



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, October 18, 2016

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 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**
3. **WORK SESSION (5:30 P.M.)** * Times listed are approximate.
 - 3A. Discuss 2017 Legislative Agenda for the City of Rowlett. (45 minutes)
 - 3B. Hear a presentation on the 2015 Community Investment Bond projects as well as other Capital Improvement Plan (CIP) construction projects. (45 minutes).
 - 3C. Discuss the comprehensive compensation and classification study and comparison cities. (20 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 the month of October 2016 as National Community Planning Month.

- 5B.** Presentation of Texas House Resolution from State Representative Angie Chen Button to former Councilmembers Michael Gallops and Carl Pankratz.
- 5C.** Hear presentation of the Monthly Financial report for the period ending August 31, 2016.
- 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 September 7, 2016 City Council Work Session, the September 8, 2016 City Council Work Session, the September 13, 2016 City Council Special Meeting, and September 20, 2016 City Council Regular Meeting.
- 7B.** Consider action to approve a resolution amending and adopting the City's Investment Policy for FY 2017.
- 7C.** Consider action to approve a resolution for the third amendment to the Investment Advisory Agreement with PFM Asset Management LLC (PFM), and authorizing the City Manager to execute the necessary documents to continue said services.
- 7D.** Consider approving a resolution authorizing the City Manager to issue a contract task order modification extending the Period of Service through December 31, 2016, for comprehensive disaster recovery management services from CDR Maguire.
- 7E.** Consider a resolution approving a tree mitigation plan and related tree removal permit application for more than three trees associated with Willow Wood Estates for property located at 7900 Chiesa Road further described as being all of Tract 1 in the James Saunders Survey, Abstract No. 1424 and being a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas.
- 7F.** Consider action to approve a resolution authorizing the payment for computer software maintenance and support services for the Police Department to Integrated Computer Systems (ICS) in the amount of \$155,306, and authorizing the City Manager to execute the necessary documents to continue said services.
- 7G.** Consider a resolution to ratify an amended purchase order for additional expenses incurred with Dallas County for Household Hazardous Waste for Fiscal Year 2016 (FY2016) while under emergency declaration.

7H. Consider action to approve an ordinance to adopt the current Texas Food Establishment Rules 25 TAC Chapter 228 and to replace existing language in Rowlett Code of Ordinances 10-141 to reflect the most recent Food Code and any future amendments. .

8. ITEMS FOR INDIVIDUAL CONSIDERATION

8A. Consider action to approve an ordinance allowing food service establishments to allow dogs on outdoor patios.

8B. Conduct a public hearing and take action on a rezoning request to Planned Development with an underlying Limited Commercial/Retail (C-1) based zoning district to allow a self-storage facility for property located at 1800 & 1900 Castle Drive further described as being all of Lots 4 and 5, Block A of Bubbus Addition No. 1, City of Rowlett, Dallas County, Texas. (Case number 144-2016).

8C. Conduct a public hearing and take action on a request to amend Planned Development Ordinance #027-16 in order to modify the landscape entryway requirements for property located at 7900 Chiesa Road further described as being all of Tract 1 in the James Saunders Survey, Abstract No. 1424 and being a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas.

8D. Conduct a public hearing and consider an ordinance for a rezoning request from Single Family-40 (SF-40) to a Planned Development (PD) with an underlying Single Family-7 (SF-7) and Commercial-1 (C-1) base zoning for property located at 6917 Miller Road, further described as being 4.028 +/- acres in the James Hobbs Survey, Abstract #571, City of Rowlett, Dallas County, Texas.

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) on the 14th day of October 2016, by 5:00 p.m.



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/16

AGENDA ITEM: 3A

TITLE

Discuss 2017 Legislative Agenda for the City of Rowlett. (45 minutes)

STAFF REPRESENTATIVE

Brian Funderburk, City Manager

SUMMARY

The purpose of this item is to discuss possible legislation that could impact the City during the 85th Legislative Session and to determine if the City Council desires to establish legislative priorities for Rowlett.

BACKGROUND INFORMATION

In previous years, the City Council has approved resolutions supporting or opposing certain issues that may be considered before the Texas State Legislature. The 85th Legislative Session begins on January 10, 2017, and staff has prepared this item to provide the opportunity for the City Council to approve a formal legislative agenda.

DISCUSSION

Introduction:

Like most municipalities in Texas, the City of Rowlett pays attention to possible legislation that could impact it when the Texas State Legislature is in session. The sheer magnitude of bills in any legislative session is a chore to monitor. Given the economic impetus that the legislature will be dealing with, staff will take a proactive role in tracking bills that may have a significant impact on Rowlett's revenues, operations, or legal authority, through state mandates.

In order to do this, staff has created a tracking system that it will utilize to optimize collaboration and information sharing. It will include a report that staff will update and publish on a weekly basis. In addition, at any time staff becomes aware of a critical issue, we will use email, telephone or use other means to notify the Council and other stakeholders in a timely manner.

Even then, it is nearly impossible for any city to track every single issue. This is why Rowlett, like many cities, must utilize other resources such as Texas Municipal League (TML) and other government agencies and professional associations.

85th Legislative Session:

The 85th Legislative Session will begin on Tuesday, January 10, 2017. The Session will end on Monday, May 29, 2017. Prefiling of bills begins on November 14, 2016. Each Senator and Representative is allowed to introduce bills. In addition, others in the government, as well as

senators and representatives who chair committees, are also allowed to introduce bills. Often, bills that are introduced “compete” with other versions introduced by other legislators. Committees “hear” these bills, offer changes and amendments, and either move them to the main floor to be voted on or vote to table them in Committee where they never see the light of day.

For perspective, in the 2015 legislative session, more than 6,000 bills or significant resolutions were introduced, more than 1,600 of them would have affected Texas cities in some substantial way. In the end, over 1,300 such actions were passed and signed into law, approximately 220 having an impact on local government.

TML’s legislative policy committee asks city officials to keep the following in mind:

1. There is a practical limit to what the League – or any group, for that matter – can accomplish in any legislative session.
2. TML will expend the vast majority of its resources killing bad bills.

It is unlikely that any other interest group in the state monitors and opposes as many bills as does the Texas Municipal League.

Unfortunately, the number of bad city-related bills grows almost every year. (Please see the chart below).

Year	Total Bills Introduced*	Total Bills Passed	City-Related Bills Introduced	City-Related Bills Passed
2001	5,712	1,621	1,200+	150+
2003	5,754	1,403	1,200+	110+
2005	5,369	1,397	1,200+	105+
2007	6,374	1,495	1,200+	120+
2009	7,609	1,468	1,500+	120+
2011	6,303	1,410	1,500+	160+
2013	6,061	1,437	1,700+	220+
2015	6,476	1,329	1,600+	220+

*Includes bills and proposed Constitutional amendments; regular session only.

3. Given the League’s finite resources, and because vast amounts of those resources are necessarily expended in defeating bad legislation, the League must very carefully select bills that it will support or for which it will attempt to seek passage. Thus, it is important to advocate only those initiatives that are truly important and that have a realistic chance of passage.
4. How can the committee identify initiatives that are truly significant and that merit a place in the TML legislative program? Committee members may wish to ask the following questions about each discussion item:

- ✓ Does the initiative have wide applicability to a broad range of cities of various sizes (both large and small) and in various parts of the state?
- ✓ Does the initiative address a core municipal issue, such as erosion of local control and preservation or enhancement of municipal revenue?
- ✓ Will the initiative be vigorously opposed by strong interest groups and, if so, will member cities commit to contributing the time and effort necessary to overcome that opposition?
- ✓ Is this initiative, when compared to others, important enough to be part of TML's list of priorities?
- ✓ Is this initiative one that city officials, more than any other group, should and do care about?

Calendar:

**STATE OF TEXAS
85th LEGISLATIVE SESSION**

Tuesday, November 8, 2016

General election for legislative and other offices is held
[Election Code, Sec. 41.002]

Monday, November 14, 2016

Prefiling of legislation for the 85th Legislature begins
[House Rule 8, Sec. 7, and Senate Rule 7.04(a)]

Session Begins

Tuesday, January 10, 2017 (1st day)

85th Legislature convenes at noon
[Government Code, Sec. 301.001]

Friday, March 10, 2017 (60th day)

Deadline for filing bills and joint resolutions other than local bills, emergency appropriations, and bills that have been declared an emergency by the governor
[House Rule 8, Sec. 8; Senate Rules 7.07(b); Senate Rule 10.01 subjects joint resolutions to the rules governing proceedings on bills]

Monday, May 29, 2017 (140th day)

Last day of 85th Regular Session; corrections only in house and senate
[Sec. 24(b), Art. III, Texas Constitution]

Session Ends

Sunday, June 18, 2017 (20th day following final adjournment)

Last day governor can sign or veto bills passed during the regular legislative session
[Sec. 14, Art. IV, Texas Constitution]

Monday, August 28, 2017 (91st day following final adjournment)

Date that bills without specific effective dates (that could not be effective immediately) become law

[Sec. 39, Art. III, Texas Constitution]

Legislative Agenda for Other Entities:

The Texas Municipal League (TML) published their 2017 legislative priorities on October 6, 2016. In previous years, TML has approved a series of resolutions regarding municipal revenue and finance, eminent domain and regulation of development, and utilities and transportation, among other items. Most of these resolutions list issues that they would like to see introduced, support, oppose or take no position on. TML has approved 91 such policy statements on topics of importance such as annexation and regulation of development, revenue and finance, utilities and transportation, and other general government activities and initiatives. In addition, TML has identified seven specific bills they would like to see approved as listed below (the full text of the resolutions is included in Attachment One).

1. A resolution to seek introduction and passage of legislation to amend Texas Penal Code, sections 30.06 and 30.07, to authorize private lessees to post signage prohibiting possession of handguns on property leased from a governmental entity.
2. A resolution to seek introduction and passage of legislation to authorize a combined ballot proposition for reallocation of dedicated or special purpose sales tax revenues to the general revenue sales and use tax fund and a local election to increase or decrease the type B sales and use tax rate within the jurisdiction.
3. A resolution relating to the Texas municipal retirement system; supporting additional flexibility or alternatives in regard to cost of living adjustments for retirees.
4. A resolution relating to the appropriation of \$60 million for the fiscal years 2018-2019 biennium for the state of Texas to the defense economic adjustment assistance grant (DEAAG) program.
5. A resolution relating to City of San Marcos' policy recommendations (this involves a number of items including supporting legislation for the use of public, education, and government (PEG) fees, and additional appropriations for the Texas Workforce Commission, affordable and workforce housing, and opposing legislation that would erode a city's economic development incentive options or effect the ability of local government to regulate state-issued cable franchises.
6. A resolution in support of legislation that would extend the authorized term for the collection of municipal sales and use taxes for street maintenance.
7. A resolution in support of legislation that would waive the \$30.00 administrative fee for political subdivisions that participate in the failure to appear program in cases that are dismissed, a person performs community service, serves time in jail in lieu of payment of fines or fees, or any other case when no costs or fees are collected.

At the current time, other key organizations, such as Dallas County, the Government Finance Officers Association of Texas (GFOAT), and the North Texas Tollway Authority have not yet

published their legislative agenda on their webpages. Once they do so, staff will update its information. Links to these key entities' legislative webpages are as follows:

Rowlett's Legislative Agenda:

Rowlett has the opportunity to be more proactive if the City Council wishes. For example, in the 2011 Legislative Session, the City solicited the assistance of Senator Bob Deuell to file bills creating three separate municipal management districts, all of which passed. In the 2015 Legislative Session, the City of Rowlett developed a Fact Sheet (Attachment Two) with its legislative priorities including greater flexibility by cities to fund local transportation projects, requiring toll authorities to reimburse local governments for the value of services provided to help toll roads operate safely, and to directly oppose any erosion of municipal authority, including setting revenue caps or imposing state fees on municipal water systems. Clearly, with the advent of the discussions at that time centering around the possibility of a new tollway through Rowlett, support for improvements on I-30 had never been more important.

On February 15-16, the City of Rowlett will again partner with the Rowlett Chamber of Commerce for *Rowlett Legislative Days* to visit with our representatives in Austin. This would be a good time to share our concerns and issues about any particular bills being considered or the City's legislative agenda overall.

Based upon preliminary research conducted by City staff utilizing pre-filed bills and legislative programs/agendas of other governmental bodies, it is staff's recommendation that the City Council consider the following issues as part of any formal legislative agenda that the Council may approve:

Municipal Revenue

- Support any legislation that would simplify the effective tax rate calculation for notice purposes only, provided the legislation would have no effect on the underlying effective tax rate and rollback tax rate calculations themselves, nor upon the hold harmless exemptions to those rates.
- Oppose any legislation that would reduce the annual property tax appraisal cap.
- Oppose any legislation that would impose a revenue cap of any type, including a reduced rollback rate, mandatory tax rate ratification elections, lowered rollback petition requirements, limitations on overall city expenditures, or exclusion of the new property adjustment in effective rate and rollback rate calculations.
- Oppose any legislation that would impose new property tax exemptions that erode the property tax base.
- Oppose any legislation that would impose a property tax freeze that can be implemented by any mechanism other than council action.
- Oppose any legislation that would impose new sales tax exemptions that erode the sales tax base.
- Oppose any legislation that would inhibit the City from setting the sales tax.
- Oppose any legislation that would erode municipal authority to participate in utility rate cases.

- Oppose any legislation that would impose additional state fees or costs on municipal court convictions or require municipal courts to collect fine revenue for the state.

Public Safety

- Support legislation that would allow DWI Checkpoints to be established by local law enforcement.
- Support legislation that would require sex offenders to provide additional pertinent information to local law enforcement.
- Support the legislative agenda of the North Texas Crime Commission (NTCC).
- Oppose any legislation that would repeal or limit use of video in law.

Transportation

- Support the I-30 improvements from Bass Pro Shop to Hunt County, including inclusion in the current Mobility 2040 Transportation Plan. **[Note: this is critical for the success of Bayside as well as meeting a regional need.]**
- Support legislation that would allow for greater flexibility by cities to fund local transportation projects; amend or otherwise modify state law to help cities fund transportation projects; or provide municipalities with additional funding options and resources to address transportation needs that the state and federal governments are unable or unwilling to address.
- Support legislation that would discontinue the diversion of transportation revenues to non-transportation purposes and appropriate all revenues from highway user fees and taxes to fund transportation.
- Support the legislative agenda of the Dallas Area Rapid Transit (DART).
- Support the legislative agenda of the Regional Transportation Council (RTC).

Quality of Life

- Support legislation that would maximize the use of revenues from the sporting goods sales tax and federal funds to increase funding for parks and recreation programs for both Local and State parks and that all Texas Recreation and Parks Account (TRPA) and Urban Account funded park projects be subject to the established Texas Parks & Wildlife Department (TPWD) competitive scoring system.
- Support legislation that would provide funding to the Texas Recreation and Parks Account (TRPA) and Urban Account accounts.

Home Rule/Local Control

- Support any legislation that would exempt Texas cities from any federal collective bargaining legislation that may become law in the future.
- Oppose any legislation that would erode municipal authority or otherwise undermine the City's sovereign immunity, or municipal annexation and zoning powers.
- Oppose any legislation that would erode municipal authority over the management and control of its rights-of-way or decreasing the authority of the City to be adequately compensated for such use.

- Oppose any legislation that would expand the current meet-and-confer law.

Environment

- Support legislation that would encourage environmental responsibility within the fiscal resources allowed.

Other

- Support state or federal legislation that would expand the use of public, education, and government (PEG) fees to include operational and related costs associated with PEG channels.
- Support the legislative agenda of the Texas Cities Aggregation Power Project (TCAP).
- Oppose any legislation that would erode municipal authority in any way, imposes an unfunded mandate, or otherwise be detrimental to cities.

City staff will track the progress of pre-filed bills and will periodically report their progress to the City Council through oral presentations and written reports. In addition to this action, City staff will prepare a communications piece for legislators and citizens.

FINANCIAL/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

Provide consensus on specific legislative priorities regarding the upcoming 2017 Legislative Session.

ATTACHMENTS

Attachment One – TML Legislative Priorities

Attachment Two – Rowlett Priorities 84th Texas Legislative Session

**RESOLUTIONS APPROVED
TO THE MEMBERSHIP OF THE
TEXAS MUNICIPAL LEAGUE**

October 6, 2016

Austin, Texas

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1.

A RESOLUTION ADOPTING THE REPORT OF
THE 2016 TML LEGISLATIVE POLICY COMMITTEE ON ANNEXATION AND
REGULATION OF DEVELOPMENT

WHEREAS, the 2016 TML Legislative Policy Committee on Annexation and Regulation of Development was appointed by TML President C.J. Wax in early 2016; and

WHEREAS, more than 50 municipal officials from cities of every size across the state served on the Committee; and

WHEREAS, the Committee studied numerous issues relating to annexation and regulation of development; and

WHEREAS, the Committee has completed its work and has drafted the attached report;

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the attached report of the TML Legislative Policy Committee on Annexation and Regulation of Development be accepted and adopted.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

TEXAS MUNICIPAL LEAGUE
LEGISLATIVE POLICY COMMITTEE ON
ANNEXATION AND REGULATION OF DEVELOPMENT

Summary of Actions Taken
May 6, 2016

1. **Annexation**

The Committee voted to recommend that TML **oppose** legislation that would erode municipal annexation authority.

2. **Eminent Domain**

The Committee voted to recommend that TML **oppose** legislation that would further erode a city's ability to condemn property for a public use.

3. **Zoning**

The Committee voted to recommend that TML **oppose** legislation that would erode municipal comprehensive planning and zoning authority, or that would modify existing procedures in any detrimental way.

The Committee voted to recommend that TML **oppose** legislation that would restrict a city's ability to adopt or amend zoning regulations, or vest or otherwise create a property right in a zoning classification.

4. **Regulatory Takings**

The Committee voted to recommend that TML **oppose** legislation that would establish a standard or process for determining economic loss and related compensation resulting from a regulatory action.

5. **Religious Land Use**

The Committee voted to recommend that TML **oppose** legislation that would further erode a city's ability to regulate religious or charitable organizations.

6. **Permit Vesting**

The Committee voted to recommend that TML **oppose** legislation that would enact adverse amendments to the permit vesting statute (Chapter 245 of the Local Government Code).

The Committee voted to recommend that TML **support** legislation that would make beneficial changes to the permit vesting statute (Chapter 245 of the Local Government Code).

7. **Special Districts**

The Committee voted to recommend that TML **oppose** legislation that would allow special districts to form in a city or its extraterritorial jurisdiction without the city's permission, or that would impose additional requirements on cities relating to special districts.

8. **Development Exactions**

The Committee voted to recommend that TML **oppose** legislation that would reduce municipal authority to require exactions related to and required by new development, or that would erode the authority of cities to adopt and enforce minimum development standards.

9. **Uniform Building Codes and Building Permit Fees**

The Committee voted to recommend that TML **oppose** legislation that would erode a city's ability to make amendments to model building codes.

The Committee voted to recommend that TML **postpone** until the August 19, 2016, meeting of the General Government Committee a decision about whether the League should support legislation that would repeal the prohibition against mandatory residential fire sprinklers, and the Committee instructed staff to seek more information from the City of Tomball and the Texas Fire Chiefs Association.

The Committee voted to recommend that TML **oppose** legislation that would further restrict a city's ability to impose building fees.

10. **Extraterritorial Jurisdiction**

The Committee voted to recommend that TML **oppose** legislation that would erode municipal authority in the extraterritorial jurisdiction.

11. **Impact Fees**

The Committee voted to recommend that TML **oppose** legislation that erode municipal authority over impact fees or that would exempt any entity from paying municipal impact fees.

12. **Tree Preservation Ordinances**

The Committee voted to recommend that TML **oppose** legislation that would erode municipal authority in relation to tree preservation requirements.

13. **Oil and Gas Regulation**

The Committee voted to **oppose** legislation that would further erode municipal authority over oil and gas development.

14. **Other**

The Committee voted to **form a subcommittee** to study whether a position related to the expansion of general law city authority is appropriate at this time.

The Committee voted to **oppose** legislation that would erode the ability of a city to amortize nonconforming uses, including those in a flood plain.

2.

A RESOLUTION ADOPTING THE REPORT OF
THE 2016 TML LEGISLATIVE POLICY COMMITTEE ON REVENUE AND FINANCE

WHEREAS, the 2016 TML Legislative Policy Committee on Revenue and Finance was appointed by TML President C.J. Wax in early 2016; and

WHEREAS, more than 50 municipal officials from cities of every size across the state served on the Committee; and

WHEREAS, the Committee studied numerous issues relating to revenue and finance; and

WHEREAS, the Committee has completed its work and has drafted the attached report;

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the attached report of the TML Legislative Policy Committee on Revenue and Finance be accepted and adopted.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

TEXAS MUNICIPAL LEAGUE
LEGISLATIVE POLICY COMMITTEE ON
REVENUE AND FINANCE

Summary of Actions Taken
May 27, 2016

1. **Appraisal Caps**

The Committee voted to recommend that TML **oppose** legislation that would negatively expand appraisal caps.

The Committee voted to recommend that TML **oppose** legislation that would erode the concept that appraisals must reflect the true market value of property.

The Committee voted to recommend that TML **take no position** on legislation that would authorize a council-option reduction in the current ten-percent cap on annual appraisal growth.

2. **Revenue, Tax, and Expenditure Caps**

The Committee voted to recommend that TML **oppose** legislation that would impose a revenue cap of any type, including a reduced rollback rate, mandatory tax rate ratification elections, lowered rollback petition requirements, limitations on overall city expenditures, exclusion of the new property adjustment in effective rate and rollback rate calculations, or legislation that lowers the rollback rate and gives a city council the option to re-raise the rollback rate.

3. **Effective and Rollback Rate “Reform”**

The Committee voted to recommend that TML **support** legislation that would simplify the effective tax rate calculation for notice purposes only, provided the legislation would have no effect on the underlying effective tax rate and rollback tax rate calculations themselves, nor upon the hold harmless exemptions to those rates.

4. **Property Tax Eemptions**

The Committee voted to recommend that TML **oppose** legislation that would impose new property tax exemptions that substantially erode the tax base.

5. **Tax Freezes**

The Committee voted to recommend that TML **oppose** legislation that would impose a property tax freeze that can be implemented by any mechanism other than council action.

6. **Equity Appraisals**

The Committee voted to recommend that TML **support** legislation that would make beneficial amendments to the equity appraisal statute.

7. **Sales Price Disclosure**

The Committee voted to recommend that TML **support** legislation that would require mandatory disclosure of real estate sales prices.

8. **“Prop 2” Pollution Control Exemption**

The Committee voted to recommend that TML **oppose** legislation that would extend the “Prop 2” pollution control property tax exemption to processes, facilities, or end products.

9. **Homestead Property Tax Exemptions**

The Committee voted to recommend that TML **oppose** legislation that would impose new mandatory homestead exemptions or exemption increases.

The Committee voted to recommend that TML **support** legislation that would allow a council-option city homestead exemption, expressed as a percentage or flat-dollar amount.

10. **Retention of Mineral Rights at Tax Sale**

The Committee voted to recommend that TML **form a subcommittee** to study whether a position related to a city’s retention of mineral rights for properties that are bid-off to the city after a tax sale is appropriate at this time.

11. **Sales Tax Exemptions**

The Committee voted to recommend that TML **oppose** legislation that would impose any sales tax exemption that would substantially erode the tax base.

The Committee voted to recommend that TML **oppose** legislation that would lengthen or broaden the scope of the current sales tax holiday.

12. **General and Dedicated Sales Tax Rates**

The Committee voted to recommend that TML **support** legislation that would authorize a city to adjust the general revenue sales tax rate or renew a dedicated sales tax using a combined ballot proposition.

13. **Expansion of Sales Tax Base**

The Committee voted to recommend that TML **support** legislation that would expand the sales tax base, but only if the city tax base fully benefits from the expansion.

The Committee voted to recommend that TML **oppose** legislation that would expand the sales tax base without fully benefitting the city tax base.

14. **Streamlined Sales Tax Project/Sales Tax Sourcing**

The Committee voted to recommend that TML **support** legislation that would convert the sales tax reallocation process from a ministerial process into a more formalized administrative process that would, at a minimum, require prior notice to all affected parties.

The Committee voted to recommend that TML **support** legislation that would toll the four-year “look-back provision” relating to collection of unpaid city sales tax, but only in the case of nonpayment by a business and not misallocation among cities.

The Committee voted to recommend that TML **oppose** legislation that would alter the city share or the calculation or sourcing of city sales taxes.

15. **Type A/Type B Economic Development Sales Tax**

The Committee voted to recommend that TML **take no position** on legislation that would broaden the authority of Type A or Type B sales tax corporations.

The Committee voted to recommend that TML **oppose** legislation that would limit the authority of Type A or Type B sales tax corporations statewide, but take no position on legislation that is regional in scope and that is supported by some cities in that region.

The Committee voted to recommend that TML **support** legislation that allows the collection of economic development sales tax so long as bonds, projects, and other obligations exist for the corporation.

16. **Emergency Services Districts (ESDs) and Sales Taxes**

The Committee voted to recommend that TML **support** legislation that would authorize cities— in relation to annexation, planned annexation, voluntary annexation, or negotiated annexation—

to replace some or all emergency services district (ESD) sales taxes in an area with city sales taxes, provided an ESD's existing sales tax debt is proportionately and reasonably provided for in some manner.

The Committee voted to recommend that TML **support** legislation that would permit a municipal development district's sales tax, notwithstanding a competing emergency services district (ESD) sales tax, to apply in the extraterritorial jurisdiction, as current law allows, provided an ESD's existing sales tax debt is proportionately and reasonably provided for in some manner.

The Committee voted to recommend that TML **support** legislation that would allow cities to remove themselves from an ESD if the city is capable of providing services to the area.

The Committee voted to recommend that TML **support** legislation that would require city council approval for an ESD to expand into a city's corporate limits or ETJ.

17. **Issuing City Debt**

The Committee voted to recommend that TML **oppose** legislation that would expand election requirements for issuance of any city debt, impose a petition/election procedure where none currently exists, or that would otherwise erode the ability of a city to issue debt in any way.

18. **Local Parks Funding**

The Committee voted to recommend that TML **support** legislation that would provide a fair and equitable distribution of the sporting good sales tax revenues for state and local parks.

The Committee voted to recommend that TML **oppose** legislation that would implement appropriation riders that set Texas Recreation and Parks Accounts (TRPA) funding No. 467 & Large County and Municipality Recreation and Parks Account No. 5007 funds for specific projects or locales.

The Committee voted to recommend that TML **support** legislation that would create a constitutional dedication of sporting goods sales tax revenues for use in state and local parks that would directly benefit parks, recreation, open space, trails and tourism.

The Committee voted to recommend that TML **support** legislation that would pass through federal dollars used for parks, recreation, open space, trails, and tourism from any of the following, but not limited to, the United States Department of the Interior Land and Water Conservation Fund (LWCF), the Sport Fish Restoration Boat Access program and the United States Department of Transportation Recreation Trails program.

The Committee voted to recommend that TML **support** legislation that would directly benefit parks, recreation, open space, trails, tourism, health and wellness (i.e. utility corridors and mobility).

The Committee voted to recommend that TML **oppose** legislation that would be detrimental to parks, recreation, open space, trails, and tourism (i.e. non-use of eminent domain for recreational purposes).

19. Major Events Reimbursement Program

The Committee voted to recommend that TML **oppose** legislation that would limit or eliminate the current flexibility of the Major Events Reimbursement Program as a tool for cities to attract or host major events and conventions.

20. City Depository Services Agreements

The Committee voted to recommend that TML **support** legislation that would either lengthen the total term of a city depository services agreement or that would allow cities the ability to renew their depository services agreements beyond the current five-year term.

21. Public Funds Investment Act Training

The Committee voted to recommend that TML **support** legislation that would clarify current law to exempt city officials in cities with little or no investments from the Public Fund Investment Act's continuing training requirement, pursuant to the intent of H.B. 1148 (2015).

22. Medicaid Expansion

The Committee voted to recommend that TML **take no position** on legislation that would expand Medicaid in Texas.

23. Cost of Unfunded Mandates in Fiscal Notes

The Committee voted to recommend that TML **support** legislation that would require the Legislative Budget Board to include in all fiscal notes attached to legislation the estimated cost of unfunded mandates for local governments.

3.

A RESOLUTION ADOPTING THE REPORT OF
THE 2014 TML LEGISLATIVE POLICY COMMITTEE ON UTILITIES AND
TRANSPORTATION

WHEREAS, the 2016 TML Legislative Policy Committee on Utilities and Transportation was appointed by TML President C.J. Wax in early 2016; and

WHEREAS, more than 50 municipal officials from cities of every size across the state served on the Committee; and

WHEREAS, the Committee studied numerous issues relating to utilities and transportation; and

WHEREAS, the Committee has completed its work and has drafted the attached report;

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the attached report of the TML Legislative Policy Committee on Utilities and Transportation be accepted and adopted.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

TEXAS MUNICIPAL LEAGUE
LEGISLATIVE POLICY COMMITTEE ON
UTILITIES AND TRANSPORTATION

Summary of Actions Taken
June 3, 2016

1. **The Turnback Program**

The Committee voted to recommend that TML **oppose** legislation, or state budget strategies, that would remove or negate the strictly voluntary nature of highway turnbacks.

2. **Local and State Transportation Funding**

The Committee voted to recommend that TML **support** legislation that would:

- a. allow for greater flexibility by cities to fund local transportation projects; amend or otherwise modify state law to help cities fund transportation projects; or provide municipalities with additional funding options and resources to address transportation needs that the state and federal governments are unable or unwilling to address.
- b. discontinue the diversion of transportation revenues to non-transportation purposes and appropriate all revenues from highway user fees and taxes to fund transportation.
- c. provide additional funding to the Texas Department of Transportation for transportation projects that would benefit cities, so long as existing funding formulas are followed.
- d. authorize a local option election to increase the local sales tax cap from 2 to 2.25 cents.
- e. provide local, state, and federal transportation funding for rail as one component of transportation infrastructure.
- f. provide additional funding for transportation mobility projects and increased local control over those projects.

3. **Billboards**

The Committee voted to recommend that TML **oppose** legislation that would erode municipal authority over billboards or that would place any unfunded mandate on cities relating to billboards.

The Committee voted to recommend that TML **support** legislation that would increase municipal authority over Texas Department of Transportation logo signs. (Note: the Committee directed staff to provide additional briefing materials related to this issue for the August 19 meeting of the Legislative Policy Committee on General Government.)

4. **Transportation Network Companies**

The Committee voted to recommend that TML **oppose** legislation that would preempt city regulations governing transportation network companies and licensing their drivers.

5. **Overweight/Oversize Vehicles**

The Committee voted to recommend that TML **oppose** legislation that would increase the permissible size or weight of vehicles under state law.

6. **Rights-of-Way**

The Committee voted to recommend that TML **oppose** legislation that would erode the authority of a city to be adequately compensated for the use of its rights-of-way.

The Committee voted to recommend that TML **oppose** legislation that would erode municipal authority over the management and control of rights-of-way.

The Committee voted to recommend that TML **oppose** legislation or rules that would erode the provisions of Chapter 66 of the Utilities Code, which relates to state-issued cable franchises.

7. **Utility Relocation**

The Committee voted to recommend that TML **oppose** legislation that would erode municipal authority to require utility companies to pay the costs of relocating their facilities in a timely manner as required by current law.

8. **Solid Waste Franchises**

The Committee voted to recommend that TML **oppose** legislation that would limit a city's authority to enter into a solid waste franchise.

9. **County Recycling Programs**

The Committee directed staff to provide further briefing materials on this issue for the August 19 meeting of the Legislative Policy Committee on General Government.

10. **Wastewater Reuse**

The Committee voted to recommend that TML **oppose** legislation that would erode local control or reduce municipal ownership and/or control over effluent and water reuse projects.

11. **Water Operators**

The Committee voted to direct staff to, in conjunction with the City of Alpine, move forward with efforts to find a solution to the scarcity of water/wastewater operators in the state.

12. **PUC Water Rate Jurisdiction**

The Committee voted to recommend that TML **oppose** legislation or state agency action authorizing any state agency to assert jurisdiction over the rates and services provided by a municipally owned utility inside the city limits.

13. **Speed Enforcement in School Zones**

The Committee voted to recommend that TML **support** legislation that would allow cities to use automated speed enforcement in school zones.

4.

A RESOLUTION ADOPTING THE REPORT OF
THE 2016 TML LEGISLATIVE POLICY COMMITTEE ON
GENERAL GOVERNMENT

WHEREAS, the 2016 TML Legislative Policy Committee on General Government was appointed by TML President C.J. Wax in early 2016; and

WHEREAS, more than 130 municipal officials from cities of every size across the state served on the Committee; and

WHEREAS, the Committee studied numerous issues relating to general government; and

WHEREAS, the Committee has completed its work and has drafted the attached report;

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the attached report of the TML Legislative Policy Committee on General Government be accepted and adopted.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

**REPORT OF THE TML LEGISLATIVE POLICY COMMITTEE
ON GENERAL GOVERNMENT**

A. **Seek Introduction and Passage** of legislation that would:

1. Add a tenth criteria of “location of an emergency services station” to the state criteria related to the proper placement of a traffic signal on a state highway.
2. Exempt a candidate forum from the definition of a “meeting” under the Texas Open Meetings Act.
3. Repeal the archaic requirement that an official city newspaper must be entered as second-class postal matter.
4. Allow charter amendment elections to occur in compliance with the two-year requirement of the Texas Constitution by construction of the uniform election dates in the Texas Election Code.

B. **Support** legislation that would:

1. Grant general law cities additional authority to annex areas wholly surrounded by cities.
2. Authorize a city council to opt-in to requiring residential fire sprinklers in newly constructed single-family dwellings.
3. Enact a statewide ban on texting while driving, so long as a city may impose more stringent requirements related to cell phone use while driving.
4. Clarify the authority of general law cities to enact sex offender residency restrictions.
5. Clarify the administration and execution of the licensed carry law, so long as such legislation does not erode current municipal authority.
6. Make beneficial, clarifying amendments to Government Code Section 2252.908 (the “contracts reporting” law).
7. Extend the deadline for cities to change the date of their general elections to a different uniform election date.
8. Allow a more equitable way of distributing court fines that would result in a higher percentage of fines being kept local, where the laws are enforced, the court is held, and the fines are collected.

9. Make confidential information related to animal adoptions.
10. Provide relief from vexatious Public Information Act requests.
11. Clarify Local Government Code Chapter 176's application to city employees and agents and other beneficial clarifying amendments.
12. Prevent further exploitative payday and auto title lending practices.
13. Clarify the treatment of animal shelter veterinarians under the Veterinary Licensing Act.
14. Clarify the authority of a city to take ownership of a stray animal upon the expiration of a hold period.

C. **Oppose** legislation that would:

1. Erode municipal authority to regulate short-term rentals.
2. Erode municipal authority in any way, impose an unfunded mandate, or otherwise be detrimental to cities.
3. Repeal or limit school bus stop-arm camera authority.
4. Make participation in Government Code Chapter 2267 (the "public/private partnership" law) mandatory.
5. Further erode local control as it pertains to retirement issues.
6. Enact detrimental amendments to Local Government Code Chapter 143 (the "civil service" law).
7. Make meet and confer mandatory or expand the current meet and confer law.
8. Make collective bargaining mandatory or impose expanded collective bargaining rights.
9. Substantively change or expand the scope of the current disease presumption law.
10. Eliminate any of the current uniform election dates.
11. Increase state regulation of local ballot language or the initiative and referendum process.

12. Impose additional state fees or costs on municipal court convictions or require municipal courts to collect fine revenue for the state.
13. Limit the authority of municipal courts to assess appropriate sanctions, while protecting the rights of municipal court defendants.
14. Erode municipal governmental immunity.
15. Limit or prohibit the authority of city officials to use municipal funds to communicate with legislators.
16. Limit or prohibit the authority of the Texas Municipal League to use any revenue, however derived, to communicate with legislators.
17. Require the reporting of lobbying activities beyond the requirements in current law.
18. Preempt or prohibit the regulation of payday and auto title lenders by a city.
19. Impose a statewide smoking ban that would preempt existing or future municipal smoking bans.
20. Provide for state preemption of municipal authority in general.

D. **Take no position** on legislation that would:

1. Standardize red light photo enforcement systems, so long as the underlying authority is not eliminated. (Further, the committee recommends that TML defer to the Texas Red Light Coalition on more detailed matters relating to revisions to red light camera policy.)

E. **Other**

1. The Committee voted to recommend that – separate-and-apart from the 2017 legislative process – the TML Board of Directors consider reviewing the issue of general law city authority.
2. The Committee voted to recommend that, should legislation be filed that relates to immigration and that would affects cities, League staff should seek the guidance of the TML Executive Committee regarding the League’s position on such legislation.

5.

A RESOLUTION TO SEEK INTRODUCTION AND PASSAGE OF LEGISLATION TO AMEND TEXAS PENAL CODE, SECTIONS 30.06 AND 30.07, TO AUTHORIZE PRIVATE LESSEES TO POST SIGNAGE PROHIBITING POSSESSION OF HANDGUNS ON PROPERTY LEASED FROM A GOVERNMENTAL ENTITY.

WHEREAS, Subsections 30.06(e) and 30.07(e) of the Texas Penal Code present exceptions to the Trespass By License Holder provisions for concealed and open carry, respectively, whereby notices prohibiting possession of handguns by licensed carriers may not be placed about premises owned or leased by a governmental entity; and

WHEREAS, the Legislature's stated focus in enacting Subsection 30.06(e) was on local governmental entities that were prohibiting concealed handguns from public places, and the same can be fairly implied in its adoption of Subsection 30.07(e); and

WHEREAS, as noted in Tex. Att'y Gen. Op. No. KP-0108 regarding Subsection 30.06(e), "[n]othing in the text of the statute itself nor in the legislative history suggests that the Legislature considered whether private entities that leased property from a governmental entity were required to allow the carrying of handguns on the property that they lease," and the same may be said for Subsection 30.07(e); and

WHEREAS, these exceptions operate to unreasonably restrict rights of private lessees of government-owned property, present significant implications for local governmental entities that lease government-owned properties to private lessees, and unnecessarily undermine local governmental entities' ability to freely lease public property for private use; and

WHEREAS, these exceptions should be amended to authorize private lessees to post signage prohibiting possession of handguns on property leased from a governmental entity; and

WHEREAS, this proposed amendment would preserve the Legislature's stated intent of preventing governmental entities from prohibiting concealed (and open) carry of handguns in public places while authorizing private lessees of government-owned property to freely operate the leased premises in their independent discretion, thus levelling the playing field for governmental entity lessors; and

WHEREAS, the Texas Municipal League Board of Directors finds that amending Texas Penal Code, Sections 30.06 and 30.07, to authorize private lessees to post signage prohibiting possession of handguns on property leased from a governmental entity will benefit municipal governmental bodies in general.

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the League seek introduction and passage of legislation to amend Texas Penal Code, Sections 30.06 and 30.07, to authorize private lessees to post signage prohibiting possession of handguns on property leased from a governmental entity.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

6.

A RESOLUTION TO SEEK INTRODUCTION AND PASSAGE OF LEGISLATION TO AUTHORIZE A COMBINED BALLOT PROPOSITION FOR REALLOCATION OF DEDICATED OR SPECIAL PURPOSE SALES TAX REVENUES TO THE GENERAL REVENUE SALES AND USE TAX FUND AND A LOCAL ELECTION TO INCREASE OR DECREASE THE TYPE B SALES AND USE TAX RATE WITHIN THE JURISDICTION.

WHEREAS, the 84th Legislature adopted H.B. 157 authoring municipalities to reallocate local sales and use tax revenues so long as the combined rate does not exceed the prescribed 2% maximum; and

WHEREAS, this legislation left unaddressed two (2) significant process impediments restraining local implementation of this authority: (a) Tax Code, Section 321.409, allows a combined ballot proposition for reallocation of dedicated or special purpose sales tax revenues to another dedicated or special purpose sales tax revenue fund, but not to the general revenue sales and use tax fund; and (b) there is no statutory authorization for a local election to increase or decrease the Type B sales and use tax rate within the jurisdiction, such as authorized for the Type A sales and use tax rate via Local Government Code, Section 504.258; and

WHEREAS, efficient local sales and use tax administration would be facilitated by authorizing a combined ballot proposition for reallocation of dedicated or special purpose sales tax revenues to the general revenue sales and use tax fund and a local election to increase or decrease the Type B sales and use tax rate within the jurisdiction; and

WHEREAS, the Texas Municipal League Board of Directors finds that authorizing a combined ballot proposition for reallocation of dedicated or special purpose sales tax revenues to the general revenue sales and use tax fund and a local election to increase or decrease the Type B sales and use tax rate within the jurisdiction will benefit municipal governmental bodies in general.

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the League seek introduction and passage of legislation to authorize a combined ballot proposition for reallocation of dedicated or special purpose sales tax revenues to the general revenue sales and use tax fund and a local election to increase or decrease the Type B sales and use tax rate within the jurisdiction.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

7.

A RESOLUTION RELATING TO THE TEXAS MUNICIPAL RETIREMENT SYSTEM;
SUPPORTING ADDITIONAL FLEXIBILITY OR ALTERNATIVES IN REGARD TO COST
OF LIVING ADJUSTMENTS FOR RETIREES

WHEREAS, local governments are subject to increasing economic stresses as they struggle to provide important municipal services while balancing their budgets with increasingly less money; and

WHEREAS, cities wish to support the dedicated public employees and retirees who have worked many years to service the citizens of these cities; and

WHEREAS, most Texas cities are members of the Texas Municipal Retirement System (TMRS); and

WHEREAS, current TMRS requirements provide that a City granting a cost of living adjustment (COLA) on a repeating basis must provide for that adjustment regularly, and that a City that opted out of such repeating COLAs is required to include all prior years in which the cost of living adjustment was not made before they can start a repeating COLA again (the “catch up” provision); and

WHEREAS, if a City was forced to cease the annual repeating COLA for economic reasons, the “catch up” provision are very difficult, if not impossible, to meet; and

WHEREAS, the Texas Municipal Retirement System has been better managed and funded than many other retirement systems and cities support the prudent fiscal management of the system; and

WHEREAS, cities also wish to maintain sound fiscal policies and the ability to provide an increase for retirees must be managed within the framework of sound fiscal policies; and

WHEREAS, several cities which were forced to stop the repeating COLA in recent years, including the City of Colleyville, desire to start the repeating COLA, but cannot do so under the required “catch up” provisions; and

WHEREAS, many cities request that alternatives, which would benefit the cities, their employees, and their retirees, to the current system be made through the passage of legislation where needed, including alternatives such as forgiveness provision for cities who stopped the regular repeating COLA payments prior to 2012, or the ability to make periodic percentage increase to retiree pension payments without reference to a cost of living index.

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the League take no position on legislation that amends the affected provisions of the Texas Government Code to allow for greater flexibility in

retiree pension increases and provide for a forgiveness provision for cities who stopped the regular repeating COLA payments without reference to a cost of living index.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

8.

A RESOLUTION RELATING TO THE APPROPRIATION OF \$60 MILLION FOR THE FISCAL YEARS 2018-2019 BIENNIUM FOR THE STATE OF TEXAS TO THE DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT (DEAAG) PROGRAM

WHEREAS, the 15 major Army, Navy, Air Force, and National Guard installations throughout Texas are vital to national security and the State of Texas; and

WHEREAS, the Texas Comptroller's recent study proved Texas 15 major military installations generate \$136.4 billion in economic activity and \$81.3 billion in gross domestic product each year, supporting more than 800,000 Texas jobs and \$48 billion in personal income for our citizens; and

WHEREAS, Texas has unencumbered airspace, ground maneuver space, and open water for training of all branches of service with virtually every weapon system as well as some of the most diverse topography for excellent training scenarios, the weather provides for the ability to train year round and deployments from Texas installations are efficient due to airfields, road systems, and rail transportation to ports in the state and, finally, the cost of living at Texas installations are some of the lowest in the country; and

WHEREAS, these military installations are also part of the fabric of many communities and are a source of great pride, provide skilled workforce, add to population growth, and have significant economic impact; and

WHEREAS, the 84th Texas Legislature appropriated \$30 million in Fiscal Years 2016-2017 to the Texas Military Preparedness Commission Defense Economic Adjustment Assistance Grant fund to assist defense communities that have been, or may potentially be, impacted by a past or future Base Realignment and Closure (or BRAC) action, to obtain economic assistance to mitigate or prevent or otherwise positively affect their local economy through funded projects; and

WHEREAS, the FY 16-17 appropriation was sufficiently to fund only nine projects in seven communities in the first two rounds of DEAAG awards, and the demand for funding far exceeded available funds with approximately 26 total applications valued at more than \$72 million were submitted during the first two rounds.

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the League seek introduction and passage of the General Appropriations Act for FYs 2018-2019 that includes increased DEAAG funding.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

9.

A RESOLUTION RELATING TO CITY OF SAN MARCOS' POLICY
RECOMMENDATIONS

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the League:

1. Support state or federal legislation that would expand the use of public, education, and government (PEG) fees to include operational and related costs associated with PEG channels.
2. Support additional appropriations for the Texas Workforce Commission Skills for Veterans initiative that dedicates funding to address the training needs of post-9/11 veterans returning home and entering the Texas Workforce.
3. Support legislations and additional appropriations for affordable and workforce housing that allows for the expansion and preservation of diverse, affordable homes in cities.
4. Oppose legislation that would erode a city's incentive options to enhance its economic development efforts to promote retention and expansion of existing retailers, restaurants, developers, commercial businesses and primary employers and to attract new business.
5. Oppose state or federal legislation or rules that would negatively affect the provisions of chapter 66 of the Utilities code, which relates to state-issued cable franchises.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

10.

A RESOLUTION IN SUPPORT OF LEGISLATION THAT WOULD EXTEND
THE AUTHORIZED TERM FOR THE COLLECTION OF MUNICIPAL
SALES AND USE TAXES FOR STREET MAINTENANCE

WHEREAS, the City of West Orange, Texas is a small city within the State of Texas who has adopted a Municipal Sales and Use Tax for street maintenance as authorized by Chapter 327 of the Texas Tax Code; and

WHEREAS, continuation of such, municipal Sales and Use Tax requires an election every four years; and

WHEREAS, it would be beneficial to all small cities who have adopted this tax for Chapter 327 to be amended to authorize an indefinite, or at least extended, term for the continuation of such Municipal Sales and Use Tax for street maintenance;

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the League support legislation amending Chapter 327 of the Texas Tax Code to authorize the collection of Municipal Sales and Use Taxes for street maintenance for an indefinite, or at least extended, term instead of the four (4) years provided by current law, since such Municipal Sales and Use Taxes for street maintenance promote the health, safety, and welfare of the citizens of all small communities and should not require the expense and uncertainty of a new election every four (4) years to extend the term of such beneficial source of revenue.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

11.

A RESOLUTION IN SUPPORT OF LEGISLATION THAT WOULD WAIVE THE \$30.00 ADMINISTRATIVE FEE FOR POLITICAL SUBDIVISIONS THAT PARTICIPATE IN THE FAILURE TO APPEAR PROGRAM IN CASES THAT ARE DISMISSED, A PERSON PERFORMS COMMUNITY SERVICE, SERVES TIME IN JAIL IN LIEU OF PAYMENT OF FINES OR FEES, OR ANY OTHER CASE WHEN NO COSTS OR FEES ARE COLLECTED

WHEREAS, during the 74th Legislative Session, S.B. 1504 was passed, authorizing the Texas Department of Public Safety (DPS) to contract with political subdivisions to deny renewal of the driver license for failure to appear on certain traffic violations (Failure to Appear Program) (FTA); and

WHEREAS, the bill also authorized the DPS to contract with a private vendor (currently referred to as "Omni Base") to implement the FTA Program; and

WHEREAS, any political subdivision participating in said program is required to pay an administrative fee of \$30.00 for each underlying traffic violation, of which \$20.00 is to be submitted to the state comptroller, \$6.00 to Omni Base and \$4.00 retained by the political subdivision; and

WHEREAS, the bill originally waived the administrative fee to both the comptroller and Omni Base in the event that court costs, fines and fees were not received by the local political subdivision, such as in cases where the defendant was deemed indigent by the court, the case was dismissed, the defendant died, or the defendant performed community service or served jail time in lieu of payment of any fees or costs; and

WHEREAS, Omni Base and DPS are now attempting to collect the \$30.00 administrative fee, (pursuant to the Texas Administrative Code Title 37 Art. 1 Chap. 15 Subchapter G Rule Sec. 15.119) even if the case was dismissed or the defendant performed community service or served jail time in lieu of payment of any fees or costs; and

WHEREAS, this places an undue hardship on a political subdivision to make payments to Omni Base and the state comptroller in cases where they are not receiving the administrative fees from the defendants; and

WHEREAS, many political subdivisions will be required to cease participating in the FTA Program due to this undue burden unless there is legislation to support the waiver of the \$30.00 administrative fee in the above cited examples as was originally intended.

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the League support legislation amending the Texas Administrative Code Title 37 Art. 1 Chap. 15 Subchapter G Rule Sec. 15.119 (and any other applicable legislation) to waive the \$30.00 administrative fee in the event that court costs, fines and fees are not received by the local political subdivisions (e.g. the case was dismissed,

the defendant performs community service or serves jail time in lieu of court costs, fines and fees).

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

12.

IN SUPPORT OF TEXAS ASSOCIATION OF BLACK CITY COUNCIL MEMBERS 30
YEARS OF SERVICE WITH THE TEXAS MUNICIPAL LEAGUE

WHEREAS, in 1986 the Texas Association of Black City Council Members (TABCCM) was established to assist and empower black local elected officials and their constituents. Today, members of TABCCM continue their excellence by fulfilling its purpose through opportunities for the advancement of economic growth, education, and exchange of better practices, ideas and knowledge; and

WHEREAS, TABCCM is a pillar of strength and representation of and for the community through fifteen regions, and municipalities across the great State of Texas. TABCCM serves as an official clearinghouse for access to information about public policy and legislative issues affecting its membership and Texas cities; and, serve as a vital resource for capacity building in local neighborhoods for revitalization and preservation; advocate for increased voter participation and education in the political process; and

WHEREAS, TABCCM's mentorship for "rising" leadership fosters relationships in support of the development and education of strong future leaders through mentoring its students to attend historically black universities and colleges. The mentorship program encourages youth to participate in civic engagement with local elected officials, attend new council members' orientation while promoting voter education which maintains the enhancement of a student's overall success; and

WHEREAS, for the past decade, TABCCM presented over 40 African-American high school graduates and college undergraduates with more than \$45K in scholarships through the support of the Eugene McCray Scholarship Committee (EMSC) and the T.J. Patterson Sr. Annual Golf Tournament which is the association's largest educational fundraiser; and

NOW, THEREFORE, BE IT RESOLVED by the delegates assembled at this 2016 Annual Conference of the Texas Municipal League that the League celebrates TABCCM thirty years of excellence as an official affiliate with Texas Municipal League and is recognized as a trailblazer for equity and inclusion for its members and respective communities.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:

A handwritten signature in cursive script that reads "Neil Bennett Sandlin".

Bennett Sandlin,
Executive Director

13.

A RESOLUTION INCREASING TML MEMBER CITIES' SERVICE FEES

WHEREAS, TML member city service fees were last increased in 2013; and

WHEREAS, in June 2015, the TML Board adopted a "Reserve Zones Policy" to determine what actions should be taken when adopting each year's budget; and

WHEREAS, pursuant to that policy, the current reserve is at approximately 48.8 percent of annual operating costs; and

WHEREAS, that level is consistent with "Zone 2" of the policy, which calls for regular, modest fee increases and deficit budgeting in legislative years only; and

WHEREAS, even with a five percent service fee increase, roughly one-half of the League's member cities will pay less than \$47 per month in service fees and an additional 40 percent will pay no more than \$301 per month; and

WHEREAS, the cost of providing the League's services continues to climb; and

WHEREAS, the TML Board has unanimously determined that it is in the best interest of the League to raise its member cities' service fees.

NOW, THEREFORE, BE IT RESOLVED that TML member city service fees shall be increased by five percent; and

BE IT FURTHER RESOLVED that this increase shall be effective for all TML member city service fees payable on or after January 1, 2017.

PASSED AND APPROVED by the membership of the Texas Municipal League this 6th day of October, 2016, at Austin, Texas.

APPROVED:



C.J. Wax,
President

ATTEST:



Bennett Sandlin,
Executive Director

A unique community where families enjoy life and feel at home.

Rowlett^{TX}

On the Water. On the Move.

5 FACTS ABOUT ROWLETT:

1 Population

Rowlett is home to 58,476 residents with a median age of 36.7

2 Income

The *median* household income is \$83,368, with an *average* household income of \$93,537.

3 Housing

Rowlett has 18,275 households with a median value of \$158,764.

4 General Fund

The City of Rowlett's FY 2015 General Fund Revenues total \$37,097,467. 65% of this comes from property and sales taxes.

5 Amenities

Rowlett has 24 parks on 600 acres of parkland including:

- Paddle Point Park - 29th on the Texas Parks and Wildlife Department Paddling Trail listing
- Katy Park - Opened in October, 2012
- Scenic Point Park - 8.6 acres on Lake Ray Hubbard

Citizens also enjoy an expansive Community Centre, a water park, a golf course and a large Library.



Ranked the **#1 Small City in America to Move To** by Movoto, Rowlett is a lakeside community located 20 minutes east of downtown Dallas on Interstate Highway 30, surrounded by over 30 miles of shoreline on beautiful Lake Ray Hubbard.

THE CITY OF ROWLETT IS "ON THE MOVE"!

- North Texas Tollway Authority's (NTTA) President George Bush Turnpike Eastern Extension links the eastern region of Texas to the Dallas Fort Worth metroplex through Rowlett. Opened in December of 2011, Rowlett residents waited 47 years for this transportation amenity!
- DART Light Rail now serves Rowlett! After paying into the Dallas Area Rapid Transit Authority for 28 years, Rowlett residents celebrated the opening of the Blue Line in December of 2012.

\$80 MILLION IN PRIVATE INVESTMENT IN 2014

The Rowlett Economic Development Department takes an active role in business recruitment, retention and expansion. New or expanded businesses include:

- Sprouts Farmers Market
- Discount Tire
- Aldi
- WalMart Neighborhood Market
- Lakepointe Hospital expansion
- CVS Pharmacy



REALIZE ROWLETT 2020 COMMUNITY VISIONING INITIATIVE

Rowlett staff and citizens together developed a vision for the future of Rowlett. The **Realize Rowlett 2020** strategic vision is to foster private and public investment through strategic partnerships, to enhance and diversify Rowlett's tax base and ensure fiscal sustainability.

ROWLETT RESIDENTS RECEIVE AN INCREDIBLE RETURN ON INVESTMENT!

With declining property values and no tax increase for six years, Rowlett residents pay an average of \$1,117 annually in City taxes. That's only **\$3.06** per day!

- \$.52 per day for Fire/Rescue
- \$.21 per day for Parks
- \$.25 per day for Public Works!
- \$.64 per day for Police
- \$.08 per day for Library



84th Texas Legislative Session Rowlett Priorities...

- Supporting the I-30 Bottleneck Project and I-30 Reconstruction Project identified in the Blacklands Corridor Feasibility Study. Join with the City of Garland to support further improvements to I-30 as part of the I-30/US80 East Corridor Project as it affects I-30. Support the East Corridor Project currently under consideration by the Texas Department of Transportation to be extended further east, beyond Dalrock Road and its inclusion, as an amendment, in the current Mobility 2035 Transportation Plan.
- Allowing for greater flexibility by cities to fund local transportation projects; amend or otherwise modify state law to help cities fund transportation projects; or provide municipalities with additional funding options and resources to address transportation needs that the state and federal governments are unable or unwilling to address.
- Maximizing the use of revenues from the sporting goods sales tax and federal funds to increase funding for parks and recreation programs for both Local and State parks and that all Texas Recreation and Parks Account (TRPA) and Urban Account funded park projects be subject to the established Texas Parks & Wildlife Department (TPWD) competitive scoring system.
- Restoring funding to the Texas Recreation and Parks Account (TRPA) and Urban Account accounts in the amount of at least \$15.5 million per year.
- Requiring toll authorities to reimburse local governments for the value of services provided to help toll roads operate safely.
- Stripping the right of eminent domain for private tollway companies.
- Requiring representation of customer cities on water boards and districts.
- Protecting consumers from unfair, misleading, or deceptive practices from electricity and other utility providers, including protection from being billed for services that were not authorized or provided and consistency in reporting.



Rowlett Opposes...

- Eroding municipal authority in any way, imposing an unfunded mandates, or otherwise approval of any law deemed detrimental to cities or that would undermine the City's sovereign immunity or municipal annexation and zoning powers.
- Eroding municipal authority over the management and control of its rights-of-way or decreasing the authority of a city to be adequately compensated for such use.
- Eroding municipal authority to participate in utility rate cases.
- Negatively impacting the ability of the City to raise or expand revenue, including expanding appraisal caps, imposing lower revenue caps, or imposing new tax exemptions.
- Imposing state "tap fees" or any other type of state charge on municipal water systems.
- Imposing additional state fees or costs on municipal court convictions or requiring municipal courts to collect fine revenue for the state.





City of Rowlett Staff Report

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

AGENDA DATE: 10/18/16

AGENDA ITEM: 3B

TITLE

Hear a presentation on the 2015 Community Investment Bond projects as well as other Capital Improvement Plan (CIP) construction projects. (45 minutes).

STAFF REPRESENTATIVE

Shawn Poe, P.E., CFM, Director of Public Works
Walter Allison, P.E., City Engineer

SUMMARY

The 2015 Community Investment Bond program is in full swing, so staff will update the City Council on the status of these projects. In addition, staff will present an update to several ongoing CIP construction projects.

BACKGROUND INFORMATION

The 2015 Community Investment Bond Program was approved by voters on May 9, 2015. The first of three rounds of bond issuances were sold on August 20, 2015. Engineering task orders were then issued on multiple projects. An update on the status of these projects was provided to the City Council on July 2016. This presentation will provide the most up-to-date information for these projects.

DISCUSSION

This update will briefly review the projects approved by voters in May 2015 for the Community Investment Bond projects and provide an update to the status of each of the projects. The projects will include public safety, information technology, street infrastructure, and parks projects. There are several critical CIP projects previously approved and staff will provide an update to these projects as well. These projects include the Upper Pressure Plane improvements, utility capital maintenance projects required for the street bond projects, Martha Elevated Storage Tank demolition project, Dalrock-SH 66 intersection improvements, Big A Road reconstruction, and traffic signal improvements at Chiesa-Miller due to the tornado damage.

Due to the tornado recovery efforts in addition to turnover with several key staff positions, some of these projects were delayed temporarily. Despite these minor delays, progress on these projects as well as several other previously approved CIP projects has occurred. Key staff positions have been filled and staff is confident the bond program will progress as planned to begin fulfilling some of the many infrastructure needs of the community. The 2015 bond program is the first of many future bond programs required to meet these infrastructure needs.

Due to the continued growth of the Dallas-Fort Worth area, construction services and costs are at a premium. When the bond projects were estimated, they included an inflation factor and contingency costs. However, periodic project budget estimates are still required to occur to ensure the project budgets are still accurate to reflect the volatility in the market construction costs.

Staff has acquired from cities in the metroplex several project bid costs compared to their estimated construction costs and in some cases there has been an increase ranging from 10% to 50% in the costs contractors are bidding compared to the budgeted costs. In an effort to determine any impact to the City's bond program, staff plans to update the project budgets based on the current construction prices experienced on recent construction projects. Once this information is determined, staff will update the City Council on the findings.

FINANCIAL/BUDGET IMPLICATIONS

None at this time. Staff will reevaluate the construction cost estimates for each project to gain more information on the impacts to the project delivery for the bond projects. Once this information is known, staff will provide an update to the City Council.

RECOMMENDED ACTION

No action required. Information only.



AGENDA DATE: 10/18/16

AGENDA ITEM: 3C

TITLE

Discuss the comprehensive compensation and classification study and comparison cities. (20 minutes)

STAFF REPRESENTATIVE

Richard B. Jones, Director of Human Resources

SUMMARY

The purpose of this item is to communicate the upcoming comprehensive compensation and classification study and discuss the comparison cities to be used as our market benchmark.

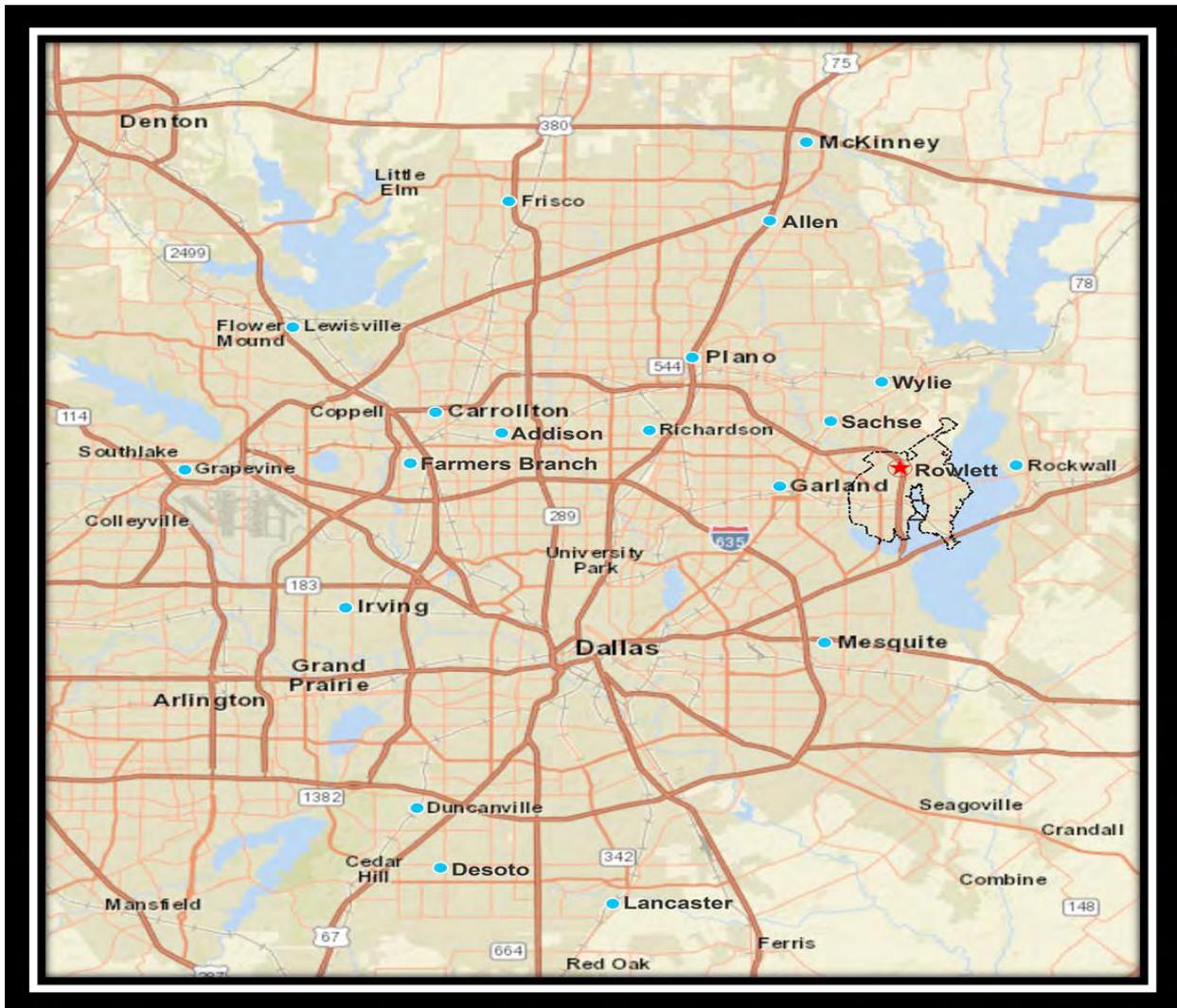
BACKGROUND INFORMATION

A comprehensive compensation and benefits study was last conducted in Fiscal Year 2013-2014. That study was implemented beginning in April of 2015 with two subsequent pay plan adjustments, one in April of 2016 and one to be processed in April 2017. Request for Proposals, RFP 2016-23, was advertised in September of 2016 for a “Consultant for Comprehensive Compensation and Classification Study and Services” to update and evaluate the City’s pay plan and market competitiveness. The comprehensive compensation and classification study schedule is as follows:

Schedule (adjust as necessary)	
<u>Action</u>	<u>Completion Date</u>
Issue RFP	Thurs, August 11, 2016
Deadline for Questions	Fri, September 2, 2016
Response to Questions	Fri, September 9, 2016
Deadline for Submitting RFP	Fri, September 16, 2016 @ 2:00pm CST
Review Committee	Mon, September 19 – Fri, September 29, 2016
Final Recommendation to City Manager	Mon, October 3, 2016
City Council Communication	October 18, 2016
Contract Negotiation	Mon, October 24, 2016 – Fri, October 28, 2016
Contract Execution	November 2, 2016
Project Completion (180 days)	Mon, October 31, 2016 – Fri, April 28, 2017
Interim Report to City Staff	Thurs, May 18, 2017
Formal Report to City Council	Tues, June 27, 2017

DISCUSSION

The Fiscal Year 2013-2014 comprehensive compensation and benefits study final recommended pay adjustment will be implemented this Fiscal Year on or about April 1, 2017. The evaluation process is currently being undertaken to select a vendor to update the City's pay plan. The comparable cities used in the Fiscal Year 2013-2014 study to benchmark the market competitiveness were as follows: Addison, Allen, Carrollton, DeSoto, Duncanville, Farmers Branch, Frisco, Garland, Grapevine, Irving, Lancaster, Lewisville, McKinney, Mesquite, Plano, Richardson, Rockwall, Sachse, and Wylie. These cities were discussed by Council in a Work Session conducted on November 12, 2013. The bulk of the cities originated from a 2010 benefits assessment conducted by staff recommended because of their location. Staff would like to confirm the continued use of these cities as our benchmark cities for the upcoming comprehensive compensation and classification study.



We defined the competitive market as those cities that are located:

- I-30 E to Rockwall
- I-30 W to Mesquite
- I-635 N to Grapevine
- I-635 S to Mesquite
- I-35 North to Farmers Branch
- I-35 South to Duncanville
- I-75 North to McKinney
- PBGT connector cities
 - Rowlett, Garland, Richardson

FINANCIAL/BUDGET IMPLICATIONS

The comprehensive compensation and classification study is projected to cost from \$40,000 to \$45,000 to complete in Fiscal Year 2016-2017. The projected cost is budgeted in the Fiscal Year 2016-2017 budget.

RECOMMENDED ACTION

Staff is requesting Council consensus of the proposed comparison cities used in the Fiscal Year 2013-2014 compensation and benefits study to complete the Fiscal Year 2016-2017 compensation study. No other action is required at this time.



City of Rowlett
Staff Report

4000 Main Street
P.O. Box 99
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www.rowlett.com

AGENDA DATE: 10/18/16

AGENDA ITEM: 5A

TITLE

Presentation of Proclamation recognizing the month of October 2016 as National Community Planning Month.

STAFF REPRESENTATIVE

Marc Kurbansade, Director of Development Services

SUMMARY

This proclamation is intended to recognize the month of October 2016 as National Community Planning Month in Rowlett, as it is similarly recognized throughout the United States and its territories.

BACKGROUND INFORMATION

Planning efforts in the City of Rowlett require involvement from many different individuals acting in different roles. This proclamation recognizes all those that participate in this process, whereby making Rowlett a better community.

DISCUSSION

This proclamation is intended to recognize all those that participate in planning efforts throughout the City of Rowlett – citizens, volunteers, Planning & Zoning Commission members, and City staff.

ATTACHMENT

Attachment One – Proclamation

COMMUNITY PLANNING MONTH

WHEREAS, change is constant and affects all cities, towns, suburbs, counties, boroughs, townships, rural areas, and other places; and

WHEREAS, community planning and plans can help manage this change in a way that provides better choices for how people work and live; and

WHEREAS, community planning provides an opportunity for all residents to be meaningfully involved in making choices that determine the future of their community; and

WHEREAS, the full benefits of planning requires public officials and citizens who understand, support, and demand excellence in planning and plan implementation; and

WHEREAS, the month of October is designated as National Community Planning Month throughout the United States of America and its territories, and

WHEREAS, The American Planning Association and its professional institute, the American Institute of Certified Planners, endorse National Community Planning Month as an opportunity to highlight the contributions sound planning and plan implementation make to the quality of our settlements and environment; and

WHEREAS, the celebration of National Community Planning Month gives us the opportunity to publicly recognize the participation and dedication of the members of planning commissions and other citizen planners who have contributed their time and expertise to the improvement of the City of Rowlett; and

WHEREAS, we recognize the many valuable contributions made by professional community and regional planners of the City of Rowlett and extend our heartfelt thanks for the continued commitment to public service by these professionals;

NOW, THEREFORE, I, Todd W. Gottel, Mayor of the City of Rowlett, Texas, and on behalf of the City Council, hereby designate the month of October 2016 as National Community Planning Month in the City of Rowlett.



City of Rowlett
Staff Report

4000 Main Street
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AGENDA DATE: 10/18/16

AGENDA ITEM: 5B

TITLE

Presentation of Texas House Resolution from State Representative Angie Chen Button to former Councilmembers Michael Gallops and Carl Pankratz.

STAFF REPRESENTATIVE

At the request of Representative Angie Chen Button.

SUMMARY

Representative Angie Chen Button wishes to recognize the services and contributions made by former Mayor Pro Tem Michael Gallops and former Deputy Mayor Pro Tem Carl Pankratz during their years of service to the Rowlett community.



City of Rowlett
Staff Report

4000 Main Street
P.O. Box 99
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AGENDA DATE: 10/18/2016

AGENDA ITEM: 5C

TITLE

Hear presentation of the Monthly Financial report for the period ending August 31, 2016.

STAFF REPRESENTATIVE

Kim Wilson, Director of Financial Services

SUMMARY

Attached is the Comprehensive Monthly Financial Report for August 2016, in accordance with the City Council's financial strategy to provide timely and accurate reporting. The fiscal year for the City of Rowlett is October 1 through September 30. For this report, 11 months of FY2016, or 91.7% of the fiscal year is complete.

BACKGROUND INFORMATION

The City of Rowlett Department of Financial Services is dedicated to excellence in local government, comprehensive fiscal management, compliance and reporting. The Comprehensive Monthly Finance Report (CMFR) is a unique document that is prepared each month and is directed at providing our audience (internal and external users), with important information about the City's financial position and operations.

DISCUSSION

Attached is the Comprehensive Monthly Financial report for August 2016. At the time of this report, 11 months of FY2016, or 91.7% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$84.7 million for FY2016. This amount is 93.9% of the approved operating budget of \$90.2 million and is 1.6% more than forecast through the month of August.

- General Fund revenues are \$0.2 million or 0.6% lower than expected
- Utility Fund revenues are \$1.3 million or 4.9% lower than expected.
 - Utility revenues are driven by weather, and the City has experienced a very mild summer resulting in less water use for outdoor water, etc. As we begin to see the new normal related to water patterns after the drought, projections will become more accurate. However, it should be noted that weather will always play a "dynamic" factor in water use modeling.

Expenses: Expenses totaled \$83.6 million year-to-date for FY2016. This amount is 93.8% of the approved operating budget of \$89.1 million and is 2.0% more than forecast through the month of August.

- General Fund expenses are \$1.3 million or 3.5% lower than expected.

- Utility Fund expenses are \$1.3 million or 5.4% higher than expected.
 - Wastewater costs are the primary reason for this higher than expected expense. The City is currently disputing \$1 million in expense with the City of Garland. Management will continue to work together to find a solution that represents the best interest of the customer.

Surplus: The net surplus from operations through August is \$1.1 million, which is \$0.3 less than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total increase of \$1.1 million.

FINANCIAL/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

Information only. The Comprehensive Monthly Financial Report – August 31, 2016 is attached to this agenda item as Attachment 1.

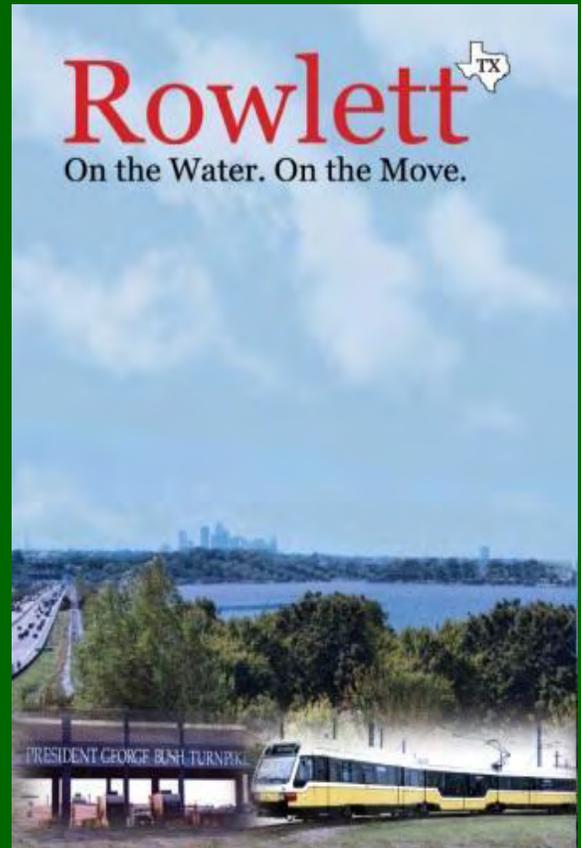
ATTACHMENTS

Attachment 1 – Comprehensive Monthly Financial Report – August 31, 2016



Comprehensive Monthly Financial Report

August 2016





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

August 2016

	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
GENERAL FUND REV VS EXP	POSITIVE	Page 5
PROPERTY TAXES	WARNING	Page 5
SALES TAXES	POSITIVE	Page 6
FRANCHISE FEES	WARNING	Page 6
UTILITY FUND REV VS EXP	NEGATIVE	Page 7
SEWER REVENUES	NEGATIVE	Page 7
WATER REVENUES	WARNING	Page 8
WATER USAGE	NEGATIVE	Page 8
REFUSE FUND REV VS EXP	POSITIVE	Page 9
DRAINAGE FUND REV VS EXP	POSITIVE	Page 9
DEBT SERVICE FUND REV VS EXP	WARNING	Page 10
EMPLOYEE BENEFITS REV VS EXP	POSITIVE	Page 10

PERFORMANCE INDICATORS

POSITIVE = Positive variance or negative variance < 1% compared to seasonal trends.

WARNING = Negative variance of 1-5% compared to seasonal trends

NEGATIVE = Negative variance of >5% compared to seasonal trends.

ECONOMIC INDICATORS

August 31, 2016 – NEWS FOR YOU

ECONOMY

National GDP: 

GDP - the output of goods and services produced by labor and property located in the US – increased at a rate of 1.1% in the 2nd quarter of 2016 after increasing 0.8% in the 1st quarter of 2016 as reported by the Bureau of Economic Analysis. The second-quarter increase was more than accounted for by an increase in consumer spending.

Texas Retail Sales: 

Texas retail sales totaled \$41.3 billion for the month of April, an increase of \$0.2 billion (0.5%) over April 2015.

Texas Leading Index:

The Texas Leading Index is a single summary statistic that sheds light on the future of the state's economy. The index is a composite of eight leading indicators—those that tend to change direction before the overall economy. The index remained flat between the months of May and June.

UNEMPLOYMENT

National Unemployment:

The national unemployment rate remained flat at 4.9% between July and August.

State-Wide: 

The Texas unemployment increased from 4.5% to 4.6% between June and July.

Rowlett: 

The City of Rowlett unemployment rate increased from 3.8% to 3.9% between June and July. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for August 2016. Eleven months of FY2016, or 91.7% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$84.7 million for FY2016. This amount is 93.9% of the approved operating budget of \$90.2 million and is 1.6% more than forecast through the month of August.

- General Fund revenues are \$0.2 million or 0.6% lower than expected
- Utility Fund revenues are \$1.3 million or 4.9% lower than expected.

Expenditures: Expenses totaled \$83.6 million year-to-date for FY2016. This amount is 93.8% of the approved operating budget of \$89.1 million and is 2.0% more than forecast through the month of August.

- General Fund expenditures are \$1.3 million or 3.5% lower than expected.
- Utility Fund expenditures are \$1.3 million or 5.4% higher than expected.

Surplus: The net surplus from operations through August is \$1.1 million which is \$0.3 less than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total increase of \$1.1 million.

NOTEWORTHY

FISCAL YEAR 2017 BUDGET ADOPTED

The FY2017 Budget was adopted at the regular City Council meeting held on Tuesday, September 20. Having spent many months discussing the current needs of the City, most notably in the areas of public safety, streets and infrastructure, the City Council determined that this year would not be the appropriate time to lower the tax rate by one penny, as was presented in the Proposed FY2017 budget.

For the average home value of just under \$160,000, that penny on the tax rate equates to just \$1.33 per month. That same penny kept on the tax rate could fund more street repairs, police officers and firefighters.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
August 31, 2016**

BUDGET SUMMARY OF ALL FUNDS FY2016

	2016 <u>Budget</u>	2016 <u>Forecast</u>	2016 <u>Year-to-Date</u>	<u>Variance</u>
Beginning Reserves	\$ 14,113,838	\$ 13,111,690	\$ 13,111,690	0.0%
Revenues:				
General	40,452,242	38,175,217	37,953,869	-0.6%
Water & sewer	28,901,031	25,829,389	24,551,040	-4.9%
Debt service	7,997,408	7,954,526	7,783,389	-2.2%
Drainage	1,360,397	1,247,045	1,223,767	-1.9%
Refuse	4,827,003	4,424,760	4,535,899	2.5%
Employee health benefits	5,010,230	4,185,900	4,523,427	8.1%
Police seizure	100,550	92,171	81,451	-11.6%
Economic development	316,694	290,302	504,150	73.7%
Hotel/motel tax	47,752	43,550	79,171	81.8%
P.E.G.	85,893	42,946	133,910	211.8%
Grants	356,634	324,607	528,023	62.7%
Community Development Block Grant	179,247	164,310	143,555	-12.6%
Inspection Fees Fund	225,000	206,250	248,659	20.6%
Juvenile diversion	33,281	30,503	26,637	-12.7%
Court technology	26,936	24,695	22,010	-10.9%
Court security	20,035	18,370	16,492	-10.2%
Golf course	257,005	256,849	254,600	-0.9%
Disaster	-	-	2,064,407	0.0%
Total Revenues	\$ 90,197,338	\$ 83,311,390	\$ 84,674,456	1.6%
Expenses:				
General	41,055,780	37,444,047	36,120,147	-3.5%
Water & sewer	26,152,490	23,720,555	25,006,766	5.4%
Debt service	8,837,681	8,832,307	8,786,570	-0.5%
Drainage	1,401,835	1,313,095	1,183,511	-9.9%
Refuse	4,759,486	4,345,566	4,339,899	-0.1%
Employee health benefits	4,967,764	4,554,307	4,191,459	-8.0%
Police seizure	138,050	126,546	272,915	115.7%
Economic development	443,023	407,592	617,449	51.5%
Hotel/motel tax	48,749	48,749	23,198	-52.4%
P.E.G.	80,922	74,179	100,195	35.1%
Grants	359,565	324,607	528,023	62.7%
Community Development Block Grant	179,247	164,310	143,555	-12.6%
Inspection Fees Fund	218,760	201,932	161,307	-20.1%
Juvenile diversion	38,738	35,758	28,134	-21.3%
Court technology	43,874	40,218	23,249	-42.2%
Court security	23,672	21,699	24,770	14.2%
Golf course	321,938	265,168	265,168	0.0%
Disaster	-	-	1,776,325	100.0%
Total Expenses	\$ 89,071,574	\$ 81,920,635	\$ 83,592,640	2.0%
Current Year Surplus/(Shortfall)	\$ 1,125,764	\$ 1,390,755	\$ 1,081,816	-22.2%
Ending Reserves	\$ 14,989,603	\$ 14,502,446	\$ 14,193,506	-2.1%

Positive
Warning
Negative

Positive variance or negative variance <1% compared to forecast
 Negative variance between 1%-5% compared to forecast
 Negative variance >5% compared to forecast

OVERALL FUND PERFORMANCE

GENERAL FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 1,803,893	\$ 3,689,831	\$ (1,885,938)
Nov	1,857,665	3,060,768	(1,203,103)
Dec	13,210,437	3,373,494	9,836,943
Jan	6,131,916	2,801,063	3,330,853
Feb	4,140,663	2,670,152	1,470,511
Mar	1,812,124	3,709,750	(1,897,626)
Apr	1,619,532	2,825,972	(1,206,440)
May	1,466,459	3,347,937	(1,881,478)
Jun	1,966,000	3,537,868	(1,571,869)
Jul	2,564,620	3,134,480	(569,860)
Aug	1,380,561	3,968,833	(2,588,272)
Sep			
Total	\$ 37,953,870	\$ 36,120,148	\$ 1,833,722
Cumulative Forecast	\$ 38,175,217	\$ 37,444,047	\$ 731,170
Actual to Forecast \$	\$ (221,347)	\$ (1,323,899)	\$ 1,102,552
Actual to Forecast %	-0.6%	-3.5%	



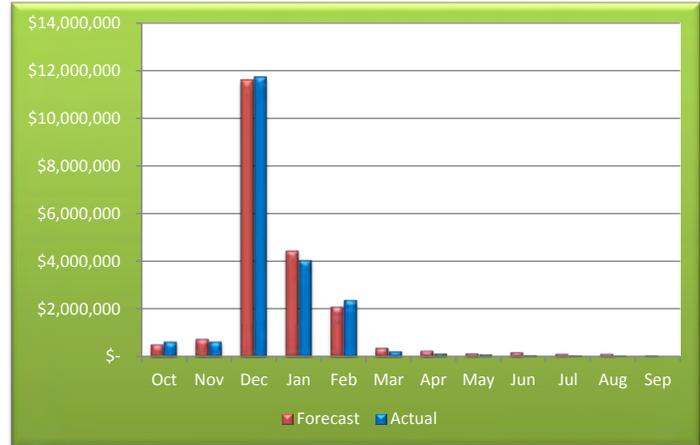
Positive

Cumulatively overall, the General Fund is better than expected for this time of the year. Revenues are 0.6% lower due to lower than expected property tax revenue, and expenses are 3.5% lower than forecasted due to vacancies and the timing of supply purchases.

REVENUE ANALYSIS

PROPERTY TAXES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 518,315	635,883	\$ 117,568
Nov	746,373	642,668	(103,705)
Dec	11,610,248	11,750,304	140,057
Jan	4,478,238	4,068,982	(409,257)
Feb	2,114,724	2,394,128	279,404
Mar	373,187	235,787	(137,399)
Apr	248,791	134,165	(114,626)
May	145,128	93,102	(52,026)
Jun	186,593	68,478	(118,115)
Jul	124,396	54,477	(69,918)
Aug	124,396	49,612	(74,784)
Sep	62,198		
Total	\$ 20,732,585	\$ 20,127,586	\$ (542,802)
Actual to Forecast			-2.6%



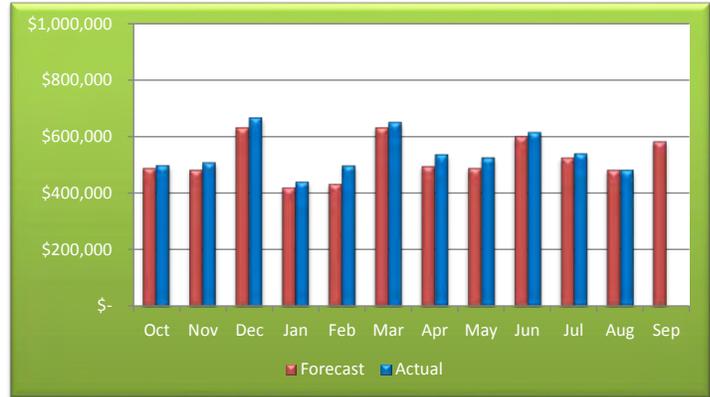
Warning

Property taxes represents nearly 50% of the total General Fund revenue budget and serves as the primary funding source for the general government. They are generally collected in December and January of each year. Cumulatively overall, property tax revenues are 2.6% lower than forecasted for this time of the year.

REVENUE ANALYSIS

SALES TAXES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 487,626	\$ 497,364	\$ 9,738
Nov	481,375	507,859	26,484
Dec	631,413	665,451	34,038
Jan	418,858	439,620	20,762
Feb	431,362	496,445	65,083
Mar	631,413	649,840	18,427
Apr	493,878	536,056	42,178
May	487,626	524,507	36,881
Jun	600,155	614,407	14,252
Jul	525,136	539,142	14,006
Aug	481,375	481,375	-
Sep	581,400		
Total	\$ 6,251,617	\$ 5,952,066	\$ 281,849
<i>Actual to Forecast</i>			5.0%



Positive

Sales tax is an important indicator of financial health for the Rowlett community. Sales taxes are collected by the State Comptroller and are recorded two months later. Overall, sales tax revenues are 5.0% higher than budgeted for this fiscal year. The sales taxes reported here for August represent an estimate.

REVENUE ANALYSIS

FRANCHISE FEES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ -	\$ -
Nov	-	-	-
Dec	-	9	9
Jan	684,373	412,265	(272,108)
Feb	449,247	692,114	242,867
Mar	-	-	-
Apr	597,132	293,626	(303,506)
May	-	271,398	271,398
Jun	-	2,245	2,245
Jul	575,539	301,111	(274,428)
Aug	-	227,019	227,019
Sep	787,599		
Total	\$ 3,093,891	\$ 2,199,788	\$ (61,340)
<i>Actual to Forecast</i>			-2.7%



Warning

Franchise fees represents nearly 10% of the total General Fund budget and include electric, gas, cable and telecommunications. Most fees are paid quarterly with natural gas being paid yearly in February. The natural gas franchise fee was \$40,666 or 9.0% below budget for this fiscal year. Cumulatively overall, franchise fees are 2.7% lower than forecasted for this time of the year.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
August 31, 2016**

OVERALL FUND PERFORMANCE

UTILITY FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 2,682,717	\$ 1,591,358	\$ 1,091,359
Nov	2,473,831	1,552,229	921,602
Dec	2,016,697	2,049,374	(32,677)
Jan	2,021,574	1,736,059	285,514
Feb	1,882,458	5,490,651	(3,608,193)
Mar	1,960,561	1,896,682	63,879
Apr	2,091,813	1,623,947	467,866
May	2,004,766	1,746,650	258,116
Jun	2,040,379	1,939,901	100,478
Jul	2,465,721	2,679,421	(213,700)
Aug	2,910,521	2,700,493	210,028
Sep			
Total	\$ 24,551,040	\$ 25,006,766	\$ (455,726)
Cumulative Forecast	\$ 25,829,389	\$ 23,720,555	\$ 2,108,834
Actual to Forecast \$	\$ (1,278,349)	\$ 1,286,211	\$ (2,564,560)
Actual to Forecast	-4.9%	5.4%	



Negative

Utility fund revenues are 4.9% lower than forecast as a result of lower than expected water and wastewater revenues. Expenses are 5.4% higher than forecast due to higher than expected wastewater treatment and debt service payments. The fund makes semi-annual debt payments in February and September.

REVENUE ANALYSIS

SEWER REVENUES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 909,883	\$ 959,040	\$ 49,157
Nov	873,354	937,249	63,895
Dec	842,927	794,871	(48,056)
Jan	830,971	766,081	(64,890)
Feb	822,173	743,564	(78,609)
Mar	810,975	762,127	(48,848)
Apr	846,813	823,416	(23,397)
May	899,217	782,299	(116,917)
Jun	967,756	806,107	(161,649)
Jul	1,044,105	914,125	(129,979)
Aug	1,056,180	1,006,300	(49,879)
Sep	1,017,048		
Total	\$ 10,921,401	\$ 9,295,179	\$ (609,174)
Actual to Forecast			-6.2%



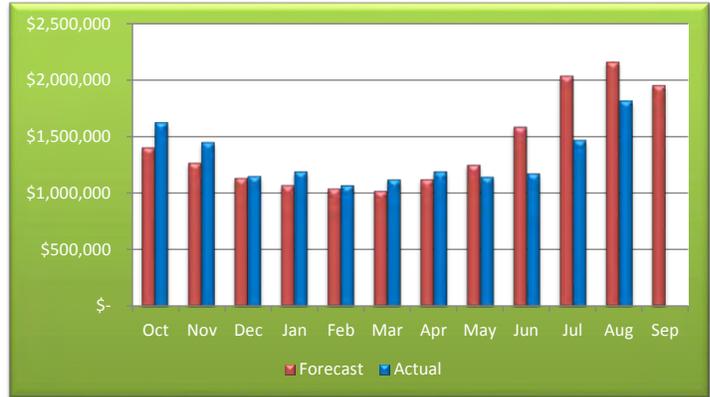
Negative

Sewer sales represent over 40% of the Utility Fund budget and cover the cost of sewer treatment paid to City of Garland. Cumulatively overall, sewer revenues are 6.2% lower than forecasted for this time of year.

REVENUE ANALYSIS

WATER REVENUES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 1,403,401	\$ 1,621,805	\$ 218,404
Nov	1,266,499	1,446,969	180,470
Dec	1,132,796	1,145,412	12,617
Jan	1,069,153	1,187,109	117,956
Feb	1,039,399	1,065,031	25,632
Mar	1,018,224	1,117,106	98,881
Apr	1,121,145	1,188,397	67,252
May	1,248,648	1,141,028	(107,620)
Jun	1,585,123	1,170,967	(414,157)
Jul	2,033,999	1,466,038	(567,961)
Aug	2,158,983	1,814,084	(344,899)
Sep	1,950,603		
Total	\$ 17,027,975	\$ 14,363,946	\$ (713,426)
<i>Actual to Forecast</i>			<i>-4.7%</i>



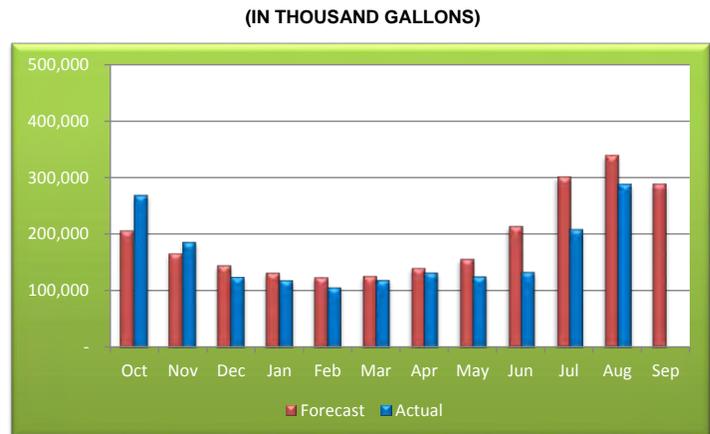
Warning

Water sales represent just over 50% of the total Utility Fund budget and cover the cost of water acquisition from the North Texas Municipal Water District. Cumulatively, water revenues are 4.7% lower than forecast for this time of year.

REVENUE ANALYSIS

WATER USAGE FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 Actual</u>	<u>Monthly Variance</u>
Oct	205,688	268,258	62,570
Nov	165,430	185,897	20,467
Dec	144,647	124,951	(19,696)
Jan	131,535	119,045	(12,490)
Feb	123,505	106,152	(17,353)
Mar	125,372	119,261	(6,111)
Apr	139,784	132,105	(7,679)
May	155,805	125,700	(30,105)
Jun	213,519	133,483	(80,036)
Jul	300,529	208,441	(92,088)
Aug	338,135	287,626	(50,509)
Sep	287,959		
Total	2,331,906	1,810,919	(233,029)
<i>Actual to Forecast</i>			<i>-11.4%</i>



Negative

The City purchases its water from the North Texas Municipal Water District. Customer usage in August is 14.9% lower than forecast; cumulatively customer usage is 11.4% lower than forecast. The contract with NTMWD requires the City to pay for a minimum of 3.2 billion gallons of water per year.

OVERALL FUND PERFORMANCE

REFUSE FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 391,264	\$ 388,769	\$ 2,495
Nov	421,039	398,249	22,790
Dec	416,530	412,957	3,574
Jan	414,551	399,248	15,304
Feb	410,311	406,265	4,045
Mar	412,556	409,631	2,925
Apr	424,338	394,913	29,426
May	409,541	402,503	7,037
Jun	410,855	395,113	15,742
Jul	411,789	327,300	84,489
Aug	413,124	404,952	8,172
Sep			
Total	\$ 4,535,899	\$ 4,339,900	\$ 195,998
Cumulative Forecast	\$ 4,424,760	\$ 4,345,566	\$ 79,195
Actual to Forecast \$	\$ 111,138	\$ (5,665)	\$ 116,803
Actual to Forecast	2.5%	-0.1%	



Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 2.5% higher than forecasted, and expenses are 0.1% lower than forecasted.

OVERALL FUND PERFORMANCE

DRAINAGE FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 107,637	\$ 67,427	\$ 40,210
Nov	113,549	73,163	40,386
Dec	112,214	73,269	38,945
Jan	112,904	66,819	46,085
Feb	109,356	338,156	(228,800)
Mar	111,234	75,175	36,059
Apr	113,054	59,373	53,681
May	110,681	60,128	50,553
Jun	111,742	64,946	46,796
Jul	110,446	117,667	(7,221)
Aug	110,951	187,388	(76,437)
Sep			
Total	\$ 1,223,768	\$ 1,183,511	\$ 40,257
Cumulative Forecast	\$ 1,247,045	\$ 1,313,095	\$ (66,050)
Actual to Forecast \$	\$ (23,277)	\$ (129,584)	\$ 106,307
Actual to Forecast	-1.9%	-9.9%	



Positive

The Drainage Fund accounts for monies collected from customers on their utility bills for the municipal drainage system. Cumulatively overall, the fund is better than forecasted for this time of the year, with revenues 1.9% lower than forecasted but expenses 9.9% lower than forecasted.

OVERALL FUND PERFORMANCE

DEBT SERVICE FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 256,615	\$ 3,910	\$ 252,705
Nov	253,679	898	252,781
Dec	4,274,836	127,318	4,147,518
Jan	1,501,932	14,247	1,487,685
Feb	1,016,301	7,269,552	(6,253,251)
Mar	107,207	10,035	97,172
Apr	70,761	3,702	67,059
May	55,460	7,558	47,901
Jun	48,126	2,730	45,397
Jul	40,767	5,841	34,926
Aug	157,706	1,340,780	(1,183,074)
Sep			
Total	\$ 7,783,389	\$ 8,786,571	\$ (1,003,182)
Cumulative Forecast	\$ 7,954,526	\$ 8,832,307	\$ (877,781)
Actual to Forecast \$	\$ (171,138)	\$ (45,736)	\$ (125,401)
Actual to Forecast	-2.2%	-0.5%	



Warning

General Debt Service Fund is used to pay principal and interest on tax-supported debt. Revenues are 2.2% lower than projected, and expenses 0.5% lower than expected. The fund pays conduit debt in December and makes other semi-annual debt payments in February and August.

OVERALL FUND PERFORMANCE

EMPLOYEE HEALTH BENEFITS FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 307,170	\$ 370,713	\$ (63,543)
Nov	387,817	323,391	64,426
Dec	283,162	340,261	(57,099)
Jan	610,908	233,094	377,814
Feb	190,704	347,350	(156,646)
Mar	532,069	510,261	21,808
Apr	253,148	555,584	(302,436)
May	678,513	364,868	313,645
Jun	377,858	316,513	61,344
Jul	522,896	437,477	85,419
Aug	379,181	391,947	(12,766)
Sep			
Total	\$ 4,523,426	\$ 4,191,460	\$ 331,966
Cumulative Forecast	\$ 4,185,900	\$ 4,554,307	\$ (368,407)
Actual to Forecast \$	\$ 337,527	\$ (362,847)	\$ 700,373
Actual to Forecast	8.1%	-8.0%	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 8.1% higher than forecasted and expenses are 8.0% lower than forecasted.



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/16

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: 10/18/16

AGENDA ITEM: 7A

TITLE

Consider action to approve minutes from the September 7, 2016 City Council Work Session, the September 8, 2016 City Council Work Session, the September 13, 2016 City Council Special Meeting, and September 20, 2016 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 September 7, 2016 City Council Work Session, the September 8, 2016 City Council Work Session, the September 13, 2016 City Council Special Meeting, and September 20, 2016 City Council Regular Meeting.

ATTACHMENTS

09-07-2016 City Council Work Session
09-08-2016 City Council Work Session
09-13-2016 City Council Special Meeting
09-20-2016 City Council Regular Meeting



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.

Wednesday, September 7, 2016

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 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 Pro Tem Dana-Bashian, Councilmember van Bloemendaal, Councilmember Bobbitt, Councilmember Brown and Councilmember Hargrave

Absent: Mayor Gottel and Deputy Mayor Pro Tem Sheffield

1. CALL TO ORDER

Mayor Pro Tem Dana-Bashian called the meeting to order at 5:33 p.m. Councilmember Bobbitt arrived at 5:40 p.m.

2. WORK SESSION ITEMS

2A. Discuss making Community Investment Program Task Force a standing Board and Commission. (30 minutes)

Jim Proce, Assistant City Manager, reviewed the original purpose of the CIPTF and the option of whether to maintain the ad hoc status or create a standing advisory board. It was the consensus of the Council to create a standing board of seven members, three alternates, a Council liaison, a staff liaison and other staff members at the direction of the City Manager.

Council took a short break at 6:00 p.m.

2B. Conduct interview of board and commission applicants.

Council interviewed 12 applicants for vacancies on the various Boards and Commissions beginning at 6:05 p.m.

3. ADJOURNMENT

There being no further business, Council concluded at 10:06 p.m.



City of Rowlett

Work Session Meeting Minutes

City Council

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

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Thursday, September 8, 2016

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 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 Pro Tem Dana-Bashian, Councilmember van Bloemendaal, Councilmember Bobbitt, Councilmember Brown and Councilmember Hargrave

Absent: Mayor Gottel and Deputy Mayor Pro Tem Sheffield

1. CALL TO ORDER

Mayor Pro Tem Dana-Bashian called the meeting to order at 5:30 p.m.

2. WORK SESSION ITEM

2A. Conduct interview of board and commission applicants.

Council interviewed 12 applicants for vacancies on the various Boards and Commissions.

3. ADJOURNMENT

There being no further business, Council concluded at 9:15 p.m.



City of Rowlett

Special Meeting Minutes

City Council

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

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Tuesday, September 13, 2016

5:30 P.M.

Annex Building – 4004 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 Dana-Bashian, Councilmember van Bloemendaal, Councilmember Bobbitt, Councilmember Brown and Councilmember Hargrave

Absent: Deputy Mayor Pro Tem Sheffield

1. CALL TO ORDER

Mayor Pro Tem Dana-Bashian called the meeting to order at 5:30 p.m. Mayor Gottel arrived at 5:40 p.m.

2. WORK SESSION ITEM (5:30 P.M.)* Times listed are approximate.

2A. Conduct interview of board and commission applicants.

Council interviewed five applicants for vacancies on the various Boards and Commissions.

Council took a short break at 7:10 p.m. and reconvened at 7:17 p.m. There was a short discussion regarding the process for the evening's discussion and deliberations.

CONVENE INTO EXECUTIVE SESSION (6:30 P.M.)

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 at 7:28 p.m. Out at 8:30 p.m.

RECONVENE INTO OPEN SESSION

4. Discuss appointments to the various boards and commissions.

Council discussion and deliberation regarding the applicants and those who were interviewed. Placement and selection of Regular and Alternate member appointments of the various Boards and Commissions were designated along with Council liaisons. All selections discussed at this meeting will be finalized by a vote at the September 20, 2016 City Council meeting.

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

There was no action taken as a result of the Executive Session.

5. **ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:24 p.m.



City of Rowlett

Meeting Minutes

City Council

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

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Tuesday, September 20, 2016

5:00 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.

Present: Mayor Pro Tem Dana-Bashian, Deputy Mayor Pro Tem Sheffield, Councilmember van Bloemendaal, Councilmember Bobbitt, Councilmember Brown and Councilmember Hargrave

Absent: Mayor Gottel

1. CALL TO ORDER

Mayor Pro Tem Dana-Bashian called the meeting to order at 5:00 p.m.

2. EXECUTIVE SESSION (5:00 P.M.) * Times listed are approximate.

- 2A.** The City Council shall convene into executive session pursuant to the Texas Government Code, §551.074 (Personnel) to discuss and deliberate the appointment of a Chief Judge for the Rowlett Municipal Court and to deliberate the appointment, employment, evaluation and duties of Judge Pam Liston. (30 minutes)

In at 5:00 p.m. Out at 5:47 p.m.

- 2B.** The City Council shall convene into executive session pursuant to the Texas Government Code, §551.071 (Consultation with City Attorney) to discuss and receive legal advice from the City Attorney on pending litigation, Xerox State and Local Solutions v. Rowlett. (15 minutes) **DUE TO TIME CONSTRAINTS, THIS ITEM MAY BE DISCUSSED AT THE CONCLUSION OF THE REGULAR SESSION.**

In at 9:35 p.m. Out at 9:45 p.m.

3. WORK SESSION (5:30 P.M.) *

- 3A.** Joint meeting with Long Term Recovery Committee and Council. (45 minutes)

Board Chair Dretha Burris, along with Vice Chair Whitney Laning and 2nd Vice Chair Diane Lemmons, presented an overview of the Rowlett Long Term Recovery Committee (RLTRC) and their activities to date, provided a rundown of the number of homes assisted, amount of funds distributed, number of cases opened and amount of funds provided in Small Business Administration loans to Rowlett business. They also listed upcoming goals for the RLTRC.

3B. Update with Rowlett Chamber of Commerce on Cooperation Agreement. (30 minutes)

Diane Lemmons, President of the Rowlett Chamber of Commerce, along with Eva Hummel, Board Chair, and Bobby Montgomery, Past Chair/Foundation Chair, reviewed the partnership history with the City and the work the Foundation has done. They reviewed the criterion for the Cooperation Agreement, the facility lease agreement, a comparison of other cities' Chamber partnerships, and next steps. The Chamber requested a lease term for an indefinite period of time; for the City to continue an annual contribution in the amount of \$25,000 and for the City to consider an annual contribution to support the Chamber Foundation. It was the consensus of Council to proceed with the requests and discuss further the lease terms and the contribution to the Foundation.

3C. Presentation on SH 66 Vision Master Plan by la terra studio in cooperation with Keep Rowlett Beautiful and the Texas Department of Transportation. (40 minutes)

Jim Grabenhorst, Director of Economic Development, Brad Moulton, with la terra studio, and Stephen Copley with TxDOT, presented the information. It was determined that there were enough funds to complete phase one and phase two, which will begin in the spring of 2017.

4. DISCUSS CONSENT AGENDA ITEMS

Mayor Pro Tem Dana-Bashian requested that Items 7B, 7D, and 7F be pulled for Individual Consideration.

Council adjourned the Work Session at 7:34 p.m.

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

Council reconvened in the Regular Session at 7:40 p.m.

INVOCATION – Ann Dotson, First Christian Church

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

5. PRESENTATIONS AND PROCLAMATIONS

5A. Presentation of Arts and Humanities Commission Photography Contest awards.

Councilmember van Bloemendaal presented the Proclamations to the winners who were present.* The winners are as follows:

Best of Show:	Destiny Malone
First Place, People Category:	Destiny Malone
Second Place, People Category:	Sara Del Regno
Third Place, People Category:	Destiny Malone
Honorable Mention, People Category:	Sara Del Regno
Honorable Mention, People Category:	Angela Platt
First Place, Places Category:	Michael Ficarra*
Second Place, Places Category:	Audrey Bell*
Third Place, Places Category:	Greg Wilkins
First Place, Things Category:	Audrey Bell*
Second Place, Things Category:	Cheryl Graff
Third Place, Things Category:	Sara Del Regno
Honorable Mention, Things Category:	James Elledge

5B. Presentation to Judge Lokken in recognition of his years of service as Municipal Judge.

Mayor Pro Tem Dana-Bashian presented the Proclamation to Judge Lokken. Associate Judge Pamela Liston also made a few personal comments. Judge Lokken made some personal comments.

5C. Proclamation recognizing October 4, 2016 as National Night Out Texas.

Councilmember Bobbitt presented the Proclamation to Police Chief Mike Brodnax.

5D. Hear presentation of the Monthly Financial report for the period ending July 31, 2016.

Kim Wilson, Director of Financial Services, presented the report.

5E. Presentation of Senior Friendly Business Award for 2016.

Mayor Pro Tem Dana-Bashian, along with Della Vickers, Chair of the Senior Advisory Board and other Board members, presented the awards to Misty John of Rowlett Health and Rehabilitation Center and Shawna Haynes with Beacon Harbor Health and Rehabilitation.

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 Dana-Bashian announced the following:

COUNCIL MEETINGS

- NO COUNCIL MEETING FOR OCTOBER 4TH – NATIONAL NIGHT OUT HELD IN COMMUNITIES
- A SPECIAL MEETING WILL BE HELD ON TUESDAY, OCTOBER 11TH AND REGULAR MEETING ON TUESDAY, OCTOBER 18TH.

P & Z MEETINGS

- NEXT MEETING WILL BE HELD ON TUESDAY, SEPTEMBER 27TH AT 6:30PM IN THE CITY HALL CONFERENCE ROOM

REGISTER TO VOTE FOR THE GENERAL ELECTION ON NOVEMBER 8TH

- YOU MUST BE REGISTERED TO VOTE BY TUESDAY, OCTOBER 11, 2016
- PICK UP A VOTER REGISTRATION CARD AT CITY HALL OR THE PUBLIC LIBRARY, FILL OUT & MAIL IN
- FILL OUT A VOTER REGISTRATION APPLICATION ONLINE AT <https://webservices.sos.state.tx.us/vrapp/index.asp>

ROWLETT LIBRARY

- TECH FOR TOTS
 - SATURDAY, SEPTEMBER 24TH, 2PM AT THE LIBRARY
 - KIDS AND THEIR PARENTS WILL LEARN HOW TO ACCESS DIGITAL CONTENT FOR SCHOOL AND FUN!
- LOVE ON A LEASH
 - WEDNESDAY, OCTOBER 12TH, 3:30PM AT CITY HALL, 4000 MAIN STREET
- STAR WARS READS DAY
 - SATURDAY, OCTOBER 8TH, ALL DAY AT THE LIBRARY
 - JOIN THIS WORLDWIDE CELEBRATION OF A GALAXY FAR, FAR AWAY!

PARKS AND RECREATION

- DIVERSITY DAY
 - SATURDAY, OCTOBER 1ST FROM 11AM TO 2PM @ RCC
- CAMP FEAR IS BACK!
 - FRIDAY AND SATURDAY, OCTOBER 28TH AND 29TH AT PECAN GROVE PARK
 - \$65 FOR THE WHOLE FAMILY
 - REGISTRATION DEADLINE IS FRIDAY, OCTOBER 21ST
 - HAUNTED HAY RIDES, COSTUME CONTEST, S'MORES, TENT TRICK OR TREATING, PUMPKIN CHUCKIN' AND MUCH MORE THIS YEAR

COLOR FUN RUN

- SATURDAY, SEPTEMBER 24TH AT FIREWHEEL GOLF PARK IN GARLAND
- HONORING ALL DECEMBER 2015 TORNADO FIRST RESPONDERS

ROWLETT CHAMBER OF COMMERCE 26TH ANNUAL GOLF CLASSIC

- THURSDAY, SEPTEMBER 22ND AT WATERVIEW GOLF CLUB
- LOG ONTO WWW.ROWLETTCHAMBER.COM FOR MORE DETAILS OR CALL 972-475-3200

BAYSIDE REGATTA NOW OPEN FOR REGISTRATION!

- EARLY REGISTRATION IS THROUGH SEPTEMBER 20TH - \$50; AFTERWARDS IT'S \$75
- ALL PROCEEDS BENEFITTING REBUILD ROWLETT
- RIB COOK OFF WITH TROPHIES FOR 1ST, 2ND, AND 3RD PLACE
- FOR MORE INFORMATION, CALL THE ROWLETT CHAMBER OF COMMERCE AT 972-475-3200 OR LOG ONTO WWW.ROWLETTCHAMBER.COM

ANIMAL SHELTER

- LOW COST VACCINE CLINIC AT ANIMAL SHELTER
 - SATURDAY, OCTOBER 15TH, 1 – 3PM

- LOCATED AT 4402 INDUSTRIAL ST.
- SHELTER IS OPEN MONDAY – SATURDAY, 10AM – 5PM

Jim Proce, Assistant City Manager, introduced Shawn Poe, the new Director of Public Works. Mr. Poe made some personal remarks and was welcomed by the Council.

Councilmember van Bloemendaal announced a Job Fair to be held at the Rowlett Community Centre on September 23rd from 9:00 am to 1:00 pm. Job seekers can register at this link: <http://www.123contactform.com/form-1586153/Job-Fair-Registration-Form> and Employers can register at this link: <http://www.123contactform.com/form-1588525/Job-Fair-Employer-Registration-Form>.

Animal Shelter staff brought Shadda, a German Shepherd mix female, who is one of the dogs available for adoption from the [Rowlett Animal Shelter](#).

6. CITIZENS' INPUT

Demá Roach, 3830 Main Street, Rowlett; spoke regarding limited downtown parking and increased police presence downtown.

7. CONSENT AGENDA

- 7A. Consider action to approve minutes from the September 6, 2016 City Council Regular Meeting.

This item was approved on the Consent Agenda.

- 7B. Consider a resolution adopting amendments to the City of Rowlett Boards and Commissions Handbook.

This item was pulled for Individual Consideration.

Laura Hallmark, City Secretary, presented the proposed updates to the handbook along with a revision to the verbiage under term limits and a proposed change for the service of Chairpersons.

A motion was made by Deputy Mayor Pro Tem Sheffield, seconded by Councilmember Hargrave, to approve the item as presented with the exception of two changes: under term limits that the use of the word “may” be used instead of “shall” and a Chairperson could be reappointed after sitting out for six months. The motion carried with a unanimous vote of those members present. This item was approved as RES-100-16.

- 7C. Consider a resolution adopting amendments to the City of Rowlett City Council Rules of Procedure.

This item was approved as RES-101-16 on the Consent Agenda.

- 7D. Consider appointments to the various Boards and Commissions and setting their corresponding Council liaisons.

This item was pulled for Individual Consideration.

Councilmembers provided comments regarding the process of applying and interviewing for Boards and Commissions, the outstanding field of candidates who submitted their applications this year for consideration, and expressed their thanks for those who serve and applied to serve for the various Boards and Commissions.

A motion was made by Councilmember Brown, seconded by Deputy Mayor Pro Tem Sheffield, to approve the item as presented with the addition to the Community Investment Advisory Board of Erik Ernst and Jeffrey Sheldon and designating that board's following appointments as two-year terms: Erik Ernst, Jeffrey Sheldon, Kim Lott, Melvin Mosley; and the following as one-year terms: Loki Kottkamp, Alex Coss, and Robin Raju. The motion carried with a vote of four in favor and two opposed (van Bloemendaal, Bobbitt).

- 7E.** Consider a resolution approving a renewal with Sun Life Financial for Basic Life/AD&D, Voluntary Life/AD&D, Voluntary Short Term Disability and Long Term Disability per RFP #2016-20.

This item was approved as RES-102-16 on the Consent Agenda.

- 7F.** Consider action to approve a resolution to update the Master Fee Schedule.

This item was pulled for Individual Consideration.

Kim Wilson, Director of Financial Services, reviewed the updates to the Master Fee Schedule, specifically noting an added surrender fee for the Animal Shelter and the increased charges to the City by the North Texas Municipal Water District resulting in a pass through increase for the water rates.

A motion was made by Councilmember Hargrave, seconded by Councilmember Bobbitt, to approve the item as presented. The motion carried with a unanimous vote of those members present. This item was approved as RES-103-16.

- 7G.** Consider action to approve a resolution authorizing the City Manager to submit payment to Bureau Veritas North America, Inc. for third-party inspections services for FY2016 in an amount not to exceed \$200,000.

This item was approved as RES-104-16 on the Consent Agenda.

- 7H.** Consider action to approve contract with la terra studios for Development of the 2016 Parks Master Plan.

This item was approved as RES-105-16 on the Consent Agenda.

Passed the Consent Agenda

A motion was made by Deputy Mayor Pro Tem Sheffield, seconded by Councilmember van Bloemendaal, 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 action to appoint a Chief Judge for the City of Rowlett Municipal Court.

A motion was made by Councilmember Hargrave, seconded by Councilmember Brown, to appoint Pamela Liston as Chief Municipal Judge of Rowlett and make that position a salaried exempt employee. The motion carried with a unanimous vote of those members present. This item was approved as RES-106-16.

- 8B.** Consider action to approve an ordinance to adopt the Budget for FY2016-17.

Ms. Wilson presented a review of the proposed budget. Councilmembers made some personal remarks.

A motion was made by Councilmember Hargrave, seconded by Councilmember Brown, to approve the item as presented. The motion FAILED with a vote of three in favor (Hargrave, Dana-Bashian, Brown) and three opposed (van Bloemendaal, Bobbitt, Sheffield).

A motion was made by Deputy Mayor Pro Tem Sheffield, seconded by Councilmember Bobbitt, to approve the budget with increased revenues in the amount of \$395,000. The motion carried with a vote of four in favor and two opposed (Hargrave, Dana-Bashian). This item was approved as ORD-034-16.

- 8C.** Consider action to ratify the vote on the Fiscal Year 2016-2017 Budget, which results in more revenues from ad valorem taxes than the previous year. **(THIS IS A VOTING/PROCEDURE ITEM ONLY AND WILL NOT HAVE A STAFF REPORT)**

Brian Funderburk, City Manager explained this is a compulsory item required by the State.

A motion was made by Deputy Mayor Pro Tem Sheffield, seconded by Councilmember van Bloemendaal, to approve the item as presented. The motion carried with a unanimous vote of those members present.

- 8D.** Consider action to approve an ordinance to adopt the Tax Rate for FY2016-17.

Ms. Wilson presented the information for this item.

A motion was made by Deputy Mayor Pro Tem Sheffield, seconded by Councilmember Brown, to approve the item as presented. The motion carried with a vote of four in favor and two opposed (Hargrave, Dana-Bashian). This item was approved as ORD-035-16.

Council concluded the regular session at 9:30 p.m. and after a short break reconvened in Executive Session Item 2B at 9:35 p.m.

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

There was no action taken.

9. ADJOURNMENT

Mayor Pro Tem Dana-Bashian adjourned the meeting at 9:45 p.m.



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/16

AGENDA ITEM: 7B

TITLE

Consider action to approve a resolution amending and adopting the City's Investment Policy for FY 2017.

STAFF REPRESENTATIVE

Kim Galvin, CFO, Director of Financial Services

SUMMARY

An annual review and adoption of the City's Investment Policy is required for compliance with the Texas Public Funds Investment Act (PFIA).

BACKGROUND INFORMATION

The City adopted and approved the last revision of the Investment Policy on April 5, 2016.

DISCUSSION

The following amendments to the policy are being suggested. Cumulatively the amendments reflect a single Public Funds Investment Act change, and two wording changes. Each of the changes is listed below and each is referenced to the Red Line Version PDF page number:

- Page 1: Date change
- Page 7: The Public Funds Investment Act reduced the number of instruction hours required after the initial ten hours to eight.
- Page 7: Added the Government Finance Officers Association as a training source.
- Page 9: Eliminated reference to the next depository agreement. The last sentence of the paragraph and several areas of the Investment Policy detail the goals of City investments.

FINANCIAL/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

City staff recommends approval of amendments and adoption of the Investment Policy as presented.

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, AMENDING AND ADOPTING THE CITY'S INVESTMENT POLICY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council is required by the Texas Public Funds Investment Act to adopt an Investment Policy at least annually; and

WHEREAS, it is the desire of the City Council to assure consistent management of public funds; and

WHEREAS, the City Council finds it is in the best interest of the public to approve the Investment Policy.

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 adopts the City of Rowlett Investment Policy, which is attached and incorporated herein as “Exhibit A”.

Section 2: This resolution shall become effective immediately upon its passage.

ATTACHMENTS

Attachment 1 – Investment Policy Red Line Version

Exhibit A – Investment Policy

**Proposed
Investment Policy**



Approved on: ~~April 5~~ **October 18, 2016**

Commented [KW1]: Reflect Adoption for FY2017

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Investment Policy City of Rowlett, Texas

I. PURPOSE

The purpose of this Investment Policy (hereinafter "Policy") is to set forth the investment objectives and parameters for the management of public funds of the City of Rowlett, Texas (hereinafter "City"). This Policy is designed to safeguard the City's funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices. In order to execute this framework this Policy contains an Investment Strategy Statement.

II. SCOPE

This Policy is authorized by the City Council of the City in accordance with Chapter 2256, Texas Government Code, the Public Funds Investment Act which may be reviewed on the Texas Constitution and Statutes website at <http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2256.htm>. The Policy addresses the methods, procedures and practices which must be exercised to insure effective and judicious fiscal management of City funds. All City funds will be managed within the guidelines of this Policy. Bond funds, in addition to this Policy, shall be managed in accordance with their issuing documentation and all applicable State and Federal Law.

In addition to the Policy, the Investment Strategy Statement, also approved by the City Council, provides a separate written investment strategy for each of the City's funds. Each investment strategy describes the investment objectives for each particular fund. Cash and investment balances as defined in this Section are entirely known as "Available Fund".

III. INVESTMENT OBJECTIVES

Safety of Principal

The foremost objective of this investment program is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to keep capital losses at a minimum, whether they are from securities defaults or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Maintenance of Liquidity

The portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodic cash flow analyses will be completed in order to ensure that the portfolios are positioned to provide sufficient liquidity.

Return on Investment

Investment portfolios shall be designed with the objective of attaining a market rate within an acceptable range of the rate of return of the established benchmarks taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. However, return is attempted through active management where the investment advisor utilizes a total return strategy (which

includes both realized and unrealized gains and losses in the portfolio). This total return strategy seeks to increase the value of the portfolio through reinvestment of income and capital gains. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Despite this, an investment advisor may trade to recognize a loss from time to time to achieve a perceived relative value based on its potential to enhance the total return of the portfolios.

IV. DELEGATION OF AUTHORITY

As designated by the City Council, management responsibility for the investment program is assigned to the Director of Financial Services and Assistant Director of Financial Services. The Director of Financial Services and Assistant Director of Financial Services and other persons granted investment authority shall be considered and referred to as "Investment Officers" for the purpose of this Policy. As such, the Investment Officers are authorized to deposit, withdraw, invest, transfer, execute documentation, and otherwise manage City funds according to this Policy. The Investment Officers may grant, in writing, investment authority to other persons within the Finance Division. Any limitations placed on this authority will be specifically stated. No person may engage in an investment transaction or the management of funds except as provided under the terms of the Investment Policy, Investment Strategy Statement and other operational procedures established by the Investment Officers. The Investment Officers shall establish written procedures for the operation of the investment portfolio and a system of internal accounting and administrative controls to regulate the activities of employees. Any new requirements from policy will be in compliance within one year of this adoption.

V. INVESTMENT ADVISORS AND PROVIDERS

The City Council may appoint an investment advisor to assist the City's financial staff with the management of its funds and other responsibilities including but not limited to competitive bidding, reporting requirements and security documentation. The investment advisor must be registered with the Securities and Exchange Commission (SEC) under the Investment Adviser's Act of 1940 as well as with the Texas State Securities Board. The term of contract shall be limited under the Texas Public Funds Investment Act to a two-year period. A renewal or extension of the contract must be made by the City Council by order, ordinance or resolution.

Investment Advisors shall adhere to the spirit, philosophy and specific term of this Policy and shall invest within the standard of "Prudent Expert".

Investment Providers shall adhere to the spirit and philosophy of this Policy and shall avoid recommending or suggesting transactions outside the standard of "Prudent Expert."

The following criteria will be established in the selection of Investment Advisors and Investment Providers, including:

- 1) Adherence to the City's policies and strategies
- 2) Investment performance and transaction pricing within accepted risk constraints,
- 3) Responsiveness to the City's request for services, information and open communication,

- 4) Understanding of the inherent fiduciary responsibility of investing public funds,
- 5) Similarity in philosophy and strategy with the City's objectives.

Selected Investment Advisors and Investment Providers shall provide timely transaction confirmations and monthly activity reports.

Businesses eligible to transact investment business with the City shall be presented a written copy of this Policy. Additionally, the qualified representative of the business seeking to transact investment business shall execute a written instrument stating substantially to the effect that the registered principal has:

- 1) Received and thoroughly reviewed this Policy
- 2) Acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards.

The City will not enter into an investment transaction with a financial institution prior to receiving the written instrument described above.

If brokerage services are utilized, the Investment Officer will present annually to the governing body a list of qualified brokers. The governing body must review and approve qualified brokers authorized to engage in investment transactions with the City.

VI. STANDARDS OF PRUDENCE

The standard of prudence to be used by Investment Officers shall be the "Prudent Person" standard and shall be applied in the context of managing the overall investment program. Investment officers acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectation are reported to the City Council in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy. The "Prudent Person" rule states the following:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be used by investment officials who are officers or employees is the Prudent Person standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of "Prudent Expert". The standard shall be that in investing and reinvesting moneys and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise: the judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence,

discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

VII. ETHICS AND CONFLICTS OF INTEREST

Investment Officers shall act as custodians of the public trust avoiding any transaction which might involve a conflict of interest, the appearance of a conflict of interest, or any activity which might otherwise discourage public confidence. Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Additionally, all Investment Officers shall file with the Texas Ethics Commission and the City a statement disclosing any *personal business relationship* with an entity seeking to sell investments to the City or any relationship within the second degree by affinity or consanguinity to an individual seeking to sell investments to the City.

An officer or employee involved in the investment process has a *personal business relationship* with a business organization if:

- 1) The Investment Officer or employee owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- 2) Funds received by the Investment Officer or employee from the business organization exceed 10 percent of his/her gross income for the previous year; or
- 3) The Investment Officer or employee has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for his/her personal account.

VIII. INTERNAL CONTROLS AND INVESTMENT PROCEDURES

The Investment Officers shall establish a system of internal controls and operational procedures that are in writing and made a part of the City's financial operational procedures. The internal controls should be designed to prevent losses of funds, which might arise from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees. The written procedures should include reference to safekeeping, repurchase agreements, separation of transaction authority from accounting and recordkeeping, wire transfer agreements, banking service contracts, collateral/depository agreements, and "delivery-vs-payment" procedures. No person may engage in an investment transaction except as authorized under the terms of this Policy.

Independent auditors, as a normal part of the annual financial audit to the City, shall conduct a review of the system of internal controls to ensure compliance with policies and procedures.

IX. CONTINUING EDUCATION

Within 12 months after taking office or assuming duties, each Investment Officer shall attend a training session relating to their investment responsibilities and receive not less than 10 hours of

instruction. On an ongoing basis, all Investment Officers shall receive not less than ~~10-8~~ hours of instruction not less than once in a two year period that begins on the first day of the City of Rowlett's fiscal year (October 1) and consists of the two consecutive fiscal years after that date. Training must include education in investment controls, security risks, strategy risks, market risks and compliance with the Public Funds Investment Act. Training must be provided by an independent source. Possible training sources include Government Treasurers of Texas, TML (Texas Municipal League), PFM Asset Management LLC, TexPool (on-line), Government Finance Officers Association and First Public.

Commented [KW2]: Reflect change in Public Funds Investment Act

Commented [KW3]: Add additional training example

X. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

The Investment Officers or designee shall only purchase securities from Qualified Financial Institutions and investment institutions which are designated as Primary Dealers by the Federal Reserve Bank of New York. The Investment Officers shall only enter into repurchase agreements with financial institutions that are Qualified Institutions and Primary Dealers as designated by the Federal Reserve Bank of New York.

The City's Investment Advisor(s) shall utilize and maintain its own list of approved primary and non-primary securities dealers.

The Investment Officers or designee shall maintain a list of financial institutions and broker/dealers that are approved for investment purposes and only firms meeting the following requirements will be eligible to serve as Qualified Institutions:

- 1) Regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
- 2) Capital of no less than \$10,000,000;
- 3) Registered as a dealer under the Securities Exchange Act of 1934;
- 4) Member of the Financial Industry Regulatory Authority, Inc. (FINRA);
- 5) Registered to sell securities in Texas;
- 6) The firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years;

All brokers, dealers and other financial institutions deemed to be Qualified Institutions shall be provided with current copies of the City's Investment Policy and sign the Broker/Dealer Certification. The City's Investment Officer or designee, must also sign the acknowledgement. The City's Investment Advisor will adhere to its own internal due diligence procedures. A current audited financial statement is required to be on file for each financial institution and broker/dealer with which the City transacts business.

XI. INVESTMENT STRATEGY STATEMENT

The City maintains Short-Term Portfolios for operating, debt service funds and bond construction funds and Long-Term Portfolio for core funds (operating reserve funds) and debt service reserve funds.

Short -Term Portfolios:

Operating Funds

Investment strategies for operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity.

Debt Service Funds

Investment strategies for debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date that exceeds the debt service payment date.

Bond Construction or Special Purpose Funds

Investment strategies for bond construction or special purpose fund portfolios will have as their primary objective to ensure that anticipated cash flows are matched with adequate investment liquidity. These fund portfolios should include at least 10% in highly liquid securities to allow for flexibility and unanticipated project outlays. The stated final maturity dates of securities held should not exceed the estimated project completion date.

Long -Term Portfolios:**Core Funds**

The objective is to create a portfolio structure for the City's Core Funds, as determined by the cash flow analysis report, which will experience minimal market value volatility during economic cycles. This may be accomplished by purchasing quality, short- to medium-term securities that will complement each other in a laddered or barbell maturity structure. The overall weighted average duration of principal return for the Core Fund portfolio shall be less than two (2) years. Securities may not be purchased that have a final stated maturity date which exceeds five (5) years.

Debt Service Reserve Funds

Investment strategies for debt service reserve funds shall have as the primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund from securities with a low degree of volatility, except as may be required by the bond ordinance specific to an individual issue. Securities should be of high quality, with short- to intermediate-term maturities.

XII. MATURITY AND LIQUIDITY REQUIREMENTS

To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements.

A. Maturity Guidelines

Securities purchased by or on behalf of the City shall have a final maturity of five (5) years or less from the date of settlement. The overall weighted average duration of principal return for the entire portfolio shall be less than two (2) years. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Master Repurchase Agreement.

B. Liquidity Requirements

The Investment Officers or designee shall determine the approximate amount of funds required to meet the day-to-day expenditure needs of the City. ~~A goal of the next depository agreement is that all funds in the depository bank will be “swept” each night into a fully collateralized repurchase agreement or money market fund.~~ In order to have an available source of funds to meet unexpected cash requirements, a minimum of two months operating expenses will be invested in authorized money market funds or state or local investment pools. The balance of the City’s funds will be available for investment according to the guidelines incorporated within this Policy.

Commented [KW4]: The goal is reflected in the last sentence of the paragraph. We will rely upon cash flow models and CIP spending plans to determine the funds available for investment.

XIII. PERFORMANCE MEASUREMENTS

In order to assist in the evaluation of the portfolios’ performance, the City will use performance benchmarks for short-term and long-term portfolios. The use of benchmarks will allow the City to measure its returns against other investors in the same markets.

- A. Investment performance of funds designated as short-term funds and other funds that must maintain a high degree of liquidity will be compared to the return on the S&P Rated GIP Index Government 30 Day Yield. Investments of current operating funds shall have maturities of no longer than twenty-four (24) months.
- B. The long-term investment portfolio (Core Funds) shall be designed with the objective of exceeding the return of the Bank of America Merrill Lynch 1-3 Year U.S. Treasury Index (or a comparable benchmark) compared to the portfolio’s total rate of return. The Bank of America Merrill Lynch 1-3 Year Treasury Index represents U.S. Treasury securities maturing over one year, but less than three years. This maturity range is an appropriate benchmark based on the objectives of the City.

XIV. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

After the Investment Officers and/or the City’s Investment Advisor/s has determined the approximate maturity date based on cash flow needs and market conditions and has analyzed and selected one or more optimal types of investments, a minimum of three (3) qualified banks and/or approved broker/dealers must be contacted and asked to provide bids/offers on securities in questions. Bids will be held in confidence until the bid deemed to best meet the investment objectives is determined and selected.

However, if obtaining bids/offers are not feasible and appropriate, securities may be purchased/sold utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to:

- A. TradeWeb
- B. Bloomberg Information Systems
- C. Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing
- D. Daily market pricing provided by the City’s custodian or their correspondent institutions

The Investment Officers or designee and/or the City's Investment Advisor/s shall utilize the competitive bid process to select the securities to be purchased or sold. Selection by comparison to a current market price, as indicated above, shall only be utilized when, in judgment of the Investment Officers or the City's Investment Advisor/s, competitive bidding would inhibit the selection process.

Examples of when this method may be used include:

- A. When time constraints due to unusual circumstances preclude the use of the competitive bidding process
- B. When no active market exists for the issue being traded due to the age or depth of the issue
- C. When a security is unique to a single dealer, for example, a private placement
- D. When the transaction involves new issues or issues in the "when issued" market

Overnight sweep investment instruments will not be bid, but may be placed with the City's depository bank relating to the demand account for which the investment instrument was purchased.

XV. AUTHORIZED INVESTMENTS AND PORTFOLIO COMPOSITION

Investments should be made subject to the cash flow needs and such cash flows are subject to revisions as market conditions and the City's needs change. However, when the invested funds are needed in whole or in part for the purpose originally intended or for more optimal investments, the Investment Officers or designee and/or the City's Investment Advisor/s may sell the investment at the then-prevailing market price and place the proceeds into the proper account at the City's custodian.

The following are the investment requirements and allocation limits on security types, issuers, and maturities as established by the City. Diversification strategies within the established guidelines shall be reviewed and revised periodically as necessary by the Investment Officers. The Investment Officers, and/or City's Investment Advisor/s shall have the option to further restrict investment percentages from time to time based on market conditions, risk and diversification investment strategies. The percentage allocations requirements for investment types and issuers are calculated based on the original cost of each investment, at the time purchase. Investments not listed in this Policy are prohibited. The following requirements do not apply to funds derived from the sale of debt.

Investments described below are those authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code), as amended, which is included and made a part of this Policy as Appendix A. The following list may not contain all of those securities that are authorized by state statutes, but only those that the City Council wish to include in the City's portfolios. The purchase of specific issues may at times be further restricted or prohibited because of current market conditions. The City funds governed by this Policy may be invested in the following investments:

Security Type	Minimum Rating Requirement	Maturity Limits	Maximum Allocation Limit	Maximum Issuer Limit
Local Government Investment Pools	AAA/AAAm	N/A	75%	N/A
United States Government Securities	N/A	5 Years	100%	N/A
United States Government Agencies (full faith and credit of the United States Government)	N/A	5 Years	75%	25%
Federal Instrumentalities (United States Government Sponsored Enterprises (“GSE”) which are non-full faith and credit).*	N/A	5 Years	80%	40%
Mortgage-Backed Securities (“MBS”)*	N/A	5 Years	20%	15%
Interest Bearing Time Deposit or Saving Accounts	N/A	1 Years	20%	10%
Repurchase Agreements	N/A	90 Days	20%	10%
Commercial Paper	P-1/A-1	270 Days	25%	5%
Bankers’ Acceptances	P-1/A-1	180 Days	25%	5%
State and/or Local Government Taxable and/or Tax-Exempt Debt	Single “A” category by two NRSROs	5 Years	25%	10%
Registered Investment Companies (Money Market Mutual Funds)	AAAm	N/A	50%	25%

*The combined total of available funds invested in Federal Instrumentalities and MBS cannot be more than 80%.

A. Local Government Investment Pools

1. Investment Authorization

Local government investment pools organized in accordance with the Interlocal Cooperation Act (Chapter 791, Texas Government Act) as amended, whose assets consist exclusively of the obligations that are allowed as a direct investment for funds subject to the Public Funds Investment Act (Chapter 2256, Texas Government Code). A public funds investment pool must be continuously rated no lower than “AAA”, “AAA-m” or at an equivalent rating by at least one Nationally Recognized Statistical Rating Organization (“NRSRO”).

2. Portfolio Composition

A maximum of 75% of available funds may be invested in the Local Government Pools.

3. Due Diligence Requirements

A thorough review of any local government investment pool is required prior to investing, and on a continual basis. Attachment D is a questionnaire that contains a list of questions, to be answered prior to investing, that cover the major aspects of any investment pool/fund.

B. United States Government Securities

1. Purchase Authorization

Negotiable direct obligations or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but not be limited to the following:

Cash Management Bills

Treasury Securities – State and Local Government Series (“SLGS”)

Treasury Bills

Treasury Notes

Treasury Bonds

Treasury Strips

2. Portfolio Composition

A maximum of 100% of available funds may be invested in the United States Government Securities with the exception of Treasury Strips are limited to 10% of available funds.

3. Maturity Limitations

The maximum length to maturity of any direct investment in the United States Government Securities is five (5) years from the date of settlement.

C. United States Government Agencies (full faith and credit of the United States Government)

1. Purchase Authorization

Bonds, debentures, notes or callables issued or guaranteed by the United States Governments agencies, provided such obligations are backed by the full faith and credit of the United States Government. This includes fixed rate mortgage-backed securities. Such securities will include, but not be limited to the following:

United States Export – Import Bank

-Direct obligations or fully guaranteed certificates of beneficial ownership

Farmer Home Administration

-Certificates of beneficial ownership

Federal Financing Bank

-Discount notes, notes and bonds

Federal Housing Administration Debentures

Government National Mortgage Association (GNMA)

-GNMA guaranteed mortgage-backed bonds

-GNMA guaranteed pass-through obligations

General Services Administration

United States Maritime Administration Guaranteed

-Title XI Financing

New Communities Debentures
 -United States Government guaranteed debentures
 United States Public Housing Notes and Bonds
 -United States Government guaranteed public housing notes and
 bonds
 United States Department of Housing and Urban Development
 -Project notes and local authority bonds

2. Portfolio Composition

A maximum of 75% of available funds may be invested in United States Government agencies.

3. Limits on Individual Issuers

A maximum of 25% of available funds may be invested in individual United States Government agencies.

4. Maturity Limitations

The maximum length to maturity for an investment in any United States Government agency security is five (5) years from the date of settlement.

D. Federal Instrumentalities (United States Government Sponsored Enterprises (“GSE”) which are non-full faith and credit)

1. Purchase Authorization

Bonds, debentures, notes or callables issued or guaranteed by United States Government Sponsored Enterprises (Federal Instrumentalities), which are non-full faith and credit agencies. These are limited to the following:

Federal Farm Credit Bank (FFCB)
 Federal Home Loan Bank or its District banks (FHLB)
 Federal National Mortgage Association (FNMA)
 Federal Home Loan Mortgage Corporation (Freddie-Macs) including Federal -
 Home Loan Mortgage Corporation participation certificates

2. Portfolio Composition

A maximum of 80% of available funds may be invested in Federal Instrumentalities. The combined total of available funds invested in Federal Instrumentalities and Agency Mortgage Backed Securities cannot be more than 80%.

3. Limits on Individual Issuers

A maximum of 40% of available funds may be invested in any one issuer.

4. Maturity Limitations

The maximum length to maturity for an investment in any Federal Instrumentality security is five (5) years from the date of settlement.

E. Mortgage-Backed Securities (MBS)

1. Purchase Authorization

Authorized Staff may invest in mortgage-backed securities (MBS) which are based on mortgages that are guaranteed by a government agency or GSE for payment of principal and a guarantee of timely payment.

2. Portfolio Composition

A maximum of 20% of available funds may be invested in MBS. The combined total of available funds invested in Federal Instrumentalities and Mortgage Backed Securities cannot be more than 80%.

3. Limits of Individual Issuers

A maximum of 15% of available funds may be invested with any one issuer.

4. Maturity Limitations

A maximum length to maturity for an investment in any MBS is five (5) years from the date of settlement.

The maturity of mortgage securities shall be considered the date corresponding to its average life. This date reflects the point at which an investor will have received back half of the original principal (face) amount. The average life may be different from the stated legal maturity included in a security's description.

F. Interest Bearing Time Deposit or Saving Accounts

1. Purchase Authorization

Certificates of deposit or savings accounts issued by state and national banks that has a main office or branch in Texas that are: guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or secured by obligations of any direct federal agency or instrumentality issues that have a market value of not less than the principal amount of the certificates or Certificate of Deposit balances exceeding FDIC insurance limits will be fully collateralized by securities listed in sections B, C or D above. Collateral will be held by the City's third party custodian.

2. Portfolio Composition

A maximum of 20% of available funds may be invested in non-negotiable interest bearing time certificates of deposit or savings account.

3. Limits on Individual Issuers

A maximum of 10% of available funds may be deposited with any one issuer.

4. The maximum maturity on any certificate shall be no greater than one (1) year from the date of settlement.

G. Repurchase Agreements

1. Purchase Authorization

- a. Repurchase agreements composed of only those investments authorized in sections B, C, or D above. All firms are required to sign the City's Master Repurchase Agreement prior to the execution of a repurchase agreement transaction.
- b. A third party custodian with whom the City has a current custodial agreement shall hold the collateral for all repurchase agreements with a term longer than one (1) business day. A clearly marked receipt that shows evidence of ownership must be supplied to the Investment Officers or designee and retained.
- c. Securities authorized for collateral must have maturities less than ten (10) years and with market value for the principal and accrued interest of 102 percent of the value and for the term of the repurchase agreement. Immaterial short-term deviations from 102 percent requirement are permissible only upon the approval of the Investment Officers and/or the City's Investment Advisor/s.
- d. The overnight sweep arrangement shall adhere to the agreement between the City and the City's depository bank.

2. Portfolio Composition

A maximum of 20% of available funds may be invested in repurchase agreements excluding one (1)-business day agreements and overnight sweep agreements.

3. Limits on Individual Issuers

A maximum of 10% of available funds may be invested with any one institution excluding one (1)-business day agreements and overnight sweep agreements.

4. Limits on Maturities

The maximum length to maturity of any repurchase agreement is 90 days from the date of settlement.

H. Commercial Paper

1. Purchase Authorization

Commercial paper of any United States company that is rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper) or the equivalent by two NRSROs.

2. Portfolio Composition

A maximum of 25% of available funds may be directly invested in prime commercial paper.

3. Limits on Individual Issuers

A maximum of 5% of available funds may be invested with any one issuer.

4. Maturity Limitations

The maximum length to maturity for prime commercial paper shall be 270 days from the date of settlement.

I. Bankers' Acceptances

1. Purchase Authorization

Bankers' Acceptances issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System, at the time of purchase, the short-term paper is rated, at a minimum, "P-1" by Moody's Investors Services and "A-1" Standard & Poor's or the equivalent by two NRSROs..

2. Portfolio Composition

A maximum of 25% of available funds may be directly invested in Bankers' Acceptances.

3. Limits on Individual Issuers

A maximum of 5% of available funds may be invested with any one issuer.

4. Maturity Limitations

The maximum length to maturity for Bankers' Acceptances shall be 180 days from the date of settlement.

J. State and/or Local Government Taxable and/or Tax-Exempt Debt

1. Purchase Authorization

State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, at the time of purchases, at a minimum single "A"

category by any two NRSROs, or rated at least “MIG-2” by Moody’s and “SP-2” by Standard & Poor’s for short-term debt or the equivalent by two NRSROs..

2. Portfolio Composition

A maximum of 25% of available funds may be invested in taxable and tax-exempt debt.

3. Limits on Individual Issuers

A maximum of 10% of available funds may be invested with any one issuer.

4. Maturity Limitations

A maximum length to maturity for an investment in any state or local government debt security is five (5) years from the date of settlement.

K. Registered Investment Companies (Money Market Mutual Funds)

1. Investment Authorization

Shares in open-end and no-load money market funds provided such funds are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7.

2. Portfolio Composition

A maximum of 50% of available funds may be invested in money market funds.

3. Limits of Individual Issuers

A maximum of 25% of available funds may be invested with any one money market fund.

4. Rating Requirements

The money market funds shall be rated “AAA_m” by Standard & Poor’s or the equivalent by another NRSRO.

5. Due Diligence Requirements

A thorough review of any money market fund is required prior to investing, and on a continual basis. Attachment D is a questionnaire that contains a list of questions, to be answered prior to investing, that cover the major aspects of any investment pool/fund..

XVI. DOWNGRADE PROVISION FOR INVESTMENT RATINGS

In the event any security in the portfolio, subsequent to purchase, is downgraded to a level below the minimum required rating, the Investment Advisor(s) shall notify the City or its representatives as soon as practical of such ratings change along with any contemplated actions to sell or hold the security. The City, independently or in concert with the Investment Advisor(s), shall confirm the decision to sell or hold the security. If it is determined the position should be sold, then it should be traded in a timely basis, consistent with market liquidity.

XVII. DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

The City may not invest in investment products that include the use of derivatives, unless specified in Section XV of this Policy. A “derivative” is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values. Reverse repurchase agreements are not permitted by this Policy.

XVIII. REPORTING

The Investment performance will be monitored and evaluated by the Investment Officers. In conjunction with the Investment Officers, the City’s Investment Advisor/s shall provide quarterly investment reports on the City’s short-term and long-term core investments to City Council as required by the Public Funds Investment Act (Chapter 2256, Texas Government Code), Section 2256.023. Schedules in the quarterly report should include the following:

- 1) describe in detail the investment position of the City,
- 2) contain a summary statement prepared in compliance with generally accepted accounting principles stating the reporting period beginning market value, additions or changes to the market value during the period and ending market value for the period, and fully accrued interest for the period for each pooled fund group,
- 3) state the reporting period beginning book and market value and reporting period ending book and market value of each investment security by asset type and fund type,
- 4) state the maturity date of each investment security,
- 5) state the fund for which each investment security was purchased, and
- 6) state the compliance of the investment portfolio with the City’s Investment Policy and Investment Strategy Statement and the Public Funds Investment Act, and
- 7) be prepared jointly and signed by each Investment Officer.

XIX. DEPOSITORY AGREEMENTS

The City will select and designate a qualified bank depository for a minimum three year period. Consistent with the Requirements of State law, the City will require that all deposits be federally insured or collateralized with eligible securities. If deposits are collateralized, they will be held

at the City's custodial agent. The depository will be required to sign a Custodial Agreement with the City and the City's Custodial agent. The Agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations. It shall further address any concerns in relation to acceptable collateral, levels of collateral, substitution and addition of collateral, and reporting and monitoring of collateral.

XX. THIRD-PARTY CUSTODIAL AGREEMENTS

Securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchase by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Texas, or any other state or territory of the United States which has a branch or principal place of business in the State of Texas or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Texas. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the Investment Officers and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, shall be made from safekeeping, shall be permitted unless by such a duly authorized person.

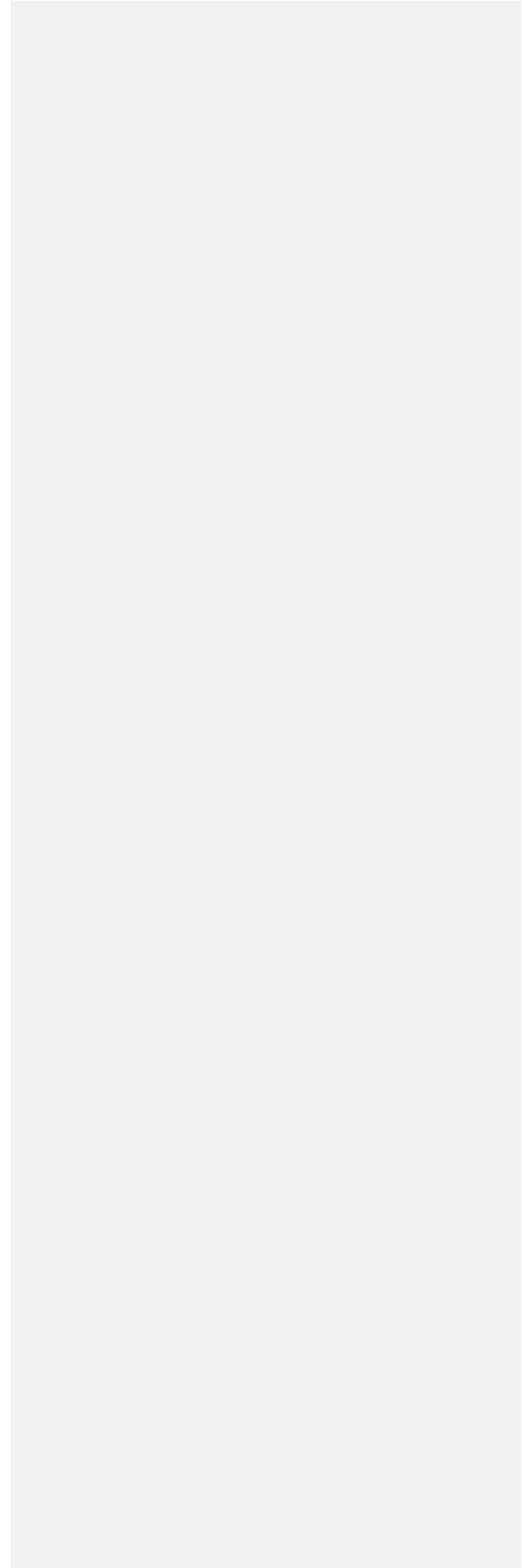
Monthly, the custodian shall provide the Investment Officers or designee and/or the City's Investment Advisor/s with detail information on the securities held by the custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Only after receiving written authorization from the Investment Officers shall authorized securities be delivered "free". Securities held as collateral shall be held free and clear of any liens.

XXI. RESERVATION OF AUTHORITY

The Investment Policy and the Statement of Investment Strategy will be reviewed on an annual basis by the City Council. Revisions and or amendments will be approved and documented by the City Council.

Mayor City of Rowlett

A. Glossary of Cash and Investment Management Terms



Attachment A
Glossary of Cash and Investment Management Terms

The following is a glossary of key investing terms, many of which appear in the City's investment policy. This glossary clarifies the meaning of investment terms generally used in cash and investment management. This glossary has been adapted from the GFOA Sample Investment Policy and the Association of Public Treasurers of the United States and Canada's Model Investment Policy.

Accrued Interest. Interest earned but which has not yet been paid or received.

Agency. See "Federal Agency Securities."

Ask Price. Price at which a broker/dealer offers to sell a security to an investor. Also known as "offered price."

Asset Backed Securities (ABS). A fixed-income security backed by notes or receivables against assets other than real estate. Generally issued by special purpose companies that "own" the assets and issue the ABS. Examples include securities backed by auto loans, credit card receivables, home equity loans, manufactured housing loans, farm equipment loans, and aircraft leases.

Average Life. The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Bankers' Acceptance (BA's). A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers' acceptances are traded at a discount from face value as a money market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

Basis Point. One hundredth of one percent, or 0.01%. Thus 1% equals 100 basis points.

Bearer Security. A security whose ownership is determined by the holder of the physical security. Typically, there is no registration on the issuer's books. Title to bearer securities is transferred by delivery of the physical security or certificate. Also known as "physical securities."

Benchmark Bills: In November 1999, FNMA introduced its Benchmark Bills program, a short-term debt securities issuance program to supplement its existing discount note program. The program includes a schedule of larger, weekly issues in three- and six-month maturities and biweekly issues in one-year for Benchmark Bills. Each issue is brought to market via a Dutch (single price) auction. FNMA conducts a weekly auction for each Benchmark Bill maturity and accepts both competitive and non-competitive bids through a web based auction system. This program is in addition to the variety of other discount note maturities, with rates posted on a daily basis, which FNMA offers. FNMA's Benchmark Bills are unsecured general obligations that are issued in book-entry form through the Federal Reserve Banks. There are no periodic payments of interest on Benchmark Bills, which are sold at a discount from the principal amount and payable at par at maturity. Issues under the Benchmark program constitute the same credit standing as other FNMA discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Benchmark Notes/Bonds: Benchmark Notes and Bonds are a series of FNMA "bullet" maturities (non-callable) issued according to a pre-announced calendar. Under its Benchmark Notes/Bonds program, 2, 3, 5, 10, and 30-year maturities are issued each quarter. Each Benchmark Notes new issue has a minimum size of \$4 billion, 30-year new issues having a minimum size of \$1 billion, with re-openings based on

investor demand to further enhance liquidity. The amount of non-callable issuance has allowed FNMA to build a yield curve in Benchmark Notes and Bonds in maturities ranging from 2 to 30 years. The liquidity emanating from these large size issues has facilitated favorable financing opportunities through the development of a liquid overnight and term repo market. Issues under the Benchmark program constitute the same credit standing as other FNMA issues; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Benchmark. A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance, and duration of the actual portfolio's investments.

Bid Price. Price at which a broker/dealer offers to purchase a security from an investor.

Bond. Financial obligation for which the issuer promises to pay the bondholder (the purchaser or owner of the bond) a specified stream of future cash-flows, including periodic interest payments and a principal repayment.

Book Entry Securities. Securities that are recorded in a customer's account electronically through one of the financial markets electronic delivery and custody systems, such as the Fed Securities wire, DTC, and PTC

(as opposed to bearer or physical securities). The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors' concerns about the certificates themselves. The vast majority of securities are now book entry securities.

Book Value. The value at which a debt security is reflected on the holder's records at any point in time. Book value is also called "amortized cost" as it represents the original cost of an investment adjusted for amortization of premium or accretion of discount. Also called "carrying value." Book value can vary over time as an investment approaches maturity and differs from "market value" in that it is not affected by changes in market interest rates.

Broker/Dealer. A person or firm transacting securities business with customers. A "broker" acts as an agent between buyers and sellers, and receives a commission for these services. A "dealer" buys and sells financial assets from its own portfolio. A dealer takes risk by owning inventory of securities, whereas a broker merely matches up buyers and sellers. See also "Primary Dealer."

Bullet Notes/Bonds. Notes or bonds that have a single maturity date and are non-callable.

Call Date. Date at which a call option may be or is exercised.

Call Option. The right, but not the obligation, of an issuer of a security to redeem a security at a specified value and at a specified date or dates prior to its stated maturity date. Most fixed-income calls are a par, but can be at any previously established price. Securities issued with a call provision typically carry a higher yield than similar securities issued without a call feature. There are three primary types of call options (1) European - one-time calls, (2) Bermudan - periodically on a predetermined schedule (quarterly, semi-annual, annual), and (3) American - continuously callable at any time on or after the call date. There is usually a notice period of at least 5 business days prior to a call date.

Callable Bonds/Notes. Securities which contain an imbedded call option giving the issuer the right to redeem the securities prior to maturity at a predetermined price and time.

Certificate of Deposit (CD). Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity). Can be as long as 10 years to maturity, but most CDs purchased by public agencies are one year and under.

Collateral. Investment securities or other property that a borrower pledges to secure repayment of a loan, secure deposits of public monies, or provide security for a repurchase agreement.

Collateralization. Process by which a borrower pledges securities, property, or other deposits for securing the repayment of a loan and/or security.

Collateralized Mortgage Obligation (CMO). A security that pools together mortgages and separates them into short, medium, and long-term positions (called tranches). Tranches are set up to pay different rates of interest depending upon their maturity. Interest payments are usually paid monthly. In "plain vanilla" CMOs, principal is not paid on a tranche until all shorter tranches have been paid off. This system provides interest and principal in a more predictable manner. A single pool of mortgages can be carved up into numerous tranches each with its own payment and risk characteristics.

Commercial Paper. Short term unsecured promissory note issued by a company or financial institution. Issued at a discount and matures for par or face value. Usually a maximum maturity of 270 days and given a short-term debt rating by one or more NRSROs.

Convexity. A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Corporate Note. A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

Counterparty. The other party in a two party financial transaction. "Counterparty risk" refers to the risk that the other party to a transaction will fail in its related obligations. For example, the bank or broker/dealer in a repurchase agreement.

Coupon Rate. Annual rate of interest on a debt security, expressed as a percentage of the bond's face value.

Current Yield. Annual rate of return on a bond based on its price. Calculated as (coupon rate / price), but does not accurately reflect a bond's true yield level.

Custody. Safekeeping services offered by a bank, financial institution, or trust company, referred to as the "custodian." Service normally includes the holding and reporting of the customer's securities, the collection and disbursement of income, securities settlement, and market values.

Dealer. A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

Delivery Versus Payment (DVP). Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and DTC, are done DVP as a protection for both the buyer and seller of securities.

Depository Trust Company (DTC). A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust

Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs, and BAs clear through DTC.

Derivatives. (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities, or commodities). For hedging purposes, common derivatives are options, futures, interest rate swaps, and swaptions.

Derivative Security. Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Designated Bond. FFCB's regularly issued, liquid, non-callable securities that generally have a 2 or 3 year original maturity. New issues of Designated Bonds are \$1 billion or larger. Re-openings of existing Designated Bond issues are generally a minimum of \$100 million. Designated Bonds are offered through a syndicate of two to six dealers. Twice each month the Funding Corporation announces its intention to issue a new Designated Bond, reopen an existing issue, or to not issue or reopen a Designated Bond. Issues under the Designated Bond program constitute the same credit standing as other FFCB issues; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Discount Notes. Unsecured general obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. Very large primary (new issue) and secondary markets exist.

Discount Rate. Rate charged by the system of Federal Reserve Banks on overnight loans to member banks. Changes to this rate are administered by the Federal Reserve and closely mirror changes to the "fed funds rate."

Discount Securities. Non-interest bearing money market instruments that are issued at discount and redeemed at maturity for full face value. Examples include: U.S. Treasury Bills, Federal Agency Discount Notes, Bankers' Acceptances, and Commercial Paper.

Discount. The amount by which a bond or other financial instrument sells below its face value. See also "Premium."

Diversification. Dividing investment funds among a variety of security types, maturities, industries, and issuers offering potentially independent returns.

Dollar Price. A bond's cost expressed as a percentage of its face value. For example, a bond quoted at a dollar price of 95 ½, would have a principal cost of \$955 per \$1,000 of face value.

Duff & Phelps. One of several NRSROs that provide credit ratings on corporate and bank debt issues.

Duration. The weighted average maturity of a security's or portfolio's cash-flows, where the present values of the cash-flows serve as the weights. The greater the duration of a security/portfolio, the greater its percentage price volatility with respect to changes in interest rates. Used as a measure of risk and a key tool for managing a portfolio versus a benchmark and for hedging risk. There are also different kinds of duration used for different purposes (e.g. MacAuley Duration, Modified Duration).

Fannie Mae. See "Federal National Mortgage Association."

Fed Money Wire. A computerized communications system that connects the Federal Reserve System with its member banks, certain U. S. Treasury offices, and the Washington D.C. office of the Commodity Credit Corporation. The Fed Money Wire is the book entry system used to transfer cash balances between banks for themselves and for customer accounts.

Fed Securities Wire. A computerized communications system that facilitates book entry transfer of securities between banks, brokers and customer accounts, used primarily for settlement of U.S. Treasury and Federal Agency securities.

Fed. See "Federal Reserve System."

Federal Agency Security. A debt instrument issued by one of the Federal Agencies. Federal Agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Federal Agency. Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets. The largest Federal Agencies are GNMA, FNMA, FHLMC, FHLB, FFCB, SLMA, and TVA.

Federal Deposit Insurance Corporation (FDIC). Federal agency that insures deposits at commercial banks, currently to a limit of \$250,000 per depositor per bank.

Federal Farm Credit Bank (FFCB). One of the large Federal Agencies. A government sponsored enterprise (GSE) system that is a network of cooperatively-owned lending institutions that provides credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. Consists of the consolidated operations of the Banks for Cooperatives, Federal Intermediate Credit Banks, and Federal Land Banks. Frequent issuer of discount notes, agency notes and callable agency securities. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and agricultural industry. Also issues notes under its "designated note" program.

Federal Funds (Fed Funds). Funds placed in Federal Reserve Banks by depository institutions in excess of current reserve requirements, and frequently loaned or borrowed on an overnight basis between depository institutions.

Federal Funds Rate (Fed Funds Rate). The interest rate charged by a depository institution lending Federal Funds to another depository institution. The Federal Reserve influences this rate by establishing a "target" Fed Funds rate associated with the Fed's management of monetary policy.

Federal Home Loan Bank System (FHLB). One of the large Federal Agencies. A government sponsored enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its "global note" and "TAP" programs.

Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"). One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities, and MBS. Also issues notes under its "reference note" program.

Federal National Mortgage Association (FNMA or "Fannie Mae"). One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its "benchmark note" program.

Federal Reserve Bank. One of the 12 distinct banks of the Federal Reserve System.

Federal Reserve System (the Fed). The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven member Board of Governors known as the "Federal Reserve Board" and headed by its Chairman.

Financial Industry Regulatory Authority, Inc. (FINRA). A private corporation that acts as a self-regulatory organization (SRO). FINRA is the successor to the National Association of Securities Dealers, Inc. (NASD). Though sometimes mistaken for a government agency, it is a non-governmental organization that performs financial regulation of member brokerage firms and exchange markets. The government also has a regulatory arm for investments, the Securities and Exchange Commission (SEC).

Fiscal Agent/Paying Agent. A bank or trust company that acts, under a trust agreement with a corporation or municipality, in the capacity of general treasurer. The agent performs such duties as making coupon payments, paying rents, redeeming bonds, and handling taxes relating to the issuance of bonds.

Fitch Investors Service, Inc. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Floating Rate Security (FRN or "floater"). A bond with an interest rate that is adjusted according to changes in an interest rate or index. Differs from variable-rate debt in that the changes to the rate take place immediately when the index changes, rather than on a predetermined schedule. See also "Variable Rate Security."

Freddie Mac. See "Federal Home Loan Mortgage Corporation."

Ginnie Mae. See "Government National Mortgage Association."

Global Notes: Notes designed to qualify for immediate trading in both the domestic U.S. capital market and in foreign markets around the globe. Usually large issues that are sold to investors worldwide and

therefore have excellent liquidity. Despite their global sales, global notes sold in the U.S. are typically denominated in U.S. dollars.

Government National Mortgage Association (GNMA or "Ginnie Mae"). One of the large Federal Agencies. Government-owned Federal Agency that acquires, packages, and resells mortgages and mortgage purchase commitments in the form of mortgage-backed securities. Largest issuer of mortgage pass-through securities. GNMA debt is guaranteed by the full faith and credit of the U.S. government (one of the few agencies that are actually full faith and credit of the U.S. government).

Government Securities. An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, Bonds, and SLGS."

Government Sponsored Enterprise (GSE). Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. government, but they are not direct obligations of the U.S. government. For this reason, these securities will offer a yield premium over U.S. Treasuries. Examples of GSEs include: FHLB, FHLMC, FNMA, and SLMA.

Government Sponsored Enterprise Security. A security issued by a Government Sponsored Enterprise. Considered Federal Agency Securities.

Index. A compilation of statistical data that tracks changes in the economy or in financial markets.

Interest-Only (IO) STRIP. A security based solely on the interest payments from the bond. After the principal has been repaid, interest payments stop and the value of the security falls to nothing. Therefore, IOs are considered risky investments. Usually associated with mortgage-backed securities.

Internal Controls. An internal control structure ensures that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. **Separation of transaction authority from accounting and record keeping** - A separation of duties is achieved by separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction.
3. **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. **Avoidance of physical delivery securities** - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.

5. **Clear delegation of authority to subordinate staff members** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. **Written confirmation of transactions for investments and wire transfers** - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. **Development of a wire transfer agreement with the lead bank and third-party custodian** - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverse Floater. A floating rate security structured in such a way that it reacts inversely to the direction of interest rates. Considered risky as their value moves in the opposite direction of normal fixed-income investments and whose interest rate can fall to zero.

Investment Advisor. A company that provides professional advice managing portfolios, investment recommendations, and/or research in exchange for a management fee.

Investment Adviser Act of 1940. Federal legislation that sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Grade. Bonds considered suitable for preservation of invested capital, including bonds rated a minimum of Baa3 by Moody's, BBB- by Standard & Poor's, or BBB- by Fitch. Although "BBB" rated bonds are considered investment grade, most public agencies cannot invest in securities rated below "A."

Liquidity. Relative ease of converting an asset into cash without significant loss of value. Also, a relative measure of cash and near-cash items in a portfolio of assets. Additionally, it is a term describing the marketability of a money market security correlating to the narrowness of the spread between the bid and ask prices.

Local Government Investment Pool (LGIP). An investment by local governments in which their money is pooled as a method for managing local funds, (e.g., TexPool, Texas Term).

Long-Term Core Investment Program. Funds that are not needed within a one-year period.

Market Value. The fair market value of a security or commodity. The price at which a willing buyer and seller would pay for a security.

Mark-to-market. Adjusting the value of an asset to its market value, reflecting in the process unrealized gains or losses.

Master Repurchase Agreement. A widely accepted standard agreement form published by the Securities Industry and Financial Markets Association (SIFMA) that is used to govern and document Repurchase Agreements and protect the interest of parties in a repo transaction.

Maturity Date. Date on which principal payment of a financial obligation is to be paid.

Medium Term Notes (MTN's). Used frequently to refer to corporate notes of medium maturity (5-years and under). Technically, any debt security issued by a corporate or depository institution with a maturity from 1 to 10 years and issued under an MTN shelf registration. Usually issued in smaller issues with varying coupons and maturities, and underwritten by a variety of broker/dealers (as opposed to large corporate deals issued and underwritten all at once in large size and with a fixed coupon and maturity).

Money Market. The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund (MMF). A type of mutual fund that invests solely in money market instruments, such as: U.S. Treasury bills, commercial paper, bankers' acceptances, and repurchase agreements. Money market mutual funds are registered with the SEC under the Investment Company Act of 1940 and are subject to "rule 2a-7" which significantly limits average maturity and credit quality of holdings. MMF's are managed to maintain a stable net asset value (NAV) of \$1.00. Many MMFs carry ratings by a NRSRO.

Moody's Investors Service. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Mortgage Backed Securities (MBS). Mortgage-backed securities represent an ownership interest in a pool of mortgage loans made by financial institutions, such as savings and loans, commercial banks, or mortgage companies, to finance the borrower's purchase of a home or other real estate. The majority of MBS are issued and/or guaranteed by GNMA, FNMA, and FHLMC. There are a variety of MBS structures with varying levels of risk and complexity. All MBS have reinvestment risk as actual principal and interest payments are dependent on the payment of the underlying mortgages which can be prepaid by mortgage holders to refinance and lower rates or simply because the underlying property was sold.

Mortgage Pass-Through Securities. A pool of residential mortgage loans with the monthly interest and principal distributed to investors on a pro-rata basis. The largest issuer is GNMA.

Municipal Note/Bond. A debt instrument issued by a state or local government unit or public agency. The vast majority of municipals are exempt from state and federal income tax, although some non-qualified issues are taxable.

Mutual Fund. Portfolio of securities professionally managed by a registered investment company that issues shares to investors. Many different types of mutual funds exist (e.g., bond, equity, and money market funds); all except money market funds operate on a variable net asset value (NAV).

Negotiable Certificate of Deposit (Negotiable CD). Large denomination CDs (\$100,000 and larger) that are issued in bearer form and can be traded in the secondary market.

Net Asset Value. The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets including securities, cash, and any accrued earnings, then subtracting the total assets from the fund's liabilities, and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

$$[(\text{Total assets}) - (\text{Liabilities})]/(\text{Number of shares outstanding})$$

NRSRO. A “Nationally Recognized Statistical Rating Organization” (NRSRO) is a designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating. Includes Moody’s, S&P, Fitch, and Duff & Phelps.

Offered Price. See also "Ask Price."

Open Market Operations. A Federal Reserve monetary policy tactic entailing the purchase or sale of government securities in the open market by the Federal Reserve System from and to primary dealers in order to influence the money supply, credit conditions, and interest rates.

Par Value. The face value, stated value, or maturity value of a security.

Physical Delivery. Delivery of readily available underlying assets at contract maturity.

Portfolio. Collection of securities and investments held by an investor.

Premium. The amount by which a bond or other financial instrument sells above its face value. See also "Discount."

Primary Dealer. A designation given to certain government securities dealer by the Federal Reserve Bank of New York. Primary dealers can buy and sell government securities directly with the Fed. Primary dealers also submit daily reports of market activity and security positions held to the Fed and are subject to its informal oversight. Primary dealers are the largest buyers and sellers by volume in the U.S. Treasury securities market.

Prime Paper. Commercial paper of high quality. Highest rated paper is A-1+/A-1 by S&P and P-1 by Moody’s.

Principal. Face value of a financial instrument on which interest accrues. May be less than par value if some principal has been repaid or retired. For a transaction, principal is par value times price and includes any premium or discount.

Prudent Expert Rule. Standard that requires that a fiduciary manage a portfolio with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. This statement differs from the “prudent person” rule in that familiarity with such matters suggests a higher standard than simple prudence.

Prudent Investor Standard. Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. More stringent than the “prudent person” standard as it implies a level of knowledge commensurate with the responsibility at hand.

Qualified Public Depository - Per Subsection 280.02(26), F.S., “qualified public depository” means any bank, savings bank, or savings association that:

1. Is organized and exists under the laws of the United States, the laws of this state or any other state or territory of the United States.

2. Has its principal place of business in this state or has a branch office in this state which is authorized under the laws of this state or of the United States to receive deposits in this state.
3. Has deposit insurance under the provision of the Federal Deposit Insurance Act, as amended, 12 U.S.C. ss.1811 et seq.
4. Has procedures and practices for accurate identification, classification, reporting, and collateralization of public deposits.
5. Meets all requirements of Chapter 280, F.S.
6. Has been designated by the Chief Financial Officer as a qualified public depository.

Range Note. A type of structured note that accrues interest daily at a set coupon rate that is tied to an index. Most range notes have two coupon levels; a higher accrual rate for the period the index is within a designated range, the lower accrual rate for the period that the index falls outside the designated range. This lower rate may be zero and may result in zero earnings.

Rate of Return. Amount of income received from an investment, expressed as a percentage of the amount invested.

Realized Gains (Losses). The difference between the sale price of an investment and its book value. Gains/losses are “realized” when the security is actually sold, as compared to “unrealized” gains/losses which are based on current market value. See “Unrealized Gains (Losses).”

Reference Bills: FHLMC’s short-term debt program created to supplement its existing discount note program by offering issues from one month through one year, auctioned on a weekly or on an alternating four-week basis (depending upon maturity) offered in sizeable volumes (\$1 billion and up) on a cycle of regular, standardized issuance. Globally sponsored and distributed, Reference Bill issues are intended to encourage active trading and market-making and facilitate the development of a term repo market. The program was designed to offer predictable supply, pricing transparency, and liquidity, thereby providing alternatives to U.S. Treasury bills. FHLMC’s Reference Bills are unsecured general corporate obligations. This program supplements the corporation’s existing discount note program. Issues under the Reference program constitute the same credit standing as other FHLMC discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Reference Notes: FHLMC’s intermediate-term debt program with issuances of 2, 3, 5, 10, and 30-year maturities. Initial issuances range from \$2 - \$6 billion with re-openings ranging \$1 - \$4 billion.

The notes are high-quality bullet structures securities that pay interest semiannually. Issues under the Reference program constitute the same credit standing as other FHLMC notes; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Repurchase Agreement (Repo). A short-term investment vehicle where an investor agrees to buy securities from a counterparty and simultaneously agrees to resell the securities back to the counterparty at an agreed upon time and for an agreed upon price. The difference between the purchase price and the sale price represents interest earned on the agreement. In effect, it represents a collateralized loan to the investor, where the securities are the collateral. Can be DVP, where securities are delivered to the investor’s custodial bank, or “tri-party” where the securities are delivered to a third party intermediary. Any type of security can be used as “collateral,” but only some types provide the investor with special

bankruptcy protection under the law. Repos should be undertaken only when an appropriate Securities Industry and Financial Markets Association (SIFMA) approved master repurchase agreement is in place.

Reverse Repurchase Agreement (Reverse Repo). A repo from the point of view of the original seller of securities. Used by dealers to finance their inventory of securities by essentially borrowing at short-term rates. Can also be used to leverage a portfolio and in this sense, can be considered risky if used improperly.

Safekeeping. Service offered for a fee, usually by financial institutions, for the holding of securities and other valuables. Safekeeping is a component of custody services.

Secondary Market. Markets for the purchase and sale of any previously issued financial instrument.

Securities Industry and Financial Markets Association (SIFMA). The bond market trade association representing the largest securities markets in the world. In addition to publishing a Master Repurchase Agreement, widely accepted as the industry standard document for Repurchase Agreements, the SIFMA also recommends bond market closures and early closes due to holidays.

Securities Lending. An arrangement between an investor and a custody bank that allows the custody bank to "loan" the investor's investment holdings, reinvest the proceeds in permitted investments, and shares any profits with the investor. Should be governed by a securities lending agreement. Can increase the risk of a portfolio in that the investor takes on the default risk on the reinvestment at the discretion of the custodian.

Sinking Fund. A separate accumulation of cash or investments (including earnings on investments) in a fund in accordance with the terms of a trust agreement or indenture, funded by periodic deposits by the issuer (or other entity responsible for debt service), for the purpose of assuring timely availability of moneys for payment of debt service. Usually used in connection with term bonds.

Spread. The difference between the price of a security and similar maturity U.S. Treasury investments, expressed in percentage terms or basis points. A spread can also be the absolute difference in yield between two securities. The securities can be in different markets or within the same securities market between different credits, sectors, or other relevant factors.

Standard & Poor's. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

STRIPS (Separate Trading of Registered Interest and Principal of Securities). Acronym applied to U.S. Treasury securities that have had their coupons and principal repayments separated into individual zero-coupon Treasury securities. The same technique and "strips" description can be applied to non-Treasury securities (e.g., FNMA strips).

Structured Notes. Notes that have imbedded into their structure options such as step-up coupons or derivative-based returns.

Supranational. Supranational organizations are international financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. These agreements provide for limited immunity from the laws of member countries. Bonds issued by these institutions are part of the broader class of Supranational, Sovereign, and Non-U.S. Agency (SSA) sector bonds. Supranational bonds finance economic and infrastructure development and support environmental protection, poverty reduction, and renewable energy around the globe. For example, the World Bank, International Finance Corporation (IFC), and African Development Bank

(AfDB) have “green bond” programs specifically designed for energy resource conservation and management. Supranational bonds, which are issued by multi-national organizations that transcend national boundaries. Examples include the World Bank, African Development Bank, and European Investment Bank.

Swap. Trading one asset for another.

TAP Notes: Federal Agency notes issued under the FHLB TAP program. Launched in 6/99 as a refinement to the FHLB bullet bond auction process. In a break from the FHLB’s traditional practice of bringing numerous small issues to market with similar maturities, the TAP Issue Program uses the four most common maturities and reopens them up regularly through a competitive auction. These maturities (2, 3, 5, and 10 year) will remain open for the calendar quarter, after which they will be closed and a new series of TAP issues will be opened to replace them. This reduces the number of separate bullet bonds issued, but generates enhanced awareness and liquidity in the marketplace through increased issue size and secondary market volume.

Tennessee Valley Authority (TVA). One of the large Federal Agencies. A wholly owned corporation of the United States government that was established in 1933 to develop the resources of the Tennessee Valley region in order to strengthen the regional and national economy and the national defense. Power operations are separated from non-power operations. TVA securities represent obligations of TVA, payable solely from TVA’s net power proceeds, and are neither obligations of nor guaranteed by the United States. TVA is currently authorized to issue debt up to \$30 billion. Under this authorization, TVA may also obtain advances from the U.S. Treasury of up to \$150 million. Frequent issuer of discount notes, agency notes, and callable agency securities.

Total Return. Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

Treasuries. Collective term used to describe debt instruments backed by the U.S. government and issued through the U.S. Department of the Treasury. Includes Treasury bills, Treasury notes, and Treasury bonds. Also a benchmark term used as a basis by which the yields of non-Treasury securities are compared (e.g., “trading at 50 basis points over Treasuries”).

Treasury Bills (T-Bills). Short-term direct obligations of the United States government issued with an original term of one year or less. Treasury bills are sold at a discount from face value and do not pay interest before maturity. The difference between the purchase price of the bill and the maturity value is the interest earned on the bill. Currently, the U.S. Treasury issues 4-week, 13-week, and 26-week T-Bills.

Treasury Bonds. Long-term interest-bearing debt securities backed by the U.S. government and issued with maturities of ten years and longer by the U.S. Department of the Treasury.

Treasury Notes. Intermediate interest-bearing debt securities backed by the U.S. government and issued with maturities ranging from one to ten years by the U.S. Department of the Treasury. The Treasury currently issues 2-year, 3-year, 5-year, and 10-year Treasury Notes.

Trustee. A bank designated by an issuer of securities as the custodian of funds and official representative of bondholders. Trustees are appointed to insure compliance with the bond documents and to represent bondholders in enforcing their contract with the issuer.

Uniform Net Capital Rule. SEC Rule 15c3-1 that outlines the minimum net capital ratio (ratio of indebtedness to net liquid capital) of member firms and non-member broker/dealers.

Unrealized Gains (Losses). The difference between the market value of an investment and its book value. Gains/losses are “realized” when the security is actually sold, as compared to “unrealized” gains/losses which are based on current market value. See also “Realized Gains (Losses).”

Variable-Rate Security. A bond that bears interest at a rate that varies over time based on a specified schedule of adjustment (e.g., daily, weekly, monthly, semi-annually, or annually). See also “Floating Rate Note.”

Weighted Average Maturity (or just “Average Maturity”). The average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. A simple measure of risk of a fixed-income portfolio.

Weighted Average Maturity to Call. The average maturity of all securities and investments of a portfolio, adjusted to substitute the first call date per security for maturity date for those securities with call provisions.

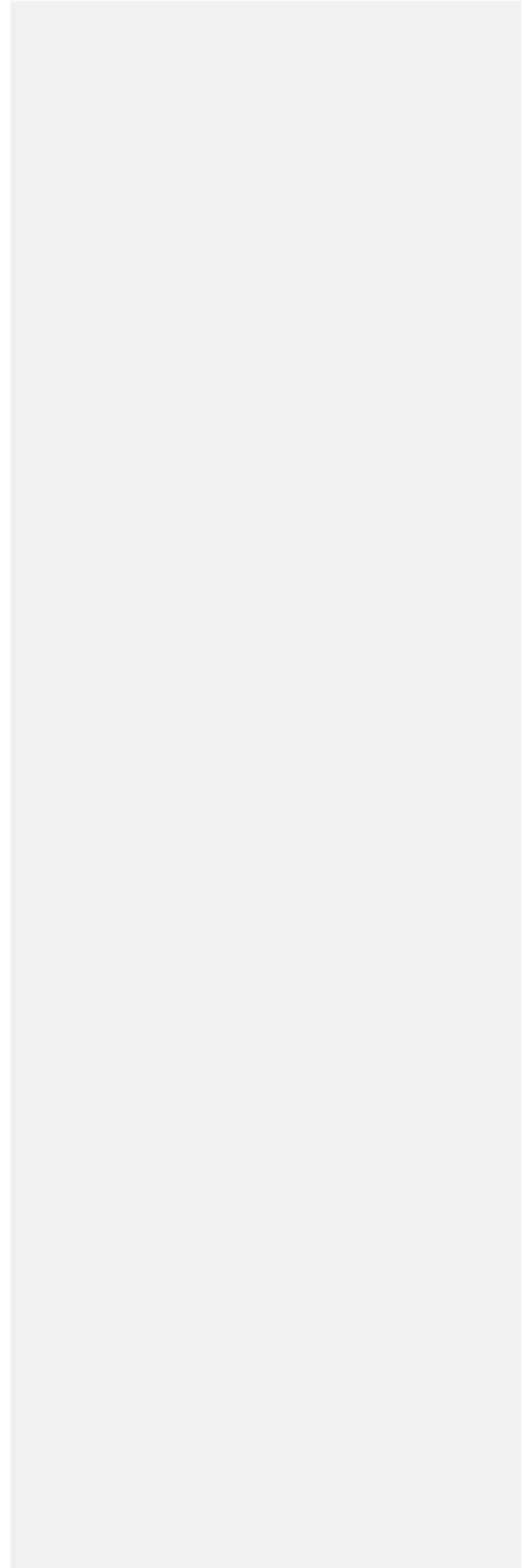
Yield Curve. A graphic depiction of yields on like securities in relation to remaining maturities spread over a time line. The traditional yield curve depicts yields on U.S. Treasuries, although yield curves exist for Federal Agencies and various credit quality corporates as well. Yield curves can be positively sloped (normal) where longer-term investments have higher yields, or “inverted” (uncommon) where longer-term investments have lower yields than shorter ones.

Yield to Call (YTC). Same as “Yield to Maturity,” except the return is measured to the first call date rather than the maturity date. Yield to call can be significantly higher or lower than a security’s yield to maturity.

Yield to Maturity (YTM). Calculated return on an investment, assuming all cash-flows from the security are reinvested at the same original yield. Can be higher or lower than the coupon rate depending on market rates and whether the security was purchased at a premium or discount. There are different conventions for calculating YTM for various types of securities.

Yield. There are numerous methods of yield determination. In this glossary, see also “Current Yield,” “Yield Curve,” “Yield to Call,” and “Yield to Maturity.”

B. Master Repurchase Agreement



Public Securities Association
 40 Broad Street , New York, NY 10004 - 2373
 Telephone (212) 809 - 7000

PSA

Master Repurchase Agreement

Between:

Dated as of

and

1. Applicability

From time to time the parties hereto may enter into transactions in which one party ("Seller") agrees to transfer to the other ("Buyer") securities or financial instruments ("Securities") against the transfer of funds by Buyer, with a simultaneous agreement by Buyer to transfer to Seller such Securities at a date certain or on demand, against the transfer of funds by Seller. Each such transaction shall be referred to herein as a "Transaction" and shall be governed by this Agreement, including any supplemental terms or conditions contained in Annex I hereto, unless otherwise agreed in writing.

2. Definitions

(a) "Act of Insolvency", with respect to any party, (i) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law, or such party seeking the appointment of a receiver, trustee, custodian or similar official for such party or any substantial part of its property, or (ii) the commencement of any such case or proceeding against such party, or another seeking such an appointment, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 15 days, (iii) the making by a party of a general assignment for the benefit of creditors, or (iv) the admission in writing by a party of such party's inability to pay such party's debts as they become due;

(b) "Additional Purchased Securities", Securities provided by the Seller to Buyer pursuant to Paragraph 4(a) hereof;

(c) "Buyer's Margin Amount", with respect to any Transaction as of any date, the amount obtained by application of a percentage (which may be equal to the percentage that is agreed to as the Seller Margin Amount under subparagraph (q) of this Paragraph), agreed to by Buyer and Seller prior to entering into the Transaction, to the Repurchase Price for such Transaction as of such date;

(d) "Confirmation", the meaning specified in Paragraph 3(b) hereof;

(e) "Income", with respect to any Security at any time, any principal thereof then payable and all interest, dividends or other distributions thereon;

(f) "Margin Deficit", the meaning specified in Paragraph 4(a) hereof;

(g) "Margin Excess", the meaning specified in Paragraph 4(b) hereof;

(h) "Market Value", with respect to any Securities as of any date, the price for such Securities on such date obtained from a generally recognized source agreed to by the parties or the most recent closing bid quotation from such a source, plus accrued Income to the extent not included therein (other than any Income credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) as of such date (unless contrary to market practice for such Securities);

(i) "Price Differential", with respect to any Transaction hereunder as of any date, the aggregate amount obtained by daily application of the Pricing Rate for such Transaction to the Purchase Price for such Transaction on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of determination (reduced by any amount of such Price Differential previously paid by Seller to Buyer with respect to such Transaction);

(j) "Pricing Rate", the per annum percentage rate for determination of the Price Differential;

(k) "Prime Rate", the prime rate of U.S. money center commercial banks as published in *The Wall Street Journal*;

(l) "Purchase Date", the date on which Purchased Securities are transferred by Seller to Buyer;

(m) "Purchase Price", (i) on the Purchase Date, the price at which Purchased Securities are transferred by Seller to Buyer, and (ii) thereafter, such price increased by the amount of any cash transferred by Buyer to Seller pursuant to Paragraph 4(b) hereof and decreased by the amount of any cash transferred by Seller to Buyer pursuant to Paragraph 4(a) hereof or applied to reduce Seller's obligations under clause (ii) of Paragraph 5 hereof;

(n) "Purchased Securities", the Securities transferred by Seller to Buyer in a Transaction hereunder, and any Securities substituted therefor in accordance with Paragraph 9 hereof. The term "Purchased Securities" with respect to any Transaction at any time also shall include Additional Purchased Securities delivered pursuant to Paragraph 4(a) and shall exclude Securities returned pursuant to Paragraph 4(b);

(o) "Repurchase Date", the date on which Seller is to repurchase the Purchased Securities from Buyer, including any date determined by application of the provisions of Paragraph 3(c) or 11 hereof;

(p) "Repurchased Price", the price at which Purchased Securities are to be transferred from Buyer to Seller upon termination of a Transaction, which will be determined in each case (including Transactions terminable upon demand) as the sum of the Purchase Price and the Price Differential as of the date of such determination, increased by any amount determined by the application of the provisions of Paragraph 11 hereof;

(q) "Seller's Margin Amount", with respect to any Transaction as of any date, the amount obtained by application of a percentage (which may be equal to the percentage that is agreed to as the Buyer's Margin Amount under subparagraph (c) of this Paragraph), agreed to by Buyer and Seller prior to entering into the Transaction, to the Repurchase Price for such Transaction as of such date.

3. Initiation; Confirmation; Termination

(a) An agreement to enter into a Transaction may be made orally or in writing at the initiation of either Buyer or Seller. On the Purchase Date for the Transaction, the Purchased Securities shall be transferred to Buyer or its agent against the transfer of the Purchase Price to an account of Seller.

(b) Upon agreeing to enter into a Transaction hereunder, Buyer or Seller (or both), as shall be agreed, shall promptly deliver to the other party a written confirmation of each Transaction (a "Confirmation"). The Confirmation shall describe the Purchased Securities (including CUSIP number, if any), identify Buyer and Seller and set forth (i) the Purchase Date, (ii) the Purchase Price, (iii) the Repurchase Date, unless the Transaction is to be terminable on demand, (iv) the Pricing Rate or Repurchase Price applicable to the Transaction, and (v) any additional terms or conditions of the Transaction not inconsistent with this Agreement. The Confirmation, together with this Agreement, shall constitute conclusive evidence of the terms agreed between Buyer and Seller with respect to the Transaction to which the Confirmation relates, unless with respect to the Confirmation specific objection is made promptly after receipt thereof. In the event of any conflict between the terms of such Confirmation and this Agreement, this Agreement shall prevail.

(c) In the case of Transactions terminable upon demand, such demand shall be made by Buyer or Seller, no later than such time as is customary in accordance with market practice, by telephone or otherwise on or prior to the business day on which such termination will be effective. On the date specified in such demand, or on the date fixed for termination in the case of Transactions having a fixed term, termination of the Transaction will be effected by transfer to Seller or its agent of the Purchased Securities and any Income in respect thereof received by Buyer (and not previously credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) against the transfer of the Repurchase Price to an account of Buyer.

4. Margin Maintenance

(a) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Buyer is less than the aggregate Buyer's Margin Amount for all such Transactions (a "Margin Deficit"), then Buyer may by notice to Seller require Seller in such Transactions, at Seller's option, to transfer to Buyer cash or additional Securities reasonably acceptable to Buyer ("Additional Purchased Securities"), so that the cash and aggregate Market Value of the Purchased Securities, including any such Additional Purchased Securities, will thereupon equal or exceed such aggregate Buyer's Margin Amount (decreased by the amount of any Margin Deficit as of such date arising from any Transactions in which such Buyer is acting as Seller).

(b) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Seller exceeds the aggregate Seller's Margin Amount for all such Transactions at such time (a "Margin Excess"), then Seller may by notice to Buyer require Buyer in such Transactions, at Buyer's option, to transfer cash or Purchased Securities to Seller, so that the aggregate Market Value of the Purchased Securities, after deduction of any such cash or any Purchased Securities so transferred, will thereupon not exceed such aggregate Seller's Margin Amount (increased by the amount of any Margin Excess as of such date arising from any Transactions in which such Seller is acting as Buyer).

(c) Any cash transferred pursuant to this Paragraph shall be attributed to such Transactions as shall be agreed upon by Buyer and Seller.

(d) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer and Seller (or both) under subparagraphs (a) and (b) of this Paragraph

may be exercised only where a Margin Deficit or Margin Excess exceeds a specified dollar amount or a specified percentage of the Repurchase Prices for such Transactions (which amount or percentage shall be agreed to by Buyer and Seller prior to entering into any such Transactions).

(e) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer and Seller under subparagraphs (a) and (b) of this Paragraph to require the elimination of a Margin Deficit or a Margin Excess, as the case may be, may be exercised whenever such a Margin Deficit or Margin Excess exists with respect to any single Transaction hereunder (calculated without regard to any other Transaction outstanding under this Agreement).

5. Income Payments

Where a particular Transaction's term extends over an Income payment date on the Securities subject to that Transaction, Buyer shall, as the parties may agree with respect to such Transaction (or, in the absence of any agreement, as Buyer shall reasonably determine in its discretion), on the date such Income is payable either (i) transfer to or credit to the account of Seller an amount equal to such Income payment or payments with respect to any Purchased Securities subject to such Transaction or (ii) apply the Income payment or payments to reduce the amount to be transferred to Buyer by Seller upon termination of the Transaction. Buyer shall not be obligated to take any action pursuant to the preceding sentence to the extent that such action would result in the creation of a Margin Deficit, unless prior thereto or simultaneously therewith Seller transfers to Buyer cash or Additional Purchased Securities sufficient to eliminate such Margin Deficit.

6. Security Interest

Although the parties intend that all Transactions hereunder be sales and purchases and not loans, in the event any such Transactions are deemed to be loans, Seller shall be deemed to have pledged to Buyer as security for the performance by Seller of its obligations under each such Transaction, and shall be deemed to have granted to Buyer a security interest in, all of the Purchased Securities with respect to all Transactions hereunder and all proceeds thereof.

7. Payment and Transfer

Unless otherwise mutually agreed, all transfers of funds hereunder shall be in immediately available funds. All Securities transferred by one party hereto to the other party (i) shall be in suitable form for transfer or shall be accompanied by duly executed instruments of transfer or assignment in blank and such other documentation as the party receiving possession may reasonably request, (ii) shall be transferred on the book-entry system of a Federal Reserve Bank, or (iii) shall be transferred by any other method mutually acceptable to Seller and Buyer. As used herein with respect to Securities, "transfer" is intended to have the same meaning as when used in Section 8-313 of the New York Uniform Commercial Code or, where applicable, in any federal regulation governing transfers of the Securities.

8. Segregation of Purchased Securities

To the extent required by applicable law, all Purchased Securities in the possession of the Seller shall be segregated from other securities in its possession and shall be identified as subject to this Agreement. Segregation may be accomplished by appropriate identification on the books and records of the holder, including a financial intermediary or a clearing corporation. Title to all Purchased Securities shall pass to Buyer and, unless otherwise agreed by Buyer and Seller, nothing in this Agreement shall preclude Buyer from engaging in repurchase transactions with the Purchased Securities or otherwise pledging or hypothecating the Purchased Securities, but no

such transaction shall relieve Buyer of its obligations to transfer Purchased Securities to Seller pursuant to Paragraphs 3, 4 or 11 hereof, or of Buyer's obligation to credit or pay Income to, or apply Income to the obligations of, Seller pursuant to Paragraph 5 hereof.

Required Disclosure for Transactions in Which the Seller Retains Custody of the Purchased Securities

Seller is not permitted to substitute other securities for those subject to this Agreement and therefore must keep Buyer's securities segregated at all times, unless in this Agreement Buyer grants Seller the right to substitute other securities. If Buyer grants the right to substitute, this means that Buyer's securities will likely be commingled with Seller's own securities during the trading day. Buyer is advised that, during any trading day that Buyer's securities are commingled with Seller's securities, they [will]* [may]** be subject to liens granted by Seller to [its clearing bank]* [third parties]** and may be used by Seller for deliveries on other securities transactions. Whenever the securities are commingled, Seller's ability to resegment substitute securities for Buyer will be subject to Seller's ability to satisfy [the clearing]* [any]** lien or to obtain substitute securities.

* Language to be used under 17 C.F.R. d 403.4(e) if Seller is a government securities broker or dealer other than a financial institution.

** Language to be used under 17 C.F.R. d 403.5 (d) if Seller is a financial institution.

9. Substitution

(a) Seller may, subject to agreement with and acceptance by Buyer, substitute other Securities for any Purchased Securities. Such substitution shall be made by transfer to Buyer of such other Securities and transfer to Seller of such Purchased Securities. After substitution, the substituted Securities shall be deemed to be Purchased Securities.

(b) In Transactions in which the Seller retains custody of Purchased Securities, the parties expressly agree that Buyer shall be deemed, for purposes of subparagraph (a) of this Paragraph, to have agreed to and accepted in this Agreement substitution by Seller of other Securities for Purchased Securities; *provided, however*, that such other Securities shall have a Market Value at least equal to the Market Value of the Purchased Securities for which they are substituted.

10. Representations

Each of Buyer and Seller represents and warrants to other that (i) it is duly authorized to execute and deliver this Agreement, to enter into the Transactions contemplated hereunder and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance, (ii) it will engage in such Transactions as principal (or, if agreed in writing in advance of any Transaction by the other party hereto, as agent for a disclosed principal), (iii) the person signing this Agreement on its behalf is duly authorized to do so on its behalf (or on behalf of any such disclosed principal), (iv) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transactions hereunder and such authorizations are in full force and effect and (v) the execution, delivery and performance of this Agreement and the Transactions hereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected. On the Purchase Date for any Transaction Buyer and Seller shall each be deemed to repeat all the foregoing representations made by it.

11. Events of Default

In the event that (i) Seller fails to repurchase or Buyer fails to transfer Purchased Securities upon the applicable Repurchase Date, (ii) Seller or Buyer fails, after one business day's notice, to comply with Paragraph 4 hereof, (iii) Buyer fails to comply with Paragraph 5 hereof, (iv) an Act of Insolvency occurs with respect to Seller or Buyer, (v) any representation made by Seller or Buyer shall have been incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, or (vi) Seller or Buyer shall admit to the other its inability to, or its intention not to, perform any of its obligations hereunder (each an "Event of Default"):

(a) At the option of the non defaulting party, exercised by written notice to the defaulting party (which option shall be deemed to have been exercised, even if no notice is given, immediately upon the occurrence of an Act of Insolvency), the Repurchase Date for each Transaction hereunder shall be deemed immediately to occur.

(b) In all Transactions in which the defaulting party is acting as Seller, if the non defaulting party exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, (i) the defaulting party's obligations hereunder to repurchase all Purchased Securities in such Transactions shall thereupon become immediately due and payable, (ii) to the extent permitted by applicable law, the Repurchase Price with respect to each such Transaction shall be increased by the aggregate amount obtained by daily application of (x) the greater of the Pricing Rate for such Transaction or the Prime Rate to (y) the Repurchase Price for such Transaction as of the Repurchase Date as determined pursuant to subparagraph (a) of this Paragraph (decreased as of any day by (A) any amounts retained by the non defaulting party with respect to such Repurchase Price pursuant to clause (iii) of this subparagraph, (B) any proceeds from the sale of Purchased Securities pursuant to subparagraph (d) (i) of this Paragraph, and (C) any amounts credited to the account of the defaulting party pursuant to subparagraph (e) of this Paragraph) on a 360 day per year basis for the actual number of days during the period from and including the date of the Event of Default giving rise to such option to but excluding the date of payment of the Repurchase Price as so increased, (iii) all Income paid after such exercise or deemed exercise shall be retained by the non defaulting party and applied to the aggregate unpaid Repurchase Prices owed by the defaulting party, and (iv) the defaulting party shall immediately deliver to the non defaulting party any Purchased Securities subject to such Transactions then in the defaulting party's possession.

(c) In all Transactions in which the defaulting is acting as Buyer, upon tender by the non defaulting party of payment of the aggregate Repurchase Prices for all such Transactions, the defaulting party's right, title and interest in all Purchased Securities subject to such Transactions shall be deemed transferred to the non defaulting party, and the defaulting party shall deliver all such Purchased Securities to the non defaulting party.

(d) After one business day's notice to the defaulting party (which notice need not be given if an Act of Insolvency shall have occurred, and which may be the notice given under subparagraph (a) of this Paragraph or the notice referred to in clause (ii) of the first sentence of this Paragraph), the non defaulting party may :

(i) as to Transactions in which the defaulting party is acting as Seller, (A) immediately sell, in a recognized market at such price or prices as the non defaulting party may reasonably deem satisfactory, any or all Purchased Securities subject to such Transactions and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder or (B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Securities, to give the defaulting party credit for such Purchased Securities in an amount equal to the price therefor on such date, obtained from a generally recognized source or the most recent closing bid quotation from such a source, against the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder, and

(ii) as to Transactions in which the defaulting party is acting as Buyer, (A) purchase securities ("Replacement Securities") of the same class and amount as any Purchased Securities that are not delivered by the defaulting party to the non defaulting party as required hereunder or (B) in its sole discretion elect, in lieu of purchasing Replacement Securities, to be deemed to have purchased Replacement Securities at the price therefor on such date, obtained from a generally recognized source or the most recent closing bid quotation from such a source.

(e) As to Transactions in which the defaulting party is acting as Buyer, the defaulting party shall be liable to the non defaulting party (i) with respect to Purchased Securities (other than Additional Purchased Securities), for any excess of the price paid (or deemed paid) by the non defaulting party for Replacement Securities therefor over the Repurchase Price for such Purchased Securities and (ii) with respect to Additional Purchased Securities, for the price paid (or deemed paid) by the non defaulting party for the Replacement Securities, therefor. In addition, the defaulting party shall be liable to the non defaulting party for interest on such remaining liability with respect to each such purchase (or deemed purchase) of Replacement Securities from the date of such purchase (or deemed purchase) until paid in full by Buyer. Such interest shall be at a rate equal to the greater of the Pricing Rate for such Transaction or the Prime Rate.

(f) For purposes of this Paragraph 11, the Repurchase Price for each Transaction hereunder in respect of which the defaulting party is acting as Buyer shall not increase above the amount of such Repurchase Price for such Transaction determined as of the date of the exercise or deemed exercise by the non defaulting party of its option under subparagraph (a) of this Paragraph.

(g) The defaulting party shall be liable to the non defaulting party for the amount of all reasonable legal or other expenses incurred by the non defaulting party in connection with or as a consequence of an Event of Default, together with interest thereon at a rate equal to the greater of the Pricing Rate for the relevant Transaction or the Prime Rate.

(h) The non defaulting party shall have, in addition to its rights hereunder, any rights otherwise available to it under any other agreement or applicable law.

12. Single Agreement

Buyer and Seller acknowledge that, and have entered hereunto and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that, all Transactions hereunder constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, each of Buyer and Seller agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, (ii) that each of them shall be entitled to set off claims and apply property held by them in respect of any Transaction against obligations owing to them in respect of any other Transactions hereunder and (iii) that payments, deliveries and other transfers made by either of them in respect of any other Transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Transactions hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

13. Notices and Other Communications

Unless another address is specified in writing by the respective party to whom any notice or other communication is to be given hereunder, all such notices or communications shall be in writing or confirmed in writing and delivered at the respective addresses set forth in Annex II attached hereto.

14. Entire Agreement; Severability

This Agreement shall supersede any existing agreements between the parties containing general terms and conditions for repurchase transactions. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

15. Non-assignability: Termination

The rights and obligations of the parties under this Agreement and under any Transaction shall not be assigned by either party without the prior written consent of the other party. Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement may be canceled by either party upon giving written notice to the other, except that this Agreement shall, notwithstanding such notice, remain applicable to any Transactions then outstanding.

16. Governing Law

This Agreement shall be governed by the laws of the State of New York without giving effect to the conflict of law principles thereof.

17. No Waivers, Etc.

No express or implied waiver of any Event of Default by either party shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by any party shall constitute a waiver of its right to exercise any other remedy hereunder. No modification or waiver of any provision of this Agreement and no consent by any party to a departure herefrom shall be effective unless and until such shall be in writing and duly executed by both of the parties hereto. Without limitation on any of the foregoing, the failure to give a notice pursuant to subparagraphs 4(a) or 4(b) hereof will not constitute a waiver of any right to do so at a later date.

18. Use of Employee Plan Assets

(a) If assets of an employee benefit plan subject to any provision of the Employee Retirement Income Security Act of 1974 ("ERISA") are intended to be used by either party hereto (the "Plan Party") in a Transaction, the Plan Party shall so notify the other party prior to the Transaction. The Plan Party shall represent in writing to the other party that the Transaction does not constitute a prohibited transaction under ERISA or is otherwise exempt therefrom, and the other party may proceed in reliance thereon but shall not be required so to proceed.

(b) Subject to the last sentence of subparagraph (a) of this Paragraph, any such Transaction shall proceed only if Seller furnishes or has furnished to Buyer its most recent available audited statement of its financial condition and its most recent subsequent unaudited statement of its financial condition.

(c) By entering into a Transaction pursuant to this Paragraph, Seller shall be deemed (i) to represent to Buyer that since the date of Seller's latest such financial statements, there has been no material adverse change in Seller's financial condition which Seller has not disclosed to Buyer, and (ii) to agree to provide Buyer with future audited and unaudited statements of its financial condition as they are issued, so long as it is a Seller in any outstanding Transaction involving a Plan Party.

19. Intent

(a) The parties recognize that each Transaction is a "repurchase agreement" as that term is defined in Section 101 of Title 11 of the United States Code, as amended (except insofar as the type of Securities subject to such Transaction or the term of such Transaction would render such

definition inapplicable), and a "securities contract" as that term is defined in Section 741 of Title 11 of the United States Code, as amended.

(b) It is understood that either party's right to liquidate Securities delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Paragraph 11 hereof, is a contractual right to liquidate such Transaction as described in Sections 555 and 559 of Title 11 of the United States Code, as amended.

20. Disclosure Relating to Certain Federal Protections

The parties acknowledge that they have been advised that:

(a) in the case of Transactions in which one of the parties is a broker or dealer registered with the Securities and Exchange Commission ("SEC") under Section 15 of the Securities Exchange Act of 1934 ("1934 Act"), the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970 ("SIPA") do not protect the other party with respect to any Transaction hereunder;

(b) in the case of Transactions in which one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SIPA will not provide protection to the other party with respect to any Transaction hereunder; and

(c) in the case of Transactions in which one of the parties is a financial institution, funds held by the financial institution pursuant to a Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation or the National Credit Union Share Insurance Fund, as applicable.

[Name of Party]

[Name of Party]

By _____

By _____

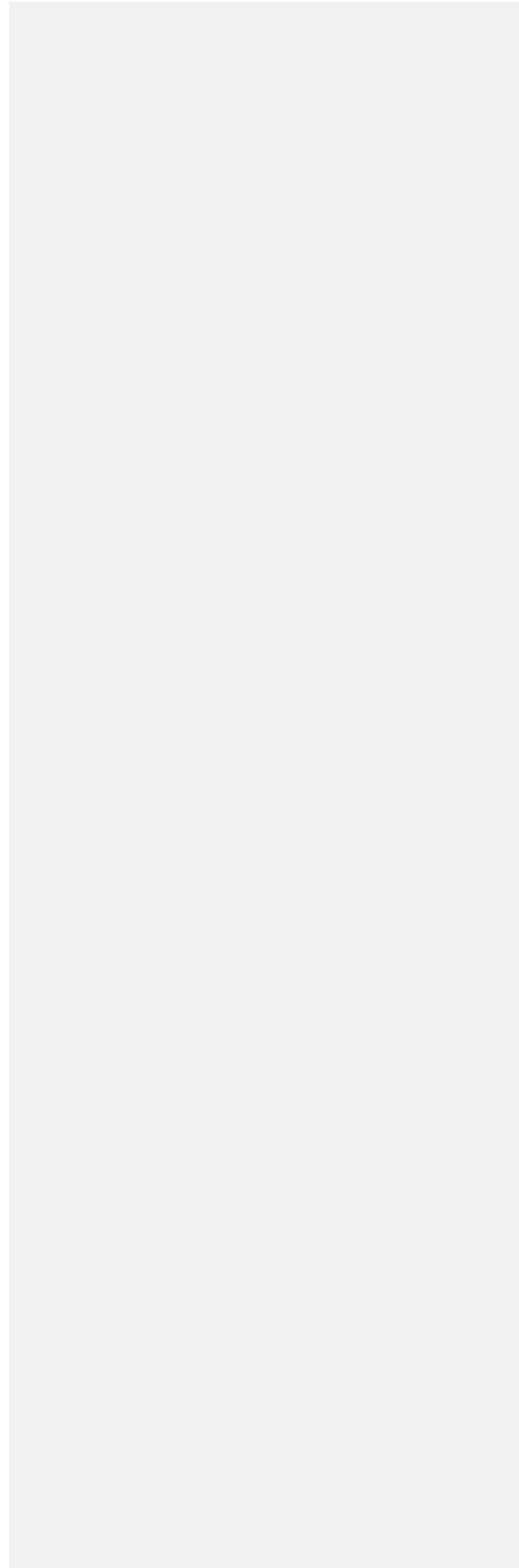
Title _____

Title _____

Date _____

Date _____.

C. Broker/Dealer Certification



**TEXAS PUBLIC FUNDS INVESTMENT ACT
ACKNOWLEDGMENTS**

These Acknowledgments are executed on behalf of the City of Rowlett (“Investor”) and _____ (“Business Organization”) pursuant to the Public Funds Investment Act, Chapter 2256, Government Code, Texas Codes Annotated (the “Act”), in connection with investment transactions conducted between the Investor and the Business Organization.

Acknowledgment by Investor

The undersigned investment officer of the Investor (“Investment Officer”) hereby acknowledges, represents and agrees on behalf of the Investor that:

- (i) The Investment Officer (a) has been duly designated by official action of the governing body of the Investor to act as its Investment Officer pursuant to the Act, (b) is vested with full power and authority under the Act and other applicable law to engage in investment activities on behalf of the Investor, and (c) is duly authorized to execute this Acknowledgment on behalf of the Investor,
- (ii) Pursuant to the Act, the governing body of the Investor has duly adopted a written investment policy which complies with the Act, including an investment strategy (as the same may be amended, the “Investment Policy”), and the Investment Officer (a) has furnished a true and correct copy of the Investment Policy to the Business Organization and (b) will notify the Business Organization of any revision of, or amendment to, the Investment Policy. The Business Organization shall be entitled to rely upon the most recent version of the Investment Policy furnished by the Investment Officer until provided with an amended version;
- (iii) Attached hereto is a list of investments that are authorized pursuant to the Investment Policy and that the Investment Officer understands may be available from the Business Organization. The attached list may be amended from time to time by mutual agreement of the Investor and the Business Organization, and
- (iv) In connection with any investment transaction between the Business Organization and the Investor, the Business Organization is not responsible for assuring compliance with those aspects of the Investment Policy over which the Business Organization has no control or knowledge, such as restrictions as to diversity and average maturity, or which require an interpretation of subjective investment standards.

INVESTMENT OFFICER

Name: _____

Title: _____

Date: _____

Acknowledgment by Business Organization

In reliance upon the foregoing "Acknowledgment by Investor," the undersigned qualified representative of the Business Organization ("Qualified Representative") acknowledges, represents, and agrees on behalf of the Business Organization that:

- (I) The Qualified Representative (a) is registered under the rules of the National Association of Securities Dealers, (b) is the duly appointed and acting officer of the Business Organization, holding the office set forth underneath its name below, and (c) is duly authorized to execute this Certification on behalf of the Business Organization,
- (ii) The Qualified Representative has received and reviewed the Investment Policy furnished by the Investment Officer,
- (iii) The Business Organization will provide the Investment Officer with periodic account and other reasonably requested information that will assist the Investment Officer in carrying out his or her responsibility to make investment decisions consistent with the Investment Policy; and
- (iv) The Business Organization will not sell to the Investor investments other than those on the attached list, which may be amended from time to time by mutual agreement of the Investor and the Business Organization.

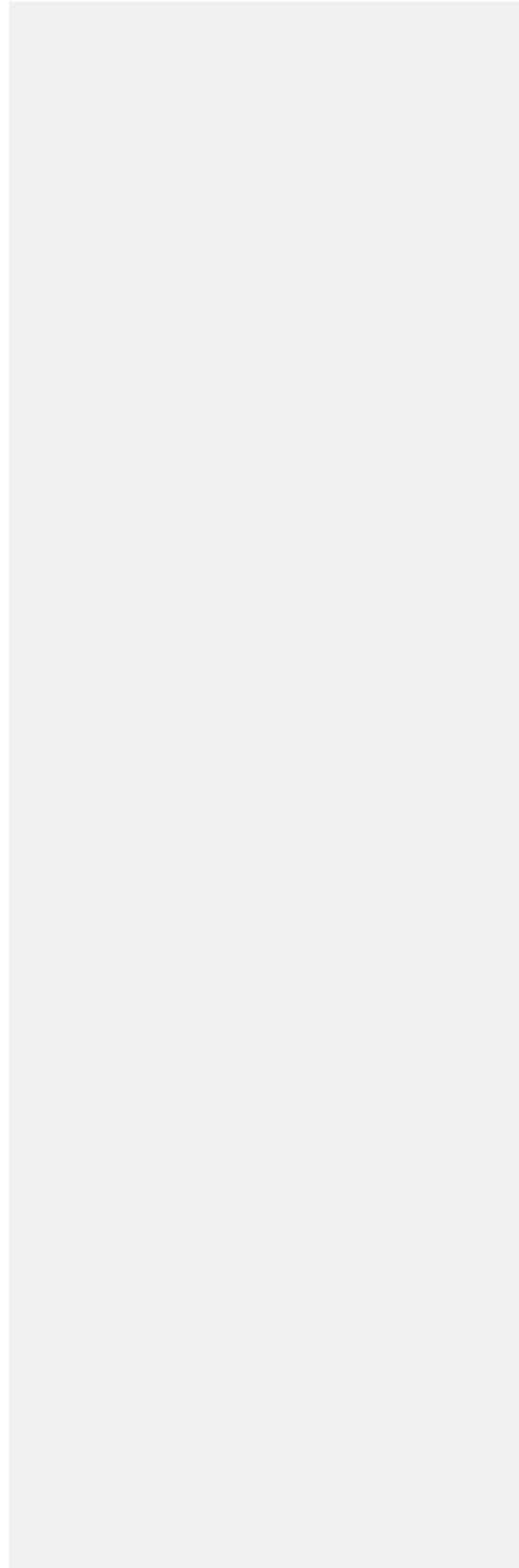
QUALIFIED REPRESENTATIVE

Name: _____

Title _____

Date: _____

D. Investment Pool/Fund Questionnaire



1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?
7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?
9. Does the pool/fund have a stable or floating net asset value (NAV)?
10. What are the liquidity restrictions, gates, etc?

**Proposed
Investment Policy**



Approved on: October 18, 2016

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Investment Policy City of Rowlett, Texas

I. PURPOSE

The purpose of this Investment Policy (hereinafter “Policy”) is to set forth the investment objectives and parameters for the management of public funds of the City of Rowlett, Texas (hereinafter “City”). This Policy is designed to safeguard the City’s funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices. In order to execute this framework this Policy contains an Investment Strategy Statement.

II. SCOPE

This Policy is authorized by the City Council of the City in accordance with Chapter 2256, Texas Government Code, the Public Funds Investment Act which may be reviewed on the Texas Constitution and Statutes website at <http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2256.htm>. The Policy addresses the methods, procedures and practices which must be exercised to insure effective and judicious fiscal management of City funds. All City funds will be managed within the guidelines of this Policy. Bond funds, in addition to this Policy, shall be managed in accordance with their issuing documentation and all applicable State and Federal Law.

In addition to the Policy, the Investment Strategy Statement, also approved by the City Council, provides a separate written investment strategy for each of the City's funds. Each investment strategy describes the investment objectives for each particular fund. Cash and investment balances as defined in this Section are entirely known as “Available Fund”.

III. INVESTMENT OBJECTIVES

Safety of Principal

The foremost objective of this investment program is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to keep capital losses at a minimum, whether they are from securities defaults or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Maintenance of Liquidity

The portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodic cash flow analyses will be completed in order to ensure that the portfolios are positioned to provide sufficient liquidity.

Return on Investment

Investment portfolios shall be designed with the objective of attaining a market rate within an acceptable range of the rate of return of the established benchmarks taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. However, return is attempted through active management where the investment advisor utilizes a total return strategy (which

includes both realized and unrealized gains and losses in the portfolio). This total return strategy seeks to increase the value of the portfolio through reinvestment of income and capital gains. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Despite this, an investment advisor may trade to recognize a loss from time to time to achieve a perceived relative value based on its potential to enhance the total return of the portfolios.

IV. DELEGATION OF AUTHORITY

As designated by the City Council, management responsibility for the investment program is assigned to the Director of Financial Services and Assistant Director of Financial Services. The Director of Financial Services and Assistant Director of Financial Services and other persons granted investment authority shall be considered and referred to as "Investment Officers" for the purpose of this Policy. As such, the Investment Officers are authorized to deposit, withdraw, invest, transfer, execute documentation, and otherwise manage City funds according to this Policy. The Investment Officers may grant, in writing, investment authority to other persons within the Finance Division. Any limitations placed on this authority will be specifically stated. No person may engage in an investment transaction or the management of funds except as provided under the terms of the Investment Policy, Investment Strategy Statement and other operational procedures established by the Investment Officers. The Investment Officers shall establish written procedures for the operation of the investment portfolio and a system of internal accounting and administrative controls to regulate the activities of employees. Any new requirements from policy will be in compliance within one year of this adoption.

V. INVESTMENT ADVISORS AND PROVIDERS

The City Council may appoint an investment advisor to assist the City's financial staff with the management of its funds and other responsibilities including but not limited to competitive bidding, reporting requirements and security documentation. The investment advisor must be registered with the Securities and Exchange Commission (SEC) under the Investment Adviser's Act of 1940 as well as with the Texas State Securities Board. The term of contract shall be limited under the Texas Public Funds Investment Act to a two-year period. A renewal or extension of the contract must be made by the City Council by order, ordinance or resolution.

Investment Advisors shall adhere to the spirit, philosophy and specific term of this Policy and shall invest within the standard of "Prudent Expert".

Investment Providers shall adhere to the spirit and philosophy of this Policy and shall avoid recommending or suggesting transactions outside the standard of "Prudent Expert."

The following criteria will be established in the selection of Investment Advisors and Investment Providers, including:

- 1) Adherence to the City's policies and strategies
- 2) Investment performance and transaction pricing within accepted risk constraints,
- 3) Responsiveness to the City's request for services, information and open communication,

- 4) Understanding of the inherent fiduciary responsibility of investing public funds,
- 5) Similarity in philosophy and strategy with the City's objectives.

Selected Investment Advisors and Investment Providers shall provide timely transaction confirmations and monthly activity reports.

Businesses eligible to transact investment business with the City shall be presented a written copy of this Policy. Additionally, the qualified representative of the business seeking to transact investment business shall execute a written instrument stating substantially to the effect that the registered principal has:

- 1) Received and thoroughly reviewed this Policy
- 2) Acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards.

The City will not enter into an investment transaction with a financial institution prior to receiving the written instrument described above.

If brokerage services are utilized, the Investment Officer will present annually to the governing body a list of qualified brokers. The governing body must review and approve qualified brokers authorized to engage in investment transactions with the City.

VI. STANDARDS OF PRUDENCE

The standard of prudence to be used by Investment Officers shall be the "Prudent Person" standard and shall be applied in the context of managing the overall investment program. Investment officers acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectation are reported to the City Council in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy. The "Prudent Person" rule states the following:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be used by investment officials who are officers or employees is the Prudent Person standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of "Prudent Expert". The standard shall be that in investing and reinvesting moneys and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise: the judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence,

discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

VII. ETHICS AND CONFLICTS OF INTEREST

Investment Officers shall act as custodians of the public trust avoiding any transaction which might involve a conflict of interest, the appearance of a conflict of interest, or any activity which might otherwise discourage public confidence. Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Additionally, all Investment Officers shall file with the Texas Ethics Commission and the City a statement disclosing any *personal business relationship* with an entity seeking to sell investments to the City or any relationship within the second degree by affinity or consanguinity to an individual seeking to sell investments to the City.

An officer or employee involved in the investment process has a *personal business relationship* with a business organization if:

- 1) The Investment Officer or employee owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- 2) Funds received by the Investment Officer or employee from the business organization exceed 10 percent of his/her gross income for the previous year; or
- 3) The Investment Officer or employee has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for his/her personal account.

VIII. INTERNAL CONTROLS AND INVESTMENT PROCEDURES

The Investment Officers shall establish a system of internal controls and operational procedures that are in writing and made a part of the City's financial operational procedures. The internal controls should be designed to prevent losses of funds, which might arise from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees. The written procedures should include reference to safekeeping, repurchase agreements, separation of transaction authority from accounting and recordkeeping, wire transfer agreements, banking service contracts, collateral/depository agreements, and "delivery-vs-payment" procedures. No person may engage in an investment transaction except as authorized under the terms of this Policy.

Independent auditors, as a normal part of the annual financial audit to the City, shall conduct a review of the system of internal controls to ensure compliance with policies and procedures.

IX. CONTINUING EDUCATION

Within 12 months after taking office or assuming duties, each Investment Officer shall attend a training session relating to their investment responsibilities and receive not less than 10 hours of

instruction. On an ongoing basis, all Investment Officers shall receive not less than 8 hours of instruction not less than once in a two year period that begins on the first day of the City of Rowlett's fiscal year (October 1) and consists of the two consecutive fiscal years after that date. Training must include education in investment controls, security risks, strategy risks, market risks and compliance with the Public Funds Investment Act. Training must be provided by an independent source. Possible training sources include Government Treasurers of Texas, TML (Texas Municipal League), PFM Asset Management LLC, TexPool (on-line), Government Finance Officers Association, and First Public.

X. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

The Investment Officers or designee shall only purchase securities from Qualified Financial Institutions and investment institutions which are designated as Primary Dealers by the Federal Reserve Bank of New York. The Investment Officers shall only enter into repurchase agreements with financial institutions that are Qualified Institutions and Primary Dealers as designated by the Federal Reserve Bank of New York.

The City's Investment Advisor(s) shall utilize and maintain its own list of approved primary and non-primary securities dealers.

The Investment Officers or designee shall maintain a list of financial institutions and broker/dealers that are approved for investment purposes and only firms meeting the following requirements will be eligible to serve as Qualified Institutions:

- 1) Regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
- 2) Capital of no less than \$10,000,000;
- 3) Registered as a dealer under the Securities Exchange Act of 1934;
- 4) Member of the Financial Industry Regulatory Authority, Inc. (FINRA);
- 5) Registered to sell securities in Texas;
- 6) The firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years;

All brokers, dealers and other financial institutions deemed to be Qualified Institutions shall be provided with current copies of the City's Investment Policy and sign the Broker/Dealer Certification. The City's Investment Officer or designee, must also sign the acknowledgement. The City's Investment Advisor will adhere to its own internal due diligence procedures. A current audited financial statement is required to be on file for each financial institution and broker/dealer with which the City transacts business.

XI. INVESTMENT STRATEGY STATEMENT

The City maintains Short-Term Portfolios for operating, debt service funds and bond construction funds and Long-Term Portfolio for core funds (operating reserve funds) and debt service reserve funds.

Short -Term Portfolios:

Operating Funds

Investment strategies for operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity.

Debt Service Funds

Investment strategies for debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date that exceeds the debt service payment date.

Bond Construction or Special Purpose Funds

Investment strategies for bond construction or special purpose fund portfolios will have as their primary objective to ensure that anticipated cash flows are matched with adequate investment liquidity. These fund portfolios should include at least 10% in highly liquid securities to allow for flexibility and unanticipated project outlays. The stated final maturity dates of securities held should not exceed the estimated project completion date.

Long -Term Portfolios:

Core Funds

The objective is to create a portfolio structure for the City's Core Funds, as determined by the cash flow analysis report, which will experience minimal market value volatility during economic cycles. This may be accomplished by purchasing quality, short- to medium-term securities that will complement each other in a laddered or barbell maturity structure. The overall weighted average duration of principal return for the Core Fund portfolio shall be less than two (2) years. Securities may not be purchased that have a final stated maturity date which exceeds five (5) years.

Debt Service Reserve Funds

Investment strategies for debt service reserve funds shall have as the primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund from securities with a low degree of volatility, except as may be required by the bond ordinance specific to an individual issue. Securities should be of high quality, with short- to intermediate-term maturities.

XII. MATURITY AND LIQUIDITY REQUIREMENTS

To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements.

A. Maturity Guidelines

Securities purchased by or on behalf of the City shall have a final maturity of five (5) years or less from the date of settlement. The overall weighted average duration of principal return for the entire portfolio shall be less than two (2) years. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Master Repurchase Agreement.

B. Liquidity Requirements

The Investment Officers or designee shall determine the approximate amount of funds required to meet the day-to-day expenditure needs of the City. In order to have an available source of funds to meet unexpected cash requirements, a minimum of two months operating expenses will be invested in authorized money market funds or state or local investment pools. The balance of the City's funds will be available for investment according to the guidelines incorporated within this Policy.

XIII. PERFORMANCE MEASUREMENTS

In order to assist in the evaluation of the portfolios' performance, the City will use performance benchmarks for short-term and long-term portfolios. The use of benchmarks will allow the City to measure its returns against other investors in the same markets.

- A. Investment performance of funds designated as short-term funds and other funds that must maintain a high degree of liquidity will be compared to the return on the S&P Rated GIP Index Government 30 Day Yield. Investments of current operating funds shall have maturities of no longer than twenty-four (24) months.
- B. The long-term investment portfolio (Core Funds) shall be designed with the objective of exceeding the return of the Bank of America Merrill Lynch 1-3 Year U.S. Treasury Index (or a comparable benchmark) compared to the portfolio's total rate of return. The Bank of America Merrill Lynch 1-3 Year Treasury Index represents U.S. Treasury securities maturing over one year, but less than three years. This maturity range is an appropriate benchmark based on the objectives of the City.

XIV. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

After the Investment Officers and/or the City's Investment Advisor/s has determined the approximate maturity date based on cash flow needs and market conditions and has analyzed and selected one or more optimal types of investments, a minimum of three (3) qualified banks and/or approved broker/dealers must be contacted and asked to provide bids/offers on securities in questions. Bids will be held in confidence until the bid deemed to best meet the investment objectives is determined and selected.

However, if obtaining bids/offers are not feasible and appropriate, securities may be purchased/sold utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to:

- A. TradeWeb
- B. Bloomberg Information Systems
- C. Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing
- D. Daily market pricing provided by the City's custodian or their correspondent institutions

The Investment Officers or designee and/or the City's Investment Advisor/s shall utilize the competitive bid process to select the securities to be purchased or sold. Selection by comparison

to a current market price, as indicated above, shall only be utilized when, in judgment of the Investment Officers or the City's Investment Advisor/s, competitive bidding would inhibit the selection process.

Examples of when this method may be used include:

- A. When time constraints due to unusual circumstances preclude the use of the competitive bidding process
- B. When no active market exists for the issue being traded due to the age or depth of the issue
- C. When a security is unique to a single dealer, for example, a private placement
- D. When the transaction involves new issues or issues in the "when issued" market

Overnight sweep investment instruments will not be bid, but may be placed with the City's depository bank relating to the demand account for which the investment instrument was purchased.

XV. AUTHORIZED INVESTMENTS AND PORTFOLIO COMPOSITION

Investments should be made subject to the cash flow needs and such cash flows are subject to revisions as market conditions and the City's needs change. However, when the invested funds are needed in whole or in part for the purpose originally intended or for more optimal investments, the Investment Officers or designee and/or the City's Investment Advisor/s may sell the investment at the then-prevailing market price and place the proceeds into the proper account at the City's custodian.

The following are the investment requirements and allocation limits on security types, issuers, and maturities as established by the City. Diversification strategies within the established guidelines shall be reviewed and revised periodically as necessary by the Investment Officers. The Investment Officers, and/or City's Investment Advisor/s shall have the option to further restrict investment percentages from time to time based on market conditions, risk and diversification investment strategies. The percentage allocations requirements for investment types and issuers are calculated based on the original cost of each investment, at the time purchase. Investments not listed in this Policy are prohibited. The following requirements do not apply to funds derived from the sale of debt.

Investments described below are those authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code), as amended, which is included and made a part of this Policy as Appendix A. The following list may not contain all of those securities that are authorized by state statutes, but only those that the City Council wish to include in the City's portfolios. The purchase of specific issues may at times be further restricted or prohibited because of current market conditions. The City funds governed by this Policy may be invested in the following investments:

Security Type	Minimum Rating Requirement	Maturity Limits	Maximum Allocation Limit	Maximum Issuer Limit
Local Government Investment Pools	AAA/AAAm	N/A	75%	N/A
United States Government Securities	N/A	5 Years	100%	N/A
United States Government Agencies (full faith and credit of the United States Government)	N/A	5 Years	75%	25%
Federal Instrumentalities (United States Government Sponsored Enterprises (“GSE”) which are non-full faith and credit).*	N/A	5 Years	80%	40%
Mortgage-Backed Securities (“MBS”)*	N/A	5 Years	20%	15%
Interest Bearing Time Deposit or Saving Accounts	N/A	1 Years	20%	10%
Repurchase Agreements	N/A	90 Days	20%	10%
Commercial Paper	P-1/A-1	270 Days	25%	5%
Bankers’ Acceptances	P-1/A-1	180 Days	25%	5%
State and/or Local Government Taxable and/or Tax-Exempt Debt	Single “A” category by two NRSROs	5 Years	25%	10%
Registered Investment Companies (Money Market Mutual Funds)	AAAm	N/A	50%	25%

*The combined total of available funds invested in Federal Instrumentalities and MBS cannot be more than 80%.

A. Local Government Investment Pools

1. Investment Authorization

Local government investment pools organized in accordance with the Interlocal Cooperation Act (Chapter 791, Texas Government Act) as amended, whose assets consist exclusively of the obligations that are allowed as a direct investment for funds subject to the Public Funds Investment Act (Chapter 2256, Texas Government Code). A public funds investment pool must be continuously rated no lower than “AAA”, “AAA-m” or at an equivalent rating by at least one Nationally Recognized Statistical Rating Organization (“NRSRO”).

2. Portfolio Composition

A maximum of 75% of available funds may be invested in the Local Government Pools.

3. Due Diligence Requirements

A thorough review of any local government investment pool is required prior to investing, and on a continual basis. Attachment D is a questionnaire that contains a list of questions, to be answered prior to investing, that cover the major aspects of any investment pool/fund.

B. United States Government Securities

1. Purchase Authorization

Negotiable direct obligations or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but not be limited to the following:

Cash Management Bills
Treasury Securities – State and Local Government Series (“SLGS”)
Treasury Bills
Treasury Notes
Treasury Bonds
Treasury Strips

2. Portfolio Composition

A maximum of 100% of available funds may be invested in the United States Government Securities with the exception of Treasury Strips are limited to 10% of available funds.

3. Maturity Limitations

The maximum length to maturity of any direct investment in the United States Government Securities is five (5) years from the date of settlement.

C. United States Government Agencies (full faith and credit of the United States Government)

1. Purchase Authorization

Bonds, debentures, notes or callables issued or guaranteed by the United States Governments agencies, provided such obligations are backed by the full faith and credit of the United States Government. This includes fixed rate mortgage-backed securities. Such securities will include, but not be limited to the following:

United States Export – Import Bank
-Direct obligations or fully guaranteed certificates of beneficial ownership
Farmer Home Administration
-Certificates of beneficial ownership
Federal Financing Bank
-Discount notes, notes and bonds
Federal Housing Administration Debentures
Government National Mortgage Association (GNMA)
-GNMA guaranteed mortgage-backed bonds
-GNMA guaranteed pass-through obligations
General Services Administration
United States Maritime Administration Guaranteed
-Title XI Financing

New Communities Debentures

-United States Government guaranteed debentures

United States Public Housing Notes and Bonds

-United States Government guaranteed public housing notes and bonds

United States Department of Housing and Urban Development

-Project notes and local authority bonds

2. Portfolio Composition

A maximum of 75% of available funds may be invested in United States Government agencies.

3. Limits on Individual Issuers

A maximum of 25% of available funds may be invested in individual United States Government agencies.

4. Maturity Limitations

The maximum length to maturity for an investment in any United States Government agency security is five (5) years from the date of settlement.

D. Federal Instrumentalities (United States Government Sponsored Enterprises (“GSE”) which are non-full faith and credit)

1. Purchase Authorization

Bonds, debentures, notes or callables issued or guaranteed by United States Government Sponsored Enterprises (Federal Instrumentalities), which are non-full faith and credit agencies. These are limited to the following:

Federal Farm Credit Bank (FFCB)

Federal Home Loan Bank or its District banks (FHLB)

Federal National Mortgage Association (FNMA)

Federal Home Loan Mortgage Corporation (Freddie-Macs) including Federal - Home Loan Mortgage Corporation participation certificates

2. Portfolio Composition

A maximum of 80% of available funds may be invested in Federal Instrumentalities. The combined total of available funds invested in Federal Instrumentalities and Agency Mortgage Backed Securities cannot be more than 80%.

3. Limits on Individual Issuers

A maximum of 40% of available funds may be invested in any one issuer.

4. Maturity Limitations

The maximum length to maturity for an investment in any Federal Instrumentality security is five (5) years from the date of settlement.

E. Mortgage-Backed Securities (MBS)

1. Purchase Authorization

Authorized Staff may invest in mortgage-backed securities (MBS) which are based on mortgages that are guaranteed by a government agency or GSE for payment of principal and a guarantee of timely payment.

2. Portfolio Composition

A maximum of 20% of available funds may be invested in MBS. The combined total of available funds invested in Federal Instrumentalities and Mortgage Backed Securities cannot be more than 80%.

3. Limits of Individual Issuers

A maximum of 15% of available funds may be invested with any one issuer.

4. Maturity Limitations

A maximum length to maturity for an investment in any MBS is five (5) years from the date of settlement.

The maturity of mortgage securities shall be considered the date corresponding to its average life. This date reflects the point at which an investor will have received back half of the original principal (face) amount. The average life may be different from the stated legal maturity included in a security's description.

F. Interest Bearing Time Deposit or Saving Accounts

1. Purchase Authorization

Certificates of deposit or savings accounts issued by state and national banks that has a main office or branch in Texas that are: guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or secured by obligations of any direct federal agency or instrumentality issues that have a market value of not less than the principal amount of the certificates or Certificate of Deposit balances exceeding FDIC insurance limits will be fully collateralized by securities listed in sections B, C or D above. Collateral will be held by the City's third party custodian.

2. Portfolio Composition

A maximum of 20% of available funds may be invested in non-negotiable interest bearing time certificates of deposit or savings account.

3. Limits on Individual Issuers

A maximum of 10% of available funds may be deposited with any one issuer.

4. The maximum maturity on any certificate shall be no greater than one (1) year from the date of settlement.

G. Repurchase Agreements

1. Purchase Authorization

a. Repurchase agreements composed of only those investments authorized in sections B, C, or D above. All firms are required to sign the City's Master Repurchase Agreement prior to the execution of a repurchase agreement transaction.

b. A third party custodian with whom the City has a current custodial agreement shall hold the collateral for all repurchase agreements with a term longer than one (1) business day. A clearly marked receipt that shows evidence of ownership must be supplied to the Investment Officers or designee and retained.

c. Securities authorized for collateral must have maturities less than ten (10) years and with market value for the principal and accrued interest of 102 percent of the value and for the term of the repurchase agreement. Immaterial short-term deviations from 102 percent requirement are permissible only upon the approval of the Investment Officers and/or the City's Investment Advisor/s.

d. The overnight sweep arrangement shall adhere to the agreement between the City and the City's depository bank.

2. Portfolio Composition

A maximum of 20% of available funds may be invested in repurchase agreements excluding one (1)-business day agreements and overnight sweep agreements.

3. Limits on Individual Issuers

A maximum of 10% of available funds may be invested with any one institution excluding one (1)-business day agreements and overnight sweep agreements.

4. Limits on Maturities

The maximum length to maturity of any repurchase agreement is 90 days from the date of settlement.

H. Commercial Paper

1. Purchase Authorization

Commercial paper of any United States company that is rated, at the time of purchase, “Prime-1” by Moody’s and “A-1” by Standard & Poor’s (prime commercial paper) or the equivalent by two NRSROs.

2. Portfolio Composition

A maximum of 25% of available funds may be directly invested in prime commercial paper.

3. Limits on Individual Issuers

A maximum of 5% of available funds may be invested with any one issuer.

4. Maturity Limitations

The maximum length to maturity for prime commercial paper shall be 270 days from the date of settlement.

I. Bankers’ Acceptances

1. Purchase Authorization

Bankers’ Acceptances issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System, at the time of purchase, the short-term paper is rated, at a minimum, “P-1” by Moody's Investors Services and “A-1” Standard & Poor's or the equivalent by two NRSROs..

2. Portfolio Composition

A maximum of 25% of available funds may be directly invested in Bankers’ Acceptances.

3. Limits on Individual Issuers

A maximum of 5% of available funds may be invested with any one issuer.

4. Maturity Limitations

The maximum length to maturity for Bankers’ Acceptances shall be 180 days from the date of settlement.

J. State and/or Local Government Taxable and/or Tax-Exempt Debt

1. Purchase Authorization

State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, at the time of purchases, at a minimum single “A”

category by any two NRSROs, or rated at least “MIG-2” by Moody’s and “SP-2” by Standard & Poor’s for short-term debt or the equivalent by two NRSROs..

2. Portfolio Composition

A maximum of 25% of available funds may be invested in taxable and tax-exempt debt.

3. Limits on Individual Issuers

A maximum of 10% of available funds may be invested with any one issuer.

4. Maturity Limitations

A maximum length to maturity for an investment in any state or local government debt security is five (5) years from the date of settlement.

K. Registered Investment Companies (Money Market Mutual Funds)

1. Investment Authorization

Shares in open-end and no-load money market funds provided such funds are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7.

2. Portfolio Composition

A maximum of 50% of available funds may be invested in money market funds.

3. Limits of Individual Issuers

A maximum of 25% of available funds may be invested with any one money market fund.

4. Rating Requirements

The money market funds shall be rated “AAAm” by Standard & Poor’s or the equivalent by another NRSRO.

5. Due Diligence Requirements

A thorough review of any money market fund is required prior to investing, and on a continual basis. Attachment D is a questionnaire that contains a list of questions, to be answered prior to investing, that cover the major aspects of any investment pool/fund..

XVI. DOWNGRADE PROVISION FOR INVESTMENT RATINGS

In the event any security in the portfolio, subsequent to purchase, is downgraded to a level below the minimum required rating, the Investment Advisor(s) shall notify the City or its representatives as soon as practical of such ratings change along with any contemplated actions to sell or hold the security. The City, independently or in concert with the Investment Advisor(s), shall confirm the decision to sell or hold the security. If it is determined the position should be sold, then it should be traded in a timely basis, consistent with market liquidity.

XVII. DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

The City may not invest in investment products that include the use of derivatives, unless specified in Section XV of this Policy. A “derivative” is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values. Reverse repurchase agreements are not permitted by this Policy.

XVIII. REPORTING

The Investment performance will be monitored and evaluated by the Investment Officers. In conjunction with the Investment Officers, the City’s Investment Advisor/s shall provide quarterly investment reports on the City’s short-term and long-term core investments to City Council as required by the Public Funds Investment Act (Chapter 2256, Texas Government Code), Section 2256.023. Schedules in the quarterly report should include the following:

- 1) describe in detail the investment position of the City,
- 2) contain a summary statement prepared in compliance with generally accepted accounting principles stating the reporting period beginning market value, additions or changes to the market value during the period and ending market value for the period, and fully accrued interest for the period for each pooled fund group,
- 3) state the reporting period beginning book and market value and reporting period ending book and market value of each investment security by asset type and fund type,
- 4) state the maturity date of each investment security,
- 5) state the fund for which each investment security was purchased, and
- 6) state the compliance of the investment portfolio with the City's Investment Policy and Investment Strategy Statement and the Public Funds Investment Act, and
- 7) be prepared jointly and signed by each Investment Officer.

XIX. DEPOSITORY AGREEMENTS

The City will select and designate a qualified bank depository for a minimum three year period. Consistent with the Requirements of State law, the City will require that all deposits be federally insured or collateralized with eligible securities. If deposits are collateralized, they will be held

at the City's custodial agent. The depository will be required to sign a Custodial Agreement with the City and the City's Custodial agent. The Agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations. It shall further address any concerns in relation to acceptable collateral, levels of collateral, substitution and addition of collateral, and reporting and monitoring of collateral.

XX. THIRD-PARTY CUSTODIAL AGREEMENTS

Securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchase by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Texas, or any other state or territory of the United States which has a branch or principal place of business in the State of Texas or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Texas. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the Investment Officers and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, shall be made from safekeeping, shall be permitted unless by such a duly authorized person.

Monthly, the custodian shall provide the Investment Officers or designee and/or the City's Investment Advisor/s with detail information on the securities held by the custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Only after receiving written authorization from the Investment Officers shall authorized securities be delivered "free". Securities held as collateral shall be held free and clear of any liens.

XXI. RESERVATION OF AUTHORITY

The Investment Policy and the Statement of Investment Strategy will be reviewed on an annual basis by the City Council. Revisions and or amendments will be approved and documented by the City Council.

Mayor City of Rowlett

A. Glossary of Cash and Investment Management Terms

Attachment A
Glossary of Cash and Investment Management Terms

The following is a glossary of key investing terms, many of which appear in the City's investment policy. This glossary clarifies the meaning of investment terms generally used in cash and investment management. This glossary has been adapted from the GFOA Sample Investment Policy and the Association of Public Treasurers of the United States and Canada's Model Investment Policy.

Accrued Interest. Interest earned but which has not yet been paid or received.

Agency. See "Federal Agency Securities."

Ask Price. Price at which a broker/dealer offers to sell a security to an investor. Also known as "offered price."

Asset Backed Securities (ABS). A fixed-income security backed by notes or receivables against assets other than real estate. Generally issued by special purpose companies that "own" the assets and issue the ABS. Examples include securities backed by auto loans, credit card receivables, home equity loans, manufactured housing loans, farm equipment loans, and aircraft leases.

Average Life. The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Bankers' Acceptance (BA's). A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers' acceptances are traded at a discount from face value as a money market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

Basis Point. One hundredth of one percent, or 0.01%. Thus 1% equals 100 basis points.

Bearer Security. A security whose ownership is determined by the holder of the physical security. Typically, there is no registration on the issuer's books. Title to bearer securities is transferred by delivery of the physical security or certificate. Also known as "physical securities."

Benchmark Bills: In November 1999, FNMA introduced its Benchmark Bills program, a short-term debt securities issuance program to supplement its existing discount note program. The program includes a schedule of larger, weekly issues in three- and six-month maturities and biweekly issues in one-year for Benchmark Bills. Each issue is brought to market via a Dutch (single price) auction. FNMA conducts a weekly auction for each Benchmark Bill maturity and accepts both competitive and non-competitive bids through a web based auction system. This program is in addition to the variety of other discount note maturities, with rates posted on a daily basis, which FNMA offers. FNMA's Benchmark Bills are unsecured general obligations that are issued in book-entry form through the Federal Reserve Banks. There are no periodic payments of interest on Benchmark Bills, which are sold at a discount from the principal amount and payable at par at maturity. Issues under the Benchmark program constitute the same credit standing as other FNMA discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Benchmark Notes/Bonds: Benchmark Notes and Bonds are a series of FNMA "bullet" maturities (non-callable) issued according to a pre-announced calendar. Under its Benchmark Notes/Bonds program, 2, 3, 5, 10, and 30-year maturities are issued each quarter. Each Benchmark Notes new issue has a minimum size of \$4 billion, 30-year new issues having a minimum size of \$1 billion, with re-openings based on

investor demand to further enhance liquidity. The amount of non-callable issuance has allowed FNMA to build a yield curve in Benchmark Notes and Bonds in maturities ranging from 2 to 30 years. The liquidity emanating from these large size issues has facilitated favorable financing opportunities through the development of a liquid overnight and term repo market. Issues under the Benchmark program constitute the same credit standing as other FNMA issues; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Benchmark. A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance, and duration of the actual portfolio's investments.

Bid Price. Price at which a broker/dealer offers to purchase a security from an investor.

Bond. Financial obligation for which the issuer promises to pay the bondholder (the purchaser or owner of the bond) a specified stream of future cash-flows, including periodic interest payments and a principal repayment.

Book Entry Securities. Securities that are recorded in a customer's account electronically through one of the financial markets electronic delivery and custody systems, such as the Fed Securities wire, DTC, and PTC

(as opposed to bearer or physical securities). The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors' concerns about the certificates themselves. The vast majority of securities are now book entry securities.

Book Value. The value at which a debt security is reflected on the holder's records at any point in time. Book value is also called "amortized cost" as it represents the original cost of an investment adjusted for amortization of premium or accretion of discount. Also called "carrying value." Book value can vary over time as an investment approaches maturity and differs from "market value" in that it is not affected by changes in market interest rates.

Broker/Dealer. A person or firm transacting securities business with customers. A "broker" acts as an agent between buyers and sellers, and receives a commission for these services. A "dealer" buys and sells financial assets from its own portfolio. A dealer takes risk by owning inventory of securities, whereas a broker merely matches up buyers and sellers. See also "Primary Dealer."

Bullet Notes/Bonds. Notes or bonds that have a single maturity date and are non-callable.

Call Date. Date at which a call option may be or is exercised.

Call Option. The right, but not the obligation, of an issuer of a security to redeem a security at a specified value and at a specified date or dates prior to its stated maturity date. Most fixed-income calls are a par, but can be at any previously established price. Securities issued with a call provision typically carry a higher yield than similar securities issued without a call feature. There are three primary types of call options (1) European - one-time calls, (2) Bermudan - periodically on a predetermined schedule (quarterly, semi-annual, annual), and (3) American - continuously callable at any time on or after the call date. There is usually a notice period of at least 5 business days prior to a call date.

Callable Bonds/Notes. Securities which contain an imbedded call option giving the issuer the right to redeem the securities prior to maturity at a predetermined price and time.

Certificate of Deposit (CD). Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity). Can be as long as 10 years to maturity, but most CDs purchased by public agencies are one year and under.

Collateral. Investment securities or other property that a borrower pledges to secure repayment of a loan, secure deposits of public monies, or provide security for a repurchase agreement.

Collateralization. Process by which a borrower pledges securities, property, or other deposits for securing the repayment of a loan and/or security.

Collateralized Mortgage Obligation (CMO). A security that pools together mortgages and separates them into short, medium, and long-term positions (called tranches). Tranches are set up to pay different rates of interest depending upon their maturity. Interest payments are usually paid monthly. In “plain vanilla” CMOs, principal is not paid on a tranche until all shorter tranches have been paid off. This system provides interest and principal in a more predictable manner. A single pool of mortgages can be carved up into numerous tranches each with its own payment and risk characteristics.

Commercial Paper. Short term unsecured promissory note issued by a company or financial institution. Issued at a discount and matures for par or face value. Usually a maximum maturity of 270 days and given a short-term debt rating by one or more NRSROs.

Convexity. A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Corporate Note. A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

Counterparty. The other party in a two party financial transaction. "Counterparty risk" refers to the risk that the other party to a transaction will fail in its related obligations. For example, the bank or broker/dealer in a repurchase agreement.

Coupon Rate. Annual rate of interest on a debt security, expressed as a percentage of the bond's face value.

Current Yield. Annual rate of return on a bond based on its price. Calculated as (coupon rate / price), but does not accurately reflect a bond's true yield level.

Custody. Safekeeping services offered by a bank, financial institution, or trust company, referred to as the “custodian.” Service normally includes the holding and reporting of the customer's securities, the collection and disbursement of income, securities settlement, and market values.

Dealer. A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

Delivery Versus Payment (DVP). Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and DTC, are done DVP as a protection for both the buyer and seller of securities.

Depository Trust Company (DTC). A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust

Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs, and BAs clear through DTC.

Derivatives. (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities, or commodities). For hedging purposes, common derivatives are options, futures, interest rate swaps, and swaptions.

Derivative Security. Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Designated Bond. FFCB's regularly issued, liquid, non-callable securities that generally have a 2 or 3 year original maturity. New issues of Designated Bonds are \$1 billion or larger. Re-openings of existing Designated Bond issues are generally a minimum of \$100 million. Designated Bonds are offered through a syndicate of two to six dealers. Twice each month the Funding Corporation announces its intention to issue a new Designated Bond, reopen an existing issue, or to not issue or reopen a Designated Bond. Issues under the Designated Bond program constitute the same credit standing as other FFCB issues; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Discount Notes. Unsecured general obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. Very large primary (new issue) and secondary markets exist.

Discount Rate. Rate charged by the system of Federal Reserve Banks on overnight loans to member banks. Changes to this rate are administered by the Federal Reserve and closely mirror changes to the "fed funds rate."

Discount Securities. Non-interest bearing money market instruments that are issued at discount and redeemed at maturity for full face value. Examples include: U.S. Treasury Bills, Federal Agency Discount Notes, Bankers' Acceptances, and Commercial Paper.

Discount. The amount by which a bond or other financial instrument sells below its face value. See also "Premium."

Diversification. Dividing investment funds among a variety of security types, maturities, industries, and issuers offering potentially independent returns.

Dollar Price. A bond's cost expressed as a percentage of its face value. For example, a bond quoted at a dollar price of 95 ½, would have a principal cost of \$955 per \$1,000 of face value.

Duff & Phelps. One of several NRSROs that provide credit ratings on corporate and bank debt issues.

Duration. The weighted average maturity of a security's or portfolio's cash-flows, where the present values of the cash-flows serve as the weights. The greater the duration of a security/portfolio, the greater its percentage price volatility with respect to changes in interest rates. Used as a measure of risk and a key tool for managing a portfolio versus a benchmark and for hedging risk. There are also different kinds of duration used for different purposes (e.g. MacAuley Duration, Modified Duration).

Fannie Mae. See "Federal National Mortgage Association."

Fed Money Wire. A computerized communications system that connects the Federal Reserve System with its member banks, certain U. S. Treasury offices, and the Washington D.C. office of the Commodity Credit Corporation. The Fed Money Wire is the book entry system used to transfer cash balances between banks for themselves and for customer accounts.

Fed Securities Wire. A computerized communications system that facilitates book entry transfer of securities between banks, brokers and customer accounts, used primarily for settlement of U.S. Treasury and Federal Agency securities.

Fed. See "Federal Reserve System."

Federal Agency Security. A debt instrument issued by one of the Federal Agencies. Federal Agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Federal Agency. Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets. The largest Federal Agencies are GNMA, FNMA, FHLMC, FHLB, FFCB, SLMA, and TVA.

Federal Deposit Insurance Corporation (FDIC). Federal agency that insures deposits at commercial banks, currently to a limit of \$250,000 per depositor per bank.

Federal Farm Credit Bank (FFCB). One of the large Federal Agencies. A government sponsored enterprise (GSE) system that is a network of cooperatively-owned lending institutions that provides credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. Consists of the consolidated operations of the Banks for Cooperatives, Federal Intermediate Credit Banks, and Federal Land Banks. Frequent issuer of discount notes, agency notes and callable agency securities. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and agricultural industry. Also issues notes under its "designated note" program.

Federal Funds (Fed Funds). Funds placed in Federal Reserve Banks by depository institutions in excess of current reserve requirements, and frequently loaned or borrowed on an overnight basis between depository institutions.

Federal Funds Rate (Fed Funds Rate). The interest rate charged by a depository institution lending Federal Funds to another depository institution. The Federal Reserve influences this rate by establishing a "target" Fed Funds rate associated with the Fed's management of monetary policy.

Federal Home Loan Bank System (FHLB). One of the large Federal Agencies. A government sponsored enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its "global note" and "TAP" programs.

Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"). One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities, and MBS. Also issues notes under its "reference note" program.

Federal National Mortgage Association (FNMA or "Fannie Mae"). One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its "benchmark note" program.

Federal Reserve Bank. One of the 12 distinct banks of the Federal Reserve System.

Federal Reserve System (the Fed). The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven member Board of Governors known as the "Federal Reserve Board" and headed by its Chairman.

Financial Industry Regulatory Authority, Inc. (FINRA). A private corporation that acts as a self-regulatory organization (SRO). FINRA is the successor to the National Association of Securities Dealers, Inc. (NASD). Though sometimes mistaken for a government agency, it is a non-governmental organization that performs financial regulation of member brokerage firms and exchange markets. The government also has a regulatory arm for investments, the Securities and Exchange Commission (SEC).

Fiscal Agent/Paying Agent. A bank or trust company that acts, under a trust agreement with a corporation or municipality, in the capacity of general treasurer. The agent performs such duties as making coupon payments, paying rents, redeeming bonds, and handling taxes relating to the issuance of bonds.

Fitch Investors Service, Inc. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Floating Rate Security (FRN or "floater"). A bond with an interest rate that is adjusted according to changes in an interest rate or index. Differs from variable-rate debt in that the changes to the rate take place immediately when the index changes, rather than on a predetermined schedule. See also "Variable Rate Security."

Freddie Mac. See "Federal Home Loan Mortgage Corporation."

Ginnie Mae. See "Government National Mortgage Association."

Global Notes: Notes designed to qualify for immediate trading in both the domestic U.S. capital market and in foreign markets around the globe. Usually large issues that are sold to investors worldwide and

therefore have excellent liquidity. Despite their global sales, global notes sold in the U.S. are typically denominated in U.S. dollars.

Government National Mortgage Association (GNMA or "Ginnie Mae"). One of the large Federal Agencies. Government-owned Federal Agency that acquires, packages, and resells mortgages and mortgage purchase commitments in the form of mortgage-backed securities. Largest issuer of mortgage pass-through securities. GNMA debt is guaranteed by the full faith and credit of the U.S. government (one of the few agencies that are actually full faith and credit of the U.S. government).

Government Securities. An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, Bonds, and SLGS."

Government Sponsored Enterprise (GSE). Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. government, but they are not direct obligations of the U.S. government. For this reason, these securities will offer a yield premium over U.S. Treasuries. Examples of GSEs include: FHLB, FHLMC, FNMA, and SLMA.

Government Sponsored Enterprise Security. A security issued by a Government Sponsored Enterprise. Considered Federal Agency Securities.

Index. A compilation of statistical data that tracks changes in the economy or in financial markets.

Interest-Only (IO) STRIP. A security based solely on the interest payments from the bond. After the principal has been repaid, interest payments stop and the value of the security falls to nothing. Therefore, IOs are considered risky investments. Usually associated with mortgage-backed securities.

Internal Controls. An internal control structure ensures that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. **Separation of transaction authority from accounting and record keeping** - A separation of duties is achieved by separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction.
3. **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. **Avoidance of physical delivery securities** - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.

5. **Clear delegation of authority to subordinate staff members** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. **Written confirmation of transactions for investments and wire transfers** - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. **Development of a wire transfer agreement with the lead bank and third-party custodian** - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverse Floater. A floating rate security structured in such a way that it reacts inversely to the direction of interest rates. Considered risky as their value moves in the opposite direction of normal fixed-income investments and whose interest rate can fall to zero.

Investment Advisor. A company that provides professional advice managing portfolios, investment recommendations, and/or research in exchange for a management fee.

Investment Adviser Act of 1940. Federal legislation that sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Grade. Bonds considered suitable for preservation of invested capital, including bonds rated a minimum of Baa3 by Moody's, BBB- by Standard & Poor's, or BBB- by Fitch. Although "BBB" rated bonds are considered investment grade, most public agencies cannot invest in securities rated below "A."

Liquidity. Relative ease of converting an asset into cash without significant loss of value. Also, a relative measure of cash and near-cash items in a portfolio of assets. Additionally, it is a term describing the marketability of a money market security correlating to the narrowness of the spread between the bid and ask prices.

Local Government Investment Pool (LGIP). An investment by local governments in which their money is pooled as a method for managing local funds, (e.g., TexPool, Texas Term).

Long-Term Core Investment Program. Funds that are not needed within a one-year period.

Market Value. The fair market value of a security or commodity. The price at which a willing buyer and seller would pay for a security.

Mark-to-market. Adjusting the value of an asset to its market value, reflecting in the process unrealized gains or losses.

Master Repurchase Agreement. A widely accepted standard agreement form published by the Securities Industry and Financial Markets Association (SIFMA) that is used to govern and document Repurchase Agreements and protect the interest of parties in a repo transaction.

Maturity Date. Date on which principal payment of a financial obligation is to be paid.

Medium Term Notes (MTN's). Used frequently to refer to corporate notes of medium maturity (5-years and under). Technically, any debt security issued by a corporate or depository institution with a maturity from 1 to 10 years and issued under an MTN shelf registration. Usually issued in smaller issues with varying coupons and maturities, and underwritten by a variety of broker/dealers (as opposed to large corporate deals issued and underwritten all at once in large size and with a fixed coupon and maturity).

Money Market. The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund (MMF). A type of mutual fund that invests solely in money market instruments, such as: U.S. Treasury bills, commercial paper, bankers' acceptances, and repurchase agreements. Money market mutual funds are registered with the SEC under the Investment Company Act of 1940 and are subject to "rule 2a-7" which significantly limits average maturity and credit quality of holdings. MMF's are managed to maintain a stable net asset value (NAV) of \$1.00. Many MMFs carry ratings by a NRSRO.

Moody's Investors Service. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Mortgage Backed Securities (MBS). Mortgage-backed securities represent an ownership interest in a pool of mortgage loans made by financial institutions, such as savings and loans, commercial banks, or mortgage companies, to finance the borrower's purchase of a home or other real estate. The majority of MBS are issued and/or guaranteed by GNMA, FNMA, and FHLMC. There are a variety of MBS structures with varying levels of risk and complexity. All MBS have reinvestment risk as actual principal and interest payments are dependent on the payment of the underlying mortgages which can be prepaid by mortgage holders to refinance and lower rates or simply because the underlying property was sold.

Mortgage Pass-Through Securities. A pool of residential mortgage loans with the monthly interest and principal distributed to investors on a pro-rata basis. The largest issuer is GNMA.

Municipal Note/Bond. A debt instrument issued by a state or local government unit or public agency. The vast majority of municipals are exempt from state and federal income tax, although some non-qualified issues are taxable.

Mutual Fund. Portfolio of securities professionally managed by a registered investment company that issues shares to investors. Many different types of mutual funds exist (e.g., bond, equity, and money market funds); all except money market funds operate on a variable net asset value (NAV).

Negotiable Certificate of Deposit (Negotiable CD). Large denomination CDs (\$100,000 and larger) that are issued in bearer form and can be traded in the secondary market.

Net Asset Value. The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets including securities, cash, and any accrued earnings, then subtracting the total assets from the fund's liabilities, and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

$$[(\text{Total assets}) - (\text{Liabilities})]/(\text{Number of shares outstanding})$$

NRSRO. A “Nationally Recognized Statistical Rating Organization” (NRSRO) is a designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating. Includes Moody’s, S&P, Fitch, and Duff & Phelps.

Offered Price. See also "Ask Price."

Open Market Operations. A Federal Reserve monetary policy tactic entailing the purchase or sale of government securities in the open market by the Federal Reserve System from and to primary dealers in order to influence the money supply, credit conditions, and interest rates.

Par Value. The face value, stated value, or maturity value of a security.

Physical Delivery. Delivery of readily available underlying assets at contract maturity.

Portfolio. Collection of securities and investments held by an investor.

Premium. The amount by which a bond or other financial instrument sells above its face value. See also "Discount."

Primary Dealer. A designation given to certain government securities dealer by the Federal Reserve Bank of New York. Primary dealers can buy and sell government securities directly with the Fed. Primary dealers also submit daily reports of market activity and security positions held to the Fed and are subject to its informal oversight. Primary dealers are the largest buyers and sellers by volume in the U.S. Treasury securities market.

Prime Paper. Commercial paper of high quality. Highest rated paper is A-1+/A-1 by S&P and P-1 by Moody’s.

Principal. Face value of a financial instrument on which interest accrues. May be less than par value if some principal has been repaid or retired. For a transaction, principal is par value times price and includes any premium or discount.

Prudent Expert Rule. Standard that requires that a fiduciary manage a portfolio with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. This statement differs from the “prudent person” rule in that familiarity with such matters suggests a higher standard than simple prudence.

Prudent Investor Standard. Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. More stringent than the “prudent person” standard as it implies a level of knowledge commensurate with the responsibility at hand.

Qualified Public Depository - Per Subsection 280.02(26), F.S., “qualified public depository” means any bank, savings bank, or savings association that:

1. Is organized and exists under the laws of the United States, the laws of this state or any other state or territory of the United States.

2. Has its principal place of business in this state or has a branch office in this state which is authorized under the laws of this state or of the United States to receive deposits in this state.
3. Has deposit insurance under the provision of the Federal Deposit Insurance Act, as amended, 12 U.S.C. ss.1811 et seq.
4. Has procedures and practices for accurate identification, classification, reporting, and collateralization of public deposits.
5. Meets all requirements of Chapter 280, F.S.
6. Has been designated by the Chief Financial Officer as a qualified public depository.

Range Note. A type of structured note that accrues interest daily at a set coupon rate that is tied to an index. Most range notes have two coupon levels; a higher accrual rate for the period the index is within a designated range, the lower accrual rate for the period that the index falls outside the designated range. This lower rate may be zero and may result in zero earnings.

Rate of Return. Amount of income received from an investment, expressed as a percentage of the amount invested.

Realized Gains (Losses). The difference between the sale price of an investment and its book value. Gains/losses are “realized” when the security is actually sold, as compared to “unrealized” gains/losses which are based on current market value. See “Unrealized Gains (Losses).”

Reference Bills: FHLMC’s short-term debt program created to supplement its existing discount note program by offering issues from one month through one year, auctioned on a weekly or on an alternating four-week basis (depending upon maturity) offered in sizeable volumes (\$1 billion and up) on a cycle of regular, standardized issuance. Globally sponsored and distributed, Reference Bill issues are intended to encourage active trading and market-making and facilitate the development of a term repo market. The program was designed to offer predictable supply, pricing transparency, and liquidity, thereby providing alternatives to U.S. Treasury bills. FHLMC’s Reference Bills are unsecured general corporate obligations. This program supplements the corporation’s existing discount note program. Issues under the Reference program constitute the same credit standing as other FHLMC discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Reference Notes: FHLMC’s intermediate-term debt program with issuances of 2, 3, 5, 10, and 30-year maturities. Initial issuances range from \$2 - \$6 billion with re-openings ranging \$1 - \$4 billion.

The notes are high-quality bullet structures securities that pay interest semiannually. Issues under the Reference program constitute the same credit standing as other FHLMC notes; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Repurchase Agreement (Repo). A short-term investment vehicle where an investor agrees to buy securities from a counterparty and simultaneously agrees to resell the securities back to the counterparty at an agreed upon time and for an agreed upon price. The difference between the purchase price and the sale price represents interest earned on the agreement. In effect, it represents a collateralized loan to the investor, where the securities are the collateral. Can be DVP, where securities are delivered to the investor’s custodial bank, or “tri-party” where the securities are delivered to a third party intermediary. Any type of security can be used as “collateral,” but only some types provide the investor with special

bankruptcy protection under the law. Repos should be undertaken only when an appropriate Securities Industry and Financial Markets Association (SIFMA) approved master repurchase agreement is in place.

Reverse Repurchase Agreement (Reverse Repo). A repo from the point of view of the original seller of securities. Used by dealers to finance their inventory of securities by essentially borrowing at short-term rates. Can also be used to leverage a portfolio and in this sense, can be considered risky if used improperly.

Safekeeping. Service offered for a fee, usually by financial institutions, for the holding of securities and other valuables. Safekeeping is a component of custody services.

Secondary Market. Markets for the purchase and sale of any previously issued financial instrument.

Securities Industry and Financial Markets Association (SIFMA). The bond market trade association representing the largest securities markets in the world. In addition to publishing a Master Repurchase Agreement, widely accepted as the industry standard document for Repurchase Agreements, the SIFMA also recommends bond market closures and early closes due to holidays.

Securities Lending. An arrangement between an investor and a custody bank that allows the custody bank to “loan” the investor's investment holdings, reinvest the proceeds in permitted investments, and share any profits with the investor. Should be governed by a securities lending agreement. Can increase the risk of a portfolio in that the investor takes on the default risk on the reinvestment at the discretion of the custodian.

Sinking Fund. A separate accumulation of cash or investments (including earnings on investments) in a fund in accordance with the terms of a trust agreement or indenture, funded by periodic deposits by the issuer (or other entity responsible for debt service), for the purpose of assuring timely availability of moneys for payment of debt service. Usually used in connection with term bonds.

Spread. The difference between the price of a security and similar maturity U.S. Treasury investments, expressed in percentage terms or basis points. A spread can also be the absolute difference in yield between two securities. The securities can be in different markets or within the same securities market between different credits, sectors, or other relevant factors.

Standard & Poor's. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

STRIPS (Separate Trading of Registered Interest and Principal of Securities). Acronym applied to U.S. Treasury securities that have had their coupons and principal repayments separated into individual zero-coupon Treasury securities. The same technique and “strips” description can be applied to non-Treasury securities (e.g., FNMA strips).

Structured Notes. Notes that have imbedded into their structure options such as step-up coupons or derivative-based returns.

Supranational. Supranational organizations are international financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. These agreements provide for limited immunity from the laws of member countries. Bonds issued by these institutions are part of the broader class of Supranational, Sovereign, and Non-U.S. Agency (SSA) sector bonds. Supranational bonds finance economic and infrastructure development and support environmental protection, poverty reduction, and renewable energy around the globe. For example, the World Bank, International Finance Corporation (IFC), and African Development Bank

(AfDB) have “green bond” programs specifically designed for energy resource conservation and management. Supranational bonds, which are issued by multi-national organizations that transcend national boundaries. Examples include the World Bank, African Development Bank, and European Investment Bank.

Swap. Trading one asset for another.

TAP Notes: Federal Agency notes issued under the FHLB TAP program. Launched in 6/99 as a refinement to the FHLB bullet bond auction process. In a break from the FHLB’s traditional practice of bringing numerous small issues to market with similar maturities, the TAP Issue Program uses the four most common maturities and reopens them up regularly through a competitive auction. These maturities (2, 3, 5, and 10 year) will remain open for the calendar quarter, after which they will be closed and a new series of TAP issues will be opened to replace them. This reduces the number of separate bullet bonds issued, but generates enhanced awareness and liquidity in the marketplace through increased issue size and secondary market volume.

Tennessee Valley Authority (TVA). One of the large Federal Agencies. A wholly owned corporation of the United States government that was established in 1933 to develop the resources of the Tennessee Valley region in order to strengthen the regional and national economy and the national defense. Power operations are separated from non-power operations. TVA securities represent obligations of TVA, payable solely from TVA’s net power proceeds, and are neither obligations of nor guaranteed by the United States. TVA is currently authorized to issue debt up to \$30 billion. Under this authorization, TVA may also obtain advances from the U.S. Treasury of up to \$150 million. Frequent issuer of discount notes, agency notes, and callable agency securities.

Total Return. Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

Treasuries. Collective term used to describe debt instruments backed by the U.S. government and issued through the U.S. Department of the Treasury. Includes Treasury bills, Treasury notes, and Treasury bonds. Also a benchmark term used as a basis by which the yields of non-Treasury securities are compared (e.g., “trading at 50 basis points over Treasuries”).

Treasury Bills (T-Bills). Short-term direct obligations of the United States government issued with an original term of one year or less. Treasury bills are sold at a discount from face value and do not pay interest before maturity. The difference between the purchase price of the bill and the maturity value is the interest earned on the bill. Currently, the U.S. Treasury issues 4-week, 13-week, and 26-week T-Bills.

Treasury Bonds. Long-term interest-bearing debt securities backed by the U.S. government and issued with maturities of ten years and longer by the U.S. Department of the Treasury.

Treasury Notes. Intermediate interest-bearing debt securities backed by the U.S. government and issued with maturities ranging from one to ten years by the U.S. Department of the Treasury. The Treasury currently issues 2-year, 3-year, 5-year, and 10-year Treasury Notes.

Trustee. A bank designated by an issuer of securities as the custodian of funds and official representative of bondholders. Trustees are appointed to insure compliance with the bond documents and to represent bondholders in enforcing their contract with the issuer.

Uniform Net Capital Rule. SEC Rule 15c3-1 that outlines the minimum net capital ratio (ratio of indebtedness to net liquid capital) of member firms and non-member broker/dealers.

Unrealized Gains (Losses). The difference between the market value of an investment and its book value. Gains/losses are “realized” when the security is actually sold, as compared to “unrealized” gains/losses which are based on current market value. See also “Realized Gains (Losses).”

Variable-Rate Security. A bond that bears interest at a rate that varies over time based on a specified schedule of adjustment (e.g., daily, weekly, monthly, semi-annually, or annually). See also “Floating Rate Note.”

Weighted Average Maturity (or just “Average Maturity”). The average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. A simple measure of risk of a fixed-income portfolio.

Weighted Average Maturity to Call. The average maturity of all securities and investments of a portfolio, adjusted to substitute the first call date per security for maturity date for those securities with call provisions.

Yield Curve. A graphic depiction of yields on like securities in relation to remaining maturities spread over a time line. The traditional yield curve depicts yields on U.S. Treasuries, although yield curves exist for Federal Agencies and various credit quality corporates as well. Yield curves can be positively sloped (normal) where longer-term investments have higher yields, or “inverted” (uncommon) where longer-term investments have lower yields than shorter ones.

Yield to Call (YTC). Same as “Yield to Maturity,” except the return is measured to the first call date rather than the maturity date. Yield to call can be significantly higher or lower than a security’s yield to maturity.

Yield to Maturity (YTM). Calculated return on an investment, assuming all cash-flows from the security are reinvested at the same original yield. Can be higher or lower than the coupon rate depending on market rates and whether the security was purchased at a premium or discount. There are different conventions for calculating YTM for various types of securities.

Yield. There are numerous methods of yield determination. In this glossary, see also "Current Yield," "Yield Curve," "Yield to Call," and "Yield to Maturity."

B. Master Repurchase Agreement

Public Securities Association
40 Broad Street , New York, NY 10004 - 2373
Telephone (212) 809 - 7000

PSA

Master Repurchase Agreement

Between:

Dated as of

and

1. Applicability

From time to time the parties hereto may enter into transactions in which one party ("Seller") agrees to transfer to the other ("Buyer") securities or financial instruments ("Securities") against the transfer of funds by Buyer, with a simultaneous agreement by Buyer to transfer to Seller such Securities at a date certain or on demand, against the transfer of funds by Seller. Each such transaction shall be referred to herein as a "Transaction" and shall be governed by this Agreement, including any supplemental terms or conditions contained in Annex I hereto, unless otherwise agreed in writing.

2. Definitions

(a) "Act of Insolvency", with respect to any party, (i) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law, or such party seeking the appointment of a receiver, trustee, custodian or similar official for such party or any substantial part of its property, or (ii) the commencement of any such case or proceeding against such party, or another seeking such an appointment, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 15 days, (iii) the making by a party of a general assignment for the benefit of creditors, or (iv) the admission in writing by a party of such party's inability to pay such party's debts as they become due;

(b) "Additional Purchased Securities", Securities provided by the Seller to Buyer pursuant to Paragraph 4(a) hereof;

(c) "Buyer's Margin Amount", with respect to any Transaction as of any date, the amount obtained by application of a percentage (which may be equal to the percentage that is agreed to as the Seller Margin Amount under subparagraph (q) of this Paragraph), agreed to by Buyer and Seller prior to entering into the Transaction, to the Repurchase Price for such Transaction as of such date;

(d) "Confirmation", the meaning specified in Paragraph 3(b) hereof;

(e) "Income", with respect to any Security at any time, any principal thereof then payable and all interest, dividends or other distributions thereon;

(f) "Margin Deficit", the meaning specified in Paragraph 4(a) hereof;

(g) "Margin Excess", the meaning specified in Paragraph 4(b) hereof;

(h) "Market Value", with respect to any Securities as of any date, the price for such Securities on such date obtained from a generally recognized source agreed to by the parties or the most recent closing bid quotation from such a source, plus accrued Income to the extent not included therein (other than any Income credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) as of such date (unless contrary to market practice for such Securities);

(i) "Price Differential", with respect to any Transaction hereunder as of any date, the aggregate amount obtained by daily application of the Pricing Rate for such Transaction to the Purchase Price for such Transaction on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of determination (reduced by any amount of such Price Differential previously paid by Seller to Buyer with respect to such Transaction);

(j) "Pricing Rate", the per annum percentage rate for determination of the Price Differential;

(k) "Prime Rate", the prime rate of U.S. money center commercial banks as published in *The Wall Street Journal*;

(l) "Purchase Date", the date on which Purchased Securities are transferred by Seller to Buyer;

(m) "Purchase Price", (i) on the Purchase Date, the price at which Purchased Securities are transferred by Seller to Buyer, and (ii) thereafter, such price increased by the amount of any cash transferred by Buyer to Seller pursuant to Paragraph 4(b) hereof and decreased by the amount of any cash transferred by Seller to Buyer pursuant to Paragraph 4(a) hereof or applied to reduce Seller's obligations under clause (ii) of Paragraph 5 hereof;

(n) "Purchased Securities", the Securities transferred by Seller to Buyer in a Transaction hereunder, and any Securities substituted therefor in accordance with Paragraph 9 hereof. The term "Purchased Securities" with respect to any Transaction at any time also shall include Additional Purchased Securities delivered pursuant to Paragraph 4(a) and shall exclude Securities returned pursuant to Paragraph 4(b);

(o) "Repurchase Date", the date on which Seller is to repurchase the Purchased Securities from Buyer, including any date determined by application of the provisions of Paragraph 3(c) or 11 hereof;

(p) "Repurchased Price", the price at which Purchased Securities are to be transferred from Buyer to Seller upon termination of a Transaction, which will be determined in each case (including Transactions terminable upon demand) as the sum of the Purchase Price and the Price Differential as of the date of such determination, increased by any amount determined by the application of the provisions of Paragraph 11 hereof;

(q) "Seller's Margin Amount", with respect to any Transaction as of any date, the amount obtained by application of a percentage (which may be equal to the percentage that is agreed to as the Buyer's Margin Amount under subparagraph (c) of this Paragraph), agreed to by Buyer and Seller prior to entering into the Transaction, to the Repurchase Price for such Transaction as of such date.

3. Initiation; Confirmation; Termination

(a) An agreement to enter into a Transaction may be made orally or in writing at the initiation of either Buyer or Seller. On the Purchase Date for the Transaction, the Purchased Securities shall be transferred to Buyer or its agent against the transfer of the Purchase Price to an account of Seller.

(b) Upon agreeing to enter into a Transaction hereunder, Buyer or Seller (or both), as shall be agreed, shall promptly deliver to the other party a written confirmation of each Transaction (a "Confirmation"). The Confirmation shall describe the Purchased Securities (including CUSIP number, if any), identify Buyer and Seller and set forth (i) the Purchase Date, (ii) the Purchase Price, (iii) the Repurchase Date, unless the Transaction is to be terminable on demand, (iv) the Pricing Rate or Repurchase Price applicable to the Transaction, and (v) any additional terms or conditions of the Transaction not inconsistent with this Agreement. The Confirmation, together with this Agreement, shall constitute conclusive evidence of the terms agreed between Buyer and Seller with respect to the Transaction to which the Confirmation relates, unless with respect to the Confirmation specific objection is made promptly after receipt thereof. In the event of any conflict between the terms of such Confirmation and this Agreement, this Agreement shall prevail.

(c) In the case of Transactions terminable upon demand, such demand shall be made by Buyer or Seller, no later than such time as is customary in accordance with market practice, by telephone or otherwise on or prior to the business day on which such termination will be effective. On the date specified in such demand, or on the date fixed for termination in the case of Transactions having a fixed term, termination of the Transaction will be effected by transfer to Seller or its agent of the Purchased Securities and any Income in respect thereof received by Buyer (and not previously credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) against the transfer of the Repurchase Price to an account of Buyer.

4. Margin Maintenance

(a) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Buyer is less than the aggregate Buyer's Margin Amount for all such Transactions (a "Margin Deficit"), then Buyer may by notice to Seller require Seller in such Transactions, at Seller's option, to transfer to Buyer cash or additional Securities reasonably acceptable to Buyer ("Additional Purchased Securities"), so that the cash and aggregate Market Value of the Purchased Securities, including any such Additional Purchased Securities, will thereupon equal or exceed such aggregate Buyer's Margin Amount (decreased by the amount of any Margin Deficit as of such date arising from any Transactions in which such Buyer is acting as Seller).

(b) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Seller exceeds the aggregate Seller's Margin Amount for all such Transactions at such time (a "Margin Excess"), then Seller may by notice to Buyer require Buyer in such Transactions, at Buyer's option, to transfer cash or Purchased Securities to Seller, so that the aggregate Market Value of the Purchased Securities, after deduction of any such cash or any Purchased Securities so transferred, will thereupon not exceed such aggregate Seller's Margin Amount (increased by the amount of any Margin Excess as of such date arising from any Transactions in which such Seller is acting as Buyer).

(c) Any cash transferred pursuant to this Paragraph shall be attributed to such Transactions as shall be agreed upon by Buyer and Seller.

(d) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer and Seller (or both) under subparagraphs (a) and (b) of this Paragraph

may be exercised only where a Margin Deficit or Margin Excess exceeds a specified dollar amount or a specified percentage of the Repurchase Prices for such Transactions (which amount or percentage shall be agreed to by Buyer and Seller prior to entering into any such Transactions).

(e) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer and Seller under subparagraphs (a) and (b) of this Paragraph to require the elimination of a Margin Deficit or a Margin Excess, as the case may be, may be exercised whenever such a Margin Deficit or Margin Excess exists with respect to any single Transaction hereunder (calculated without regard to any other Transaction outstanding under this Agreement).

5. Income Payments

Where a particular Transaction's term extends over an Income payment date on the Securities subject to that Transaction, Buyer shall, as the parties may agree with respect to such Transaction (or, in the absence of any agreement, as Buyer shall reasonably determine in its discretion), on the date such Income is payable either (i) transfer to or credit to the account of Seller an amount equal to such Income payment or payments with respect to any Purchased Securities subject to such Transaction or (ii) apply the Income payment or payments to reduce the amount to be transferred to Buyer by Seller upon termination of the Transaction. Buyer shall not be obligated to take any action pursuant to the preceding sentence to the extent that such action would result in the creation of a Margin Deficit, unless prior thereto or simultaneously therewith Seller transfers to Buyer cash or Additional Purchased Securities sufficient to eliminate such Margin Deficit.

6. Security Interest

Although the parties intend that all Transactions hereunder be sales and purchases and not loans, in the event any such Transactions are deemed to be loans, Seller shall be deemed to have pledged to Buyer as security for the performance by Seller of its obligations under each such Transaction, and shall be deemed to have granted to Buyer a security interest in, all of the Purchased Securities with respect to all Transactions hereunder and all proceeds thereof.

7. Payment and Transfer

Unless otherwise mutually agreed, all transfers of funds hereunder shall be in immediately available funds. All Securities transferred by one party hereto to the other party (i) shall be in suitable form for transfer or shall be accompanied by duly executed instruments of transfer or assignment in blank and such other documentation as the party receiving possession may reasonably request, (ii) shall be transferred on the book-entry system of a Federal Reserve Bank, or (iii) shall be transferred by any other method mutually acceptable to Seller and Buyer. As used herein with respect to Securities, "transfer" is intended to have the same meaning as when used in Section 8-313 of the New York Uniform Commercial Code or, where applicable, in any federal regulation governing transfers of the Securities.

8. Segregation of Purchased Securities

To the extent required by applicable law, all Purchased Securities in the possession of the Seller shall be segregated from other securities in its possession and shall be identified as subject to this Agreement. Segregation may be accomplished by appropriate identification on the books and records of the holder, including a financial intermediary or a clearing corporation. Title to all Purchased Securities shall pass to Buyer and, unless otherwise agreed by Buyer and Seller, nothing in this Agreement shall preclude Buyer from engaging in repurchase transactions with the Purchased Securities or otherwise pledging or hypothecating the Purchased Securities, but no

such transaction shall relieve Buyer of its obligations to transfer Purchased Securities to Seller pursuant to Paragraphs 3, 4 or 11 hereof, or of Buyer's obligation to credit or pay Income to, or apply Income to the obligations of, Seller pursuant to Paragraph 5 hereof.

Required Disclosure for Transactions in Which the Seller Retains Custody of the Purchased Securities

Seller is not permitted to substitute other securities for those subject to this Agreement and therefore must keep Buyer's securities segregated at all times, unless in this Agreement Buyer grants Seller the right to substitute other securities. If Buyer grants the right to substitute, this means that Buyer's securities will likely be commingled with Seller's own securities during the trading day. Buyer is advised that, during any trading day that Buyer's securities are commingled with Seller's securities, they [will]* [may]** be subject to liens granted by Seller to [its clearing bank]* [third parties]** and may be used by Seller for deliveries on other securities transactions. Whenever the securities are commingled, Seller's ability to resegment substitute securities for Buyer will be subject to Seller's ability to satisfy [the clearing]* [any]** lien or to obtain substitute securities.

* Language to be used under 17 C.F.R. d 403.4(e) if Seller is a government securities broker or dealer other than a financial institution.

** Language to be used under 17 C.F.R. d 403.5 (d) if Seller is a financial institution.

9. Substitution

(a) Seller may, subject to agreement with and acceptance by Buyer, substitute other Securities for any Purchased Securities. Such substitution shall be made by transfer to Buyer of such other Securities and transfer to Seller of such Purchased Securities. After substitution, the substituted Securities shall be deemed to be Purchased Securities.

(b) In Transactions in which the Seller retains custody of Purchased Securities, the parties expressly agree that Buyer shall be deemed, for purposes of subparagraph (a) of this Paragraph, to have agreed to and accepted in this Agreement substitution by Seller of other Securities for Purchased Securities; *provided, however*, that such other Securities shall have a Market Value at least equal to the Market Value of the Purchased Securities for which they are substituted.

10. Representations

Each of Buyer and Seller represents and warrants to other that (i) it is duly authorized to execute and deliver this Agreement, to enter into the Transactions contemplated hereunder and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance, (ii) it will engage in such Transactions as principal (or, if agreed in writing in advance of any Transaction by the other party hereto, as agent for a disclosed principal), (iii) the person signing this Agreement on its behalf is duly authorized to do so on its behalf (or on behalf of any such disclosed principal), (iv) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transactions hereunder and such authorizations are in full force and effect and (v) the execution, delivery and performance of this Agreement and the Transactions hereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected. On the Purchase Date for any Transaction Buyer and Seller shall each be deemed to repeat all the foregoing representations made by it.

11. Events of Default

In the event that (i) Seller fails to repurchase or Buyer fails to transfer Purchased Securities upon the applicable Repurchase Date, (ii) Seller or Buyer fails, after one business day's notice, to comply with Paragraph 4 hereof, (iii) Buyer fails to comply with Paragraph 5 hereof, (iv) an Act of Insolvency occurs with respect to Seller or Buyer, (v) any representation made by Seller or Buyer shall have been incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, or (vi) Seller or Buyer shall admit to the other its inability to, or its intention not to, perform any of its obligations hereunder (each an "Event of Default"):

(a) At the option of the non defaulting party, exercised by written notice to the defaulting party (which option shall be deemed to have been exercised, even if no notice is given, immediately upon the occurrence of an Act of Insolvency), the Repurchase Date for each Transaction hereunder shall be deemed immediately to occur.

(b) In all Transactions in which the defaulting party is acting as Seller, if the non defaulting party exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, (i) the defaulting party's obligations hereunder to repurchase all Purchased Securities in such Transactions shall thereupon become immediately due and payable, (ii) to the extent permitted by applicable law, the Repurchase Price with respect to each such Transaction shall be increased by the aggregate amount obtained by daily application of (x) the greater of the Pricing Rate for such Transaction or the Prime Rate to (y) the Repurchase Price for such Transaction as of the Repurchase Date as determined pursuant to subparagraph (a) of this Paragraph (decreased as of any day by (A) any amounts retained by the non defaulting party with respect to such Repurchase Price pursuant to clause (iii) of this subparagraph, (B) any proceeds from the sale of Purchased Securities pursuant to subparagraph (d) (i) of this Paragraph, and (C) any amounts credited to the account of the defaulting party pursuant to subparagraph (e) of this Paragraph) on a 360 day per year basis for the actual number of days during the period from and including the date of the Event of Default giving rise to such option to but excluding the date of payment of the Repurchase Price as so increased, (iii) all Income paid after such exercise or deemed exercise shall be retained by the non defaulting party and applied to the aggregate unpaid Repurchase Prices owed by the defaulting party, and (iv) the defaulting party shall immediately deliver to the non defaulting party any Purchased Securities subject to such Transactions then in the defaulting party's possession.

(c) In all Transactions in which the defaulting is acting as Buyer, upon tender by the non defaulting party of payment of the aggregate Repurchase Prices for all such Transactions, the defaulting party's right, title and interest in all Purchased Securities subject to such Transactions shall be deemed transferred to the non defaulting party, and the defaulting party shall deliver all such Purchased Securities to the non defaulting party.

(d) After one business day's notice to the defaulting party (which notice need not be given if an Act of Insolvency shall have occurred, and which may be the notice given under subparagraph (a) of this Paragraph or the notice referred to in clause (ii) of the first sentence of this Paragraph), the non defaulting party may :

(i) as to Transactions in which the defaulting party is acting as Seller, (A) immediately sell, in a recognized market at such price or prices as the non defaulting party may reasonably deem satisfactory, any or all Purchased Securities subject to such Transactions and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder or (B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Securities, to give the defaulting party credit for such Purchased Securities in an amount equal to the price therefor on such date, obtained from a generally recognized source or the most recent closing bid quotation from such a source, against the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder, and

(ii) as to Transactions in which the defaulting party is acting as Buyer, (A) purchase securities ("Replacement Securities") of the same class and amount as any Purchased Securities that are not delivered by the defaulting party to the non defaulting party as required hereunder or (B) in its sole discretion elect, in lieu of purchasing Replacement Securities, to be deemed to have purchased Replacement Securities at the price therefor on such date, obtained from a generally recognized source or the most recent closing bid quotation from such a source.

(e) As to Transactions in which the defaulting party is acting as Buyer, the defaulting party shall be liable to the non defaulting party (i) with respect to Purchased Securities (other than Additional Purchased Securities), for any excess of the price paid (or deemed paid) by the non defaulting party for Replacement Securities therefor over the Repurchase Price for such Purchased Securities and (ii) with respect to Additional Purchased Securities, for the price paid (or deemed paid) by the non defaulting party for the Replacement Securities, therefor. In addition, the defaulting party shall be liable to the non defaulting party for interest on such remaining liability with respect to each such purchase (or deemed purchase) of Replacement Securities from the date of such purchase (or deemed purchase) until paid in full by Buyer. Such interest shall be at a rate equal to the greater of the Pricing Rate for such Transaction or the Prime Rate.

(f) For purposes of this Paragraph 11, the Repurchase Price for each Transaction hereunder in respect of which the defaulting party is acting as Buyer shall not increase above the amount of such Repurchase Price for such Transaction determined as of the date of the exercise or deemed exercise by the non defaulting party of its option under subparagraph (a) of this Paragraph.

(g) The defaulting party shall be liable to the non defaulting party for the amount of all reasonable legal or other expenses incurred by the non defaulting party in connection with or as a consequence of an Event of Default, together with interest thereon at a rate equal to the greater of the Pricing Rate for the relevant Transaction or the Prime Rate.

(h) The non defaulting party shall have, in addition to its rights hereunder, any rights otherwise available to it under any other agreement or applicable law.

12. Single Agreement

Buyer and Seller acknowledge that, and have entered hereunto and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that, all Transactions hereunder constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, each of Buyer and Seller agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, (ii) that each of them shall be entitled to set off claims and apply property held by them in respect of any Transaction against obligations owing to them in respect of any other Transactions hereunder and (iii) that payments, deliveries and other transfers made by either of them in respect of any other Transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Transactions hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

13. Notices and Other Communications

Unless another address is specified in writing by the respective party to whom any notice or other communication is to be given hereunder, all such notices or communications shall be in writing or confirmed in writing and delivered at the respective addresses set forth in Annex II attached hereto.

14. Entire Agreement; Severability

This Agreement shall supersede any existing agreements between the parties containing general terms and conditions for repurchase transactions. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

15. Non-assignability: Termination

The rights and obligations of the parties under this Agreement and under any Transaction shall not be assigned by either party without the prior written consent of the other party. Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement may be canceled by either party upon giving written notice to the other, except that this Agreement shall, notwithstanding such notice, remain applicable to any Transactions then outstanding.

16. Governing Law

This Agreement shall be governed by the laws of the State of New York without giving effect to the conflict of law principles thereof.

17. No Waivers, Etc.

No express or implied waiver of any Event of Default by either party shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by any party shall constitute a waiver of its right to exercise any other remedy hereunder. No modification or waiver of any provision of this Agreement and no consent by any party to a departure herefrom shall be effective unless and until such shall be in writing and duly executed by both of the parties hereto. Without limitation on any of the foregoing, the failure to give a notice pursuant to subparagraphs 4(a) or 4(b) hereof will not constitute a waiver of any right to do so at a later date.

18. Use of Employee Plan Assets

(a) If assets of an employee benefit plan subject to any provision of the Employee Retirement Income Security Act of 1974 ("ERISA") are intended to be used by either party hereto (the "Plan Party") in a Transaction, the Plan Party shall so notify the other party prior to the Transaction. The Plan Party shall represent in writing to the other party that the Transaction does not constitute a prohibited transaction under ERISA or is otherwise exempt therefrom, and the other party may proceed in reliance thereon but shall not be required so to proceed.

(b) Subject to the last sentence of subparagraph (a) of this Paragraph, any such Transaction shall proceed only if Seller furnishes or has furnished to Buyer its most recent available audited statement of its financial condition and its most recent subsequent unaudited statement of its financial condition.

(c) By entering into a Transaction pursuant to this Paragraph, Seller shall be deemed (i) to represent to Buyer that since the date of Seller's latest such financial statements, there has been no material adverse change in Seller's financial condition which Seller has not disclosed to Buyer, and (ii) to agree to provide Buyer with future audited and unaudited statements of its financial condition as they are issued, so long as it is a Seller in any outstanding Transaction involving a Plan Party.

19. Intent

(a) The parties recognize that each Transaction is a "repurchase agreement" as that term is defined in Section 101 of Title 11 of the United States Code, as amended (except insofar as the type of Securities subject to such Transaction or the term of such Transaction would render such

definition inapplicable), and a "securities contract" as that term is defined in Section 741 of Title 11 of the United States Code, as amended.

(b) It is understood that either party's right to liquidate Securities delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Paragraph 11 hereof, is a contractual right to liquidate such Transaction as described in Sections 555 and 559 of Title 11 of the United States Code, as amended.

20. Disclosure Relating to Certain Federal Protections

The parties acknowledge that they have been advised that:

(a) in the case of Transactions in which one of the parties is a broker or dealer registered with the Securities and Exchange Commission ("SEC") under Section 15 of the Securities Exchange Act of 1934 ("1934 Act"), the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970 ("SIPA") do not protect the other party with respect to any Transaction hereunder;

(b) in the case of Transactions in which one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SIPA will not provide protection to the other party with respect to any Transaction hereunder; and

(c) in the case of Transactions in which one of the parties is a financial institution, funds held by the financial institution pursuant to a Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation or the National Credit Union Share Insurance Fund, as applicable.

[Name of Party]

[Name of Party]

By _____

By _____

Title _____

Title _____

Date _____

Date _____.

C. Broker/Dealer Certification

**TEXAS PUBLIC FUNDS INVESTMENT ACT
ACKNOWLEDGMENTS**

These Acknowledgments are executed on behalf of the City of Rowlett (“Investor”) and _____ (“Business Organization”) pursuant to the Public Funds Investment Act, Chapter 2256, Government Code, Texas Codes Annotated (the “Act”), in connection with investment transactions conducted between the Investor and the Business Organization.

Acknowledgment by Investor

The undersigned investment officer of the Investor (“Investment Officer”) hereby acknowledges, represents and agrees on behalf of the Investor that:

- (i) The Investment Officer (a) has been duly designated by official action of the governing body of the Investor to act as its Investment Officer pursuant to the Act, (b) is vested with full power and authority under the Act and other applicable law to engage in investment activities on behalf of the Investor, and (c) is duly authorized to execute this Acknowledgment on behalf of the Investor,
- (ii) Pursuant to the Act, the governing body of the Investor has duly adopted a written investment policy which complies with the Act, including an investment strategy (as the same may be amended, the “Investment Policy”), and the Investment Officer (a) has furnished a true and correct copy of the Investment Policy to the Business Organization and (b) will notify the Business Organization of any revision of, or amendment to, the Investment Policy. The Business Organization shall be entitled to rely upon the most recent version of the Investment Policy furnished by the Investment Officer until provided with an amended version;
- (iii) Attached hereto is a list of investments that are authorized pursuant to the Investment Policy and that the Investment Officer understands may be available from the Business Organization. The attached list may be amended from time to time by mutual agreement of the Investor and the Business Organization, and
- (iv) In connection with any investment transaction between the Business Organization and the Investor, the Business Organization is not responsible for assuring compliance with those aspects of the Investment Policy over which the Business Organization has no control or knowledge, such as restrictions as to diversity and average maturity, or which require an interpretation of subjective investment standards.

INVESTMENT OFFICER

Name: _____

Title: _____

Date: _____

Acknowledgment by Business Organization

In reliance upon the foregoing "Acknowledgment by Investor," the undersigned qualified representative of the Business Organization ("Qualified Representative") acknowledges, represents, and agrees on behalf of the Business Organization that:

- (I) The Qualified Representative (a) is registered under the rules of the National Association of Securities Dealers, (b) is the duly appointed and acting officer of the Business Organization, holding the office set forth underneath its name below, and (c) is duly authorized to execute this Certification on behalf of the Business Organization,
- (ii) The Qualified Representative has received and reviewed the Investment Policy furnished by the Investment Officer,
- (iii) The Business Organization will provide the Investment Officer with periodic account and other reasonably requested information that will assist the Investment Officer in carrying out his or her responsibility to make investment decisions consistent with the Investment Policy; and
- (iv) The Business Organization will not sell to the Investor investments other than those on the attached list, which may be amended from time to time by mutual agreement of the Investor and the Business Organization.

QUALIFIED REPRESENTATIVE

Name: _____

Title _____

Date: _____

D. Investment Pool/Fund Questionnaire

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?
7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?
9. Does the pool/fund have a stable or floating net asset value (NAV)?
10. What are the liquidity restrictions, gates, etc?



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/16

AGENDA ITEM: 7C

TITLE

Consider action to approve a resolution for the third amendment to the Investment Advisory Agreement with PFM Asset Management LLC (PFM), and authorizing the City Manager to execute the necessary documents to continue said services.

STAFF REPRESENTATIVE

Kim Wilson, CFO, Director of Financial Services

SUMMARY

The City of Rowlett currently uses PFM for investment advisory services. This item is to extend the term of the existing agreement to November 4, 2017.

BACKGROUND INFORMATION

The City entered into a one year Investment Advisory Agreement with PFM dated November 4, 2013. A first amendment dated as of November 4, 2014 extended the terms to November 4, 2015, and a second amendment dated as of November 5, 2015 extended the terms to November 4, 2016.

DISCUSSION

The investment of City funds is governed by the Texas Government Code, Chapter 2256 – “Public Funds Investment Act” and the City’s Charter. The City contracts with advisors who are registered with the Securities and Exchange Commission (SEC) under the Investment Advisor’s Act of 1940 as well as with the Texas State Securities Board. Advisors must demonstrate extensive experience, especially with fixed-income securities, to provide certain services related to the investment of City funds, including the execution of securities purchases/sales for the City’s operating and bond funds, investment advice, investment reporting, and review and annual certification of the City’s Investment Policy and procedures. Because PFM has continued to sufficiently perform these duties over the past three years, the City wishes to extend the term of the existing agreement to November 4, 2017.

FINANCIAL/BUDGET IMPLICATIONS

Investment advisory fees are not included in the annual budget since they are offset by investment earnings. The City pays PFM an average of \$1,000 per month for services provided. This fee is based on the daily net assets under management according to the schedule below:

Average Assets Under Management

Initial \$25 million

Next \$25 million

Above \$50 million

Fees

8 basis points (0.08%)

7 basis points (0.07%)

6.5 basis points (0.065%)

RECOMMENDED ACTION

Move to approve a resolution for the third amendment to the Investment Advisory Agreement with PFM Asset Management LLC (PFM), and authorizing the City Manager to execute the necessary documents to continue said services.

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, RENEWING AND EXTENDING THE CITY'S EXISTING INVESTMENT ADVISORY AGREEMENT WITH PFM ASSET MANAGEMENT LLC, EXTENDING THE TERM OF THE AGREEMENT TO NOVEMBER 4, 2017; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AMENDMENTS, PURCHASE ORDERS OR DOCUMENTS AS MAY BE NECESSARY TO EFFECT THE AMENDMENT AND EXTENSION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City and PFM Asset Management, LLC, ("Advisor") entered into an Investment Advisory Agreement, dated as of November 4, 2013 (the "Original Agreement"), for the provision of investment advisory services; and

WHEREAS, the Original Agreement provided for an initial term of one (1) year, and allowed the City two (2) one-year optional renewal periods thereafter; and

WHEREAS, pursuant to a First Amendment, dated as of November 4, 2014 (the "First Amendment"), the parties amended the Original Agreement to extend its term to November 4, 2015; and

WHEREAS, pursuant to a Second Amendment, dated as of November 4, 2015 (the "Second Amendment," and with the Original Agreement and First Amendment, the "Existing Agreement"), the parties amended the Original Agreement to extend its term to November 4, 2016; and

WHEREAS, the parties desire to amend the Original Agreement to add an additional one-year term and to extend its term to November 4, 2017.

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, Texas, hereby approves and authorizes an amendment to and an extension of the City's existing Investment Advisory Agreement with PFM Asset Management, LLC, for an additional one (1) year term, ending on November 4, 2017.

Section 2: That the Council further authorizes the City Manager to execute any amendments, subject to city attorney approval, purchase orders or other documents as may be necessary to effect this Resolution.

Section 3: That this Resolution shall take effect immediately from and after its passage.



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/2016

AGENDA ITEM: 7D

TITLE

Consider approving a resolution authorizing the City Manager to issue a contract task order modification extending the Period of Service through December 31, 2016, for comprehensive disaster recovery management services from CDR Maguire.

STAFF REPRESENTATIVE

Kim Wilson, Director of Financial Services
Ed Balderas, Emergency Management Specialist

SUMMARY

This item will provide for a service period change for comprehensive disaster recovery management services for the December 26, 2015, tornado event. If approved, the service period will extend from September 30, 2016 to December 31, 2016.

BACKGROUND INFORMATION

On January 21, 2016, a Presidential Major Disaster Declaration was made, DR-4255, for the December 26, 2015, tornado event. Through this declaration, FEMA Public Assistance Program (PAP) funds have been made available to the City of Rowlett for response and recovery, and mitigation efforts resulting from the tornado.

A contract task order for the December 26, 2015 Tornado Event was issued to CDR Maguire on March 22, 2016 (RES-051-16) for a Period of Service of March 22, 2016–September 30, 2016. This modification request is based on the anticipated time required to have CDR Maguire complete comprehensive disaster recovery management services for FEMA reimbursement under DR-4255.

DISCUSSION

This contract service period extension will ensure adequate time is allowed for all necessary disaster related services. It will ensure projects are closeout ready, provide time for project after action review, and essential staff training. This training is designed to increase the effectiveness and efficiency of future financial disaster recovery efforts.

FINANCIAL/BUDGET IMPLICATIONS

No additional funding is requested as this is an extension of the contract period and not additional scope of work through December 31, 2016.

RECOMMENDED ACTION

Staff recommends approval of a resolution authorizing the City Manager to issue a contract task order modification extending the Period of Service through December 31, 2016, for comprehensive disaster recovery management services from CDR Maguire.

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, AUTHORIZING THE CITY MANAGER TO ISSUE A CONTRACT TASK ORDER MODIFICATION EXTENDING THE PERIOD OF SERVICE THROUGH DECEMBER 31, 2016, FOR COMPREHENSIVE DISASTER RECOVERY MANAGEMENT SERVICES FROM CDR MAGUIRE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, it is necessary to provide for disaster recovery management consultant services for the December 26, 2015 tornado event; and

WHEREAS, the City of Rowlett City Council awarded a contract for Disaster Recovery Management Services to CDR Maguire on March 22, 2016; and

WHEREAS, this contract task order modification is intended to extend the existing period for contract services from September 30, 2016 to December 31, 2016.

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 issue a contract task order modification extending the Period of Service for comprehensive disaster recovery management services with CDR Maguire, through December 31, 2016,

Section 2: This resolution shall become effective immediately upon its passage.



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/2016

AGENDA ITEM: 7E

TITLE

Consider a resolution approving a tree mitigation plan and related tree removal permit application for more than three trees associated with Willow Wood Estates for property located at 7900 Chiesa Road further described as being all of Tract 1 in the James Saunders Survey, Abstract No. 1424 and being a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas.

STAFF REPRESENTATIVE

Patricia Gottilly-Roberts, Senior Planner

SUMMARY

This is a request to remove more than three protected trees on 22.06 +/- acres of land located at 7900 Chiesa Drive (Attachment 1 – Location Map). The removal of more than three protected trees requires a recommendation from the Planning and Zoning Commission and final approval from the City Council.

The Planning and Zoning Commission unanimously recommended approval of this item at their September 27, 2016, regular meeting. The item was discussed under Item C5 which can be viewed at the following link: <http://rowlettx.swagit.com/play/09272016-1380>.

BACKGROUND INFORMATION

The subject property is located along the east side of Chiesa Road and the north side of Travelers Crossing. The subject property was rezoned from Single Family 8 (SF-8) and Single Family 10 (SF-10) to Planned Development (PD) 027-16 on July 5, 2016, to allow an 89-lot single family subdivision with a minimum lot size of 6,000 square feet. The applicant is also requesting to amend the PD in order to modify the entryway landscaping requirements. The PD amendment, which requires a recommendation from the Planning and Zoning Commission and approval from City Council is being considered concurrently with the Tree Survey and Preservation Plan but will be acted on under separate agenda items. The approval of the PD amendment is not required as a prerequisite to approval of the Tree Mitigation and Preservation Plan.

The applicant is proposing to remove 27 protected trees totaling in 402.5 caliper inches while saving 37 protected trees totaling in 378.5 caliper inches (Exhibit B – Tree Survey and Preservation/Mitigation Plan). This brings the total mitigation required to 24 caliper inches. The applicant is proposing to mitigate all 24 caliper inches on site by planting an additional six trees beyond the base landscaping requirements. The trees are being removed due to site grading, location of future infrastructure, or located within building envelope.

Section 77-504.H of the Rowlett Code of Ordinances states the purpose of tree preservation and lists the criteria for approval of a tree removal. The following section lists the criteria for a tree removal permit followed by Staff's recommendation.

DISCUSSION

Per section 77-504.H of the Rowlett Development Code, "Tree preservation," the purpose of tree preservation is as follows:

1. Purpose. The purpose of this section is to encourage the preservation of long-established trees of sizes that, once removed, can be replaced only after many generations of tree growth; to preserve protected trees during construction; and to control the removal of protected trees. It is the intent of this section to achieve the following:
 - (a) Prohibit the indiscriminate clearing of trees from property;
 - (b) To the greatest extent possible, preserve and maintain protected trees so as to enhance the quality of development;
 - (c) Protect and increase the value of residential and commercial properties within the city by maintaining the city's current tree inventory;
 - (d) Maintain and enhance a positive image for the attraction of new business enterprises to the city;
 - (e) Protect healthy quality trees and promote the natural ecological environmental and aesthetic qualities of the city; and
 - (f) Help provide needed shaded areas in order to provide relief from the heat by reducing the ambient temperature.

The City Council shall deny a tree removal permit and associated tree survey and preservation plan if it is determined that:

1. Removal of the tree is not reasonably required in order to conduct anticipated activities;
2. A reasonable accommodation can be made to preserve the tree; or
3. The purpose and intent of this subchapter is not being met by the applicant.

The proposed tree removal is needed in order to conduct anticipated activities on the site and no reasonable accommodation could be made. To deny the removal will require the developer to substantially re-configure their proposed development. The applicant is proposing to mitigate 24 caliper inches by planting six four-inch caliper replacement trees, which will be in addition to the required trees.

FISCAL IMPACT

N/A

RECOMMENDED ACTION

Move to approve the resolution granting approval of a tree mitigation plan and accompanying tree removal permit for Willow Wood Estates.

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING A TREE MITIGATION PLAN AND ACCOMPANYING TREE REMOVAL PERMIT FOR

PROPERTY LOCATED AT 7900 CHIESA ROAD, DESCRIBED AS BEING ALL OF TRACT 1 IN THE JAMES SAUNDERS SURVEY, ABSTRACT NO. 1424 AND BEING A PORTION OF LOT 1, BLOCK 1, CROSSROADS CHURCH ADDITION, CITY OF ROWLETT, DALLAS COUNTY, TEXAS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Rowlett and the governing body of the City of Rowlett, in compliance with the laws of the State of Texas and the ordinances of the City of Rowlett, have given the requisite notices by publication and otherwise, and where the governing body have legislative discretion and has concluded that this resolution is in the best interest of 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, Texas, hereby finds and determines that a proposed tree mitigation plan and accompanying tree removal permit are necessary and appropriate in order to conduct anticipated development activities on property located at 7900 Chiesa Road and described as being all of Tract 1 in the James Saunders Survey, Abstract No. 1424, and being a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas, and being more particularly described in Exhibit "A," attached hereto and incorporated herein (hereinafter the "Property").

Section 2: That a tree mitigation plan and tree removal permit, true and correct copies of which are attached hereto and incorporated herein as Exhibit "B," applicable to the Property be and are hereby approved, subject to the following condition(s):

1. Six four-inch caliper replacement trees, which are in addition to the required trees, shall be planted on the Property at the locations indicated in Exhibit "B." No mitigation fees shall be due.

Section 3: That should any sentence, paragraph, subdivision, clause, phrase or section of this resolution be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this resolution as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional.

Section 4: That this resolution shall take effect immediately from and after its passage and the publication of the caption of said resolution as the law in such case provides.

ATTACHMENTS

Exhibit A – Legal Description

Exhibit B – Tree Survey and Preservation Plan

Attachment 1 – Location Map

PROPERTY DESCRIPTION

BEING all that certain lot, tract or parcel of land situated in the JAMES SAUNDERS SURVEY, A - 1424, City of Rowlett, Dallas County, Texas, and being a part of Lot 1, Block 1 of CROSSROADS CHURCH, an addition to the City of Rowlett, Texas, recorded in Volume 98245, Page 11 of the Map Records of Dallas County, Texas; said tract being a part of that same tract of land described in deed to Crossroads Baptist Church, recorded in Volume 99225, Page 1978 of the Deed Records of Dallas County, Texas, said tract being more particularly described as follows:

BEGINNING at a 3/4" iron rod found at the southwest corner of Lot 1, Block 1 of said Crossroads Church addition; said point being in the east R.O.W. line of Chiesa Road (a variable width R.O.W.) and the beginning of a curve to the right having a central angle of 11°14'20" and a radius of 533.70' (Chord bearing N 05°43'23" W, 104.52');

Thence northerly around said curve and along the east line of Chiesa Road, a distance of 104.69' to a 3/4" iron rod found for corner;

Thence N 00°06'13" W, 195.91' along the east line of Chiesa Road to a point for corner;

THENCE N 89°36'48" E, 857.07' to a point for corner in the east line of said Lot 1 and the west line of a 50' Lone Star Gas Easement, recorded in Volume 154, Page 537 of the Deed Records of Dallas County, Texas;

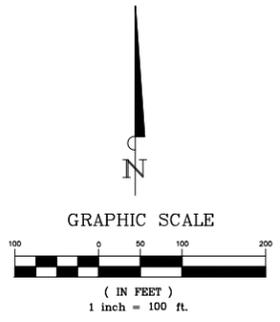
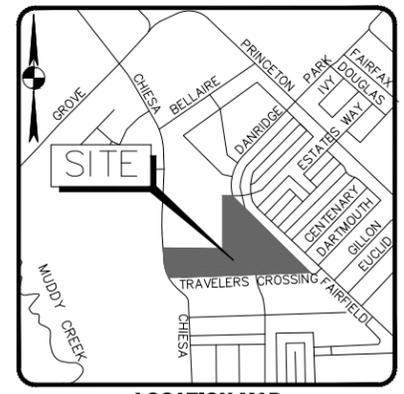
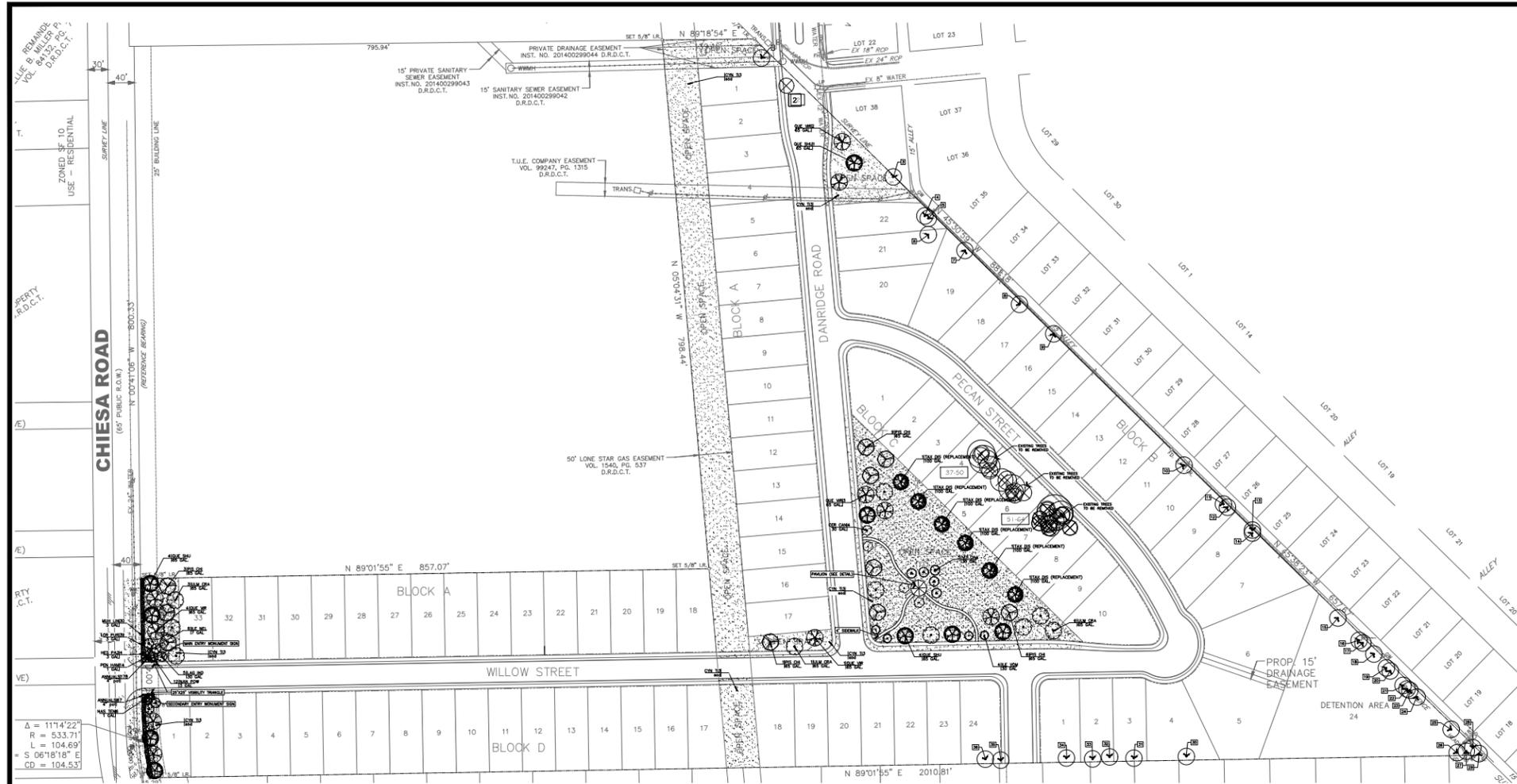
THENCE N 04°29'38" W, 798.44' along the east line of said Lot 1 and the west line of said 50' Lone Star Gas Easement to a 3/4" iron rod found at the northeast corner of said Lot 1, and being in the north line of the aforementioned Crossroads Baptist Church property;

THENCE N 89°53'47" E, 139.16' along the north line of said Crossroads Baptist Church property to a 3/4" iron rod found for corner in the southwest line of a 15' alley;

THENCE S 44°56'06" E, 881.18' along said alley to a 3/4" iron rod found for corner;

THENCE S 45°03'30" E, 657.66' along said alley to a 3/4" iron rod found at the southeast corner of said Crossroads Baptist Church property;

THENCE S 89°36'48" W, at 1,140.95' passing the southeast corner of said Lot 1, and continuing along the south line of said Lot 1 and Crossroads Baptist Church property, a total distance of 2,010.81' to the Point of Beginning and containing 960,885.09 square feet or 22.0589 acres of land.



LANDSCAPE TABULATIONS:

TOTAL LANDSCAPE AREA PROVIDED:	130,177 SF
CHIESA ROAD TREES REQUIRED 1/35 LF: 252 LF	7 TREES
CHIESA ROAD TREES PROVIDED:	7 TREES
CHIESA ROAD SHRUBS REQUIRED: 10/30 LF	84 SHRUBS
CHIESA ROAD SHRUBS PROVIDED:	83 SHRUBS
LANDSCAPE ENTRY AREA TREES REQUIRED: 2/500 SF (9,600 SF)	38 TREES
LANDSCAPE ENTRY AREA TREES PROVIDED: 9,688 SF	7 SHADE TREES AND 5 ORNAMENTAL TREES
OPEN SPACE AREA TREES PROVIDED:	25 SHADE TREES AND 13 ORNAMENTAL TREES

SPECIAL NOTES:

- HOME BUILDER IS RESPONSIBLE FOR PLANTING (2) CANOPY TREES PER LOT AT TIME OF COMPLETION OF HOME BUILDING PER CITY OF ROWLETT LANDSCAPE ORDINANCE.
- PER THE PD-027-16 AND LANDSCAPE ORDINANCE 77_504, 38 CANOPY TREES ARE REQUIRED IN THE FRONT ENTRY WHICH IS 2 TREES/500 SF OF REQUIRED OPEN SPACE AREA AT 9,600 SF. IN THE LANDSCAPE BUFFER, BASED ON THAT 7 SHADE TREES AND 5 ORNAMENTAL TREES WERE PLACED IN THE LANDSCAPE BUFFER SPACED APART FOR OPTIMAL GROWTH OVER THE LIFE OF THE TREES. DUE TO THE LACK OF ADEQUATE SPACE FOR OPTIMAL TREE DEVELOPMENT FOR ROOT GROWTH AND CANOPY COVERAGE FOR THE LIFE OF THE TREES, 26 SHADE TREES AND 13 ORNAMENTAL TREES WERE PLACED IN OPEN SPACE AREAS AROUND THE SITE. BLOCK C LOT 11 (18 SHADE TREES AND 13 ORNAMENTAL TREES), BLOCK A LOT 34 (3 SHADE TREES), BLOCK B LOT 23 (3 SHADE TREES)
- PLEASE SEE THE TREE SURVEY/PRESERVATION PLAN (BY OTHERS) IN THIS SET OF PLANS. PER THIS PLAN 24" CALIPER INCHES WERE TO BE MITIGATED. (6) 4" CALIPER BALD CYPRESS WERE PLACED IN THE CENTRAL OPEN SPACE AREA TO MEET THIS MITIGATION REQUIREMENT.
- IF A DETENTION POND IS REQUIRED IN THE LARGE OPEN SPACE THEN TREES THAT CAN SURVIVE IN STANDING WATER (Acer rubrum 'RED MAPLE', Acer rubrum 'OCTOBER GLORY', Betula nigra 'RIVER BIRCH', Quercus nigra 'PIN OAK', Magnolia grandiflora 'LITTLE GEM MAGNOLIA', Taxodium distichum 'BALD CYPRESS') WILL REPLACE WHAT IS BEING SPECIFIED IN THESE PLANS. THE TREES WILL BE EQUALLY DISTRIBUTED AT NO MORE THAN 25% OF ONE SPECIES.
- TREES BEING SAVED IN THE DETENTION POND AREA WILL HAVE PROTECTIVE FENCING ESTABLISHED BEFORE CONSTRUCTION BEGINS. THE FENCING WILL BE PLACED OUTSIDE OF THE CRITICAL ROOT ZONE OF THE TREES.
- IF A FENCE IS REQUIRED AROUND THE DETENTION POND, THE FENCE WILL BE INSTALLED PER CITY OF ROWLETT CODE AND APPROVED BY CITY OFFICIALS PRIOR TO INSTALLATION.

PLANT SCHEDULE

TREES	QTY	BOTANICAL NAME / COMMON NAME	CONT	GAL	SIZE	NOTES
	4	Cercis canadensis / Eastern Redbud	30	GAL	3"	8' MIN. SYMMETRICAL MATCHING FULL
	4	Ilex vomitoria / Yaupon Holly	30	GAL	3"	8' MIN. 3 CANES MIN. MATCHING FULL
	5	Lagerstroemia indica / Crape Myrtle	30	GAL	3"	8' MIN. 3 CANES MIN. MATCHING FULL
	10	Pistacia chinensis / Chinese Pistache	65	GAL	3"	12' MIN. SYMMETRICAL MATCHING FULL
	9	Quercus shumardii / Shumard Red Oak	65	GAL	3"	12' MIN. SYMMETRICAL MATCHING FULL
	10	Quercus virginiana / Southern Live Oak	65	GAL	3"	12' MIN. SYMMETRICAL MATCHING FULL
	6	Taxodium distichum / Bald Cypress	100	GAL	4"	12'-15' SYMMETRICAL MATCHING FULL
	10	Ulmus crassifolia / Cedar Elm	65	GAL	3"	12' MIN. SYMMETRICAL MATCHING FULL
	5	Vitex agnus-castus / Chaste Tree	30	GAL	3"	8' MIN. 3 CANES MIN. MATCHING FULL
	53	Hackberry	53	GAL	11"	X Good
	54	Cedar	54	GAL	10"	X Good
	55	Cedar	55	GAL	27"	X Good
	56	Cedar Elm	56	GAL	8"	X Good
	57	Cedar	57	GAL	13"	X Good
	58	Cedar Elm	58	GAL	12"	X Good
	59	Hackberry	59	GAL	12"	X Good
	60	Cedar	60	GAL	16"	X Good
	61	Cedar	61	GAL	18"	X Good
	62	Cedar	62	GAL	12"	X Good
	63	Cedar	63	GAL	13"	X Good
	64	Cedar Elm	64	GAL	11"	X Good
SHRUBS	QTY	BOTANICAL NAME / COMMON NAME	CONT	SIZE	SPACING	NOTES
	2	Hesperaloe parviflora / Red Yucca	3	GAL	24" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	6	Ilex x 'Nellie R Stevens' / Nellie Stevens Holly	7	GAL	48" HT	48" O.C. TRIANGULAR SPACING, FULL, MATCHING
	39	Loropetalum chinense 'Purple Diamond' / Fringe Flower	3	GAL	24" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	30	Muhlenbergia lindheimeri / Lindheimer's Muhly	3	GAL	24" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	12	Nandina domestica 'Fire Power' / Firepower Nandina	3	GAL	24" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	6	Nassella tenuissima / Texas Needle Grass	1	GAL	16" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	14	Pennisetum alopecuroides 'Hameln' / Hameln Dwarf Fountain Grass	1	GAL	16" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
GROUND COVERS	QTY	BOTANICAL NAME / COMMON NAME	CONT	SPACING	NOTES	
		Cynodon dactylon 'Tif 419' / Bermuda Grass	sod			
	245	Seasonal Annuals	4" pot	8" o.c.	TRIANGULAR SPACING	

EXISTING TREE DATA:

TREE #	CALIPER	TYPE	REMAIN	REMOVE	CONDITION
1*	15"	Hackberry	X		Good
2	12"	Hackberry		X	Good
3*	12"	Hackberry	X		Good
4*	15"	Hackberry	X		Good
5*	12"	Hackberry	X		Good
6*	12"	Hackberry	X		Good
7*	18"	Hackberry	X		Good
8*	15"	Hackberry	X		Good
9*	9"	Cedar Elm	X		Good
10*	10"	Cedar	X		Good
11*	12"	Cedar Elm	X		Good
12*	12"	Cedar Elm	X		Good
13*	8"	Cedar Elm	X		Good
14*	10"	Cedar Elm	X		Good
15*	12"	Cedar Elm	X		Good
16*	10"	Cedar Elm	X		Good
17*	12"	Cedar Elm	X		Good
18*	12"	Cedar Elm	X		Good
19*	10"	Cedar Elm	X		Good
20*	12"	Cedar Elm	X		Good
21*	8"	Oak	X		Good
22*	8"	Oak	X		Good
23*	8"	Oak	X		Good
24*	8"	Oak	X		Good
25*	8"	Cedar Elm	X		Good
26*	11"	Hackberry	X		Good
27*	12"	Hackberry	X		Good
28*	9"	Chinaberry	X		Good
29*	10"	Chinaberry	X		Good
30*	10"	Cedar	X		Good
31*	8"	Cedar	X		Good
32*	8"	Cedar	X		Good

TREE #	CALIPER	TYPE	REMAIN	REMOVE	CONDITION
33*	9"	Cedar	X		Good
34*	10"	Cedar	X		Good
35*	15.5"	Cedar	X		Good
36*	8"	Cedar	X		Good
37	21"	Cedar		X	Good
38	11"	Hackberry	X		Good
39	12"	Cedar	X		Good
40	21"	Cedar	X		Good
41	14"	Hackberry	X		Good
42	15.5"	Cedar	X		Good
43	12"	Hackberry	X		Good
44	17"	Cedar	X		Good
45	14"	Hackberry	X		Good
46	20"	Cedar	X		Good
47	10"	Cedar	X		Good
48	13"	Cedar	X		Good
49	11"	Hackberry	X		Good
50	12"	Hackberry	X		Good
51	13"	Cedar	X		Good
52	11"	Hackberry	X		Good
53	11"	Hackberry	X		Good

TOTAL CALIPER INCHES EXISTING	781
TOTAL CALIPER INCHES TO REMAIN	378.5
TOTAL CALIPER INCHES TO BE REMOVED	402.5
TOTAL CALIPER INCHES OF CREDIT FOR SAVED TREES	378.5
TOTAL CALIPER INCHES FOR MITIGATION	24



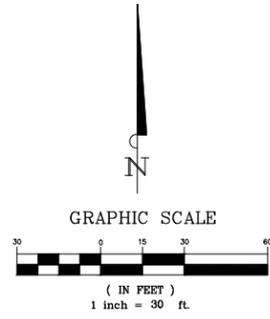
INFORMATION ON THIS SHEET IS PERTINENT TO ALL OTHER DESIGN SHEETS IN THIS SET OF DRAWINGS. THE CONTRACTOR SHALL NOT SEPARATE DRAWINGS FROM THE SET FOR DISTRIBUTION TO SPECIFIC SUBCONTRACTORS. EACH SUBCONTRACTOR SHALL BE PROVIDED WITH ALL SHEETS WITHIN THIS PLAN SET.

BANNISTER ENGINEERING
 240 N. Mitchell Road | Mansfield, TX 76063 | 817.842.2094 | 817.842.2095 fax
 REGISTRATION # F-10599 (TEXAS)

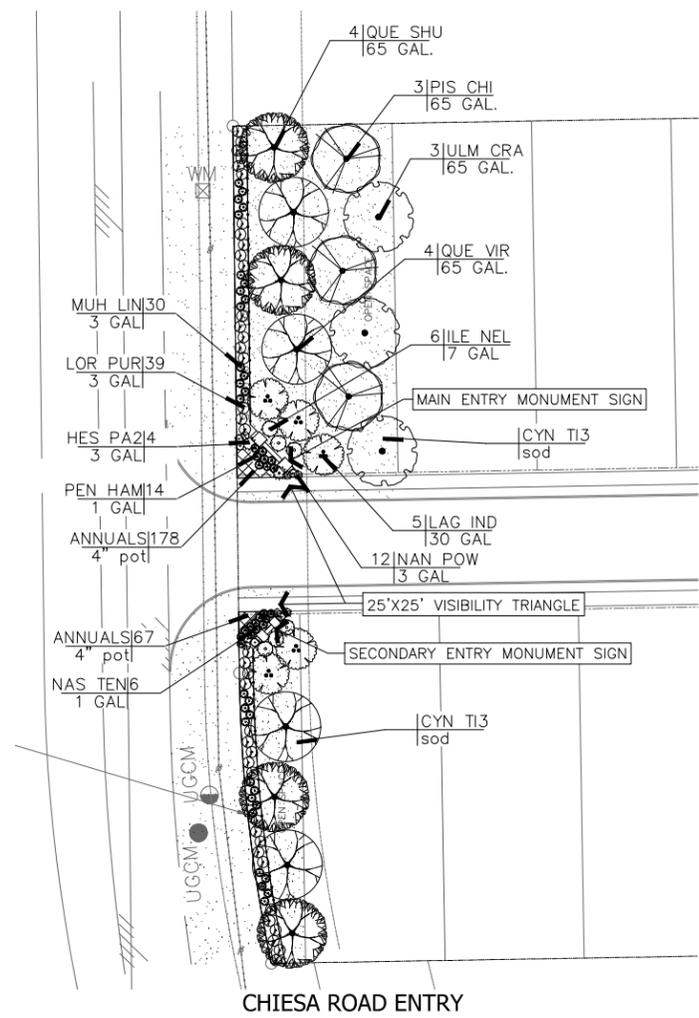
WILLOW WOOD ESTATES
 LOT 1, BLOCK 1 - CROSSROADS CHURCH
 Rowlett, Texas
LANDSCAPE PLAN

No.	Date	Revision Description

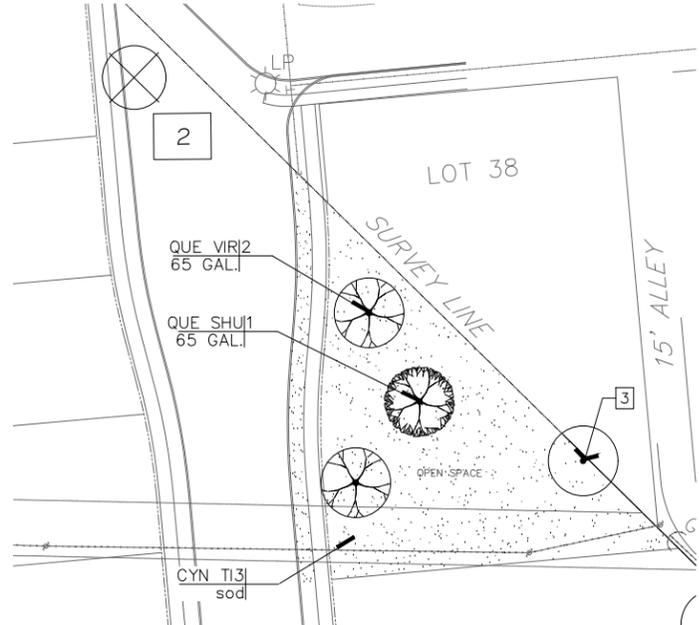
SHEET NO.
L-1.0



CENTRAL OPEN SPACE



CHIESA ROAD ENTRY



NORTHERN OPEN SPACE



Know what's below.
Call before you dig.

(@ least 48 hours prior to digging)

INFORMATION ON THIS SHEET IS PERTINENT TO ALL OTHER DESIGN SHEETS IN THIS SET OF DRAWINGS. THE CONTRACTOR SHALL NOT SEPARATE DRAWINGS FROM THE SET FOR DISTRIBUTION TO SPECIFIC DISCIPLINES. EACH SUBCONTRACTOR SHALL BE PROVIDED WITH ALL SHEETS WITHIN THIS PLAN SET.



WILLOW WOOD ESTATES
LOT 1, BLOCK 1 - CROSSROADS CHURCH
Rowlett, Texas

LANDSCAPE PLAN

No.	Date	Revision Description

SHEET NO.
L-1.1

BANNISTER ENGINEERING
240 N. Mitchell Road | Mansfield, TX 76063 | 817.842.2094 | 817.842.2095 fax
REGISTRATION # F-10599 (TEXAS)

PROJECT NO.: 080-16-11

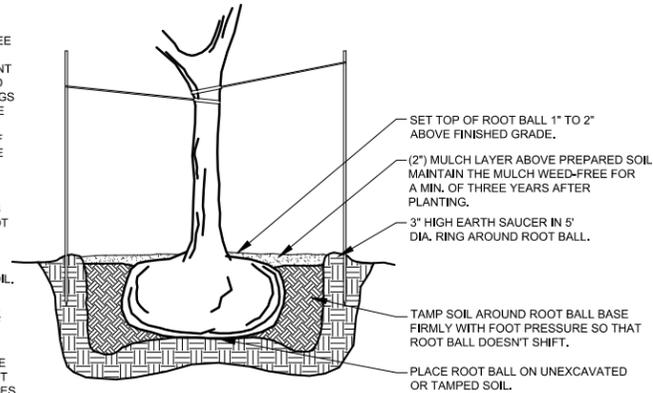
Architect: BREW J. DUBOCCO
L.A. No.: 3141 Date: 09/23/2016

GENERAL NOTES:

1. Locate all utilities prior to digging. Contractor shall be responsible for all damage incurred by his/her work.
2. Contractor shall advise the Owner and Landscape Architect of any condition found on site which prohibits installation as shown on these plans.
3. If a discrepancy between drawings and plant schedule is found, the drawings shall take precedent over the plant schedule.
4. Plant material shall comply with all sizing and grading standards of the latest edition of 'American Standard for Nursery Stock.'
5. Contractor shall stake out tree locations and bed configuration for approval by Owner prior to installation.
6. Substitutions shall not be made without prior written authorization from the Owner or Landscape Architect.
7. All disturbed areas not indicated as planting beds shall be sodded or seeded by Contractor to provide an established turf area.
8. Contractor shall remove reasonable amount of stones, dead roots, detritus and other undesirable material from existing soil.
9. If rocks are encountered, remove to a depth of 3" and add 3" of friable fertile topsoil to all sodded areas. Contractor to ensure that site is graded according to the Engineer's grading plan.
10. Lawn areas shall have 3" minimum friable topsoil and be treated with fertilizer applied at a rate of 20 pounds per 1,000 square feet.
11. Soil preparation for planting beds shall be as follows:
 - 3" of organic compost
 - 20 pounds of organic fertilizer / 1,000 sf of bed area
 - Till bed to a depth of 6" to 8"
 - Check soil acidity. Soil acidity should range from 5.0 to 7.0 pH. Regulate if necessary.
12. All plant beds shall be top dressed with a minimum 3" of Native Hardwood Mulch.
13. Provide steel edge between all plant beds and lawn areas unless indicated differently on plans.
14. Tree planting pits shall be cleared of undesirable material and backfilled with prepared top soil. Place 1" of compost and 3" of shredded hardwood mulch on top of root ball.
15. The Contractor will be held liable for any damage caused to trees due to improper staking methods, including absence of staking throughout the warranty period.
16. Trees shall be planted at least 2.5 feet from any right-of-way line, curb, walk or fire hydrant, and outside all utility easements.
17. Trees shall be planted at least 8 feet from any public utility line where possible. In the event this is not possible, Contractor shall install a root barrier, per the detail(s) noted on this sheet.
18. Trees overhanging walks and parking areas shall have a clear trunk height of 7 feet from finish surface grade.
19. Contractor shall warranty plant material to remain alive and healthy for a period of one year after the final acceptance. All plant material shall be maintained in a healthy condition in accordance with the season. Dead, damaged or destroyed plant material shall be replaced in kind within thirty days. Warranty shall not include damage for loss of plant material due to natural causes, acts of vandalism or negligence on the part of the owner.
20. Landscape areas shall be kept free of trash, litter and weeds.
21. An automatic irrigation system shall be provided to maintain all landscape areas. Overspray on non-permeable surfaces is prohibited.
22. Installing contractor to maintain landscaping for 30 days from owner occupancy to establish plants and grass, mowing and trimming to be included.
23. All areas disturbed by construction shall be fine graded and re-established by sod. These areas shall be irrigated and maintained until permanent stand of grass is achieved with a minimum of 70% coverage. This is to include all areas to the back of curb around the property.
24. Contractor to limb up all preserved tree canopies to 8'-10', also under-story trees not slated to remain by the tree preservation plan can be removed at the owners discretion.

NOTES:

1. DO NOT HEAVILY PRUNE THE TREE AT PLANTING. PRUNE ONLY CROSSOVER LIMBS, CO-DOMINANT LEADERS, AND BROKEN OR DEAD BRANCHES. SOME INTERIOR TWIGS AND LATERAL BRANCHES MAY BE PRUNED; HOWEVER, DO NOT REMOVE THE TERMINAL BUDS OF BRANCHES THAT EXTEND TO THE EDGE OF THE CROWN.
2. EACH TREE MUST BE PLANTED SUCH THAT THE TRUNK FLARE IS VISIBLE AT THE TOP OF THE ROOT BALL. TREES WHERE THE TRUNK FLARE IS NOT VISIBLE SHALL BE REJECTED. DO NOT COVER THE TOP OF THE ROOT BALL WITH SOIL.
3. REMOVE ALL TWINE, ROPE, WIRE AND BURLAP FROM TOP HALF OF ROOT BALL.
4. IF PLANT IS SHIPPED WITH A WIRE BASKET AROUND ROOT BALL, CUT THE WIRE BASKET IN FOUR PLACES AND FOLD DOWN 8" INTO PLANTING HOLE.

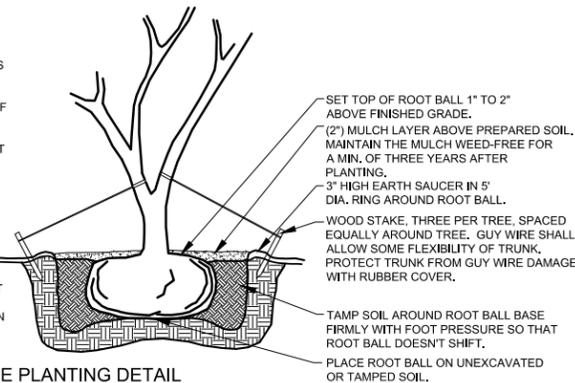


A TREE PLANTING DETAIL

NOT TO SCALE

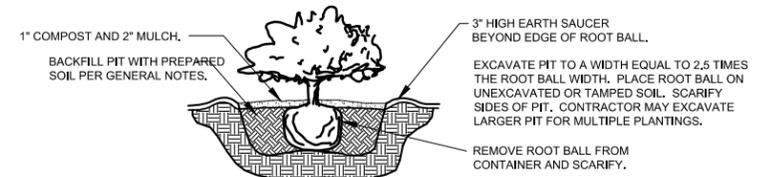
NOTES:

1. DO NOT HEAVILY PRUNE THE TREE AT PLANTING. PRUNE ONLY CROSSOVER LIMBS, CO-DOMINANT LEADERS, AND BROKEN OR DEAD BRANCHES. SOME INTERIOR TWIGS AND LATERAL BRANCHES MAY BE PRUNED; HOWEVER, DO NOT REMOVE THE TERMINAL BUDS OF BRANCHES THAT EXTEND TO THE EDGE OF THE CROWN.
2. EACH TREE MUST BE PLANTED SUCH THAT THE TRUNK FLARE IS VISIBLE AT THE TOP OF THE ROOT BALL. TREES WHERE THE TRUNK FLARE IS NOT VISIBLE SHALL BE REJECTED. DO NOT COVER THE TOP OF THE ROOT BALL WITH SOIL.
3. REMOVE ALL TWINE, ROPE, WIRE AND BURLAP FROM TOP HALF OF ROOT BALL.
4. IF PLANT IS SHIPPED WITH A WIRE BASKET AROUND ROOT BALL, CUT THE WIRE BASKET IN FOUR PLACES AND FOLD DOWN 8" INTO PLANTING HOLE.



B MULTI-TRUNK TREE PLANTING DETAIL

NOT TO SCALE

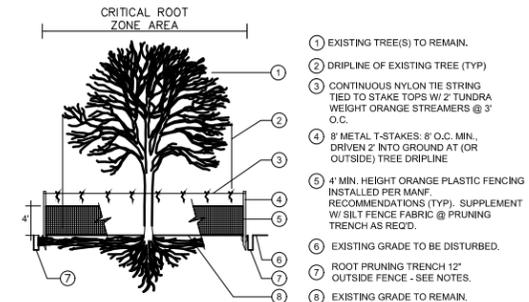


D SHRUB PLANTING DETAIL

NOT TO SCALE

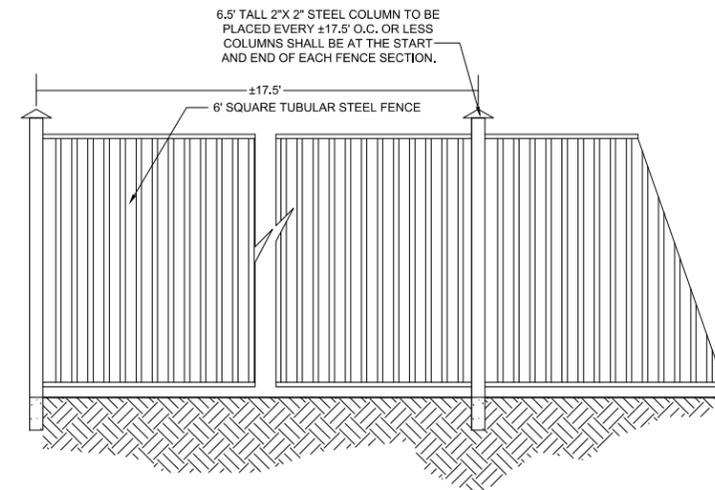
NOTES:

1. PERFORM ROOT PRUNING ON ALL EXISTING TREES TO REMAIN WHERE CONSTRUCTION ACTIVITY FALLS WITHIN DRIP LINE OF EXISTING TREES.
2. ROOT PRUNING METHOD: 2 MONTHS MIN. PRIOR TO EXCAVATION & CONSTRUCTION ACTIVITIES. HAND CUT ROOTS BY DIGGING A 18"-24" DEEP x 8" WIDE TRENCH ALONG THE OUTSIDE PERIMETER OF EXISTING TREE(S) ADJACENT TO CONSTRUCTION AREAS. MAXIMIZE PRUNING TRENCH DISTANCE FROM TRUNK TO THE FULLEST EXTENT POSSIBLE. W/ THE ROOT PRUNING LINE PLACED @ THE EDGE OF CONSTRUCTION LIMITS.



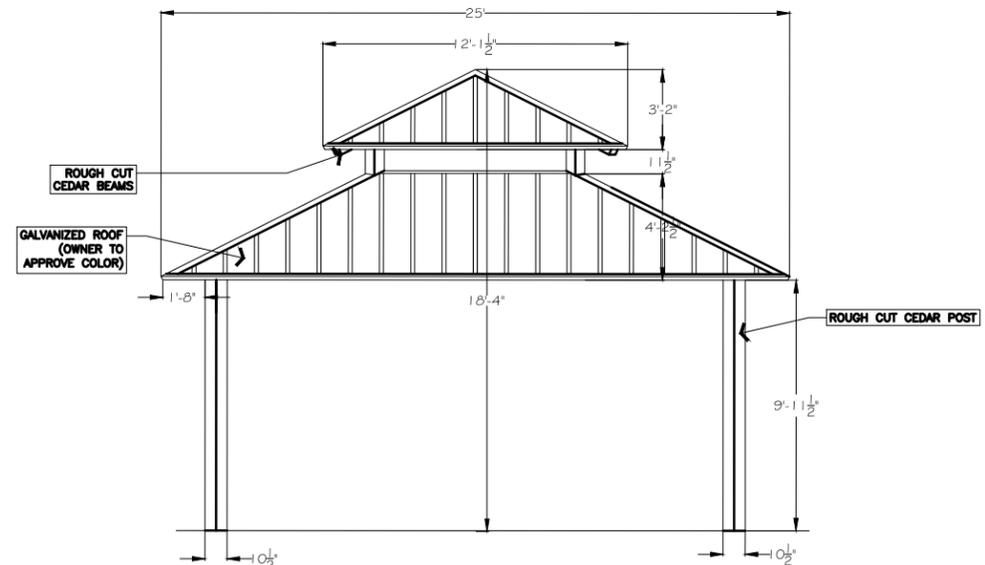
E TREE PROTECTION DETAIL

NOT TO SCALE



C 6" TUBULAR STEEL FENCE

NOT TO SCALE



F OPEN SPACE PAVILION

NOT TO SCALE

BANNISTER
ENGINEERING
240 N. Mitchell Road
Mansfield, TX 76063 | 817.842.2094 | 817.842.2095 fax
REGISTRATION # F-10599 (TEXAS)

WILLOW WOOD ESTATES
LOT 1, BLOCK 1 - CROSSROADS CHURCH
Rowlett, Texas
LANDSCAPE NOTES

No.	Date	Revision Description

FOR REVIEW ONLY
THESE DOCUMENTS ARE FOR REVIEW ONLY AND NOT INTENDED FOR CONSTRUCTION. ANY CHANGES MADE HEREIN SHALL BE UNDER THE SUPERVISION OF:
Architect: DREW J. DUBOCCO
L.A. No. 3141 Date: 09/23/2018
PROJECT NO.: 090-16-11



Know what's below.
Call before you dig.

(@ least 48 hours prior to digging)

INFORMATION ON THIS SHEET IS PERTINENT TO ALL OTHER DESIGN SHEETS IN THIS SET OF DRAWINGS. THE CONTRACTOR SHALL NOT SEPARATE DRAWINGS FROM THE SET FOR DISTRIBUTION TO SPECIFIC DISCIPLINES. EACH SUBCONTRACTOR SHALL BE PROVIDED WITH ALL SHEETS WITHIN THIS PLAN SET.

SHEET NO.

L-1.2





City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/2016

AGENDA ITEM: 7F

TITLE

Consider action to approve a resolution authorizing the payment for computer software maintenance and support services for the Police Department to Integrated Computer Systems (ICS) in the amount of \$155,306, and authorizing the City Manager to execute the necessary documents to continue said services.

STAFF REPRESENTATIVE

W.M. Brodnax, Chief of Police

SUMMARY

ICS is a sole source vendor for computer maintenance and support services for the software package used by the Police Department. The annual maintenance includes software updates, patches, support and enhancements throughout the year.

BACKGROUND INFORMATION

On September 6, 2011, the City Council adopted Resolution Number 132-11 approving the purchase of public safety software and hardware to Integrated Computer Systems (ICS). The software includes CAD, RMS, Detention, Property and Evidence Tracking, Mobile (including automatic vehicle location), Crime Analysis and Report Writing. It also includes interfaces for Brazos Ticket Writing Software, as well as the Fire House Records Management System.

DISCUSSION

ICS software is the heartbeat of the police department in regards to dispatching police and fire personnel to emergency calls for service. ICS is also the software that runs on each mobile computer (patrol car computer), enabling officers to see calls for service and run queries that divulge vehicle registrations, wanted persons and driver's license information, etc. ICS also allows officers to write offense reports directly into the records management system from their police vehicle. It is imperative that ICS remain functional 24 hours a day/seven days a week. Should any one of these components fail, it could severely disrupt police services provided to the citizens in Rowlett.

FINANCIAL/BUDGET IMPLICATIONS

Funding is included in the approved FY2017 budget for the Police Department under the Maintenance-Computer Software account number 1014001-6302.

Budget Account Number and/or Project Code	Account or Project Title	Budget Amount	Proposed Amount
1014001-6302	Maintenance-Computer Software	\$155,306	\$155,306
Total		\$155,306	\$155,306

RECOMMENDED ACTION

Move to approve a resolution authorizing the payment for computer software maintenance and support services for the Police Department to Integrated Computer Systems (ICS) in the amount of \$155,306.

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING THE PAYMENT FOR COMPUTER SOFTWARE MAINTENANCE AND SUPPORT FOR THE POLICE DEPARTMENT TO INTEGRATED COMPUTER SYSTEMS IN THE AMOUNT OF \$155,306 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY DOCUMENTS TO CONTINUE SAID SERVICES AND TO ISSUE PURCHASE ORDERS PURSUANT TO APPROVAL; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, it is necessary to continue computer software maintenance for the public safety software applications which includes support, patches, and version upgrades; and

WHEREAS, Integrated Computer Systems has provided service for the City of Rowlett since 2011 and is a sole source vendor for said service; and

WHEREAS, the City Council of the City of Rowlett, Texas desires to approve payment for computer software maintenance to Integrated Computer Systems as attached hereto and incorporated herein by reference as Exhibit A.

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 payment for computer software maintenance and support services for the public safety software applications to Integrated Computer Systems (ICS) in the amount of \$155,306.

Section 2: That the City Manager is hereby authorized to execute the necessary documents for continued services and to issue purchase orders to conform to this resolution.

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

ATTACHMENTS

Exhibit A – Invoice from Integrated Computer Systems (ICS)



3499 FM 1461
 McKinney, TX 75071
 (214) 544-0022
 fax: (214) 544-0025

INVOICE

Bill To	Invoice No.	Date
City of Rowlett Allyson Wilson Attn. Accounts Payable 4004 Main Street Rowlett, TX 75088 Phone 972.412.6198	ICSI1414	Oct 1, 2016

ANNUAL SOFTWARE ASSURANCE

Period Covered	P.O. Number	Consultant E-mail	Ship To	Terms
10/1/2016 - 9/30/2017	ICS Support Renewal	tommy@icsnews.com	Police Dept	Net 30

Product Number and Description	Qty	Amount	24X7
AS-GPS: GPS/AVL application server. (prereq: CAD-MAP-I per workstation,) (requires MDC-A plus selected MDC map software) Note: When properly configured multiple application servers may be installed on one computer. ICS recommends a minimum of (2) two computers for redundancy.	1		Yes
AS-MDC: Mobile message switch / application server	1		Yes
AS-NCIC: NCIC/TLETS, application server. Note: When properly onfigured, multiple application servers may be installed on one computer. ICS recommends a minimum of (2) two computers dedicated as application servers.	1		Yes
AS-PAG-A: Paging, text, application server, basic. (prereq: AS-PAG-B and customer supplied paging service). Note: When properly configured, multiple application servers may be installed on one computer. ICS recommends a minimum of (2) two computers dedicated as application servers.	1		Yes
AS-PAG-B: Paging, text, application server, basic. (prereq: customer supplied paging service). Note: When properly configured, multiple application servers may be installed on one computer. ICS recommends a minimum of (2) two computers dedicated as application servers.	1		Yes
AS-RIP: Rip & run print proceesing application server	1		
AS-RS: Remote support & software update service communications link	1		
CAD-911-E: Enhanced 911 processing (prereq: AS-911)	6		Yes
CAD-ALM: Alarm and false alarm billing and tracking. Officers are notified of alarm permit status on all calls for service (via their mobile client).	6		
CAD-CAL: CAD, multi-jurisdiction, call-taker. Can display, pan and zoom any image/map linked to a street, grid or premise. (prereq: images to be supplied in any ICS approved format)	1		Yes
CAD-GPS: Display vehicle and call location by latitude and longitude coordinates. (prereq: AS-GPS and CAD-MAP-I)	5		Yes

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Product Number and Description	Qty	Amount	24X7
CAD-MAP-I: CAD Mapping, unlimited layers (city, county, parcels, water, hydrants, patrol districts, etc.), 911 call plotting, initial (prereq: customer supplies ESRI maps [that pass ICS's verification process] and ESRI 97189 ArcGIS Windows Runtime License)	1		Yes
CAD-MAP-S: CAD Mapping, unlimited layers (city, county, parcels, water, hydrants, patrol districts, etc.), 911 call plotting, subsequent (prereq: customer supplies ESRI maps [that pass ICS's verification process] and ESRI 97189 ArcGIS Windows Runtime License)	5		Yes
CAD-MJ: CAD, multi-jurisdiction, dispatcher & call-taker. Can display, pan and zoom any image/map linked to a street, grid or premise. (prereq: images to be supplied in any ICS approved format)	5		N/a
CAD-NCIC: NCIC/TLETS query and return processing (prereq: AS-NCIC)	5		Yes
CAD-PAG-A: Text paging, advanced (prereq: CAD-PAG-B and AS-PAG-A)	5		Yes
CAD-PAG-B: Text paging, basic (prereq: AS-PAG-B)	5		Yes
CAD-PHO-I: CAD aerial photography/pictometry, initial (prereq: customer supplied photos in one of ICS's approved formats, CAD-MAP-I)	1		Yes
CAD-PHO-S: CAD aerial photography/pictometry, subsequent (prereq: customer supplied photos in one of ICS's approved formats, CAD-MAP-I and CAD-PHO-I)	5		Yes
CAD-PIN: CAD call and unit pin mapping, plots call history (by call type and date/time range), (prereq: CAD-MAP-I)	5		Yes
CAD-QUI: Quick search for documents, images and sounds	5		
CAD-RAP-I: Racial profiling processing and reporting, initial	1		Yes
CAD-RAP-S: Racial profiling processing and reporting, subsequent (prereq: CAD-RAP-I)	5		Yes
CAD-REC-GPS: CAD mapping, recommends resources based on the distance between the call and unit's GPS coordinates (Great-Circle formula, not driving time), drag-drop dispatch (prereq: CAD-MAP-I, CAD-GPS-I, CAD-AS-GPS, MDC-GPS)	5		Yes
CAD-VEH-I: Vehicle towing, rotation and inventory, initial	1		
CAD-VEH-S: Vehicle towing, rotation and inventory	5		Yes
CAD-WSTAT: Status monitor, web-based, resources, calls, 5-users (prereq: MS IIS server)	4		Yes
INT-CAD-ESO-I: CAD to ESO interface, initial (prereq: at patient side data collection software license and IIS server)	1		
INT-CAD-ESO-S: CAD to ESO interface, subsequent, one required for each EMS unit (prereq: ESO at patient side data collection software license, IIS server and INT-CAD-ESO-I)	3		
INT-CAD-FHSE-I: CAD call data exported to the Firehouse interface, initial	1		Yes
INT-CAD-FHSE-S: CAD call data exported to the Firehouse interface (prereq: CAD-FHSE-I, one CAD-FHSE-S per firestation)	2		Yes
SYS-MAN-CON: System management console, GEO, code tables, security groups.	5		
INT-CAD-PMAM-B: CAD alarm one way data exported to the PMAM interface	1		

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Product Number and Description	Qty	Amount	24X7
INT-CAD-PMAM-A: CAD alarm two way data exported to the PMAM back to ICS interface	1		
IQ-DEV-5: Intelli-Query, includes report designer, configuration utility, 5-pack (prereq: IQ-DEV-I and IQ-DICT)	1		
IQ-DICT: Intelli-Query CAD and Law Records data dictionary	1		
IQ-RUN-10: Intelli-Query, includes report runtime, 10-pack (prereq: IQ-DICT)	1		
LAW-1: Law records includes: incident and offense reporting, property (stolen, recovered, evidentiary), vehicle (stolen, recovered, impound), incident name, call for service, master index, (IBR) Incident Based or UCR Summary reporting and arrest (prereq: MS Term Server for mobile clients)	15		
LAW-50: Law records includes: incident and offense reporting, property (stolen, recovered, evidentiary), vehicle (stolen, recovered, impound), incident name, call for service, master index, (IBR) Incident Based or UCR Summary reporting and arrest (prereq: MS Term Server for mobile clients)	1		
LAW-ANI: Animal Control	2		
LAW-CASE-I: Case Management, initial	1		
LAW-CASE-S: Case Management (prereq: LAW-CASE-I)	20		
LAW-CIT-I: Citation processing, initial	1		
LAW-CIT-S: Citation processing (PREREQ: LAW-CIT-I)	5		
LAW-CRIME-I: Crime Analysis System with Pin Mapping, Initial (Prereq: CAD-MAP-I)	1		
LAW-CRIME-S: Crime Analysis System with Pin Mapping (Prereq: LAW-CRIME-I)	10		
LAW-FIR-I: Field Intelligence Reporting, initial	1		
LAW-FIR-S: Field Intelligence Reporting (prereq: LAW-FIR-I)	40		
LAW-JAIL-I: Jail Bookin and Management, initial	1		
LAW-JAIL-S: Jail Bookin and Management (prereq: LAW-JAIL-I)	2		
LAW-MENT: Live Scan Capture License (prereq: Mentalix hardware and software)	1		
LAW-MUG-D: Mugshot Display (prereq: LAW-MUG-I)	65		
LAW-MUG-S: Law Records Mugshot capture station (prereq: camera hardware and LAW-MUG-I)	1		
LAW-MUG-I: Law Records Mugshot capture station, initial (prereq: camera hardware)	1		
LAW-PAWN: Pawned items recording and searching	20		
LAW-PROPA-I: Property Room, advanced, wireless, automated inventory/asset tracking with bar coding, initial (prereq: wireless handheld hardware)	1		
LAW-PROPA-S: Property Room, advanced, wireless, automated inventory/asset tracking with bar coding, initial (prereq: wireless handheld hardware and LAW-PROPA)	2		
LAW-PROP-B-I: Property Room Management, basic, initial	1		
LAW-PROP-B-S: Property Room Management, basic (prereq: LAW-PROP-B-I)	1		

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Product Number and Description	Qty	Amount	24X7
PER: Personnel tracks demographic information (pay, rank, diciplan,religen contacts, etc.), issued property, training and reporting	5		
MDC: Mobile Data Client - Integrated with CAD to display and edit the following information: call for service, call history, alerts, premise and structure, emergency response, alarms and messages. A few of the more than 40 functions: Put units and personnel in service, en-route/arrive/clear calls, transport, add remarks, self-initiated calls and activities (lunch, court, etc). One license required for each mobile device. (prereq: AS-MDC)	40		
MDC-MAG: Magnetic DL License Reader software (prereq: MDC-MAGU [3-track reader])	18		
MDC-MAP-A: Mobile advanced mapping, mark and zoom to call location plus, mark all pending calls (prereq: MDC-MAP-B, AS-GPS, vehicles equipped with ICS approved GPS devices)	40		
MDC-MAP-B: Mobile basic mapping, mark and zoom to location of the current call (prereq: customer supplied ESRI map in ICS approved format)	40		
MDC-NCIC: Mobile Data Client - NCIC/TLETS processsing (prereq: AS-NCIC)	30		
MDC-PAG: Mobile Data Client paging (prereq: AS-PAG)	40		
MDC-QUI: Quick search for documents, images and sounds	40		
MDC-RAP: Mobile Data Client - Racial Profiling	30		
MDC-TTS: Mobile Data Client - Text-to-Speech	40		
BRZ-ACC-I: Imports Brazos Accident reports, initial (prereq: MS IIS Server and customer purchased Brazos software and implementation services))	1		
BRZ-ACC-S: Imports Brazos Accident reports (prereq: BRZ-ACC-I, customer purchased Brazos software and implementation services)	15		
BRZ-CIT-I: Imports Brazos citation info and looks up person and vehicle info in ICS Law Records, initial (prereq: MS IIS Server and customer purchased Brazos software and implementation services)	1		
BRZ-CIT-S: Integration with Brazos citation module (prereq: BRZ-CIT-I and customer purchased Brazos software and implementation services)	26		
BRZ-NCI-I: Returns NCIC/TLETS info for vehicles and people to the Brazos citation module, initial (prereq: IIS server and customer purchased Brazos software and implementation services)	1		
BRZ-NCI-S: Returns NCIC/TLETS info for vehicles and people to the Brazos citation module (prereq: BRZ-NCI-I and customer purchased Brazos software and implementation services)	26		
BRZ-RAP-I: Imports Brazos racial profiling info, initial (prereq: IIS Server and customer purchased Brazos software and implementation services)	1		
BRZ-RAP-S: Imports Brazos racial profiling info (prereq: BRZ-RAP-I and customer purchased Brazos software and implementation services)	26		
BRZ-VEH-I: Imports Brazos Vehicle tow/inventory info, initial (prereq: MS IIS Server and customer purchased Brazos software and implementation services)	1		
BRZ-VEH-S: Imports Brazos Vehicle tow/inventory info (prereq: BRZ-VEH-I and customer purchased Brazos software and implementation services)	15		

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Product Number and Description	Qty	Amount	24X7
24x7: After hours critical support (24 x 7) for mission critical applications	1		Yes
Software Support Fees for 2015-2016	1	150,004.00	
INT-CAD-ESO-I: CAD to ESO interface, initial (prereq: at patient side data collection software license and IIS server)	1	978.00	
INT-CAD-ESO-S: CAD to ESO interface, subsequent, one required for each EMS unit (prereq: ESO at patient side data collection software license, IIS server and INT-CAD-ESO-I)	2	76.00	
INT-CAD-PQM-I: PRO-QA Medical to CAD Interface, initial (prereq: PRO-QA medical response license)	1	750.00	Yes
INT-CAD-PQM-S: PRO-QA Medical to CAD interface required for each CAD workstation (prereq: PRO-QA medical response license and INT-CAD-PQM-I)	5	625.00	Yes
SYS-SCORE-I: Scorecard, displays agency metrics (met goal, needs improvement, failed to meet), initial	1	675.00	
SYS-SCORE-S: Scorecard, displays agency metrics (met goal, needs improvement, failed to meet), includes four metrics monitors (prereq: SYS-SCORE-I)	1	142.00	
CAD-MAP-S: Advanced Mapping, unlimited layers (city, county, parcels, water, hydrants, patrol districts, etc.), 911 call plotting, subsequent (prereq: customer supplies ESRI maps [that pass ICS's verification process] and ESRI 97189 ArcGIS Windows Runtime License)	7	1,806.00	
24x7: After hours critical support (24 x 7) for mission critical applications	1	250.00	Yes
Invoice Total		155,306.00	

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City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/16

AGENDA ITEM: 7G

TITLE

Consider a resolution to ratify an amended purchase order for additional expenses incurred with Dallas County for Household Hazardous Waste for Fiscal Year 2016 (FY2016) while under emergency declaration.

STAFF REPRESENTATIVE

Marc Kurbansade, Director of Development Services

SUMMARY

The FY2016 City of Rowlett Interlocal Agreement with Dallas County for the disposal of Household Hazardous Waste was originally executed for \$36,032.00. Through the first quarter of the fiscal year disposal rates were running slightly above the projected normal rate. However, following the December 26, 2015 tornado, use of this service escalated considerably to almost 210% of the budgeted amount. This increased use is attributed to cleanup efforts and advertising as a result of the December 26, 2015 tornado.

This action will approve and ratify the additional expenses incurred from \$36,032.00 to an annual total of \$67,482.03.

BACKGROUND INFORMATION

The City of Rowlett is a member of the Dallas County Household Hazardous Waste Network and has maintained an Interlocal Agreement with Dallas County for the disposal of Household Hazardous Waste for over 20 years. A disposal site is operated by Dallas County and is funded by the member cities. Rowlett residents have access to the site for disposal of household hazardous waste such as pesticides, paint, oil, household chemicals and other materials not allowed in normal garbage pickups.

Each year, the City of Rowlett signs an interlocal agreement for this service. The interlocal agreement for FY2016 was originally executed for \$36,032.00. This budgeted amount is in line with prior budgets and historical usage rates.

Immediately following the tornado while under emergency declaration, we attribute some of the additional usage of the facility to tornado cleanup by homeowners. Then, on April 16, 2016, Keep Rowlett Beautiful (KRB) held an advertised disposal event, which resulted in an additional \$14,555 in usage fees. In the fourth quarter, we can only estimate the increased use (approximately 198% of budget) of the program due to the advertising of the facility through cleanup efforts in the area.

While the events that KRB hosted and the additional disposal activity related to the tornado were unplanned, we cannot ignore the benefit that our partnership with KRB had on our community as a whole. Because the KRB event targeted the impact area of the tornado, we were able to safely dispose of very large quantities of hazardous materials that the City might not have been able to do otherwise.

DISCUSSION

This action will ratify the additional expenses of \$31,450.03 incurred under the emergency declaration of the December 26, 2015 tornado. This will bring the FY2016 expenses for household hazardous waste services to a total of \$67,482.03.

The budget for this service is broken down into fixed overhead costs of \$5,578.04 per quarter plus a variable cost based on usage of \$3,429.96 per quarter. Below is a table showing the budgeted versus actual costs.

FY16 Quarter	Fixed Overhead Cost	Budgeted Variable Cost	Actual Variable Cost
Q1	\$5,578.04	\$3,429.96	\$5,247.96
Q2	\$5,578.04	\$3,429.96	\$6,476.40
Q3	\$5,578.04	\$3,429.96	\$21,211.25 ⁽¹⁾
Q4	\$5,578.04	\$3,429.96	\$12,234.26
Total	\$13,719.84	\$13,719.84	\$45,169.87

(1) Includes \$14,555 expense attributed to Keep Rowlett Beautiful event on April 16, 2016

FINANCIAL/BUDGET IMPLICATIONS

Costs for the service is funded from account number 6017060-6409, which has \$36,032.00 dedicated for this use for FY2016. Due to this being an agreement with Dallas County, no formal bid procedures were required for this particular action.

Budget Account Number and/or Project Code	Account or Project Title	Budget Amount	Proposed Amount
6017060-6409	Refuse Fund – Haz Mat Services	\$36,032.00	\$67,482.03

RECOMMENDED ACTION

Staff recommends approval of a resolution to ratify an amended purchase order for additional expenses incurred with Dallas County for Household Hazardous Waste for Fiscal Year 2016 (FY2016) while under emergency declaration.

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AN AMENDMENT TO THE HOUSEHOLD HAZARDOUS WASTE INTERLOCAL AGREEMENT BETWEEN DALLAS COUNTY AND THE CITY OF ROWLETT, AS AMENDED, AND RATIFYING A COST INCREASE FOR AN AGGREGATE ANNUAL AMOUNT OF \$67,482.03; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AMENDMENTS, PURCHASE

ORDERS OR DOCUMENTS AS MAY BE NECESSARY TO EFFECT THE AMENDMENT AND NEW AGGREGATE COST; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City and Dallas County have entered into a Household Hazardous Waste Interlocal Agreement providing for the disposition and disposal of household hazardous waste, which was amended on June 15, 2016, to provide for a maximum cost to the City in an amount not to exceed \$36,032.00; and

WHEREAS, the December 26, 2016 tornado event caused a substantial increase in the need for and use of Dallas County's hazardous waste disposal services and sites; and

WHEREAS, in emergency response to the demands of the tornado recovery and clean-up efforts, staff authorized additional use of Dallas County's services under the Agreement, which resulted in a total cost that exceeds staff's delegated spending limit, thereby necessitating Council approval and ratification.

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, Texas, hereby approves and ratifies an amendment to the Household Hazardous Waste Interlocal Agreement between Dallas County and the City of Rowlett, to Amendment No. 3 to said Interlocal Agreement, to Resolution No. RES-127-15 adopted on October 25, 2015, and to Section B, subpart 1, of Article II of the Agreement, such that the approved amount for disposal, setup, operational, capital and transportation costs for household hazardous waste for Rowlett citizens for the stated period shall be and is hereby the sum of \$67,482.03.

Section 2: That the Council further authorizes the City Manager to execute any amendments, subject to city attorney approval, and any purchase orders or other documents as may be necessary to effect this Resolution.

Section 3: That this Resolution shall take effect immediately from and after its passage



City of Rowlett Staff Report

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

AGENDA DATE: 10/18/2016

AGENDA ITEM: 7H

TITLE

Consider action to approve an ordinance to adopt the current Texas Food Establishment Rules 25 TAC Chapter 228 and to replace existing language in Rowlett Code of Ordinances 10-141 to reflect the most recent Food Code and any future amendments.

STAFF REPRESENTATIVE

Chuck Dumas, Environmental Service Manager

SUMMARY

The City of Rowlett has adopted the State Food Code for the health code of the City, but since the initial adoption in 1998, the Texas Department of State Health Services (DSHS) has updated the food code and the City of Rowlett needs to update its codes to reflect the most current food code of the State of Texas.

BACKGROUND INFORMATION

The City of Rowlett has historically used the Texas Food Establishment Rules (TFER) as the Food Code for food establishments within Rowlett. As of October 2015, the State of Texas adopted and implemented the 2015 Texas Food Establishment Rules. The City of Rowlett is currently operating on the 1998 Texas Food Code and must be brought up to current standards.

DISCUSSION

Periodically, program rules, regulations, and policies need to change or be updated due to any of a number of reasons. The State of Texas revised the TFER to meet the current Food and Drug Administration (FDA) Food Code. The new TFER went into effect in 2015. Since the adoption of the TFER, municipalities across the state have updated their food codes to reflect changes/updates into their city codes or have adopted the updated TFER for food establishment regulations. The City of Rowlett must adopt the updated code for consistency with the State and other cities for the benefit of our food establishments locally and those that have multiple locations.

While some rules and regulations may have changed, the majority of the code has remained the same. The inspections will continue as they have been. There is a new state inspection form and the City of Rowlett has already begun using the standardized inspection form.

Environmental Services has been communicating with food establishments over the past year to ensure knowledge of the new TFER and any changes in regulations. Environmental Services has also created a new Restaurant Resources Page on the division web page which can be found here at <http://www.rowlett.com/index.aspx?NID=1453>. This page is designed for food establishments to be able to visit and find information relevant to all things food (food permit

applications, grease trap information, construction standards, and the new TFER). Additional information is compiled in a semi-annual newsletter, The Healthy Spoon, and posted on the Restaurant Resources page. The Healthy Spoon is published to increase communication with Food Establishments. In addition, an email distribution list is being finalized in order to further enhance communication with food establishments when necessary.

Search

SHARE EMAIL PRINT

Home > Departments > Development Services > Environmental Health > Restaurant Resources

Restaurant Resources

Food News and Resources

This page is dedicated to everything Restaurant and Food Service. It is the goal of Environmental Services to help the local food establishments educate themselves and all of their staff with increased knowledge and practices for food handling and food safety by increasing information and communication.

Environmental Services will publish a quarterly newsletter, *THE HEALTHY SPOON*, and post in on this website. The newsletter is intended to be a means to educate food staff on how inspections are conducted in Rowlett, how certain food codes are interpreted, and to address certain violations that seem to be on the rise. In addition, there may be articles relevant to foodborne illness pathogens. If there is a topic you would like to see addressed in the news letter, please feel free to [email](#) Environmental Services Manager Chuck Dumas.

The Resource Center contains links to The Texas Food Establishment Regulations (TFER) and many other food safety and food inspection documents. Environmental Services will also post the Food Establishment Construction Guidelines and any other relevant documents here.

Again, the goal is to increase the communication with our local food vendors in hopes of helping all to be a successful member of our Rowlett!

The Healthy Spoon...
Starting June 2016, Environmental Services will post a quarterly newsletter in hopes of increasing knowledge and awareness in food safety and the Rowlett Food Inspection process. Please click the links below to view each issue.

[The Healthy Spoon June 24, 2016](#)

Resource Center
Below are a list of links relevant to food inspections and food safety. check back often for updates, clarifications, additional resources, or other useful miscellaneous materials.

State:
[Current Adopted Food Code 2015](#)
[Food inspection form](#) (Rowlett has modified our form for iPad but contains the same material)
[Food Inspection Quick Reference Guide](#)

Rowlett:
[Food Construction Standards](#)
[Grease Trap Requirements](#)



City of Rowlett Environmental Services

The Healthy Spoon...



Vol. 1 June 23, 2016

The Manager's Special...

Happy Summer 2016! My name is Chuck Dumas and I am the Environmental Services Manager for the City of Rowlett. Through the same says Environmental Services this division serves as the health regulatory source for the city and is often referred to as the Health Department. Environmental Services is responsible for all food service inspections, complaint response, foodborne illness response, plan reviews and pre-opening inspections. Additional responsibilities are mobile food vendors, temporary food inspections, public pool inspections, mosquitoes, noise/air investigations, sewer/septic concerns, rodents, and any other environmental concern is reviewed as needed.

Food service is an integral part of communities and Rowlett is no exception. We are pleased to start this quarterly newsletter to aid in your understanding of how food inspections and policies/interpretations are done in Rowlett. I urge each of you to make a every effort to read The Healthy Spoon and share with your employees. Lastly, Texas has updated the State Food Code and thus the inspection forms and inspection criteria have changed some. Rowlett has converted to the updated Code, inspection forms, as well as to electronic inspections. We will work together through the changes. REMEMBER, Practicing food safety is the key to food safety!

Food Facts

- Cheese is the oldest of all man-made foods.
- A row of corn kernels on the cob always has an even number.
- The first soup was made of hippopotamus and dates back to 6000 B. C.

"You have to taste a culture to understand it." - Deborah Ceter

Helpful Links

- [fda.gov](#)
- [cdc.gov/foodnet](#)
- [www.txdhs.state.tx](#)
- FDA consumer complaints: 214-255-5233
- [epa.gov](#)



Gloves vs. Bare hand contact for ready to eat foods— NEW STATE RULES

Gloves provide a barrier between hands and food if they are used properly. In addition to improved food safety, glove use also creates increased positive customer service perceptions about the restaurant's cleanliness. However, simply wearing gloves is not the total answer. Improper glove use can be just as big a problem as poor hygiene. Gloves and other barriers do not replace hand washing. For gloves to provide an effective barrier between food and the food handler, hands should be properly washed before putting on gloves or changing to a new pair.

Gloves should be changed at the following times:

- As soon as they become soiled or torn. Before beginning food preparation or a different task. After handling raw meat, fish or poultry and before handling ready-to-eat foods. When handling money. After touching equipment such as refrigerator doors or utensils that have not been cleaned and sanitized. When interruptions in food preparation occur such as answering the phone or checking in a delivery. After contacting chemicals. At least every 4 hours.
- Gloves should not be worn: In the restroom. While using a tissue. When eating or drinking. When handling money. While performing cleaning tasks. When taking out the garbage.

Make sure gloves fit properly. Gloves that are too big will not stay on hands and gloves that are too small will rip and tear easily. To remove gloves, grasp at the cuff and peel the off inside out over your fingers. Avoid touching any other part of the glove. Gloves should be task specific - that is, used for one food handling task then discarded.

NEW STATE RULES: Section 228.65(a)(7) *Bare hand contact for ready to eat foods* has been updated in the newly adopted Texas Food Establishment Rules. In order for any establishment to utilize bare hand contact with ready to eat foods, they must submit a request in writing to the Health authority for approval by the agency. The agency has the ability to approve or disapprove the use. If approved, written document giving approval must remain on site at all times. If your establishment utilizes bare hand contact for ready to eat foods, please contact me at the email at the bottom of this page to discuss.

Questions or comments? Contact us at cdumas@rowlett.com or 972-412-6284. Visit the Environmental Services page at www.rowlett.com.

FINANCIAL/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

Move to approve an ordinance adopting the current Texas Food Establishment Rules and any future amendments of the Rules and to replace language in Sec. 10-141 to reflect the changes.

ORDINANCE

AN ORDINANCE OF THE CITY OF ROWLETT, TEXAS, AMENDING THE ROWLETT CODE OF ORDINANCES BY AMENDING CHAPTER 10 (“BUSINESSES”) TO AMEND SECTION 10-141 OF ARTICLE V (“FOOD SERVICE ESTABLISHMENTS”) TO PROVIDE FOR THE ADOPTION OF CURRENT REGULATIONS AND FUTURE AMENDMENTS TO THE TEXAS RETAIL FOOD RULES OF THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 10 of the Code of Ordinances provides for the regulation of food establishments by adopting by reference the rules and regulations of the Texas Department of State Health Services through the adoption of the 1998 edition of the Texas Food Establishment Rules; and

WHEREAS, the Texas Food Establishment Rules have been amended and updated, and the Council finds and determines that it is in the best interest of the public health and safety to adopt current rules and regulations governing food service establishments and to provide for the automatic adoption of future amendments.

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

SECTION 1. That Chapter 10, “Businesses,” of the Code of Ordinances, City of Rowlett, Texas, be and the same is hereby amended by amending Section 10-141 of Article V, “Food Service Establishments,” by repealing and replacing Section 10-141, such that Section 10-141 shall read in its entirety as follows:

**“CHAPTER 10
BUSINESSES**

. . .

ARTICLE V. FOOD SERVICE ESTABLISHMENTS

Sec. 10-141. Adoption of state rules for food service establishments.

There is hereby adopted the Texas Department of State Health Services’ “Retail Food” rules and regulations, Title 25, Chapter 228, of the Texas Administrative Code, as presently enacted, and as may be amended from time to time. A copy of such rules shall be maintained in the office of the city secretary.”

SECTION 2. That all ordinances of the City of Rowlett in conflict with the provisions of this ordinance be and the same are hereby repealed and all other ordinances of the City of Rowlett not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. That an offense committed before the effective date of this ordinance is governed by the prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

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 hereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Code of Ordinances as a whole.

SECTION 5. That any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in Code of Ordinances of the City of Rowlett, as heretofore amended, and upon conviction shall be punished by fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense.

SECTION 6. That this Ordinance shall take effect immediately from and after its passage and the publication of the caption as the law in such cases provides.



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/16

AGENDA ITEM: 8A

TITLE

Consider action to approve an ordinance allowing food service establishments to allow dogs on outdoor patios.

STAFF REPRESENTATIVE

Chuck Dumas, Environmental Services Manager

SUMMARY

Council originally heard this in Work Session on September 6, 2016, and again as follow-up on October 11, 2016. Council directed staff to bring it forward for individual consideration.

With the growth and development within the City, especially in areas designed to be pedestrian friendly, the topic of dogs on patios has been discussed. The purpose of this item is to discuss options to allow dogs on patios at food establishments by adding a local ordinance to the Code of Ordinances.

BACKGROUND INFORMATION

Though there is little background on this topic in the City of Rowlett, it is widely known that many dog owners enjoy the outdoors with their pets. One of the drawbacks/limitations to walking dogs in urban environments is the lack of dog friendly dining or refreshment facilities. The desire of this program is to enhance the citizen-pet experience by making the foot traffic area friendlier and more accommodating by allowing dogs on patios of food establishments.

DISCUSSION

City Council had a second Work Session on this topic on October 11th. Staff updated Council on additional research requested and consensus was to bring the item forward to consider action in Individual Consideration.

Staff recommends to start the program immediately after passage and proper publication/postings. This allows staff to monitor and evaluate the implementation of the program for the approximate two remaining months of temperate weather conducive to outdoor pedestrian activity and outdoor dining.

During the September 6, 2016, City Council Work Session, Councilmembers requested that additional research be conducted on the topic. The specific questions were:

How do other cities monitor rabies licensure of all dogs?

What problems or changes have other cities had to make since the implementation of the program?

Staff contacted three surrounding cities (Plano, Frisco, and Lewisville) and asked these questions. None of the cities have had any changes relevant to the program. None of the cities monitor for current rabies tags though it is included. If there is an animal issue, Animal Services is contacted and it is handled through their protocols. In addition, food establishment staff have the right to check any dog that is on site for current vaccinations.

It is in the opinion of Staff, that the information gathered is sufficient and provides support of the allowance of dogs on exterior patios.

This was the original discussion for review. The City of Rowlett is growing and promotes its slogan On the Water, On the Move to illustrate the community's vision for this growth. With new development comes many opportunities to enhance the experience for citizens and visitors alike. The purpose of this discussion is to enhance the outdoor experiences for citizens and their pets and specifically dogs.

Currently, per Texas state law, no live animals are allowed anywhere on the premises of food establishments, except in specific situations. As seen in the following text, only certain live fish and crustaceans, police and sentry dogs, and service animals or service animals in training are allowed on food facility premises.

According to the Texas Food Establishment Rules Section 228.186(o)(1)-(2), pets/live animals are not allowed on the premises of food establishments, except for specific circumstances:

TFER §228.186 (o) (1)-(2)(A)-(C)

(a) Prohibiting animals.

- (1) Except as specified in paragraphs (2) and (3) of this subsection, live animals may not be allowed on the premises of a food establishment.***
- (2) Live animals may be allowed in the following situations if the contamination of food, clean equipment, utensils, linens, and unwrapped single-service and single-use articles cannot result:***
 - (A) edible fish or decorative fish in aquariums, shellfish or crustacean on ice or under refrigeration, and shellfish and crustacean in display tank systems;***
 - (B) patrol dogs accompanying police or security officers in offices and dining, sales, and storage areas, and sentry dogs running loose in outside fenced areas;***
 - (C) in areas that are not used for food preparation and that are usually open for customers, such as dining and sales areas, service animals that are controlled by the disabled employee***

or person, or service animals in training when accompanied by an approved trainer if a health or safety hazard will not result from the presence or activities of the service animal;

The City of Rowlett has adopted the Texas Food Establishment Rules as the food ordinance of the City. As a result, without any local ordinance/variance, the only means of being able to enjoy a refreshment, snack, or meal while on a walk with a dog is to bring your own or have a service animal.

As municipalities began planning and developing more citizen centered, foot traffic oriented areas with activities for people of all ages as well as their dogs, there is a need for animal friendly dining. The Texas Department of State Health Services (TDSHS) does allow local municipalities to adopt ordinances/variances to address the issue of allowing dogs on outdoor patios. Many cities across the State of Texas have since adopted local ordinances allowing dogs on patios.

It is the intention of this ordinance for all food establishments that are equipped with an exterior patio to be able to allow dogs on patios. Establishments will be able to choose if they want to be a Pet Friendly Patio or not. Food establishment owners, management, and staff will be required to adhere to a strict set of regulations concerning dogs.

In preparing for this item to be brought into Rowlett, staff has looked at many cities around the metroplex and around the state and also spoken with state regulators from TDSHS and other municipalities concerning what is allowed, what is not allowed and how the process to administer the program works. Most cities have adopted very straightforward ordinances that strive to be equally friendly to both businesses and citizens/dogs. Cities surrounding Rowlett have not yet addressed the topic of dogs on patios but some have been asked to look into it. Some of the Dallas metroplex cities that have adopted such variances/ordinances are Frisco, Lewisville, Flower Mound, Plano, and Dallas.

The adopted ordinances all adhere to the strong health guidelines that Rowlett Health Staff desire. All of the researched ordinances address where animals can be, require that a current rabies vaccination be attached on a harness or collar at all times, specify where animals may enter and exit, outline clean up procedures for accidents, and where animal cleaning equipment can be stored, as well as what food staff service activities can be conducted in animal friendly areas.

It is important to understand that food service activities (ice refills, table-side food preparation, drink mixing or refills, etc.) and staff interaction with on-site dogs must not occur. It is imperative that every means possible is taken to protect the food service and dining area from contamination.

According to the Texas Food Establishment Rules Section 228.44, food staff may not handle or care for animals while on duty:

TFER §228.44. Animals, Handling Prohibitions.

(a) Except as specified in subsection (b) of this section, food employees may not care for or handle animals that may be present such as patrol dogs, service animals, or dogs that are allowed as specified in §228.186(o)(2)(B)-(E) of this title.

It is also understood that with live animals being allowed in food establishments that certain bodily functions cannot be controlled. It is also understood that due to the unpredictability of bodily function accidents, scratching, shaking, noise, etc., there may be customers that are inclined to not visit the patio areas. The establishments who choose to participate in being a pet friendly establishment will agree to abide by a set of clean-up protocols in order to minimize the possibility of contamination as well as offensiveness to other customers. Environmental Services staff will respond to complaints as received as well as include pet friendly inspections during annual routine inspections.

Program adherence will be imperative. The program will work in conjunction with an enforcement process, the same as routine food establishments. If violations are observed by staff as a result of a complaint or food inspection, a written notice will be issued on the first offense, a second offense within one year of the first observed violation will result in a written notice and a citation. A third violation within one calendar year of the date of the first confirmed violation may result in a court citation and suspension of pet privileges for a period not to exceed 30 days. Subsequent violations that are confirmed within one calendar year will result in suspension of pet privileges for a period not less than six months up to permanent suspension. Food establishments facing suspension will have the right to an appeals hearing if submitted in writing within 10 days.

Environmental Services staff does not plan to charge fees or print permits for this program. A simple application will be required to notify Staff of the intent of an establishment to be dog friendly. All establishments participating in the program must place a dog friendly sticker or decal that is clearly visible to the public.

If directed to proceed, staff will bring this item back to Council for adoption on October 18, 2016. The desired start date will be **immediately after adoption** by Council and necessary postings/publications. Staff plans to utilize social media, RTN16, personal contact, and posting on the City and Environmental Services Restaurant Resources Pages to inform the public of the new program. Environmental Services is currently working on an email communication process for all food establishments.

With the growth of Rowlett and the addition of many foot traffic oriented venues throughout the City, it is the belief of Staff that enabling our restaurants to allow citizens to bring their dogs onto exterior patios will be beneficial to local businesses and patrons alike.

FINANCIAL/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

Move to approve an ordinance allowing dogs on exterior patios.

ORDINANCE

AN ORDINANCE OF THE CITY OF ROWLETT, TEXAS, AMENDING CHAPTER 10 (“BUSINESSES”) OF THE CODE OF ORDINANCES, CITY OF ROWLETT, TEXAS, TO AMEND ARTICLE V (“FOOD SERVICE ESTABLISHMENTS”) TO ADD A NEW SECTION 10-148, ALLOWING DOGS WITHIN OUTDOOR PATIO AREAS OF LOCAL FOOD ESTABLISHMENTS; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF FIVE HUNDRED DOLLARS (\$500.00); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Rowlett finds and determines that pedestrian-friendly development within many districts in the City is encouraged by zoning concept plans and regulations; and

WHEREAS, food service and health regulations prohibit dogs in all areas of restaurants and food service establishments, including outdoor patio environments, except under certain limited circumstances; and

WHEREAS, consistent with pedestrian-friendly, walkable urban-type communities, the choice to allow pet dogs in outdoor environments should be at the option of the food service establishment, limited by certain minimum health requirements.

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

SECTION 1. That Chapter 10, “Businesses,” of the Code of Ordinances, City of Rowlett, Texas, be and is hereby amended by amending Article V, “Food Service Establishments,” to add section 10-148, to read in its entirety as follows:

“CHAPTER 10 BUSINESSES

...

ARTICLE V. FOOD SERVICE ESTABLISHMENTS

...

Sec. 10-148. Dogs within outdoor patio areas.

- (a) Dogs may be allowed to be present, at the option of the local food establishment, in outdoor dining or patio areas of the establishment under the following conditions:
 - (1) A separate entrance must be provided from the outside of the premises of the establishment to the outdoor patio area so that dogs will have direct access to the outdoor area without passing through any interior portion of the establishment;

- (2) A sign must be conspicuously posted at the front entrance of the establishment, readily visible to the public, which in substance states: "DOG FRIENDLY PATIO - DOG ACCESS ONLY THROUGH OUTDOOR PATIO ENTRANCE";
 - (3) All means of ingress and egress and doors to the outdoor area from the interior of the establishment must be protected with self-closing hardware;
 - (4) No food preparation, including but not limited to mixing drinks, serving ice, and tableside preparations, may be conducted in outdoor areas, regardless of whether a dog is present;
 - (5) Outdoor areas must be adequately cleaned to sanitize the area. All animal waste must be disposed of outside of the establishment in appropriate waste receptacles;
 - (6) In the event that a dog urinates, defecates or discharges any bodily fluids in an outdoor area, food establishment personnel must respond to clean and sanitize the area immediately, within not less than 5 minutes of the event. The area must be cleaned and sanitized properly with all waste deposited in proper exterior waste disposal receptacles.
 - (7) All equipment used to clean the outdoor patio areas of the establishment must be kept and stored on the exterior of the establishment;
 - (8) While on duty, no food handler of the establishment, including but not limited to wait staff, bar tenders and cooks, may have any physical contact with dogs present;
 - (9) All dogs must be kept maintained on a leash with a collar or harness of sufficient strength to restrain the dog at all times;
 - (10) All dogs must have a current rabies tag affixed on the dog's collar at all times; and,
 - (11) No dog may occupy a seat, stool, bench, table, countertop, or other similar surface.
- (b) An owner, officer, manager, or other person with supervisory authority of a food establishment commits an offense if he causes or allows a violation of this section. A violation of this section shall be punishable by fine not to exceed \$500.00. A violation of this section may be punished by administrative action including, but not limited to, the revocation or suspension of permits and certificates of occupancy. The remedies provided herein are in addition to any other remedies provided by law, all such remedies being cumulative and nonexclusive.
- (c) It is the intent of the city council of the city in adopting this section that an offense be a strict liability offense. In the prosecution of an offense under this section, no pleading or proof of intent shall be required to establish the guilt of the accused.

10-149 -- 10-180. – Reserved.”

SECTION 2. That all provisions of the ordinances of the City of Rowlett, Texas, 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 not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. 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 hereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Code of Ordinances as a whole.

SECTION 4. Any person, firm or corporation violating any of the provisions of this ordinance or the provisions of the Code of Ordinances of the City of Rowlett, Texas, as amended hereby, shall be deemed guilty of a misdemeanor and upon conviction, shall be subject to a fine not to exceed the sum of Five Hundred dollars (\$500.00) for each offense.

SECTION 5. This ordinance shall take effect immediately from and after its passage and the publication of its caption, as the law and charter in such cases provides.



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/2016

AGENDA ITEM: 8B

TITLE

Conduct a public hearing and take action on a rezoning request to a Planned Development with an underlying Limited Commercial/Retail (C-1) based zoning district to allow a self-storage facility for property located at 1800 & 1900 Castle Drive further described as being all of Lots 4 and 5, Block A of Bubbus Addition No. 1, City of Rowlett, Dallas County, Texas. (Case number 144-2016).

STAFF REPRESENTATIVE

Patricia Gottilly-Roberts, Senior Planner

SUMMARY

The applicant is requesting to rezone 4.979 +/- acres along 1800 and 1900 Castle Drive (Attachment 1 – Location Map) to a Planned Development (PD) with an underlying zoning of Limited Commercial/Retail (C-1) to allow a self-storage facility. Per the Rowlett Development Code (RDC), a self-storage facility is not permitted by right or with a Special Use Permit (SUP) in the C-1 Zoning District. The RDC allows self-storage facilities in the Light Manufacturing (M-1) and the General Manufacturing (M-2) districts with a SUP. The applicant has requested a PD to allow the proposed use, to reduce the number of required parking spaces to 15, and to increase the allowable building height to 45 feet (Exhibit C – Statement of Intent and Purpose).

The Planning and Zoning Commission unanimously recommended approval of this item at their September 27, 2016 regular meeting. The item was discussed under item C2, which can be viewed at the following link: <http://rowlettx.swagit.com/play/09272016-1380#2>

BACKGROUND INFORMATION

The applicant is proposing to develop the subject property with a self-storage facility consisting of two buildings totaling 226,800 square feet (Exhibit D – Concept Plan). The proposed storage units will be contained within two 45-ft tall buildings (Attachment 2 – Concept Elevations) and will not include outdoor storage stalls for RVs, trailers, boats or other recreational use type vehicles. The storage units will be accessed through an internal drive-through that allows vehicular access into the indoor loading area and elevator lobbies for loading or unloading.

The subject property is located along Castle Drive approximately 550 feet northeast of the intersection of Rowlett Road and Castle Drive. The municipal boundary between City of Rowlett and City of Garland runs along the east side of the Castle Drive right-of-way line. The subject property is bounded to the northeast and southeast by City-owned property that has a water storage facility, which is currently zoned C-1. To the southwest is undeveloped property zoned C-1. To the northwest across Castle Drive are undeveloped properties and a concrete recycling

facility, all located within the City of Garland. The subject property and the surrounding properties on the east side of Castle Drive have been zoned C-1 since 1997.

Section 77-205 of the RDC states the intent of a PD district is to allow for integrations of various land uses, to accommodate alternative development standards, or to tailor development regulations specifically for the development. In this case, the applicant request for a PD is to modify the building height and parking standards for their proposed development. If approved, the proposed development will follow the standard requirements in the RDC except for those requirements specified in the Development Standards and the Concept Plan.

DISCUSSION

The following is the applicant's proposed development standards (Exhibit E – Development Standards). Staff comments are provided in bold italics for each consideration.

Building Height:

The maximum building height in the C-1 Zoning District is 35 feet or 2 stories. The applicant is proposing a maximum building height of 45 feet.

Staff Comment:

Allowing increased building height would allow the proposed development to internalize storage units. Given the immediate surrounding uses, Staff does not anticipate the increased height to negatively affect the surrounding properties. The closest residential property is more than 300 feet to the southeast of the subject property and staff does not anticipate that the increased building height would negatively affect nearby residences.

Parking:

The RDC requires 1 space per 1,500 square feet of storage. For the proposed development, this will result in 150 parking spaces. The applicant is proposing 15 parking spaces.

Staff Comment:

A self-storage facility generates a very small level of traffic at any one time. In Staff's opinion, reducing the parking to 15 spaces for the proposed development is adequate. As a comparison with other storage facilities, Platinum Storage has 56 parking spaces for a 104,190 square-foot facility, Advantage Storage has 13 parking spaces for 51,870 square-foot facility and Extra Storage has 51 spaces for a 72,600 square-foot facility. This proposed self-storage facility differs from these existing facilities in that the loading and unloading are done through an interior drive where there is access to elevator service.

Section 77-805 of the *Rowlett Development Code (RDC)* states that City Council shall consider the following when making their decisions as it pertains to rezoning requests. These criteria are listed below:

1. Whether the proposed rezoning corrects an error or meets the challenge of some changing condition, trend, or fact;

The current zoning of C-1 allows retail, personal services, and office uses by right. Even though the subject property has been zoned C-1 since 1997, no development activity has occurred on this property. While the site has frontage on Castle Road, the site has limited visibility from Rowlett Road, which does not lend itself to a retail use. The rezoning of the property will allow the development of the site that has long been vacant.

2. Whether the proposed rezoning is consistent with the comprehensive plan and the purposes of this code stated in subchapter 77-103, Purpose of this Code;

The subject property is not located within one of the opportunity areas identified in the Realize Rowlett 2020 Comprehensive Plan. The Plan states that areas outside of the opportunity areas, the existing zoning and the Guiding Principles should be considered in decisions about rezoning and site design. Of the 13 guiding principles, Guiding Principle #1, "Value Existing Neighborhoods" is most relevant for this case. The self-storage is a low intensity use that will not have negative impact on the existing single family subdivision to the south.

3. Whether the proposed rezoning will protect or enhance the health, safety, morals, or general welfare of the public;

Staff does not anticipate the proposed rezoning will negatively impact the health, safety, morals, or general welfare of the public. If approved, the proposed development will be required to comply with all applicable development standards in the proposed PD as well as those standards in the RDC including drainage, traffic, and utility requirements.

4. Whether the municipality and other service providers will be able to provide sufficient transportation and utility facilities and services to the subject property, while maintaining sufficient levels of service to existing development;

The proposed rezoning has been reviewed from the standpoint of providing sufficient transportation access and utilities (e.g., water, sanitary sewer, stormwater drainage). Both water and sanitary sewer service are provided by the City and will be extended to the site by the developer. Prior to the approval of any construction, Staff will ensure adequate capacity for utilities is provided as required by City ordinances. The driveway for the proposed development will be located in the City of Garland's right-of-way and the applicant has obtained preliminary approval from the City of Garland's Engineering Department (Attachment 3 – Concept Plan City of Garland Review).

5. Whether the proposed rezoning is likely to have significant adverse impacts on the natural environment, including air, water, noise, stormwater management, wildlife, and vegetation;

It is unlikely that the proposed rezoning will have significant adverse impacts on the natural environment.

6. Whether the proposed rezoning will have significant adverse impacts on other property in the vicinity of the subject tract;

Staff does not anticipate that the proposed rezoning will have significant adverse impacts on other properties in the vicinity. The proposed self-storage facility development is compatible with the surrounding developments.

7. The suitability of the subject property for the existing zoning classification and proposed zoning classification;

The existing zoning and the proposed zoning are suited for the subject property. The proposed PD will include the uses that are currently permitted in the C-1 zoning district with the addition of self-storage units. Generally, self-storage is considered a manufacturing or industrial use and is only permitted in the Manufacturing (M-1 and M-2) zoning districts with a special use permit. However, the design of the proposed self-storage facility will give the appearance of an office building more than a manufacturing or industrial use.

8. Whether there is determined to be an excessive proliferation of the use or similar uses;

There are currently six self-storage facilities located within the City. City staff was able to speak to a representative from three of the six facilities. In summary, the average occupancy rate is approximately 90 percent. Another facility is under construction on expansion of outdoor storage units. The closest storage facility to the subject property is 1.5 miles to the south located on Lakeview Parkway. There are no self-storage facilities located on the north side of the City.

9. Whether the proposed rezoning will ensure that future uses on the subject tract will be compatible in scale with uses on other properties in the vicinity of the subject tract; and;

While the proposed structures will be significantly taller and larger than the surrounding development, the intensity of the use will be low. Self-storage facilities produce very little traffic and do not involve business activities that would be any more intense than a retail or office use permitted in C-1 zoning.

10. The supply of land in the economically relevant area that is in the use district to be applied by the rezoning or in similar use districts, in relation to the demand for that land.

The proposed PD to allow a self-storage facility is not expected to negatively affect demand or supply of land in C-1 zoning.

In conclusion, staff does not expect the proposed PD to have an adverse impact on the adjacent properties. A self-storage facility located between a concrete recycling facility and an above-ground water storage tank is an appropriate use. It is staff's opinion that the proposal satisfies the relevant Guiding Principles from the *Realize Rowlett 2020* Comprehensive Plan and meets the criteria listed in the RDC for a rezoning.

Public Notices

Notice of this public hearing was mailed, posted, and published in accordance with State Law and the Rowlett Development Code. On September 15, 2016, a total of 6 notices were mailed to property owners within 200 feet and a total of 23 courtesy notices were mailed to property owners within 500 feet. As of October 12, 2016, 2 were received in favor of the request and 1 notice was returned in opposition. The responses are available in Attachment 4 – Returned Public Notices.

Staff published the legal notice in the *Dallas Morning News* on September 15, 2016, and placed a zoning sign on the subject property on September 16, 2016, in accordance with the Rowlett Development Code.

FISCAL IMPACT/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

Move to approve an ordinance to allow a Planned Development with an underlying Limited Commercial/Retail (C-1) based zoning district to allow a self-storage facility.

ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, AMENDING THE COMPREHENSIVE PLAN, COMPREHENSIVE ZONING ORDINANCE, AND ZONING MAP, GRANTING PLANNED DEVELOPMENT ZONING AS AN OVERLAY FOR BASE ZONING OF C-1 LIMITED COMMERCIAL/RETAIL ZONING FOR A 4.979 +/- ACRE TRACT OF REAL PROPERTY LOCATED AT 1800 AND 1900 CASTLE DRIVE AND DESCRIBED AS BEING ALL OF LOTS 4 AND 5, BLOCK A, OF BUBBUS ADDITION NO. 1, CITY OF ROWLETT, DALLAS COUNTY, TEXAS; AUTHORIZING THE CONSTRUCTION, DEVELOPMENT AND OPERATION OF A SELF-STORAGE FACILITY WITH MODIFIED BUILDING HEIGHT AND ON-SITE PARKING STANDARDS; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Rowlett and the governing body of the City of Rowlett, in compliance with state laws with reference to amending the Comprehensive Zoning Ordinance, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally, the governing body of the City of Rowlett is of the opinion that said zoning ordinance should be amended as provided herein.

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

Section 1: That the Comprehensive Plan, Comprehensive Zoning Ordinance, and Zoning Map of the City of Rowlett, Texas are hereby amended by approving and granting a Planned Development zoning overlay with base zoning of C-1, Limited Commercial Retail District, for a 4.979 +/- acre tract of real property located at 1800 and 1900 Castle Drive and described as being all of Lots 4 and 5, Block A, Bubbus Addition No. 1, City of Rowlett, Dallas County, Texas, and being more particularly described in Exhibit "A," attached hereto and incorporated herein (hereinafter referred to as the "Property").

Section 2: That the Property shall be developed and may be used for any use allowable under the C-1 Limited Commercial/Retail district zoning category. In addition, the Property may be developed and used for a self-storage facility, and may include two (2) buildings totaling approximately 226,800 square feet, not to exceed 45 feet in height, with no outdoor storage parking stalls for boats, trailers or recreational vehicles. The number of on-site parking spaces shall be not less than 15. In addition, the use and development of the Property shall be in accordance with and controlled by the standards, requirements and regulations set forth in following exhibits, each of which are attached to this ordinance and, by this reference, incorporated herein:

- Exhibit B – Zoning Boundary
- Exhibit C – Statement of Intent and Purpose
- Exhibit D – Development Standards
- Exhibit E – Concept Plan

Section 3: That all development and use regulations and requirements imposed on property in the C-1 Limited Commercial/Retail zoning district shall apply to the development and use of the Property unless in conflict with any provision of this ordinance, in which case the provisions of this ordinance shall prevail.

Section 4: That all provisions of the ordinances of the City of Rowlett, and the Comprehensive Plan and Zoning 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 5: That an offense committed before the effective date of this ordinance is governed by the prior law and the provisions of the Comprehensive Zoning Ordinance, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

Section 6: 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 hereof, other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance or Code of Ordinances as a whole.

Section 7: That any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Comprehensive Zoning Ordinance of the City of Rowlett, as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

Section 8: That this ordinance shall take effect immediately from and after its passage and the publication of its caption as the law and charter in such cases provide.

ATTACHMENTS

Exhibit A – Legal Description

Exhibit B – Zoning Boundary

Exhibit C – Statement of Intent and Purpose

Exhibit D – Development Standards

Exhibit E – Concept Plan

Attachment 1 – Location Map

Attachment 2 – Concept Elevations

Attachment 3 – Concept Plan City of Garland Review

Attachment 4 – Public Responses

Attachment 5 – Development Schedule

EXHIBIT A

PROPERTY DESCRIPTION

BEING all of Lots 4 and 5, Block A of BUBBUS ADDITION NO. 1, an addition to the City of Rowlett, Dallas County, Texas, recorded in Instrument No. 20070157264 of the Map Records of Dallas County, Texas, part of Castle Drive R.O.W., part of that same tract of land described in deed to Jim Dorsey, recorded in Instrument No. 20070145987 and all of that same tract of land described in deed to David Bubbas and Elizabeth Diane Bubbas, recorded in Instrument No. 201300339754 of the Deed Records of Dallas County, Texas, situated in the Reason Crist Survey, Abstract No. 225, and said composite tract being more particularly described as follows:

BEGINNING at a point in the Castle Drive R.O.W. (an 85' R.O.W.) and being N 44°43'41" W, 15.98' along the extension of the southwest line of the aforementioned Lot 5 from the west corner of said Lot 5;

THENCE N 53°55'37" E, 203.73' over and across castle Drive to a point for corner;

THENCE N 52°44'37" E, 290.20' over and across castle Drive to a point for corner;

THENCE S 44°32'50" E, along the extension of the northeast line of the aforementioned Lot 4, at 21.38' passing the north corner of said Lot 4, and continuing along the northeast line of Lot 4 a total distance of 470.04' to a 1/2" iron rod found at the east corner of said Lot 4;

THENCE S 54°55'47" W, 494.68' along the southeast line of said Lots 4 and 5 to a 5/8" iron rod found at the south corner of Lot 5;

THENCE N 44°43'41" W, 455.45' along the southwest line of said Lot 5 to the Point of Beginning and containing 225,454.22 square feet or 5.1757 acres of land.

Scott Dain

7/19/16

REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5111



DAVIS LAND SURVEYING CO., INC.
 9777 FERGUSON ROAD, SUITE 105
 DALLAS, TEXAS 75228 214-321-0569

DEVELOPMENT/PROJECT NAME:

ALL STORAGE

LOCATION:

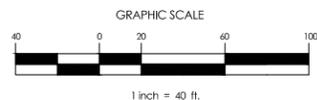
1800 & 1900 CASTLE DR. BUBBUS ADDN. NO. 1 BLK.A

CITY:

CITY OF ROWLETT, TEXAS

PROJECT INFORMATION:

BLOCK A, LOTS 4 & 5 - SUMMARY TABLE	
EXISTING ZONING:	"C-1"
PROPOSED USE:	LOTS 4 & 5 SELF STORAGE USE
LOT AREA (TRACTS 1 & 2):	4.979 AC 216,925.79 SF
MINI-WAREHOUSE USE	225,600 SF
MINI-WAREHOUSE OFFICE	1,200 SF
TOTAL SQUARE FOOTAGE:	226,800 SF
LOT COVERAGE:	(75,600 SF) 34.85%
PERVIOUS COVER:	-%
FAR:	1.04:1



CITY OF GARLAND
ZONED "AG"
LAND USE: VACANT

CASTLE DRIVE

(AN 85' R.O.W.)

SECONDARY THOROUGHFARE TYPE - "B"

NOTE:
- The development of the site will be in accordance with City of Rowlett development standards.



GENERAL NOTES:

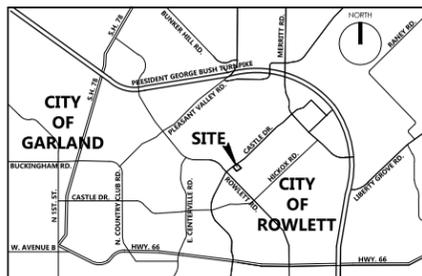
CITY OF ROWLETT FIRE DEPARTMENT SHALL HAVE 24 HOUR ACCESS TO THE FACILITY THROUGH KNOX BOX OPERATED SLIDING GATES.

SIGNAGE: REQUIRES SEPARATE APPROVAL.

SANITATION CONTAINER SCREENING WALLS WILL BE BRICK MASONRY, STONE MASONRY, OR OTHER ARCHITECTURAL MASONRY FINISH, INCLUDING A METAL GATE, PRIMED AND PAINTED, AND THE SANITATION CONTAINER SCREENING WALLS, GATE, AND PAD SITE WILL BE CONSTRUCTED IN ACCORDANCE WITH THE CITY'S DESIGN SPECIFICATIONS.

MECHANICAL AND HEATING AND AIR CONDITIONING EQUIPMENT IN NON-RESIDENTIAL USES SHALL BE SCREENED FROM VIEW FROM THE PUBLIC RIGHT-OF-WAY AND FROM ADJACENT RESIDENTIAL PROPERTIES.

LANDSCAPING: ALL PLANTINGS WILL COMPLY WITH THE CITY OF ROWLETT LANDSCAPE ORDINANCE AND URBAN FORESTRY STANDARDS.



VICINITY MAP

NTS

OWNER:
Lot 4
Jim Dorsey
2680 CR 2010
Ravenna, TX 75476
Phone: 214-206-6523
jdorsey@primeres.com

OWNER:
Lot 5
David Bubbus
1700 River Rd.
North Little Rock, AR 72214
Phone: 479-567-9384
email:

OWNER:
Lot 5
Elizabeth Diane Bubbus
P.O. Box 1748
Russellville, AR 72811
Phone: 479-567-9431
email:

CONTRACT PURCHASER:
Regional Management Co., Inc.
82 Armstrong Dr.
Mustang, OK 76064
Phone: 405-376-4509
Fax: 405-376-9568
email: tracie@regionalmgt.com
Attn: Mark McDowell

SURVEYOR:
Davis Land Surveying Co., Inc.
9777 Furguson Rd. Suite 105
Dallas, TX 75228
Phone: 214-321-0569
email: dlsci@sbcglobal.net
Attn: Scott Davis

APPLICANT:
Quine and Associates, Inc.
301 S. Sherman Street
Richardson, TX 75081
Phone: 972-669-8440
email: cquine@quine.com
Attn: Coy Quine

Rev.

EXHIBIT B - ZONING EXHIBIT
PROJECT NAME: ALL STORAGE ROWLETT
BUBBUS ADDITION NO. 1 LOTS 4 & 5, BLOCK A
4.979 ACRES
CITY OF ROWLETT, DALLAS COUNTY, TEXAS
July 19, 2016

All Storage-Rowlett

August 30, 2016

1800 & 1900 Castle Dr.

Rowlett, TX 75089

PD Zoning Case:

Exhibit "C" – Intent and Purpose

Description of the Project

All Storage is a leader in the self-storage market providing the best all-around facilities and amenities at each location. This proposed development is for an *all* climate controlled interior access self-storage facility located at 1800 and 1900 Castle Dr. in Rowlett. This lot is currently zoned C-1 with the land use being vacant. With the current zoning designation, this use would require Planned Development. The project features an internal drive thru that allows for vehicular access into the loading areas and elevator lobbies for convenient loading or unloading out of the elements for future customers. Access to the interior of the facility is available through the drive thru during regular business hours. This project is low on city services, utilities, and traffic. Internal drive-thru areas will minimize and screen site activity. Additionally, the proposed project will be designed to City of Rowlett design standards and ordinances and current IBC Standards.

All Storage-Rowlett

August 30, 2016

1800 & 1900 Castle Dr.

Rowlett, TX 75089

PD Zoning Case:

EXHIBIT “D” – Planned Development Standards

Planned Development Standards

Zoning

1. Current Zoning: C-1 (Limited Commercial/Retail)
2. Proposed Zoning: C-1 with a Planned Development to include and permit a self-storage facility as an allowed use. All development shall conform to the City of Rowlett development standards for C-1 Commercial District.
3. Outdoor storage shall be prohibited.

Building Height and Stories

1. Current allowed building height: **35 ft.** - Proposed building height: **45 ft.**
2. Current allowed stories **2 stories.** – Proposed stories: **3 Stories.**

Parking Spaces

1. Required parking spaces for Self-Storage use: **150 spaces** - Proposed parking spaces: **15 spaces.**
2. We are providing 7 exterior parking spaces on the facility which include 3 accessible parking spaces that are located closest to the building and office. Employees on the site would require 2 spaces and the remaining 5 spaces would be for daily customer parking. This facility features an internal drive-thru that allows for vehicular access into the loading areas and elevator lobbies for convenient loading and unloading for future customers while keeping the facility secure with limited access points. There are four full sized parking spaces on the interior of each building. There are two elevators at each building that carry customers and their belongings from the ground floor to the top floor. Please see Exhibit “E” for parking space configuration. Access to the facility is available through the drive thru during regular business hours. Typical hours of operation are:

OFFICE HOURS

SUNDAY	11:00 AM - 4:30 PM
MONDAY	9:00 AM - 6:00 PM
TUESDAY	9:00 AM - 6:00 PM
WEDNESDAY	9:00 AM - 6:00 PM
THURSDAY	9:00 AM - 6:00 PM
FRIDAY	9:00 AM - 6:00 PM
SATURDAY	9:00 AM - 5:00 PM

Drive Thru located at our White Settlement location:

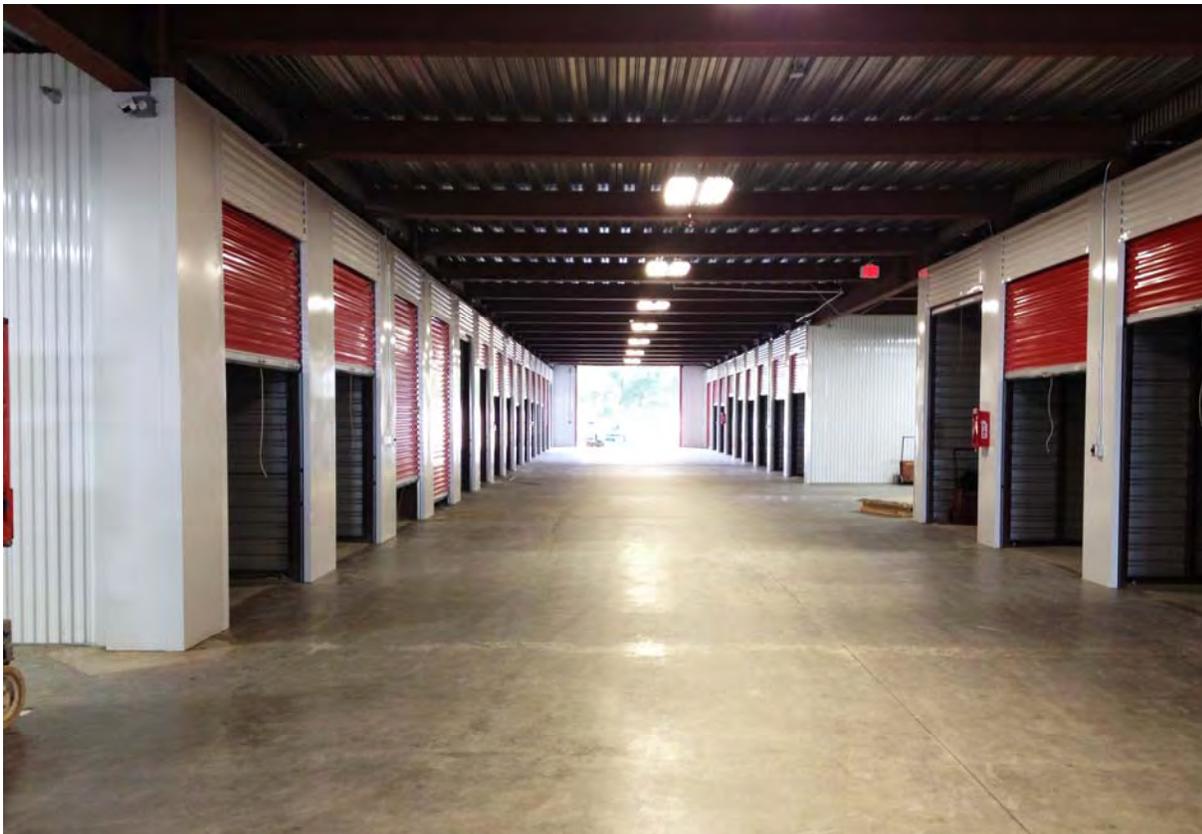


Exhibit "D" – Continued



Exhibit "D" – Planned Development Standards

DEVELOPMENT/PROJECT NAME:

ALL STORAGE

LOCATION:

1800 & 1900 CASTLE DR. BUBBUS ADDN. NO. 1 BLK.A

CITY:

CITY OF ROWLETT, TEXAS

PROJECT INFORMATION:

BLOCK A, LOTS 4 & 5 - GENERAL SUMMARY TABLE

CASE NUMBER	PD 144-2016
NAME OF PROJECT:	ALL STORAGE - ROWLETT
PROPOSED USE:	LOTS 4 & 5 SELF STORAGE USE
FUTURE LAND USE DESIGNATION	-
PROPOSED FUTURE LAND USE DESIGNATION:	"C-1" (LIMITED COMMERCIAL/RETAIL) WITH/ PD FOR SELF STORAGE USE
EXISTING ZONING DISTRICT:	"C-1" (LIMITED COMMERCIAL/RETAIL)
PROPOSED ZONING DISTRICT:	"C-1" (LIMITED COMMERCIAL/RETAIL) WITH/ PD FOR SELF STORAGE USE
APPLICABLE OVERLAYS:	N/A
APPRAISAL DISTRICT ACCT. NO. & COUNTY	#: 440007300A0040000 & #: 440007300A0050000

BLOCK A, LOTS 4 & 5 - OVERALL SITE TABLE

GROSS SITE AREA (LOTS 4 & 5):	4.979 AC 216,925.79 SF
SITE FRONTAGE:	494.62 FT.
SITE WIDTH:	494.62 FT.
SITE DEPTH:	448.66 FT.
IMPERVIOUS SURFACE AREA:	-
PERVIOUS SURFACE AREA:	-
ACCESSORY USE %:	N/A
OPEN SPACE (AC & %)	-
DETENTION/RETENTION (AC & %)	-
RECREATION (AC & %)	N/A
PRESERVE (AC & %)	N/A
CIVIC (AC & %)	-
OTHER (AC & %)	N/A

BLOCK A, LOTS 4 & 5 - BUILDING TABLE

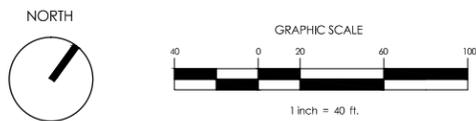
TOTAL GROSS INTENSITY (FAR):	1.04:1
TOTAL SQUARE FOOTAGE:	
COMMERCIAL SF:	1,200 SF (OFFICE)
INDUSTRIAL SF (SELF-STORAGE USE):	225,600 SF (SELF STORAGE)
TOTAL FOOTAGE :	226,800 SF

BLOCK A, LOTS 4 & 5 - PHASING OF BUILDINGS

BUILDING "A"	PHASE 1
BUILDING "B"	PHASE 2

BLOCK A, LOTS 4 & 5 - PARKING & ACCESS

PARKING TOTAL #:	PROVIDED:
# PARKING SPACES:	15
# HANDICAP PARKING:	3
# LOADING SPACES:	8 (INTERIOR OF BUILDINGS A & B)
# ACCESS POINTS:	2



SITE PLAN NOTES

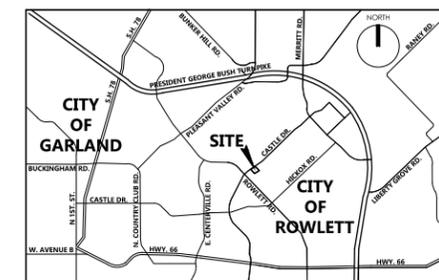
- Any revision to this plan will require City approval and will require revisions to any corresponding plans to avoid conflicts between plans.
- Dumpsters and trash compactors shall be screened in accordance with the Rowlett Development Code.
- Outdoor lighting shall comply with the lighting and glare standards contained within the Rowlett Development Code.
- Buildings of 5,000 square feet or greater shall be 100% fire sprinkled. Alternative fire protection measures may be approved by the Fire Marshal.
- Fire lanes shall be designed and constructed per City standards or as directed by the Fire Marshal.
- Speed bumps/humps are not permitted within a fire lane.
- Handicapped parking areas and building accessibility shall conform to the American with Disabilities Act (ADA) and with the requirements of the current, adopted Building Code.
- All signage is subject to Building Official approval.
- All fences and retaining walls shall be shown on the site plan and are subject to Building Official approval.
- All exterior building materials are subject to Building Official approval and shall conform to the approved Facade/Building Elevation Plan.
- Approval of the site plan is not final until all engineering plans are approved by the City Engineer.
- All new electrical lines shall be installed and/or relocated underground.
- All mechanical equipment shall be screened from public view in accordance with the Rowlett Development Code.

ADDITIONAL NOTES:

- The development of the site will be in accordance with City of Rowlett development standards.
- Deviations from current development standards/regulations not specifically addressed/listed for approvals part of Planned Development Regulations may require a hearing/approval by the Board of Adjustment (BOA).
- All current development requirements of the City as amended shall be met unless approved otherwise within these Planned Development Zoning District Regulations.
- This Zoning Concept Plan is for illustrative purposes only and subject to change. This Zoning Concept Plan, along with development regulations, is intended to describe the intent of the Planned Development. Significant deviations from this Zoning Concept Plan, as determined by the Director of Planning, will require an amendment to the Zoning Concept Plan and, as necessary, the development regulations.

BLOCK A, LOTS 4 & 5 - PROPERTY DEVELOPMENT REGULATIONS

ITEM:	PERMITTED:	PROPOSED:
MAXIMUM BUILDING COVERAGE:	NONE	(75,600 SF) 34.85%
MINIMUM LOT AREA:	NONE	4,979 AC -216,925.79 SF
MINIMUM LOT WIDTH:	NONE	494.62 FT.
MINIMUM LOT DEPTH:	NONE	448.66 FT.
SETBACKS:		
FRONT SETBACK:	50'	75'
SIDE INTERIOR SETBACK:	NONE	103'
SIDE STREET SETBACK:	N/A	N/A
REAR SETBACK:	30'	47'
MAX STRUCTURE HEIGHT:	35'	45'
MAX NO. STORIES/FLOORS	2 FLOORS	3 FLOORS



VICINITY MAP NTS

OWNER:
 Lot 4
 Jim Dorsey
 2680 CR 2010
 Ravenna, TX 75476
 Phone: 214-206-6523
 jdorsey@primeres.com

OWNER:
 Lot 5
 David Bubbus
 1700 River Rd.
 North Little Rock, AR 72214
 Phone: 479-567-9384
 email:

OWNER:
 Lot 5
 Elizabeth Diane Bubbus
 P.O. Box 1748
 Russellville, AR 72811
 Phone: 479-567-9431
 email:

CONTRACT PURCHASER:
 Regional Management Co., Inc.
 82 Armstrong Dr.
 Mustang, OK 76064
 Phone: 405-376-4509
 Fax: 405-376-9568
 email: tracie@regionalmgt.com
 Attn: Mark McDowell

SURVEYOR:
 Davis Land Surveying Co., Inc.
 9777 Furguson Rd. Suite 105
 Dallas, TX 75228
 Phone: 214-321-0569
 email: dlsci@sbcglobal.net
 Attn: Scott Davis

APPLICANT:
 Quine and Associates, Inc.
 301 S. Sherman Street
 Richardson, TX 75081
 Phone: 972-669-8440
 email: cquine@quine.com
 Attn: Coy Quine

Rev. 1 - Aug. 8, 2016
 Rev. 2 - Aug. 19, 2016

Rev.3 - Aug. 29, 2016
 Rev.4 - Sept. 16, 2016

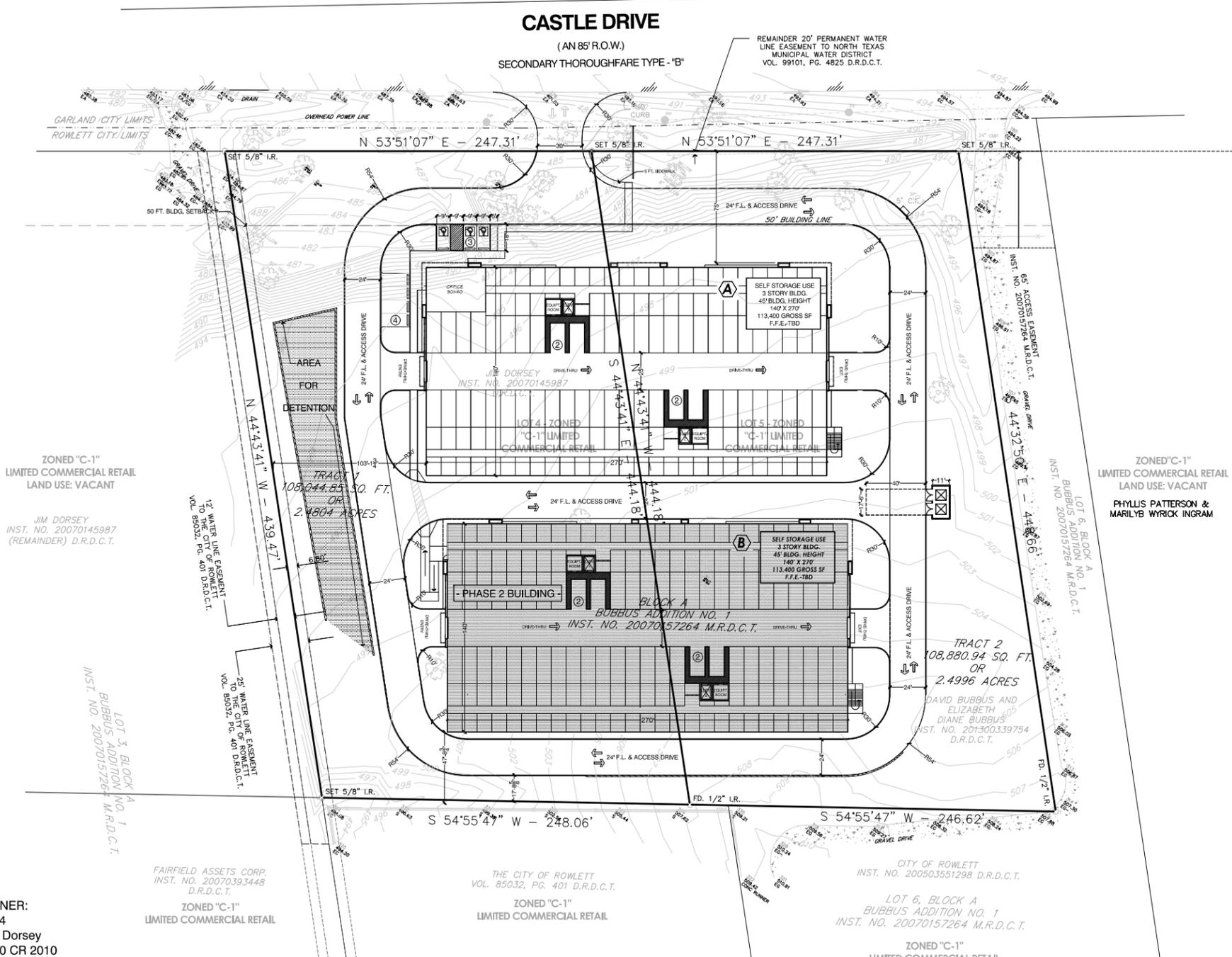


EXHIBIT E - ZONING CONCEPT PLAN
 PROJECT NAME: ALL STORAGE ROWLETT
 1800 & 1900 CASTLE DRIVE
 BUBBUS ADDITION NO. 1 LOTS 4 & 5, BLOCK A
 4.979 ACRES
 CITY OF ROWLETT, DALLAS COUNTY, TEXAS
 July 19, 2016



01 | BLDG. A N.W. ELEVATION

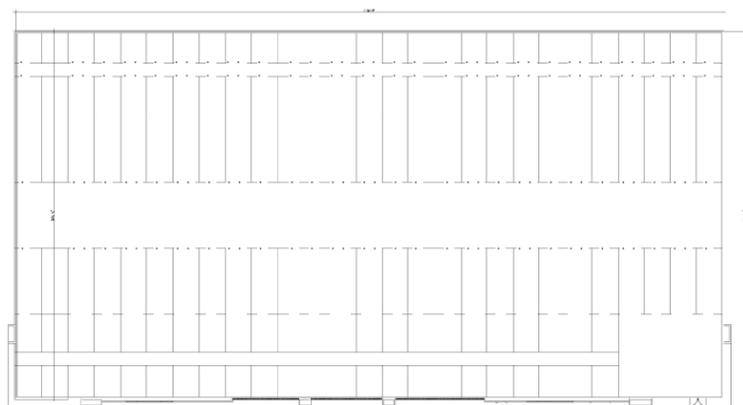
SCALE: 3/32" = 1'-0"

CONCEPTUAL ELEVATION

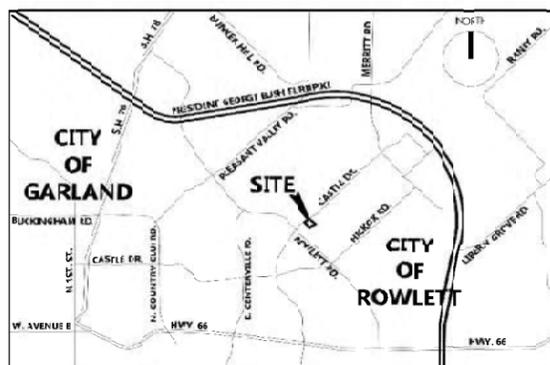


02 | BLDG. A S.W. ELEVATION

SCALE: 3/32" = 1'-0"



01 | FLOOR PLAN LAYOUT
SCALE: 3/32" = 1'-0"



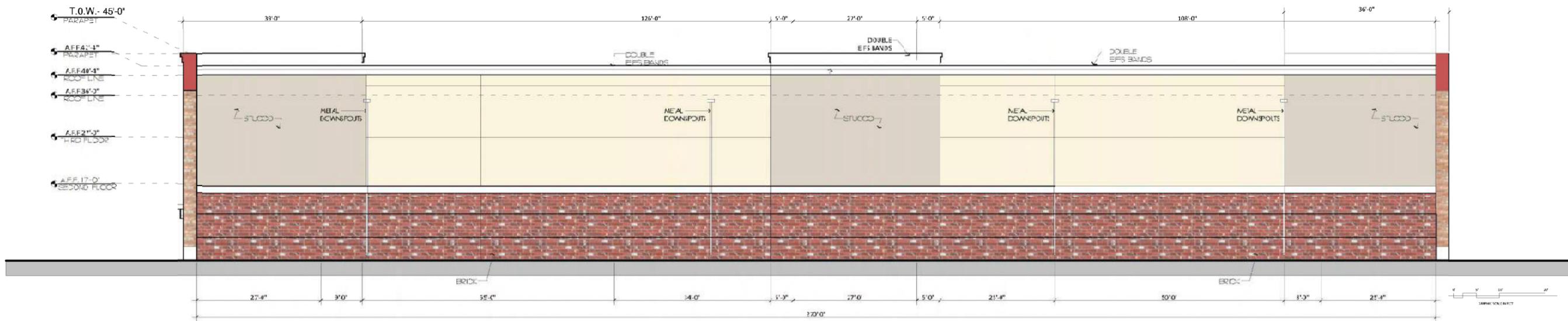
VICINITY MAP NTS

APPLICANT:
Quine and Associates, Inc.
301 S. Sherman Street
Richardson, TX 75081
Phone: 972-369-8440
email: cquine@quine.com
Attn: Coy Quine

CONTRACT PURCHASER:
Regional Management Co., Inc.
82 Armstrong Dr.
Mustang, OK 73064
Phone: 405-376-4509
email: tracie@regionalmgt.com
Attn: Mark McDowell

BUILDING FACADE/ELEVATION PLAN
PROJECT NAME: ALL STORAGE ROWLETT
BUBBUS ADDITION NO. 1 LOTS 4 & 5, BLOCK A
4.979 ACRES
CITY OF ROWLETT, DALLAS COUNTY, TEXAS
July 19, 2016

Rev.



03 | BLDG. A S.E. ELEVATION

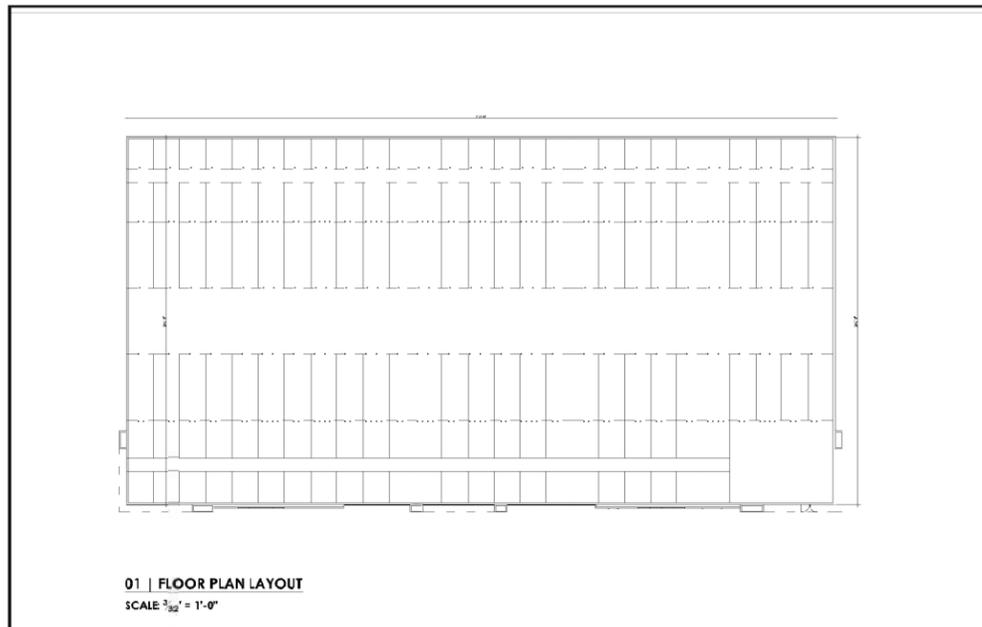
SCALE: $\frac{3}{32}$ " = 1'-0"

CONCEPTUAL ELEVATION

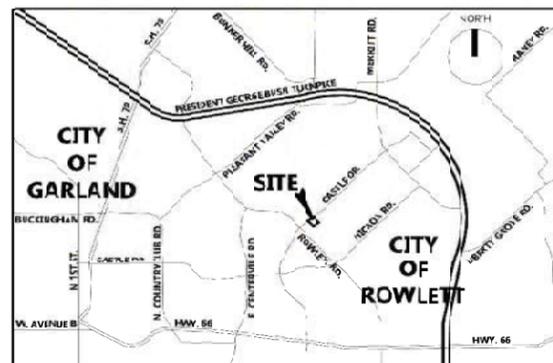


04 | BLDG. A N.E. ELEVATION

SCALE: $\frac{3}{32}$ " = 1'-0"



01 | FLOOR PLAN LAYOUT
SCALE: $\frac{3}{32}$ " = 1'-0"



VICINITY MAP

NTS

Rev.

BUILDING FACADE/ELEVATION PLAN
PROJECT NAME: ALL STORAGE ROWLETT
BUBBUS ADDITION NO. 1 LOTS 4 & 5, BLOCK A
4.9/9 ACRES
CITY OF ROWLETT, DALLAS COUNTY, TEXAS
July 19, 2016

DEVELOPMENT/PROJECT NAME:

ALL STORAGE

LOCATION:

1800 & 1900 CASTLE DR. BUBBUS ADDN. NO. 1 BLK.A

CITY:

CITY OF ROWLETT, TEXAS

PROJECT INFORMATION:

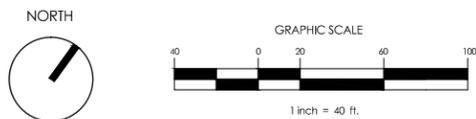
BLOCK A, LOTS 4 & 5 - GENERAL SUMMARY TABLE	
CASE NUMBER	PD 144-2016
NAME OF PROJECT:	ALL STORAGE - ROWLETT
PROPOSED USE:	LOTS 4 & 5 SELF STORAGE USE
FUTURE LAND USE DESIGNATION	-
PROPOSED FUTURE LAND USE DESIGNATION:	"C-1" (LIMITED COMMERCIAL/RETAIL) WITH/ PD FOR SELF STORAGE USE
EXISTING ZONING DISTRICT:	"C-1" (LIMITED COMMERCIAL/RETAIL)
PROPOSED ZONING DISTRICT:	"C-1" (LIMITED COMMERCIAL/RETAIL) WITH/ PD FOR SELF STORAGE USE
APPLICABLE OVERLAYS:	N/A
APPRAISAL DISTRICT ACCT. NO. & COUNTY	#: 440007300A040000 & #: 440007300A050000

BLOCK A, LOTS 4 & 5 - OVERALL SITE TABLE	
GROSS SITE AREA (LOTS 4 & 5):	4.979 AC 216,925.79 SF
SITE FRONTAGE:	494.62 FT.
SITE WIDTH:	494.62 FT.
SITE DEPTH:	448.66 FT.
IMPERVIOUS SURFACE AREA:	-
PERVIOUS SURFACE AREA:	-
ACCESSORY USE %:	N/A
OPEN SPACE (AC & %)	-
DETENTION/RETENTION (AC & %)	-
RECREATION (AC & %)	N/A
PRESERVE (AC & %)	N/A
CIVIC (AC & %)	-
OTHER (AC & %)	N/A

BLOCK A, LOTS 4 & 5 - BUILDING TABLE	
TOTAL GROSS INTENSITY (FAR):	1.04:1
TOTAL SQUARE FOOTAGE:	
COMMERCIAL SF:	1,200 SF (OFFICE)
INDUSTRIAL SF (SELF-STORAGE USE):	225,600 SF (SELF STORAGE)
TOTAL FOOTAGE :	226,800 SF

BLOCK A, LOTS 4 & 5 - PHASING OF BUILDINGS	
BUILDING "A"	PHASE 1
BUILDING "B"	PHASE 2

BLOCK A, LOTS 4 & 5 - PARKING & ACCESS	
PARKING TOTAL #:	PROVIDED:
# PARKING SPACES:	15
# HANDICAP PARKING:	3
# LOADING SPACES:	8 (INTERIOR OF BUILDINGS A & B)
# ACCESS POINTS:	2



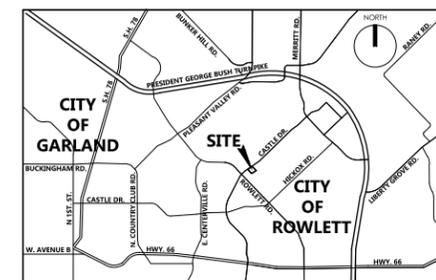
SITE PLAN NOTES

- Any revision to this plan will require City approval and will require revisions to any corresponding plans to avoid conflicts between plans.
- Dumpsters and trash compactors shall be screened in accordance with the Rowlett Development Code.
- Outdoor lighting shall comply with the lighting and glare standards contained within the Rowlett Development Code.
- Buildings of 5,000 square feet or greater shall be 100% fire sprinkled. Alternative fire protection measures may be approved by the Fire Marshal.
- Fire lanes shall be designed and constructed per City standards or as directed by the Fire Marshal.
- Speed bumps/humps are not permitted within a fire lane.
- Handicapped parking areas and building accessibility shall conform to the American with Disabilities Act (ADA) and with the requirements of the current, adopted Building Code.
- All signage is subject to Building Official approval.
- All fences and retaining walls shall be shown on the site plan and are subject to Building Official approval.
- All exterior building materials are subject to Building Official approval and shall conform to the approved Facade/Building Elevation Plan.
- Approval of the site plan is not final until all engineering plans are approved by the City Engineer.
- All new electrical lines shall be installed and/or relocated underground.
- All mechanical equipment shall be screened from public view in accordance with the Rowlett Development Code.

ADDITIONAL NOTES:

- The development of the site will be in accordance with City of Rowlett development standards.
- Deviations from current development standards/regulations not specifically addressed/listed for approvals part of Planned Development Regulations may require a hearing/approval by the Board of Adjustment (BOA).
- All current development requirements of the City as amended shall be met unless approved otherwise within these Planned Development Zoning District Development Regulations.
- This Zoning Concept Plan is for illustrative purposes only and subject to change. This Zoning Concept Plan, along with development regulations, is intended to describe the intent of the Planned Development. Significant deviations from this Zoning Concept Plan, as determined by the Director of Planning, will require an amendment to the Zoning Concept Plan and, as necessary, the development regulations.

BLOCK A, LOTS 4 & 5 - PROPERTY DEVELOPMENT REGULATIONS		
ITEM:	PERMITTED:	PROPOSED:
MAXIMUM BUILDING COVERAGE:	NONE	(75,600 SF) 34.85%
MINIMUM LOT AREA:	NONE	4,979 AC -216,925.79 SF
MINIMUM LOT WIDTH:	NONE	494.62 FT.
MINIMUM LOT DEPTH:	NONE	448.66 FT.
SETBACKS:		
FRONT SETBACK:	50'	75'
SIDE INTERIOR SETBACK:	NONE	103'
SIDE STREET SETBACK:	N/A	N/A
REAR SETBACK:	30'	47'
MAX STRUCTURE HEIGHT:	35'	45'
MAX NO. STORIES/FLOORS	2 FLOORS	3 FLOORS



VICINITY MAP NTS

OWNER:
Lot 4
Jim Dorsey
2680 CR 2010
Ravenna, TX 75476
Phone: 214-206-6523
jdorsey@primeres.com

OWNER:
Lot 5
David Bubbus
1700 River Rd.
North Little Rock, AR 72214
Phone: 479-567-9384
email:

OWNER:
Lot 5
Elizabeth Diane Bubbus
P.O. Box 1748
Russellville, AR 72811
Phone: 479-567-9431
email:

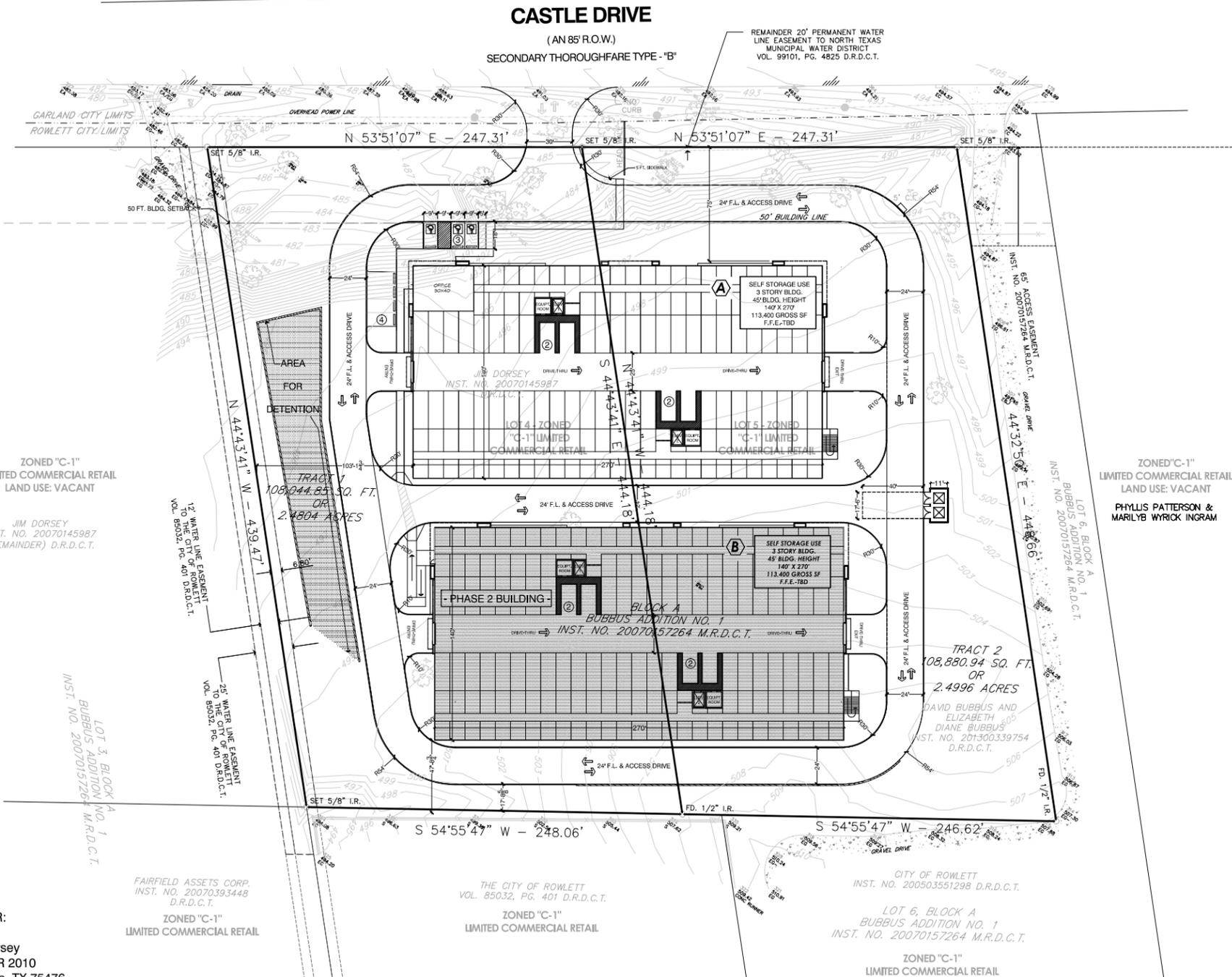
CONTRACT PURCHASER:
Regional Management Co., Inc.
82 Armstrong Dr.
Mustang, OK 76064
Phone: 405-376-4509
Fax: 405-376-9568
email: tracie@regionalmgt.com
Attn: Mark McDowell

SURVEYOR:
Davis Land Surveying Co., Inc.
9777 Furgeson Rd. Suite 105
Dallas, TX 75228
Phone: 214-321-0569
email: dlsci@sbcglobal.net
Attn: Scott Davis

APPLICANT:
Quine and Associates, Inc.
301 S. Sherman Street
Richardson, TX 75081
Phone: 972-669-8440
email: cquine@quine.com
Attn: Coy Quine

Rev. 1 - Aug. 8, 2016
Rev. 2 - Aug. 19, 2016

Rev. 3 - Aug. 29, 2016
Rev. 4 - Sept. 16, 2016



The proposed driveway size and location is acceptable to the City of Garland. In regards to driveway culverts, drainage and maintenance of site visibility this will be reviewed upon submittal of full construction plans.

A. RAHMAN KAFRAY
A. Rahman Kafray, P.E.
Development Engineer
City of Garland Engineering Department
September 22, 2016

EXHIBIT E - ZONING CONCEPT PLAN
PROJECT NAME: ALL STORAGE ROWLETT
1800 & 1900 CASTLE DRIVE
BUBBUS ADDITION NO. 1 LOTS 4 & 5, BLOCK A
4.979 ACRES
CITY OF ROWLETT, DALLAS COUNTY, TEXAS
July 19, 2016



09-14-16A10:10 RCVD

ATTACHMENT 4

Department of Development Services

COURTESY NOTICE OF PUBLIC HEARING

TO: Property Owner
RE: Application for a Planned Development
LOCATION: The subject property is located at 1800 and 1900 Castle Drive further described as being all of Lots 4 and 5, Block A of BUBBUS Addition No. 1, City of Rowlett, Dallas County, Texas. A map is attached for your reference.
EXPLANATION OF REQUEST: The applicant requests a rezoning to a Planned Development with an underling Limited Commercial/Retail (C-1) base zoning district to allow a self-storage facility. (Case Number PD144-2016).

- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS: The proposal changes the environment of the neighborhood. It will increase traffic on Castle Dr. which is a narrow road and already loaded w/trucks.
SIGNATURE: Clint Ogilvie
ADDRESS: 2709 Chinkapin Ln Rowlett, TX 75089

We moved to Chantrelle for its rural setting in the back.

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services located at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 27th day of September, 2016, and that the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October, 2016, both at the Municipal Center, 4000 Main Street, Rowlett, Texas.

Please legibly respond in ink. If the signature and/or address are missing, your comments will not be recorded. Your response must be received in the Development Service Department by 5 pm on Wednesday, September 21, 2016, for your comments to be included in the Planning and Zoning Commission packet and/or by Wednesday, October 11, 2016, to be included in the City Council packet. All responses received by October 11th will be forwarded to the Council as well; it is not necessary to respond twice. Responses received after the times noted above shall not be counted in the record of response.

If you have any questions concerning this request, please contact the Department of Development Services
Phone 972-412-6114
FAX 972-412-6228
proberts@rowlett.com

RETURN BY FAX OR MAIL
City of Rowlett
Development Services
PO Box 99
Rowlett, TX 75030-0099

09-14-16A11:04 RCVD



Department of Development Services

NOTICE OF PUBLIC HEARING

09-19-16A10:28 RCVD

TO: Property Owner
RE: Application for a Planned Development

LOCATION: The subject property is located at 1800 and 1900 Castle Drive further described as being all of Lots 4 and 5, Block A of BUBBUS Addition No. 1, City of Rowlett, Dallas County, Texas. A map is attached for your reference. This notice and the notification area are required under Chapter 211.007 of the Texas Local Government Code.

EXPLANATION OF REQUEST: The applicant requests a rezoning to a Planned Development with an underling Limited Commercial/Retail (C-1) base zoning district to allow a self-storage facility. (Case Number PD144-2016).

- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS: It will benefit the community by adding available services. It will add to the beautification of the area and bring additional revenue to Rowlett.

SIGNATURE: Jim Dorsey
ADDRESS: 2680 C.R 2010, Ravenna, TX 75476

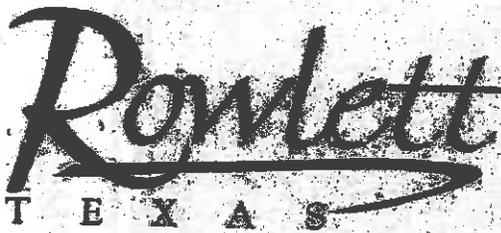
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Any owner of property subject to a proposed rezoning or affected by a proposed rezoning may protest the rezoning by filing a written protest (this form is sufficient) with the Director of Development Services within the time specified above. The protest shall object to the zoning map amendment, contain a legal description of the property on behalf of which the protest is made, and be signed by the owner of the property. If protests in the form of opposition are received from property owners within 200 feet of the subject property, and the property owners own a combined minimum of 20 percent or more of the land area, approval by the city council shall only occur with a concurring vote of at least three-fourths of the full membership of the city council.

If you have any questions concerning this request, please contact the Department of Development Services
Phone 972-412-6114
FAX 972-412-6228
proberts@rowlett.com

RETURN BY FAX OR MAIL
City of Rowlett
Development Services
PO Box 99
Rowlett, TX 75030-0099



Department of Development Services

NOTICE OF PUBLIC HEARING

TO: Property Owner
RE: Application for a Planned Development

LOCATION: The subject property is located at 1800 and 1900 Castle Drive further described as being all of Lots 4 and 5, Block A of BUBBUS Addition No. 1, City of Rowlett, Dallas County, Texas. A map is attached for your reference. This notice and the notification area are required under Chapter 211.007 of the Texas Local Government Code.

EXPLANATION OF REQUEST: The applicant requests a rezoning to a Planned Development with an underlying Limited Commercial/Retail (C-1) base zoning district to allow a self-storage facility. (Case Number PD144-2016).

- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS: UNDER THE FOLLOWING CONDITIONS:
I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS: SEE ATTACHED

SIGNATURE: [Signature] PRESIDENT, FAIRFIELD ASSETS CORPORATION
ADDRESS: 5400 PRAXON OAKS ROAD #3070, DALLAS, TX 75254

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services located at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 27th day of September, 2016, and that the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October, 2016, both at the Municipal Center, 4000 Main Street, Rowlett, Texas.

Please legibly respond in ink. If the signature and/or address are missing, your comments will not be recorded. Your response must be received in the Development Service Department by 5 pm on Wednesday, September 21, 2016, for your comments to be included in the Planning and Zoning Commission packet and/or by Wednesday, October 11, 2016, to be included in the City Council packet. All responses received by October 11th will be forwarded to the Council as well; it is not necessary to respond twice. Responses received after the times noted above shall not be counted in the record of response.

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Table with 2 columns: Contact information for questions (Phone 972-412-6114, FAX 972-412-6228, proberts@rowlett.com) and Return by Fax or Mail (City of Rowlett, Development Services, PO Box 99, Rowlett, TX 75030-0099)

FAIRFIELD ASSETS CORPORATION

5400 Preston Oaks Road, Ste. 3070, Dallas, Texas, 75254

Phone: (972)392-0495 Fax: (972)991-7005

Email: c.easterwood@ffassets.com

C. Easterwood, President

September 14, 2016

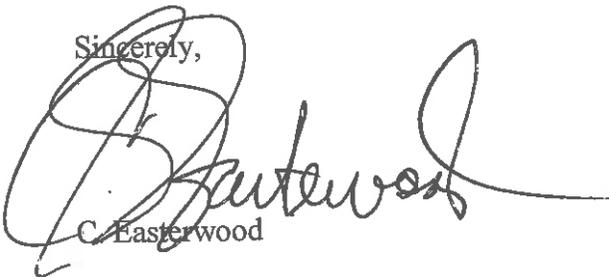
Ms. Patricia Roberts
Senior Planner
City of Rowlett

Dear Ms. Roberts:

Fairfield Assets Corporation was the developer of the 7-Eleven Store on the corner of Rowlett Road and Castle Drive (Lot 2, Block A, Bubbus Addition). As part of that development Fairfield Assets Corporation installed an 8 inch Sanitary Sewer to service the 7-Eleven Store. A copy of the engineering drawing that was approved by the Engineering Department of the City of Rowlett is attached to this communication.

My favorable response to the proposed construction of the Storage Facility on Lots 4 and 5, Block A, Bubbus Addition No. 1, City of Rowlett, Dallas County, Texas, is subject to the final engineering for the Sanitary Sewer being done in such a way as to maximize the building area of Lots 1, 3 and 3.1 together. In order to do that the Sanitary Sewer tap needs to be at the manhole next to the Sewer Lift Station. That manhole is identified as STA. 0+37.29 on the attached Engineering Drawing.

Sincerely,



C. Easterwood

Attachment

All Storage-Rowlett

July 19, 2016

1800 & 1900 Castle Dr.

Rowlett, TX 75089

PD Zoning Case:

Exhibit "F" – Development Schedule

Development Schedule

1. Anticipated timing to complete Phase 1 of project: 7-8 mo. after receiving building permit.
2. Anticipated timing to complete Phase 2 of project: TBD after completion of phase 1.



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/2016

AGENDA ITEM: 8C

TITLE

Conduct a public hearing and take action on a request to amend Planned Development Ordinance #027-16 in order to modify the landscape entryway requirements for property located at 7900 Chiesa Road further described as being all of Tract 1 in the James Saunders Survey, Abstract No. 1424 and being a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas.

STAFF REPRESENTATIVE

Patricia Gottilly-Roberts, Senior Planner

SUMMARY

The applicant is requesting to amend Planned Development (PD) #027-16 to modify the landscape entryway requirements for the new single family subdivision known as Willow Wood Estates. In order to allow optimal tree growth, the applicant is proposing to relocate 32 of the 45 required trees in the entryway to the open spaces within the proposed development.

The Planning and Zoning Commission unanimously recommended approval of this item at their September 27, 2016, regular meeting. The item was discussed under Item C3, which can be viewed at the following link: <http://rowlettx.swagit.com/play/09272016-1380>

BACKGROUND INFORMATION

The subject property located along the east side of Chiesa Road and the north side of Travelers Crossing (Attachment 1 – Location Map) was rezoned on July 5, 2016, to a PD to allow an 89-lot single family subdivision with minimum lot sizes of 6,000 square feet. The adopted PD included development standards and a concept plan that regulates the development (Attachment 2 – PD Ordinance #027-16). Any regulation not specified in the PD will follow the standard requirements in the Rowlett Development Code (RDC).

Since the adoption of the PD, the applicant has been working on developing the civil engineering construction plans, the tree mitigation plan, the preliminary plat, and the landscape plan. While preparing the landscape plan, the applicant's landscape architect indicated that the planting requirements for the primary entryway for the subdivision on Chiesa Road will result in severe overcrowding of the trees, which in turn will result in unhealthy tree growth. As a result, the applicant is proposing to amend PD 027-16 to modify the entryway requirements by relocating the required trees to open spaces in the development. The required number of trees will not be reduced.

The landscape entryway requirements listed in the PD are similar to the entryway requirements in the RDC. The primary entryway is required to have two canopy trees planted per 500 square feet of the landscape area in the entryway. The entryway is required to have at least 9,600 square feet of landscaping, which results in requiring 38 trees to be planted in the entryway. In addition, landscape buffer trees are required at one canopy tree for every 35 linear feet along Chiesa Road, which equates to seven trees. This results in a total of 45 canopy trees required in the entryway. The RDC does allow canopy trees to be replaced with ornamental trees at a ratio of three ornamental trees for one canopy tree. The applicant strongly believes that planting 45 trees in a small area will result in unhealthy tree growth and will not create an aesthetically pleasing entrance into the subdivision.

To allow for optimal growth of the proposed trees, the applicant is proposing to amend PD #027-16 by relocating 32 of the required trees to the open spaces located within the development. The landscape architect has provided a conceptual landscape design (Attachment 3 – Landscape Plan) that provides the number of required trees per PD #027-16 and shows how the required trees will be distributed throughout the open space areas within the development. The proposed design provides for optimal tree growth by providing the spacing needed to allow for better root and plant growth. The trees spaced apart in this type of pattern will develop with a mature tree canopy and will allow for the open growth form of the tree to develop. Due to the possibility of having a detention pond in the central open space area, the applicant is requesting to allow trees that will survive in a detention pond setting. The applicant is proposing to modify the development standards in Exhibit D of PD #027-16 as follows:

Current Language

- The primary entry will have 2 canopy trees per 500 square feet.

Proposed Language

- The primary entry will have 2 canopy trees per 500 square feet. A minimum of seven canopy shade trees will be placed in the primary entryway along with the required landscape buffer trees. The remaining 32 trees required to satisfy the primary entryway tree requirement may be planted within the open spaces located in the Development.
- If a detention pond is required in the open spaces then trees that can survive in wet areas and/or standing water will be planted. This may include the following tree species: *Acer rubrum* 'red maple'; *Acer rubrum* 'October glory'; *Betula nigra* 'river birch'; *Quercus nigra* 'pin oak'; *Magnolia grandiflora* 'little gem'; *Taxodium distichum* 'bald cypress', *Taxodium ascendens* 'pond cypress'. The requirement to have no more than 25% of one species will be increased to 50% for these trees.

The revised language is presented in strike-out underline format using Exhibit D from the existing PD as Attachment 4.

The applicant is moving forward with the Tree Survey and Preservation Plan, which requires a recommendation from the Planning and Zoning Commission and approval from City Council concurrently with the PD amendment. These items will be acted on under separate agenda items.

The approval of the proposed PD amendment is not a prerequisite for approval of the Tree Mitigation and Preservation Plan. The approval of the Tree Mitigation and Preservation Plan can move forward without approval of the PD amendment.

DISCUSSION

Section 77-805 of the *Rowlett Development Code (RDC)* states that City Council shall consider the following when making their decision as it pertains to rezoning requests including Planned Developments. These criteria are listed below:

- (1) Whether the proposed rezoning corrects an error or meets the challenge of some changing condition, trend, or fact;
- (2) Whether the proposed rezoning is consistent with the comprehensive plan and the purposes of this code stated in subchapter 77-103, Purpose of this Code;
- (3) Whether the proposed rezoning will protect or enhance the health, safety, morals, or general welfare of the public;
- (4) Whether the municipality and other service providers will be able to provide sufficient transportation and utility facilities and services to the subject property, while maintaining sufficient levels of service to existing development;
- (5) Whether the proposed rezoning is likely to have significant adverse impacts on the natural environment, including air, water, noise, stormwater management, wildlife, and vegetation;
- (6) Whether the proposed rezoning will have significant adverse impacts on other property in the vicinity of the subject tract;
- (7) The suitability of the subject property for the existing zoning classification and proposed zoning classification;
- (8) Whether there is determined to be an excessive proliferation of the use or similar uses;
- (9) Whether the proposed rezoning will ensure that future uses on the subject tract will be compatible in scale with uses on other properties in the vicinity of the subject tract; and
- (10) The supply of land in the economically relevant area that is in the use district to be applied by the rezoning or in similar use districts, in relation to the demand for that land.

As was indicated in the staff report for the PD that was adopted on July 5, 2016, the proposed development met the above criteria for the initial rezoning. Staff found the proposed development offers a product type that should be attractive to people looking for quality housing with smaller lot sizes that offer less maintenance associated with larger lot sizes. It was staff's opinion that the proposed development satisfies the relevant Guiding Principles from the *Realize Rowlett 2020* Comprehensive Plan and meets the criteria listed in the RDC for a rezoning. The proposed PD amendment does not change staff's opinion on the proposed development.

The proposed request to amend PD # 027-16 to modify the landscape entryway requirements has been reviewed from the standpoint of providing sufficient landscape while allowing for optimal plant growth. It is staff's opinion that the proposed changes will provide for optimal growth and health for the trees. The proposed landscaping has been designed to incorporate plant material for the environmental conditions that are unique to this site including selecting trees that can survive wet conditions. The proposed amendment is not expected to have any adverse impact on

the natural environment or on other properties in the vicinity including the existing single family subdivisions to the south and to the east. The proposed modification will continue to offer sufficient buffering and landscaping along Chiesa Road by including 14 canopy trees and five ornamental trees along with the required shrubs. Staff recommends approval of the proposed PD amendment.

Public Notices

Notice of this public hearing was mailed, posted, and published in accordance with State Law and the Rowlett Development Code. On September 15, 2016, a total of 83 notices were mailed to property owners within 200 feet and a total of 118 courtesy notices were mailed to property owners within 500 feet. As of October 12, 2016, none were received in favor of the request and five notices were returned in opposition. The responses are available in Attachment 5 – Returned Public Notices.

Staff published the Legal Notice in the *Dallas Morning News* on September 15, 2016, and placed a zoning sign on the subject property on 2016, in accordance with the Rowlett Development Code.

FISCAL IMPACT/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

Move to approve an ordinance to amend Planned Development ordinance 027-16 to allow modifications to the entryway landscape requirements.

ORDINANCE

AN ORDINANCE OF THE CITY OF ROWLETT, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP OF THE CITY OF ROWLETT, TEXAS, AS HERETOFORE AMENDED, BY AMENDING ORDINANCE NO. ORD-027-16, AND AMENDING THE EXISTING “PD” PLANNED DEVELOPMENT GRANTED THEREIN, TO REVISE THE LANDSCAPE ENTRYWAY REQUIREMENTS TO ALLOW RELOCATION OF CANOPY TREES FROM THE ENTRYWAY TO OTHER OPEN SPACES FOR PROPERTY LOCATED AT 7900 CHIESA ROAD FURTHER DESCRIBED AS BEING ALL OF TRACT 1 IN THE JAMES SAUNDERS SURVEY, ABSTRACT NO. 1424 AND BEING A PORTION OF LOT 1, BLOCK 1, CROSSROADS CHURCH ADDITION, CITY OF ROWLETT, DALLAS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN EXHIBIT “A”; PROVIDING DEVELOPMENT AND USE STANDARDS; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Rowlett and the governing body of the City of Rowlett, in compliance with state laws with reference to amending the Comprehensive Zoning Ordinance, have given the requisite notice by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners and interested persons generally, the governing body of the City of Rowlett is of the opinion that said zoning ordinance and map should be amended as provided herein.

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

SECTION 1. That the Comprehensive Zoning Ordinance and Map of the City of Rowlett, Texas, heretofore duly passed by the governing body of the City of Rowlett, as heretofore amended, be and the same are hereby amended by amending Ordinance No. ORD-027-16, adopted on or about July 5, 2016, to revise certain provisions of Part 1 of the Neighborhood Standards of Exhibit “D” (“Planned Development Standards”), to revise entryway landscaping requirements for property located at 7900 Chiesa Road further described as being all of Tract 1 in the James Saunders Survey, Abstract No. 1424 and being a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas and being more particularly described in Exhibit “A”, attached hereto and incorporated herein (hereinafter the “Property”).

SECTION 2. That part 1 of the Neighborhood Standards section of Exhibit “D” (“Planned Development Standards”) of Ordinance No. ORD-027-16 be and is hereby amended such that part 1 of the Neighborhood Standards section of the Planned Development Standards shall read (with new language underlined) in its entirety as follows:

“EXHIBIT D

Willow Wood Estates

PLANNED DEVELOPMENT STANDARDS

...

Neighborhood Standards

1. Neighborhood buffer yards, entryway treatments, and landscaping shall be designed, developed, and maintained in accordance with the standards established in the Rowlett Development Code with the following exceptions:
 - The primary entrance will be from Chiesa Road.
 - The minimum landscape entryway requirement for the primary entrance shall be 9,600 square feet.
 - The primary entry will have 2 canopy trees per 500 square feet. A minimum of seven canopy shade trees will be placed in the primary entryway along with the required landscape buffer trees. The remaining 32 trees required to satisfy the primary entryway tree requirement may be planted within the open spaces located in the Development.
 - If a detention pond is required in the open spaces, then trees that can survive in wet areas and/or standing water will be planted. This may include following tree species: *Acer rubrum* ‘red maple’; *Acer rubrum* ‘October glory’; *Betula nigra* ‘river birch’; *Quercus nigra* ‘pin oak’; *Magnolia grandiflora* ‘little gem’; *Taxodium distichum* ‘bald cypress’, *Taxodium*

ascendens 'pond cypress'. The requirement to have no more than 25% of one species will be increased to 50% for these trees.

- The landscape buffer will have 1 canopy tree per 35 linear feet.
- The landscape buffer will have 10 shrubs per 30 linear feet.
- A masonry and/or stone entry statement at least 6' tall shall be placed at the western entrance. A masonry wall along Chiesa Road will not be required. A six foot ornamental (tubular steel fence) shall screen the subdivision from Chiesa Road. Approved plants, trees, grass and other approved vegetation shall be placed in front of or behind the fence line to effectively screen the development and enhance the landscape buffer.
- Any secondary entryway connecting to other subdivisions shall not require any landscaping.
- Xeriscaped lots will be allowed along the sideyards of lots.”

The zoning change granted herein shall apply only to that part of Exhibit “D” of the existing Planned Development Standards described herein, and shall not affect the remaining provisions of Ordinance No. ORD-027-16, which Ordinance shall otherwise remain in effect.

SECTION 3. That the Property shall be used only in the manner and for the purposes provided herein and by the ordinances of the City of Rowlett, Texas, as heretofore amended, and as amended herein. The development, use and occupancy of the Property shall conform to the standards and regulations set forth in Ordinance ORD-027-16, the provisions of the Rowlett Development Code (Chapter 77 of the Code of Ordinances of the City of Rowlett, Texas), and the Code of Ordinances of the City of Rowlett, Texas, as amended. In the event of any conflict or inconsistency between the provisions of this ordinance and the provisions contained in any other provision of the Rowlett Development Code or other codes or ordinances of the City, the provisions of this ordinance shall control. In the event that this ordinance does not include a standard or regulation that is otherwise required for similar or comparable development or uses by the Rowlett Development Code or Code of Ordinances, then the standard or regulation required by the Development Code or other ordinance shall be applied to development and use of the Property.

SECTION 4. That all provisions of the ordinances of the City of Rowlett in conflict with the provisions of this ordinance as applicable to the Property 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 5. An offense committed before the effective date of this ordinance is governed by the prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 6. 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 hereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the comprehensive Zoning Ordinance as a whole.

SECTION 7. That any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Rowlett, as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 8. This ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law in such cases provides.

ATTACHMENTS

Exhibit A – Legal Description

Exhibit B – Zoning Boundary

Exhibit D – Revised Development Standards

Attachment 1 – Location Map

Attachment 2 – PD #027-16

Attachment 3 – Landscape Plan

Attachment 4 – PD #027-16 Exhibit D Revisions

Attachment 5 – Public Responses

PROPERTY DESCRIPTION

BEING all that certain lot, tract or parcel of land situated in the JAMES SAUNDERS SURVEY, A - 1424, City of Rowlett, Dallas County, Texas, and being a part of Lot 1, Block 1 of CROSSROADS CHURCH, an addition to the City of Rowlett, Texas, recorded in Volume 98245, Page 11 of the Map Records of Dallas County, Texas; said tract being a part of that same tract of land described in deed to Crossroads Baptist Church, recorded in Volume 99225, Page 1978 of the Deed Records of Dallas County, Texas, said tract being more particularly described as follows:

BEGINNING at a 3/4" iron rod found at the southwest corner of Lot 1, Block 1 of said Crossroads Church addition; said point being in the east R.O.W. line of Chiesa Road (a variable width R.O.W.) and the beginning of a curve to the right having a central angle of 11°14'20" and a radius of 533.70' (Chord bearing N 05°43'23" W, 104.52');

Thence northerly around said curve and along the east line of Chiesa Road, a distance of 104.69' to a 3/4" iron rod found for corner;

Thence N 00°06'13" W, 195.91' along the east line of Chiesa Road to a point for corner;

THENCE N 89°36'48" E, 857.07' to a point for corner in the east line of said Lot 1 and the west line of a 50' Lone Star Gas Easement, recorded in Volume 154, Page 537 of the Deed Records of Dallas County, Texas;

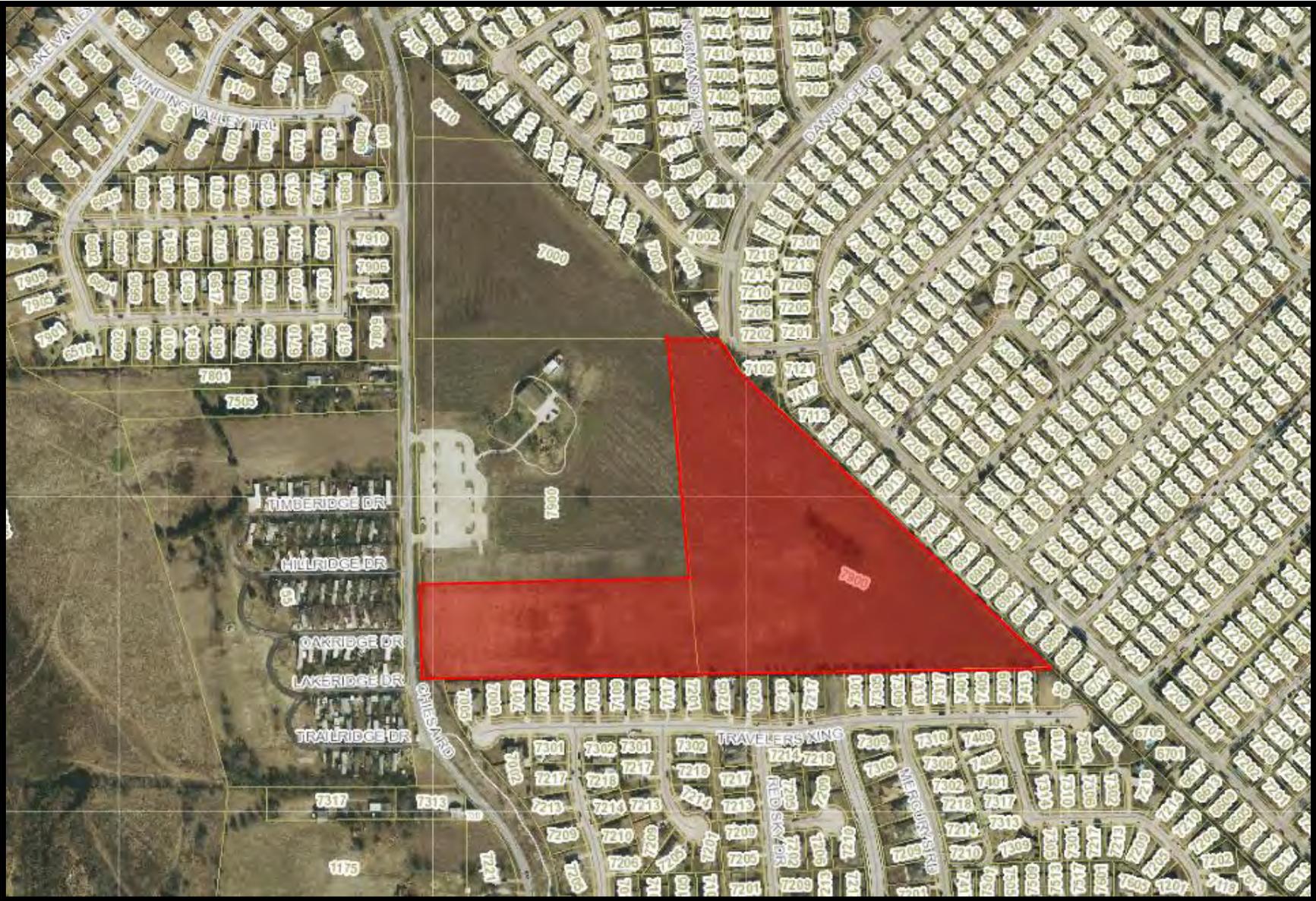
THENCE N 04°29'38" W, 798.44' along the east line of said Lot 1 and the west line of said 50' Lone Star Gas Easement to a 3/4" iron rod found at the northeast corner of said Lot 1, and being in the north line of the aforementioned Crossroads Baptist Church property;

THENCE N 89°53'47" E, 139.16' along the north line of said Crossroads Baptist Church property to a 3/4" iron rod found for corner in the southwest line of a 15' alley;

THENCE S 44°56'06" E, 881.18' along said alley to a 3/4" iron rod found for corner;

THENCE S 45°03'30" E, 657.66' along said alley to a 3/4" iron rod found at the southeast corner of said Crossroads Baptist Church property;

THENCE S 89°36'48" W, at 1,140.95' passing the southeast corner of said Lot 1, and continuing along the south line of said Lot 1 and Crossroads Baptist Church property, a total distance of 2,010.81' to the Point of Beginning and containing 960,885.09 square feet or 22.0589 acres of land.





City of Rowlett

Official Copy

Ordinance: ORD-027-16

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

AN ORDINANCE OF THE CITY OF ROWLETT, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE, PLAN AND MAP OF THE CITY OF ROWLETT, TEXAS, AS HERETOFORE AMENDED, BY GRANTING A CHANGE IN ZONING FROM "SF-10" SINGLE FAMILY 10 AND "SF-8" SINGLE FAMILY 8 TO "PD" PLANNED DEVELOPMENT FOR REAL PROPERTY CONSISTING OF 22.06 +/- ACRES GENERALLY LOCATED EAST OF CHIESA ROAD AND NORTH OF TRAVELERS CROSSING AND CONSISTING OF ALL OF TRACT I IN THE JAMES SAUNDERS SURVEY, ABSTRACT NO. 1424, AND A PORTION OF LOT 1, BLOCK 1, CROSSROADS CHURCH ADDITION, CITY OF ROWLETT, DALLAS COUNTY, TEXAS, AND MORE PARTICULARLY DESCRIBED IN EXHIBITS "A" AND "B", PROVIDING DEVELOPMENT AND USE STANDARDS; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Rowlett and the governing body of the City of Rowlett, in compliance with state laws with reference to amending the Comprehensive Zoning Ordinance, have given the requisite notice by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners and interested persons generally, the governing body of the City of Rowlett is of the opinion that said zoning ordinance and map should be amended as provided herein.

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

SECTION 1. That the Comprehensive Zoning Ordinance, Plan and Map of the City of Rowlett, Texas, heretofore duly passed by the governing body of the City of Rowlett, as heretofore amended, be and the same are hereby amended to grant a change in zoning from "SF-10" Single Family 10 and "SF-8" Single Family 8 to "SF-5" Single Family 5 with "PD" Planned Development overlay for real property consisting of 3.639 +/- acres generally located east of Chiesa Road and north of Traveler's Crossing and consisting of all of Tract I in the James Saunders Survey, Abstract No. 1424, and a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas, and being more particularly described in Exhibits "A" and "B", attached hereto and incorporated herein (hereinafter the "Property").

SECTION 2. That the development standards and regulations are set forth in the following exhibits:

Exhibit C – Statement of Intent and Purpose;
Exhibit D – Development Standards;
Exhibit E – Zoning Concept Plan; and
Exhibit F – Development Schedule;

All of which are attached hereto and made a part hereof, shall be applicable to all land, uses, structures, the use and occupancy of all structures, and the development, construction, operation and maintenance of all improvements on the Property described herein.

SECTION 3. The Property shall be used only in the manner and for the purposes provided herein and by the ordinances of the City of Rowlett, Texas, as heretofore amended, and as amended herein. The development, use and occupancy of the Property shall conform to the standards and regulations set forth in Exhibits “C” through “F”, the provisions of the Rowlett Development (Chapter 77 of the Code of Ordinances of the City of Rowlett, Texas), and the Code of Ordinances of the City of Rowlett, Texas, as amended. In the event of any conflict or inconsistency between the provisions of this ordinance and the provisions contained in any other provisions of the Rowlett Development Code or other codes or ordinances of the City, the provisions of this ordinance shall control. In the event that this ordinance does not include a standard or regulation that is otherwise required for similar or comparable development or uses by the Rowlett Development Code or Code of Ordinances, then the standard or regulation required by the Rowlett Development Code or other ordinance shall be applied to development and use of the Property.

SECTION 4. That all provisions of the ordinances of the City of Rowlett in conflict with the provisions of this ordinance as applicable to the Property 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 5. That an offense committed before the effective date of this ordinance is governed by the prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 6. 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 hereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

SECTION 7. That any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Rowlett, as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each

offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 8. This ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such cases provide.

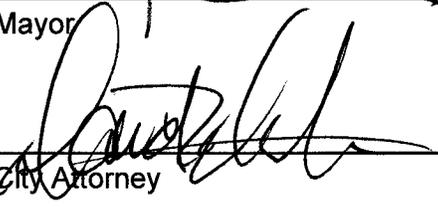
At a meeting of the City Council on July 5, 2016 this Ordinance be adopted. The motion carried by the following vote:

Ayes: 7 Mayor Gottel, Mayor Pro Tem Dana-Bashian, Deputy Mayor Pro Tem Sheffield, Councilmember van Bloemendaal, Councilmember Hargrave, Councilmember Brown and Councilmember Bobbitt.

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Approved by 
Mayor

Date July 5, 2016

Approved to form by 
City Attorney

Date July 5, 2016

Certified by 
City Secretary

Date July 5, 2016



PROPERTY DESCRIPTION

BEING all that certain lot, tract or parcel of land situated in the JAMES SAUNDERS SURVEY, A - 1424, City of Rowlett, Dallas County, Texas, and being a part of Lot 1, Block 1 of CROSSROADS CHURCH, an addition to the City of Rowlett, Texas, recorded in Volume 98245, Page 11 of the Map Records of Dallas County, Texas; said tract being a part of that same tract of land described in deed to Crossroads Baptist Church, recorded in Volume 99225, Page 1978 of the Deed Records of Dallas County, Texas, said tract being more particularly described as follows:

BEGINNING at a 3/4" iron rod found at the southwest corner of Lot 1, Block 1 of said Crossroads Church addition; said point being in the east R.O.W. line of Chiesa Road (a variable width R.O.W.) and the beginning of a curve to the right having a central angle of 11°14'20" and a radius of 533.70' (Chord bearing N 05°43'23" W, 104.52');

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Thence N 00°06'13" W, 195.91' along the east line of Chiesa Road to a point for corner;

THENCE N 89°36'48" E, 857.07' to a point for corner in the east line of said Lot 1 and the west line of a 50' Lone Star Gas Easement, recorded in Volume 154, Page 537 of the Deed Records of Dallas County, Texas;

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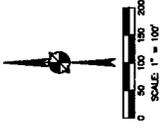
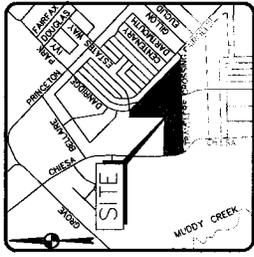
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EXHIBIT B



PROPERTY DESCRIPTION

Block 1 of Lot 1, Block 1, Willow Wood Estates, Tract II and a portion of Lot 1, Block 1, Crossroads Church, James Saunders Survey, D.R.D.C.T., is being rezoned from Single-Family Residential to Medium Density Residential. The subject property is located in the City of Rowlett, Texas, and is bounded by Danridge Road to the north, Westway Drive to the west, and Chesa Road to the south. The subject property is approximately 22.08 acres in size and is currently zoned SF-10. The subject property is being rezoned to MDR-10. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016.

Block 1 of Lot 1, Block 1, Willow Wood Estates, Tract II and a portion of Lot 1, Block 1, Crossroads Church, James Saunders Survey, D.R.D.C.T., is being rezoned from Single-Family Residential to Medium Density Residential. The subject property is located in the City of Rowlett, Texas, and is bounded by Danridge Road to the north, Westway Drive to the west, and Chesa Road to the south. The subject property is approximately 22.08 acres in size and is currently zoned SF-10. The subject property is being rezoned to MDR-10. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016.

Block 1 of Lot 1, Block 1, Willow Wood Estates, Tract II and a portion of Lot 1, Block 1, Crossroads Church, James Saunders Survey, D.R.D.C.T., is being rezoned from Single-Family Residential to Medium Density Residential. The subject property is located in the City of Rowlett, Texas, and is bounded by Danridge Road to the north, Westway Drive to the west, and Chesa Road to the south. The subject property is approximately 22.08 acres in size and is currently zoned SF-10. The subject property is being rezoned to MDR-10. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016.

Block 1 of Lot 1, Block 1, Willow Wood Estates, Tract II and a portion of Lot 1, Block 1, Crossroads Church, James Saunders Survey, D.R.D.C.T., is being rezoned from Single-Family Residential to Medium Density Residential. The subject property is located in the City of Rowlett, Texas, and is bounded by Danridge Road to the north, Westway Drive to the west, and Chesa Road to the south. The subject property is approximately 22.08 acres in size and is currently zoned SF-10. The subject property is being rezoned to MDR-10. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016.

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Block 1 of Lot 1, Block 1, Willow Wood Estates, Tract II and a portion of Lot 1, Block 1, Crossroads Church, James Saunders Survey, D.R.D.C.T., is being rezoned from Single-Family Residential to Medium Density Residential. The subject property is located in the City of Rowlett, Texas, and is bounded by Danridge Road to the north, Westway Drive to the west, and Chesa Road to the south. The subject property is approximately 22.08 acres in size and is currently zoned SF-10. The subject property is being rezoned to MDR-10. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016. The rezoning is being requested by the City of Rowlett, Texas, and is being held for a public hearing on June 8, 2016.



SCOTT OWEN, Registered Professional Land Surveyor No. 8111
 DAVIS LAND SURVEYING CO., INC.
 8177 FERRISBURG ROAD, SUITE 102
 DALLAS, TEXAS 75243-1100
 PHONE: (214) 351-1989
 FAX: (214) 351-1989

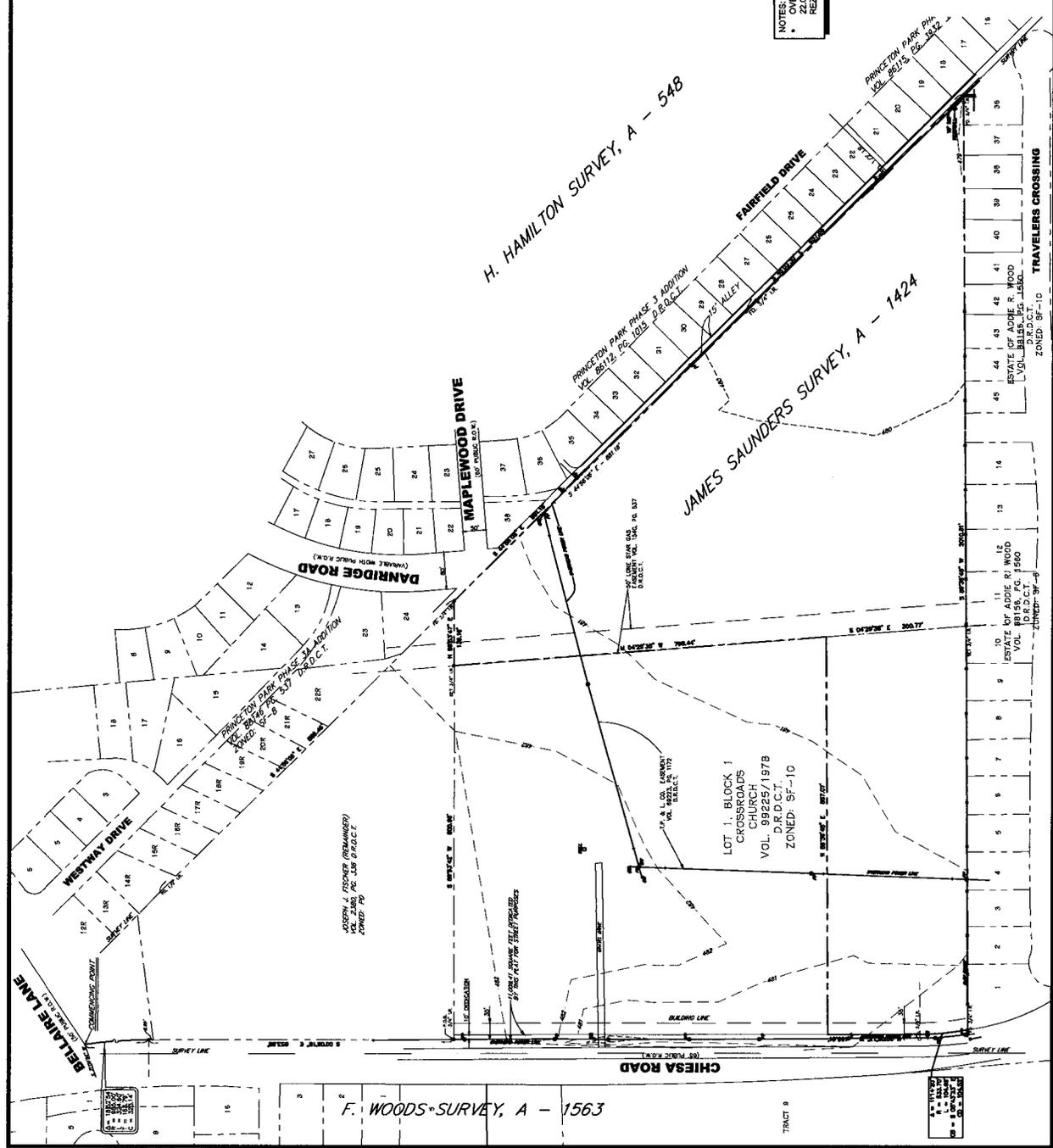
- NOTES:
1. THE GENERAL SITE IS 22.08 ACRES WITH 22.08 ACRES REQUESTED TO BE REZONED.
 2. THE ZONING COMMISSION SHALL REVIEW THE ZONING APPLICATION IN ACCORDANCE WITH THE ZONING ORDINANCES OF THE CITY OF ROWLETT, TEXAS.
 3. THE ZONING COMMISSION SHALL REVIEW THE ZONING APPLICATION IN ACCORDANCE WITH THE ZONING ORDINANCES OF THE CITY OF ROWLETT, TEXAS.
 4. ALL CURRENT DEVELOPMENT REQUIREMENTS OF THE CITY OF ROWLETT, TEXAS, SHALL APPLY TO THE SUBJECT PROPERTY.
 5. NO 100-YEAR FLOODPLAIN EXISTS ON THE SITE, ACCORDING TO THE FIRM MAP PUBLISHED ON JULY 7, 2014.
 6. ALLOTMENT NUMBERS WERE OBTAINED FROM THE RECORDS OF THE CITY OF ROWLETT, TEXAS.
 7. THE ZONING COMMISSION SHALL REVIEW THE ZONING APPLICATION IN ACCORDANCE WITH THE ZONING ORDINANCES OF THE CITY OF ROWLETT, TEXAS.

EXHIBIT B - ZONING EXHIBIT
 PD15-2016
 WILLOW WOOD ESTATES
 TRACT II AND A PORTION OF
 LOT 1, BLOCK 1 - CROSSROADS CHURCH
 JAMES SAUNDERS SURVEY, D.R.D.C.T.
 CITY OF ROWLETT, TEXAS
 JUNE 8, 2016

CIVIL ENGINEER/PREPARER:
 BARRY-DON, INC.
 5310 HARVEST HILL ROAD,
 DALLAS, TEXAS 75230
 CONTACT: KYLEAN M. WILSON, P.E.
 TEL: 972-382-1048
 TYPED: F-1048

OWNER:
 CROSSROADS BAPTIST CHURCH
 6005 WOODLAND DRIVE
 ROWLETT, TEXAS 75080

APPLICANT:
 THE CITY OF ROWLETT, TEXAS
 8014 WESTCHESTER
 SUITE 100, DALLAS, TEXAS 75225
 PHONE: (214) 688-8865
 CONTACT: SEAN LINGENFELTER
 BURY PROJ. # 011314-30022



F. WOODS SURVEY, A - 1563

TRACT 8



**EXHIBIT C
STATEMENT OF INTENT AND PURPOSE
Willow Wood Estates**

Willow Wood Estates is a neighborhood which creates a beautiful, timeless community that upholds and enhances the quality of the surrounding environment. This neighborhood encourages outdoor activities and neighborhood interaction with its centralized greenspace, and connectivity to the City's trail system. This design philosophy brings individuals out of their backyards to enjoy the outdoors together as a community. A portion of the homes will front the centralized common area, which provides residents a scenic view and an opportunity to leave their fenced back yards to meet their neighbors.

This community strives to be a shining example of what Rowlett has to offer. With nearby access to Chiesa Road and Liberty Grove Road, this property lends its residents easy access to the conveniences of suburban life. In regards to Willow Wood Estates' regional context, the neighborhood's residents have convenient access to President George Bush Turnpike, the new CityLine (State Farm) corporate center, and local retail business and retail centers like Wal-Mart, Home Depot, and Super Target nearby. Residents will also enjoy the numerous current and future City Parks nearby such as Muddy Creek Park, Sunset Park, the Environmental Learning Center, and the new Bayside lagoon project.

The potential residential density for this development ranges from 4.0 to 4.2 units per acre.

Section 77-805.C. of the Rowlett Development Code (RDC) indicates that recommendations and decisions on rezoning shall be based on consideration of the following criteria:

1. Whether the proposed rezoning corrects an error or meets the challenge of some changing condition, trend, or fact.

The requested rezoning does not correct any errors with respect to zoning.

The request meets the changing environment recognized in the Realize Rowlett 2020 Plan. In the "Framework for the Future" section of the Plan, it clearly states, "In 2020, Rowlett will be a community with diverse lifestyle choices for living, working, playing, and learning. ...additional housing choices will be available for individuals and families that desire homes needing lower maintenance. Young professionals will be attracted to low maintenance, dense housing found in urban or mixed-use neighborhoods." Additionally, the Plan recognizes that, "Rowlett's future as an employment center will blossom", when a number of actions take place, including, "its housing inventory expands and diversifies." Willow Wood Estates will meet the needs and desires of a more diversified Rowlett resident.

2. Whether the proposed rezoning is consistent with the comprehensive plan and the purpose of this Code stated in subchapter 77-103, Purpose of this Code.

The proposal is consistent with the Guiding Principles outlined in the Realize Rowlett 2020 Plan. While this area is not one of the strategic opportunity areas detailed in the plan, the plan anticipates areas of Rowlett outside those areas will also experience development over time. When they do, the development should work within the framework of the Plan's Guiding Principles; two of the key ones being Principle 1: Value Existing Neighborhoods, and Principle 3: Make Rowlett a Community that is Attractive to People at all Stages of Their Lives.

The Plan recognizes that in order to protect the Realize Rowlett 2020 vision, "Actions for Change" need to be implemented. For redevelopment of residential areas and/or new development on greenfields in mature residential areas, Action 3 is probably the most important. This Action states, "...and include language related to the efficient delivery of redeveloped properties and projects that advance the principles of Smart Growth and traditional neighborhood development." Willow Wood Estates neighborhood is planned with those principles.

3. Whether the proposed rezoning will protect or enhance the health, safety, morals, or general welfare of the public.

The proposed Willow Wood Estates neighborhood does protect the public by:

- i) Fostering convenient, compatible, and efficient relationships among land uses;
- ii) Promoting a healthful and convenient distribution of population;
- iii) Ensures greater public safety, convenience, and accessibility through physical design;
- iv) Encourages the efficient use of the available land supply in the city;
- v) Preserves the character and quality of residential neighborhoods;
- vi) Promotes a balanced, diverse supply of affordable, quality housing in safe and livable neighborhoods;
- vii) Ensures the provision of adequate sized yards, open spaces for light, air, and fire safety;
- viii) Encourages development of a sustainable and accessible system of recreational facilities, and open space that meets year-round neighborhood and community wide needs;
- ix) Facilitates the adequate and safe provision of transportation, water, sewage, drainage, and other public facilities; and
- x) Ensures the service demands of new development will not exceed the capabilities of existing streets, utilities, or other public facilities and services.

4. Whether the municipality and other service providers will be able to provide sufficient transportation and utility facilities and services to the subject property, while maintaining sufficient levels of service to existing development.

Willow Wood Estates neighborhood's needs for water can be provided without negatively impacting adjacent properties. Willow Wood Estates neighborhood's needs for sewer services can also be met without negatively impacting adjacent properties. Additionally, the traffic generated by Willow Wood Estates residents will not negatively impact the city's street system.

5. Whether the proposed rezoning is likely to have significant adverse impacts on the natural environment, including air, water, noise, stormwater management, wildlife, and vegetation.

Willow Wood Estates neighborhood will not have adverse impacts on the natural environment. Activities within the neighborhood will adhere to all of the city's performance standards with respect to air, water, and noise. The city's stormwater management standards will be followed, as they are with all new development in the city. Willow Wood Estates' layout was designed to preserve as much natural vegetation as possible, leaving existing trees and vegetation in the common areas.

6. Whether the proposed rezoning will have significant adverse impacts on other property in the vicinity of the subject tract.

The proposed rezoning will not have significant adverse impacts on other property in the vicinity. The proposed rezoning will closely relate to the adjacent single family neighborhoods, and the new housing stock with their projected price points will benefit the surrounding properties.

7. The suitability of the subject property for the existing zoning classification and proposed zoning classification.

The property is currently zoned SF-8 and SF-10 with a lot area minimum of 8,000 and 10,000 square feet respectively. This property is not suitable for the current zoning category, due to its infill nature, existing gas line and future thoroughfare road bisecting the property, which constrain the property. These inherent constraints inhibit the configuration and ultimate efficiency of the property, which is why a smaller lot size is necessary. The proposed zoning allows for a higher density than the current zoning category. This higher density creates a transitional buffer between the high-intensity uses of the adjacent religious facility and senior living facility and the currently existing subdivisions (Princeton Park and The Crossroads).

This rezoning will also allow for the creation and maximization of a high-quality open space that will enhance and protect the value of the neighborhood for years to come. A suburban style of single family development deemphasizes the focus on the fenced back yard where every resident is isolated from their neighbor. Social interaction is very important for homeowners in this style of neighborhood. A focus is placed on the common areas in a neighborhood where that social interaction can take place on a daily basis. With that in mind, Willow Wood Estates neighborhood will provide a centralized, usable open space for the benefit of the entire neighborhood. This will not only provide ample opportunity for interaction between neighbors, but will also create a more appealing atmosphere to the neighborhood.

The property is well suited for a suburban, infill single family neighborhood. As the Realize Rowlett 2020 Plan indicates, “The community will support diverse choices—in housing types, neighborhood character and land use patterns—so that people at all stages of their lives can find options here that meets their needs”. This is an opportunity to diversify Rowlett’s housing stock with high-quality homes, making Rowlett a full Life Cycle community.

8. Whether there is determined to be an excessive proliferation of the use or similar uses.

Princeton Park, which is immediately northeast of Willow Wood Estates, was zoned and preliminary platted in 1986. Lot areas range from +/- 7,200 to 8,000 square feet. Directly south of Willow Wood Estates is The Crossroads, which was zoned and platted in 2001 for 8,000 to 10,000 square foot lot areas. Directly west of the site is Chiesa Estates Mobile Home Park.

In this vicinity, there is a deficiency of smaller high-quality homes, which allow for less yard maintenance and right-sized homes for aging “baby boomers” who want to stay in Rowlett and young professionals who are drawn toward a more suburban lifestyle with convenient access to President George Bush Tollway. Willow Wood Estates is intended to meet the demand for this underserved product type. There is currently a dearth of this housing type in Rowlett, and it is a housing product Realize Rowlett 2020 desires to grow in the future.

9. Whether the proposed rezoning will ensure that future uses on the subject tract will be compatible in scale with uses on other properties in the vicinity of the subject tract.

The requested rezoning is compatible in scale with uses on other properties in the vicinity. There is significant single family development surrounding the site. The proposed rezoning creates a transitional zoning or buffer from the high-intensity use of a religious facility and senior living facility from the existing housing of the older neighborhoods.

10. The supply of land in the economically relevant area that is in the use district to be applied by the rezoning or in similar use districts, in relation to the demand for that land.

The area surrounding Willow Wood Estates neighborhood is predominantly developed with suburban style for single family neighborhoods.

As identified in the Realize Rowlett 2020 plan however, “Though surrounded by attractive suburban alternatives, Rowlett is poised to compete for residential expansion, largely due to future transit improvements... demand for residential product types will continue to grow significantly over the next decade (over 21,000 units in the Trade Area) ...”

The Plan indicates there is ample demand for this type of residential product in this general area of the city.

EXHIBIT D

**EXHIBIT D
Willow Wood Estates
PLANNED DEVELOPMENT STANDARDS**

General Standards

1. Development shall take place in general accordance with the attached Zoning Exhibit (Exhibit E).
2. The maximum number of homes in Willow Wood Estates neighborhood shall be 89.
3. A minimum of 8% of the land within Willow Wood Estates neighborhood shall be used as open space. The open space, as generally shown on Exhibit E, shall be recognized as meeting all of the City of Rowlett's acreage requirements for public and/or private open space for Willow Wood Estates neighborhood.
4. All open space and common area shall be owned and maintained by the Homeowners Association.

Dimensional Standards

Development shall take place in accordance with the SF-5 Single Family Residential District as outlined in the City of Rowlett Development Code as it exists or may be amended, except as indicated below.

1. The minimum lot area is 6,000 square feet (see Note A).
2. The minimum lot width shall be 50' at the building line. On cul-de-sacs and/or elbows, the minimum lot width at the street ROW shall be 35'.
3. The minimum lot depth is 120' (See Note A). On cul-de-sacs and/or elbows, the minimum lot depth shall be 105'.
4. The minimum front yard setback shall be 20'.
5. The minimum side yard setback shall be 5', the minimum side yard setback on a corner lot adjacent to a street shall be 10'.
6. The minimum rear yard setback shall be 20'.
7. The maximum lot coverage shall be 75%.
8. The minimum dwelling area shall be 1,600 square feet.
9. The maximum height shall be 2.5 stories or 36' for the main building.

Setback Type	Minimum Distance in Feet
Front Setback	20'
Rear Setback	20'
Sidyard Setback	5'
Sidyard Setback Adjacent to Street	10'
Sidyard Setback for Key Lot	10'
Garage Setback	20'

Note A:

Two (2) lots, lots 78 and 79 as shown on concept plan, shall have a minimum lot area of 5,750 square feet with a minimum lot depth of 115'.

EXHIBIT DNeighborhood Standards

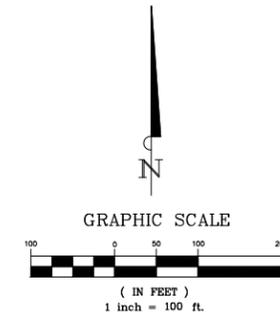
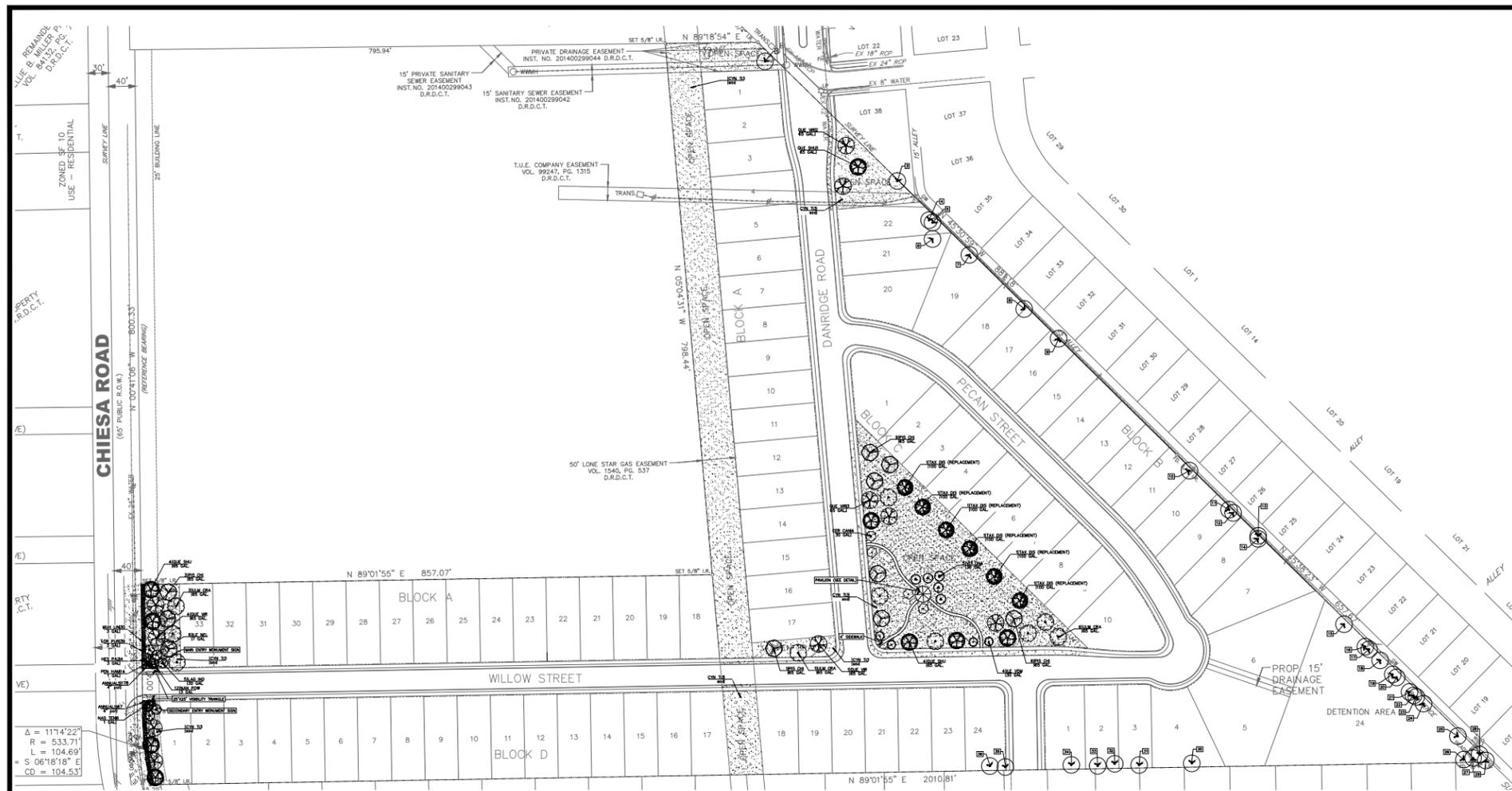
1. Neighborhood buffer yards, entryway treatments, and landscaping shall be designed, developed, and maintained in accordance with the standards established in the Rowlett Development Code with the following exceptions:
 - The primary entrance will be from Chiesa Road.
 - The minimum landscape entryway requirement for the primary entrance shall be 9,600 square feet.
 - The primary entry will have 2 canopy trees per 500 square feet.
 - The landscape buffer will have 1 canopy tree per 35 linear feet.
 - The landscape buffer will have 10 shrubs per 30 linear feet.
 - A masonry and/or stone entry statement at least 6' tall shall be placed at the western entrance. A masonry wall along Chiesa Road will not be required. A six foot ornamental (tubular steel fence) shall screen the subdivision from Chiesa Road. Approved plants, trees, grass and other approved vegetation shall be placed in front of or behind the fence line to effectively screen the development and enhance the landscape buffer.
 - Any secondary entryway connecting to other subdivisions shall not require any landscaping.
 - Xeriscaped lots will be allowed along the sideyards of lots.
2. Unless otherwise shown on Exhibit E, streets within Willow Wood Estates neighborhood shall be designated as "Minor Residential Streets" and have a right-of-way width of 50' and a pavement width of 31' back to back. Danridge Road shall taper to a 60' ROW undivided minor collector street with 37' of paving (back to back).
3. ROW dedication (if any) shall be 32.5 feet from the centerline of Chiesa Road.

Architectural Standards

1. All homes within the Willow Wood Estates neighborhood shall comply with the Residential Building Standards established in the Rowlett Development Code with the following exception: If a gable roof extends over an unenclosed porch, the gable face may be constructed of hardy-plank or similar cementitious material.
2. A hip roof which faces the street and which comprises greater than 35% of the total width of a house's façade shall be broken up with dormers or other architecturally compatible appurtenances.
3. Minimum of 8:12 front elevation roof pitch, except 4:12 roof pitches on porches. Dimensional shingles shall be used.
4. A minimum 4' wide, dedicated walk separate from a driveway, shall provide a connection between the house and the city sidewalk.

Exhibit F
Development Schedule
Willow Wood Estates

- Development is anticipated to start at the beginning of 2017.
- It is anticipated that Willow Wood Estates will be built out by mid-2019.
- It is anticipated that there will be 2 to 3 phases to Willow Wood Estates



LANDSCAPE TABULATIONS:

TOTAL LANDSCAPE AREA PROVIDED:	130,177 SF
CHIESA ROAD TREES REQUIRED 1/35 LF: 252 LF	7 TREES
CHIESA ROAD TREES PROVIDED:	7 TREES
CHIESA ROAD SHRUBS REQUIRED: 10/33 LF	84 SHRUBS
CHIESA ROAD SHRUBS PROVIDED:	103 SHRUBS
LANDSCAPE ENTRY AREA TREES REQUIRED: 2/500 SF (9,600 SF)	38 TREES
LANDSCAPE ENTRY AREA TREES PROVIDED: 9,688 SF	7 SHADE TREES AND 5 ORNAMENTAL TREES
OPEN SPACE AREA TREES PROVIDED:	25 SHADE TREES AND 13 ORNAMENTAL TREES

SPECIAL NOTES:

- HOME BUILDER IS RESPONSIBLE FOR PLANTING (2) CANOPY TREES PER LOT AT TIME OF COMPLETION OF HOME BUILDING PER CITY OF ROWLETT LANDSCAPE ORDINANCE.
- PER THE PD-027-16 AND LANDSCAPE ORDINANCE 77_504, 38 CANOPY TREES ARE REQUIRED IN THE FRONT ENTRY WHICH IS 2 TREES/500 SF OF REQUIRED OPEN SPACE AREA AT 5,600 SF. IN THE LANDSCAPE BUFFER, BASED ON THAT 7 SHADE TREES AND 5 ORNAMENTAL TREES WERE PLACED IN THE LANDSCAPE BUFFER SPACED APART FOR OPTIMAL GROWTH OVER THE LIFE OF THE TREES. DUE TO THE LACK OF ADEQUATE SPACE FOR OPTIMAL TREE DEVELOPMENT FOR ROOT GROWTH AND CANOPY COVERAGE FOR THE LIFE OF THE TREES, 26 SHADE TREES AND 13 ORNAMENTAL TREES WERE PLACED IN OPEN SPACE AREAS AROUND THE SITE. BLOCK C LOT 11 (18 SHADE TREES AND 13 ORNAMENTAL TREES), BLOCK A LOT 34 (3 SHADE TREES), BLOCK B LOT 23 (3 SHADE TREES)
- PLEASE SEE THE TREE SURVEY/PRESERVATION PLAN BY OTHERS IN THIS SET OF PLANS. PER THIS PLAN 24" CALIPER INCHES WERE TO BE MITIGATED. (6) 4" CALIPER BALD CYPRESS WERE PLACED IN THE CENTRAL OPEN SPACE AREA TO MEET THIS MITIGATION REQUIREMENT.
- IF A DETENTION POND IS REQUIRED IN THE LARGE OPEN SPACE THEN TREES THAT CAN SURVIVE IN STANDING WATER (Acer rubrum 'RED MAPLE', Acer rubrum 'OCTOBER GLORY', Betula nigra 'RIVER BIRCH', Quercus nigra 'PIN OAK', Magnolia grandiflora 'LITTLE GEM MAGNOLIA', Taxodium distichum 'BALD CYPRESS') WILL REPLACE WHAT IS BEING SPECIFIED IN THESE PLANS. THE TREES WILL BE EQUALLY DISTRIBUTED AT NO MORE THAN 25% OF ONE SPECIES.
- TREES BEING SAVED IN THE DETENTION POND AREA WILL HAVE PROTECTIVE FENCING ESTABLISHED BEFORE CONSTRUCTION BEGINS. THE FENCING WILL BE PLACED OUTSIDE OF THE CRITICAL ROOT ZONE OF THE TREES.
- IF A FENCE IS REQUIRED AROUND THE DETENTION POND, THE FENCE WILL BE INSTALLED PER CITY OF ROWLETT CODE AND APPROVED BY CITY OFFICIALS PRIOR TO INSTALLATION.

PLANT SCHEDULE

TREES	QTY	BOTANICAL NAME / COMMON NAME	CONT	GAL	SIZE	NOTES
	4	Cercis canadensis / Eastern Redbud	30	GAL	3"	8' MIN. SYMMETRICAL MATCHING FULL
	4	Ilex vomitoria / Yaupon Holly	30	GAL	3"	8' MIN. 3 CANES MIN. MATCHING FULL
	5	Lagerstroemia indica / Crape Myrtle	30	GAL	3"	8' MIN. 3 CANES MIN. MATCHING FULL
	10	Pistacia chinensis / Chinese Pistache	65	GAL	3"	12' MIN. SYMMETRICAL MATCHING FULL
	9	Quercus shumardii / Shumard Red Oak	65	GAL	3"	12' MIN. SYMMETRICAL MATCHING FULL
	10	Quercus virginiana / Southern Live Oak	65	GAL	3"	12' MIN. SYMMETRICAL MATCHING FULL
	6	Taxodium distichum / Bald Cypress	100	GAL	4"	12'-15' SYMMETRICAL MATCHING FULL
	10	Ulmus crassifolia / Cedar Elm	65	GAL	3"	12' MIN. SYMMETRICAL MATCHING FULL
	5	Vitex agnus-castus / Chaste Tree	30	GAL	3"	8' MIN. 3 CANES MIN. MATCHING FULL
	52	Hackberry	52	GAL	11"	X Good
	53	Oak	53	GAL	11"	X Good
	54	Cedar	54	GAL	17"	X Good
	55	Cedar	55	GAL	27"	X Good
	56	Cedar Elm	56	GAL	8"	X Good
	57	Cedar	57	GAL	13"	X Good
	58	Cedar Elm	58	GAL	12"	X Good
	59	Hackberry	59	GAL	12"	X Good
	60	Cedar	60	GAL	15"	X Good
	61	Cedar	61	GAL	13"	X Good
	62	Cedar	62	GAL	12"	X Good
	63	Cedar	63	GAL	13"	X Good
	64	Cedar Elm	64	GAL	11"	X Good
SHRUBS	QTY	BOTANICAL NAME / COMMON NAME	CONT	SIZE	SPACING	NOTES
	2	Hesperaloe parviflora / Red Yucca	3	GAL	24" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	6	Ilex x 'Nellie R Stevens' / Nellie Stevens Holly	7	GAL	48" HT	48" O.C. TRIANGULAR SPACING, FULL, MATCHING
	39	Loropetalum chinense 'Purple Diamond' / Fringe Flower	3	GAL	24" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	30	Muhlenbergia lindheimeri / Lindheimer's Muhly	3	GAL	24" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	12	Nandina domestica 'Fire Power' / Firepower Nandina	3	GAL	24" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	6	Nassella tenuissima / Texas Needle Grass	1	GAL	16" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
	14	Pennisetum alopecuroides 'Hameln' / Hameln Dwarf Fountain Grass	1	GAL	16" HT.	30" O.C. TRIANGULAR SPACING, FULL, MATCHING
GROUND COVERS	QTY	BOTANICAL NAME / COMMON NAME	CONT	SPACING	NOTES	
		Cynodon dactylon 'Tif 419' / Bermuda Grass	sod			
	245	Seasonal Annuals	4" pot	8" o.c.	TRIANGULAR SPACING	

EXISTING TREE DATA:

TREE #	CALIPER	TYPE	REMAIN	REMOVE	CONDITION
1*	15"	Hackberry	X		Good
2	12"	Hackberry		X	Good
3*	12"	Hackberry	X		Good
4*	15"	Hackberry	X		Good
5*	12"	Hackberry	X		Good
6*	12"	Hackberry	X		Good
7*	16"	Hackberry	X		Good
8*	15"	Hackberry	X		Good
9*	9"	Cedar Elm	X		Good
10*	10"	Cedar	X		Good
11*	12"	Cedar Elm	X		Good
12*	12"	Cedar Elm	X		Good
13*	8"	Cedar Elm	X		Good
14*	10"	Cedar Elm	X		Good
15*	12"	Cedar Elm	X		Good
16*	10"	Cedar Elm	X		Good
17*	12"	Cedar Elm	X		Good
18*	12"	Cedar Elm	X		Good
19*	10"	Cedar Elm	X		Good
20*	12"	Cedar Elm	X		Good
21*	8"	Oak	X		Good
22*	8"	Oak	X		Good
23*	8"	Oak	X		Good
24*	8"	Oak	X		Good
25*	8"	Cedar Elm	X		Good
26*	11"	Hackberry	X		Good
27*	12"	Hackberry	X		Good
28*	9"	Chinaberry	X		Good
29*	10"	Chinaberry	X		Good
30*	10"	Cedar	X		Good
31*	8"	Cedar	X		Good
32*	8"	Cedar	X		Good

*CREDIT FOR SAVED TREE

TOTAL CALIPER INCHES EXISTING	781
TOTAL CALIPER INCHES TO REMAIN	378.5
TOTAL CALIPER INCHES TO BE REMOVED	402.5
TOTAL CALIPER INCHES OF CREDIT FOR SAVED TREES	378.5
TOTAL CALIPER INCHES FOR MITIGATION	24

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 240 N. Mitchell Road | Mansfield, TX 76063 | 817.842.2094 | 817.842.2095 fax
 REGISTRATION # F-10599 (TEXAS)

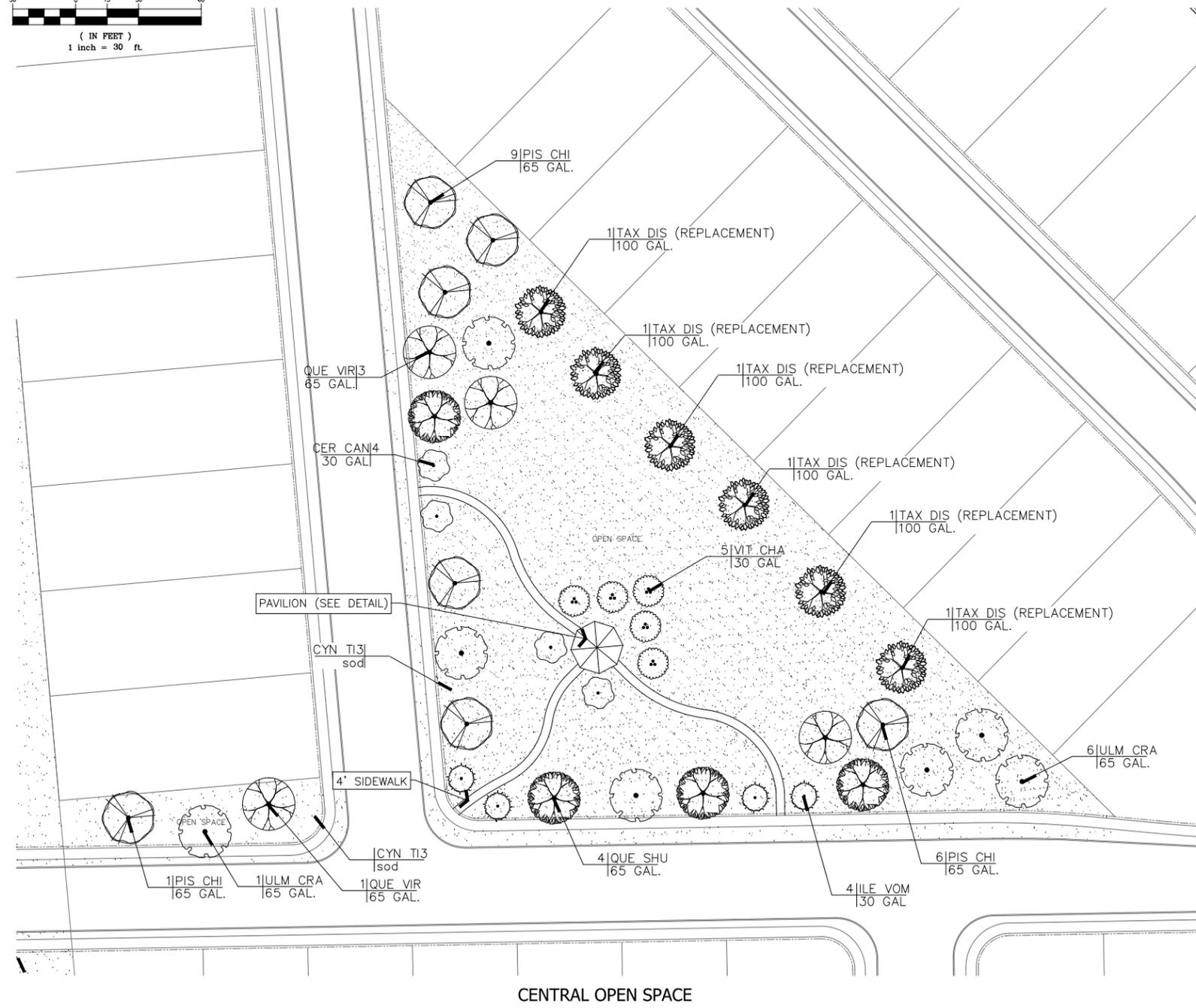
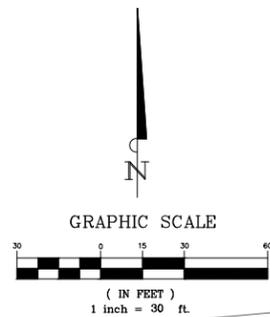
WILLOW WOOD ESTATES
 LOT 1, BLOCK 1 - CROSSROADS CHURCH
 Rowlett, Texas
LANDSCAPE PLAN

No.	Date	Revision Description

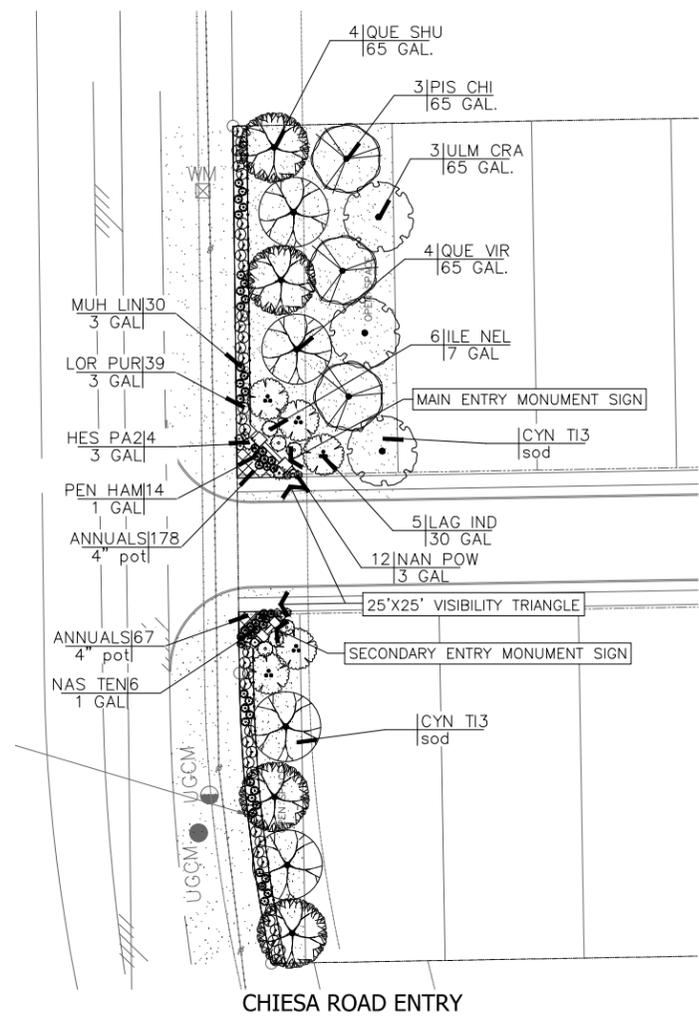
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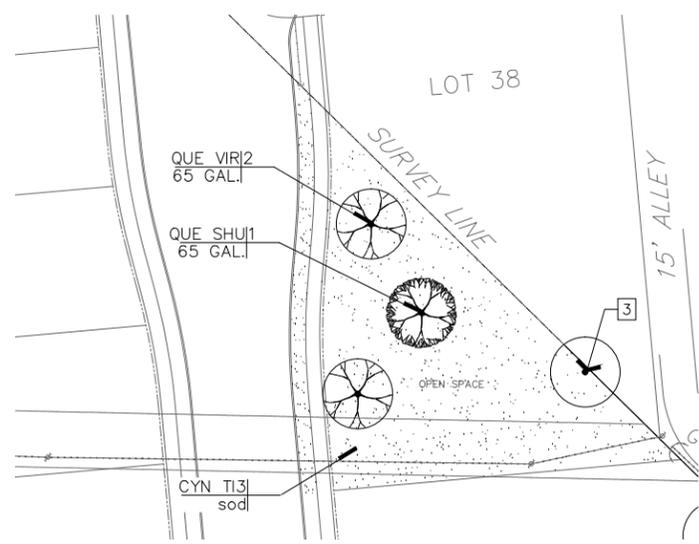
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CENTRAL OPEN SPACE



CHIESA ROAD ENTRY



NORTHERN OPEN SPACE



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WILLOW WOOD ESTATES
LOT 1, BLOCK 1 - CROSSROADS CHURCH
Rowlett, Texas
LANDSCAPE PLAN

No.	Date	Revision Description

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Architect: BREW J. DUBOCCO
L.A. No. 3141 Date: 09/19/2016
PROJECT NO.: 0804-16-11

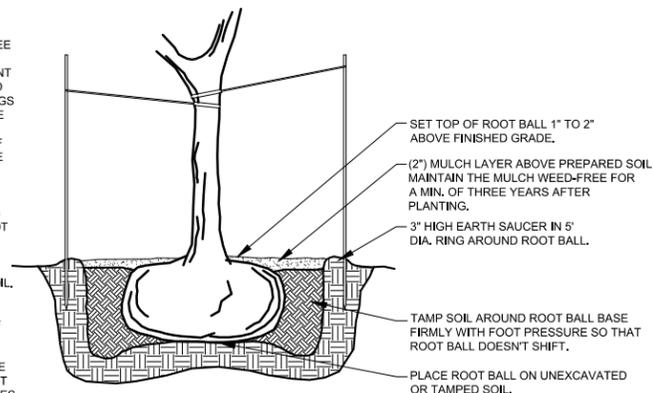
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GENERAL NOTES:

1. Locate all utilities prior to digging. Contractor shall be responsible for all damage incurred by his/her work.
2. Contractor shall advise the Owner and Landscape Architect of any condition found on site which prohibits installation as shown on these plans.
3. If a discrepancy between drawings and plant schedule is found, the drawings shall take precedent over the plant schedule.
4. Plant material shall comply with all sizing and grading standards of the latest edition of 'American Standard for Nursery Stock.'
5. Contractor shall stake out tree locations and bed configuration for approval by Owner prior to installation.
6. Substitutions shall not be made without prior written authorization from the Owner or Landscape Architect.
7. All disturbed areas not indicated as planting beds shall be sodded or seeded by Contractor to provide an established turf area.
8. Contractor shall remove reasonable amount of stones, dead roots, detritus and other undesirable material from existing soil.
9. If rocks are encountered, remove to a depth of 3" and add 3" of friable fertile topsoil to all sodded areas. Contractor to ensure that site is graded according to the Engineer's grading plan.
10. Lawn areas shall have 3" minimum friable topsoil and be treated with fertilizer applied at a rate of 20 pounds per 1,000 square feet.
11. Soil preparation for planting beds shall be as follows:
 - 3" of organic compost
 - 20 pounds of organic fertilizer / 1,000 sf of bed area
 - Till bed to a depth of 6" to 8"
 - Check soil acidity. Soil acidity should range from 5.0 to 7.0 pH. Regulate if necessary.
12. All plant beds shall be top dressed with a minimum 3" of Native Hardwood Mulch.
13. Provide steel edge between all plant beds and lawn areas unless indicated differently on plans.
14. Tree planting pits shall be cleared of undesirable material and backfilled with prepared top soil. Place 1" of compost and 3" of shredded hardwood mulch on top of root ball.
15. The Contractor will be held liable for any damage caused to trees due to improper staking methods, including absence of staking throughout the warranty period.
16. Trees shall be planted at least 2.5 feet from any right-of-way line, curb, walk or fire hydrant, and outside all utility easements.
17. Trees shall be planted at least 8 feet from any public utility line where possible. In the event this is not possible, Contractor shall install a root barrier, per the detail(s) noted on this sheet.
18. Trees overhanging walks and parking areas shall have a clear trunk height of 7 feet from finish surface grade.
19. Contractor shall warranty plant material to remain alive and healthy for a period of one year after the final acceptance. All plant material shall be maintained in a healthy condition in accordance with the season. Dead, damaged or destroyed plant material shall be replaced in kind within thirty days. Warranty shall not include damage for loss of plant material due to natural causes, acts of vandalism or negligence on the part of the owner.
20. Landscape areas shall be kept free of trash, litter and weeds.
21. An automatic irrigation system shall be provided to maintain all landscape areas. Overspray on non-permeable surfaces is prohibited.
22. Installing contractor to maintain landscaping for 30 days from owner occupancy to establish plants and grass, mowing and trimming to be included.
23. All areas disturbed by construction shall be fine graded and re-established by sod. These areas shall be irrigated and maintained until permanent stand of grass is achieved with a minimum of 70% coverage. This is to include all areas to the back of curb around the property.
24. Contractor to limb up all preserved tree canopies to 8'-10', also under-story trees not slated to remain by the tree preservation plan can be removed at the owners discretion.

NOTES:

1. DO NOT HEAVILY PRUNE THE TREE AT PLANTING. PRUNE ONLY CROSSOVER LIMBS, CO-DOMINANT LEADERS, AND BROKEN OR DEAD BRANCHES. SOME INTERIOR TWIGS AND LATERAL BRANCHES MAY BE PRUNED; HOWEVER, DO NOT REMOVE THE TERMINAL BUDS OF BRANCHES THAT EXTEND TO THE EDGE OF THE CROWN.
2. EACH TREE MUST BE PLANTED SUCH THAT THE TRUNK FLARE IS VISIBLE AT THE TOP OF THE ROOT BALL. TREES WHERE THE TRUNK FLARE IS NOT VISIBLE SHALL BE REJECTED. DO NOT COVER THE TOP OF THE ROOT BALL WITH SOIL.
3. REMOVE ALL TWINE, ROPE, WIRE AND BURLAP FROM TOP HALF OF ROOT BALL.
4. IF PLANT IS SHIPPED WITH A WIRE BASKET AROUND ROOT BALL, CUT THE WIRE BASKET IN FOUR PLACES AND FOLD DOWN 8" INTO PLANTING HOLE.

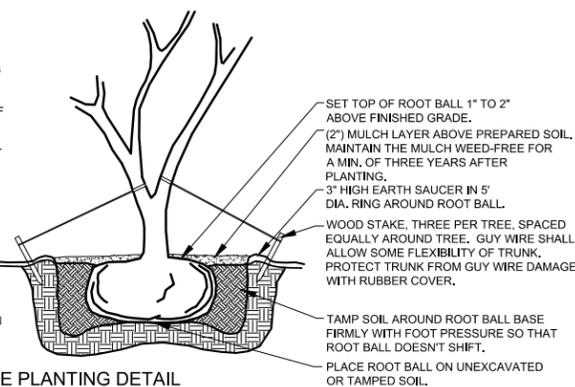


A TREE PLANTING DETAIL

NOT TO SCALE

NOTES:

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B MULTI-TRUNK TREE PLANTING DETAIL

NOT TO SCALE

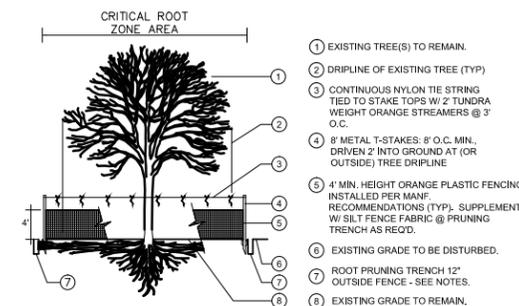


D SHRUB PLANTING DETAIL

NOT TO SCALE

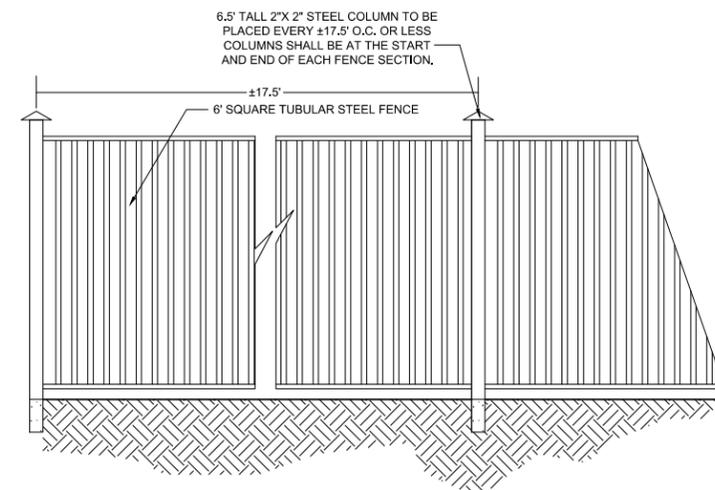
NOTES:

1. PERFORM ROOT PRUNING ON ALL EXISTING TREES TO REMAIN WHERE CONSTRUCTION ACTIVITY FALLS WITHIN DRIP LINE OF EXISTING TREES.
2. ROOT PRUNING METHOD: 2 MONTHS MIN. PRIOR TO EXCAVATION & CONSTRUCTION ACTIVITIES. HAND CUT ROOTS BY DIGGING A 18"-24" DEEP x 8" WIDE TRENCH ALONG THE OUTSIDE PERIMETER OF EXISTING TREE(S) ADJACENT TO CONSTRUCTION AREAS. MAXIMIZE PRUNING TRENCH DISTANCE FROM TRUNK TO THE FULLEST EXTENT POSSIBLE, W/ THE ROOT PRUNING LINE PLACED @ THE EDGE OF CONSTRUCTION LIMITS.



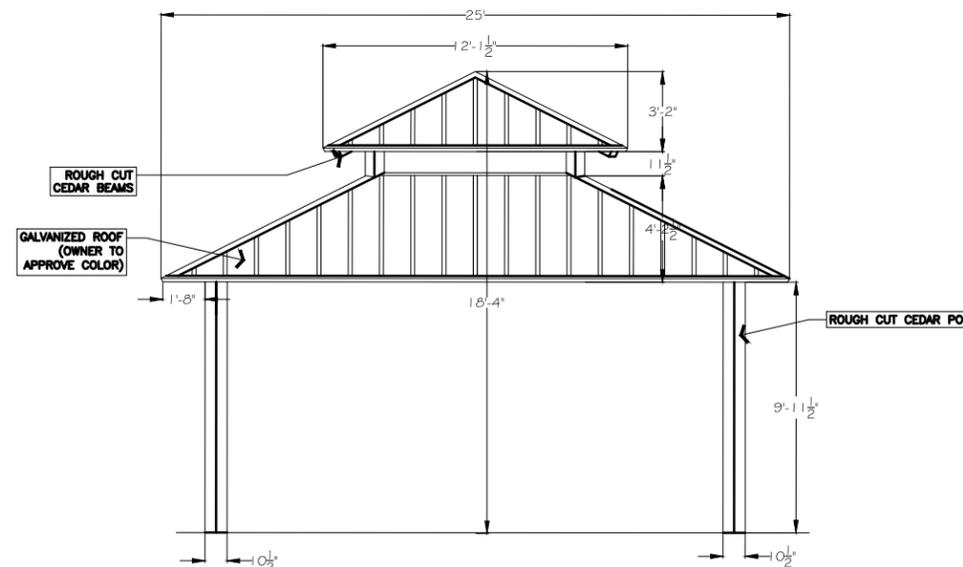
E TREE PROTECTION DETAIL

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C 6\"/>

NOT TO SCALE



F OPEN SPACE PAVILION

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REGISTRATION # F-10599 (TEXAS)

WILLOW WOOD ESTATES
LOT 1, BLOCK 1 - CROSSROADS CHURCH
Rowlett, Texas

LANDSCAPE NOTES

No.	Date	Revision Description

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Architect: DREW J. DUBOCCO
L.A. No. 3141 Date: 09/19/2016
PROJECT NO.: 090-16-11

SHEET NO.

L-1.2

EXHIBIT D
Willow Wood Estates
PLANNED DEVELOPMENT STANDARDS

General Standards

1. Development shall take place in general accordance with the attached Zoning Exhibit (Exhibit E).
2. The maximum number of homes in Willow Wood Estates neighborhood shall be 89.
3. A minimum of 8% of the land within Willow Wood Estates neighborhood shall be used as open space. The open space, as generally shown on Exhibit E, shall be recognized as meeting all of the City of Rowlett's acreage requirements for public and/or private open space for Willow Wood Estates neighborhood.
4. All open space and common area shall be owned and maintained by the Homeowners Association.

Dimensional Standards

Development shall take place in accordance with the SF-5 Single Family Residential District as outlined in the City of Rowlett Development Code as it exists or may be amended, except as indicated below.

1. The minimum lot area is 6,000 square feet (see Note A).
2. The minimum lot width shall be 50' at the building line. On cul-de-sacs and/or elbows, the minimum lot width at the street ROW shall be 35'.
3. The minimum lot depth is 120' (See Note A). On cul-de-sacs and/or elbows, the minimum lot depth shall be 105'.
4. The minimum front yard setback shall be 20'.
5. The minimum side yard setback shall be 5', the minimum side yard setback on a corner lot adjacent to a street shall be 10'.
6. The minimum rear yard setback shall be 20'.
7. The maximum lot coverage shall be 75%.
8. The minimum dwelling area shall be 1,600 square feet.
9. The maximum height shall be 2.5 stories or 36' for the main building.

Setback Type	Minimum Distance in Feet
Front Setback	20'
Rear Setback	20'
Sideyard Setback	5'
Sideyard Setback Adjacent to Street	10'
Sideyard Setback for Key Lot	10'
Garage Setback	20'

Note A:

Two (2) lots, lots 78 and 79 as shown on concept plan, shall have a minimum lot area of 5,750 square feet with a minimum lot depth of 115'.

Neighborhood Standards

1. Neighborhood buffer yards, entryway treatments, and landscaping shall be designed, developed, and maintained in accordance with the standards established in the Rowlett Development Code with the following exceptions:
 - The primary entrance will be from Chiesa Road.
 - The minimum landscape entryway requirement for the primary entrance shall be 9,600 square feet.
 - The primary entry will have 2 canopy trees per 500 square feet. A minimum of seven canopy shade trees will be placed in the primary entryway along with the required landscape buffer trees. The remaining 32 trees required to satisfy the primary entryway tree requirement may be planted within the open spaces located in the Development.
 - If a detention pond is required in the open spaces then trees that can survive in wet areas and/or standing water will be planted. This may include following tree species: *Acer rubrum* ‘red maple’; *Acer rubrum* ‘October glory’; *Betula nigra* ‘river birch’; *Quercus nigra* ‘pin oak’; *Magnolia grandiflora* ‘little gem’; *Taxodium distichum* ‘bald cypress’, *Taxodium ascendens* ‘pond cypress’. The requirement to have no more than 25% of one species will be increased to 50% for these trees.
 - The landscape buffer will have 1 canopy tree per 35 linear feet.
 - The landscape buffer will have 10 shrubs per 30 linear feet.
 - A masonry and/or stone entry statement at least 6’ tall shall be placed at the western entrance. A masonry wall along Chiesa Road will not be required. A six foot ornamental (tubular steel fence) shall screen the subdivision from Chiesa Road. Approved plants, trees, grass and other approved vegetation shall be placed in front of or behind the fence line to effectively screen the development and enhance the landscape buffer.
 - Any secondary entryway connecting to other subdivisions shall not require any landscaping.
 - Xeriscaped lots will be allowed along the sideyards of lots.
2. Unless otherwise shown on Exhibit E, streets within Willow Wood Estates neighborhood shall be designated as “Minor Residential Streets” and have a right-of-way width of 50’ and a pavement width of 31’ back to back. Danridge Road shall taper to a 60’ ROW undivided minor collector street with 37’ of paving (back to back).
3. ROW dedication (if any) shall be 32.5 feet from the centerline of Chiesa Road.

Architectural Standards

1. All homes within the Willow Wood Estates neighborhood shall comply with the Residential Building Standards established in the Rowlett Development Code with the following exception: If a gable roof extends over an unenclosed porch, the gable face may be constructed of hardy-plank or similar cementitious material.
2. A hip roof which faces the street and which comprises greater than 35% of the total width of Willow Wood Estates

a house's façade shall be broken up with dormers or other architecturally compatible appurtenances.

3. Minimum of 8:12 front elevation roof pitch, except 4:12 roof pitches on porches. Dimensional shingles shall be used.
4. A minimum 4' wide, dedicated walk separate from a driveway, shall provide a connection between the house and the city sidewalk.



Department of Development Services

NOTICE OF PUBLIC HEARING

09-16-16A10:16 RCVD

TO: Property Owner
RE: Application for a Planned Development Amendment

LOCATION: The subject property is located at 7900 Chiesa Road further described as being 26.06 +/- acres consisting of all of Tract I in the James Saunders Survey, Abstract No. 1424, and a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas.

EXPLANATION OF REQUEST: The applicant is requesting amendments to the Planned Development Ordinance #027-16 to modify the landscape entryway requirements for the new single family subdivision.

- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS:

THIS WILL FURTHER DEPRESS

PROPERTY OWNER NAME (print):

Monetta E. Ingram

SIGNATURE:

[Handwritten signature]

ADDRESS:

2117 Fairfield Dr, Rowlett TX 75082

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services located at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 27th day of September, 2016, and that the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October, 2016, both at the Municipal Center, 4000 Main Street, Rowlett, Texas.

Please legibly respond in ink. If the signature and/or address are missing, your comments will not be recorded. Your response must be received in the Development Service Department by 5 pm on Wednesday, September 21, 2016, for your comments to be included in the Planning and Zoning Commission packet and/or by Wednesday, October 11, 2016, to be included in the City Council packet. All responses received by October 11th will be forwarded to the Council as well; it is not necessary to respond twice. Responses received after the times noted above shall not be counted in the record of response.

Any owner of property subject to a proposed rezoning or affected by a proposed rezoning may protest the rezoning by filing a written protest (this form is sufficient) with the Director of Development Services within the time specified above. The protest shall object to the zoning map amendment, contain a legal description of the property on behalf of which the protest is made, and be signed by the owner of the property. If protests in the form of opposition are received from property owners within 200 feet of the subject property, and the property owners own a combined minimum of 20 percent or more of the land area, approval by the city council shall only occur with a concurring vote of at least three-fourths of the full membership of the city council.

If you have any questions concerning this request, please contact the Department of Development Services

Phone 972-412-6114
FAX 972-412-6228
proberts@rowlett.com

RETURN BY FAX OR MAIL
City of Rowlett
Development Services
PO Box 99
Rowlett, TX 75030-0099

09-12-16-909329ARNV



Department of Development
Services

NOTICE OF PUBLIC HEARING

TO: Property Owner

RE: Application for a Planned Development Amendment

LOCATION: The subject property is located at 7900 Chiesa Road further described as being 26.06 +/- acres consisting of all of Tract I in the James Saunders Survey, Abstract No. 1424, and a portion of Lot 1, Block 1, Crossroads Church Addition, City of Rowlett, Dallas County, Texas. A map is attached for reference. This notice and the notification area are required under Chapter 211.007 of the Texas Local Government Code.

EXPLANATION OF REQUEST: The applicant is requesting amendments to the Planned Development Ordinance #027-16 to modify the landscape entryway requirements for the new single family subdivision.

- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
- I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS: decrease value, increased crime

PROPERTY OWNER NAME

(print):

Jacqueline Tran

SIGNATURE:

Jackie

ADDRESS:

7109 Travelers Crossing, Rowlett, TX 75089

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services located at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 27th day of September, 2016, and that the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October, 2016, both at the Municipal Center, 4000 Main Street, Rowlett, Texas.

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proberts@rowlett.com

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City of Rowlett
Development Services
PO Box 99
Rowlett, TX 75030-0099



Department of Development Services

COURTESY NOTICE OF PUBLIC HEARING

TO: Property Owner
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EXPLANATION OF REQUEST: The applicant is requesting amendments to the Planned Development Ordinance #027-16 to modify the landscape entryway requirements for the new single family subdivision.

- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS: What difference does it make. You are going to do it anyway!

PROPERTY OWNER NAME (print): Lynne London
SIGNATURE: [Signature]
ADDRESS: 7214 Dartmouth Drive Rowlett TX 75089

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services located at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 27th day of September, 2016, and that the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October, 2016, both at the Municipal Center, 4000 Main Street, Rowlett, Texas.

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Table with 2 columns: Contact information for questions and return-by-fax/mail instructions.



Department of Development Services

NOTICE OF PUBLIC HEARING

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EXPLANATION OF REQUEST: The applicant is requesting amendments to the Planned Development Ordinance #027-16 to modify the landscape entryway requirements for the new single family subdivision.

- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS: The planned development would create additional traffic & crowding in an already over-crowded & over populated Area.

PROPERTY OWNER NAME (print): Morris A. Watts
SIGNATURE: [Signature]
ADDRESS: 7001 Fairfield Dr. Rowlett TX 75089

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services located at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 27th day of September, 2016, and that the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October, 2016, both at the Municipal Center, 4000 Main Street, Rowlett, Texas.

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FAX 972-412-6228
proberts@rowlett.com

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PO Box 99
Rowlett, TX 75030-0099



Department of Development Services

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- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS: too much traffic congestion just this opposed based
Lower property values

PROPERTY OWNER NAME (print): Kimberly WATwood
SIGNATURE: Kimberly WATwood
ADDRESS: 7302 Compass Pt

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services located at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 27th day of September, 2016, and that the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October, 2016, both at the Municipal Center, 4000 Main Street, Rowlett, Texas.

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Rowlett, TX 75030-0099



Department of Development Services

02-15-74870-15 RCVD

COURTESY NOTICE OF PUBLIC HEARING

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- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS:

PROPERTY OWNER NAME

(print):

Larry D. Beatty

SIGNATURE:

Larry D Beatty

ADDRESS:

7209 Red Sky Dr.

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services located at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 27th day of September, 2016, and that the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October, 2016, both at the Municipal Center, 4000 Main Street, Rowlett, Texas.

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City of Rowlett
Development Services
PO Box 99
Rowlett, TX 75030-0099



City of Rowlett
Staff Report

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

AGENDA DATE: 10/18/2016

AGENDA ITEM: 8D

TITLE

Conduct a public hearing and consider an ordinance for a rezoning request from Single Family-40 (SF-40) to a Planned Development (PD) with an underlying Single Family-7 (SF-7) and Commercial-1 (C-1) base zoning for property located at 6917 Miller Road, further described as being 4.028 +/- acres in the James Hobbs Survey, Abstract #571, City of Rowlett, Dallas County, Texas.

STAFF REPRESENTATIVE

Daniel Acevedo, Urban Design Manager

SUMMARY

The applicant is requesting to rezone the subject property (Attachment 1 – Location Map) to a Planned Development (PD) with an underlying Single Family-7 (SF-7) and Commercial-1 (C-1) base zoning for the purposes of building a mixed use development, including 12 residential lots for single family houses and one lot for a retail business.

At their September 13, 2016, public hearing the Planning and Zoning Commission voted 5-1 to recommend approval of the proposed PD with the condition, (by agreement of the owner) to limit the maximum building height to two stories. The link to the public hearing can be found here: <http://rowlettx.swagit.com/play/09132016-1276>

BACKGROUND INFORMATION

Over the past few years, the applicant, Dave Holl, through Kayak Instruction Foundation Inc. has operated a successful kayaking program at Paddle Point Park. Since 2013, Mr. Holl has used 6809 Miller Road, which is located to the south of Miller Road across from the subject property, as an office and as a storage facility for his kayaks. In 2014, Mr. Holl acquired the subject property at 6917 Miller with the hope of expanding his kayak operation north of Miller Road. The December 26, 2015, tornado destroyed the existing homes at 6809 Miller Road and 6917 Miller Road. Mr. Holl is now moving forward to rebuild the homes that were destroyed and to expand his kayaking operation closer to Lake Ray Hubbard by opening a kayak shop at 6917 Miller Road. Mr. Holl has obtained a building permit to rebuild his house at 6809 Miller Road, which will eventually also include an oversized detached garage (approved by PD Ordinance 010-13) to store his kayaks until the subject property is developed.

Over the past several months, the applicant met with City Staff on multiple occasions regarding his efforts to redevelop his properties. Mr. Holl would like to redevelop the subject property by pursuing a PD that will allow a mixed use development that would create 12 single family lots

and to open a kayak shop as shown in the Concept Plan (Exhibit E). The proposed single family lots and commercial lot will follow the requirements as outlined in the Development Standards (Exhibit D) and as shown on the Concept Plan (Exhibit E). Any standard not listed in the proposed PD will follow the requirements of the underlying zoning districts, which are Single Family 7 (SF-7) for the residential lots and Limited Commercial (C-1) for the commercial lot.

The subject property is currently zoned Single Family-40 (SF-40), and is located in the Active Living (E-5) Sub-District, identified in the Realize Rowlett 2020 Comprehensive Plan (Attachment 2 – Active Living Sub-District). When the plan was initially adopted in 2011, it was understood that the City would take an active role in rezoning several of the priority opportunity areas. This was accomplished through the adoption of the Form-Based Code (FBC) and subsequent rezoning of Downtown, Signature Gateway, Healthy Living, Woodside Living and the North Shore districts. It was determined that the remaining opportunity areas, including Active Living, would be addressed as development opportunities arose.

While the approach to rezoning in the opportunity areas typically involves a FBC district, the subject property does not meet the minimum size requirements to be considered as a standalone FBC district/neighborhood. Therefore, the next step to furthering the vision for this area is to establish the appropriate zoning district through a PD that addresses the guiding principles of Active Living. While FBC zoning is not possible at this time, the applicant went out of his way to incorporate the connectivity, trails and open space requirements from the FBC. The applicant had design workshops with City Staff to make sure that any adjacent developments under the FBC would work well with the proposed PD.

The main objective outlined for the Active Living Sub-District is to allow for commercial and retail activity along Miller and adjacent to Lake Ray Hubbard. It is the applicant's desire to meet these goals by pursuing a mixed use development that will adhere to the guiding principles outlined for that district. If approved, the applicant will then be required to submit and receive approval of a preliminary plat, detailed development plans, final plat, civil engineering plans, and building plans; all prior to building on the site.

DISCUSSION

Section 77-805 of the *RDC* states that recommendations and decisions on rezoning requests shall be based on consideration of the criteria listed below. Staff's commentary is in bold italics beneath.

1. Whether the proposed rezoning corrects an error or meets the challenge of some changing condition, trend, or fact;

The proposed rezoning addresses a changing condition and fact(s) in that the current SF-40 zoning district no longer meets the intent for the area as outlined in the City's Comprehensive Plan. Although the request does not involve rezoning to a FBC district, it does further the vision outlined in the Realize Rowlett 2020 Comprehensive Plan. The proposed PD incorporates connectivity, trails and open

space, along with allowing a business that is related to recreational activity on Lake Ray Hubbard.

2. Whether the proposed rezoning is consistent with the comprehensive plan and the purposes of this code stated in subchapter 77-103, Purpose of this Code;

The subject property is located in the Active Living Sub-District, where the intent is to provide adjacency and access to recreational resources on the lake. One key aspect is that water sports are envisioned to be a major component and asset in the district. By adopting the proposed PD for the subject property, this will allow a wider range of uses, facilitate a more active district on the lake front, and ensure a more seamless transition with the adjacent properties.

The PD will ensure that future development will meet the portion of the Guiding Principles that apply to this site as outlined in the Realize Rowlett 2020 Comprehensive Plan. Listed below are the Guiding Principles specifically identified for the Active Living Sub-District that will be reinforced with the proposed rezoning:

- ***Guiding Principle #1: Value existing neighborhoods***
- ***Guiding Principle #3: Make Rowlett a community that is attractive to people at all stages of their lives.***
- ***Guiding Principle #4: Invest in places of lasting value and distinctive character.***
- ***Guiding Principle #5: Maximize the benefits of major public infrastructure investments (existing, planned)***
- ***Guiding Principle # 6: Use Lake Ray Hubbard and Rowlett's natural assets to create a distinctive identity.***
- ***Guiding Principle #7: Diversify mobility options within the City and connect activity areas***
- ***Guiding Principle #9: Balance growth through efficient development patterns.***
- ***Guiding Principle #11: Position Rowlett for an appropriate scale of investment and reinvestment supported by market trends.***

3. Whether the proposed rezoning will protect or enhance the health, safety, morals, or general welfare of the public;

Staff does not anticipate the proposed rezoning to negatively impact the health, safety, morals, or general welfare of the public. If approved, the proposed development will be required to comply with all applicable development standards in the RDC including drainage, traffic, and utility requirements.

4. Whether the municipality and other service providers will be able to provide sufficient transportation and utility facilities and services to the subject property, while maintaining sufficient levels of service to existing development;

Staff has reviewed the proposed rezoning from the standpoint of providing sufficient transportation access and utilities (e.g., water, sanitary sewer, stormwater drainage). Prior to the approval of the Development Plan, Staff will ensure adequate capacity for utilities is provided as required by City ordinances.

5. Whether the proposed rezoning is likely to have significant adverse impacts on the natural environment, including air, water, noise, stormwater management, wildlife, and vegetation;

The proposed PD, has made sure that the natural features are utilized as an asset not only for the proposed development, but for the larger community. The intent of Active Living is to enhance the site's natural conditions by way of capitalizing on the lake. The applicant is tying into the park and trail system as shown on the concept plan, which is publically accessible to the adjacent community and provides an attractive natural transition to the Lake. Furthermore, Staff believes that the kayak business enhances the health and general welfare of the public by providing a recreational sport that utilizes, highlights, and enhances Lake Ray Hubbard's natural beauty.

6. Whether the proposed rezoning will have significant adverse impacts on other property in the vicinity of the subject tract;

Staff does not anticipate that the proposed rezoning will have significant adverse impacts on other properties in the vicinity. As indicated previously, the applicant has worked to provide a street network and open space that is accessible to the land on the north and east side. The design of any proposed development on those tracts will be seamlessly integrated into the current layout.

7. The suitability of the subject property for the existing zoning classification and proposed zoning classification;

It is Staff's opinion that the proposed zoning is more suitable for the subject property than the current zoning as it was envisioned by the Realize Rowlett 2020 Comprehensive Plan. As mentioned earlier, while a FBC district is typically applied in the Opportunity areas, this tract is too small for stand-alone zoning to the FBC. The applicant has worked to accomplish the major goals of Realize Rowlett 2020 regarding open space, trails, connectivity and lot orientation.

8. Whether there is determined to be an excessive proliferation of the use or similar uses;

It is Staff's view that the proposed rezoning will not result in an excessive proliferation of a particular type; rather it will diversify the product offered in this area.

9. Whether the proposed rezoning will ensure that future uses on the subject tract will be compatible in scale with uses on other properties in the vicinity of the subject tract; and;

It is Staff's view that the proposed rezoning will ensure that future uses on the tract will be compatible in scale with uses adjacent to this property. Should a FBC district be introduced on the adjacent property, there are additional restrictions built into the FBC to provide the appropriate scaled transition in limiting building height adjacent to single family residential development.

10. The supply of land in the economically relevant area that is in the use district to be applied by the rezoning or in similar use districts, in relation to the demand for that land.

It is Staff's opinion that there is adequate demand to support the higher density zoning as proposed, since the applicant has expressed great interest in developing this site. As outlined in the Realize Rowlett 2020 Comprehensive Plan, this area is intended to create connections to the lakefront and facilitate for people with a desire to capitalize on a more active lifestyle on the lake. Through the kayak business, adjacency to Paddle Point Park, and the trail that provides connectivity along the lake, this proposal meets the intent of the Guiding Principles outlined in Active Living.

In summary, the proposed PD consists of a four-acre development to be governed under the City's RDC and is consistent with the vision set forth in the Realize Rowlett 2020 Comprehensive Plan. It is Staff's opinion that the proposed rezoning meets the above criteria for a rezoning and recommends approval of that request. By utilizing the Guiding Principles and the vision outlined in the Comprehensive Plan this neighborhood design emphasizes the following:

- Open spaces
- Adjacency to Lake Ray Hubbard
- Trail network
- Variety of building types
- Pedestrian facilities
- Consistency with the Active Living District

It is important to note that in order to generate this PD, Staff has worked closely with the applicant, through the Charrette design process to ensure that the connectivity and open space would be provided for in a manner that is consistent and compatible with the adjacent land. Based on the analysis above, Staff believes that the rezoning of this property is in harmony with the City's overall vision set forth in the Comprehensive Plan for the Active Living Sub-District.

Public Hearing Notices:

Notice of this public hearing was mailed, posted, and published in accordance with State Law and the Rowlett Development Code. Seventeen 200 ft. notices and 28 courtesy 500 ft. notices were mailed on August 29, 2016, and as of Friday, October 7, 2016, Staff has received the following:

- 200 ft. notification area: Two in favor; one in opposition
- 500 ft. courtesy notification area: No responses

These responses are included as Attachment 3.

FISCAL IMPACT

N/A

RECOMMENDED ACTION

Staff recommends approval of an ordinance for a rezoning request from Single Family-40 (SF-40) to a Planned Development (PD) with an underlying Single Family-7 (SF-7) and Commercial-1 (C-1) base zoning for property located at 6917 Miller Road, further described as being 4.028 +/- acres in the James Hobbs Survey, Abstract #571, City of Rowlett, Dallas County, Texas.

ORDINANCE

AN ORDINANCE OF THE CITY OF ROWLETT, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP OF THE CITY OF ROWLETT, TEXAS, AS HERETOFORE AMENDED, TO GRANT A CHANGE IN ZONING FROM SINGLE FAMILY RESIDENTIAL DISTRICT--SF-40 TO PLANNED DEVELOPMENT (PD) ZONING WITH UNDERLYING BASE ZONING OF SINGLE FAMILY RESIDENTIAL DISTRICT—SF-7 ON PART, AND LIMITED COMMERCIAL/RETAIL DISTRICT—C-1 ON PART, FOR PROPERTY LOCATED AT 6917 MILLER ROAD, FURTHER DESCRIBED AS BEING 4.028 +/- ACRES IN THE JAMES HOBBS SURVEY, ABSTRACT #571, CITY OF ROWLETT, DALLAS COUNTY, TEXAS, AND BEING MORE SPECIFICALLY DESCRIBED IN EXHIBIT “A”; PROVIDING DEVELOPMENT AND USE STANDARDS; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Rowlett and the governing body of the City of Rowlett, in compliance with state laws with reference to amending the Comprehensive Zoning Ordinance, have given the requisite notice by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners and interested persons generally, the governing body of the City of Rowlett is of the opinion that said zoning ordinance and map should be amended as provided herein.

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

Section 1. That the Comprehensive Zoning Ordinance, Plan and Map of the City of Rowlett, Texas, heretofore duly passed by the governing body of the City of Rowlett, as heretofore amended, be and the same are hereby amended to grant a change in underlying zoning from

"SF-40" Single Family Residential to "PD" Planned Development with underlying base zoning of Single Family Residential District—SF-7 on part, and Limited Commercial/Retail District—C-1 on part, for property located at 6917 Miller Road, further described as being 4.028 +/- acres in the James Hobbs Survey, Abstract #571, City of Rowlett, Dallas County, Texas, and being more specifically described in Exhibit "A", attached hereto and incorporated herein (hereinafter the "Property").

Section 2. That the development standards and regulations set forth in Exhibit "D", attached hereto and made a part hereof, shall be applicable to land uses, structures, the use and occupancy of structures, and the development, construction, operation and maintenance of improvements on the Property described herein. The base zoning of Single Family Residential District—SF-7 shall be applicable to those areas and tracts identified for SF-7 zoning in Exhibit "B", and the base zoning of Limited Commercial/Retail District—C-1 shall be applicable to those areas and tracts identified as C-1 in Exhibit "B."

Section 3: That the Property shall be developed and may be used for any use allowable under the SF-7 Single Family and C-1 Limited Commercial/Retail zoning in those areas designated as such herein. In addition, the use and development of the Property shall be in accordance with and controlled by the standards, requirements and regulations set forth in following exhibits, each of which are attached to this ordinance and, by this reference, incorporated herein:

- Exhibit A – Legal Description
- Exhibit B – Zoning Exhibit
- Exhibit C – Statement of Intent and Purpose
- Exhibit D – Development Standards
- Exhibit E – Concept Plan

Section 4: That all development and use regulations and requirements imposed on property in the SF-7 and C-1 Limited Commercial/Retail zoning district shall apply to the development and use of the Property in the areas specifically designated as such, unless in conflict with any provision of this ordinance, in which case the provisions of this ordinance shall prevail.

Section 5. That the Property shall be used only in the manner and for the purposes provided herein and by the ordinances of the City of Rowlett, Texas, as heretofore amended, and as amended herein. The development, use and occupancy of the Property shall conform to the standards and regulations set forth in Exhibits "A", "B", "C" and "D," the provisions of the Rowlett Development Code (Chapter 77 of the Code of Ordinances of the City of Rowlett, Texas), and the Code of Ordinances of the City of Rowlett, Texas, as amended. In the event of any conflict or inconsistency between the provisions of this ordinance and the provisions contained in any other provision of the Rowlett Development Code or other codes or ordinances of the City, the provisions of this ordinance shall control. In the event that this ordinance does not include a standard or regulation that is otherwise required for similar or comparable development or uses by the Rowlett Development Code or Code of Ordinances, then the standard or regulation required by the Development Code or other ordinance shall be applied to development and use of the Property.

Section 6. That all provisions of the ordinances of the City of Rowlett in conflict with the provisions of this ordinance as applicable to the Property 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 7. An offense committed before the effective date of this ordinance is governed by the prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

Section 8. 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 hereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

Section 9. That any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Rowlett, as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

Section 10. This ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law in such cases provides.

ATTACHMENTS

Attachment 1 – Location Map

Attachment 2 – Active Living (E-5) District

Attachment 3 – Public Hearing Notices

Exhibit A – Legal Description

Exhibit B – Zoning Exhibit

Exhibit C – Statement of Intent and Purpose

Exhibit D – Development Standards

Exhibit E – Concept Plan

200' Notification Area

Subject Property

MILLER

GAROAN

BURGUNDY

CHARDONWAY

GLEN HILL

HILLCREST

CHIESA

MARLIN

BAYVIEW

BAYHILL

LEEWARD



ACTIVE LIVING | AREA E-5



VISION

This area will be the neighborhood of choice for active young people and families that love the outdoors and that are avid water sports participants. Like Woodside Living, this unique enclave within the City will offer yet one more choice for residents of the community seeking access to area recreational resources – natural and man-made with supportive commercial spaces. Young professionals and families will be drawn here because of the range of housing choices at accessible rates and the strong emphasis on access to water sports. Given its proximity to established single-family neighborhoods, residential product types within Active Living will transition in density with the lowest on its edge at a scale compatible with surrounding uses and product types. Like Lakeside Center, waterfront space will be set aside for limited commercial / entertainment venues accessible via multiple forms of transportation including boats. Despite the variety of product types likely to develop, all will appear unified in character and quality.

DEVELOPABLE ACRES: * 69

PRODUCT TYPES:

- Waterfront Commercial
- Limited Entertainment Uses
- Mixed-Use
- Low to Moderate Density Residential
- Passive Public Spaces

SUPPORTABLE PSYCHOGRAPHICS

- Pools & Patios
- Beltway Boomers

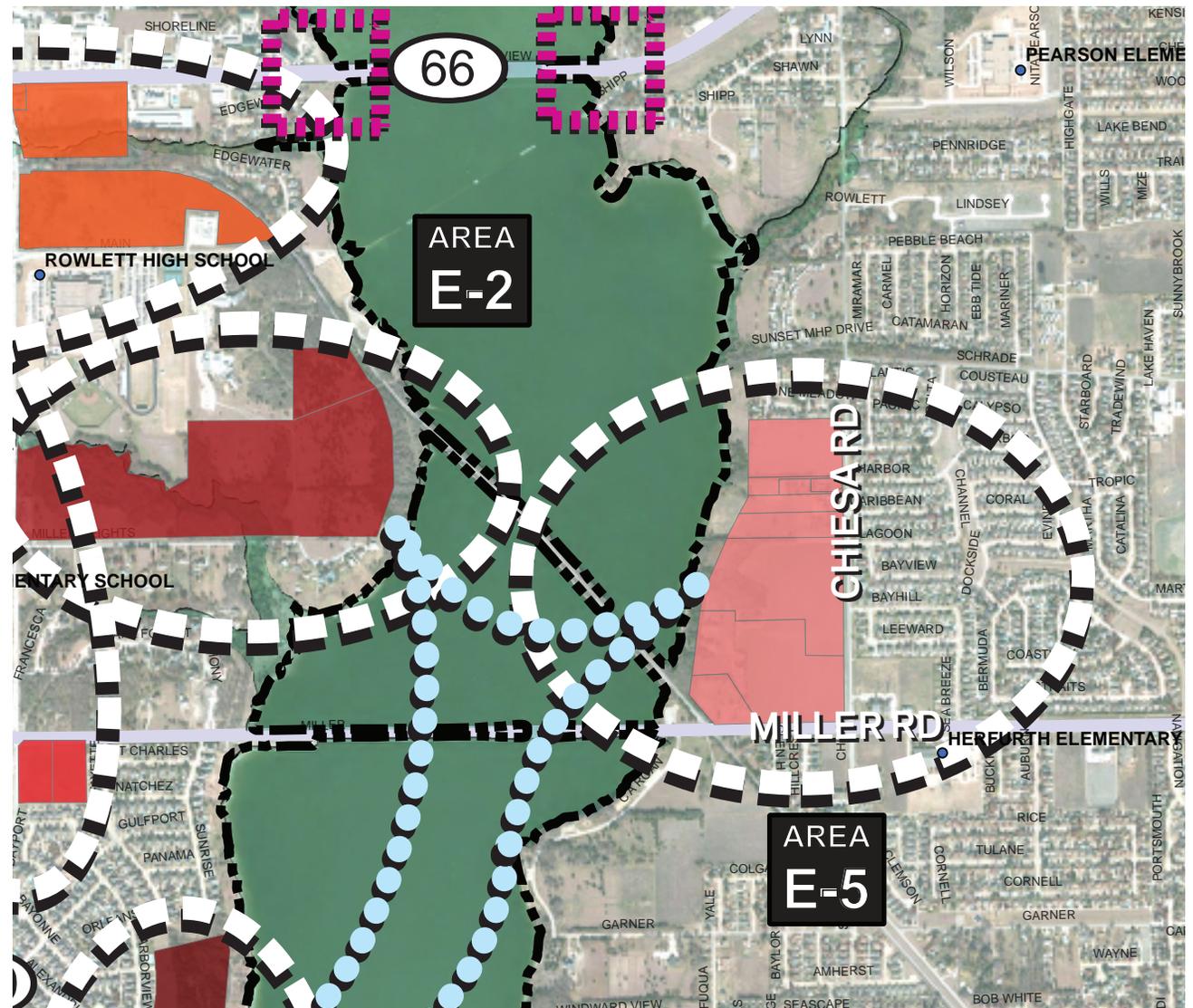
** Net floodplain and parcels less likely to redevelop in the near-term (five to 10 years).*

Essential elements that will have to be in place in order for this investment scenario to be realized include: appropriate signage and greater visibility for commercial uses; and roadway improvements.



MARKET

- Individuals choosing home ownership in this location will desire single-family attached ownership products with access to commercial offerings in a natural setting. The presence of regional infrastructure (DART and PGBT) will serve as an attractor for executives employed in other locations within the Metroplex.
- A growing number of Rowlett and Trade Area residents are aging in place (10.8% 55+ in 2000, 16.4% in 2010, 20.3% in 2015.) Lifestyle choices and needs will dictate alternative living options with lower maintenance housing products accessible to existing and planned public and natural recreational offerings. Whereas many will desire product offerings in Lakeside Living because of the access to wooded and water amenities and proximity to the hospital and other services, others will desire Active Living because of its proximity to transportation and enhanced access.



ACTIVE LIVING | AREA E-5

GUIDING PRINCIPLES



	GUIDING PRINCIPLE	E-5 ACTIVE LIVING
1	Value existing neighborhoods	**
2	Grow the City's economy through diversification of job and business opportunities	
3	Make Rowlett a community that is attractive to people at all stages of their lives	****
4	Invest in places of lasting value and distinctive character	****
5	Maximize the benefits of major public infrastructure investments (existing, planned)	***
6	Use Lake Ray Hubbard and Rowlett's natural assets to create a distinctive identity...	****
7	Diversify mobility options within the City and connect activity areas	*
8	Create centers with a mix of activities at key locations in Rowlett	
9	Balance growth through efficient development patterns	***
10	Support quality educational resources to meet the needs of Rowlett residents...	
11	Position Rowlett for an appropriate scale of investment and reinvestment...	***
12	Fund public investment that leverages desired private investment	
13	Ensure that <i>Realize Rowlett 2020</i> is a statement of the City's policy for future...	
	<i>Bold principles relate to citywide concerns and are not specific to any individual geographic area</i>	
	<i>Key:</i>	
	<i>Strongest Support of Principle</i>	****
	<i>Moderate Support of Principle</i>	***
	<i>Some Support of Principle</i>	**
	<i>Incidental Support of Principle</i>	*

IMPLICATIONS

Physical	Large greenfield site with visibility from Chiesa and Miller Roads, as well as Lake Ray Hubbard.
	Significant frontage on Lake Ray Hubbard offers views from many parcels within the area.
Infrastructure	Utilities are currently in place to support the level and types of development envisioned.
Access	Access will be provided along Miller and Chiesa Roads. Both roads will need substantial improvements (major public investment potential) to support the levels of development envisioned. Coordination will need to occur with the City of Dallas on some portions of Miller Road.
	Opportunity exists for private boats and water taxis to access the area, as well as connect it to other areas.
	Public improvements could include docks for watercraft that link this area to other areas on the Lake.
Market	Development in this area will continue the existing low-density single-family pattern of development located to the east, while also capitalizing on its water amenity to the west.
Financial	The City's role in this area will likely be limited whereas improvements will likely be led by the private sector.
	Public pathways (bicycle, pedestrian and golf cart) may need to be acquired and set aside to ensure this amenity for businesses and residents.
Regulatory	Current zoning will need to be modified in order to accommodate the uses envisioned.
	The potential for increased traffic in this area with heightened access to the waterfront may warrant consideration of a parking district.

ACTIVE LIVING | AREA E-5

IMPLEMENTATION

IMPLEMENTATION STRATEGIES (ACTIONS)	TIMING
<i>The specific strategy (action) to be taken</i>	<i>Priority, short, medium, long-term, future or on-going</i>
Promote development of this area as an “active living” neighborhood.	Short - to Mid-Term
Prepare development guidelines to control quality / consistency of development, and to assure compatible development adjacent to surrounding neighborhoods and Lake Ray Hubbard.	Short - to Mid-Term
Prepare an urban design framework that identifies transition zones to surrounding uses and other details which will be addressed in a future plat (submitted by the developer).	Short- to Mid-Term
Explore impacts on Miller Road from additional development in this area.	Short - to Mid-Term
Complete a school capacity analysis in order to understand if the proposed program for this area will negatively impact district facility plans.	Short - to Mid-Term



**Development Services
Department/Planning Division**

NOTICE OF PUBLIC HEARING

09-07-16A11:14 RCVD

TO: Property Owner

RE: Application for a Zoning Change

LOCATION: The subject property is located at 6917 Miller Road, further described as being 4.01+/- acres in the James Hobbs Survey, Abstract #571, City of Rowlett, Dallas County, Texas. A location map depicting a 200-ft notification area is attached for reference. This notice and the notification area are required under Chapter 211.007 of the Texas Local Government Code.

EXPLANATION OF REQUEST: The applicant requests a rezoning from Single Family-40 (SF-40) to a Planned Development (PD) with an underlying Single Family-7 (SF-7) and Commercial-1 (C-1) base zoning for the purposes of building a mixed use development, including 12 residential lots for single family houses and one lot for a retail business.

- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
- I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS:

See attached letter

SIGNATURE:

[Signature] STEPHEN L. SALIN

ADDRESS:

DART 1401 Pacific Ave Dallas TX 75202

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services/Planning Division at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 13th day of September 2016, and the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October 2016. The Planning and Zoning Commission and City Council hearings will be held at the Municipal Center located at 4000 Main Street, Rowlett, Texas.

Please legibly respond in ink. If the signature and/or address are missing, your comments will not be recorded. The protest must be received by the Planning Division by 5 pm on Wednesday, September 7th to be included in the Planning and Zoning Commission packet and Wednesday, September 28th to be included in the City Council packet. The protest shall object to the rezoning, contain a legal description of the property on behalf of which the protest is made, and be signed by the owner of the property.

If you have any questions concerning this request, please contact the Planning Division
Phone 972-463-3904
FAX 972-412-6228
dacevedo@rowlett.com

RETURN by Mail
City of Rowlett Planning Division
3901 Main Street
Rowlett, TX 75088



Development Services
Department/Planning Division

09-07-16P02:24 RCVD

NOTICE OF PUBLIC HEARING

TO: Property Owner
RE: Application for a Zoning Change
LOCATION: The subject property is located at 6917 Miller Road, further described as being 4.01+/- acres in the James Hobbs Survey, Abstract #571, City of Rowlett, Dallas County, Texas. A location map depicting a 200-ft notification area is attached for reference. This notice and the notification area are required under Chapter 211.007 of the Texas Local Government Code.

EXPLANATION OF REQUEST: The applicant requests a rezoning from Single Family-40 (SF-40) to a Planned Development (PD) with an underlying Single Family-7 (SF-7) and Commercial-1 (C-1) base zoning for the purposes of building a mixed use development, including 12 residential lots for single family houses and one lot for a retail business.

I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:

I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS: *Business to close to our residence. Destruction of view.*

SIGNATURE: *[Handwritten Signature]*
ADDRESS: *3202 Glen Hill Dr Rowlett TX 75088*

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services/Planning Division at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 13th day of September 2016, and the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October 2016. The Planning and Zoning Commission and City Council hearings will be held at the Municipal Center located at 4000 Main Street, Rowlett, Texas.

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**Development Services
Department/Planning Division**

NOTICE OF PUBLIC HEARING

TO: Property Owner

RE: Application for a Zoning Change

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- I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
- I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

- It is time to get it done for zoning change

COMMENTS:

SIGNATURE:

PR Rand

ADDRESS:

2416 Versailles Drive, Rowlett 75082

Your written comments are being solicited in the above case. Additional information is available in the Department of Development Services/Planning Division at 3901 Main Street. The Planning and Zoning Commission of the City of Rowlett, Texas, will hold a public hearing at 6:30 p.m. on the 13th day of September 2016, and the City Council will hold a public hearing at 7:30 p.m. on the 18th day of October 2016. The Planning and Zoning Commission and City Council hearings will be held at the Municipal Center located at 4000 Main Street, Rowlett, Texas.

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dacevedo@rowlett.com

RETURN by Mail
City of Rowlett Planning Division
3901 Main Street
Rowlett, TX 75088

LEGAL DESCRIPTION

TRACT A & B

Exhibit A

BEING a tract of land situated in the J. Hobbs Survey, Abstract No. 571, in Dallas County, Texas, being all of Tract A and Tract B to David Covell Holl, Revocable Living Trust recorded in Instrument Number 201400268171 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at 5/8 inch iron rod with cap stamped "HUITT" found for the southwest corner of said Tract B, also lying on the north line of North line of Miller Road a called 80' right-of-way with the northeast line of a called 0.60 acre tract conveyed to the City of Dallas (Dart) for Railroad right-of-way;

THENCE North 41 degrees 15 minutes 52 seconds West, along the southwest line of said Tract B and the northeast line of said line of said 0.60 acre tract, a distance of 344.76 feet to a 5/8 inch iron rod with cap stamped "HUITT" found for an angle point in said Tract B, also lying on the east line of the City of Dallas Take Line for Lake Ray Hubbard;

THENCE North 09 degrees 33 minutes 44 seconds East, along the west line of said tract B and the east line of said Take Line, a distance of 160.96 feet to a 5/8 inch iron rod with cap stamped "CBG" found for the northwest corner of said Tract B;

THENCE North 89 degrees 16 minutes 26 seconds East, along the north line of said Tract B, a distance of 314.73 feet to a 5/8 inch iron rod found for the northeast corner of same;

THENCE South 36 degrees 15 minutes 52 seconds East, along the northeast line of said Tract B and Tract A, a distance of 514.25 feet to a 5/8 inch iron rod found for the southeast corner of said Tract A, also lying on the north line of said Miller Road;

THENCE South 89 degrees 00 minute 36 seconds West, along the north line of said Miller Road, a distance of 418.31 feet to the POINT OF BEGINNING, containing 175,473 square feet, or 4.028 acres of land.



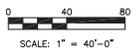
B. J. Maddox



Michael R. **COKER** Company

1111 Greenway Plaza, Suite 1100
Dallas, Texas 75226
www.mrcoker.com

6917 MILLER ROAD
City of Rowlett
Dallas County, Texas



PROPERTY OWNER/APPLICANT:
Holl Revocable Living Trust, David Holl
8410 SeaHoll Lane
Rowlett, Texas 75089
972-452-7691

REPRESENTATIVE/AGENT:
Michael R. Coker Company, Michael Coker
3111 Canton Street, Suite 140
Dallas, Texas 75226
214-621-6105

SURVEYOR:
Maddox Surveying & Mapping Inc.,
P.O. Box 2109
Fortney, Texas 75126
972-664-4416

ENGINEER:
Dougherty & Associates, Inc.,
P.O. Box 1336
Rockwall, Texas 75087
972-771-0004

EXHIBIT B - ZONING EXHIBIT
PROJECT NAME: KAYAK CROSSING
TRACTS: 21 AND 21.1
ABSTRACT: JAMES HOBBS ABSTRACT NO. 0571
COUNTY: DALLAS COUNTY
SUBMISSION DATE: JULY 15, 2016
ISSUE/REVISIONS:

NO.	DATE	DESCRIPTION
1	07152016	ISSUE
2	09222016	REVISIONS
3	09082016	REVISIONS
4	09092016	REVISIONS
5	10142016	REVISIONS

Filename: H0481017
Coker Co Project: 2102
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Copyright 2016-2017 Michael R. Coker Company



LOCATION MAP
NTS

LEGAL DESCRIPTION
TRACT I & II

BEING a tract of land situated in the J. Hobbs Survey, Abstract No. 571, in Dallas County, Texas, being all of Tract A and Tract B to David Covell Holl, Revocable Living Trust recorded in Instrument Number 201400268171 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at 5/8 inch iron rod with cap stamped "HUITT" found for the southwest corner of said Tract B, also lying on the north line of North line of Miller Road a called 80' right-of-way with the northeast line of a called 0.60 acre tract conveyed to the City of Dallas (Deer) for Railroad right-of-way;

THENCE North 41 degrees 15 minutes 52 seconds West, along the southwest line of said Tract B and the northeast line of said line of said 0.60 acre tract, a distance of 344.76 feet to a 5/8 inch iron rod with cap stamped "HUITT" found for an angle point in said Tract B, also lying on the east line of the City of Dallas Take Line for Lake Ray Hubbard;

THENCE North 09 degrees 33 minutes 44 seconds East, along the west line of said Tract B and the east line of said Take Line, a distance of 160.96 feet to a 5/8 inch iron rod with cap stamped "CBG" found for the northwest corner of said Tract B;

THENCE North 89 degrees 16 minutes 26 seconds East, along the north line of said Tract B, a distance of 314.73 feet to a 5/8 inch iron rod found for the northeast corner of same;

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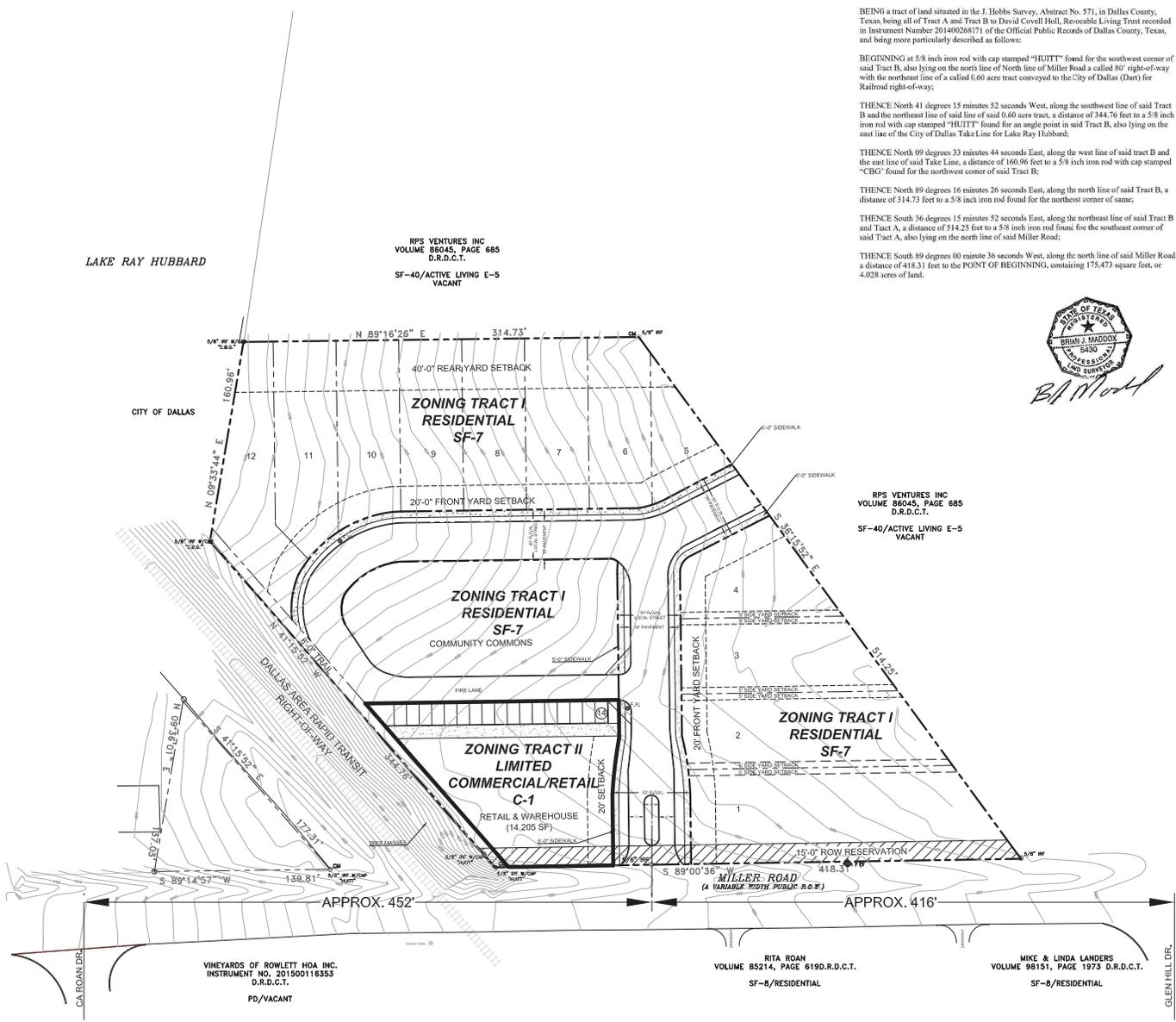


B. J. Maddox

RPS VENTURES INC
VOLUME 86045, PAGE 685
D.R.D.C.T.
SF-40/ACTIVE LIVING E-5
VACANT

RITA ROAN
VOLUME 85214, PAGE 619D.R.D.C.T.
SF-8/RESIDENTIAL

MIKE & LINDA LANDERS
VOLUME 98151, PAGE 1973 D.R.D.C.T.
SF-8/RESIDENTIAL



LAKE RAY HUBBARD

RPS VENTURES INC
VOLUME 86045, PAGE 685
D.R.D.C.T.
SF-40/ACTIVE LIVING E-5
VACANT

CITY OF DALLAS

VINEYARDS OF ROWLETT HOA INC.
INSTRUMENT NO. 201500116353
D.R.D.C.T.
PD/VACANT

APPROX. 452'

APPROX. 416'

CARDAN DR.

VINEYARDS OF ROWLETT HOA INC.
INSTRUMENT NO. 201500116353
D.R.D.C.T.
PD/VACANT

RITA ROAN
VOLUME 85214, PAGE 619D.R.D.C.T.
SF-8/RESIDENTIAL

MIKE & LINDA LANDERS
VOLUME 98151, PAGE 1973 D.R.D.C.T.
SF-8/RESIDENTIAL

GLEN HILL DR.

EXHIBIT C – STATEMENT OF INTENT AND PURPOSES [revised]

Project uses:

Tract 1: The only uses allowed in this tract are:

Single family detached residential

Community Commons [recreational and support uses]

Private streets, drives, access easements and fire lanes

Tract 2: The only uses allowed in this tract are:

Retail [may have attached residential as a second story use, this use may not exceed 2,000 square feet]

Training school [kayak and aquatics classes and outside programs, this use may be used within the confines of the retail or warehousing use, and no additional parking is required]

Warehousing [only as an accessory use to retail, the size of the accessory warehousing is not limited to a percentage of the retail use, but may not be a stand-alone structure and may not exceed 4,000 square feet]

Private streets, drives, access easements and fire lanes

Existing and proposed zoning and land use:

Existing zoning: SF 40

Proposed zoning: Planned development district for single family residential and non-residential mixed use. Tract I is single family detached with a generally SF-7 underlying standards, except that lot sizes and house sizes are as shown on the Concept Plan and the Zoning Exhibit. Tract II is mixed use with retail, educational and warehousing with a general C-1 underlying zoning. Tract III is limited to the uses described in Tract 3 above and does not require landscaping or other design features.

Current land use: Vacant

Proposed land use: A mixed use development with single family detached dwellings, community commons, retail and warehousing/storage uses, and the potential for second level attached dwellings

Proposed residential density: Six dwelling units per acre

Approval criteria:

The proposed rezoning satisfies the Comprehensive Plan future land use recommendation for an active living community and is consistent with the purposes of the Code as stated in subchapter 77-103.

The proposed zoning protects and enhances the health, safety, morals and general welfare of the public.

The municipality has confirmed that it will be able to provide sufficient transportation and utility facilities and services to the proposed community while maintaining sufficient levels of service to existing development.

The proposed development is located on land that is generally open. The proposed zoning will not have an adverse impact on the environment.

The proposed development will not have an adverse impact on property in the vicinity, rather will improve opportunities to capitalize on existing city resources [Paddle Point Park].

The property could support as many as four single family dwelling units under its current zoning. The proposed zoning increases the land utilization and suitability from four single family dwelling units to twelve single family dwelling units and provides opportunities for retail, attached residential and training and education for aquatics and kayak usage.

There are no other uses similar to the proposed zoning district around the subject property.

The proposed uses are consistent with the direction of the comprehensive plan and the proposed zoning district will be compatible with other future uses to be located in the area.

There are no other uses in the area that provide the environment that the proposed rezoning will provide.

EXHIBIT D- PLANNED DEVELOPMENT STANDARDS [revised]

Development in this planned development district shall be in accordance with Exhibits B and E. Amendments to Exhibits B and E shall be submitted to the Planning Department for review and approval. This is a traditional Planned Development District, not a form-based zoning district.

TRACT 1: Lot sizes and minimum dwelling unit sizes are on Exhibit B.

Lots 1 – 4:

Front yard setback is 20 feet

Side yard setback is six [6] feet

Rear yard setback is 10 feet

Lots 5 - 12

Front yard setback is 20 feet

Side yard setback is five [5] feet

Rear yard setback is 40 feet

Parking Residential: Single family detached dwelling units shall have two off-street covered parking spaces per dwelling unit. Guest parking for lots 5 - 12 shall be provided along both sides of the 20-foot fire lane immediately south of the cottages.

Residential lot coverage shall not exceed 60 percent.

TRACT 2: Setbacks for non-residential uses:

20 feet from Miller Road right of way

20 feet from local street

10 feet from the fire lane and access easement [a 10-foot-wide sidewalk shall be installed in this setback as shown on Exhibits B and E].

23 feet from the Dallas Area Transit Authority right of way

Non-residential lot coverage shall not exceed 90 percent

Non-residential FAR shall not exceed 1.0

Height in this district shall not exceed 45 feet and/or three [3] stories.

Exterior construction shall be of masonry or brick and shall cover 80 percent of the exterior of any building except for fenestration.

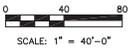
Retail structure not to exceed 2,000 square feet for retail and 4,000 square feet for storage and warehousing.

Parking Non-residential: Non-residential parking shall be provided as shown on the Exhibits B and E.



Michael R. **COKER** Company

6917 MILLER ROAD
City of Rowlett
Dallas County, Texas



PROPERTY OWNER/APPLICANT:
Holl Revocable Living Trust, David Holl
8410 Seafield Lane
Rowlett, Texas 75089
972-472-7691

REPRESENTATIVE/AGENT:
Michael R. Coker Company, Michael Coker
3111 Canton Street, Suite 140
Dallas, Texas 75226
214-421-6105

SURVEYOR:
Maddox Surveying & Mapping, Inc.
P.O. Box 2109
Forney, Texas 75126
972-666-4416

ENGINEERS:
Douphrate & Associates, Inc.
P.O. Box 1336
Rockwall, Texas 75087
972-771-9004

EXHIBIT E
ZONING CONCEPT PLAN

PROJECT NAME: KAYAK CROSSING
TRACTS: 21 AND 21.1
ABSTRACT: JAMES HOBBS ABSTRACT NO. 0571
COUNTY: DALLAS COUNTY
SUBMISSION DATE: JULY 15, 2016

NO.	DATE	DESCRIPTION
1	09222016	ISSUE
2	09082016	REVISIONS
3	09082016	REVISIONS
4	10142016	REVISIONS

FINANCIAL: HIGHWAY
Coker Co. Project: 2102
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NOTES:

TRACTS I & II 4.028 ACRES
TOTAL ACREAGE: 4.028 ACRES

EXISTING ZONING: SF-40
PROPOSED ZONING: PLANNED DEVELOPMENT

- NO PORTION OF THIS PROPERTY LIES WITHIN A 100-YEAR FLOODPLAIN ACCORDING TO FIRM MAP NO. 44-030245K, REVISED JULY 7, 2014. THE DEVELOPMENT OF THE SITE WILL BE IN ACCORDANCE WITH CITY OF ROWLETT DEVELOPMENT STANDARDS.
- THIS IS NOT A PHASED DEVELOPMENT.
- EASEMENTS ARE AS SHOWN ON HOLL DEVELOPMENT PRELIMINARY PLAT SPECIFICALLY ADDRESSED/LISTED FOR APPROVAL AS PART OF PLANNED DEVELOPMENT REGULATIONS MAY REQUIRE A HEARING/APPROVAL BY THE BOARD OF ADJUSTMENT (BOA).
- ALL CURRENT DEVELOPMENT REQUIREMENTS OF THE CITY AS AMENDED SHALL BE MET UNLESS APPROVED OTHERWISE WITHIN THESE PLANNED DEVELOPMENT ZONING DISTRICT DEVELOPMENT REGULATIONS.
- THIS ZONING CONCEPT PLAN IS FOR ILLUSTRATIVE PURPOSES ONLY AND SUBJECT TO CHANGE. THIS ZONING CONCEPT PLAN, ALONG WITH DEVELOPMENT REGULATIONS, IS INTENDED TO DESCRIBE THE INTENT OF THE PLANNED DEVELOPMENT. SIGNIFICANT DEVIATIONS FROM THIS ZONING CONCEPT PLAN, AS DETERMINED BY THE DIRECTOR OF PLANNING, WILL REQUIRE AN AMENDMENT TO THE ZONING CONCEPT PLAN AND, AS NECESSARY, THE DEVELOPMENT REGULATIONS.

TRACT I - RESIDENTIAL

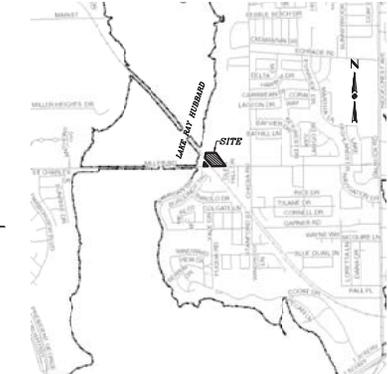
LOTS 1-4
Minimum House Size = 2,500 SF
Lot 1: Approx. 13,847 SF
Lot 2: Approx. 11,550 SF
Lot 3: Approx. 9,053 SF
Lot 4: Approx. 6,865 SF

LOTS 5-12

Minimum House Size = 1,800 SF
No Side Yard Setback
Lot 5: Approx. 3,868 SF
Lot 6: Approx. 6,744 SF
Lot 7: Approx. 6,808 SF
Lot 8: Approx. 6,812 SF
Lot 9: Approx. 6,822 SF
Lot 10: Approx. 7,076 SF
Lot 11: Approx. 6,825 SF
Lot 12: Approx. 7,977 SF

TRACT II - RETAIL

*Retail structure not to exceed 2,000 s.f. for retail and 4,000 s.f. for storage and warehouse.



LOCATION MAP
372

LEGAL DESCRIPTION
TRACT I & II

BEING a tract of land situated in the J. Hobbs Survey, Abstract No. 571, in Dallas County, Texas, being all of Tract A and Tract B to David Covell Holl, Revocable Living Trust recorded in Instrument Number 201400268171 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at 5/8 inch iron rod with cap stamped "HUITT" found for the southwest corner of said Tract B, also lying on the north line of North line of Miller Road a called 80' right-of-way with the northeast line of a called 0.60 acre tract conveyed to the City of Dallas (Dart) for Railroad right-of-way;

THERECE North 41 degrees 15 minutes 52 seconds West, along the southwest line of said Tract B and the northeast line of said line of said 0.60 acre tract, a distance of 344.76 feet to a 5/8 inch iron rod with cap stamped "HUITT" found for an angle point in said Tract B, also lying on the east line of the City of Dallas Take Line for Lake Ray Hubbard;

THERECE North 09 degrees 33 minutes 44 seconds East, along the west line of said tract B and the east line of said Take Line, a distance of 160.96 feet to a 5/8 inch iron rod with cap stamped "CIBO" found for the northwest corner of said Tract B;

THERECE North 89 degrees 16 minutes 26 seconds East, along the north line of said Tract B, a distance of 314.73 feet to a 5/8 inch iron rod found for the northeast corner of same;

THERECE South 36 degrees 15 minutes 52 seconds East, along the northeast line of said Tract B and Tract A, a distance of 514.25 feet to a 5/8 inch iron rod found for the southeast corner of said Tract A, also lying on the north line of said Miller Road;

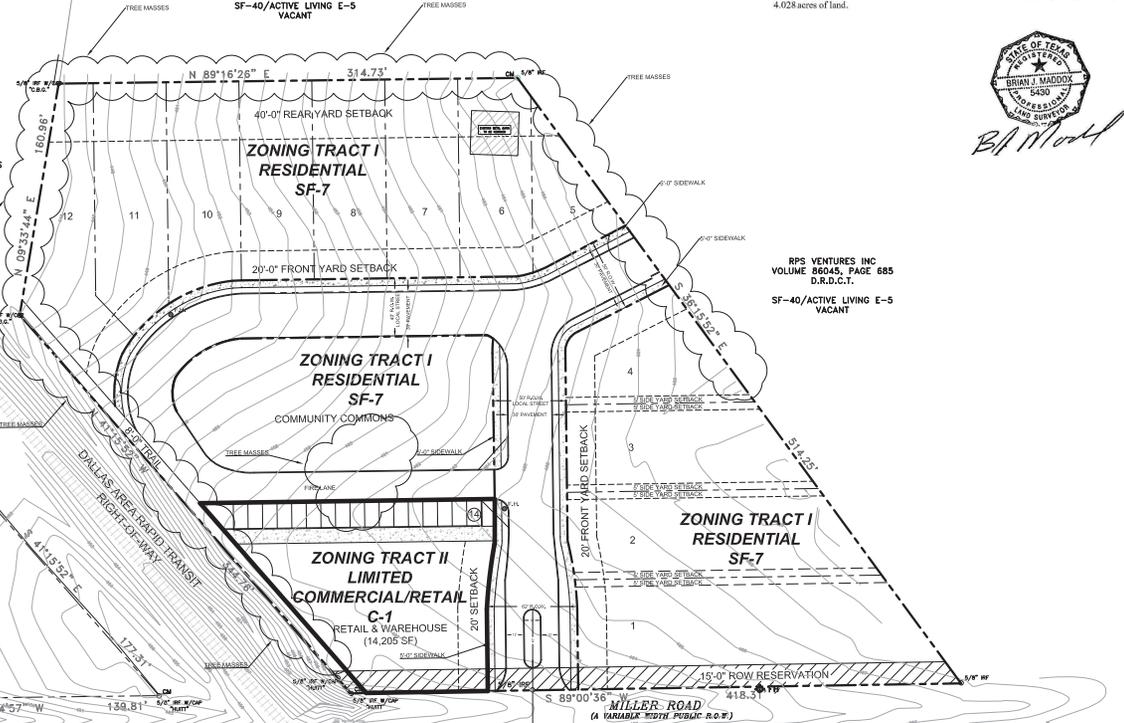
THERECE South 89 degrees 00 minute 36 seconds West, along the north line of said Miller Road, a distance of 418.31 feet to the POINT OF BEGINNING, containing 175,473 square feet, or 4.028 acres of land.



LAKE RAY HUBBARD

RPS VENTURES INC
VOLUME 86045, PAGE 685
D.R.D.C.T.
SF-40/ACTIVE LIVING E-5
VACANT

RPS VENTURES INC
VOLUME 86045, PAGE 685
D.R.D.C.T.
SF-40/ACTIVE LIVING E-5
VACANT



VINEYARDS OF ROWLETT HOA INC.
INSTRUMENT NO. 201500118353
D.R.D.C.T.
PD/VACANT

RITA ROAN
VOLUME 85214, PAGE 619D.R.D.C.T.
SF-8/RESIDENTIAL

MIKE & LINDA LANDERS
VOLUME 98151, PAGE 1973 D.R.D.C.T.
SF-8/RESIDENTIAL

APPROX. 452'

APPROX. 416'



