                          | \$ 4,475,000          |
| Off & On-Site Water                                              | \$ 2,500,000          | 100%                          | \$ 2,500,000          |
| On-Site Roadways & Paving                                        | \$ 1,075,000          | 100%                          | \$ 1,075,000          |
| Parks, Public Art, Entry Monuments                               | \$ 625,000            | 100%                          | \$ 625,000            |
| <b>Total Authorized Improvements</b>                             | <b>\$ 21,175,000</b>  |                               | <b>\$ 21,175,000</b>  |

**(a) See Table III-A for details. Any Public Improvement that is allocated 100% to the Assessed Property will be required to be built on a stand-alone basis.**

**Table IV-B** shows the Actual Costs of the North Improvement Area allocated between the PID funded improvements and the TIRZ funded improvements. The costs detailed in **Table IV-B** represent only estimates and are subject to revision through the Annual Service Plan Updates, but may not result in increased Special Assessments except as authorized under this SAP or the PID Act.

| <b>Table IV-B<br/>North Improvement Area<br/>PID vs TIRZ Cost Allocation</b> |                      |              |                      |              |                      |
|------------------------------------------------------------------------------|----------------------|--------------|----------------------|--------------|----------------------|
| Authorized Improvement                                                       | Total Cost (a)       | PID Funded   |                      | TIRZ Funded  |                      |
|                                                                              |                      | % Allocation | Share of Costs       | % Allocation | Share of Costs       |
| Dalrock and Major Collectors                                                 | \$ 5,625,000         | 100%         | \$ 5,625,000         | 0%           | \$ -                 |
| Retaining Walls, etc.                                                        | \$ 6,875,000         | 67%          | \$ 4,610,000         | 33%          | \$ 2,265,000         |
| Wastewater, Lift Stations, & Sanitary Sewer                                  | \$ 4,475,000         | 0%           | \$ -                 | 100%         | \$ 4,475,000         |
| Off & On-Site Water                                                          | \$ 2,500,000         | 0%           | \$ -                 | 100%         | \$ 2,500,000         |
| On-Site Roadways & Paving                                                    | \$ 1,075,000         | 0%           | \$ -                 | 100%         | \$ 1,075,000         |
| Parks, Public Art, Entry Monuments                                           | \$ 625,000           | 0%           | \$ -                 | 100%         | \$ 625,000           |
| <b>Total Authorized Improvements</b>                                         | <b>\$ 21,175,000</b> |              | <b>\$ 10,235,000</b> |              | <b>\$ 10,940,000</b> |

(a) See Table III-A for details.

#### **D. Allocation of Actual Costs of Future Improvement Area Improvements**

As Future Improvement Areas are developed and Future Improvement Area Bonds are issued, this SAP will be amended to identify the specific Future Improvement Area Improvements that confer a special benefit to that portion of the Property inside such Future Improvement Areas (e.g. **Table IV-B** will be created and amended to show the estimated allocation of Actual Costs for Future Improvement Area Improvements.)

#### **E. Special Assessment Methodology**

The City Council may assess Actual Costs against Assessed Property so long as the special benefit conferred upon the Assessed Property by the Public Improvements equals or exceeds the amount of the Special Assessments. The Actual Costs may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

- *Assessment Methodology for North Improvement Area*

For purpose of this SAP, the City Council has determined that the Actual Costs of the portion of the North Improvements to be financed with the North Improvement Area Bonds shall be allocated to the North Improvement Area Assessed Property by spreading the entire Special Assessment across all Parcels and Lots within the North Improvement Area based on the ratio of the estimated build out value of each Lot to the total build out value for all Parcels. **Table IV-C** summarizes the allocation of the Special Assessments relating to the North Improvement Area Bonds for the Assessed Property.

Based on the cost estimates for the Public Improvements provided by the Owner, the City Council has determined that the benefit to the North Improvement Area Assessed Property from the Public Improvements is at least equal to the North Improvement Area Special Assessments levied on the North Improvement Area Assessed Property.

The Special Assessments and Annual Installments for each Parcel or Lot located in the North Improvement Area is shown on the Assessment Roll, attached as **Appendix A**, and no Special Assessment shall be changed except as authorized by this SAP or the PID Act. **Table IV-C** summarizes the initial allocation of the North Improvement Area Special Assessment relating to the North Improvement Area Bonds for the North Improvement Area Assessed Property at the time the Assessment Ordinance relating to the initial series of North Improvement Area Bonds was adopted by the City Council. This SAP will be modified as appropriate based on the actual amount of North Improvement Area Bonds that are sold provided that the principal amount of the North Improvement Area Assessment shall not exceed that amount identified in the Assessment Roll.

| Table IV-C<br>North Improvement Area<br>Special Assessment Allocation |              |                                 |                             |                                                                     |                                      |                                      |            |                            |
|-----------------------------------------------------------------------|--------------|---------------------------------|-----------------------------|---------------------------------------------------------------------|--------------------------------------|--------------------------------------|------------|----------------------------|
| Lot Size                                                              | Units/SF     | Estimated<br>Build Out<br>Value | Total Special<br>Assessment | Annual<br>Installment<br>(1 <sup>st</sup> Full Year<br>After Cap I) | Special<br>Assessment<br>Per Unit/SF | Annual<br>Installment<br>Per Unit/SF | Equivalent |                            |
|                                                                       |              |                                 |                             |                                                                     |                                      |                                      |            | Tax Rate (per<br>\$100/AV) |
| North                                                                 | 40'          | 72                              | \$ 25,200,000               | \$ 1,041,985                                                        | \$ 86,132                            | \$ 14,472                            | \$ 1,196   | \$ 0.34                    |
|                                                                       | 50'          | 145                             | \$ 58,000,000               | \$ 2,398,220                                                        | \$ 198,240                           | \$ 16,539                            | \$ 1,367   | \$ 0.34                    |
|                                                                       | 60'          | 142                             | \$ 63,900,000               | \$ 2,642,177                                                        | \$ 218,406                           | \$ 18,607                            | \$ 1,538   | \$ 0.34                    |
|                                                                       | MF           | 800                             | \$ 120,000,000              | \$ 4,961,835                                                        | \$ 410,152                           | \$ 6,202                             | \$ 513     | \$ 0.34                    |
|                                                                       | COMM         | 300,000                         | \$ 67,500,000               | \$ 2,791,032                                                        | \$ 230,711                           | \$ 9.30                              | \$ 0.77    | \$ 0.34                    |
|                                                                       | HOA          |                                 |                             | \$ 139,750                                                          | \$ 11,552                            |                                      |            |                            |
|                                                                       | <b>Total</b> | <b>1,159</b>                    | <b>\$ 334,600,000</b>       | <b>\$ 13,975,000</b>                                                | <b>\$ 1,155,193</b>                  |                                      |            |                            |

Note: Estimates based on information available as of XX/XX/15, the date the original SAP was adopted by the City Council. Although the actual unit counts and estimated unimproved land value may vary from the estimates shown above, the initial assessment allocation for each Lot Type will not change unless modified in a Service Plan Update approved by the City Council, subject to the terms of this SAP, the PID Act, and any other documents associated with PID Bonds. The above estimate assumes an average 6.00% interest rate and a 30 year term for the PID Bonds and an annual administrative expense of \$45,000 increasing at 2.0% per year.

- *Assessment Methodology for Future Improvement Areas*

When and if the Future Improvement Areas are developed and the issuance of Future Improvement Area Bonds are contemplated, this SAP will be amended to determine the assessment methodology necessary to apply equal shares of the Actual Costs of Future Improvement Area Improvements on Assessed Property similarly benefited within that Future Improvement Area.

#### **F. Special Assessment and Annual Installments**

The Special Assessments for the North Improvement Area Bonds will be levied on each Parcel or Lot according to the North Improvement Area Assessment Roll. The Annual Installments for the North Improvement Area Bonds will be due no later than January 31 of each year beginning in 2016 and will be due in the amounts shown on the North Improvement Area Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

#### **G. 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 or Lot based on the amount of outstanding assessment remaining on the Parcel or Lot. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the North Improvement Area Assessment Roll attached hereto as **Appendix A**, which is subject to revision through Annual Service Plan Updates.

#### **H. Excess Interest Rate**

Pursuant to the PID Act, the interest rate for Special Assessments may exceed the actual interest rate per annum paid on bonds issued by a PID by no more than one half of one percent (0.50%) per annum, (the "**Excess Interest Rate**"). Forty percent (40.0%) of the funds generated by the Excess Interest Rate (i.e. 0.20%) per annum will be dedicated to fund the Prepayment Reserve described in **Section IV.I** below. The remaining sixty percent (60.0%) balance of the funds generated by the Excess Interest Rate (i.e. 0.30%) per annum is dedicated to the Delinquency Reserve as described in **Section IV.J** below.

#### **I. Prepayment Reserve**

As described above, a portion of the funds generated by the Excess Interest Rate will be allocated to fund the associated interest charged between the date of prepayment of a Special Assessment and the date on which related PID Bonds are actually redeemed (the "**Prepayment Reserve**"). The Prepayment Reserve shall be funded each year until it reaches 1.5% of the par amount of the related outstanding PID Bonds, but in no event will the annual collections be more than 0.20% higher than the actual interest rate paid on the related PID Bonds. If the PID Act is subsequently amended to allow a prepayment of a Special Assessment to include all applicable interest from the date of prepayment through and including the date of the regularly scheduled PID Bond payments to be charged upon the prepayment of the Special Assessment, the 0.20% allocated to fund the associated interest charged between the date of prepayment of the Special Assessment and the date on which PID Bonds are actually prepaid may be eliminated. If the Prepayment Reserve requirement is so eliminated or in a given year the Prepayment Reserve is fully funded at 1.5% of the par amount of the outstanding PID Bonds, the City and Developer can allocate the Prepayment Reserve component of the Excess Interest Rate collected during that year to the Delinquency Reserve or to pay Administrative Expenses or for any other use that

benefits the Assessed Property as set forth in the Indenture related to such PID Bonds and as determined by the City Council and Developer, including the redemption of outstanding PID Bonds.

**J. Delinquency Reserve**

As described above, a portion of the funds generated by the Excess Interest Rate will be allocated to offset any possible delinquent payments of the Special Assessments. This additional reserve (the "**Delinquency Reserve**") shall be funded each year up to 4.0% of the par amount of the related outstanding PID Bonds, but in no event will the annual collection of the Delinquency Reserve be more than 0.30% per annum higher than the actual interest rate paid on the related outstanding PID Bonds. If in a given year the Delinquency Reserve is fully funded at 4.0% of the par amount of the related PID Bonds, the City and Developer can allocate the Delinquency Reserve component of the Excess Interest Rate collected during that year to redeem PID Bonds or to pay Administrative Expenses or for any other use that benefits the Assessed Property as set forth in the Indenture, as determined by the City Council and Developer.

**K. Tax Increment Reinvestment Zone**

Pursuant to the TIRZ Ordinance, the City has agreed to permit the use of TIRZ Revenues generated from from the TIRZ to reimburse the Owner for Public Improvements not being funded by the PID.

## Section V

## SERVICE PLAN

The PID Act requires the Service Plan (i) cover a period of at least five years, and (ii) define the annual projected costs and indebtedness for the Public Improvements undertaken within the PID during the five year period. It is anticipated that it will take approximately \_\_ months for the North Improvements to be constructed.

The estimated Actual Costs for the North Improvements plus costs related to the issuance of the initial series of North Improvement Area Bonds, and payment of expenses incurred in the establishment, administration and operation of the PID is \$24,915,000 as shown in **Table V-A**. The Service Plan shall be reviewed and updated at least annually for purposes of determining the annual budget for Administrative Expenses, updating the estimated costs of the Public Improvements, and updating the Assessment Roll shown on **Appendix A**. Any update to this SAP is herein referred as an “Annual Service Plan Update.”

**Table V-A** summarizes the sources and uses of funds required to construct the North Improvements, establish the PID, and issue the North Improvement Area Bonds. The sources and uses of funds shown in **Table V-A** shall be updated each year in the Annual Service Plan Update to reflect any revisions to the Actual Costs and additional PID Bond issues, if any.

| <b>Table V-A<br/>North Improvement Area<br/>Sources and Uses of Funds</b>                                                                                                                                                                                                                                                                                                                                                                |                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| <b>Sources of Funds</b>                                                                                                                                                                                                                                                                                                                                                                                                                  |                      |
| Gross Bond Amount                                                                                                                                                                                                                                                                                                                                                                                                                        | \$ 13,975,000        |
| Owner Contribution (a)                                                                                                                                                                                                                                                                                                                                                                                                                   | 10,940,000           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>\$ 24,915,000</b> |
| <b>Uses of Funds</b>                                                                                                                                                                                                                                                                                                                                                                                                                     |                      |
| Authorized Improvements (b)                                                                                                                                                                                                                                                                                                                                                                                                              | <b>\$ 21,175,000</b> |
| Other Fund Deposits:                                                                                                                                                                                                                                                                                                                                                                                                                     |                      |
| Debt Service Reserve Fund (c)                                                                                                                                                                                                                                                                                                                                                                                                            | \$ 1,054,000         |
| Capitalized Interest (d)                                                                                                                                                                                                                                                                                                                                                                                                                 | \$ 1,677,000         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>\$ 2,731,000</b>  |
| Cost of Issuance:                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>\$ 450,000</b>    |
| Underwriter's Discount/Financial Advisor (e):                                                                                                                                                                                                                                                                                                                                                                                            | <b>\$ 559,000</b>    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>\$ 24,915,000</b> |
| <p>(a) Owners will fund all costs not covered by the PID Bonds.<br/>           (b) See Table III-A and Table IV-A for details.<br/>           (c) The PID Bonds will include a debt service reserve fund equal to the average annual debt service.<br/>           (d) The PID Bonds will include 2 years of capitalized interest.<br/>           (e) The PID Bonds will have a 4% Underwriter's Discount and Financial Advisor's Fee</p> |                      |

The projected Annual Installments for the first five years after the approval of this SAP for the North Improvement Area Bonds are presented in **Table V-C**. The annual projected Debt Service and Administrative Expenses are subject to revision and shall be updated in the Annual Service Plan Update to reflect any change expected for each year.

| <b>Table V-C<br/>North Improvement Area<br/>Projected Annual Installments</b> |                               |                             |                                    |                               |                                |                                 |                                    |
|-------------------------------------------------------------------------------|-------------------------------|-----------------------------|------------------------------------|-------------------------------|--------------------------------|---------------------------------|------------------------------------|
| <b>Period<br/>Ending<br/>Oct. 1</b>                                           | <b>Principal<br/>Payments</b> | <b>Interest<br/>Expense</b> | <b>Administrative<br/>Expenses</b> | <b>Prepayment<br/>Reserve</b> | <b>Delinquency<br/>Reserve</b> | <b>Capitalized<br/>Interest</b> | <b>Annual PID<br/>Installments</b> |
| 2016                                                                          | \$ -                          | \$ 838,500                  | \$ 45,000                          | \$ 27,950                     | \$ 41,925                      | \$ 838,500                      | \$ 114,875                         |
| 2017                                                                          | \$ -                          | \$ 838,500                  | \$ 45,900                          | \$ 27,950                     | \$ 41,925                      | \$ 838,500                      | \$ 115,775                         |
| 2018                                                                          | \$ 200,000                    | \$ 838,500                  | \$ 46,818                          | \$ 27,950                     | \$ 41,925                      | \$ -                            | \$ 1,155,193                       |
| 2019                                                                          | \$ 225,000                    | \$ 826,500                  | \$ 47,754                          | \$ 27,550                     | \$ 41,325                      | \$ -                            | \$ 1,168,129                       |
| 2020                                                                          | \$ 225,000                    | \$ 813,000                  | \$ 48,709                          | \$ 27,100                     | \$ 40,650                      | \$ -                            | \$ 1,154,459                       |
| 2021                                                                          | \$ 250,000                    | \$ 799,500                  | \$ 49,684                          | \$ 26,650                     | \$ 39,975                      | \$ -                            | \$ 1,165,809                       |
| <b>Total</b>                                                                  | <b>\$ 900,000</b>             | <b>\$ 4,954,500</b>         | <b>\$ 283,865</b>                  | <b>\$ 165,150</b>             | <b>\$ 247,725</b>              | <b>\$ 1,677,000</b>             | <b>\$ 4,874,240</b>                |

**Note: The Annual Projected Debt Service and Administrative Expenses are the expenditures associated with the formation of the PID, the costs of issuance and repayment of the PID Bonds and the administration of the PID. The debt service estimates are based on an average 6.00% interest rate and a 30 year term for the initial series of PID Bonds. Administrative expenses are estimated to increase at a rate of 2.0% per year.**

## Section VI

### TERMS OF THE SPECIAL ASSESSMENTS

**A. Amount of Special Assessments and Annual Installments for Parcels Located Within the North Improvement Area**

The Special Assessments and Annual Installments for the North Improvement Area Assessed Property are shown on the North Improvement Area Assessment Roll in **Appendix A**. The Special Assessment and Annual Installments shall not be changed except as authorized under the terms of this SAP and the PID Act. The Annual Installments shall be collected in an amount sufficient to pay (i) the principal and interest on the North Improvement Area Bonds, (ii) to fund the Prepayment Reserve for the North Improvement Area Bonds, (iv) to fund the Delinquency Reserve for the North Improvement Area Bonds, and (v) to cover the Administrative Expenses of the North Improvement Area.

**B. Amount of Special Assessments and Annual Installments for Parcels Located Within Future Improvement Areas**

When and if Future Improvement Areas are developed, this SAP will be amended to determine the Special Assessment and Annual Installments associated with the costs of Future Improvement Area Improvements for each Parcel or Lot located within a Future Improvement Area. The Special Assessment shall not exceed the benefit received by the Assessed Property.

**C. Reallocation of Assessments for Parcels Located Within the North Improvement Area**

- *Upon Division Prior to Recording of Subdivision Plat*

The Special Assessments for each initial Parcel are based on the estimated build out value for the number and type of expected Lots within that Parcel shown on the parcel map attached hereto as **Appendix C** (“the Parcel Map”). The number of each type of Lot contained in each Parcel was counted and the amount of Special Assessments shown on **Table IV-C** for each Lot type was added up to calculate the amount of the Special Assessment for each Parcel. For example, as shown on **Table IV-C**, the North Improvement Area includes 72 40’ Lots, 145 50’ Lots, 142 60’ Lots, 800 multi-family units, and 300,000 SF of commercial space, as well as the Owner’s Association Fee. Accordingly, the Special Assessment for the North Improvement Area is \$13,975,000, (\$1,041,985 + \$2,398,220 + \$2,642,177 + \$4,961,835 + \$2,791,032 + \$139,750), respectively. As Lots are platted in accordance with the Parcel Map, each Lot will be assessed the Special Assessment that it was assigned pursuant to **Table IV-C**.

If Lots are not platted in accordance with the Parcel Map, the Special Assessments for each affected Lot will be allocated in an equitable manner, but in no event will such new allocation increase the total Special Assessment for each Lot as identified in **Table IV-C**.

- *Upon Subdivision by a Recorded Subdivision Plat*

Once a Lot has a Special Assessment applied to it, as shown in **Table IV-C**, and is then subdivided again, such newly subdivided lots will be the Assessment of the applicable lot size as set forth in **Table IV-C**. In no event will the new subdivision cause the sum of the Special Assessments for the newly subdivided Lots to be greater than the Special Assessment for the undivided Lot prior to its subdivision.

The allocation method used above is to insure there will not be an increase in the Special Assessment for each specific Parcel. If Lots are not platted in accordance with the Parcel Map, the Special Assessments for each affected Lot will be allocated in an equitable manner, but in no event will such new allocation increase the total Special Assessment for each Lot size as identified in **Table IV-C**.

- *Upon Consolidation*

Upon the consolidation of two or more Assessed Properties, the Special Assessment for the consolidated Assessed Property shall be the sum of the Special Assessments for the Assessed Properties prior to consolidation. The reallocation of a Special Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Special Assessment prior to the reallocation. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an update to this SAP approved by the City Council. The consolidation of any Assessed Property as described herein shall be considered an administrative action and will not require any notice or public hearing (as defined in the PID Act) by the City Council.

- *Upon Change from a Commercial Parcel to a Residential Parcel*

Should an owner of an Assessed Property choose to change the intended land use for all or a portion of a Commercial Parcel to a Residential Parcel, the owner will, upon approval for the initial single family residential home building permit from the City, be required to pay down the Special Assessment and all Prepayment Costs for each Lot on the affected Assessed Property to a level equal to the average Special Assessment that a Lot within its similar Lot type is assessed.

- *Upon Transfer between Parcels with Different Uses*

Should an owner of an Assessed Property choose to transfer the intended land use between all or a portion of one or more Parcels or Lots, in no event will the transfer cause the sum of the Special Assessments for the affected Parcels or Lots to be greater than the Special Assessment for those Parcels or Lots prior to the transfer of use.

If uses are transferred amongs Parcels or Lots, the Special Assessments for each affected Parcel or Lot will be allocated in an equitable manner, but in no event will such

new allocation increase the total Special Assessment for each Parcel or Lot as identified in **Table IV-C**.

**D. Reallocation of Assessments for Parcels Located Within Future Improvement Areas**

As Future Improvement Areas are developed, this SAP will be amended to determine the assessment reallocation methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within each Future Improvement Area.

**E. Mandatory Prepayment of Assessments**

If Assessed Property or a portion thereof is transferred to a party that is exempt from the payment of the Special Assessment under applicable law, or if an owner causes a Parcel or portion thereof to become Non-Benefited Property, the owner of such Parcel or portion thereof shall pay to the City the full amount of the Special Assessment, plus all Prepayment Costs, for such Parcel, Lot or portion thereof prior to any such transfer or act.

If the Assessment for a Parcel created by a replat (the "Replatted Parcel") is greater than the Assessment for the corresponding Parcel(s) that were replatted (the "Original Parcel"), then following compliance with the notice and hearing requirement of the PID Act such owner shall pay to the District prior to the recordation of the replat the amount calculated by the Administrator by which the Assessment for the Replatted Parcel exceeds the assessment of the Original Parcel, unless (i) the owner of the Replatted Parcel and Original Parcel provide the District with an executed waiver of notice and consent to levy of the additional or higher amount of the assessment in connection with and prior to the recording of the replat and (ii) a supplemental assessment order with respect to the Assessed Property within the replat is approved by the District approving the imposition of the Assessment on the Replatted Parcel.

If after the issuance of Bonds, the Assessments for Assessed Property created by a subdivision or replatting (the "Replatted Property") are less than the Assessments applicable to the Assessed Property so subdivided or replatted (the "Original Property"), then following compliance with the notice and hearing requirement of the PID Act such owner shall pay to the District prior to the recordation of the document subdividing or replatting the Original Property the amount calculated by the Administrator by which the Assessments for the Original Property exceeds the Assessments for the Replatted Property.

**F. Reduction of Special Assessments**

If after all Public Improvements to be funded with a series of PID Bonds have been completed and the Actual Costs for the Public Improvements are less than the Actual Costs used to calculate the Special Assessments securing such PID Bonds, resulting in excess PID Bond proceeds, then the City may, at its discretion and in accordance with the Indenture related to such series of PID Bonds, reduce the Special Assessment securing the series of

PID Bonds for each Assessed Property pro rata such that the sum of the resulting reduced Special Assessments for all Assessed Properties equals the reduced Actual Costs and such excess PID Bond proceeds shall be applied to redeem PID Bonds of such series. Additionally, the City may, at its discretion and in accordance with the Indenture related to such series of PID Bonds, use such excess bond proceeds to fund additional Public Improvements in the PID. The Special Assessments shall not be reduced to an amount less than the principal amount of the related outstanding series of PID Bonds.

Similarly, if the City does not undertake some of the Public Improvements to be funded with a series of PID Bonds resulting in excess PID Bond proceeds then the City may, at its discretion and in accordance with the Indenture related to such series of PID Bonds, reduce the Special Assessment securing the PID Bonds for each Assessed Property pro-rata to reflect only the Actual Costs that were expended and apply such excess PID Bond proceeds as described in the paragraph immediately above. The Special Assessments shall not be reduced to an amount less than the principal amount of the related outstanding series of PID Bonds.

**G. Payment of Special Assessments**

- *Payment in Full*
  - The Special Assessment for any Parcel or Lot may be paid in full at any time in accordance the PID Act. The Payment shall include all Prepayment Costs, if any. If prepayment in full will result in redemption of PID Bonds, the payment amount shall be reduced by the applicable portion of the proceeds from a debt service reserve fund applied to the redemption pursuant to the Indenture, net of any other costs applicable to the redemption of PID Bonds.
  - If an Annual Installment has been billed prior to payment in full of a Special Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount upon payment.
  - Upon payment in full of a Special Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the related Indenture; whereupon, the Special Assessment for the Parcel or Lot shall be reduced to zero, and the Parcel or Lot owner's obligation to pay the Special Assessment and Annual Installments thereof shall automatically terminate. The City shall provide the owner of the affected Assessed Property a recordable "Notice of PID Assessment Termination."
  - At the option of a Parcel or Lot owner, the Special Assessment on any Parcel or Lot may be paid in part in an amount equal to the amount of prepaid Special Assessments plus Prepayment Costs, if any, with respect thereto. Upon the payment of such amount for a Parcel or Lot, the Special Assessment for the Parcel or Lot shall be reduced by the amount of such partial payment, the Assessment Roll shall be updated to reflect such partial payment, and the

obligation to pay the Annual Installment for such Parcel or Lot shall be reduced to the extent the partial payment is made.

- *Payment of Annual Installments*
  - If a Special Assessment is not paid in full, the PID Act authorizes the City to collect interest and collection costs on the outstanding Special Assessment. A Special Assessment for a Parcel or Lot that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which includes interest on the outstanding Special Assessment, Administrative Expenses and Excess Interest.
  - The Annual Installments as listed on the North Improvement Area Assessment Roll have been calculated assuming a weighted average interest rate on the North Improvement Area Bonds of 6.0%. The principal amounts of Annual Installments may not exceed the amounts shown on the North Improvement Area Assessment Roll except pursuant to any amendment or update to this SAP. The interest on the Assessments shall reflect the Excess Interest.
  - The Annual Installments shall be reduced to equal the actual costs of repaying the related series of PID Bonds plus the Excess Interest 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 PID Bonds in accordance with Section 372.027 of the PID Act and the Indenture related to such PID Bonds. In the event of issuance of refunding bonds, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installment so that total Annual Installments of Special Assessments will be produced in annual amounts that are required to pay the debt service on 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 plus Excess Interest, and such refunding bonds shall constitute "PID Bonds" for purposes of this SAP.

#### **H. Collection of Annual Installments**

The Administrator shall, no less frequently than annually, prepare and submit to the City for its approval, 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 Assessed Property. Administrative Expenses shall be allocated among Assessed Properties in proportion to the amount of the Annual Installments for the Assessed Property. Each Annual Installment shall be reduced

by any credits applied under the applicable Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, and existing deposits for a Prepayment Reserve. Annual Installments may be collected by the City (or such entity to whom the City directs) in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Any sale of Assessed Property for nonpayment of the delinquent Annual Installments shall be subject to the lien established for the remaining unpaid Special Assessment against such Assessed Property and such Assessed Property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such Assessed Property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of a Special 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. The initial Annual Installments relating to the North Improvement Area Bonds will be due when billed, and will be delinquent if not paid prior to February 1, 2016.

**I. Surplus Funds Remaining in the North Improvement Area Bond Account**

If proceeds from the North Improvement Area Bonds still remain after all of the North Improvements are constructed and accepted by the City, the proceeds may be utilized in accordance with **Section VI.F** of this SAP.

## Section VII

## THE ASSESSMENT ROLL

A. North Improvement Area Assessment Roll

The City Council has evaluated each Parcel in the North Improvement Area (based on numerous factors such as the applicable zoning for developable area, the use of proposed Owners 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 Parcel.

The North Improvement Area Assessed Property will be assessed for the special benefits conferred upon that portion of the Property by the North Improvements. **Table VII-A** summarizes the \$24,915,000 in special benefit received by the North Improvement Area Assessed Property from the North Improvements, the costs of the PID formation, and the North Improvement Area Bonds issuance costs. The par amount of the North Improvement Area Bonds is \$13,975,000, which is less than the benefit received by the North Improvement Area Assessed Property. Accordingly, the total Special Assessment to be applied to all the North Improvement Area Assessed Property is \$13,975,000 plus annual Administrative Expenses. The Special Assessment for each North Improvement Area Assessed Property is calculated based on the allocation methodologies described in **Section IV-F**. The North Improvement Area Assessment Roll is attached hereto as **Appendix A**.

| <b>Table VII-A<br/>North Improvement Area<br/>Special Benefit Summary</b> |                       |
|---------------------------------------------------------------------------|-----------------------|
| <b>Authorized Improvement</b>                                             | <b>Total Cost (a)</b> |
| <i>North Improvements</i>                                                 |                       |
| <b>Total Authorized Improvements</b>                                      | <b>\$ 21,175,000</b>  |
| <i>PID Formation/Bond Cost of Issuance</i>                                |                       |
| Reserve Fund                                                              | \$ 1,054,000          |
| Capitalized Interest                                                      | \$ 1,677,000          |
| Underwriter's Discount/Financial Advisor Fee                              | \$ 559,000            |
| Cost of Issuance                                                          | \$ 450,000            |
| <b>PID Formation/Bond Cost of Issuance</b>                                | <b>\$ 3,740,000</b>   |
| <b>Total Special Benefit</b>                                              | <b>\$ 24,915,000</b>  |
| <i>Special Benefit</i>                                                    |                       |
| Total Special Benefit                                                     | \$ 24,915,000         |
| Projected PID Special Assessment                                          | \$ 13,975,000         |
| <b>Excess Benefit</b>                                                     | <b>\$ 10,940,000</b>  |

**B. Future Improvement Area Assessment Rolls**

As Future Improvement Areas are developed, this SAP will be amended to determine the Assessment for each Parcel or Lot located within such Future Improvement Areas (e.g. an Appendix A-1, A-2, and so on will be added as the Assessment Roll for Future Improvement Areas).

**C. Annual Assessment Roll Updates**

The Administrator shall prepare, and shall submit to the City for approval, updates to the Assessment Roll and the Annual Service Plan Update to reflect changes such as (i) the identification of each Parcel (ii) the Special Assessment for each Assessed Property, including any adjustments authorized by this SAP or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Special Assessment is payable in installments); and (iv) payments of the Special Assessment, if any, as provided by **Section VI.G** of this SAP.

The Service and Assessment Plan Update shall reflect the actual interest on the North Improvement Area Bonds (including Excess Interest) on which the Annual Installments shall be paid, any reduction in the North Improvement Area Special Assessments, and any revisions in the Actual Costs to be funded by the North Improvement Area Bonds and Owner funds.

## Section VIII

### MISCELLANEOUS PROVISIONS

#### A. Administrative Review

The City may elect to designate a third party to serve as Administrator of the PID. The City shall notify the Owners in writing upon appointing a third party Administrator.

To the extent consistent with the PID Act, if an owner of the Assessed Property claims that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, that owner must send a written notice describing the error to the Administrator no later than thirty (30) days after the date the invoice or other bill for the Annual Installment is received. If the owner fails to give such notice, such owners shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installments) and to have waived any objection to the calculation. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Property 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 Property owner, such change or modification shall be presented to the City 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 Property owner (except for the final year during which the Annual Assessment shall be collected), 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 City Council. Any amendments made to the Assessment Roll pursuant to calculation errors shall be made pursuant to the PID Act.

#### B. Termination of Assessments

Each Special Assessment shall terminate on the date the Special Assessment is paid in full, including payment of any unpaid Annual Installments and Delinquent Collection Costs, if any. After the termination of the Special 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 may be made as permitted or required by the PID Act and Texas law.

**D. Administration and Interpretation of Provisions**

The City Council shall administer (or cause the administration of) the PID, this SAP, and all Annual Service Plan Updates consistent with the PID Act.

**E. Severability**

If any provision, section, subsection, sentence, clause or phrase of this SAP, 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 SAP or the application to all or any portion of the Property or other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this SAP that no part thereof, 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 SAP are declared to be severable for that purpose.

If any provision of this SAP is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this SAP and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

# Appendix A

## North Improvement Area Assessment Roll

# Appendix B

Legal Descriptions for Parcels within PID

# Appendix C

## Parcel Map



**City of Rowlett**  
**Staff Report**

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 8B

**TITLE**

Consider action to approve an ordinance approving and adopting the budget for FY2015-2016.

**STAFF REPRESENTATIVE**

Brian Funderburk, City Manager  
Terri Doby, Budget Officer

**SUMMARY**

The budget process culminates in the final adoption of a document and financial plan. By Charter, the City Manager is responsible for recommending a budget to the City Council. The City Council then adjusts this document to make it fit their desire for what is appropriate for the City. Finally, it is then reviewed by the citizens directly, who may give their input for final adjustments to make this budget the right budget for the City.

**BACKGROUND INFORMATION**

The City Manager presented the proposed budget for FY2015-2016 on August 4, 2015. The City Council held Budget Work Sessions on August 17, August 18 and September 1, 2015. Public hearings on the proposed budget were held on August 18 and September 1, 2015.

**DISCUSSION**

The budget process culminates in the final adoption of a document and financial plan. By Charter, the City Manager is responsible for recommending a budget to the City Council. The City Council then adjusts this document to make it fit their desire for what is appropriate for the City. Finally, it is then reviewed by the citizens directly, who may give their input for final adjustments to make this budget the right budget for the City. Each step is designed to make adjustments to make the final plan better. The City Manager proposes a budget that is adjusted by the City Council that becomes the City Council's budget. The City Council offers this to the public, gathers input, makes adjustments, and it is adopted as the City's budget.

Since presenting the recommended plan on August 4, 2015, City staff has continued to research, analyze, and refine the proposed recommendations. Incorporating input from the City Council and further analysis, City staff presents the final recommended options of the City Manager today, September 15, 2015.

The items revised from the initial proposed budget of August 4, 2015, thru the final adopted budget on September 15, 2015 are as follows:

|                                  | FY2016 Proposed<br>8/4/2015 | Current Proposal<br>9/15/2015 |
|----------------------------------|-----------------------------|-------------------------------|
| Fire Explorers program           | \$ -                        | \$10,000                      |
| Keep Rowlett Beautiful           | 10,000                      | 15,000                        |
| New Arts program                 | -                           | 40,000                        |
| Neighborhood Advocate program    | 65,394                      | 90,394                        |
| Passenger Van (CERT & City use)  | -                           | 30,000                        |
| Increase in Municipal Judge rate | -                           | 9,110                         |
| Net Increase                     |                             | <b>\$119,110</b>              |

Sales tax revenue estimates have been increased to cover the costs of these additions and maintain a 10 percent fund balance in the General Fund as required by our financial policies.

**Ongoing funding for Economic Development:**

One of the issues discussed in the FY2016 Proposed Budget is ongoing funding for economic development. Rowlett has many tools in its tool box such as tax-increment financing zones, municipal management districts, 380 agreements, etc. However, Rowlett does not have a cash component to provide cash for incentive-based development. This could potentially limit our ability to attract certain development. As a result, ongoing funding was an identified strategy that needs to be developed in the future.

At the September 1<sup>st</sup> budget work session, Council concurred with a new strategy to set aside sales taxes received from package liquor stores. There are several reasons that make this idea plausible. First, the citizens have just passed a local option election that now allows package liquor stores in Rowlett. Second, we have been very conservative with revenue projections so the City is not yet truly “relying” on these sales taxes for budget purposes. Therefore, now is a good time to do it. Third, one store has already opened and four other such businesses have initiated the permitting process under the Texas Alcoholic Beverage Commission (TABC) for a total of five. These stores, along with others that may be opened in the future, could provide a significant amount of dollars in sales taxes. Finally, as a member of Dallas Area Rapid Transit (DART), Rowlett gives up one of the possible two cents it could have dedicated to sales tax. Many cities who are not a member of DART, such as Rockwall, use the additional cent for economic development or other purposes. These cities are referred to as 4A/4B cities and use such funds to incentivize economic development. As indicated earlier, Rowlett does not have this option, so a funding source must come out of other City funds.

Utilizing sales taxes from package liquor stores will not be a legal dedication but an annual “targeted” allocation for the purposes of providing cash, when necessary, for incentive-based development. This recommendation is not for the purposes of administration and operations of the Economic Development department. Instead, it is intended to be project specific, based on criteria developed by the Economic Development Advisory Board and approved by the Rowlett

City Council. Such criteria could include the number and quality of jobs, the amount of tax base, to further the vision of *Realize Rowlett 2020*, etc. If Council agrees to implement this strategy, staff would recommend that the City discuss its current incentive policy before any funds are distributed.

***The Year of Development!*** What a difference a year makes! After five straight years of decline in our property tax values (FY2010-FY2014), the City has experienced increases for two straight years as a result of an improved housing market and new growth. As Rowlett moves away from the specter of additional declines in the property tax base, we can stop talking about what we can't do and start talking about what we can do.

The combination of improved tax values and new growth, resulting in additional tax dollars will provide opportunities to address aging infrastructure, revitalize neighborhoods, and enhance our community amenities and assets. It is an exciting time to live in Rowlett

For the upcoming year, the FY2016 budget continues to remain focused on "citizen-centered" government while continuing to create a level of affordable sustainability for the organization. The total FY2016 Adopted Budget is \$92,738,455. This is an increase of \$3,290,418, or 3.7 percent, compared to the FY2015 Adopted Budget of \$89,448,037. The primary factors for the increase are as follows:

- Personnel costs will increase \$2,529,977.
- The cost of water acquisition from NTMWD will increase 9 percent, or \$592,273, due to planned cost increases for their capital reinvestment.

As we have previously noted, budgets do not build themselves. Staff appreciates all of the input provided by City Council and our citizens. The City of Rowlett should also be extraordinarily proud of the Executive Team and their staff who have diligently reviewed processes and found ways to better leverage existing resources and improve efficiencies on a daily basis. Their work all year long has provided the time needed to educate and engage our citizens on the financial decisions to be made in the coming year. Job well done!

## **FINANCIAL/BUDGET IMPLICATIONS**

This agenda item will adopt the FY2015-2016 Budget.

## **RECOMMENDED ACTION**

City staff recommends the City Council consider and adopt the FY2015-2016 Budget.

## **ORDINANCE**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2015 THROUGH SEPTEMBER 30, 2016; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR BE MADE IN ACCORDANCE WITH SAID BUDGET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, an annual budget for the fiscal year beginning October 1, 2015 and ending September 30, 2016 has been duly created by the budget officer of the City of Rowlett, Texas in accordance with Chapter 102 of the Texas Local Government Code; and

**WHEREAS**, the City Manager for the City of Rowlett filed the proposed budget in the office of the City Secretary on August 4, 2015 and the proposed budget was made available for public inspection in accordance with Chapter 102 of the Texas Local Government Code; and

**WHEREAS**, one public hearing was held, in accordance with the applicable State law, by the City of Rowlett on September 1, 2015 in accordance with Chapter 102 of the Local Government Code, following due publication of notice thereof, at which time all citizens and parties of interest were given the opportunity to be heard regarding the proposed 2015-2016 fiscal year budget; and

**WHEREAS**, after full and final consideration, it is the opinion of the City Council of the City of Rowlett that the 2015-2016 fiscal year budget of revenues and expenditures as hereinafter set forth should be adopted and approved.

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

**Section 1:** That the annual budget of revenues and expenditures necessary for conducting affairs of the City of Rowlett for the 2015-2016 Fiscal Year (attached hereto and incorporated herein as Exhibit A), providing for a financial plan for the ensuing fiscal year, be and is hereby approved and adopted.

**Section 2:** That expenditures during the fiscal year 2015-2016 shall be made in accordance with this budget, unless otherwise authorized by proper amendment; said budget document shall be on file for public inspection in the office of the City Secretary. Upon approval of the budget, the budget officer shall file a true copy thereof with the County Clerk.

**Section 3:** That unless modified otherwise by the City Council, the remaining budget for all capital improvements from fiscal year 2014-2015 (attached hereto and incorporated herein as Exhibit B) not completed or started as of September 30, 2015, will be automatically carried over into FY2015-2016. Furthermore, funds for the capital improvements listed for FY2015-2016 (attached hereto and incorporated herein as Exhibit B) are hereby appropriated and the entire Capital Improvements Program for fiscal years ending 2015-2016 is hereby adopted.

**Section 4:** That all budget amendments and transfers of appropriations budgeted from one account or activity to another for the prior fiscal year be and are hereby ratified, and the budget ordinances, heretofore enacted by the City Council, be and

are hereby amended to the extent of such transfers and amendments, for all purposes.

**Section 5:** That should any word, sentence, section, subsection, subdivision, paragraph, clause, phrase or provision of this ordinance shall be adjudged invalid or held unconstitutional, the same shall not affect the validity of this ordinance as a whole or any part of the provision hereof, other than the part so decided to be invalid or unconstitutional.

**Section 6:** That all provisions of the ordinances of the City of Rowlett in conflict with the provisions of this ordinance be and the same are hereby repealed, and all other provisions of the ordinances of the City of Rowlett not in conflict with the provisions of this ordinance shall remain in full force and effect.

**Section 3:** This ordinance shall become effective immediately upon its passage.

#### **ATTACHMENTS**

Exhibit A – City of Rowlett FY 2015 – 2016 Combined Fund Summary

Exhibit B – City of Rowlett Five Year Capital Improvements Plan FY 2016 - 2020

## FY 2016 CITY OF ROWLETT BUDGET

## FY 2016 COMBINED FUND SUMMARY

| Description                       | Governmental Funds |                      |                   |                        | Enterprise Funds  |                  |                  | Police Seizure Fund |
|-----------------------------------|--------------------|----------------------|-------------------|------------------------|-------------------|------------------|------------------|---------------------|
|                                   | General Fund       | Economic Development | Debt Service Fund | Capital Projects Funds | Utility Fund      | Refuse Fund      | Drainage Fund    |                     |
| Beginning Resources               | \$ 4,771,344       | \$ 852,813           | \$ 1,054,609      | \$ 250,000             | \$ 4,173,347      | \$ 498,601       | \$ 978,598       | \$ 587,733          |
| Current Revenues:                 |                    |                      |                   |                        |                   |                  |                  |                     |
| Tax Revenues                      | 27,043,713         | -                    | 7,506,895         | -                      | -                 | -                | -                | -                   |
| Franchise Fees                    | 3,093,891          | -                    | -                 | -                      | -                 | -                | -                | -                   |
| Licenses and Permits              | 1,023,781          | 1,500                | -                 | -                      | -                 | -                | -                | -                   |
| Charges for Service               | 2,974,838          | -                    | -                 | -                      | 28,748,332        | 4,824,903        | 1,359,663        | -                   |
| Fines and Forfeitures             | 1,008,407          | -                    | -                 | -                      | -                 | -                | -                | -                   |
| Other                             | 747,500            | 250                  | 5,130             | -                      | 13,302            | 2,100            | 734              | 100,550             |
| <b>Total Current Revenues</b>     | <b>35,892,130</b>  | <b>1,750</b>         | <b>7,512,025</b>  | <b>-</b>               | <b>28,761,634</b> | <b>4,827,003</b> | <b>1,360,397</b> | <b>100,550</b>      |
| Other Sources:                    |                    |                      |                   |                        |                   |                  |                  |                     |
| Transfers In                      | 4,560,112          | 314,944              | 485,383           | 3,807,179              | 139,397           | -                | -                | -                   |
| <b>Total</b>                      | <b>40,452,242</b>  | <b>316,694</b>       | <b>7,997,408</b>  | <b>3,807,179</b>       | <b>28,901,031</b> | <b>4,827,003</b> | <b>1,360,397</b> | <b>100,550</b>      |
| Current Expenditures:             |                    |                      |                   |                        |                   |                  |                  |                     |
| Personnel Costs                   | 27,015,168         | 232,098              | -                 | 54,497                 | 2,209,592         | 18,869           | 110,588          | -                   |
| Supplies                          | 1,891,950          | 5,500                | -                 | -                      | 301,486           | -                | 51,770           | 100,550             |
| Purchase Services                 | 8,248,977          | 205,425              | 84,016            | -                      | 13,065,212        | 3,472,701        | 128,539          | -                   |
| Capital Outlay                    | 1,121,425          | -                    | -                 | -                      | 104,971           | -                | 45,526           | 37,500              |
| Capital Improvements              | -                  | -                    | -                 | 3,752,682              | 1,300,000         | -                | 335,502          | -                   |
| Debt Service                      | -                  | -                    | 8,468,001         | -                      | 4,721,571         | -                | 376,033          | -                   |
| <b>Total Current Expenditures</b> | <b>38,277,520</b>  | <b>443,023</b>       | <b>8,552,017</b>  | <b>3,807,179</b>       | <b>21,702,832</b> | <b>3,491,570</b> | <b>1,047,958</b> | <b>138,050</b>      |
| Other Uses:                       |                    |                      |                   |                        |                   |                  |                  |                     |
| Transfers Out                     | 1,963,901          | -                    | -                 | -                      | 5,476,331         | 1,267,916        | 353,877          | -                   |
| <b>Total</b>                      | <b>40,241,421</b>  | <b>443,023</b>       | <b>8,552,017</b>  | <b>3,807,179</b>       | <b>27,179,163</b> | <b>4,759,486</b> | <b>1,401,835</b> | <b>138,050</b>      |
| Ending Resources                  | \$ 4,982,165       | \$ 726,484           | \$ 500,000        | \$ 250,000             | \$ 5,895,215      | \$ 566,118       | \$ 937,160       | \$ 550,233          |
| % of Expenditures                 | 13.0%              | 164.0%               | 5.8%              | 6.6%                   | 27.2%             | 16.2%            | 89.4%            | 398.6%              |

EXHIBIT A

| Hotel/Motel Fund | PEG Fund   | Grants Fund | CDBG Fund | Inspection Fees Fund | Juvenile Diversion Fund | Court Technology Fund | Court Security Fund | Golf Course Fund | Internal Service Funds |               | Combined Total |
|------------------|------------|-------------|-----------|----------------------|-------------------------|-----------------------|---------------------|------------------|------------------------|---------------|----------------|
|                  |            |             |           |                      |                         |                       |                     |                  | Employee Benefits Fund |               |                |
| \$ 30,468        | \$ 117,681 | \$ 7,975    | \$ -      | \$ 291,537           | \$ 157,921              | \$ 53,719             | \$ 8,178            | \$ 257,635       | \$ 271,678             | \$ 14,363,838 |                |
| 47,175           | -          | -           | -         | -                    | -                       | -                     | -                   | -                | -                      | 34,597,783    |                |
| -                | 85,893     | -           | -         | -                    | -                       | -                     | -                   | -                | -                      | 3,179,784     |                |
| -                | -          | -           | -         | -                    | -                       | -                     | -                   | -                | -                      | 1,025,281     |                |
| -                | -          | 327,220     | -         | 225,000              | -                       | -                     | -                   | -                | 5,008,982              | 43,468,938    |                |
| -                | -          | -           | -         | -                    | 33,281                  | 26,936                | 20,035              | -                | -                      | 1,088,659     |                |
| 577              | -          | 29,414      | 179,247   | -                    | -                       | -                     | -                   | 257,005          | 1,248                  | 1,337,057     |                |
| 47,752           | 85,893     | 356,634     | 179,247   | 225,000              | 33,281                  | 26,936                | 20,035              | 257,005          | 5,010,230              | 84,697,502    |                |
| -                | -          | -           | -         | -                    | -                       | -                     | -                   | -                | -                      | 9,307,015     |                |
| 47,752           | 85,893     | 356,634     | 179,247   | 225,000              | 33,281                  | 26,936                | 20,035              | 257,005          | 5,010,230              | 94,004,517    |                |
| 11,484           | 80,922     | 284,565     | -         | 218,760              | 29,238                  | -                     | 23,672              | -                | 81,622                 | 30,371,075    |                |
| 6,300            | -          | -           | -         | -                    | 5,000                   | -                     | -                   | -                | -                      | 2,362,556     |                |
| 30,965           | -          | -           | 179,247   | -                    | 4,500                   | 43,874                | -                   | 10,000           | 4,886,142              | 30,359,598    |                |
| -                | -          | 75,000      | -         | -                    | -                       | -                     | -                   | -                | -                      | 1,384,422     |                |
| -                | -          | -           | -         | -                    | -                       | -                     | -                   | -                | -                      | 5,388,184     |                |
| -                | -          | -           | -         | -                    | -                       | -                     | -                   | -                | -                      | 13,565,605    |                |
| 48,749           | 80,922     | 359,565     | 179,247   | 218,760              | 38,738                  | 43,874                | 23,672              | 10,000           | 4,967,764              | \$ 83,431,440 |                |
| -                | -          | -           | -         | -                    | -                       | -                     | -                   | 244,990          | -                      | 9,307,015     |                |
| 48,749           | 80,922     | 359,565     | 179,247   | 218,760              | 38,738                  | 43,874                | 23,672              | 254,990          | 4,967,764              | 92,738,455    |                |
| \$ 29,471        | \$ 122,652 | \$ 5,044    | \$ -      | \$ 297,777           | \$ 152,464              | \$ 36,781             | \$ 4,541            | \$ 259,650       | \$ 314,144             | \$ 15,629,900 |                |
| 60.5%            | 151.6%     | 1.4%        | 0.0%      | 0.0%                 | 393.6%                  | 83.8%                 | 19.2%               | 2596.5%          | 6.3%                   | 18.7%         |                |

**FY 2016 CITY OF ROWLETT BUDGET**
**FIVE YEAR CAPITAL IMPROVEMENTS PLAN SUMMARY**

| Project |                                        | Prior Years | Budget 2015 | 2016    | 2017    | 2018    | 2019    | 2020    |
|---------|----------------------------------------|-------------|-------------|---------|---------|---------|---------|---------|
| CO2100  | Villages of Rowlett                    | -           | 2,400,000   | -       | -       | -       | -       | -       |
| DR2065  | Misc. Drainage Imp. Per Storm Drain MP | 247,721     | 456,686     | 335,502 | 335,502 | 335,502 | 335,502 | 335,502 |
| DR2104  | Westwood Circle Drainage Improvements  | 273         | 250,487     | -       | -       | -       | -       | -       |
| DR2105  | Long Branch Creek Drainage             | -           | 276,000     | -       | -       | -       | -       | -       |
| PK2100  | Scenic Point Park                      | 201,317     | 553,683     | -       | -       | -       | -       | -       |
| PK2101  | Kids Kingdom                           | -           | 100,000     | 775,000 | -       | -       | -       | -       |
| PK2102  | Pecan Grove Park                       | -           | -           | 75,000  | -       | -       | -       | -       |
| PK2103  | Wet Zone Waterpark                     | -           | -           | 660,000 | -       | -       | -       | -       |
| PK2104  | Rowlett Community Centre Renovation    | -           | -           | 350,000 | -       | -       | -       | -       |
| PK2105  | Lakeside Park                          | -           | -           | 185,000 | -       | -       | -       | -       |
| PK2106  | "Hike & Bike" Trail Plan & Projects    | -           | -           | 30,000  | 135,000 | 135,000 | -       | -       |
| PK2107  | Katy Railroad Park                     | -           | -           | 100,000 | -       | 310,000 | -       | -       |
| PK2108  | Paddle Point Park                      | -           | -           | -       | 165,000 | -       | -       | -       |
| PK2109  | Springfield Park                       | -           | -           | -       | 60,000  | 540,000 | -       | -       |
| PK2110  | Community Park                         | -           | -           | -       | 66,500  | 598,500 | -       | -       |
| PK2111  | Nature Trail                           | -           | -           | -       | 9,400   | 84,600  | -       | -       |
| PK2112  | Veterans Park                          | -           | -           | -       | -       | 33,000  | -       | -       |

**FY 2016 CITY OF ROWLETT BUDGET**
**FIVE YEAR CAPITAL IMPROVEMENTS PLAN SUMMARY**

| Project |                                       | Prior Years | Budget 2015 | 2016    | 2017    | 2018      | 2019    | 2020      |
|---------|---------------------------------------|-------------|-------------|---------|---------|-----------|---------|-----------|
| PK2113  | Shorewood Park                        | -           | -           | -       | -       | 30,000    | -       | -         |
| SP2087  | Downtown TOD Projects                 | 2,090,889   | 102,122     | -       | -       | -         | -       | -         |
| SP2089  | Library Improvements                  | -           | 1,435,000   | 200,000 | -       | -         | -       | -         |
| SP2090  | Chamber Building Relocation           | -           | 400,000     | -       | -       | -         | -       | -         |
| SP2091  | Community enhancement projects        | -           | 245,552     | 269,060 | 281,822 | 293,096   | 304,819 | 317,012   |
| SP2092  | Public Safety Dept Training Center    | -           | -           | 850,000 | 550,000 | 850,000   | -       | -         |
| SP2093  | Fiber Optic - Close Fiber Ring        | -           | -           | 135,000 | 95,000  | 100,000   | -       | -         |
| SS1102  | Misc. Sewer Line Repair & Replacement | 396,685     | 502,337     | 150,000 | 300,000 | 350,000   | 300,000 | 300,000   |
| SS1134  | SH 66 E. Sewer Line                   | 50,062      | 129,383     | -       | -       | 1,000,000 | 720,000 | 1,523,000 |
| SS1158  | Westside Lift Station                 | 1,009,034   | 141,889     | -       | -       | -         | -       | -         |
| SS1159  | Eastside Lift Station                 | 182,655     | 1,661,040   | -       | -       | -         | -       | -         |
| SS2088  | Manhole Rehabilitation                | 189,345     | 567,522     | -       | -       | -         | 290,000 | 415,000   |
| SS2094  | Backup power                          | 119,083     | 164,316     | -       | -       | -         | 125,000 | 125,000   |
| SS2095  | Lift & Pump Stations                  | 485,902     | 602,285     | 394,500 | 277,000 | 502,000   | 450,000 | 300,000   |
| SS2097  | SCADA                                 | -           | 110,000     | -       | -       | -         | -       | -         |
| SS2102  | Capital Maintenance Crew              | 196,776     | 203,224     | 200,000 | 200,000 | 200,000   | 200,000 | 200,000   |
| SS2103  | Northshore Sanitary Sewer             | 158,651     | 1,701,740   | -       | -       | -         | -       | -         |





**FY 2016 CITY OF ROWLETT BUDGET**
**FIVE YEAR CAPITAL IMPROVEMENTS PLAN SUMMARY**

| <b>Project</b> |                                                     | <b>Prior Years</b> | <b>Budget 2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> |
|----------------|-----------------------------------------------------|--------------------|--------------------|-------------|-------------|-------------|-------------|-------------|
| TIRZ03         | Merritt Road Pump Station 24"                       | -                  | -                  | -           | -           | -           | -           | 4,038,800   |
| TIRZ04         | Princeton Road 30"-36" Water Line                   | -                  | -                  | -           | -           | -           | -           | 5,531,600   |
| TIRZ05         | 5.8 MGD Plant Expansion                             | -                  | -                  | -           | -           | -           | -           | 3,400,000   |
| TIRZ06         | Bayside Lift Station                                | -                  | -                  | -           | -           | -           | -           | 3,237,643   |
| TIRZ07         | Miller Rd upsize to 18" Sewer Line                  | -                  | -                  | -           | -           | -           | -           | 927,825     |
| TIRZ08         | Upsize pump Rowlett Rd Pump Station                 | -                  | -                  | -           | -           | -           | -           | 312,000     |
| TIRZ09         | Upsize to 18" Force Main                            | -                  | -                  | -           | -           | -           | -           | 860,000     |
| TIRZ10         | Miller Rd/Dexham 24" Sewer Line                     | -                  | -                  | -           | -           | -           | -           | 1,090,018   |
| TIRZ11         | 51" Sewer Line (Siphon) connection to Garland Plant | -                  | -                  | -           | -           | -           | -           | 1,491,148   |
| WA1108         | Misc. Water Line Repair & Replacement               | 141,725            | 647,011            | 150,000     | 300,000     | 350,000     | 300,000     | 300,000     |
| WA1118         | Water Tank Refurbishing                             | 105,406            | 7,042              | -           | -           | -           | -           | -           |
| WA1156         | 16" water line Main Street                          | 13,780             | 477,620            | -           | -           | -           | -           | -           |
| WA1157         | 16" water line Miller RR-PGBT                       | 35,520             | 1,306,480          | -           | -           | -           | -           | -           |
| WA2095         | UPP and Rowlett Road Pump Station Improvements      | 4,016,502          | 844,184            | -           | -           | -           | -           | -           |
| WA2098         | 12" Water Miller east of Chiesa                     | -                  | 350,000            | -           | -           | -           | -           | -           |
| WA2099         | Utility Appurtenances (valves & hydrants)           | 36,922             | 67,026             | -           | 17,500      | 17,500      | 42,500      | 42,500      |
| WA2100         | Martha Elevated Tank Refurbishment                  | 38,874             | 826                | -           | -           | -           | -           | -           |

**FY 2016 CITY OF ROWLETT BUDGET**

**FIVE YEAR CAPITAL IMPROVEMENTS PLAN SUMMARY**

| Project            |                                            | Prior Years | Budget 2015 | 2016       | 2017       | 2018       | 2019       | 2020       |
|--------------------|--------------------------------------------|-------------|-------------|------------|------------|------------|------------|------------|
| WA2101             | PGBT Water & Miller Heights to RHS         | 29,347      | 204,948     | -          | -          | -          | -          | -          |
| WA2103             | Preventative Maintenance                   | 16,685      | 486,438     | 42,500     | 42,500     | 42,500     | 42,500     | 142,500    |
| WA2104             | Tower/Tank Maintenance                     | -           | 227,773     | -          | -          | 900,000    | 450,000    | 450,000    |
| WA2105             | Tools & Equipment                          | 24,298      | 30,702      | -          | -          | -          | -          | -          |
| WA2106             | Capital Equipment Leasing                  | 52,893      | 431,107     | 363,000    | 438,000    | 438,000    | 475,000    | 475,000    |
| WA2107             | 1.25MG elevated tank for UPP @ Main Street | 969,626     | 3,847,484   | -          | -          | -          | -          | -          |
| WA2108             | 24" water line lower pressure plane        | 1,304,201   | 13,509      | -          | -          | -          | -          | -          |
| WA2109             | UPP 16" water line enhancements            | -           | 484,551     | -          | -          | -          | -          | -          |
| WA2110             | Big A Water Line Improvements              | 83,284      | 1,745,266   | -          | -          | -          | -          | -          |
| WA2111             | 12" Water Line Dalrock-Miller-Schrade      | -           | -           | -          | -          | -          | 2,700,000  | -          |
| WA2112             | Additional pump for UPP                    | -           | -           | -          | -          | 330,000    | -          | -          |
| WA2113             | Capital Equipment Replacement              | -           | 50,000      | -          | 25,000     | -          | 125,000    | 50,000     |
| WA2114             | 12" Water Line Boyd (LPP)                  | -           | 625,000     | -          | -          | -          | -          | -          |
| WA2115             | 16" Water Line West PGBT Service Road      | -           | 507,290     | -          | -          | -          | -          | -          |
| WA2116             | 16" Water Line West PGBT Main Street SH66  | -           | -           | -          | -          | 527,000    | -          | -          |
| Total All Projects |                                            | 29,494,873  | 31,001,751  | 15,617,681 | 10,411,809 | 22,695,889 | 13,743,534 | 35,655,489 |

**FY 2016 CITY OF ROWLETT BUDGET**
**FIVE YEAR CAPITAL IMPROVEMENTS PLAN SUMMARY**

| <b>Project</b>                      | <b>Prior Years</b> | <b>Budget 2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> |
|-------------------------------------|--------------------|--------------------|-------------|-------------|-------------|-------------|-------------|
| <b>FUNDING SOURCES (ALL FUNDS):</b> |                    |                    |             |             |             |             |             |
| SOURCES OF FUNDS:                   |                    |                    |             |             |             |             |             |
| Current Revenues                    | 4,802,424          | 10,106,950         | 5,442,681   | 5,780,909   | 7,014,789   | 6,643,534   | 6,663,855   |
| Debt Financing - CO's               | 1,350,003          | 6,233,514          | -           | -           | -           | -           | -           |
| Debt Financing - GO's               | 1,538,968          | -                  | 9,957,500   | 4,630,900   | 10,681,100  | -           | -           |
| Debt Financing - Revenue Bonds      | 8,022,252          | 12,976,499         | -           | -           | 5,000,000   | 5,000,000   | 5,000,000   |
| Federal Sources                     | 11,991,022         | 284,679            | -           | -           | -           | -           | -           |
| NCTCOG                              | 1,656,861          | -                  | -           | -           | -           | -           | -           |
| County                              | 133,343            | 150,000            | -           | -           | -           | 2,100,000   | -           |
| Impact Fees                         | -                  | 950,109            | -           | -           | -           | -           | -           |
| Donations                           | -                  | 300,000            | 217,500     | -           | -           | -           | -           |
| Other                               | -                  | -                  | -           | -           | -           | -           | 23,991,634  |
| Total Sources                       | 29,494,873         | 31,001,751         | 15,617,681  | 10,411,809  | 22,695,889  | 13,743,534  | 35,655,489  |
| <b>USES OF FUNDS:</b>               |                    |                    |             |             |             |             |             |
| Alley Improvements                  | 629,912            | 2,301,950          | 2,018,119   | 1,793,585   | 2,066,191   | 933,213     | 941,341     |
| Streets & Roadways                  | 14,058,491         | 5,126,345          | 6,265,000   | 3,050,000   | 7,250,000   | 2,100,000   | -           |
| Capital Maintenance                 | 2,253,279          | 1,408,835          | 2,070,000   | 2,270,000   | 2,270,000   | 2,270,000   | 2,270,000   |
| Drainage                            | 247,994            | 983,173            | 335,502     | 335,502     | 335,502     | 335,502     | 335,502     |
| Park Improvements                   | 201,317            | 653,683            | 2,175,000   | 435,900     | 1,731,100   | -           | -           |
| Utility Improvements                | 8,247,271          | 14,248,308         | -           | -           | 5,000,000   | 5,000,000   | 28,991,634  |
| Utility Capital Maintenance         | 1,765,720          | 4,096,783          | 1,300,000   | 1,600,000   | 2,800,000   | 2,800,000   | 2,800,000   |
| Facilities & Other                  | 2,090,889          | 2,182,674          | 1,454,060   | 926,822     | 1,243,096   | 304,819     | 317,012     |
| Total Uses                          | 29,494,873         | 31,001,751         | 15,617,681  | 10,411,809  | 22,695,889  | 13,743,534  | 35,655,489  |



City of Rowlett  
Staff Report

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75080-0099  
www.rowlett.com

**AGENDA DATE:** 09/15/15

**AGENDA ITEM:** 8C

**TITLE**

Consider an ordinance approving and adopting the proposed ad valorem tax rate of \$0.787173 per \$100 of taxable value for FY2015-2016.

**STAFF REPRESENTATIVE**

Brian Funderburk, City Manager  
Terri Doby, Budget Officer

**SUMMARY**

Adoption of the tax rate is an important part of the budget process. Adoption of the tax rate per state law must be a separate item on the agenda and occurs after the adoption of the budget. The budget process culminates in the final adoption of a document and financial plan. By Charter, the City Manager is responsible for recommending a budget to the City Council. The City Council then adjusts this document to make it fit their desire for what is appropriate for the City. Finally, it is then reviewed by the citizens directly, who may give their input for final adjustments to make this budget and tax rate the right choice for the City.

**BACKGROUND INFORMATION**

The City Manager presented the proposed budget for FY2015-2016 on August 4, 2015. The City Council held Budget Work Sessions on August 17, August 18 and September 1, 2015. Public hearings on the proposed tax rate were held on August 18 and September 1, 2015.

**DISCUSSION**

City staff presented the Proposed Budget for FY2015-2016 on August 4, 2015, during a City Council Work Session. Ad valorem, or property taxes, are collected by local governments in two components: (1) operations and maintenance (O & M); (2) interest and sinking fund (I & S). The proposed budget was prepared with an operations and maintenance tax rate of \$0.577919 and a debt service tax rate of \$0.209254 for a total tax rate of \$0.787173 per \$100 of taxable value.

*The State of Texas "Truth in Taxation" law requires that the City Council conduct two public hearings on its proposed ad valorem tax rate each year if such rate exceeds the rollback rate or the effective tax rate, whichever is lower. The effective tax rate shows the relation between prior year's revenue and the current year's value. The rollback rate is the maximum rate that can be applied and not be subjected to a rollback petition.*

The effective tax rate and rollback rate have been calculated and the Notice of Proposed Tax Rate has been published in the local newspaper and on the City's web site as required by law. The following table illustrates the proposed tax rate, the rollback tax rate, and the effective tax rates appropriately split between the I & S rate and the O & M rate. The proposed tax rate to be considered is \$0.787173, which is more than the effective tax rate.

|                  | <b>FY 2014-2015<br/>Adopted</b> | <b>FY 2015-2016<br/>Proposed</b> | <b>FY 2015-2016<br/>Effective</b> | <b>FY 2015-2016<br/>Rollback</b> |
|------------------|---------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| <b>O &amp; M</b> | 0.549770                        | 0.577919                         | 0.507559                          | 0.559697                         |
| <b>Debt</b>      | 0.237403                        | 0.209254                         | 0.234492                          | 0.234492                         |
| <b>Total</b>     | 0.787173                        | 0.787173                         | 0.742051                          | 0.794189                         |

### **FINANCIAL/BUDGET IMPLICATIONS**

This item is the annual ad valorem tax assessment.

### **RECOMMENDED ACTION**

City staff recommends the City Council consider and adopt the ad valorem tax rate. According to the revisions to Sec. 26.05 of the Property Tax Code enacted by the 2013 Legislature, a motion to adopt an ordinance setting a tax rate that exceeds the effective tax rate must be made in the following form:

**“I move that the property tax rate be increased by the adoption of a tax rate of 0.787173, which is effectively a 6.08 percent increase in the tax rate.”**

### **ORDINANCE**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, ADOPTING THE TAX RATE AND LEVYING AD VALOREM TAXES FOR THE FISCAL YEAR 2015-2016 TO PROVIDE REVENUE FOR THE PAYMENT OF CURRENT EXPENDITURES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, following public notice duly posted and published in all things as required by law, public hearings were held, by and before the City Council of the City of Rowlett, the subject of which was the proposed tax rate for the City of Rowlett for Fiscal Year 2015-2016; and

**WHEREAS**, the City Council, upon full consideration of the matter, is of the opinion that the tax rate hereinafter set forth is proper and should be approved and adopted.

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

**Section 1:** That there is hereby levied and shall be assessed for the tax year 2015 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Rowlett, Texas, and not exempt by the Constitution of the State

and valid State laws, a tax of \$0.787173 on each and every \$100 assessed valuation of taxable property apportioned and distributed as follows:

(a) \$0.577919 on each and every \$100 valuation of said property is hereby reviewed and assessed to provide revenue for maintenance and operations of the City government and current expenses thereof; and

(b) \$0.209254 on each and every \$100 valuation of said property is hereby reviewed and assessed for the purpose of creating a sinking fund to pay the interest principal on all outstanding bonds of the City, not otherwise provided for.

(c) THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 11.5 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$28.15.

**Section 2:** That all ad valorem taxes shall become due and payable on October 1, 2015 and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1, 2016.

**Section 3:** That a delinquent tax shall incur all penalty and interest authorized by law including a penalty of six percent (6%) on the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. A tax delinquent on July 1, 2016 incurs a total penalty of twelve percent (12%) of the amount of delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at the rate of one percent (1%) for each month or portion of a month the tax remains unpaid. Taxes that remain delinquent on July 1, 2016 incur an additional penalty of twenty percent (20%) of the amount of taxes, penalty and interest due; such additional penalty is to defray costs of collection due to a contract with the City's tax collection attorney pursuant to Section 33.07 of the Texas Property Tax Code, as amended.

**Section 4:** That the City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

**Section 5:** That the tax roll as presented to the City Council, together with any supplements hereto, be and the same are hereby approved.

**Section 6:** That should any word, sentence, section, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be void or

unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance which shall remain in full force and effect.

**Section 7:** All ordinances of the City of Rowlett, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed; provided, however that all other provisions of said ordinances not in conflict with the provisions of this ordinance shall remain in full force and effect.

**Section 8:** This ordinance shall become effective immediately upon its passage, as the law and charter in such cases provide.