AGENDA

FLOWER MOUND TOWN COUNCIL REGULAR MEETING; TOWN OF FLOWER MOUND FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES DISTRICT SPECIAL MEETING; AND CRIME CONTROL AND PREVENTION DISTRICT SPECIAL MEETING

9/17/2018

FLOWER MOUND TOWN HALL, 2121 CROSS TIMBERS ROAD
FLOWER MOUND, TEXAS

6:00 P.M.

****
An agenda information packet is available online at www.flower-mound.com/AgendaCenter
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Please silence or turn off all electronic devices in the Council Chambers.

A. CALL MEETING TO ORDER

B. INVOCATION

C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG AND TO THE TEXAS FLAG

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

D. PRESENTATIONS

1. Recognition of the 2018 Food Service Award of Excellence winners and National Food Safety Month

E. PUBLIC COMMENT

To speak to Council during public comment, please fill out a comment form.

- **Turn in form by 6:10 p.m. to Town Secretary**
- **Speakers are limited to 3 minutes, a tone will sound at 30 seconds left and when time has expired**
- **Please state your name and address when speaking**

The purpose of this item is to allow the public an opportunity to address the Town Council on issues that are not indicated as a "Public Hearing" on this agenda. Issues regarding daily operational or administrative matters should first be dealt with by calling Town Hall at 972-874-6000 during business hours.

F. ANNOUNCEMENTS

1. Announce recent and upcoming civic and social events.

G. TOWN MANAGER'S REPORT

Update and discussion on:

1. Capital improvement projects
2. Economic Development projects

H. FUTURE AGENDA ITEMS

The purpose of this item is to allow the Mayor and members of Council an opportunity to bring forward items they wish to discuss at a future meeting, with the understanding a consensus of Council is needed in order for that item to be placed on a future agenda and in accordance with the Town Council Agenda Setting Policy (Ord. 65-15).

I. COORDINATION OF CALENDARS

1. A work session for Board & Commission interviews only: Tuesday, September 18
2. A work session, including Board & Commission interviews: Thursday, September 20
3. A regular meeting: Monday, October 1

J. CONSENT AGENDA - Consent Items

This agenda consists of non-controversial or "housekeeping" items required by law. Items may be removed from the Consent Agenda by any Councilmember by making such request prior to a motion and vote on the Consent Agenda.

1. **Minutes 9/4-** Consider approval of the minutes from a regular meeting of the Town Council; Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District Special meeting held on September 4, 2018.
2. **Pavilion Rental - Alcohol Consumption-** Consider approval of a request to allow the consumption of alcoholic beverages (sparkling wine) at Leonard Johns Park on October 6, 2018.
3. **Timber Creek land donation-** Consider acceptance of a land donation for open space. The 5.5 acre property is part of Lot 4X, Block A of the Timber Creek Medical Office Plaza, and generally located north of Central Park Drive and east of Long Prairie Road.
4. **Investment Policy-** Consider approval of a resolution adopting an Investment Policy for funds for the Town of Flower Mound as required annually by the Public Funds Investment Act.
5. **Financial Policies-** Consider approval of a resolution amending the financial policies of the Town of Flower Mound.
6. **Atmos Mid-Tex Rate Filing-** Consider approval of a resolution adopting Atmos Energy Corp., Mid-Tex Division's rate tariffs that reflect the negotiated rate change pursuant to the Rate Review Mechanism process.
7. **4th FY17/18 Budget Amendment-** Consider approval of an ordinance amending the Town of Flower Mound's Annual Budget for the fiscal year beginning October 1, 2017 and ending on September 30, 2018, as adopted by Ordinance No. 33-17 and amended by Ordinance No. 46-17, 20-18 and 22-18 for adjustments to the General Fund.
8. **Bakers Branch Interceptor Testing-** Consider approval of a Professional Services Agreement with ECS Southwest LLP., to provide construction materials engineering and testing, for the Bakers Branch Collector Phase II project, in the amount of $66,082.50; and authorization for the Mayor to execute same on behalf of the Town.
9. **Heritage Ph IV Change Order 2-** Consider approval of Change Order No. 2, for the Heritage Park Phase IV project, with North Rock Construction, LLC., in the amount of $39,760.64; and authorization for the Mayor to execute same on behalf of the Town.

10. **FM 2499 Water Line-** Consider approval of Professional Services Agreement Amendment No. 1, for the FM 2499 12-Inch Water Line Phase I project, amending the agreement with Kimley-Horn and Associates, Inc., for an increase of $35,800.00; and authorization for the Mayor to execute same on behalf of the Town.
11. **Freeman Rd Water Line-** Consider approval of a Development Agreement with M&M Sisk Farms, LLC for the construction of Town infrastructure associated with the Rocky Hill Farms residential development; and authorization for the Mayor to execute same on behalf of the Town.
12. **High Rd Water Line-** Consider approval of a Professional Services Agreement with HVJ North Texas – Chelliah Consulting, Inc., to provide construction materials engineering and testing, for the High Road Water Line Replacement Phase I project, in the amount of $57,340.00; and authorization for the Mayor to execute same on behalf of the Town.
13. **Fire Station #7 Shelter Certification-** Consider approval of a Professional Services Agreement with ReStl Engineers TX, LLC., to provide certification of the design for the Safe Room, required by the 2015 International Building Code, for the Fire Station No. 7 project, in the amount of $19,800.00; and authorization for the Mayor to execute same on behalf of the Town.
14. **Riverwalk PID Annual Update-** Consider and approve annual update to the Riverwalk Public Improvement District No. 1 (PID) Service and Assessment Plan (SAP) and Assessment Roll

K. REGULAR ITEMS

15. **FY18/19 Town Budget Adoption-** Consider approval of an ordinance adopting the budget for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019, and making appropriations for each fund and department.
16. **FY18/19 Tax Rate Adoption-** Consider approval of an ordinance fixing and levying municipal ad valorem taxes for the fiscal year beginning on October 1, 2018 and ending on September 30, 2019, and for each fiscal year thereafter until otherwise provided, at the rate of $0.439 per $100 assessed valuation on all taxable property within the corporate limits of the Town of Flower Mound as of January 1, 2018.
17. **FY18/19 Crime District Budget Adoption-** Town Council acting as the Board of Directors for the Town of Flower Mound Crime Control and Prevention District to consider approval of a resolution adopting the Town of Flower Mound Crime Control and Prevention District budget for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019.
18. **FY18/19 Fire District Budget Adoption-** Town Council acting as the Board of Directors for the Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District to consider approval of a resolution adopting the Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District budget for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019.
19. **Green Belt Plan resolution-** Consider approval of a resolution to adopt the Denton County Greenbelt Plan.

20. **Bakers Branch Interceptor Construction-** Consider approval of a Construction Agreement with ANA Site Construction LLC, for the Bakers Branch Collector Phase II project, in the amount of $1,228,169.00; and authorization for the Mayor to execute same on behalf of the Town.

L. CLOSED MEETING

The Town Council to convene into closed meeting pursuant to Texas Government Code Chapter 551, including, but not limited to, Sections 551.071, 551.072, and 551.087 for consultation with attorney, and to discuss matters relating to real property, and economic development negotiations, as follows:

a. Consultation with Attorney.

Pursuant to Section 551.071 of the Texas Government Code, the Town Council reserves the right to consult in a closed meeting with its attorney and to receive legal advice regarding any item listed on this agenda.

b. Discuss and consider purchase, exchange, lease or value of real property for parks and/or other municipal purposes and all matters incident and related thereto.

c. Discuss and consider economic development incentives, including retail centers, corporate relocation/expansion/retention, hospitality projects, and performance related to certain incentive agreements.

M. RECONVENE TO REGULAR MEETING

The Town Council to reconvene into an open meeting to take any action deemed necessary as a result of the closed meeting.

N. ADJOURN MEETING

I do hereby certify that the Notice of Meeting was posted on the bulletin board at the Town Hall for the Town of Flower Mound, Texas, in a place convenient and readily accessible to the general public at all times and said Notice was also posted on the Town's website in accordance with GC Section 551.056 on the following date and time: September 13, 2018, at 3:20 p.m., at least 72 hours prior to the scheduled time of said meeting.

Theresa Scott, Town Secretary

The Flower Mound Town Hall and Council Chambers are wheelchair accessible. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting by contacting Theresa Scott, Town Secretary, at (972) 874-6076.

TOWN COUNCIL AGENDA ITEM NO. 1

CONSENT ITEM

DATE: September 17, 2018

FROM: Theresa Scott, Town Secretary

ITEM: **Consider approval of the minutes from a regular meeting of the Town Council; Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District Special meeting; and Crime Control and Prevention District Special meeting held on September 4, 2018.**

BACKGROUND INFORMATION: The Town Council held a regular meeting of the Town Council; Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District Special meeting; and Crime Control and Prevention District Special meeting on September 4, 2018.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

Proposed Expenditure:	Account Number(s):

Finance Review by: N/A

LEGAL REVIEW: N/A

ATTACHMENTS:

1. Draft minutes

DRAFT MOTION: Move to approve as presented in the agenda caption.

THE FLOWER MOUND TOWN COUNCIL REGULAR MEETING; TOWN OF FLOWER MOUND FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES DISTRICT SPECIAL MEETING; AND CRIME CONTROL AND PREVENTION DISTRICT SPECIAL MEETING HELD ON THE 4TH DAY OF SEPTEMBER 2018, IN THE FLOWER MOUND TOWN HALL, LOCATED AT 2121 CROSS TIMBERS ROAD IN THE TOWN OF FLOWER MOUND, COUNTY OF DENTON, TEXAS AT 6:00 P.M.

Click here for meeting video link (subject to change)

The Town Council met in a regular meeting with the following members present:

Steve Dixon	Mayor
Jason Webb	Mayor Pro Tem
Claudio Forest	Deputy Mayor Pro Tem
Sandeep Sharma	Councilmember Place 2
Kevin Bryant	Councilmember Place 3
Jim Engel	Councilmember Place 4

constituting a quorum with the following members of the Town Staff participating:

Theresa Scott	Town Secretary
Ashley Dierker	Town Attorney
Jimmy Stathatos	Town Manager
Tommy Dalton	Assistant Town Manager
Tiffany Bruce	Executive Director of Public Works
Tammy Wilson	Executive Director of Financial Services

A. CALL REGULAR MEETING TO ORDER

Mayor Dixon called the regular meeting to order at 6:00 p.m.

B./C. INVOCATION/PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG AND THE TEXAS FLAG

Chaplain Mark Sherrill gave the invocation and Mayor Dixon led the pledges.

D. PRESENTATIONS

1. Presentation of certificate of appreciation to Chief Kancel by Chief Reim, Highland Village on behalf of Special Olympics

   This item was not heard.

2. Keep Flower Mound Beautiful (KFMB) Annual Update

   Marilyn Lawson, President, KFMB, reported on the work of KFMB in the last year.

E. PUBLIC COMMENT

Names listed below don't necessarily reflect the order in which each person spoke and all addresses are located in Flower Mound unless otherwise indicated.

	Speaker names and address	Subject *(as written on the form)*
1.	Mike Liles, 4325 Thames Ct	First Responders Appreciation Luncheon
2.	Kristy Anderson, 1815 Chestnut Ct	FMPD Social Media
3.	Lorraine Sheldon, 4845 Briar Creek Dr	Interfaith Camp

F. ANNOUNCEMENTS

- Chief Kancel announced an upcoming Special Olympics fundraiser event is scheduled for September 22nd at Circle R Ranch
- Chief Kancel provided a statement of fact regarding the FMPD social media post that was referenced during the public comment segment of the meeting
- Deputy Mayor Pro Tem Forest announced the KFMB Fall Trash Bash Event is scheduled for September 22nd
- Councilmember Sharma and Mayor Dixon encouraged the public to apply for a board or commission

G. TOWN MANAGER'S REPORT

Mr. Stathatos provided an update on the following items:

1. Capital improvement projects

   - Lake Forest Blvd
   - High Road water line replacement
   - History of new no left turn sign at Woodhill and McKamy

     and he or Ms. Bruce responded to questions from Council regarding:
     - o Whether or not there are buses using the route
     - o When did the residents request the no left turn initially

2. Economic Development projects

   - Rush Bowls is now open in Lakeside
   - Pollos La Pullita restaurant going in to the Victory Retail Center
   - Bridges Health Care is opening at 4951 Long Prairie

3. Regulation of Multi-Family Zoning/Development

Mayor Dixon provided background information regarding the purpose of this item.

Ms. Dierker summarized the legal aspects associated with the possibility of a heightened approval standard (supermajority vote of Council) for apartments.

and she responded to the following questions from Council:
- Other situations that might apply such as the super majority requirement for a Master Plan Amendment
- What other litigation cases have there been

and there was Council discussion regarding:
- The need to identify and define what limited residential is
- How consistency is important

H. FUTURE AGENDA ITEMS

1. There were no items requested for a future agenda.

I. COORDINATION OF CALENDARS

A regular meeting is scheduled for Monday, September 17.

Mayor Dixon announced that the next Council meeting will be Monday, September 17.

J. CONSENT ITEMS

1. Consider approval of the minutes from a regular meeting of the Town Council; Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District Special meeting held on August 20, 2018.

2. Consider approval of the purchase of one (1) New 2019 Ford F-750 Chassis with Crane Body per Town of Flower Mound Specifications from Sam Pack's Five Star Ford for the Public Works Department in the amount of $141,514.00.

3. Consider approval of the purchase of thirty sets of bunker gear from NAFECO, Inc. through BuyBoard Purchasing Contract No. 542-17 in the total amount of $76,039.20; and authorization for the Mayor to approve same on behalf of the Town.

4. Consider approval of the purchase of uniforms in the annual estimated amount of $55,800.00 from Galls LLC., through a City of Frisco contract.

5. Consider approval to award Bid No. 2018-36-B to Hawk Construction, LLC., with reduced quantities, for Screening Wall Repair Services, in the amount of $75,000; and authorization for the Mayor to execute same on behalf of the Town.

Councilmember Bryant moved to approve by consent Items 1 – 5, as presented in the agenda caption. Deputy Mayor Pro Tem Forest seconded the motion. Each item, as approved by consent, is restated above, and if applicable, the Ordinance or Resolution caption for each, for the record.

VOTE ON MOTION: *Motion passed*
AYES: SHARMA, WEBB, BRYANT, ENGEL, FOREST
NAYS: NONE

K. REGULAR ITEMS

6. Public Hearing to consider a tax rate of $0.4390 per $100 assessed valuation.

Staff Presentation

Ms. Wilkinson gave a presentation identifying or noting:

- Required budget and tax rate language

- 2018 debt service and tax rates
- FY 2017 Total Tax Rate comparison to benchmark cities
- Flower Mound tax rate
- Current property tax exemptions available
- Over 65 Exemption Comparison to benchmark cities
- Next steps

Mayor Dixon opened the Public Hearing at 7:00 p.m.

The following individuals either spoke in support or opposition, or had questions / comments related to the item: *Names listed below don't necessarily reflect the order in which each person spoke and all addresses are located in Flower Mound unless otherwise indicated.*

Support: Comments/Questions	Opposition: Comments/Questions	Question(s)/Comments Only
Mehul Desai, 5501 Sundale Dr	None	None

Mayor Dixon closed the Public Hearing at 7:04 p.m.

Mr. Stathatos or Ms. Wilson provided a response to the questions asked during the public hearing.

Mayor Dixon made the following announcement:

"The Town of Flower Mound's tax rate is scheduled for adoption on Monday, September 17, 2018, at 6:00 p.m., at a regular Town Council meeting, to be held in the Town of Flower Mound Council Chambers, located at 2121 Cross Timbers Road, Flower Mound, Texas 75028."

No Town Council action was required or taken.

7. Consider approval of a Construction Agreement with Atkins Brothers Equipment Co. Inc., for the High Road Water Line Replacement Phase I project, in the amount of $1,073,373.50; and authorization for the Mayor to execute same on behalf of the Town.

Staff Presentation

Ms. Bruce provided background information regarding the purpose and scope of the project.

Mayor Pro Tem Webb moved to approve as presented in the agenda caption. Councilmember Sharma seconded the motion.

VOTE ON MOTION: *Motion passed*
AYES: FOREST, ENGEL, BRYANT, WEBB, SHARMA
NAYS: NONE

L./M. CLOSED/OPEN MEETING

The Town Council convened into a closed meeting at 7:08 p.m. on September 4, 2018, pursuant to Texas Government Code Chapter 551, including, but not limited to, Sections 551.071, 551.072, 551.074, and 551.087 for consultation with attorney, and to discuss matters relating to real property, personnel, and economic development negotiations, and reconvened into an open meeting at 9:13 p.m. on September 4, 2018, to take action on the items as follows:

a. Consultation with Attorney.

   No action taken.

b. Discuss and consider purchase, exchange, lease or value of real property for parks and/or other municipal purposes and all matters incident and related thereto.

   No action taken.

c. Discuss and consider economic development incentives, including retail centers, corporate relocation/expansion/retention, senior housing, hospitality projects, and performance related to certain incentive agreements.

   No action taken.

d. Annual Review of Town Manager and Town Secretary.

Councilmember Bryant moved to approve as discussed in Executive Session. Deputy Mayor Pro Tem Forest seconded the motion.

VOTE ON MOTION: *Motion passed*
AYES: SHARMA, WEBB, BRYANT, ENGEL, FOREST
NAYS: NONE

N. ADJOURN REGULAR MEETING

Mayor Dixon adjourned the meeting at 9:14 p.m. on Tuesday, September 4, 2018, and all were in favor.

TOWN OF FLOWER MOUND, TEXAS

____
STEVE DIXON, MAYOR

ATTEST:

____
THERESA SCOTT, TOWN SECRETARY

TOWN COUNCIL AGENDA ITEM NO. 2

CONSENT ITEM

DATE: September 17, 2018

FROM: Chuck Jennings, Director of Parks and Recreation

ITEM: **Consider approval of a request to allow the consumption of alcoholic beverages (sparkling wine) at Leonard Johns Park on October 6, 2018.**

BACKGROUND INFORMATION: The family of Helen Johns is planning a memorial service and has reserved the Leonard Johns Park pavilion on October 6, 2018, from 2-6 pm. Helen Johns loved the local community and was one of the founding members of the Women of Flower Mound. Her daughter Cathy Johns and son Jim Johns would like to honor her at a small memorial service attended by family, friends, and members of the Women of Flower Mound. Ms. Johns had quite a flair and the family thought it would be appropriate for those attending to raise a toast to her with a glass (plastic) of sparkling wine as a final farewell. At the memorial service the Women of Flower Mound would also like to present Leonard Johns Park with a bench in her memory. The family appreciates the Town Council's consideration.

The consumption of alcohol on park property requires Parks Board consideration and the Town Council's approval since the memorial service will be held at Leonard Johns Park. An excerpt from the Code of Ordinances states:

- It shall be unlawful to possess alcoholic beverages in any portion of a public park or recreation facility, with the exception that the use of alcoholic beverages may be permitted during designated activities upon recommendation of the Town's Parks Board and with approval of the Town Council.

BOARD REVIEW/CITIZEN FEEDBACK: The Parks Board unanimously approved recommending the request for Town Council consideration at their September 6, 2018, regular meeting.

ALTERNATIVES/OPTIONS: To deny the request and not allow the consumption of sparkling wine at the service.

FISCAL IMPACT: N/A

LEGAL REVIEW: N/A

ATTACHMENTS:

1. Draft minutes from the September 6, 2018, Parks Board meeting

DRAFT MOTION: Move to approve as presented in the agenda caption.

THE TOWN OF FLOWER MOUND PARKS BOARD REGULAR MEETING HELD ON THE 6TH DAY OF SEPTEMBER 2018, IN THE FLOWER MOUND TOWN HALL, LOCATED AT 2121 CROSS TIMBERS ROAD IN THE TOWN OF FLOWER MOUND, COUNTY OF DENTON, TEXAS AT 6:30 P.M.

The Parks Board met in a regular session with the following members present:

Gloria Jones	Place 1 – Chair
Rick Kenyon	Place 4
Jodi Seay	Place 5
Ann Handren	Place 6
Mark Mayer	Place 9 – Alternate
Firoz Vohra	Place 10 – Alternate

The following Board members were not in attendance:

Teresa Thomason	Place 3 – Vice Chair
Ike Winfield	Place 7

The following members of Town Staff were in attendance:

Chuck Jennings	Director of Parks and Recreation
Bradley Anderle	Town Attorney
Clayton Litton	Parks Superintendent
Kari Biddix	Park Development Manager
John Habern	Park, Trails and Landscape Specialist
Mark Long	Recreation Superintendent
Jaime Jaco-Cooper	Senior Center Manager
Matt Chutchian	Athletics Supervisor
Jade Olson	Administrative Secretary

A. CALL REGULAR MEETING TO ORDER – 6:30 P.M.

B. INVOCATION – Grace Sherrill

C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG AND THE TEXAS FLAG

D. PRESENATIONS

Marilyn Lawson of Keep Flower Mound Beautiful provided the Board with an update on everything KFMB does to keep the Town beautiful.

Jaime Jaco-Cooper, Senior Center Manager, updated the Board with activities, field trips and other events the Seniors In Motion group plans to do during September for Senior Center Month.

Matt Chutchain, Athletics Supervisor, introduced Mark Grommesh, GLASA President, to represent GLASA. The Board was updated with GLASA's operations in regards to youth soccer.

E. PUBLIC PARTICIPATION

Nancy Kleckner, 2608 Wisdom Creek Dr, spoke in support of a tennis center and was interested in item 6 on the agenda for possible land donation.

Joy Drew, 5100 Seville Ln, said she was excited that a tennis center was being considered.

David Rosselli, 3805 Chimney Rock Dr addressed the Board members regarding the proposed gate at Chimney Rock.

Bud Holmes, 3707 Chimney Rock Dr spoke to the Board members regarding the proposed gate at Chimney Rock.

Robert Clement, 3913 Long Meadow, spoke in support of a gate at Chimney Rock.

Lori Segura, 3801 Immel Dr, spoke in opposition of a proposed gate at Chimney Rock for equestrians.

Melissa Wilson, 3200 High Rd, spoke in opposition of a proposed gate at Chimney Rock for equestrians.

F. DIRECTOR'S REPORT

Chuck Jennings, Director of Parks and Recreation reported the following:

- With the recent retirement of Gary Sims, Town Management reorganized our department splitting the Community Services Department into two departments – Parks and Recreation Services and Library Services. I will remain the Director over Parks and Rec and Sue Ridnour will remain the director of the Library. With the restructuring, the P&R Dept was able to create a Recreation Superintendent position.
- Effective September 10, Mark Long will officially be promoted to the newly created Recreation Superintendent position. Mark's responsibilities will include overseeing the CAC, Senior Center, Twin Coves Park, athletics, and our community wide special events. I am eager to have him in this leadership role and look forward to seeing our recreation division continue to grow and flourish under his watch.
- I also want to congratulate John "Johnny" Havens with his recent promotion to Athletic Ballfield Supervisor. He has hit the ground running, and with his passion and energy I know the maintenance and upkeep of our athletic complexes will continue to be top notch. We also promoted two Maintenance II workers to crew leader – Nate Platt and Zach Briggs.
- In an effort to help save time and eliminate the reading of long motions the Town Council has adopted saying **move to approve as presented in the agenda caption.** Please know there will be exceptions where specific language needs to be recited. We plan to start drafting the motions with this language at the next meeting.
- The sewer line install and lift station removal at Gerault Park was completed Monday, August 27th
- Three baseball backstops were replaced at Colony, Westchester, and Windsor Park. Dirt was added around the backstop at Westchester Park.

- Topsoil and native grass seeds were laid down at the Gibson-Grant Cabin on an area that was eroding.
- 10 new Adirondack chairs were recently installed at the splash pad to provide for additional seating

Mark Long, Recreation Superintendent reported the following:

- The Flower Mound Senior Center currently has 2,206 members and gets about 1200 visits per week.
- September is National Senior Center Month! The FMSC will be celebrating with Senior Center Bingo. SIM members can earn stamps on their bingo cards by participating in various programs and events to earn prizes and be entered to win a $50 gift card!
- On Saturday, Sept. 8, the FMSC will celebrate Grandparent's Day with a Grandparent's Carnival. SIM members may bring their grandchildren to enjoy fun games, lunch, and a performance by Jobi the monkey! Who I believe is a card carrying member.
- The CAC had another amazing summer. The 2018 summer season ran from Memorial Day through Labor Day. During that time 59,419 CAC members "scanned" into the facility. And in addition, 20,219 day passes were sold to area residents. There were no major safety incidents and the Parks and Recreation staff appreciates the jobs that all the seasonal employees did this year.
- The Doggie Dive and will take place on Saturday, September 15 at the Outdoor Water Park at the CAC. It will give dogs a chance to play in the Water Park before it is drained and cleaned for the season. The event will be split into two time slots - Dogs under 30 lbs., 1 - 2:30 p.m., Dogs over 30 lbs., 3 - 4:30 p.m. The cost is $5 for CAC Members and $6 for CAC Non-members. Animal Services will verify shot records so arrive a little bit early. We will have door prizes and great giveaways for all of our canine friends so make sure you sign up early.
- The outdoor pool closed this past Monday. The next round of swim lessons will begin on Monday, September 10 and will continue until Wednesday, October 3. In addition, Saturday swim lessons will begin on September 8 and will continue until November 3. The Flower Mound Parks and Recreation Aquatics Staff teach hundreds of kids to swim each year and it's a skill that lasts a lifetime.
- All adult Kickball, Softball, and Ultimate Frisbee leagues are set to begin this week and will run thru early November. There are 52 adult softball teams, 7 kickball teams and 6 ultimate Frisbee teams playing this fall.
- FMYSA and FMYFA will kick off their fall season this weekend at Gerault, Bakersfield Glenwick, Tiger and Hilltop fields. GLASA kicked off their season the last weekend of August.
- Twin Coves also had a busy summer. There were a total of 10,546 vehicles that entered the park between Memorial and Labor Day…and of course no one came to TCP by themselves.
- We sold 1390 Day passes, 194 Res Annual Passes and 14 Non Res Annual Passes
- There were 1821 overnight stays (Cabins, RV, Primitive) Memorial Day to Labor Day and
- There were 1256 total RV Nights, 526 Cabin Nights, 39 Primitive Nights
- Minor irrigation work being installed at RV 1

- I did want to mention that TCP Hosted a Joint Economic Development/Chamber of Commerce Forum last week with many of Flower mounds business leaders attending. There was positive feedback and we've already received several calls to rent the pavilion.

Kari Biddix, Park Development Manager reported the following:

- The Pink Evening Primrose trail segment 1 is complete at the north, middle and south ends. The contractor is currently working on the intersection of Timber Creek and Torrey Pine. Next they will begin on the intersection at Timber Creek and Barrens Circle. Rail has been ordered for the below grade crossing.
- Heritage Park Phase IV stone cladding has been finished on all the walls for the trail east of Garden Ridge and hand rails have has been installed. They are pouring the nature trail on the west side. The bronze sculptures and interpretive signage are under design. They will start forming the remaining parking areas next week. Completion is expected November 2018.

G. CONSENT AGENDA

1. Consider approval of minutes from a regular meeting of the Parks Board held on August 2, 2018.

Board Deliberation

Board member Handren moved to approve the minutes of a regular meeting of the Parks Board held on August 2, 2018. Board member Seay seconded the motion.

VOTE ON THE MOTION

AYES: **Kenyon, Seay, Handren, Vohra**
NAYS: **None**
ABSTAINS: **Mayer**

H. REGULAR ITEMS

2. Consider recommending approval for Town Council consideration the consumption of alcoholic beverages (sparkling wine) at Leonard Johns Park on October 6, 2018.

Staff Presentation
Chuck Jennings – Director of Parks and Recreation

Board Deliberation

Board member Kenyon moved to approve for Town Council consideration of alcoholic beverages (sparkling wine) at Leonard Johns Park on October 6, 2018. Board member Mayer seconded the motion.

VOTE ON THE MOTION

AYES: **Vohra, Handren, Seay, Kenyon, Mayer**
NAYS: **None**

3. Consider granting approval to the Chimney Rock HOA to install a gate and signage along the public equestrian easement located within their development.

Staff Presentation
Chuck Jennings – Director of Parks and Recreation

Board Deliberation
Board member Kenyon made a motion that Town staff work with the equestrians and the Chimney Rock HOA to come up with a resolution that's favorable to both sides and bring it back before the Board for review and approval. Board member Vohra seconded the motion.

VOTE ON THE MOTION

AYES: Mayer, Kenyon, Seay, Handren, Vohra
NAYS: None

4. Consider recommending approval for Town Council consideration a request to name the Heritage Park Performance Pavilion after Mary Webb.

Staff Presentation
Chuck Jennings – Director of Parks and Recreation

Board Deliberation
Board member Kenyon moved to deny approval of a request to name the Heritage Park Performance Pavilion after Mary Webb. Board member Handren seconded the motion.

VOTE ON THE MOTION

AYES: Vohra, Handren, Kenyon, Mayer
NAYS: Seay

5. Consider recommending to Planning and Zoning Commission and Town Council Park requirements for the Balekian Addition/CVS residential development generally located north of FM 1171 and east of Lusk Ln.

Staff Presentation
John Habern – Park, Trails and Landscape Specialist

Board Deliberation
Board member Mayer made a motion to recommend approval to Planning and Zoning Commission and Town Council cash, in the amount of $35,481.60, be accepted in lieu of the otherwise required Park Land Dedication, and Park Development Fees in the amount of $15,268.00 for the Balekian Addition/CVS residential development generally located north of FM 1171 and east of Lusk Ln. Board member Vohra seconded the motion.

VOTE ON THE MOTION

AYES: Mayer, Kenyon, Seay, Handren, Vohra
NAYS: None

6. Consider recommending to Planning and Zoning Commission and Town Council Park Land Dedication and Park Development Fee requirements for Townlake East residential development generally located east of Flower Mound Rd and south of FM 1171.

Board Deliberation

Board member Mayer moved to recommend approval to Planning and Zoning commission and Town Council Park Land Dedication of 13.11 acres of land and Park Development Fees in the amount of $77,728.00 for the Townlake East residential development generally located east of Flower Mound Rd and south of FM 1171. Board Member Kenyon seconded the motion.

VOTE ON THE MOTION

AYES: **Vohra, Handren, Seay, Kenyon, Mayer**
NAYS: **None**

Board member Mayer moved to recommend approval to Town Council a Park Development Fee credit for extensions of the Town's 8' wide Hike and Bike Trail System in the amount of $77,728.00. Board member Kenyon seconded the motion.

VOTE ON THE MOTION

AYES: **Vohra, Handren, Seay, Kenyon, Mayer**
NAYS: **None**

I. COORDINATION OF CALENDARS AND FUTURE AGENDAS/MEETINGS

- The next Parks Board Special Meeting is scheduled for October 4, 2018.

J. ADJOURNMENT

Board Member Seay made a motion to adjourn the meeting. Board member Mayer seconded the motion.

Chair Gloria Jones adjourned the Regular Meeting at 9:37 p.m.

TOWN OF FLOWER MOUND, TEXAS

Gloria Jones, Chair

ATTEST:

Jade Olson, Administrative Secretary

TOWN COUNCIL AGENDA ITEM NO. 3

CONSENT ITEM

DATE: September 17, 2018

FROM: Tommy Dalton, Assistant Town Manager

ITEM: **Consider acceptance of a land donation for open space. The 5.5 acre property is part of Lot 4X, Block A of the Timber Creek Medical Office Plaza, and generally located north of Central Park Drive and east of Long Prairie Road.**

BACKGROUND INFORMATION: The property owners of the Timber Creek Medical Plaza, which is now part of the Windsor Ridges development, have offered to donate 5.5 acres of land to the Town for public open space.

The property is currently within the floodplain and is undevelopable. However, the property is directly adjacent to Timber Trails Park and will serve as a continuation of open space. A portion of the property contains a public trail that also connects to the trail in the adjacent subdivision of Lakeshore Terrace, and ultimately Timber Trails Park.

BOARD REVIEW/CITIZEN FEEDBACK: Not applicable. However, the Town's Parks Department is in support of the donation

ALTERNATIVES/OPTIONS: The Council can choose to approve or reject the donation.

FISCAL IMPACT: No initial impact, but the Town will be responsible for maintenance on an as needed basis.

LEGAL REVIEW: N/A

ATTACHMENTS:

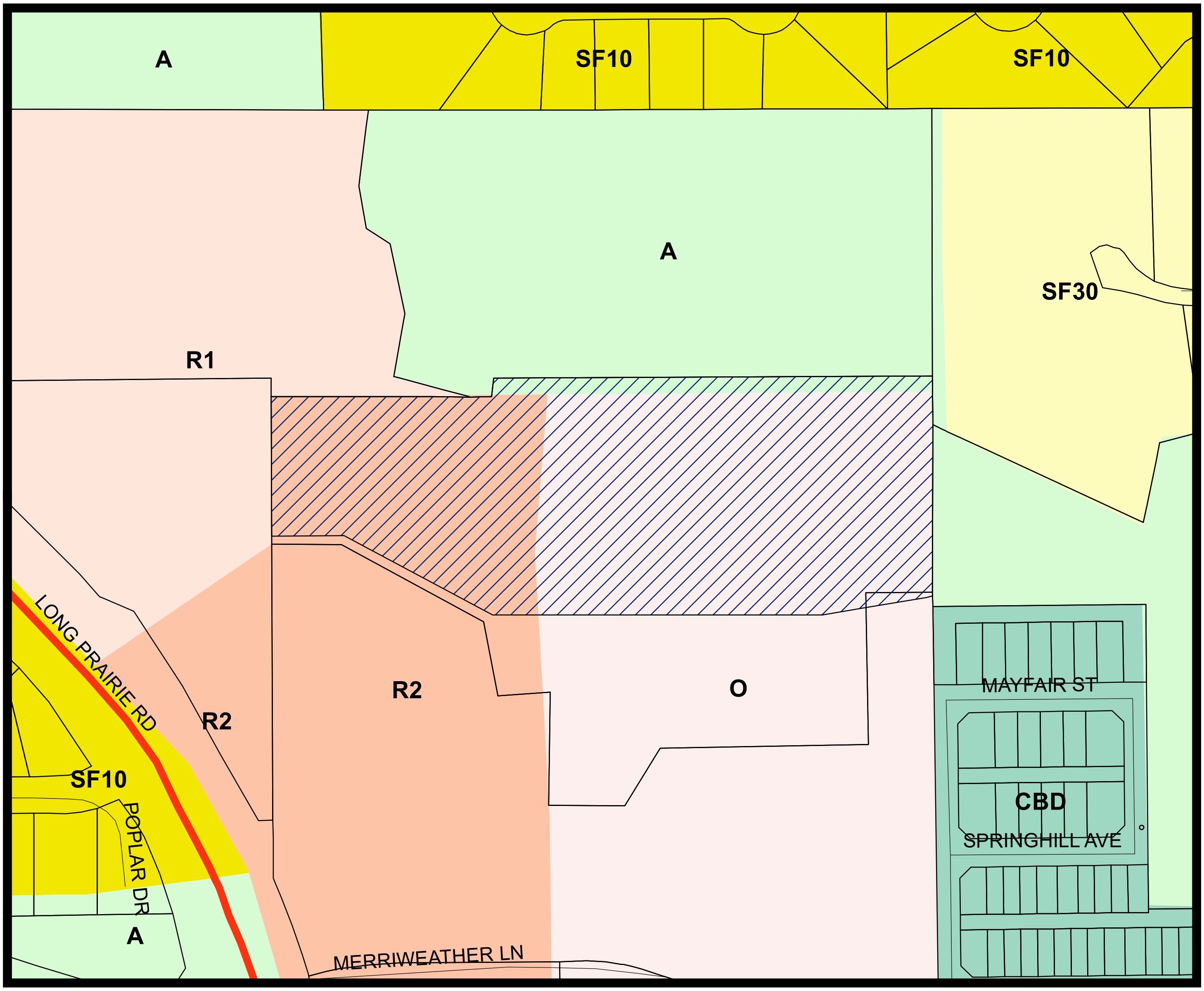
1. Location Map
2. Property Survey
3. Windsor Ridges Plat

DRAFT MOTION: Move to approve as presented in the agenda caption.

Attachment 1

Vicinity Map

Timber Creek Medical Office Plaza Land Donation

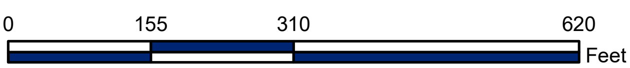


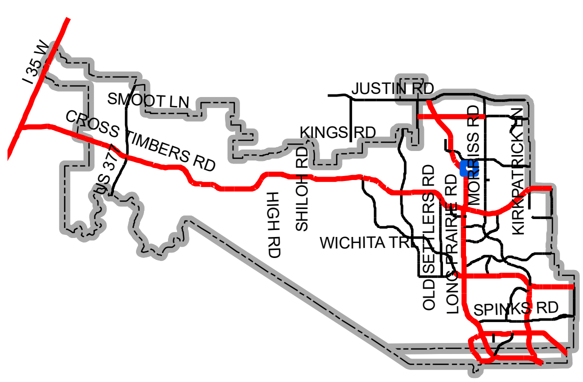
LEGEND

Agriculture | **Central Business District** | **Office** | **Retail 1** | **Retail 2**

Single Family 10 | **Single Family 30**

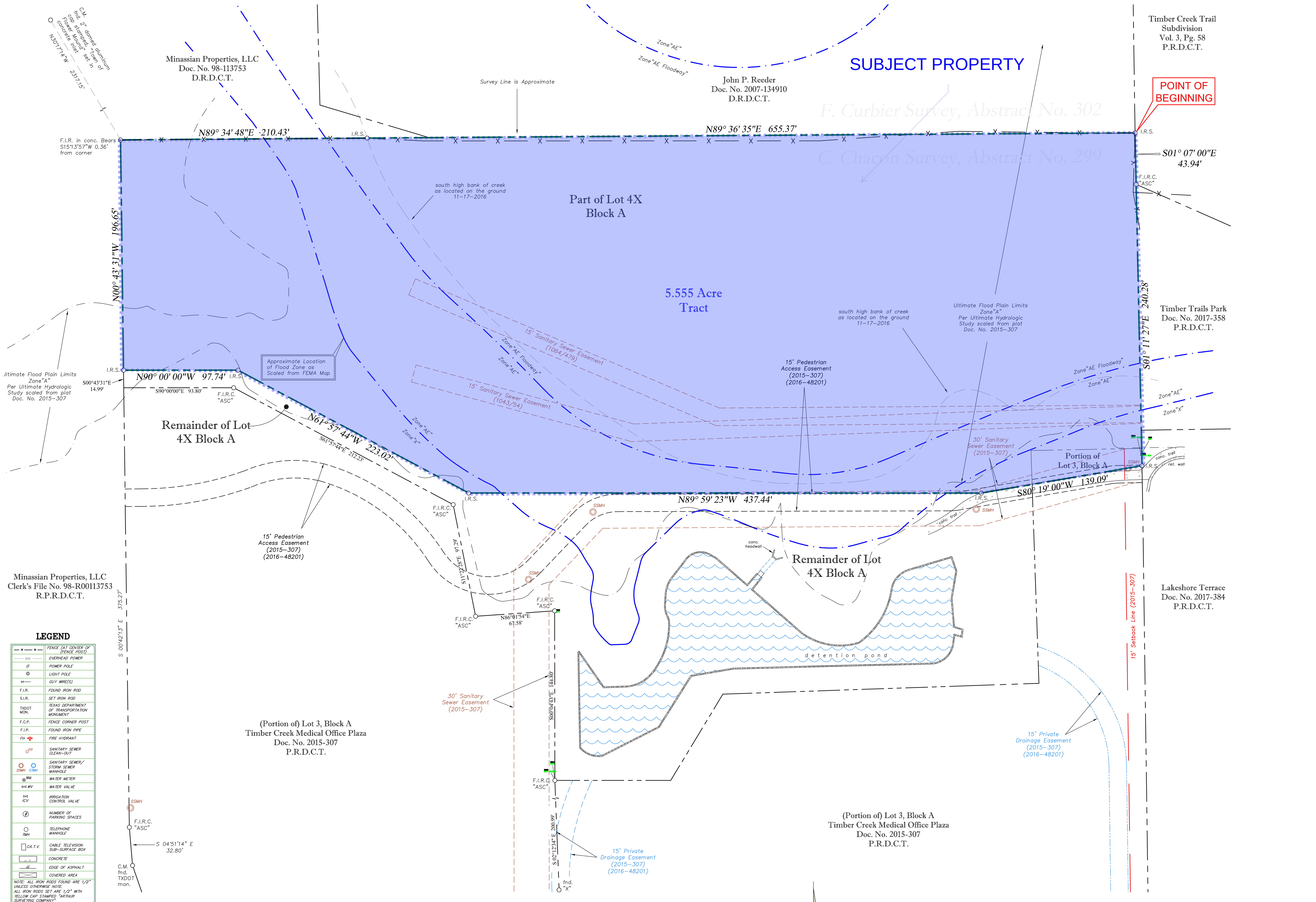
Subject Property





Map Location

Attachment 2



PROPERTY DESCRIPTION :

BEING part of Lots 3 and 4X, Block A, of Timber Creek Medical Office Plaza, an addition to the Town of Flower Mound, Denton County, Texas, according to the plat recorded under Document Number 2015-307, Plat Records of Denton County, Texas (P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod with yellow cap stamped *"ARTHUR SURVEYING COMPANY"* (ASC) set for the northeast corner of said Lot 4X, same point being the southeast corner of a tract of land described by deed to John P. Reeder, recorded under Document Number 2007-134910, Official Public Records, Denton County, Texas (O.P.R.D.C.T.), same point being in the west line of Timber Creek Trail Subdivision, according to the plat recorded in Volume 3, Page 58, P.R.D.C.T.;

THENCE South 01 degrees 07 minutes 00 seconds East, with the east line of said Lot 4X and the west line of said Timber Creek Trail Subdivision, a distance of 43.94 feet to a 1/2 inch iron rod with yellow cap stamped "ASC" found for corner being the northwest corner of Timber Creek Trails Park, an addition to the Town of Flower Mound, Denton County, Texas, according to the plat recorded under Document Number 2017-358, P.R.D.C.T., same point being the southwest corner of said Timber Creek Trail Subdivision;

THENCE South 01 degrees 11 minutes 27 seconds East, continuing on with the east line of said Lot 4X, and passing the southwest corner of said Timber Trails Park, continuing on for a total distance of 240.28 feet to an iron rod with yellow cap stamped "ASC" set in the east line of said Lot 3 and the west line of Lakeshore Terrace, an addition to the Town of Flower Mound, Denton County, Texas, according to the plat recorded under Document Number 2017-384, P.R.D.C.T.;

THENCE South 80 degrees 19 minutes 00 seconds West, over and across said Lots 3 and 4X, a distance of 139.09 feet to an iron rod with yellow cap stamped "ASC" set for corner;

THENCE North 89 degrees 59 minutes 23 seconds West, over and across said Lot 4X, a distance of 437.44 feet to an iron rod with yellow cap stamped "ASC" set for corner;

THENCE North 61 degrees 57 minutes 44 seconds West, over and across said Lot 4X, a distance of 223.02 feet to an iron rod with yellow cap stamped "ASC" set for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, over and across said Lot 4X, a distance of 97.74 feet to an iron rod with yellow cap stamped "ASC" set for corner being in the west line of said Lot 4X;

THENCE North 00 degrees 43 minutes 31 seconds West, with the west line of said Lot 4X, a distance of 196.65 feet to the northwest corner of said Lot 4X, from which a 1/2 inch iron rod found in concrete bears South 15 degrees 13 minutes 57 seconds West at 0.36 feet, same point being in a south line of a tract of land described by deed to Minassian Properties, LLC, recorded under Clerk's File Number 98-R00113753, Real Property Records, Denton County, Texas;

THENCE North 89 degrees 34 minutes 48 seconds East, with a south line of said Minassian Properties tract and the north line of said Lot 4X, a distance of 210.43 feet to a 1/2 inch iron rod with yellow cap stamped "ASC" set for corner;

THENCE North 89 degrees 36 minutes 35 seconds East, passing a southeast corner of said Minassian Properties tract, continuing with the north line of said Lot 4X and the south line of said Redder tract, a distance of 655.37 feet to the **POINT OF BEGINNING** and containing 5.555 acres of land, more or less.

BOUNDARY SURVEY

5.555 Acre Tract out of Lots 3 & 4X, Block A,
Timber Creek Medical Office Plaza
City of Flower Mound
Denton County, Texas

P.C. / Tech: B.H. / JJ(G.C.) DATE: 8/27/2018 SCALE: 1"=40' ASC NO.: A0829183676

SURVEYOR'S CERTIFICATION: The undersigned does hereby certify to Todd Weaver that this survey was this day made on the ground of the property legally described hereon and is correct and to the best of my knowledge, there are no visible discrepancies, conflicts, shortages in area, boundary line conflicts, encroachments, overlapping of improvements, easements or rights of way that I have been advised of except as shown hereon.

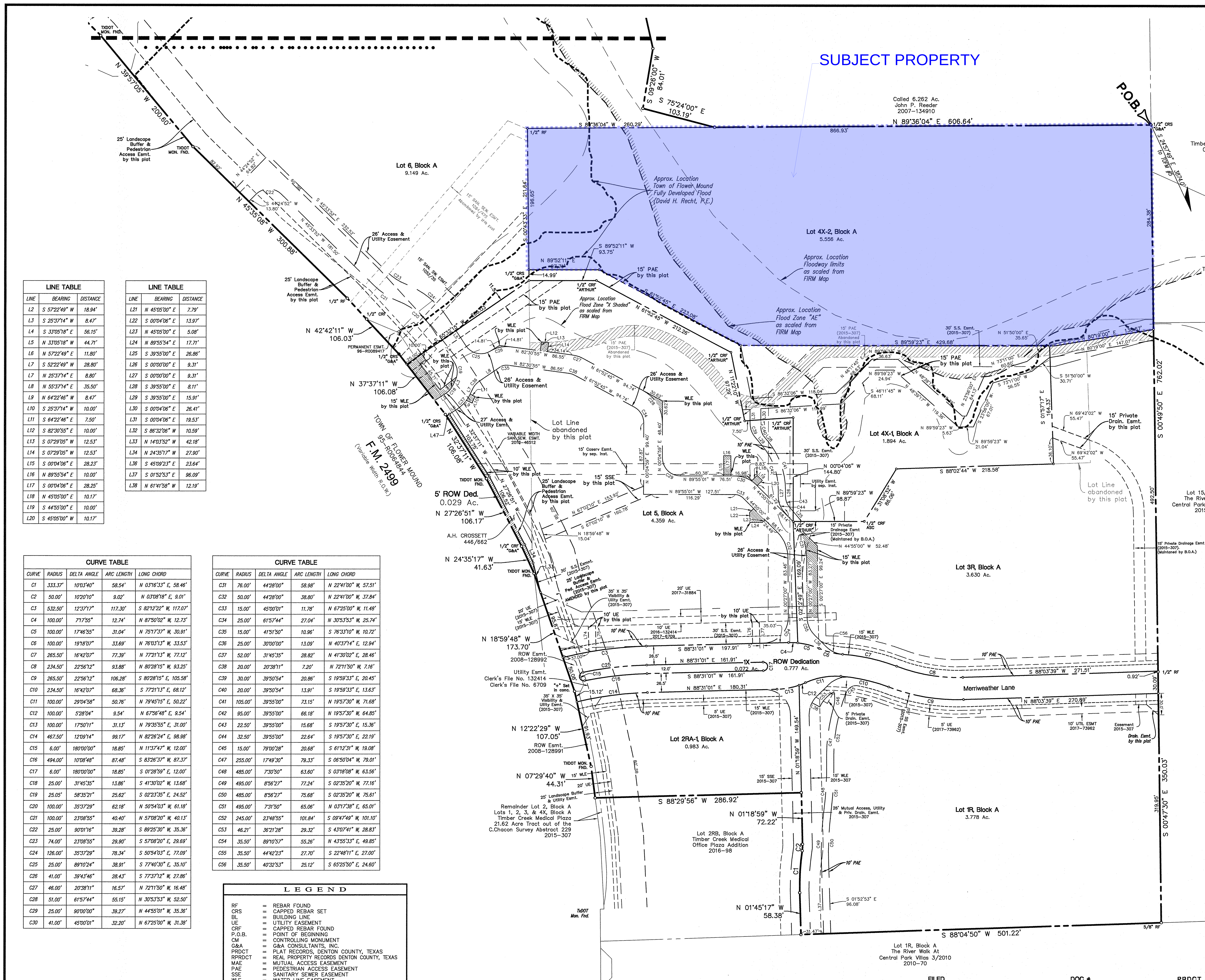
FLOOD NOTE: It is my opinion that the property described hereon lies partially within a Special Flood Hazard area according to the Federal Emergency Management Agency Flood Insurance Rate Map Community-Panel No. 480777 0540 G, present effective date of map, April 18, 2011, herein property situated within Zone "AE Floodway", Zone "AE", and Zone "X" (Shaded & Unshaded).

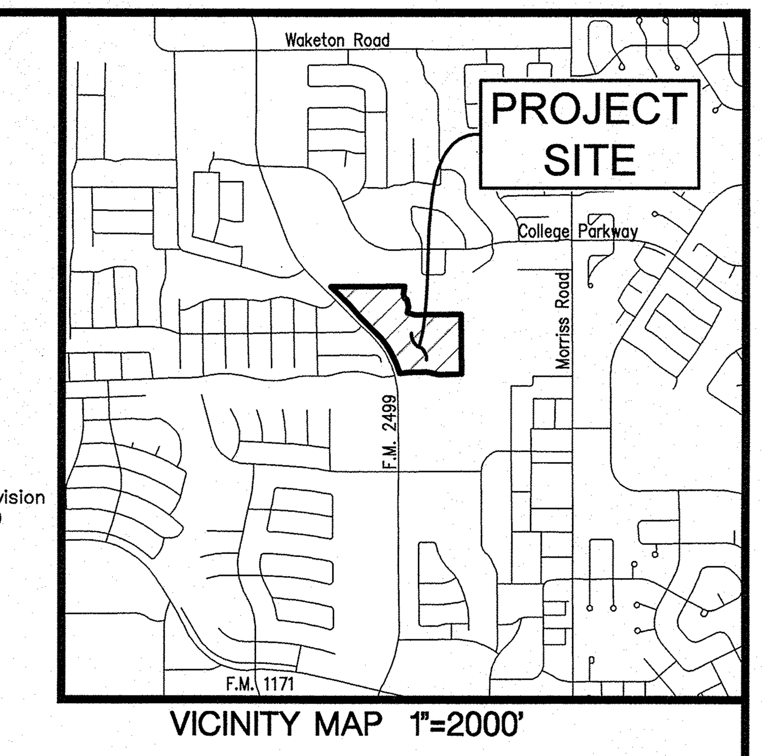
Note: This survey was prepared without the benefit of a title search, therefore no search of recorded easements was performed on subject property.

ARTHUR LAND SURVEYING
220 Elm St., # 200 • Lewisville, TX 75057
Ph. 972.221.9439 • TFRN# 10063800
arthursurveying.com Established 1986

STATE OF TEXAS REGISTERED F.H. WESTPHALL 5832 PROFESSIONAL LAND SURVEYOR

Attachment 3





VICINITY MAP 1"=2000'

LINE TABLE		
LINE	BEARING	DISTANCE
L2	S 57°22'49" W	18.94'
L3	S 25°37'14" W	8.47'
L4	S 33°05'18" E	56.15'
L5	N 33°05'18" W	44.71'
L6	N 57°22'49" E	11.80'
L7	S 52°22'49" W	28.80'
L7	N 25°37'14" E	8.80'
L8	N 55°37'14" E	35.50'
L9	N 64°22'46" W	8.47'
L10	S 25°37'14" W	10.00'
L11	S 64°22'46" E	7.50'
L12	S 82°30'55" E	10.00'
L13	S 07°29'05" W	12.53'
L14	S 07°29'05" W	12.53'
L15	S 00°04'06" E	28.23'
L16	N 89°55'54" E	10.00'
L17	S 00°04'06" E	28.25'
L18	N 45°05'00" E	10.17'
L19	S 44°55'00" E	10.00'
L20	S 45°05'00" W	10.17'

LINE TABLE		
LINE	BEARING	DISTANCE
L21	N 45°05'00" E	7.79'
L22	S 00°04'06" E	13.97'
L23	N 45°05'00" E	5.08'
L24	N 89°55'54" E	17.71'
L25	S 39°55'00" E	26.86'
L26	S 00°00'00" E	9.31'
L27	S 00°00'00" E	9.31'
L28	S 39°55'00" E	8.11'
L29	S 39°55'00" E	15.91'
L30	S 00°04'06" E	26.41'
L31	S 00°04'06" E	19.53'
L32	S 86°32'06" W	10.59'
L33	N 14°03'52" W	42.18'
L34	N 24°35'17" W	27.90'
L36	S 45°09'23" E	23.64'
L37	S 01°52'53" E	96.09'
L38	N 61°41'58" W	12.19'

CURVE TABLE				
CURVE	RADIUS	DELTA ANGLE	ARC LENGTH	LONG CHORD
C1	333.37'	10°03'40"	58.54'	N 03°16'33" E, 58.46'
C2	50.00'	10°20'10"	9.02'	N 03°08'18" E, 9.01'
C3	532.50'	12°37'17"	117.30'	S 82°12'22" W, 117.07'
C4	100.00'	7°17'55"	12.74'	N 87°50'02" W, 12.73'
C5	100.00'	17°46'55"	31.04'	N 75°17'37" W, 30.91'
C6	100.00'	19°18'07"	33.69'	N 76°03'13" W, 33.53'
C7	265.50'	16°42'07"	77.39'	N 77°21'13" W, 77.12'
C8	234.50'	22°56'12"	93.88'	N 80°28'15" W, 93.25'
C9	265.50'	22°56'12"	106.28'	S 80°28'15" E, 105.58'
C10	234.50'	16°42'07"	68.36'	S 77°21'13" E, 68.12'
C11	100.00'	29°04'58"	50.76'	N 79°45'15" E, 50.22'
C12	100.00'	5°28'04"	9.54'	N 67°56'48" E, 9.54'
C13	100.00'	17°50'11"	31.13'	N 79°35'55" E, 31.00'
C14	467.50'	12°09'14"	99.17'	N 82°26'24" E, 98.98'
C15	6.00'	180°00'00"	18.85'	N 11°37'47" W, 12.00'
C16	494.00'	10°08'48"	87.48'	S 83°26'37" W, 87.37'
C17	6.00'	180°00'00"	18.85'	S 01°28'59" E, 12.00'
C18	25.00'	31°45'35"	13.86'	S 41°30'02" W, 13.68'
C19	25.05'	58°35'21"	25.62'	S 02°23'35" E, 24.52'
C20	100.00'	35°37'29"	62.18'	N 50°54'03" W, 61.18'
C21	100.00'	23°08'55"	40.40'	N 57°08'20" W, 40.13'
C22	25.00'	90°01'16"	39.28'	S 89°25'30" W, 35.36'
C23	74.00'	23°08'55"	29.90'	S 57°08'20" E, 29.69'
C24	126.00'	35°37'29"	78.34'	S 50°54'03" E, 77.09'
C25	25.00'	89°10'24"	38.91'	S 77°40'30" E, 35.10'
C26	41.00'	39°43'46"	28.43'	S 77°37'12" W, 27.86'
C27	46.00'	20°38'11"	16.57'	N 72°11'50" W, 16.48'
C28	51.00'	61°57'44"	55.15'	N 30°53'53" W, 52.50'
C29	25.00'	90°00'00"	39.27'	N 44°55'01" W, 35.36'
C30	41.00'	45°00'01"	32.20'	N 67°25'00" W, 31.38'

CURVE TABLE				
CURVE	RADIUS	DELTA ANGLE	ARC LENGTH	LONG CHORD
C31	76.00'	44°28'00"	58.98'	N 22°41'00" W, 57.51'
C32	50.00'	44°28'00"	38.80'	N 22°41'00" W, 37.84'
C33	15.00'	45°00'01"	11.78'	N 67°25'00" W, 11.48'
C34	25.00'	61°57'44"	27.04'	N 30°53'53" W, 25.74'
C35	15.00'	41°51'50"	10.96'	S 76°33'10" W, 10.72'
C36	25.00'	30°00'00"	13.09'	N 40°37'14" E, 12.94'
C37	52.00'	31°45'35"	28.82'	N 41°30'02" E, 28.46'
C38	20.00'	20°38'11"	7.20'	N 72°11'50" W, 7.16'
C39	30.00'	39°50'54"	20.86'	S 19°59'33" E, 20.45'
C40	20.00'	39°50'54"	13.91'	S 19°59'33" E, 13.63'
C41	105.00'	39°55'00"	73.15'	N 19°57'30" W, 71.68'
C42	95.00'	39°55'00"	66.18'	N 19°57'30" W, 64.85'
C43	22.50'	39°55'00"	15.68'	S 19°57'30" E, 15.36'
C44	32.50'	39°55'00"	22.64'	S 19°57'30" E, 22.19'
C45	15.00'	79°00'28"	20.68'	S 61°12'31" W, 19.08'
C47	255.00'	17°49'30"	79.33'	S 06°50'04" W, 79.01'
C48	485.00'	7°30'50"	63.60'	S 03°18'08" W, 63.56'
C49	495.00'	8°56'27"	77.24'	S 02°35'20" W, 77.16'
C50	485.00'	8°56'27"	75.68'	S 02°35'20" W, 75.61'
C51	495.00'	7°31'50"	65.06'	N 03°17'38" E, 65.01'
C52	245.00'	23°48'55"	101.84'	S 09°47'49" W, 101.10'
C53	46.21'	36°21'28"	29.32'	S 43°07'41" W, 28.83'
C54	35.50'	89°10'57"	55.26'	N 43°55'33" E, 49.85'
C55	35.50'	44°42'23"	27.70'	S 22°48'11" E, 27.00'
C56	35.50'	40°32'53"	25.12'	S 65°25'50" E, 24.60'

LEGEND

RF = REBAR FOUND
CRS = CAPPED REBAR SET
BL = BUILDING LINE
UE = UTILITY EASEMENT
CRF = CAPPED REBAR FOUND
P.O.B. = POINT OF BEGINNING
CM = CONTROLLING MONUMENT
G&A = G&A CONSULTANTS, INC.
PRDCT = PLAT RECORDS, DENTON COUNTY, TEXAS
RPRDCT = REAL PROPERTY RECORDS DENTON COUNTY, TEXAS
MAE = MUTUAL ACCESS EASEMENT
PAE = PEDESTRIAN ACCESS EASEMENT
SSE = SANITARY SEWER EASEMENT
WLE = WATER LINE EASEMENT

PRELIMINARY DOCUMENT:
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.
W. THAD MURLEY III, RPLS 5802 3/30/18

REPLAT

A Record Plat of
Lots 1R, 1X, 2RA-1, 3R, 4X-1, 4X-2, 5 & 6, Block A
WINDSOR RIDGES

an addition to the Town of Flower Mound
Denton County, Texas
BEING A REPLAT OF
Lots 1, 3 & 4X, Block A
Timber Creek Medical Office Plaza
recorded in Doc. No. 2015-307 P.R.D.C.T.
Lot 2RA, Block A
Timber Creek Medical Office Plaza
recorded in Doc. No. 2016-98 P.R.D.C.T.
and all of a 9.759 Ac tract
recroded in Doc. No. 1998-113753
30.227 Acres
in the
C. CHACON SURVEY, ABSTRACT NO. 299

SITE PLANNING CIVIL ENGINEERING PLATTING
CONSULTANTS, LLC
LAND SURVEYING LANDSCAPE ARCHITECTURE
111 Hillside Drive • Lewisville, TX 75057 • P: 972.436.9712 • F: 972.436.9715
144 Old Town Blvd. North, Ste 2 • Argyle, TX 76226 • P: 940.240.1012 • F: 940.240.1028
TBPE Firm No. 1798 TBPLS Firm No. 10047700

1/2

DRAWN BY: JS DATE: 4/11/17 SCALE: 1"=60' JOB. No. 16056

OWNER/DEVELOPER
WINDSOR RIDGES
RETAIL PARTNERS, LP
8235 DOUGLAS, STE 350
DALLAS, TX, 75225
Ph. 903-819-1208
Contact: Monica Smith
Contac: Robert Gunby

File: Z:\2016\16056\Drawings\FP & Const Plans\16056 FP
Plotted: 3/30/2018 8:21 AM, by Scott Minnis; Saved: 3/23/2018 8:59 AM, by scott

TOWN COUNCIL AGENDA ITEM NO. 4

CONSENT ITEM

DATE: September 17, 2018

FROM: Julie Taylor, Director of Treasury Operations

ITEM: **Consider approval of a resolution adopting an Investment Policy for funds for the Town of Flower Mound as required annually by the Public Funds Investment Act.**

BACKGROUND INFORMATION: The Town Council is required by the Public Funds Investment Act of 1987 ("Act") and the Town's Investment Policy ("Policy") to review the investment policy and strategies, not less than annually, and adopt a resolution stating that the investment policy has been reviewed and revised if required.

The Policy provides the guidelines by which the Town of Flower Mound will maintain the minimum amount of cash in its bank accounts to meet daily needs and to provide protection for its principal while maximizing the investment of all available cash. The Policy was adopted pursuant to the provisions of the Act, as amended, Chapter 2256, Texas Government Code.

The Town Council is required by the Act and the Policy to review the investment policy and strategies, not less than annually, and adopt a resolution stating that the Policy has been reviewed. No revisions are recommended at this time.

Approval of the attached proposed resolution will not only continue compliance with the Act, but will also continue the Town's safe and prudent investment of available funds.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: This standard investment policy resolution was approved in the past by Taylor, Olson, Adkins, Sralla, & Elam L.L.P. No alteration to the legal content of this form document was made in preparation of this document.

ATTACHMENTS:

1. Proposed Resolution including Exhibit A, the Proposed Investment Policy

DRAFT MOTION: Move to approve as presented in the agenda caption.

Attachment 1

TOWN OF FLOWER MOUND, TEXAS

RESOLUTION NO. _______

A RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS ("TOWN"), ADOPTING AN INVESTMENT POLICY FOR FUNDS FOR THE TOWN AS REQUIRED ANNUALLY BY THE PUBLIC FUNDS INVESTMENT ACT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Director of Treasury Operations for the Town has prepared, and the Town Council has previously adopted, a policy regarding the investment of Town funds to comply with the Public Funds Investment Act of 1987, located in Title 2, Chapter 11, of the Town's Personnel and Administrative Regulations Manual ("Investment Policy"); and,

WHEREAS, the purpose of the Investment Policy is to provide guidelines by which the Town will maintain the minimum amount of cash in its bank accounts to meet daily needs, and to provide protection for the Town's principal while receiving the highest yield possible from investing all temporary excess cash; and,

WHEREAS, the Town Council is required by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended, and the Investment Policy to review the investment policies and strategies, not less than annually, and adopt a resolution stating that the Investment Policy has been reviewed and updated if updates are required; and,

WHEREAS, the Director of Treasury Operations has determined that no revisions to the Investment Policy are necessary; and,

WHEREAS, the Town Council has reviewed and desires to adopt the Investment Policy, pursuant to the recommendation by the Director of Treasury Operations, as the official Town policy regarding investment of Town funds;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, THAT:

SECTION 1

The following policy, attached hereto as Exhibit A and made a part hereof by reference, has been reviewed by the Town Council and is hereby adopted as the official Investment Policy of the Town pursuant to the provisions of the Public Funds Investment Act.

SECTION 2

The attached policy shall be filed with the Town Secretary as an official record of the Town.

SECTION 3

The attached policy replaces the Investment Policy which was adopted by the Town by Resolution No.17-17 and became effective September, 18, 2017.

SECTION 4

This resolution shall take effect immediately from and after the date of its passage.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, ON THIS 17th DAY OF SEPTEMBER, 2018.

APPROVED:

____
Steve Dixon, MAYOR

ATTEST:

____
Theresa Scott, TOWN SECRETARY

EXHIBIT A

TITLE II
ADMINISTRATIVE POLICIES

CHAPTER 11: INVESTMENT POLICY

11.01 Purpose

This policy shall provide the guidelines by which the Town of Flower Mound will maintain the minimum amount of cash in its bank accounts to meet daily needs, and to provide protection for its principal while receiving the highest yield possible from investing all temporary excess cash. This policy is being adopted pursuant to the provisions of the Public Funds Investment Act of 1987, Chapter 2256 of the Texas Government Code, as amended, and supersedes all other investment policies.

11.02 Scope

This Investment Policy applies to the investment activities of the Town of Flower Mound, excluding the specific funds cited hereafter.

This policy shall not govern funds which are managed under separate investment programs. Such funds currently include Employees' Retirement Funds of the Town of Flower Mound, other funds established by the Town for deferred employee compensation, and certain private donations. The Town shall and will maintain responsibility for these funds to the extent required by Federal and State Law, the Town Charter, and donor stipulations.

The following funds, as well as other funds that may be created from time to time, shall be administered in accordance with the provisions of this policy: cash equivalent assets of the General Fund, Utility Fund, Capital Project Funds, Debt Service Fund, Special Revenue Funds and any other fund of the Town not specifically excluded in these policy guidelines.

11.03 Investment Strategy

The overall strategy of the Town's investment objective shall be to ensure a) the understanding of suitability of investment to the financial requirements of the Town, b) preservation and safety of principal, c) liquidity, d) marketability of the investment, if the need arises to liquidate the investment before maturity, e) diversification of the investment portfolio; and f) yield.

The Town maintains portfolios which utilize four specific investment strategy considerations designed to address the unique characteristics of the fund groups represented in the portfolios:

A. Investment strategies for operating funds and commingled pools containing operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The Town may invest various types of funds in a commingled pool in order to achieve efficiencies in the investment program. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing high quality, short to medium-term securities which will compliment each other in a laddered or barbell maturity structure. A dollar weighted average maturity of 365 days or less will be maintained and calculated by using the stated final maturity date of each security.

B. Investment strategies for debt service funds, if invested separately, 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 which exceeds the debt service payment date. The dollar weighted average maturity will be 180 days or less to accomplish this goal.

C. 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. Securities should be of high quality and, except as may be required by the bond ordinance specific to an individual issue, of short to intermediate-term maturities. Volatility shall be further controlled through the purchase of securities carrying the highest coupon available, within the desired maturity and quality range, without paying a premium. Such securities will tend to hold their value during economic cycles. The dollar weighted average maturity will be no greater than 730 days.

D. Investment strategies for special projects or special purpose fund portfolios, if invested separately, will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. These 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. The dollar weighted average maturity will be 90 days or less to accomplish this goal.

E. Investment strategies for capital project funds will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. These 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. The dollar weighted average maturity will be 365 days or less to accomplish this goal.

11.04 <u>Objective</u>

In terms of day-to-day investment purposes, the core objectives of the Town's investment policy shall be to first preserve the capital in the overall portfolio. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value.

The second objective shall be liquidity and the final objective shall be the yield of the investment.

A. To prevent the possibility of loss of resources, the Town will attempt to identify and limit exposure to market price risk and default risk, or not invest in a manner which is contrary to applicable Federal and State regulations. To further protect the Town's resources, credit rating changes for securities held by the Town will be monitored in coordination with the Town's financial advisor.

B. To enable the Town to meet operating requirements that might be reasonably anticipated, the Town's investment portfolio will remain sufficiently liquid. Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements and by investing in securities with active secondary markets.

C. Management of the investment portfolio will strive to achieve a rate of return commensurate with the legal, safety and liquidity considerations. In any event, yield should exceed the average rate of return of secondarily-traded three (3) months U.S. Treasury Bills, or the monthly average of the Federal Funds Effective rate, whichever is higher. The first measure of success in this area will be the attainment of enough income to offset inflationary increases. Even though steps will be taken to obtain this goal, the Town's staff shall constantly be cognizant of risk limitations pursuant to the provisions of the amended Public Funds Investment Act, Section 2256.006(a) of the Texas Government Code.

D. All participants in the investment process shall seek to act responsibly as stewards of public assets. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment programs, or which could impair their ability to make impartial investment decisions. Any investment officer who is related within the second degree by affinity or consanguinity as determined pursuant to the Texas nepotism statute, Chapter 573 of the Texas Government Code, as amended, to an individual seeking to sell an investment to the Town, or who has a prohibited personal business relationship, as defined in Section 2256.005 of the Texas Government Code, as amended, shall file a statement disclosing that relationship and any personal business relationship or material financial interests with the Town Council and the Texas Ethics Commission. The Director of Treasury Operations, or anyone involved in investment activity, shall avoid any transactions that might impair public confidence in the Town's ability to govern effectively. The governing body recognizes that in diversifying the portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the content of the overall portfolio's investment return, provided that adequate diversification has been implemented.

11.05 <u>Investment Committee</u>

There is hereby created an Investment Committee consisting of the Town Manager and/or his designee, the Assistant Town Manager/Chief Financial Officer (CFO) and/or his designee, and the Director of Treasury Operations. The Investment Committee shall meet at least quarterly to determine general strategies and to monitor results. Included in its deliberations will be such topics as: economic outlook, portfolio diversification, maturity structure, potential risk to the Town's funds, authorization of brokers and dealers, and the target rate of return on the investment portfolio. The committee shall establish its own rules of procedures, including, but not limited to maintaining a record of their meetings and discussions included therein.

11.06 <u>Responsibility and Standard</u>

A. The management responsibility for the investment program is hereby delegated to the CFO who shall establish written procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation of authority to the individual(s) responsible for investment transactions. The primary individual who shall be involved in investment activities will be the Director of Treasury Operations. Both the CFO and the Director of Treasury Operations are designated as investment officers. To ensure the maturity and the quality and capability of the investment management, the investment officers are required to have three years of progressively responsible experience. Accordingly, the investment officers shall attend at least one training session containing at least 10 hours of instruction relating to their responsibility under the Act within 12 months after assuming duties. Thereafter, the investment officers shall attend additional investment training sessions containing at least 8 hours of instruction relating to investment responsibilities under the Act not less than once every two years, beginning on the first day of the Town's fiscal year, October 1, and consisting of the two consecutive fiscal years after that date. The training sessions must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio and compliance with the Public Funds Investment Act. The investment training sessions shall be provided by an independent source approved by the Investment Committee. For purposes of this policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institute of higher learning or any other sponsor other than a business organization with whom the Town may engage in an investment transaction. No persons may engage in investment transactions except as provided under the terms of this policy and the procedures established by the CFO. The CFO shall be responsible for all transactions undertaken, and shall establish a system of control to regulate the activities of the Director of Treasury Operations. The controls shall include a monthly review and an annual review by an external auditor. The reviews will provide internal control by assuring compliance with policies and procedures.

B. The Town Manager, CFO, Director of Treasury Operations, and other Town employees associated with investment functions shall be personally indemnified in the event of investment loss provided the Investment Policies and Guidelines are followed.

C. The standard of prudence to be used by the investment officials shall be the Prudent Investor Rule, and will be applied in the context of managing an overall portfolio: 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.

Investment officials meeting this standard will be relieved of personal responsibilities for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

D. The CFO shall direct the preparation and presentation of a written report on the Town's investment transactions for the preceding reporting period for the Town Council and Town Manager. The report shall be provided quarterly, and shall contain the following:

1. A detailed description of the investment position of the Town as of the end of the reporting period.

2. A summary statement of each pooled fund covering:

   a. Beginning market value for the period (monitored by the Wall Street Journal and software).

   b. The book and market value of each invested asset at the end of the reporting period by type of fund.

3. The maturity date of each invested asset.

4. Fully accrued interest for the period.

5. The fund group for each individual investment.

6. The compliance of the investment portfolio of the Town as it relates to the investment strategy of the Town and the Public Funds Investment Act.
7. Signatures of all investment officers.

E. The guidelines of retaining records for seven years, as recommended in the <u>Texas State Library Municipal Records Manual</u> should be followed. The Director of Treasury Operations shall oversee the filing and/or storing of investment records.

F. Wire transfer authorization forms shall be kept on file with banking institutions. The authorization form shall identify individuals authorized to make wire transfers and the institutions designated to receive the wire transfer. The Director of Treasury Operations or other authorized representative of the Town should complete a transfer notice and give it to the proper Finance Department personnel. The transfer confirmation received from the bank should be agreed with this notice and the appropriate journal entry made. Wire transfers shall not be executed without written confirmation from authorized Town staff and the proper exchange and verification of personal identification numbers. The Director of Treasury Operations will be authorized to execute repetitive transfers based on appropriate security measures, as established by the CFO.

G. In the event of the absence of the Director of Treasury Operations, the authority to invest shall be regulated by the controls and procedures outlined by the CFO.

11.07 <u>Investment</u>

A. Idle funds of the Town of Flower Mound may be invested in:

1. Obligations of the United States of America, its agencies and instrumentalities (maturing in five (5) years or less).

2. Direct obligations of the State of Texas and agencies thereof (maturing in two (2) years) or less.

3. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or United States of America or their agencies and instrumentalities (maturing in less than two (2) years) including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.

4. Obligations of the states, agencies thereof, counties, cities, and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating firm, and having received a rating of not less than “A” or its equivalent (maturing in two (2) years or less).

5. Certificates of deposit and share certificates (maturing in two (2) years or less) issued by state and/or national banks or savings and loans associations with main or branch offices in Texas that are:

   a. Guaranteed or insured by the Federal Deposit Insurance

Corporation (FDIC) or National Credit Union Share Insurance Fund (NCUSIF) or their successors; or

b. Secured as described in section 11.09 Principal Protection and Safekeeping.

In addition to the authority to invest funds in certificates of deposit, funds which are secured as described in Section 11.09 Principal Protection and Safekeeping, are invested through:

a. A broker that has its main office or branch office in Texas and is selected from a list adopted by the Investment Committee; or

b. A depository institution that has its main office or branch office in Texas and is selected by the Town.

6. Fully collateralized direct repurchase agreements with a defined termination date secured by a combination of cash and obligations of the United States or its agencies and instrumentalities. Purchases are required to be pledged to the entity, held in the entity's name and deposited at the time investment is made with the entity or a third party, selected by the Director of Treasury Operations, other than an agency for the pledgor. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in Texas. Each issuer of repurchase agreements must sign a copy of the Town's Master Repurchase Agreement (termination date must be 30 days or less).

7. An eligible investment pool, if the Town Council by official Town action authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by state statutes. Funds may be invested in money market mutual funds to the extent permitted by and consistent with state statutes and the investment policies and objectives adopted by the investment pool and by providing, at a minimum, the following information:

   a. The types of investments in which money is allowed to be invested.

   b. The maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool.

   c. The maximum stated maturity date of any investment security within the portfolio.

   d. The objectives of the pool.

e. The size of the pool.

f. The names of the members of the advisory board of the pool and the dates their terms expire.

g. The custodian bank that will safekeep the pool's assets.

h. Whether the intent of the pool is to maintain a net asset value of $1 and the risk of market price fluctuation.

i. Whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment.

j. The name and address of the independent auditor of the pool.

k. The requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool.

l. The performance history of the pool, including yield, average dollar weighted average maturities, and expense ratios.

m. Information presented in disclosure instruments or reports must be posted on Internet websites.

n. Annual audited financial statements must be made available.

o. Disclose fee breakpoints and state the lowest possible level of return based on the smallest level of funds invested.

To be eligible to receive funds from and investments on behalf of the Town, an investment pool must be rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service. (Maximum dollar average weighted maturity must be 60 days or less).

To maintain eligibility to receive funds from and invest funds on behalf of the Town, an investment pool must furnish to the investment officer investment transaction confirmations and a monthly report that contains, at a minimum, the following information:

a. The types and percentage breakdown of securities in which the pool has invested.

b. The current average dollar-weighted maturity, based on the stated maturity date, of the pool.

c. The current percentage of the pool’s portfolio in investments that have stated maturities more than one year.

d. The book value verses the market value of the pool’s portfolio, using amortized cost valuation.

e. The size of the pool.

f. The number of participants in the pool.

g. The custodian bank that is safekeeping the assets of the pool.

h. A listing of daily transaction activity of the entities participating in the pool.

i. The yield and expense ratio of the pool and a statement regarding how yield is calculated.

j. The portfolio managers of the pool.

k. Any changes or addenda to the offering circular.

The Town, by contract, may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

For purposes of investment in an investment pool, yield shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission (“SEC”). If an investment pool is functioning as a money market mutual fund, yield must be reported in accordance with the SEC.

8. No-load money market mutual funds regulated by the Securities and Exchange Commission which have a dollar weighted average stated maturity of 90 days or fewer and include in their investment objectives the maintenance of a stable net asset value of $1 for each share. A no-load mutual fund is an authorized investment under this subchapter if the mutual fund is registered with the Securities and Exchange Commission, has an average weighted maturity less than two years, is invested exclusively in obligations approved by Chapter 2256.014, Government Code, is continuously rated as to investment quality by at least one nationally recognized

investment rating firm of not less than AAA or its equivalent, and conforms to the requirements set forth in Sections 2256.016(b) and (c), Government Code, relating to the eligibility of investment pools to receive and invest funds of investing entities. The Town of Flower Mound is not authorized to invest in the aggregate more than 15% of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds as herein set forth above, or invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund as herein set out above in an amount that exceeds 10% of the total assets of the mutual fund.

B. The Town's authorized investment options are more restrictive than those allowed by state law. Furthermore, this policy specifically prohibits investment in the following investment securities:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.

2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.

3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.

4. Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

C. It is the policy of the Town of Flower Mound to diversify its investment portfolios. The diversification will protect interest income from the volatility of interest rates and the avoidance of undue concentration of assets in a specific maturity sector; therefore, portfolio maturities shall be staggered. Securities shall also be selected which provide for stability of income and reasonable liquidity. Diversification strategies shall be determined and revised periodically by the Investment Committee. In establishing specific diversification strategies, the following general policies and constraints shall apply:

1. Risk of market price volatility shall be controlled through maturity diversification such that aggregate price losses on instruments with maturities exceeding one (1) year shall not be greater than coupon interest and investment income received from the balance of the portfolio.

2. The Investment Committee shall establish strategies and

guidelines for the percentage of the total portfolio that may be invested in U.S. Treasury Securities, federal agencies instrumentalities, repurchase agreements, insured/collateralized certificates of deposit and other securities or obligations. The Investment Committee shall conduct a quarterly review of these guidelines, and shall evaluate the probability of market and default risk in various investment sectors as part of its considerations.

Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations:

Investment Type	% of Portfolio
• U.S. Treasury Notes/Bonds/Bills	100%
• U.S. Agencies and Instrumentalities	75%
• State of Texas Obligations & Agencies	10%
• No-Load Money Market Mutual Fund	25%
• Local Government Investment Pools	70%
• Local Government Obligations	10%
• Repurchase Agreements - Operating	10%
• Repurchase Agreements - Construction	100%
• Certificates of Deposit	100%

D. Investments will be solicited on a competitive basis with at least three (3) institutions. The Investment Committee can approve exceptions on a case by case basis or on a general basis in the form of guidelines. These guidelines shall take into consideration the investment type maturity date, amount, and potential disruptiveness to the Town's investment strategy. The investment will be made with the broker/dealer offering the best yield/quality to the Town.

11.08 Selection of Banks and Dealers

A. Town Council shall, by ordinance, select and designate one banking institution as the primary depository for the monies and funds of the Town. The primary depository shall be selected based on solvency and stability and secondly, on rate of interest, services, and cost.

B. The Director of Treasury Operations shall conduct a comprehensive review of the prospective primary depository's credit characteristics and financial history.

C. The primary depository shall be selected through a formalized bidding process in response to the Town's request for proposal (RFP) outlining all services required. The Investment Committee shall have the discretion to determine the time span for rebidding the banking services contract; however, a five-year period will be the maximum length of time between rebidding, as permitted by state law.

D. Banks and savings and loans associations seeking to establish eligibility for the Town's competitive certificate of deposit purchase program, shall submit financial statements, evidence of federal insurance and other information as required by the Director of Treasury Operations.

E. The Investment Committee shall be responsible for selecting brokers and dealers of government securities. Their selection shall be among only primary government securities dealers that report directly to the New York Federal Reserve Bank or other secondary firms that are adequately financed to conduct public business. The Investment Committee shall base its evaluation of security dealers and financial institutions upon:

1. Financial conditions, strength and capability to fulfill commitments.

2. Overall reputation with other dealers and investors.

3. Regulatory status of the dealer.

4. Background and expertise of the individual representatives.

F. Approved brokers and dealers must complete Exhibit A and return it to the Director of Treasury Operations. In dealing with Town funds, the Director of Treasury Operations shall conduct business with securities dealers approved annually by the Investment Committee or with banks selected as outlined above.

11.09 <u>Principal Protection and Safekeeping</u>

A. All bank and savings and loan associations deposits and investments of Town funds shall be secured by pledged collateral with a market value equal to no less than 103 percent of the principal plus accrued interest less an amount insured by FDIC or NCUSIF. Evidence of proper collateralization in the form of original safekeeping receipts held in institution’s trust department or at a third party institution not affiliated with the bank or bank holding company will be maintained in the office of the Director of Treasury Operations at all times. The CFO, Director of Treasury Operations, or other authorized Town representative will approve and release all pledged collateral. Collateral will be reviewed monthly to assure the market value of the securities pledged exceeds the related bank balances. The Town shall request additional collateral in the event that deposits are not sufficiently protected by the pledged collateral.

B. Safekeeping procedures shall be established by the Investment Committee which clearly define steps for gaining access to the collateral should the Town determine that the Town's funds are in jeopardy. Collateral safekeeping and substitution agreements will be a part of the procedure.

C. Only securities allowed by the Public Funds Collateral Act shall be eligible to be pledged as collateral. The CFO has the discretion to additionally restrict the securities used as collateral.

D. All security transactions will be accomplished with authorized security dealers and financial institutions on a delivery-versus-payment (DVP) basis. Securities will be held by the Town's safekeeping agent, which shall be selected through a competitive process (RFP) or that agent's representative in New York City, or in its account at the Federal Reserve Bank.

EXHIBIT A

TEXAS PUBLIC FUNDS INVESTMENT ACT
CERTIFICATION BY BUSINESS ORGANIZATION

This certification is executed on behalf of the **Town of Flower Mound** (the Investor) and __________________________ (the Business Organization) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code (the Act), in connection with investment transactions conducted between the Investor and the Business Organization.

The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:

1. The undersigned is a Qualified Representative of the Business Organization offering to enter into an investment transaction with the Town of Flower Mound as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code;

2. The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the Town of Flower Mound; and

3. The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Business Organization and the Town of Flower Mound that are not authorized by the entity's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

Qualified Representative of the Business Organization

____

Name:_______________________________________

Title:_______________________________________

Date:_______________________________________

EXHIBIT B

INVESTMENT GLOSSARY

AGENCIES: Federal agency securities.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft, bill, or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the Town of Flower Mound. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

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

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money instruments that are issued a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to $250,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FMHM mortgages. The term “pass throughs” is often used to describe Ginnie Maes.

LETTERS OF CREDIT: A financial instrument in which the issuing bank promises to pay a third party on behalf of a second party.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable sized can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

NATIONAL CREDIT UNION SHARE INSURANCE FUND: The federal fund to insure member's deposits in federally insured credit unions. Administered by the National Credit Union Administration, and is backed by the "full faith and credit" of the U.S. Government.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: A medium-term coupon-bearing U.S. Treasury securities issued as direct obligation of the U.S.Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule and net capital ratio.* Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

The Town of Flower Mound Investment Policy is hereby approved this 17th day of September 2018.

Jimmy Stathatos, Town Manager

TOWN COUNCIL AGENDA ITEM NO. 5
CONSENT ITEM

DATE: September 17, 2018

FROM: Tammy Wilson, Executive Director of Financial Services

ITEM: **Consider approval of a resolution amending the financial policies of the Town of Flower Mound.**

BACKGROUND INFORMATION: The Town's Financial Policies are reviewed annually. Changes to the following items are being recommended.

Change: The Town's general funded budget for street maintenance shall set a goal to double funding by September 30, 2020, from the current level of $680,000 to a level of $1,360,000.

The date to reach the maintenance level is being changed from 2018 to 2020. There have been years staff was increased or one-time funding was added to the line item, but the base budget was not increased.

Remove: The Town shall use 75% of decreases in tax-supported debt service (anticipated to begin in FY 2018-2019) to fund street maintenance.

This policy is redundant with the #2 policy under Accounting, Budgeting, and Financial Planning. Street maintenance can occur with one-time expenditures or capital improvements.

Change: The Town shall continue to use funds received and budgeted from park development fees and park dedication fees for the completion of the Town's park and trail system.

The development of Twin Coves Park is removed because it is complete.

Change: The Town's unassigned fund balance in the General Fund shall be maintained at a minimum level of 20.0% of annual General Fund expenditures.

This will change the minimum unassigned fund balance level to 20.0% from 15.0%.

Remove: The Town shall use 75% of decreases in Utility Fund debt service (anticipated to begin in FY 2019-2020) to fund capital replacement in the Utility Fund.

This policy is redundant with the #4 policy under Water and Wastewater Utility transferring excess of reserves to capital projects.

Change: All retirement and self-insurance funds will be examined annually to ensure that adequate balances and funding progress are maintained. Unfunded actuarial liabilities in a retirement program are to be amortized over a 30-year period, or less.

Due to GASB requirements the minimum amortization period will change from a 20-year period to a 30-year period.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: Stacie S. White of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the proposed resolution as to form and legality.

ATTACHMENTS:

1. Resolution
2. Proposed Financial Policies

DRAFT MOTION: Move to approve as presented in the agenda caption.

TOWN OF FLOWER MOUND, TEXAS

RESOLUTION NO. ____________

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, PROVIDING FOR THE ADOPTION OF AMENDED FINANCIAL POLICIES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Flower Mound, Texas has previously adopted Financial Policies ("Financial Policies") to guide and set goals for the financial administration and operations of the Town of Flower Mound; and,

WHEREAS, the Financial Policies address, among other things, accounting, budgeting, financial planning, reserves, utilities, debt management, investments and grants; and,

WHEREAS, the Town Council has determined that the Financial Policies should be amended to meet the changing needs of the Town;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, THAT:

SECTION 1

All of the above premises are hereby found to be true and correct factual and legislative determinations of the Town of Flower Mound, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

SECTION 2

The Town Council hereby approves and adopts the attached amended Financial Policies for the Town of Flower Mound.

SECTION 3

This Resolution shall become effective on and after its date of adoption.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _______ TO _______, ON THIS THE 17th DAY OF SEPTEMBER, 2018.

APPROVED:

____

Steve Dixon, MAYOR

ATTEST:

____

Theresa Scott, TOWN SECRETARY

Attachment 2

Town of Flower Mound, Texas
Financial Policies
September 17, 2018

Accounting, Budgeting, and Financial Planning

1. The Annual Operating Budget shall be prepared such that current revenues plus net operating transfers and one-time use of excess reserves will be sufficient to support budgeted expenditures.

2. One-time revenues or drawdown of excess reserves will not be used to fund on-going expenditures. These one-time funding sources shall only be used to fund capital improvements, capital equipment or other one-time expenditures.

3. The Town's Vehicle Equipment Replacement Fund shall be funded annually to maintain an 85% funding level or higher.

4. Charges for services and other revenues will be examined annually during the budget process and adjusted as deemed necessary to respond to cost increases or any other changing circumstances.

5. A minimum of a three-year financial forecast shall be prepared annually projecting revenues and expenditures for all operating funds. This forecast shall be used as a planning tool in developing the following year's operating budget.

6. The Town shall annually submit the Annual Operating Budget to the GFOA for the purpose of earning the Distinguished Budget Presentation Award.

7. The Town shall annually submit the Comprehensive Annual Financial Report (CAFR) to the Government Finance Officer's Association (GFOA) for the purpose of earning the Certificate of Achievement for Excellence in Financial Reporting.

8. The Town's CAFR and annual budget shall be made available to Town citizens and the general public upon request and available on the Town's website. The Town shall strive to maintain full transparency and accountability of all of its financial resources and assets.

9. The Town will establish accounting practices that conform to generally accepted accounting principles as set forth by the Governmental Accounting Standards Board.

10. An independent certified public accounting firm will perform an annual audit and a CAFR shall be issued no later than six months following year-end.

11. The Town's general funded budget for street maintenance shall set a goal to double funding by September 30, 2020, from the current level of $680,000 to a level of $1,360,000.
12. The Town shall use 75% of the additional General Fund revenue from the expiration of TIRZ #1(anticipated to begin in FY 2024-2025) to fund street maintenance.

13. The Town shall continue to use funds received and budgeted from park development fees and park dedication fees for the completion of the Town's park and trail system.

General and Debt Service Fund Reserves

1. The Town's unassigned fund balance in the General Fund shall be maintained at a minimum level of 20.0% of annual General Fund expenditures.

2. The Town's fund balance in the Debt Service Fund shall be maintained at a minimum level of 4.0% of annual debt service expenditures.

Property Tax Supported Debt

1. The ratio of net debt (total outstanding tax supported debt less debt paid by the Utility Fund) to total taxable assessed valuation shall be targeted to maintain a level of 1.75% or below. This excludes debt of overlapping jurisdictions.

2. The ratio of debt service fund expenditures to total expenditures (general fund operating expenditures and debt service combined) shall be targeted to maintain a level of 20% or below.

3. The Town's goal is to maintain the debt service tax rate at 12.00 cents or lower. The reduced rate can be shifted to the General Fund tax rate to fund operating costs.

Water and Wastewater Utility

1. The Town will operate the water and wastewater utility as an enterprise fund with rates and charges supporting the full cost of all expenses and operations.

2. The Town shall conduct an annual rate study of water and wastewater charges. Rates will be determined based on "**normalized year**" water consumption. The rates will pass-through, subject to final Town Council approval, to its ratepayers any rate adjustments pertaining to contracts with its wholesale providers of treated water purchases or wastewater treatment.

3. The Town's goal is to maintain a coverage factor in the setting of water and wastewater rates (based on normalized year assumptions) of at least 1.25 times coverage of all utility paid debt service for rates.

4. The Town's goal is to maintain a working capital reserve equal to a minimum of 60 days (16.7%) of the annual expenses. Revenues collected that would bring the reserve in excess of a 90-day level (25.0%) will be used for capital replacement or expansion expenditures in lieu of issuing debt.

Stormwater Utility

1. The Town will operate the stormwater utility as an enterprise fund with rates and charges supporting the full costs of all expenses and operations.

2. The Town shall conduct a rate review of stormwater charges a minimum of every three years. The rates will be set, subject to final Town Council approval, to cover the required costs of the Town's stormwater management program and necessary drainage improvements.

3. The Town's goal is to maintain working capital equal to a minimum of 30 days (8.3%) of the annual expenses. Revenues collected that would bring the reserve in excess of a 60-day level (16.7%) will be used for one-time expenditures.

Debt Management

1. Debt financing which includes general obligation bonds, permanent improvement bonds, revenue bonds, certificates of obligation, lease/purchase agreements and other obligations allowed under Texas law shall be used to acquire or construct land and improvements that cannot be funded by current revenues. The term of debt shall not exceed the expected useful life of the capital asset being financed.

2. Each year the Town will adopt a capital improvement plan. The plan will recommend specific funding of projects for the following two fiscal years and will identify projects for further consideration in years three through five.

3. The Town is committed to providing continuing disclosure of certain financial and operating data and material event notices, see as required by Securities and Exchange Commission (SEC) Rule 15c2-12. The Financial Services Department shall be responsible for the preparation of all annual disclosure documents and timely releases required under Rule 15c2-12 to the Municipal Securities Rulemaking Board (the "MSRB") which is available from the MSRB's Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org. All filings will be documented and maintained in the Financial Services Department.

    a. Annual Reports

        1. The Town will provide certain updated financial information and operating data to the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the Town.

        2. The updated information will include audited financial statements. If audited financial statements are not available by the required time, the Town will provide unaudited financial information and operating data of the general type required by the Town's undertaking under the Rule by the required time, and audited financial statements when and if the audit report becomes available.

        3. The Town will update and provide this information within six months after the end of each fiscal year end. If the Town changes its fiscal year, it will notify the MSRB of the change.

    b. Notice of Certain Events

    The Town will also provide timely notices of certain events to the MSRB. The Town will provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner (but not in excess of ten business days after the occurrence of the event):

        1. principal and interest payment delinquencies;
        2. non-payment related defaults, if material;
        3. unscheduled draws on debt service reserves reflecting financial difficulties;
        4. unscheduled draws on credit enhancements reflecting financial difficulties;
        5. substitution of credit or liquidity providers, or their failure to perform;

6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
7. modifications to rights of holders of the Certificates, if material;
8. Bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Certificates, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership, or similar event of the Town, which shall occur as described below;
13. the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material. In addition, the Town will provide timely notice of any failure by the Town to provide annual financial information in accordance with their agreement in the official statement of an issuance.

4. A good faith deposit of 2.0% of the par amount of the bond sale for a competitively-bid issue or 1.0% of the par amount of the bond sale for a negotiated issue shall be presented by the underwriter in the form of a check or surety acceptable to the Town and bond counsel prior to the approval of the bonds by the Mayor and Town Council.

5. The Town shall use a competitive bidding process in the sale of debt unless the use of a negotiated process is warranted due to adverse market conditions, such as a high degree of volatility in the bond market, market timing requirements (refunding), or a unique pledge or debt structure. The Town will award competitively issued debt on a true interest cost (TIC) basis.

6. The Town welcomes ideas and proposals from investment bankers and will seek to give first consideration to those firms that submit unique and innovative ideas that benefit the Town. Unsolicited proposals should be submitted to the Town's Financial Services Department and the Town's financial advisor.

7. The selection of an underwriter or group of underwriters for a negotiated sale shall be based on the following factors:

   a. Participation in the Town's competitive sales;
   b. Submission of unique or creative proposals;
   c. Qualifications of a firm, including their capital position; and
   d. Size and geographic distribution of their sales staff.

8. An advance refunding of outstanding debt shall only be considered when present value savings of at least 3.50% of the principal amount of the refunded bonds are produced, unless a debt restructuring or bond covenant revisions are necessary. Savings from refundings will be distributed evenly over the life of the refunded bonds unless special circumstances warrant another savings structure.

9. The use of reimbursement resolutions shall be encouraged as a cash management tool for debt funded projects. Reimbursement resolutions may be used for any project that has been approved in the Town's Capital Budget.

Investments

1. Investments shall be made in conformance with the Town's Investment Policy, with the primary objectives of:

   a. Safety – preservation of capital in the investment portfolio;
   b. Liquidity – portfolio remains sufficiently liquid to meet operating requirements; and
   c. Yield – goal of rate of return above the higher of the three-month United States Treasury bill yield or the Federal Funds rate.

Grants

1. The Town will aggressively pursue all available grant opportunities. Each grant shall be evaluated on the long-term financial impact to the Town. The Town will only accept grants for one-time or capital items or when the continued funding of the program can be incorporated into the Town's future budgets.

2. All grants and other federal and state funds shall be managed to comply with the laws, regulations, and guidance of the grantor, and all gifts and donations shall be managed and expended according to the wishes and instructions of the donor.

Tax Collection

1. The Town shall encourage the Denton County Tax Assessor-Collector to follow an aggressive policy of collecting property tax revenues. The Town will contract with a tax collection firm as allowed by state law to take necessary legal action to collect delinquent taxes. An average collection rate of at least 98.5% of current levy shall be maintained.

Self-Insurance and Retirement Funds

1. All retirement and self-insurance funds will be examined annually to ensure that adequate balances and funding progress are maintained. Unfunded actuarial liabilities in a retirement program are to be amortized over a 30-year period, or less.

TOWN COUNCIL AGENDA ITEM NO. 6

CONSENT ITEM

DATE: September 17, 2018

FROM: Kay Wilkinson, Budget Officer

ITEM: **Consider approval of a resolution adopting Atmos Energy Corp., Mid-Tex Division's rate tariffs that reflect the negotiated rate change pursuant to the Rate Review Mechanism process.**

BACKGROUND INFORMATION: The Town, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism ("RRM"), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members earlier this year. On or about April 1, 2018, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2017, entitled it to additional system-wide revenues of $42.0 million. Application of the standards set forth in ACSC's RRM Tariff required Atmos to reduce its request to $27.4 million. After review of the consultants' report, the Company offered to settle for a system-wide increase of $25.9 million. Following further negotiations, ACSC's Executive Committee agreed to recommend a system-wide rate increase of $24.9 million. That increase when allocated to ACSC members results in an increase of $17.8 million. The Effective Date for new rates is October 1, 2018.

Atmos generated proof that the rate tariffs attached to the Resolution will generate $24.9 million in additional revenues on a system-wide basis. That proof is attached as Attachment 2. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

Given the fact that ACSC demanded that Atmos reflect reduced federal income taxes in its cost-of-service, as reflected in the RRM Tariff adopted earlier this year, Atmos reduced its rates in March. The rate increase associated with the Resolution is largely offset by the lowered federal income tax rates, such that out-of-pocket expense to consumers should be roughly the same under new rates as what was experienced by consumers last winter. A bill impact comparison is attached as Attachment 3.

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow recovery of Cities' rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover $42 million in additional system-wide revenues, the RRM settlement at $24.9 million reflects savings of $17.1 million. ACSC's consultants produced a report indicating that Atmos had justified increased revenues of at least $21.7 million. Settlement at $24.9 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution before September 30, 2018. New rates become effective October 1, 2018.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

Finance Review by: Debra Wallace, Deputy Town Manager/CFO DW

LEGAL REVIEW: Cara White, of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the proposed resolution as to form and legality.

ATTACHMENTS:

1. Proposed resolution
2. Proposed Tariff Structure
3. Bill Impact Comparison

DRAFT MOTION: Move to approve as presented in the agenda caption.

RESOLUTION NO. _______________

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2018 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

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

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

WHEREAS, ACSC and the Company worked collaboratively to develop a new Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program ("GRIP") process instituted by the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the RRM tariff was adopted by the Town in a rate ordinance earlier this year; and

WHEREAS, on about April 1, 2018, Atmos Mid-Tex filed its 2018 RRM rate request with ACSC Cities based on a test year ending December 31, 2017; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2018 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of $24.9 million on a system-wide basis ($17.8 million of which is applicable to ACSC members); and

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

WHEREAS, the Exhibit A rate tariffs incorporate the federal income tax rates that became effective January 1, 2018; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Exhibit B) and

WHEREAS, the settlement agreement establishes an amortization schedule for regulatory liability (Exhibit C); and

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

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS:

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

Section 2. That the Town Council finds that the settled amount of an increase in revenues of $24.9 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2018 RRM filing, is in the public interest, and is consistent with the Town's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional $24.9 million in revenue on a system-wide basis over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

Section 4. That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Exhibit B, attached hereto and incorporated herein.

Section 5. That amortization of regulatory liability shall be consistent with the schedule found in attached Exhibit C attached hereto and incorporated herein.

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2018 RRM filing.

Section 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Resolution, it is hereby repealed.

Section 8. That the meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 9. That if any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 10. That consistent with the Town Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2018.

Section 11. That a copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LJB Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this 17 day of September, 2018.

Steve Dixon, Mayor

ATTEST:

Theresa Scott, Town Secretary

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 12

Application
Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 18.85 per month
Rider CEE Surcharge	$ 0.03 per month[1]
Total Customer Charge	$ 18.88 per month
Commodity Charge – All Ccf	$0.14846 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

[1]Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2018.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**C – COMMERCIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 13**

Application
Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 43.50 per month
Rider CEE Surcharge	$ (0.03) per month[1]
Total Customer Charge	$ 43.47 per month
Commodity Charge – All Ccf	$ 0.09165 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

[1] Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2018.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 14**

Application
Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 784.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.3312 per MMBtu
Next 3,500 MMBtu	$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0520 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 15**

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 16

Exhibit A

The rates were effective for the following Cities on **3/15/2018**:

ABILENE
ADDISON
ALBANY
ALLEN
ALVARADO
ANGUS

ANNA
ARGYLE
ARLINGTON
AUBREY
AZLE
BEDFORD
BELLMEAD
BENBROOK
BEVERLY HILLS
BLOSSOM
BLUE RIDGE
BOWIE
BOYD
BRIDGEPORT
BROWNWOOD
BUFFALO
BURKBURNETT
BURLESON
CADDO MILLS
CANTON
CARROLLTON
CEDAR HILL
CELESTE
CELINA
CENTERVILLE
CISCO
CLARKSVILLE
CLEBURNE
CLYDE
COLLEGE STATION
COLLEYVILLE
COLORADO CITY
COMANCHE
COOLIDGE
COPPELL
CORINTH
CRANDALL
CROWLEY
DALWORTHINGTON GARDENS
DENISON
DENTON
DESOTO
DRAPER AKA CORRAL CITY
DUNCANVILLE
EASTLAND

EDGECLIFF VILLAGE
EMORY
ENNIS
EULESS
EVERMAN
FAIRVIEW
FARMERS BRANCH
FARMERSVILLE
FATE
FLOWER MOUND
FOREST HILL
FORNEY
FORT WORTH
FRISCO
FROST
GAINSVILLE
GARLAND
GARRETT
GRAND PARAIRIE
GRAPEVINE
GUNTER
HALTOM CITY
HARKER HEIGHTS
HASKELL
HASLET
HEWITT
HIGHLAND PARK
HIGHLAND VILLAGE
HONEY GROVE
HURST
IOWA PARK
IRVING
JUSTIN
KAUFMAN
KEENE
KELLER
KEMP
KENNEDALE
KERRVILLE
KILLEEN
KRUM
LAKE WORTH
LAKESIDE
LEWISVILLE
LINCOLN PARK (ANNEXED WITH LITTLE ELM)
LITTLE ELM
LORENA
MADISONVILLE
MALAKOFF
MANSFIELD
MCKINNEY
MELISSA
MESQUITE
MIDLOTHIAN
MURPHY
NEWARK
NOCONA
NORTH RICHLAND HILLS
NORTHLAKE
OAK LEAF
OVILLA
PALESTINE
PANTEGO
PARIS
PARKER
PECAN HILL
PETROLIA
PLANO
PONDER
POTTSBORO
PROSPER
QUITMAN
RED OAK
RENO (PARKER COUNTY)
RHOME
RICHARDSON
RICHLAND
RICHLAND HILLS
RIVER OAKS
ROANOKE
ROBINSON
ROCKWALL
ROSCOE
ROWLETT

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 17**

Cities with Rate Effective 3/15/2018 (Continued)

ROYSE CITY
SACHSE
SAGINAW
SANSOM PARK
SEAGOVILLE
SHERMAN
SNYDER
SOUTHLAKE
SPRINGTOWN
STAMFORD
STEPHENVILLE
SULPHUR SPRINGS
SWEETWATER
TEMPLE
TERRELL
THE COLONY
TROPHY CLUB
TYLER
UNIVERSITY PARK
VENUS
VERNON
WACO
WATAUGA
WAXAHACHIE
WESTLAKE
WESTOVER HILLS
WHITE SETTLEMENT
WHITESBORO
WICHITA FALLS
WOODWAY
WYLIE

The rates were effective for the following Cities on **4/01/2018**:

ABBOTT
ALBA
ALMA
ALVORD
ANNONA
ANSON
ARCHER CITY
ATHENS
AURORA
AUSTIN
AVERY
BAIRD
BALCH SPRINGS
BALLINGER
BANDERA
BANGS
BARDWELL
BARRY
BARTLETT
BARTONVILLE
BELLEVUE
BELLS
BELTON
BENJAMIN
BERTRAM
BLACKWELL
BLANKET
BLOOMING GROVE
BLUE MOUND
BLUM
BOGATA
BONHAM
BREMOND
BRONTE
BROWNSBORO
BRUCEVILLE-EDDY
BRYAN
BUCKHOLTS
BUFFALO GAP
BURNET
BYERS
CALDWELL
CALVERT
CAMERON
CAMPBELL
CARBON
CASHION COMMUNITY
CEDAR PARK
CHANDLER
CHICO
CHILDRESS
CHILLICOTHE
CLIFTON
COCKRELL HILL
COLEMAN
COLLINSVILLE
COMMERCE
COMO
COOPER
COPPER CANYON
COPPERAS COVE
CORSICANA
COVINGTON
COYOTE FLATS
CRAWFORD
CROSS ROADS
CUMBY
DAWSON
DECATUR
DELEON
DEPORT
DETROIT
DODD CITY
DOUBLE OAK
DUBLIN
EARLY
ECTOR
EDOM
ELECTRA
EMHOUSE
EUSTACE
EVANT
FAIRFIELD
FERRIS
FRANKLIN
FRANKSTON
FREDERICKSBURG
GATESVILLE
GEORGETOWN
GLEN ROSE
GLENN HEIGHTS
GODLEY
GOLDTHWAITE
GOODLOW
GORDON
GOREE
GORMAN
GRANBURY
GRANDVIEW
GRANGER
GREENVILLE
GROESBECK
GUSTINE
HAMLIN
HAMILTON

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 18**

Cities with Rate Effective 4/01/2018 (Continued)

HAWLEY
HEARNE
HEATH
HEBRON
HENRIETTA
HICKORY CREEK
HICO
HILLSBORO
HOLLAND
HOLLIDAY
HOWE
HUBBARD
HUTCHINS
HUTTO
IMPACT
IREDELL
ITALY
ITASCA
JEWETT
JOSEPHINE
JOSHUA
KERENS
KNOLLWOOD
KNOX CITY
KOSSE
KURTEN
LACY-LAKEVIEW
LADONIA
LAKE DALLAS
LAKEPORT
LAMPASAS
LANCASTER
LAVON
LAWN
LEANDER
LEONA
LEONARD
LEXINGTON
LINDSAY
LIPAN
LITTLE RIVER ACADEMY
LLANO
LOMETA
LONE OAK
LONGVIEW
LORAINE
LOTT
LUEDERS
MABANK
MALONE
MANOR
MARBLE FALLS
MARLIN
MART
MAYPEARL
MCGREGOR
MCLENDON-CHISHOLM
MEGARGEL
MERIDIAN
MERKEL
MEXIA
MIDWAY
MILES
MILFORD
MILLSAP
MOBILE CITY
MOODY
MORAN
MORGAN
MUENSTER
MUNDAY
MURCHISON
NEVADA
NEW CHAPEL HILL
NEWCASTLE
NOLANVILLE
NORMANGEE
NOVICE
OAK POINT
OAKWOOD
O'BRIEN CO-OP GIN
OGLESBY
OLNEY
PALMER
PARADISE
PECAN GAP
PENELOPE
PFLUGERVILLE
PILOT POINT
PLEASANT VALLEY
POINT
POST OAK BEND
POWELL
POYNOR
PRINCETON
PUTNAM
QUANAH
QUINLAN
RANGER
RAVENNA
RENO (LAMAR COUNTY)
RETREAT
RICE
RIESEL
RIO VISTA
ROBERT LEE
ROBY
ROCHESTER
ROCKDALE
ROGERS
ROSEBUD
ROSS
ROTAN
ROUND ROCK
ROXTON
RULE
RUNAWAY BAY
SADLER
SAINT JO
SAN ANGELO
SAN SABA
SANCTUARY
SANGER
SANTA ANNA
SAVOY
SCURRY
SEYMOUR
SHADY SHORES
SOMERVILLE
SOUTH MOUNTAIN
SOUTHMAYD
STAR HARBOR
STOCKTON BEND
STRAWN
STREETMAN
SUN VALLEY
SUNNYVALE
TALTY
TAYLOR
TEAGUE
TEHUACANA
THORNDALE
THORNTON
THRALL
THROCKMORTON
TIOGA
TOCO

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 19**

Cities with Rate Effective 4/01/2018 (Continued)

TOM BEAN
TRENT
TRENTON
TRINIDAD
TROY
TUSCOLA
TYE
VALLEY MILLS
VALLEY VIEW
VAN ALSTYNE
WALNUT SPRINGS
WEINERT
WEST
WESTWORTH VILLAGE
WHITEHOUSE
WHITEWRIGHT
WHITNEY
WILMER
WINDOM
WINTERS
WIXON VALLEY
WOLFE CITY
WORTHAM
YANTIS

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 16

Application
Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 784.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.3312 per MMBtu
Next 3,500 MMBtu	$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0520 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees
All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees
Customer shall pay Company the greater of (i) $0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 17**

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement
A transportation agreement is required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 18**

Exhibit A

The rates were effective for the following Cities on **3/15/2018**:

ABILENE
ADDISON
ALBANY
ALLEN
ALVARADO
ANGUS
ANNA
ARGYLE
ARLINGTON
AUBREY
AZLE
BEDFORD
BELLMEAD
BENBROOK
BEVERLY HILLS
BLOSSOM
BLUE RIDGE
BOWIE
BOYD
BRIDGEPORT
BROWNWOOD
BUFFALO
BURKBURNETT
BURLESON
CADDO MILLS
CANTON
CARROLLTON
CEDAR HILL
CELESTE
CELINA
CENTERVILLE
CISCO
CLARKSVILLE
CLEBURNE
CLYDE
COLLEGE STATION
COLLEYVILLE
COLORADO CITY
COMANCHE
COOLIDGE
COPPELL
CORINTH
CRANDALL
CROWLEY
DALWORTHINGTON GARDENS
DENISON
DENTON
DESOTO
DRAPER AKA CORRAL CITY
DUNCANVILLE
EASTLAND
EDGECLIFF VILLAGE
EMORY
ENNIS
EULESS
EVERMAN
FAIRVIEW
FARMERS BRANCH
FARMERSVILLE
FATE
FLOWER MOUND
FOREST HILL
FORNEY
FORT WORTH
FRISCO
FROST
GAINSVILLE
GARLAND
GARRETT
GRAND PARAIRIE
GRAPEVINE
GUNTER
HALTOM CITY
HARKER HEIGHTS
HASKELL
HASLET
HEWITT
HIGHLAND PARK
HIGHLAND VILLAGE
HONEY GROVE
HURST
IOWA PARK
IRVING
JUSTIN
KAUFMAN
KEENE
KELLER
KEMP
KENNEDALE
KERRVILLE
KILLEEN
KRUM
LAKE WORTH
LAKESIDE
LEWISVILLE
LINCOLN PARK (ANNEXED WITH LITTLE ELM)
LITTLE ELM
LORENA
MADISONVILLE
MALAKOFF
MANSFIELD
MCKINNEY
MELISSA
MESQUITE
MIDLOTHIAN
MURPHY
NEWARK
NOCONA
NORTH RICHLAND HILLS
NORTHLAKE
OAK LEAF
OVILLA
PALESTINE
PANTEGO
PARIS
PARKER
PECAN HILL
PETROLIA
PLANO
PONDER
POTTSBORO
PROSPER
QUITMAN
RED OAK
RENO (PARKER COUNTY)
RHOME
RICHARDSON
RICHLAND
RICHLAND HILLS
RIVER OAKS
ROANOKE
ROBINSON
ROCKWALL
ROSCOE
ROWLETT

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 19**

Cities with Rate Effective 3/15/2018 (Continued)

ROYSE CITY
SACHSE
SAGINAW
SANSOM PARK
SEAGOVILLE
SHERMAN
SNYDER
SOUTHLAKE
SPRINGTOWN
STAMFORD
STEPHENVILLE
SULPHUR SPRINGS
SWEETWATER
TEMPLE
TERRELL
THE COLONY
TROPHY CLUB
TYLER
UNIVERSITY PARK
VENUS
VERNON
WACO
WATAUGA
WAXAHACHIE
WESTLAKE
WESTOVER HILLS
WHITE SETTLEMENT
WHITESBORO
WICHITA FALLS
WOODWAY
WYLIE

The rates were effective for the following Cities on **4/01/2018**:

ABBOTT
ALBA
ALMA
ALVORD
ANNONA
ANSON
ARCHER CITY
ATHENS
AURORA
AUSTIN
AVERY
BAIRD
BALCH SPRINGS
BALLINGER
BANDERA
BANGS
BARDWELL
BARRY
BARTLETT
BARTONVILLE
BELLEVUE
BELLS
BELTON
BENJAMIN
BERTRAM
BLACKWELL
BLANKET
BLOOMING GROVE
BLUE MOUND
BLUM
BOGATA
BONHAM
BREMOND
BRONTE
BROWNSBORO
BRUCEVILLE-EDDY
BRYAN
BUCKHOLTS
BUFFALO GAP
BURNET
BYERS
CALDWELL
CALVERT
CAMERON
CAMPBELL
CARBON
CASHION COMMUNITY
CEDAR PARK
CHANDLER
CHICO
CHILDRESS
CHILLICOTHE
CLIFTON
COCKRELL HILL
COLEMAN
COLLINSVILLE
COMMERCE
COMO
COOPER
COPPER CANYON
COPPERAS COVE
CORSICANA
COVINGTON
COYOTE FLATS
CRAWFORD
CROSS ROADS
CUMBY
DAWSON
DECATUR
DELEON
DEPORT
DETROIT
DODD CITY
DOUBLE OAK
DUBLIN
EARLY
ECTOR
EDOM
ELECTRA
EMHOUSE
EUSTACE
EVANT
FAIRFIELD
FERRIS
FRANKLIN
FRANKSTON
FREDERICKSBURG
GATESVILLE
GEORGETOWN
GLEN ROSE
GLENN HEIGHTS
GODLEY
GOLDTHWAITE
GOODLOW
GORDON
GOREE
GORMAN
GRANBURY
GRANDVIEW
GRANGER
GREENVILLE
GROESBECK
GUSTINE
HAMLIN
HAMILTON

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 20**

Cities with Rate Effective 4/01/2018 (Continued)

HAWLEY
HEARNE
HEATH
HEBRON
HENRIETTA
HICKORY CREEK
HICO
HILLSBORO
HOLLAND
HOLLIDAY
HOWE
HUBBARD
HUTCHINS
HUTTO
IMPACT
IREDELL
ITALY
ITASCA
JEWETT
JOSEPHINE
JOSHUA
KERENS
KNOLLWOOD
KNOX CITY
KOSSE
KURTEN
LACY-LAKEVIEW
LADONIA
LAKE DALLAS
LAKEPORT
LAMPASAS
LANCASTER
LAVON
LAWN
LEANDER
LEONA
LEONARD
LEXINGTON
LINDSAY
LIPAN
LITTLE RIVER ACADEMY
LLANO
LOMETA
LONE OAK
LONGVIEW
LORAINE
LOTT
LUEDERS
MABANK
MALONE
MANOR
MARBLE FALLS
MARLIN
MART
MAYPEARL
MCGREGOR
MCLENDON-CHISHOLM
MEGARGEL
MERIDIAN
MERKEL
MEXIA
MIDWAY
MILES
MILFORD
MILLSAP
MOBILE CITY
MOODY
MORAN
MORGAN
MUENSTER
MUNDAY
MURCHISON
NEVADA
NEW CHAPEL HILL
NEWCASTLE
NOLANVILLE
NORMANGEE
NOVICE
OAK POINT
OAKWOOD
O'BRIEN CO-OP GIN
OGLESBY
OLNEY
PALMER
PARADISE
PECAN GAP
PENELOPE
PFLUGERVILLE
PILOT POINT
PLEASANT VALLEY
POINT
POST OAK BEND
POWELL
POYNOR
PRINCETON
PUTNAM
QUANAH
QUINLAN
RANGER
RAVENNA
RENO (LAMAR COUNTY)
RETREAT
RICE
RIESEL
RIO VISTA
ROBERT LEE
ROBY
ROCHESTER
ROCKDALE
ROGERS
ROSEBUD
ROSS
ROTAN
ROUND ROCK
ROXTON
RULE
RUNAWAY BAY
SADLER
SAINT JO
SAN ANGELO
SAN SABA
SANCTUARY
SANGER
SANTA ANNA
SAVOY
SCURRY
SEYMOUR
SHADY SHORES
SOMERVILLE
SOUTH MOUNTAIN
SOUTHMAYD
STAR HARBOR
STOCKTON BEND
STRAWN
STREETMAN
SUN VALLEY
SUNNYVALE
TALTY
TAYLOR
TEAGUE
TEHUACANA
THORNDALE
THORNTON
THRALL
THROCKMORTON
TIOGA
TOCO

EXHIBIT A

MID-TEX DIVISION **RRC Tariff No:**
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 21**

Cities with Rate Effective 4/01/2018 (Continued)

TOM BEAN	VALLEY VIEW	WHITNEY
TRENT	VAN ALSTYNE	WILMER
TRENTON	WALNUT SPRINGS	WINDOM
TRINIDAD	WEINERT	WINTERS
TROY	WEST	WIXON VALLEY
TUSCOLA	WESTWORTH VILLAGE	WOLFE CITY
TYE	WHITEHOUSE	WORTHAM
VALLEY MILLS	WHITEWRIGHT	YANTIS

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 11/01/2018**	**PAGE:**

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

Bl_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

$$WNA_i = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the jth customer in ith rate schedule.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 11/01/2018**	**PAGE:**

Base Use/Heat Use Factors

	Residential		Commercial	
	Base use	Heat use	Base use	Heat use
Weather Station	Ccf	Ccf/HDD	Ccf	Ccf/HDD
Abilene	9.77	0.1201	99.33	0.5737
Austin	10.38	0.1493	201.46	0.8942
Dallas	13.17	0.2062	183.71	1.0046
Waco	9.26	0.1323	124.57	0.6398
Wichita Falls	11.62	0.1278	114.97	0.5226

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

EXHIBIT B

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2017

		Shared Services		Mid-Tex Direct			
Line No.	Description	Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Supplemental Executive Benefit Plan	Post-Employment Benefit Plan	Adjustment Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Fiscal Year 2018 Willis Towers Watson Report, as adjusted	$ 4,082,906	$ 2,703,898	$ 6,964,307	$ 188,360	$ 3,724,168	
2	Allocation to Mid-Tex	43.55%	43.55%	71.24%	100.00%	71.24%	
3	Fiscal Year 2018 Actuarially Determined Benefit Costs (Ln 1 x Ln 2)	$ 1,778,092	$ 1,177,539	$ 4,961,241	$ 188,360	$ 2,653,027	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Fiscal Year 2018 Willis Towers Watson Benefit Costs To Approve (Excluding Removed Cost Centers) (Ln 3 x Ln 4)	$ 1,778,092	$ 1,177,539	$ 4,961,241	$ 188,360	$ 2,653,027	$ 10,758,260
6							
7							
8	Summary of Costs to Approve (1):						
9							
10	O&M Expense Factor (WP_F-2.3, Ln 2)	80.15%	80.15%	40.05%	19.03%	40.05%	
11							
12							
13	Total Pension Account Plan	$ 1,425,108		$ 1,987,133			$ 3,412,241
14	Total Post-Employment Benefit Plan		$ 943,775			$ 1,062,621	2,006,396
15	Total Supplemental Executive Benefit Plan				$ 35,837		35,837
16	Total (Ln 13 + Ln 14 + Ln 15)	$ 1,425,108	$ 943,775	$ 1,987,133	$ 35,837	$ 1,062,621	$ 5,454,474
17							
18	Note:						
19	1. Mid-Tex is proposing that the fiscal year 2018 Willis Towers Watson actuarial amounts shown on WP_F-2.3 and WP_F-2.3.1, be approved by the RRM Cities as the						
20	benchmark amounts to be used to calculate the regulatory asset or liability for future periods. The Company is requesting that the benchmark amount approved by the						
21	RRM Cities for future periods include only the expense amount. The amount attributable to capital would continue to be recorded to utility plant through the overhead						
22	process as described in the CAM.						

EXHIBIT C

ATMOS ENERGY CORP., MID-TEX DIVISION
RATE BASE ADJUSTMENTS
TEST YEAR ENDING DECEMBER 31, 2017
AMORTIZATION OF REGULATORY LIABILITY

Line No.	Year Ended Dec. 31	Beginning of Year Rate Base Adjustment Amount	Annual Amortization (1)	End of Year Rate Base Adjustment Amount	Balance as of December 31, 2017
	(a)	(b)	(c)	(d)	(e)
1	2017			$ 289,813,479	$ 289,813,479
2	2018	$ 289,813,479	$ 12,075,562	277,737,918	
3	2019	277,737,918	12,075,562	265,662,356	
4	2020	265,662,356	12,075,562	253,586,795	
5	2021	253,586,795	12,075,562	241,511,233	
6	2022	241,511,233	12,075,562	229,435,671	
7	2023	229,435,671	12,075,562	217,360,110	
8	2024	217,360,110	12,075,562	205,284,548	
9	2025	205,284,548	12,075,562	193,208,986	
10	2026	193,208,986	12,075,562	181,133,425	
11	2027	181,133,425	12,075,562	169,057,863	
12	2028	169,057,863	12,075,562	156,982,301	
13	2029	156,982,301	12,075,562	144,906,740	
14	2030	144,906,740	12,075,562	132,831,178	
15	2031	132,831,178	12,075,562	120,755,616	
16	2032	120,755,616	12,075,562	108,680,055	
17	2033	108,680,055	12,075,562	96,604,493	
18	2034	96,604,493	12,075,562	84,528,932	
19	2035	84,528,932	12,075,562	72,453,370	
20	2036	72,453,370	12,075,562	60,377,808	
21	2037	60,377,808	12,075,562	48,302,247	
22	2038	48,302,247	12,075,562	36,226,685	
23	2039	36,226,685	12,075,562	24,151,123	
24	2040	24,151,123	12,075,562	12,075,562	
25	2041	12,075,562	12,075,562	(0)	
26					

27 Note:
28 1. The annual amortization of a 24 year recovery period is based on the
29 Reverse South Georgia Method.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 12

Application
Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 18.85 per month
Rider CEE Surcharge	$ 0.03 per month[1]
Total Customer Charge	$ 18.88 per month
Commodity Charge – All Ccf	$0.14846 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

[1]Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2018.

EXHIBIT A

MID-TEX DIVISION **RRC Tariff No:**
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**C – COMMERCIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 13**

Application
Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	**Amount**
Customer Charge per Bill	$ 43.50 per month
Rider CEE Surcharge	$ (0.03) per month[1]
Total Customer Charge	$ 43.47 per month
Commodity Charge – All Ccf	$ 0.09165 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

[1] Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2018.

EXHIBIT A

MID-TEX DIVISION **RRC Tariff No:**
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 14**

Application
Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 784.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.3312 per MMBtu
Next 3,500 MMBtu	$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0520 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 15**

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 16

Exhibit A

The rates were effective for the following Cities on **3/15/2018**:

ABILENE
ADDISON
ALBANY
ALLEN
ALVARADO
ANGUS
ANNA
ARGYLE
ARLINGTON
AUBREY
AZLE
BEDFORD
BELLMEAD
BENBROOK
BEVERLY HILLS
BLOSSOM
BLUE RIDGE
BOWIE
BOYD
BRIDGEPORT
BROWNWOOD
BUFFALO
BURKBURNETT
BURLESON
CADDO MILLS
CANTON
CARROLLTON
CEDAR HILL
CELESTE
CELINA
CENTERVILLE
CISCO
CLARKSVILLE
CLEBURNE
CLYDE
COLLEGE STATION
COLLEYVILLE
COLORADO CITY
COMANCHE
COOLIDGE
COPPELL
CORINTH
CRANDALL
CROWLEY
DALWORTHINGTON GARDENS
DENISON
DENTON
DESOTO
DRAPER AKA CORRAL CITY
DUNCANVILLE
EASTLAND
EDGECLIFF VILLAGE
EMORY
ENNIS
EULESS
EVERMAN
FAIRVIEW
FARMERS BRANCH
FARMERSVILLE
FATE
FLOWER MOUND
FOREST HILL
FORNEY
FORT WORTH
FRISCO
FROST
GAINSVILLE
GARLAND
GARRETT
GRAND PARAIRIE
GRAPEVINE
GUNTER
HALTOM CITY
HARKER HEIGHTS
HASKELL
HASLET
HEWITT
HIGHLAND PARK
HIGHLAND VILLAGE
HONEY GROVE
HURST
IOWA PARK
IRVING
JUSTIN
KAUFMAN
KEENE
KELLER
KEMP
KENNEDALE
KERRVILLE
KILLEEN
KRUM
LAKE WORTH
LAKESIDE
LEWISVILLE
LINCOLN PARK (ANNEXED WITH LITTLE ELM)
LITTLE ELM
LORENA
MADISONVILLE
MALAKOFF
MANSFIELD
MCKINNEY
MELISSA
MESQUITE
MIDLOTHIAN
MURPHY
NEWARK
NOCONA
NORTH RICHLAND HILLS
NORTHLAKE
OAK LEAF
OVILLA
PALESTINE
PANTEGO
PARIS
PARKER
PECAN HILL
PETROLIA
PLANO
PONDER
POTTSBORO
PROSPER
QUITMAN
RED OAK
RENO (PARKER COUNTY)
RHOME
RICHARDSON
RICHLAND
RICHLAND HILLS
RIVER OAKS
ROANOKE
ROBINSON
ROCKWALL
ROSCOE
ROWLETT

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 17**

Cities with Rate Effective 3/15/2018 (Continued)

ROYSE CITY
SACHSE
SAGINAW
SANSOM PARK
SEAGOVILLE
SHERMAN
SNYDER
SOUTHLAKE
SPRINGTOWN
STAMFORD
STEPHENVILLE
SULPHUR SPRINGS
SWEETWATER
TEMPLE
TERRELL
THE COLONY
TROPHY CLUB
TYLER
UNIVERSITY PARK
VENUS
VERNON
WACO
WATAUGA
WAXAHACHIE
WESTLAKE
WESTOVER HILLS
WHITE SETTLEMENT
WHITESBORO
WICHITA FALLS
WOODWAY
WYLIE

The rates were effective for the following Cities on **4/01/2018**:

ABBOTT
ALBA
ALMA
ALVORD
ANNONA
ANSON
ARCHER CITY
ATHENS
AURORA
AUSTIN
AVERY
BAIRD
BALCH SPRINGS
BALLINGER
BANDERA
BANGS
BARDWELL
BARRY
BARTLETT
BARTONVILLE
BELLEVUE
BELLS
BELTON
BENJAMIN
BERTRAM
BLACKWELL
BLANKET
BLOOMING GROVE
BLUE MOUND
BLUM
BOGATA
BONHAM
BREMOND
BRONTE
BROWNSBORO
BRUCEVILLE-EDDY
BRYAN
BUCKHOLTS
BUFFALO GAP
BURNET
BYERS
CALDWELL
CALVERT
CAMERON
CAMPBELL
CARBON
CASHION COMMUNITY
CEDAR PARK
CHANDLER
CHICO
CHILDRESS
CHILLICOTHE
CLIFTON
COCKRELL HILL
COLEMAN
COLLINSVILLE
COMMERCE
COMO
COOPER
COPPER CANYON
COPPERAS COVE
CORSICANA
COVINGTON
COYOTE FLATS
CRAWFORD
CROSS ROADS
CUMBY
DAWSON
DECATUR
DELEON
DEPORT
DETROIT
DODD CITY
DOUBLE OAK
DUBLIN
EARLY
ECTOR
EDOM
ELECTRA
EMHOUSE
EUSTACE
EVANT
FAIRFIELD
FERRIS
FRANKLIN
FRANKSTON
FREDERICKSBURG
GATESVILLE
GEORGETOWN
GLEN ROSE
GLENN HEIGHTS
GODLEY
GOLDTHWAITE
GOODLOW
GORDON
GOREE
GORMAN
GRANBURY
GRANDVIEW
GRANGER
GREENVILLE
GROESBECK
GUSTINE
HAMLIN
HAMILTON

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 18

Cities with Rate Effective 4/01/2018 (Continued)

HAWLEY
HEARNE
HEATH
HEBRON
HENRIETTA
HICKORY CREEK
HICO
HILLSBORO
HOLLAND
HOLLIDAY
HOWE
HUBBARD
HUTCHINS
HUTTO
IMPACT
IREDELL
ITALY
ITASCA
JEWETT
JOSEPHINE
JOSHUA
KERENS
KNOLLWOOD
KNOX CITY
KOSSE
KURTEN
LACY-LAKEVIEW
LADONIA
LAKE DALLAS
LAKEPORT
LAMPASAS
LANCASTER
LAVON
LAWN
LEANDER
LEONA
LEONARD
LEXINGTON
LINDSAY
LIPAN
LITTLE RIVER ACADEMY
LLANO
LOMETA
LONE OAK
LONGVIEW
LORAINE
LOTT
LUEDERS
MABANK
MALONE
MANOR
MARBLE FALLS
MARLIN
MART
MAYPEARL
MCGREGOR
MCLENDON-CHISHOLM
MEGARGEL
MERIDIAN
MERKEL
MEXIA
MIDWAY
MILES
MILFORD
MILLSAP
MOBILE CITY
MOODY
MORAN
MORGAN
MUENSTER
MUNDAY
MURCHISON
NEVADA
NEW CHAPEL HILL
NEWCASTLE
NOLANVILLE
NORMANGEE
NOVICE
OAK POINT
OAKWOOD
O'BRIEN CO-OP GIN
OGLESBY
OLNEY
PALMER
PARADISE
PECAN GAP
PENELOPE
PFLUGERVILLE
PILOT POINT
PLEASANT VALLEY
POINT
POST OAK BEND
POWELL
POYNOR
PRINCETON
PUTNAM
QUANAH
QUINLAN
RANGER
RAVENNA
RENO (LAMAR COUNTY)
RETREAT
RICE
RIESEL
RIO VISTA
ROBERT LEE
ROBY
ROCHESTER
ROCKDALE
ROGERS
ROSEBUD
ROSS
ROTAN
ROUND ROCK
ROXTON
RULE
RUNAWAY BAY
SADLER
SAINT JO
SAN ANGELO
SAN SABA
SANCTUARY
SANGER
SANTA ANNA
SAVOY
SCURRY
SEYMOUR
SHADY SHORES
SOMERVILLE
SOUTH MOUNTAIN
SOUTHMAYD
STAR HARBOR
STOCKTON BEND
STRAWN
STREETMAN
SUN VALLEY
SUNNYVALE
TALTY
TAYLOR
TEAGUE
TEHUACANA
THORNDALE
THORNTON
THRALL
THROCKMORTON
TIOGA
TOCO

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 19**

Cities with Rate Effective 4/01/2018 (Continued)

TOM BEAN	VALLEY VIEW	WHITNEY
TRENT	VAN ALSTYNE	WILMER
TRENTON	WALNUT SPRINGS	WINDOM
TRINIDAD	WEINERT	WINTERS
TROY	WEST	WIXON VALLEY
TUSCOLA	WESTWORTH VILLAGE	WOLFE CITY
TYE	WHITEHOUSE	WORTHAM
VALLEY MILLS	WHITEWRIGHT	YANTIS

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 16**

Application
Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 784.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.3312 per MMBtu
Next 3,500 MMBtu	$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0520 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees
All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees
Customer shall pay Company the greater of (i) $0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

EXHIBIT A

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 17**

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement
A transportation agreement is required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 18**

Exhibit A

The rates were effective for the following Cities on **3/15/2018**:

ABILENE
ADDISON
ALBANY
ALLEN
ALVARADO
ANGUS
ANNA
ARGYLE
ARLINGTON
AUBREY
AZLE
BEDFORD
BELLMEAD
BENBROOK
BEVERLY HILLS
BLOSSOM
BLUE RIDGE
BOWIE
BOYD
BRIDGEPORT
BROWNWOOD
BUFFALO
BURKBURNETT
BURLESON
CADDO MILLS
CANTON
CARROLLTON
CEDAR HILL
CELESTE
CELINA
CENTERVILLE
CISCO
CLARKSVILLE
CLEBURNE
CLYDE
COLLEGE STATION
COLLEYVILLE
COLORADO CITY
COMANCHE
COOLIDGE
COPPELL
CORINTH
CRANDALL
CROWLEY
DALWORTHINGTON GARDENS
DENISON
DENTON
DESOTO
DRAPER AKA CORRAL CITY
DUNCANVILLE
EASTLAND
EDGECLIFF VILLAGE
EMORY
ENNIS
EULESS
EVERMAN
FAIRVIEW
FARMERS BRANCH
FARMERSVILLE
FATE
FLOWER MOUND
FOREST HILL
FORNEY
FORT WORTH
FRISCO
FROST
GAINSVILLE
GARLAND
GARRETT
GRAND PARAIRIE
GRAPEVINE
GUNTER
HALTOM CITY
HARKER HEIGHTS
HASKELL
HASLET
HEWITT
HIGHLAND PARK
HIGHLAND VILLAGE
HONEY GROVE
HURST
IOWA PARK
IRVING
JUSTIN
KAUFMAN
KEENE
KELLER
KEMP
KENNEDALE
KERRVILLE
KILLEEN
KRUM
LAKE WORTH
LAKESIDE
LEWISVILLE
LINCOLN PARK (ANNEXED WITH LITTLE ELM)
LITTLE ELM
LORENA
MADISONVILLE
MALAKOFF
MANSFIELD
MCKINNEY
MELISSA
MESQUITE
MIDLOTHIAN
MURPHY
NEWARK
NOCONA
NORTH RICHLAND HILLS
NORTHLAKE
OAK LEAF
OVILLA
PALESTINE
PANTEGO
PARIS
PARKER
PECAN HILL
PETROLIA
PLANO
PONDER
POTTSBORO
PROSPER
QUITMAN
RED OAK
RENO (PARKER COUNTY)
RHOME
RICHARDSON
RICHLAND
RICHLAND HILLS
RIVER OAKS
ROANOKE
ROBINSON
ROCKWALL
ROSCOE
ROWLETT

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 19**

Cities with Rate Effective 3/15/2018 (Continued)

ROYSE CITY
SACHSE
SAGINAW
SANSOM PARK
SEAGOVILLE
SHERMAN
SNYDER
SOUTHLAKE
SPRINGTOWN
STAMFORD
STEPHENVILLE
SULPHUR SPRINGS
SWEETWATER
TEMPLE
TERRELL
THE COLONY
TROPHY CLUB
TYLER
UNIVERSITY PARK
VENUS
VERNON
WACO
WATAUGA
WAXAHACHIE
WESTLAKE
WESTOVER HILLS
WHITE SETTLEMENT
WHITESBORO
WICHITA FALLS
WOODWAY
WYLIE

The rates were effective for the following Cities on **4/01/2018**:

ABBOTT
ALBA
ALMA
ALVORD
ANNONA
ANSON
ARCHER CITY
ATHENS
AURORA
AUSTIN
AVERY
BAIRD
BALCH SPRINGS
BALLINGER
BANDERA
BANGS
BARDWELL
BARRY
BARTLETT
BARTONVILLE
BELLEVUE
BELLS
BELTON
BENJAMIN
BERTRAM
BLACKWELL
BLANKET
BLOOMING GROVE
BLUE MOUND
BLUM
BOGATA
BONHAM
BREMOND
BRONTE
BROWNSBORO
BRUCEVILLE-EDDY
BRYAN
BUCKHOLTS
BUFFALO GAP
BURNET
BYERS
CALDWELL
CALVERT
CAMERON
CAMPBELL
CARBON
CASHION COMMUNITY
CEDAR PARK
CHANDLER
CHICO
CHILDRESS
CHILLICOTHE
CLIFTON
COCKRELL HILL
COLEMAN
COLLINSVILLE
COMMERCE
COMO
COOPER
COPPER CANYON
COPPERAS COVE
CORSICANA
COVINGTON
COYOTE FLATS
CRAWFORD
CROSS ROADS
CUMBY
DAWSON
DECATUR
DELEON
DEPORT
DETROIT
DODD CITY
DOUBLE OAK
DUBLIN
EARLY
ECTOR
EDOM
ELECTRA
EMHOUSE
EUSTACE
EVANT
FAIRFIELD
FERRIS
FRANKLIN
FRANKSTON
FREDERICKSBURG
GATESVILLE
GEORGETOWN
GLEN ROSE
GLENN HEIGHTS
GODLEY
GOLDTHWAITE
GOODLOW
GORDON
GOREE
GORMAN
GRANBURY
GRANDVIEW
GRANGER
GREENVILLE
GROESBECK
GUSTINE
HAMLIN
HAMILTON

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2018**	**PAGE: 20**

Cities with Rate Effective 4/01/2018 (Continued)

HAWLEY
HEARNE
HEATH
HEBRON
HENRIETTA
HICKORY CREEK
HICO
HILLSBORO
HOLLAND
HOLLIDAY
HOWE
HUBBARD
HUTCHINS
HUTTO
IMPACT
IREDELL
ITALY
ITASCA
JEWETT
JOSEPHINE
JOSHUA
KERENS
KNOLLWOOD
KNOX CITY
KOSSE
KURTEN
LACY-LAKEVIEW
LADONIA
LAKE DALLAS
LAKEPORT
LAMPASAS
LANCASTER
LAVON
LAWN
LEANDER
LEONA
LEONARD
LEXINGTON
LINDSAY
LIPAN
LITTLE RIVER ACADEMY
LLANO
LOMETA
LONE OAK
LONGVIEW
LORAINE
LOTT
LUEDERS
MABANK
MALONE
MANOR
MARBLE FALLS
MARLIN
MART
MAYPEARL
MCGREGOR
MCLENDON-CHISHOLM
MEGARGEL
MERIDIAN
MERKEL
MEXIA
MIDWAY
MILES
MILFORD
MILLSAP
MOBILE CITY
MOODY
MORAN
MORGAN
MUENSTER
MUNDAY
MURCHISON
NEVADA
NEW CHAPEL HILL
NEWCASTLE
NOLANVILLE
NORMANGEE
NOVICE
OAK POINT
OAKWOOD
O'BRIEN CO-OP GIN
OGLESBY
OLNEY
PALMER
PARADISE
PECAN GAP
PENELOPE
PFLUGERVILLE
PILOT POINT
PLEASANT VALLEY
POINT
POST OAK BEND
POWELL
POYNOR
PRINCETON
PUTNAM
QUANAH
QUINLAN
RANGER
RAVENNA
RENO (LAMAR COUNTY)
RETREAT
RICE
RIESEL
RIO VISTA
ROBERT LEE
ROBY
ROCHESTER
ROCKDALE
ROGERS
ROSEBUD
ROSS
ROTAN
ROUND ROCK
ROXTON
RULE
RUNAWAY BAY
SADLER
SAINT JO
SAN ANGELO
SAN SABA
SANCTUARY
SANGER
SANTA ANNA
SAVOY
SCURRY
SEYMOUR
SHADY SHORES
SOMERVILLE
SOUTH MOUNTAIN
SOUTHMAYD
STAR HARBOR
STOCKTON BEND
STRAWN
STREETMAN
SUN VALLEY
SUNNYVALE
TALTY
TAYLOR
TEAGUE
TEHUACANA
THORNDALE
THORNTON
THRALL
THROCKMORTON
TIOGA
TOCO

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 21

Cities with Rate Effective 4/01/2018 (Continued)

TOM BEAN
TRENT
TRENTON
TRINIDAD
TROY
TUSCOLA
TYE
VALLEY MILLS
VALLEY VIEW
VAN ALSTYNE
WALNUT SPRINGS
WEINERT
WEST
WESTWORTH VILLAGE
WHITEHOUSE
WHITEWRIGHT
WHITNEY
WILMER
WINDOM
WINTERS
WIXON VALLEY
WOLFE CITY
WORTHAM
YANTIS

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 11/01/2018**	**PAGE:**

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

Bl_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

$WNA_i = \quad WNAF_i \times q_{ij}$

Where q_{ij} is the relevant sales quantity for the jth customer in ith rate schedule.

EXHIBIT A

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 11/01/2018**	**PAGE:**

Base Use/Heat Use Factors

	Residential		Commercial	
Weather Station	Base use Ccf	Heat use Ccf/HDD	Base use Ccf	Heat use Ccf/HDD
Abilene	9.77	0.1201	99.33	0.5737
Austin	10.38	0.1493	201.46	0.8942
Dallas	13.17	0.2062	183.71	1.0046
Waco	9.26	0.1323	124.57	0.6398
Wichita Falls	11.62	0.1278	114.97	0.5226

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

EXHIBIT B

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2017

Line No.	Description	Shared Services: Pension Account Plan	Shared Services: Post-Employment Benefit Plan	Mid-Tex Direct: Pension Account Plan	Mid-Tex Direct: Supplemental Executive Benefit Plan	Mid-Tex Direct: Post-Employment Benefit Plan	Adjustment Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Fiscal Year 2018 Willis Towers Watson Report, as adjusted	$ 4,082,906	$ 2,703,898	$ 6,964,307	$ 188,360	$ 3,724,168	
2	Allocation to Mid-Tex	43.55%	43.55%	71.24%	100.00%	71.24%	
3	Fiscal Year 2018 Actuarially Determined Benefit Costs (Ln 1 x Ln 2)	$ 1,778,092	$ 1,177,539	$ 4,961,241	$ 188,360	$ 2,653,027	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Fiscal Year 2018 Willis Towers Watson Benefit Costs To Approve (Excluding Removed Cost Centers) (Ln 3 x Ln 4)	$ 1,778,092	$ 1,177,539	$ 4,961,241	$ 188,360	$ 2,653,027	$ 10,758,260
6							
7							
8	Summary of Costs to Approve (1):						
9							
10	O&M Expense Factor (WP_F-2.3, Ln 2)	80.15%	80.15%	40.05%	19.03%	40.05%	
11							
12							
13	Total Pension Account Plan	$ 1,425,108		$ 1,987,133			$ 3,412,241
14	Total Post-Employment Benefit Plan		$ 943,775			$ 1,062,621	2,006,396
15	Total Supplemental Executive Benefit Plan				$ 35,837		35,837
16	Total (Ln 13 + Ln 14 + Ln 15)	$ 1,425,108	$ 943,775	$ 1,987,133	$ 35,837	$ 1,062,621	$ 5,454,474
17							
18	Note:						

19 1. Mid-Tex is proposing that the fiscal year 2018 Willis Towers Watson actuarial amounts shown on WP_F-2.3 and WP_F-2.3.1, be approved by the RRM Cities as the
20 benchmark amounts to be used to calculate the regulatory asset or liability for future periods. The Company is requesting that the benchmark amount approved by the
21 RRM Cities for future periods include only the expense amount. The amount attributable to capital would continue to be recorded to utility plant through the overhead
22 process as described in the CAM.

EXHIBIT C

ATMOS ENERGY CORP., MID-TEX DIVISION
RATE BASE ADJUSTMENTS
TEST YEAR ENDING DECEMBER 31, 2017
AMORTIZATION OF REGULATORY LIABILITY

Line No.	Year Ended Dec. 31	Beginning of Year Rate Base Adjustment Amount	Annual Amortization (1)	End of Year Rate Base Adjustment Amount	Balance as of December 31, 2017
	(a)	(b)	(c)	(d)	(e)
1	2017			$ 289,813,479	$ 289,813,479
2	2018	$ 289,813,479	$ 12,075,562	277,737,918	
3	2019	277,737,918	12,075,562	265,662,356	
4	2020	265,662,356	12,075,562	253,586,795	
5	2021	253,586,795	12,075,562	241,511,233	
6	2022	241,511,233	12,075,562	229,435,671	
7	2023	229,435,671	12,075,562	217,360,110	
8	2024	217,360,110	12,075,562	205,284,548	
9	2025	205,284,548	12,075,562	193,208,986	
10	2026	193,208,986	12,075,562	181,133,425	
11	2027	181,133,425	12,075,562	169,057,863	
12	2028	169,057,863	12,075,562	156,982,301	
13	2029	156,982,301	12,075,562	144,906,740	
14	2030	144,906,740	12,075,562	132,831,178	
15	2031	132,831,178	12,075,562	120,755,616	
16	2032	120,755,616	12,075,562	108,680,055	
17	2033	108,680,055	12,075,562	96,604,493	
18	2034	96,604,493	12,075,562	84,528,932	
19	2035	84,528,932	12,075,562	72,453,370	
20	2036	72,453,370	12,075,562	60,377,808	
21	2037	60,377,808	12,075,562	48,302,247	
22	2038	48,302,247	12,075,562	36,226,685	
23	2039	36,226,685	12,075,562	24,151,123	
24	2040	24,151,123	12,075,562	12,075,562	
25	2041	12,075,562	12,075,562	(0)	
26					
27	Note:				
28	1. The annual amortization of a 24 year recovery period is based on the				
29	Reverse South Georgia Method.				

Attachment 2

ATMOS ENERGY CORP., MID-TEX DIVISION
PROPOSED TARIFF STRUCTURE (BEFORE RATE CASE EXPENSE RECOVERY)
TEST YEAR ENDING DECEMBER 31, 2017

Line No.	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Proposed Change In Rates:		$ 24,900,000		Schedule A						
2	Proposed Change In Rates without Revenue Related Taxes:		$ 23,357,466		Ln 1 divided by Tax factor on WP_F-5.1						
3											
4											
5											
6		Revenue Requirements	Allocations								
7	Residential	$ 338,431,486	77.95%		Per GUD 10170 Final Order						
8	Commercial	84,223,622	19.40%		Per GUD 10170 Final Order						
9	Industrial and Transportation	11,490,316	2.65%		Per GUD 10170 Final Order						
10	Net Revenue Requirements GUD No. 10170	$ 434,145,424	100.00%								
11											
12											
13											
14											
15											

Line No.	Increase to Customer Classes per GUD 10170 Final Order:			
16				
17				
18	Customer Charges	Current	Prospective	Revenues
19				
20	Residential Base Charge	$ 18.35	$ 0.50	$ 9,103,979
21	Residential Consumption Charge	$ 0.13734	$ 0.01118	9,103,979
22	Commercial Base Charge	$ 41.95	$ 1.54	2,265,658
23	Commercial Consumption Charge	$ 0.08746	$ 0.00421	2,265,658
24	I&T Base Charge	$ 752.00	$ 32.12	309,095
25	I&T Consumption Charge Tier 1 MMBTU	$ 0.3172	$ 0.0140	144,188
26	I&T Consumption Charge Tier 2 MMBTU	$ 0.2322	$ 0.0102	118,338
27	I&T Consumption Charge Tier 3 MMBTU	$ 0.0498	$ 0.0022	46,570
28	Total			$ 23,357,466
29				

Line No.	Customer Charges Rounded Off and residential base charge increase for 2018 limited to $0.60 per RRM tariff:				
16					
17					
18	Customer Charges	Proposed Change	Proposed Change In Revenues	Proposed Rates	Proposed Revenues
19					
20	Residential Base Charge	$ 0.50	$ 9,156,798	$ 18.85	$ 345,211,285
21	Residential Consumption Charge	$ 0.01112	9,051,844	$ 0.14846	120,848,626
22	Commercial Base Charge	$ 1.55	2,278,481	$ 43.50	63,944,478
23	Commercial Consumption Charge	$ 0.00419	2,253,573	$ 0.09165	49,293,546
24	I&T Base Charge	$ 32.00	307,968	$ 784.00	7,545,216
25	I&T Consumption Charge Tier 1 MMBTU	$ 0.0140	144,244	$ 0.3312	3,412,408
26	I&T Consumption Charge Tier 2 MMBTU	$ 0.0103	118,980	$ 0.2425	2,801,237
27	I&T Consumption Charge Tier 3 MMBTU	$ 0.0022	46,631	$ 0.0520	1,102,180
28	Total		$ 23,358,519		$ 594,158,976

Attachment 3

ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2017

Line									October 1, 2018	
1	**Rate R @ 45 Ccf**							**CURRENT**	**PROPOSED**	**CHANGE**
2	Customer charge							$ 18.35		
3	Consumption charge	45.0	CCF			X $ 0.13734	=	6.18		
4	Rider GCR Part A	45.0	CCF			X $ 0.28533	=	12.84		
5	Rider GCR Part B	45.0	CCF			X $ 0.30630	=	13.78		
6	Subtotal							$ 51.15		
7	Rider FF & Rider TAX			$	51.15	X 0.06604	=	3.38		
8	Total							$ 54.53		
9										
10	Customer charge								$ 18.85	
11	Consumption charge	45.0	CCF			X $ 0.14846	=		6.68	
12	Rider GCR Part A	45.0	CCF			X $ 0.28533	=		12.84	
13	Rider GCR Part B	45.0	CCF			X $ 0.30630	=		13.78	
14	Subtotal								$ 52.15	
15	Rider FF & Rider TAX			$	52.15	X 0.06604	=		3.44	
16	Total								$ 55.59	$ 1.06
17										1.94%
18										
19	**Rate C @ 346.5 Ccf**							**CURRENT**	**PROPOSED**	**CHANGE**
20	Customer charge							$ 41.95		
21	Consumption charge	346.5	CCF			X $ 0.08746	=	30.31		
22	Rider GCR Part A	346.5	CCF			X $ 0.28533	=	98.88		
23	Rider GCR Part B	346.5	CCF			X $ 0.22105	=	76.60		
24	Subtotal							$ 247.74		
25	Rider FF & Rider TAX			$	247.74	X 0.06604	=	16.36		
26	Total							$ 264.10		
27										
28	Customer charge								$ 43.50	
29	Consumption charge	346.5	CCF			X $ 0.09165	=		31.76	
30	Rider GCR Part A	346.5	CCF			X $ 0.28533	=		98.88	
31	Rider GCR Part B	346.5	CCF			X $ 0.22105	=		76.60	
32	Subtotal								$ 250.74	
33	Rider FF & Rider TAX			$	250.74	X 0.06604	=		16.56	
34	Total								$ 267.30	$ 3.20
35										1.21%

Attachment 2

						CURRENT	PROPOSED	CHANGE
36	**Rate I @ 3907 MMBTU**					CURRENT	PROPOSED	CHANGE
37	Customer charge					$ 752.00		
38	Consumption charge	1,500	MMBTU	X $ 0.3172	=	475.80		
39	Consumption charge	2,407	MMBTU	X $ 0.2322	=	558.79		
40	Consumption charge	0	MMBTU	X $ 0.0498	=	-		
41	Rider GCR Part A	3,907	MMBTU	X $ 0.2922	=	1,141.41		
42	Rider GCR Part B	3,907	MMBTU	X $ 0.4881	=	1,906.68		
43	Subtotal					$ 4,834.68		
44	Rider FF & Rider TAX	$ 4,834.68		X 0.06604	=	319.28		
45	Total					$ 5,153.96		
46								
47	Customer charge						$ 784.00	
48	Consumption charge	1,500	MMBTU	X $ 0.3312	=		496.80	
49	Consumption charge	2,407	MMBTU	X $ 0.2425	=		583.58	
50	Consumption charge	0	MMBTU	X $ 0.0520	=		-	
51	Rider GCR Part A	3,907	MMBTU	X $ 0.2922	=		1,141.41	
52	Rider GCR Part B	3,907	MMBTU	X $ 0.4881	=		1,906.68	
53	Subtotal						$ 4,912.47	
54	Rider FF & Rider TAX	$ 4,912.47		X 0.06604	=		324.42	
55	Total						$ 5,236.89	$ 82.93
56								1.61%
57	**Rate T @ 3907 MMBTU**					CURRENT	PROPOSED	CHANGE
58	Customer charge					$ 752.00		
59	Consumption charge	1,500	MMBTU	X $ 0.3172	=	475.80		
60	Consumption charge	2,407	MMBTU	X $ 0.2322	=	558.79		
61	Consumption charge	0	MMBTU	X $ 0.0498	=	-		
62	Rider GCR Part B	3,907	MMBTU	X $ 0.4881	=	1,906.68		
63	Subtotal					$ 3,693.27		
64	Rider FF & Rider TAX	$ 3,693.27		X 0.06604	=	243.90		
65	Total					$ 3,937.17		
66								
67	Customer charge						$ 784.00	
68	Consumption charge	1,500	MMBTU	X $ 0.3312	=		496.80	
69	Consumption charge	2,407	MMBTU	X $ 0.2425	=		583.58	
70	Consumption charge	0	MMBTU	X $ 0.0520	=		-	
71	Rider GCR Part B	3,907	MMBTU	X $ 0.4881	=		1,906.68	
72	Subtotal						$ 3,771.06	
73	Rider FF & Rider TAX	$ 3,771.06		X 0.06604	=		249.04	
74	Total						$ 4,020.10	$ 82.93
75								2.11%

TOWN COUNCIL AGENDA ITEM NO. 7

CONSENT ITEM

DATE: September 17, 2018

FROM: Kay Wilkinson, Budget Officer

ITEM: **Consider approval of an ordinance amending the Town of Flower Mound's Annual Budget for the fiscal year beginning October 1, 2017, and ending on September 30, 2018, as adopted by Ordinance No. 33-17 and amended by Ordinance No. 46-17, 20-18 and 22-18 for adjustments to the General Fund.**

BACKGROUND INFORMATION: The attached budget amendment represents the fourth proposed adjustment of the FY 2017-2018 Annual Budget. According to Section 9.14 of the Town Charter, "During the fiscal year, the Town Council shall have the power to transfer funds allocated by the budget from one department to another department, and to re-estimate revenues and expenditures." Transfers such as these are presented to the Town Council throughout the fiscal year in an effort to resolve variances from the Annual Budget and reallocate resources to cover unanticipated expenditures.

This budget amendment increases revenues and expenditures in the General Fund by $11,000 for a donation from Atmos Energy to the Fire and Emergency Services department. The department will use the donated funds to purchase an underwater remotely operated vehicle (ROV). The ROV operates as a submersible and would be used in conjunction with the department's side scan sonars during rescue or recovery operations. The benefit of the ROV is that it can be mobilized faster than a dive team from the cities of Grapevine or Lewisville; and it can be sent to examine areas of interest that may be too dangerous for a dive team to access. The ROV will allow for more efficient and effective use of resources during a recovery operation.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT:

Proposed Revenue:	Account Number(s):
$ 11,000	100-4720 Contributions/ Memorials
$ 11,000	

Proposed Expenditure:	Account Number(s):
$ 11,000	100-660-64000-6120 Fire and Emergency Services: Emergency Management
$ 11,000	

Finance Review by: Debra Wallace, Deputy Town Manager/CFO DW

LEGAL REVIEW: No alteration to the legal content of this ordinance, which was originally approved by Taylor, Olson, Adkins, Sralla, & Elam L.L.P, was made.

ATTACHMENTS:

1. Proposed Ordinance

DRAFT MOTION: Move to approve as presented in the agenda caption.

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. _______

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING THE TOWN'S BUDGET FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2017, AND ENDING ON SEPTEMBER 30, 2018, AS ADOPTED BY ORDINANCE NO. 33-17 AND AMENDED BY ORDINANCE NO. 46-17, 20-18 AND 22-18, BY PROVIDING FOR ADJUSTMENTS TO THE GENERAL FUND; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET, AS AMENDED; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town Council of the Town of Flower Mound, Texas ("Town Council") has heretofore adopted its Annual Budget for the fiscal year beginning on October 1, 2017, and ending on September 30, 2018; and,

WHEREAS, said Annual Budget was adopted by Ordinance No. 33-17 on September 18, 2017; and,

WHEREAS, said Annual Budget was amended by Ordinance No. 46-17 on December 18, 2017, Ordinance No. 20-18 on June 4, 2018, and Ordinance 22-18 on July 16, 2018; and,

WHEREAS, after approval of said Annual Budget, unexpected needs have arisen which require amendment of the Annual Budget; and,

WHEREAS, Section 102.010 of the Local Government Code allows the Town to make changes to the budget for municipal reasons;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, THAT:

SECTION 1

All of the above premises are hereby found to be true and correct factual and legislative determinations of the Town of Flower Mound and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2

The Annual Budget of the Town of Flower Mound, Texas, for the fiscal year beginning on October 1, 2017, and ending on September 30, 2018, as heretofore adopted by Ordinance No. 33-17 and amended by Ordinance No. 46-17, 20-18 and 22-18, is hereby amended to provide for adjustments to the General Fund, as shown in Exhibit "A," attached hereto and incorporated herein, and expenditures for said fiscal year shall be made in accordance with said Annual Budget, as amended.

SECTION 3

The expenditures and amendments authorized by this Ordinance are necessary to meet unusual and/or unforeseen conditions or circumstances that could not have been included in the original budget through the use of reasonably diligent thought and attention.

SECTION 4

A true and correct copy of this ordinance showing the approved budget amendments shall be filed with the Town Secretary and in the office of the County Clerk as required by Section 102.009 of the Local Government Code.

SECTION 5

All ordinances, orders or resolutions heretofore passed and adopted by the Town Council of the Town of Flower Mound, Texas, are hereby repealed to the extent that said ordinances, orders or resolutions, or parts thereof, are in conflict herewith.

SECTION 6

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

SECTION 7

This Ordinance shall take effect and be in full force from and after its passage and adoption.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF ______ TO _____, ON THIS 17th DAY OF SEPTEMBER, 2018.

APPROVED:

____

Steve Dixon, MAYOR

ATTEST:

____

Theresa Scott, TOWN SECRETARY

ORDINANCE NO. _______ **PAGE 3**

EXHIBIT "A"

Town of Flower Mound
Amended Budget
Fiscal Year 2017-2018

REASON FOR ADJUSTING THE GENERAL FUND APPROPRIATION:

In the General Fund, revenues will increase by $11,000, from $61,783,459 to $61,794,459 for a donation from Atmos Energy to the Fire and Emergency Services department. Expenditures will increase by $11,000, from $63,756,534 to $63,767,534 for a donation to the Fire and Emergency Services department. The department will use the donated funds to purchase an underwater remotely operated vehicle (ROV). The ROV operates as a submersible and would be used in conjunction with the department's side scan sonars during rescue or recovery operations. The benefit of the ROV is that it can be mobilized faster than a dive team from the cities of Grapevine or Lewisville; and it can be sent to examine areas of interest that may be too dangerous for a dive team to access. The ROV will allow for more efficient and effective use of resources during a recovery operation.

General Fund	Original Budget	Current Budget	Amended Budget	Increase / (Decrease)
Revenues:				
Taxes	$ 50,729,104	$ 50,729,104	$ 50,729,104	$ -
Charges for Services	3,328,305	3,328,305	3,328,305	-
Licenses and Permits	2,287,100	2,287,100	2,287,100	-
Fines and Forfeits	892,170	892,170	892,170	-
Investment Earnings	120,000	120,000	120,000	-
Intergovernmental Revenue	648,930	648,930	648,930	-
Other Revenue	3,662,043	3,777,850	3,788,850	11,000
Total	**$ 61,667,652**	**$ 61,783,459**	**$ 61,794,459**	**$ 11,000**
Expenditures:				
Town Manager's Office	$ 1,355,499	$ 1,683,854	$ 1,683,854	$ -
Legislative Services	465,385	484,385	484,385	-
Development Services	2,290,850	2,290,850	2,290,850	-
Community Services	9,629,261	9,804,330	9,804,330	-
Police Services	13,465,283	13,723,699	13,723,699	-
Financial Services	3,610,354	3,511,078	3,511,078	-
Administrative Servicies	5,686,005	5,973,905	5,973,905	-
Fire and Emergency Services	13,188,451	14,170,858	14,181,858	11,000
Communications	698,229	698,229	698,229	-
Non-Departmental Services	4,959,500	4,959,500	4,959,500	-
Public Works	4,776,599	4,902,599	4,902,599	-
Environmental Servcies	1,545,247	1,553,247	1,553,247	-
Total	**$ 61,670,663**	**$ 63,756,534**	**$ 63,767,534**	**$ 11,000**

TOWN COUNCIL AGENDA ITEM NO. 8

CONSENT ITEM

DATE: September 17, 2018

FROM: Brian Waltenburg, CIP Engineering Manager

ITEM: **Consider approval of a Professional Services Agreement with ECS Southwest LLP., to provide construction materials engineering and testing, for the Bakers Branch Collector Phase II project, in the amount of $66,082.50; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND INFORMATION: The Professional Services Agreement includes construction materials engineering and testing for the Bakers Branch Collector Phase II project.

FISCAL IMPACT: $66,082.50

Proposed Expenditure:	Account Number(s):
$66,082.50	630-970-98733

Finance Review by: Debra Wallace, Deputy Town Manager /CFO DW

LEGAL REVIEW: The Town's standard professional services agreement form documents, prepared by Taylor, Olson, Adkins, Sralla, & Elam L.L.P., were used to draft this agreement. No alteration to the legal content of this form document was made in preparation of these documents.

ATTACHMENTS:

1. Professional Services Agreement

DRAFT MOTION: Move to approve as presented in the agenda caption.

Attachment 1

THE STATE OF TEXAS §
COUNTY OF DENTON §

PROFESSIONAL SERVICES AGREEMENT WITH ECS SOUTHWEST, LLP

This contract is entered into on this 17th day of September, 2018, by and between the **TOWN OF FLOWER MOUND, TEXAS,** a municipal corporation located in Denton County, Texas, (hereinafter referred to as "TOWN"), acting by and through its Mayor, and **ECS SOUTHWEST, LLP,** ("hereinafter referred to as "CONSULTANT") whose address is 3033 Kellway Drive, Suite 110, Carrollton, TX 75006.

RECITALS

WHEREAS, TOWN desires to obtain professional services from CONSULTANT relative to construction materials engineering and testing and other services for the Bakers Branch Collector Phase II; and

WHEREAS, CONSULTANT is a construction materials engineering and testing firm qualified to provide such services and is willing to undertake the performance of such services for TOWN in exchange for fees hereinafter specified;

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter contained and subject to the terms and conditions hereinafter stated, the parties hereto do mutually agree as follows:

I.
Employment of Consultant

CONSULTANT will perform as an independent contractor all services under this Contract to the prevailing professional standards consistent with the level of care and skill ordinarily exercised by members of the architectural, engineering and planning professions, both public and private, currently practicing in the same locality under similar conditions including but not limited to the exercise of reasonable, informed judgments and prompt, timely action. If CONSULTANT is representing that it has special expertise in one or more areas to be utilized in this Contract, then CONSULTANT agrees to perform those special expertise services to the appropriate local, regional and national professional standards.

II.
Scope of Services

CONSULTANT shall perform such services as are necessary to provide the Bakers Branch Interceptor Construction Materials Engineering and Testing specifically including, but not necessarily limited to, the tasks enumerated more fully in Attachment "A" hereto entitled "Scope of Work" (hereafter referred to as the "Project"). Attachment "A" is hereby incorporated herein by reference and made a part hereof as if written word for word. However, in case of conflict in the language of Attachment "A" and this Contract, the terms and conditions of this Contract shall be final and binding upon both parties hereto.

III.
Payment for Services

Total payment for services described herein shall be a sum not to exceed Sixty-Six Thousand Eighty-Two and 50/100 Dollars ($66,082.50). This total payment for services includes CONSULTANT's ordinary expenses. Additional expenses and charges, which are extraordinary in nature, must be approved in advance by TOWN in writing signed by the parties. Such extraordinary expenses may be paid as incurred and billed to the TOWN pursuant to this Contract over and above the total payment amount identified in this provision. Any extraordinary expenses or charges not approved in writing in advance by the TOWN shall remain the sole responsibility of the CONSULTANT.

CONSULTANT will bill TOWN on an hourly basis for certain services provided combined with a flat fee for specific tests performed in accordance with Attachment "B"; provided however that this Contract shall control in the event of any conflict between the language in Attachment "B" and the language in this Contract. If additional services, trips or expenses are requested, CONSULTANT will not provide such additional services until authorized by TOWN in writing to proceed. The scope of services shall be strictly limited. TOWN shall not be required to pay any amount in excess of the amount identified in the preceding paragraph unless TOWN shall have approved in writing in advance (prior to the performance of additional work) the payment of additional amounts.

Each month CONSULTANT will submit to TOWN an invoice for actual services performed and reimbursable expenses incurred by CONSULTANT during the previous month for which payment is sought. Each invoice shall be itemized to show the amount of work performed that month broken down by the identity of the person(s) performing such work, the amount of time expended by such person(s) in performing that work, the billing rate for each such person, and a brief summary of the work or testing performed by each such person. Each invoice shall also state the percentage of work completed on the Project, the total of the current invoice amount and a running total balance for the Project to date.

Assuming that TOWN agrees with the invoice, that TOWN has not determined any of the work to be unsatisfactory, or that TOWN otherwise does not dispute any of the amounts billed, within thirty (30) days of receipt of each such monthly invoice TOWN shall make monthly payments in the amount shown by CONSULTANT's approved monthly statements and other documentation submitted.

Nothing contained in this Contract shall require TOWN to pay for any work that TOWN has determined has not been successfully completed or is unsatisfactory as determined by TOWN, or which is not otherwise submitted in compliance with the terms of this Contract, nor shall failure to withhold payment pursuant to the provisions of this section constitute a waiver of any right, at law or in equity, which TOWN may have if CONSULTANT is in default, including the right to bring legal action for damages or for specific performance of this Contract. Waiver of any default under this Contract shall not be deemed a waiver of any subsequent default.

IV.
Revisions of the Scope of Services

TOWN reserves the right to revise or expand the scope of services after due approval by TOWN as TOWN may deem necessary, but in such event TOWN shall pay CONSULTANT equitable compensation for such services. In any event, when CONSULTANT is directed to revise or expand the scope of services under this Section of the Contract, CONSULTANT shall provide TOWN a written proposal for the entire costs involved in performing such additional services. Prior to CONSULTANT undertaking any revised or expanded services as directed by TOWN under this Contract, TOWN must authorize in writing the nature and scope of the services and accept the method and amount of compensation and the time involved in all phases of the Project.

It is expressly understood and agreed by CONSULTANT that any compensation not specified in Paragraph III herein above may require Flower Mound Town Council approval and is subject to the current budget year limitations.

V.
Term

This Contract shall begin on the date first written above, and shall terminate when TOWN has approved the Project as being final or otherwise terminates this Contract as provided herein.

VI.
Contract Termination Provision

Notwithstanding any other provision of this Contract, this Contract may be terminated at any time by TOWN for any reason, with or without cause, by providing CONSULTANT thirty (30) days written notice of such termination. Upon receipt of such notice, CONSULTANT shall immediately terminate working on, placing orders or entering into contracts for supplies, assistance, facilities or materials in connection with this Contract and shall proceed to promptly cancel all existing contracts insofar as they are related to this Contract.

VII.
Ownership of Documents

All materials and documents prepared or assembled by CONSULTANT under this Contract shall become the sole property of TOWN and shall be delivered to TOWN without restriction on future use. CONSULTANT may retain in its files copies of all drawings, specifications and all other pertinent information for the work. CONSULTANT shall have no liability for changes made to any materials or other documents by others subsequent to the completion of the Contract.

VIII.
Insurance

A. CONSULTANT shall, at its own expense, purchase, maintain and keep in force during the term of this Contract such insurance as set forth below. CONSULTANT shall not commence work under this Contract until CONSULTANT has obtained all the insurance required under this Contract and such insurance has been approved by TOWN, nor shall CONSULTANT allow any subcontractor to commence work on its own subcontract until all similar insurance of the subcontractor has been obtained and approved. All insurance policies provided under this Contract shall be written on an "occurrence" basis save and except the Professional Liability Insurance which may be written on a "claims-made" basis, provided that "tail coverage" or continuation coverage is provided. The insurance requirements shall remain in effect throughout the term of this Contract.

The CONSULTANT shall furnish to TOWN certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. Certificates shall reference the Project and be addressed as follows:

Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, TX 75028
Email: purchasing@flower-mound.com

The following policies and coverage shall be required:

1. Worker's Compensation Insurance (as required by law) with the policy endorsed to provide a waiver of subrogation as to TOWN; such policy to provide for Employers' Liability Insurance of not less than $100,000.00 for each accident, $100,000.00 disease-each employee, $500,000.00 disease-policy limit;

2. Commercial General Liability Insurance including, but not limited to, Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractor's and Contractual Liability, including but not limited to coverage for all of the indemnification obligations of

CONSULTANT under this Contract, and fully insuring CONSULTANT's liability for injury to or death of employees of TOWN and of third parties, extended to include personal injury liability coverage and for damage to property of third parties, with minimum combined single limits of $1,000,000 per occurrence, $1,000,000 Products/Completed Operations Aggregate and $1,000,000 general aggregate per occurrence. Coverage must be written on an occurrence form. The General Aggregate shall apply on a per project basis;

3. Business Automobile Liability Insurance, covering owned, hired and non-owned vehicles, with a minimum combined bodily injury and property damage limit of $1,000,000.00 per occurrence; and

4. Professional Liability Insurance: CONSULTANT shall obtain and maintain at all times during the prosecution of the work under this Contract professional liability insurance, which may be written on a claims made form provided that "tail coverage" or continuation coverage is provided. Limits of liability shall be $1,000,000.00 per claim, $1,000,000.00 annual aggregate. The coverage under this policy shall include a contractual liability endorsement.

If any of the foregoing insurance is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than thirty-six (36) months following completion of the Contract and acceptance by the TOWN. All such insurance shall be purchased from an insurance company that meets a financial rating of B+VI or better as assigned by A.M. Best Company or equivalent.

B. Each insurance policy to be furnished by CONSULTANT shall include the following conditions by endorsement to the policy:

1. The TOWN shall be named as an additional insured on the Commercial General Liability policy, by using endorsement CG2026 or broader;

2. The TOWN shall also be named as an additional insured as to all other applicable coverage save and except the Worker's Compensation Insurance and Professional Liability Insurance;

3. Each policy will <u>require</u> that thirty (30) days prior to the expiration, cancellation, nonrenewal or any material change in coverage, a notice thereof shall be given to TOWN by certified mail to:

Brian Waltenburg, P.E.
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874-6234 Telephone

However, if the policy is canceled for nonpayment of premium, only ten (10) days advance written notice to TOWN is required. CONSULTANT shall also notify TOWN within twenty-four (24) hours after receipt of any notices of expiration, cancellation, nonrenewal or any material change in coverage it receives from its insurer(s);

4. The term "Owner" or "TOWN" shall include all authorities, boards, bureaus, commissions, divisions, departments and offices of TOWN and the individual members, employees and agents thereof in their official capacities, and/or while acting on behalf of TOWN;

5. The policy phrase "Other Insurance" shall not apply to TOWN where TOWN is an additional insured on the policy; and

6. All provisions of the Contract concerning liability, duty and standards of care together with the indemnification provision shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

C. Concerning insurance to be furnished by CONSULTANT, it is a condition precedent to acceptability thereof that:

1. Any policy submitted shall not be subject to limitations, conditions or restrictions deemed inconsistent with the intent of the insurance requirements to be fulfilled by CONSULTANT. The TOWN's decision(s) thereon shall be final;

2. All policies are to be written through companies duly approved to transact that class of insurance in the State of Texas; and

3. All liability policies required herein, save and except Professional Liability Insurance, shall be written with an "occurrence" basis coverage trigger.

D. CONSULTANT agrees to the following:

1. CONSULTANT hereby waives subrogation rights for loss or damage to the extent same are covered by insurance. Insurers shall have no right of recovery or subrogation against TOWN, it being the intention that the insurance policies shall protect all parties to this Contract and be primary coverage for all losses covered by the policies;

2. Companies issuing the insurance policies and CONSULTANT shall have no recourse against TOWN for payment of any premiums, or assessments for any deductible, as all such premiums are the sole responsibility and risk of CONSULTANT;

3. Approval, disapproval or failure to act by TOWN regarding any insurance supplied by CONSULTANT (or any subcontractors) shall not relieve CONSULTANT of full responsibility or liability for damages and accidents as set forth in the Contract documents. Neither shall the insolvency or denial of liability by the insurance company exonerate CONSULTANT from liability; and

4. No special payments shall be made for any insurance that the CONSULTANT and subcontractors are required to carry; all are included in the contract price and the contract unit prices.

Any of the insurance policies required under this section may be written in combination with any of the others, where legally permitted, but none of the specified limits may be lowered thereby.

IX.
Right to Inspect Records

CONSULTANT agrees that TOWN shall have access to and the right to examine any directly pertinent books, documents, papers and records of CONSULTANT involving transactions relating to this Contract. CONSULTANT agrees that TOWN shall have access during normal working hours to all necessary CONSULTANT facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. TOWN shall give CONSULTANT reasonable advance notice of intended audits.

CONSULTANT further agrees to include in subcontract(s), if any, a provision that any subcontractor or engineer agrees that TOWN shall have access to and the right to examine any directly pertinent books, documents, papers and records of such engineer or sub-contractor involving transactions to the subcontract, and further, that TOWN shall have access during normal working hours to all such engineer or sub-contractor facilities and shall be provided adequate and appropriate work space, in order to conduct audits in compliance with the provisions of the paragraph. TOWN shall give any such engineer or sub-contractor reasonable advance notice of intended audits.

X.
Successors and Assigns

TOWN and CONSULTANT each bind themselves and their successors, executors, administrators and assigns to the other party to this Contract and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Contract. Neither TOWN nor CONSULTANT shall assign or transfer its interest herein without the prior written consent of the other.

XI.
CONSULTANT's Liability

Acceptance of the final plans by the TOWN shall not constitute nor be deemed a release of the responsibility and liability of CONSULTANT, its employees, associates, agents or consultants for the accuracy and competency of their designs, working drawings, specifications or other documents and work; nor shall such acceptance be deemed an assumption of responsibility by TOWN for any defect in the designs, working drawings, specifications or other documents and work; nor shall such acceptance be deemed an assumption of responsibility by TOWN for any defect in the designs, working drawings, specifications or other documents and work prepared by said CONSULTANT, its employees, associates, agents or sub-consultants. In this regard, CONSULTANT acknowledges that TOWN is retaining CONSULTANT to provide the services described herein, in reliance upon CONSULTANT's specialized expertise and experience, and in reliance thereon.

XII.
Indemnification

THE PROVISIONS OF THIS SECTION ARE SUBJECT TO THE LIMITATIONS OF TEXAS LOCAL GOVERNMENT CODE SECTION 271.904 AND SHALL BE CONSTRUED TO THAT EFFECT. THE CONSULTANT AS ALLOWED BY TEXAS LOCAL GOVERNMENT CODE SECTION 271.904 WILL STILL NAME TOWN AS ADDITIONAL INSURED IN ITS GENERAL LIABILITY POLICY AND PROVIDE ANY DEFENSE AS ALLOWED BY THE POLICY. CONSULTANT DOES HEREBY COVENANT AND CONTRACT TO WAIVE ALL CLAIMS, RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ALL OF ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES AND INVITEES, IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM ANY AND ALL LIABILITY, CLAIMS, SUITS, DEMANDS OR CAUSES OF ACTION, INCLUDING ALL EXPENSES OF LITIGATION AND/OR SETTLEMENT, THAT MAY ARISE BY REASON OF DEATH OR INJURY TO PERSONS OR DAMAGE TO OR LOSS OF USE OF PROPERTY OCCASIONED BY ANY WRONGFUL INTENTIONAL ACT OR OMISSION OF CONSULTANT AS WELL AS ANY NEGLIGENT OMISSION, ACT OR ERROR OF CONSULTANT, ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES AND INVITEES, OR OTHER PERSONS FOR WHOM CONSULTANT IS LEGALLY LIABLE WITH REGARD TO THE PERFORMANCE OF THIS CONTRACT, REGARDLESS OF WHETHER SUCH LIABILITY, CLAIMS, SUITS, DEMANDS OR CAUSES OF ACTION IS THE RESULT IN PART OF TOWN'S NEGLIGENCE OR FAULT, AND CONSULTANT WILL, AT ITS OWN COST AND EXPENSE, DEFEND AND PROTECT TOWN AGAINST ANY AND ALL SUCH CLAIMS AND DEMANDS.

XIII.
Independent Contractor

CONSULTANT's status shall be that of an Independent Contractor and not an agent, servant, employee or representative of TOWN in the performance of this Contract. No term or provision of or act of CONSULTANT or TOWN under this Contract shall be construed as changing that status. CONSULTANT will have exclusive control of and the exclusive right to control the details of the work performed hereunder, and shall be liable for the acts and omissions of its officers, agents, employees, contractors, subcontractors and engineers and the doctrine of respondeat superior shall not apply as between TOWN and CONSULTANT, its officers, agents, employees, contractors, subcontractors and engineers, and nothing herein shall be construed as creating a partnership or joint enterprise between TOWN and CONSULTANT.

XIV.
Default

If at any time during the term of this Contract, CONSULTANT shall fail to commence the work in accordance with the provisions of this Contract, or fail to diligently provide services in an efficient, timely and careful manner and in strict accordance with the provisions of this Contract, or fail to use an adequate number or quality of personnel to complete the work or fail to perform any of its obligations under this Contract, then TOWN shall have the right, if CONSULTANT shall not cure any such default after thirty (30) days written notice thereof, to terminate this Contract for cause. Any such act by TOWN shall not be deemed a waiver of any other right or remedy of TOWN. If after exercising any such remedy due to CONSULTANT's nonperformance under this Contract, the cost to TOWN to complete the work to be performed under this Contract is in excess of that part of the Contract sum which has not theretofore been paid to CONSULTANT hereunder, CONSULTANT shall be liable for and shall reimburse TOWN for such excess. CONSULTANT'S liability under this provision shall be limited to the total dollar amount of this Contract, except to the extent that such liability is covered by CONSULTANT's insurance, whether maintained as a requirement of this Contract or otherwise.

TOWN's remedies for CONSULTANT's default or breach under this Contract shall be limited to one or more of the following remedies which may be exercised separately or in combination at TOWN's sole exclusive choice:

(a) Specific performance of the Contract;

(b) Re-performance of this Contract at no extra charge to TOWN; or

(c) Monetary damages in an amount not to exceed:

(1) The amount of any applicable insurance coverage CONSULTANT is required to purchase and maintain under this Contract plus any deductible amount to be paid by CONSULTANT in conjunction with said coverage regardless of whether CONSULTANT has actually purchased and maintained said coverage, plus any additional insurance maintained by CONSULTANT in excess or in addition to the coverage required under this Contract; plus

(2) The total dollar amount of this Contract.

XV.
Provisions Surviving Termination

The terms of Sections XII entitled Indemnification, and XVIII entitled Confidential Information shall survive termination of this Contract.

XVI.
Changes

TOWN may, from time to time, require changes in the scope of services to be performed under this Contract. Such changes as are mutually agreed upon by and between TOWN and CONSULTANT shall be incorporated by written modification to this Contract.

XVII.
Conflicts of Interest

CONSULTANT covenants and agrees that CONSULTANT and its associates and employees will have no interest, and will acquire no interest, either direct or indirect, which will conflict in any manner with the performance of the services called for under this Contract. All activities, investigations and other efforts made by CONSULTANT pursuant to this Contract will be conducted by employees, associates or subcontractors of CONSULTANT.

No officer or employee of TOWN shall have any personal, financial interest, direct or indirect, in this Contract nor have any direct financial interest in the sale to TOWN of any land, materials, supplies, or services under this Contract, except on behalf of TOWN as a TOWN officer or employee. Any violation of this prohibition with knowledge, expressed or implied, of the person or corporation contracting with TOWN shall render the Contract voidable by the Director or the Town Council.

XVIII.
Confidential Information

CONSULTANT hereby acknowledges and agrees that its representatives may have access to or otherwise receive information during the furtherance of its obligations in accordance with this Contract, which is of a confidential, non-public or proprietary nature. CONSULTANT shall treat any such information received in full confidence and will not disclose or appropriate such Confidential Information for its own use or the use of any third party at any time during or subsequent to this Contract. As used herein, “Confidential Information” means all oral and written information concerning TOWN, its affiliates and subsidiaries, and all oral and written information concerning TOWN or its activities, that is of a non-public, proprietary or confidential nature including, without limitation, information pertaining to customer lists, services, methods, processes and operating procedures, together with all analyses, compilation, studies or other documents, whether prepared by CONSULTANT or others, which contain or otherwise reflect such information. The term “Confidential Information” shall not include such materials that are or become generally available to the public other than as a result of disclosure of CONSULTANT, or are required to be disclosed by a governmental authority or by law, as determined by TOWN’s attorney.

XIX.
Notice Information

All notices and communications under this CONTRACT to be mailed to TOWN shall be sent to the address of TOWN’s agent as follows, unless and until CONSULTANT is otherwise notified:

Brian Waltenburg, P.E.
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874- 6234 Telephone

Notices and communications to be mailed or delivered to CONSULTANT shall be sent to the address of CONSULTANT as follows, unless and until TOWN is otherwise notified:

Vince Elizarde, P.E.
ECS Southwest, LLP
3033 Kellway Drive, Suite 110
Carrollton, TX 75006
972-392-3222 Telephone

Any notices and communications required to be given in writing by one party to the other shall be considered as having been given to the addressee on the date the notice or communication is posted, faxed or personally delivered by the sending party.

XX.
Applicable Law

The Contract is entered into subject to the Flower Mound Town Charter and ordinances of TOWN, as same may be amended from time to time, and is subject to and is to be construed, governed and enforced under all applicable State of Texas and federal laws. CONSULTANT will make any and all reports required per federal, state or local law including, but not limited to, proper reporting to the Internal Revenue Service, as required in accordance with CONSULTANT's income. Situs of this Contract is agreed to be Denton County, Texas, for all purposes, including performance and execution.

XXI.
Non-Discrimination

CONSULTANT shall not discriminate against any employee, applicant for employment, contractor, or sub-contractor because of the race, age, color, religion, sex, or national origin of such person. Engineer shall take affirmative action to insure that all such persons are treated equally during their employment without regard to their race, age, color, religion, sex, or national origin. If CONSULTANT fails to comply with the federal or state laws relating to Equal Employment Opportunity, it is agreed that TOWN, at its option, may do either or both of the following:

(a) Cancel, terminate, or suspend the Contract in whole or in part; or

(b) Declare CONSULTANT ineligible for future TOWN contracts until it is determined to be in compliance.

XXII.
Arbitration

CONSULTANT agrees not to enter into any agreement to arbitrate arising out of, or relating to, this Contract which would subject TOWN to being a party to any arbitration without TOWN's prior written consent.

XXIII.
No Waiver of Governmental Immunity

Nothing in this Contract shall be construed as a waiver of TOWN'S governmental immunity, or of any applicable limitation on damages, or any other legal protection or defense or privilege of TOWN, except to the extent expressly provided otherwise herein.

XXIV.
Severability

If any of the terms, provisions, covenants, conditions or any other part of this Contract are for any reason held to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants, conditions or any other part of this Contract shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

XXV.
Remedies

No right or remedy granted herein or reserved to the parties is exclusive of any other right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Contract may be waived without written consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Contract.

XXVI.
Entire Agreement

This Contract embodies the entire agreement of the parties hereto, superseding all oral or written previous and contemporaneous agreements between the parties relating to matters herein, and except as otherwise provided herein cannot be modified without written agreement of the parties.

XXVII.
Non-Waiver

It is further agreed that one (1) or more instances of forbearance by TOWN in the exercise of its rights herein shall in no way constitute a waiver thereof.

XXVIII.
Headings

The headings of this Contract are for the convenience of reference only and shall not affect any of the terms and conditions hereof in any manner.

XXIX.
Venue

This Contract is fully performable in Denton County, Texas, and the parties to this Contract agree and covenant that this Contract will be enforceable in Flower Mound, Texas; and that if legal action is necessary to enforce this Contract, exclusive venue will lie in Denton County, Texas.

XXX.
No Third Party Beneficiary

For purposes of this Contract, including its intended operation and effect, the parties (TOWN and CONSULTANT) specifically agree and contract that: (1) the Contract only affects matters/disputes between the parties to this Contract, and is in no way intended by the parties to benefit or otherwise affect any third person or entity notwithstanding the fact that such third person or entity may be in contractual relationship with TOWN or CONSULTANT or both; and (2) the terms of this Contract are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either TOWN or CONSULTANT.

[The remainder of this page left blank intentionally]

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed as of the date first above written.

THE TOWN OF FLOWER MOUND, TEXAS

By:_______________________________________
The Honorable Steve Dixon
Mayor, Town of Flower Mound

Date Signed: _________________________

Attest:

____
Town Secretary

Attachment 1

CONSULTANT:
ECS SOUTHWEST, LLP.

By: Sneekhra

Name: SIDDHARTH NEEKHRA

Title: VICE PRESIDENT

Date Signed: 8/21/2018

State of Texas §
§
County of Tarrant §

This instrument was acknowledged before me on the 21 day of August, 2018, by SIDDHARTH NEEKHRA in his capacity as VICE PRESIDENT of ECS SOUTHWEST, a LLP Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same on behalf of and as the act of VICE PRESIDENT.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 21ST DAY OF AUGUST, 2018.

MB

Notary Public, State of Texas

My Commission Expires:

6/20/2021

NOTARY PUBLIC STATE OF TEXAS
MEGAN BULLARD
Notary ID #131180032
My Commission Expires
June 20, 2021

Rev061818

APPENDIX A: SCOPE OF SERVICES

Our construction materials engineering & testing services scope is limited to providing periodic testing and/or observations for the expected general construction activities noted previously. We understand that the client or their designated representative will be scheduling our services, and the number of hours and level of effort that we based our proposal on should be considered approximate for budgetary purposes since it is not based on a published construction schedule or contractor material quantities. If a schedule becomes available, we can review this schedule against our assumptions and be more definitive in our proposed scope of services.

Unless otherwise noted, we agree to provide an engineering technician(s) or an engineer to perform our construction materials field testing, sampling, and observation services as noted in the following sections. *To most effectively serve the client and facilitate the construction process, our services should be scheduled 24-hours in advance. We understand that the construction process incorporates a large degree of variability and as such, we will do our best to accommodate scheduling calls made on the same day as our services are needed but we cannot guarantee that we can satisfy service requests made after-hours or on the same day as the services are needed to be performed.*

We anticipate the following services for this project:

Earthwork
Perform as-scheduled earthwork (soils) observation, sampling, and testing services including:

1. Obtain (pick up) soil samples and perform laboratory soil tests generally including moisture/density relationship (Standard Proctor) tests, soil classification tests (Atterberg Limits and percent finer than the no. 200 sieve) as requested for each requested soil-type of on-site or imported material. Additional soil testing may be required depending on project-specific requirements.
2. Observe proof-rolling of prepared subgrade areas.
3. Observe placement and compaction of backfill materials (as scheduled).
4. Perform in-place moisture/density tests on placed and compacted soils, moisture-conditioned soils, and prepared subgrades.
5. As-requested, periodically observe excavation operations to document removal of unsuitable materials including but not limited to deleterious materials, trash, debris, frozen soil, or stones.
6. Where deficiencies are noted during fill or backfill placement, observe remedial actions, including reworking and recompaction of materials.

Retaining Walls
Perform as-scheduled retaining wall observation services including:

1. Observe the general retaining wall geometry and layout.
2. Observe and test reinforcing steel and cast-in-place concrete as noted in “Reinforcing Steel & Cast-In-Place Concrete” scope below.
3. Observe and test the placed and compacted backfill materials placed behind the retaining wall as noted in the “Earthwork” scope above.

Pier Foundations
Perform as-scheduled pier installation observation services including:

1. Observe the pier excavation and geometry, groundwater conditions, bearing strata depth, and bearing strata penetration depth for drilled pier foundations.
2. Observe and test reinforcing steel and cast-in-place concrete as noted in “Reinforcing Steel & Cast-In-Place Concrete” scope below.

Reinforcing Steel & Cast-In-Place Concrete

Perform as-scheduled observation, sampling, and testing services for concrete placement events including:

1. Observe foundation installation (excavation, reinforcing steel layout, and concrete placement).
2. Observe reinforcing steel layout for size, grade, spacing, cleanliness, length, splices, and positioning. Excludes post-tensioned structures (see "Post-Tensioned Structures" below).
3. Observe concrete placement, contractor procedures, and limited initial curing.
4. Perform concrete field tests and associated measurements including: slump, air content, unit weight, and ambient air & concrete temperature. Sample placed concrete materials.
5. Pick up concrete sample cylinders the following work-day and transport them to the ECS concrete laboratory for processing, moisture curing, and subsequent compressive strength testing.

Project Management

Project Managers and Principal Engineers will manage the project as follows:

1. Attend the Pre-Construction meeting (if held).
2. Coordinate field and lab services with the project general contractor and dispatch our field staff as scheduled.
3. Visit the project site during services delivery and periodically throughout project duration (no Vehicle Charge).
4. Process, finalize, and distribute all field and laboratory reports.
5. Manage our project operation and services delivery as well as provide general material engineering consultation.

Our field staff or project professionals will provide documentation of events in the field and notify the project general contractor and the client (as needed) upon recognition of deficiencies.

ADDITIONAL SERVICES

The following services are not included in the Scope of Services and will be considered as *Additional Services*, if and when they are required, requested, or occur:

1. Additional construction material samples for laboratory testing including early test samples or additional sample sets beyond the frequency required in the project documents.*
2. Lime-stabilization based field and laboratory tests should the contractor elect to lime stabilize the pavement subgrade in lieu of flowable fill placement. Field and laboratory tests include: Laboratory Lime Series, Lime Gradations, and Lime Depth Checks.*
3. Service cancellations while our staff is in transit to the project site or once at the project site.*
4. Onsite delays and standby time.*
5. Failed Tests.*
6. Attend project meetings or routine construction meetings throughout the duration of the construction process.
7. Any additional services not specifically included in the above Scope of Services for this project.*

* Including all associated time, materials, and vehicle charges.

The additional services noted above are not factored into our scope and estimated fees and will be invoiced as additional services to be addressed by the Town of Flower Mound with the contractor. *These additional services will be invoiced as Task 2 charges.* Unless defined specifically, all additional services will be invoiced at their standard rates (subject to overtime modification, where applicable) shown on the "Standard Fee Schedule" provided in Appendix B.

Beyond the scope of services presented in this proposal for this project, ECS offers the following construction materials engineering and testing services, locally, that could prove beneficial to the client and the project in general:

- Ground Penetrating Radar (GPR)
- Concrete Coring and Core Sample Testing

APPENDIX B: ESTIMATED FEES & STANDARD FEE SCHEDULE

ESTIMATED FEES

Description of Services	Notes	Quantity	Unit	Rate	Total
Earthwork					
Engin. Technician - *Lab Sample Pickup*	*3 Events*	9	hours	$ 55.00	$ 495.00
Engin. Technician - *Utility Backfill*	*98 Events*	392	hours	$ 55.00	$ 21,560.00
Engin. Technician (OT) - *Utility Backfill*		0	hours	$ 82.50	$ -
Engin. Technician - *Manhole Structures*	*16 Events*	48	hours	$ 55.00	$ 2,640.00
Engin. Technician (OT) -*Manhole Structures*		0	hours	$ 82.50	$ -
Engin. Technician - *Pavement & Sidewalk SG*	*17 Events*	25.5	hours	$ 55.00	$ 1,402.50
Engin. Technician (OT) - *Pvmt & SWalk SG*		0	hours	$ 82.50	$ -
Engin. Technician - *Retaining Wall*	*2 Events*	8	hours	$ 55.00	$ 440.00
Engin. Technician (OT) - *Retaining Wall*		0	hours	$ 82.50	$ -
Nuclear Gauge Fee		133	events	$ 75.00	$ 9,975.00
LAB: Moist./Dens. Relationship (St. Proctor)		8	each	$ 140.00	$ 1,120.00
LAB: Atterberg Limits (Plasticity Index)		8	each	$ 80.00	$ 640.00
LAB: Washed Sieve Analysis (Pass No. 200)		8	each	$ 60.00	$ 480.00
Vehicle Charge		136	trips	$ 25.00	$ 3,400.00
				Subtotal:	**$ 42,152.50**
Reinforcing Steel & Cast-In-Place Concrete					
Engin. Technician - *Manhole Structures*	*6 Events*	12	hours	$ 55.00	$ 660.00
Engin. Technician (OT) - *Manhole Structures*		0	hours	$ 82.50	$ -
Engin. Technician - *Pavement*	*10 Events*	50	hours	$ 55.00	$ 2,750.00
Engin. Technician (OT) - *Pavement*		0	hours	$ 82.50	$ -
Engin. Technician - *Sidewalks*	*7 Events*	14	hours	$ 55.00	$ 770.00
Engin. Technician (OT) - *Sidewalks*		0	hours	$ 82.50	$ -
Sr. Engin. Technician - *Foundations (Piers)*	*4 Events*	20	hours	$ 60.00	$ 1,200.00
Sr. Engin. Technician (OT) - *Fdtns (Piers)*		0	hours	$ 90.00	$ -
Sr. Engin. Technician - *Retaining Wall*	*1 Events*	3	hours	$ 60.00	$ 180.00
Sr. Engin. Technician (OT) - *Retaining Wall*		0	hours	$ 90.00	$ -
LAB: Concrete Cylinders - Comp. Strength	*38 Sets of 5*	190	each	$ 18.00	$ 3,420.00
Material Sample Pickup		28	trips	$ 55.00	$ 1,540.00
Vehicle Charge		28	trips	$ 25.00	$ 700.00
				Subtotal:	**$ 10,560.00**
Project Management					
Administrator / Clerical		14	hours	$ 50.00	$ 700.00
Project Manager		82	hours	$ 120.00	$ 9,840.00
Principal Engineer		17	hours	$ 165.00	$ 2,805.00
Vehicle Charge		1	trips	$ 25.00	$ 25.00
				Subtotal:	**$ 13,370.00**
				TOTAL ESTIMATED COST:	**$ 66,082.50**

General Assumptions:

Based on the general project information and our scope of services outlined above, the general assumptions utilized in the preparation of our estimated fees are listed below:

1. All material sample pickups and transport to our Laboratory are separate trips, independent of scheduled services.
2. All reinforcing steel observation (as scheduled) will be performed on the same trip as the respective concrete placement event, immediately prior to concrete placement.
3. Trench excavation backfilling will be completed at a rate of 100 linear feet / day with 2 to 3 lifts placed per day.
4. Concrete will generally be placed at less than 10 cubic yards per event (pour) for sidewalk events with each sidewalk cast independently. Concrete will generally be placed at around 50 cubic yards per event (pour) for pavement placement events.
5. Unless requested otherwise by the client, concrete sample sets will consist of 5 sample cylinders measuring 4 inches in height by 8 inches in diameter and will be tested: 1 at 7 Days, 3 at 28 Days, and 1 Hold/56-Day (as needed).
6. The retaining wall will be cast in one concrete placement event and the backfilling of the retaining wall will be completed in two events.
7. Utility structures (drop manholes) will be cast-in-place concrete and not pre-cast structures and each completed in two placement events.
8. Aerial crossing pier foundations will be installed in two separate events (one event for each location). Aerial crossing pier caps (pipe support) will be installed in two separate events (one event for each location).
9. Overtime is not expected due to the project location and construction work hours constraints.
10. For budgeting purposes, all onsite services are estimated to be performed on separate trips and independent of each other.

STANDARD FEE SCHEDULE

Description of Services	Notes	Unit Rate
Field Services		
• Engineering Technician		$ 55.00 / hour
• Senior Engineering Technician		$ 60.00 / hour
• Structural Steel Technician		$ 75.00 / hour
• Nuclear Gauge Fee		$ 75.00 / day
• Concrete Core Drilling – Mobilization		$ 275.00 / each
• Concrete Core Drilling – Crew		$ 100.00 / hour
• Material Sample Pickup (Concrete, Grout, & Mortar)		$ 55.00 / trip
• Vehicle Charge		$ 25.00 / trip
• Mileage (If Applicable)		$ 0.70 / mile
Project Management & Engineering Services		
• Administrator / Clerical		$ 50.00 / hour
• Project Manager		$ 120.00 / hour
• Project Principal		$ 165.00 / hour
• Concrete Mix Design Review		$ 300.00 / each
• Certification Letter		$ 325.00 / each
Laboratory Services		
• Earthwork: Standard Proctor, Moisture / Density Relationship	*ASTM D-698*	$ 140.00 / each
• Earthwork: Modified Proctor, Moisture / Density Relationship	*ASTM D-1557*	$ 140.00 / each
• Earthwork: Atterberg Limits Tests, Plasticity Index	*ASTM D-4318*	$ 80.00 / each
• Earthwork: Washed Sieve Analyses, Percent Passing #200 Sieve	*ASTM D-1440*	$ 60.00 / each
• Earthwork: Lime Series	*ASTM D-6276*	$ 160.00 / each
• Earthwork: Lime Gradations	*ASTM D-6913*	$ 15.00 / each
• Earthwork: Free-Swell Test	*ASTM D-4546*	$ 100.00 / each
• Concrete: Cylinders – Compressive Strength	*ASTM C-39*	$ 18.00 / each
• Masonry: Grout Prisms – Compressive Strength	*ASTM C-1019*	$ 50.00 / each
• Masonry: Mortar Cubes – Compressive Strength	*ASTM C-270*	$ 18.00 / each
• Masonry: Masonry Block Prism – Compressive Strength	*ASTM C-1314*	$ 300.00 / each

General Notes:

1. There will be no minimum charge for services rendered on this project; billing will be based on specific unit rates reflecting only the actual time spent and tests performed on this project.
2. Hourly unit rates are based on a normal 10 hour work day, Monday through Friday (non-holidays), between normal business hours of 7:00 a.m. to 5:00 p.m. Hourly rates outside normal hours (excluding travel time), and on Saturday, Sunday, and Holidays, will be invoiced at a rate of 1.5 times the normal hourly rate indicated above.
3. All vehicle charges account for a round trip originating at the **ECS Southwest, LLP - Carrollton, Texas** office to the project site.

TOWN COUNCIL AGENDA ITEM NO. 9

CONSENT ITEM

DATE: September 17, 2018

FROM: David Bauer, Construction Manager

ITEM: **Consider approval of Change Order No. 2, for the Heritage Park Phase IV project, with North Rock Construction, LLC., in the amount of $39,760.64; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND INFORMATION: On February 7, 2018, bids were received and opened for the Heritage Park Phase IV project. North Rock Construction, LLC., submitted the lowest qualified bid of the eight responding bidders at a base bid of $1,309,937.41, with bid options totaling $187,835.54, for a grand total of $1,497,772.95.

On July 13, 2018, Change Order No. 1 was approved for the Heritage Park Phase IV project, amending the contract with North Rock Construction, LLC., for a decrease to the contract in the amount of $219,405.50 to a revised contract value of $1,278,367.45.

Change Order No. 2 provides for installing temporary fence, adding additional retaining wall clad with rock, relocating main line irrigation and associated control valve wiring under the new parking lot, removing quantities not needed on the east side trail and irrigation system components not required. If approved, this change order will increase the contract amount from $1,278,367.45 to $1,318,128.09.

FISCAL IMPACT: $39,760.64

Proposed Expenditure:	Account Number(s):
$39,760.64	317-110-90708

Finance Review by: Debra Wallace, Deputy Town Manager /CFO DW

LEGAL REVIEW: N/A

ATTACHMENTS:

1. Change Order No. 2

DRAFT MOTION: Move to approve as presented in the agenda caption.

Attachment 1

CHANGE ORDER

Effective Date: Effective on the date of execution by the Mayor

Owner: Town of Flower Mound

Contractor: North Rock Construction, LLC
525 South Loop 288 Suite 105
Denton, Texas 76205

Project: Heritage Park Phase IV

CHANGE ORDER NO. 2

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

You are directed to make the following changes in the Contract Documents:

Bid Item No.	Description	Add/ Deduct	Quantity	Unit	Price	Extended Amount
5	Irrigation system	DEDUCT	-0.1461	LS	$36,630.00	($5,350.00)
16	Retaining Wall East Side	ADD	525	SFF	$66.11	$34,707.75
24	Quantity Deduction on Trail	DEDUCT	-361	SF	$7.51	($2,711.11)
CO 2-A	Relocate Irrigation Main Line	ADD	1	LS	$6,198.00	$6,198.00
CO 2-B	Add for Temporary Construction Fence West Side	ADD	1456	LF	$4.75	$6,916.00
						$39,760.64

Original Contract Price	$1,497,772.95
Change Order No. 1	($219,405.50)
Change Order No. 2	$39,760.64
Revised Contract Price	**$1,318,128.09**

Bid Item No.	JUSTIFICATION
5	Provides for tying into an existing stub out instead of having to tap the main water line and removes the water meter and RPZ
16	Provides for adding additional wall clad with rock on the trail section that topography required the height of the wall to be at a higher elevation than what was indicated on the plans. The trail was adjusted to save more trees.
24	Provides for quantity not needed realigning the trail and avoiding taking out more trees.
CO2-A	Provides for relocating the irrigation main line with all the associated wiring to the zone valves that is under the parking lot pavement.
CO2-B	Provides for temporary construction fence to prevent the public from entering the active construction zone. (Allowance)

Attachment 1

Original Substantial Completion Days	180
Change Order No. 1 Additional Days	7
Change Order No. 2 Additional Days	7
Revised Substantial Completion Days	194

Original Final Completion Days	210
Change Order No. 1 Additional Days	7
Change Order No. 2 Additional Days	7
Revised Final Completion Days	224

8.10.18

Recommended David Bauer Date
Construction Manager

Approved Steve Dixon Date
Mayor, Town of Flower Mound

8/10/18

Contractor Date

President

Contractor Title

TOWN COUNCIL AGENDA ITEM NO. 10
CONSENT ITEM

DATE: September 17, 2018

FROM: Blake Hummel P.E., Project Engineer

ITEM: **Consider approval of Professional Services Agreement Amendment No. 1, for the FM 2499 12-Inch Water Line Phase I project, amending the agreement with Kimley-Horn and Associates, Inc., for an increase of $35,800.00; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND INFORMATION: On February 5, 2018, a Professional Services Agreement for design of the FM 2499 12-Inch Water Line Phase I project, with Kimley-Horn and Associates, Inc., for $151,500.00, was approved by the Town. The design included approximately 6,800 linear feet of 12-inch water line, along various gaps on the east and west side of FM 2499 ranging from Sagebrush Drive, north to Dixon Lane. During design it was found additional services were required above and beyond the original scope. These items include subsurface utility engineering (SUE), an ESA report and USACE permitting. These items are included within the amended design scope of Amendment No. 1. The additional services have increased the not-to-exceed amount by $35,800.00 to $187,300.00.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: $35,800.00

Proposed Expenditure:	**Account Number(s):**
$35,800.00	601-900-98838

Finance Review by: Debra Wallace, Deputy Town Manager /CFO DW

LEGAL REVIEW: The Town's standard Amendment to Professional Services Agreement form documents, prepared by Taylor, Olson, Adkins, Sralla, & Elam L.L.P., were used to draft this amendment. No alteration to the legal content of this form document was made in preparation of these documents.

ATTACHMENTS:

1. First Amendment No. 1 to Professional Services Agreement

DRAFT MOTION: Move to approve as presented in the agenda caption.

Attachment 1

THE STATE OF TEXAS §
COUNTY OF DENTON §

FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC.

This First Amendment to Professional Services Agreement ("First Amendment") is entered into on this 17th day of September, 2018, by and between the **TOWN OF FLOWER MOUND, TEXAS,** a municipal corporation located in Denton County, Texas, (hereinafter referred to as "Town"), acting by and through its Mayor, and **KIMLEY-HORN AND ASSOCIATES, INC.,** ("hereinafter referred to as "Consultant") regarding the following project:

FM 2499 12-INCH WATER LINE PH1

I. RECITALS

WHEREAS, Town entered into a professional engineering design and related construction services from Consultant for the FM 2499 12-Inch Water Line Ph1 project ("Services") on or about the 5th day of February, 2018 (the "Contract"); and

WHEREAS, Town and Consultant both desire to amend the Contract and Consultant is willing to undertake the performance of such additional services and agrees to the increased cost for such services as expressed herein;

II. TERMS OF AMENDMENT

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter contained and subject to the terms and conditions hereinafter stated, the parties hereto do mutually agree as follows:

A.
Recitals Incorporated

The foregoing recitals are found to be true and correct, are fully incorporated into the body of this First Amendment, and made a part hereof by reference just as though they are set out in their entirety.

B.
Amendment of Paragraph No. II

From and after the approval of this First Amendment, Section II of the Contract, entitled "Scope of Services" is hereby deleted in its entirety and replaced with a new Paragraph No. II to read as follows:

> "CONSULTANT shall perform such professional engineering services, not necessarily limited to, the tasks enumerated more fully in Attachment "A-1" entitled "Scope of

> Services", as are necessary to complete the FM 2499 12-Inch Water Line Ph1 (hereafter referred to collectively as the "Project"). Attachment "A-1" is hereby incorporated herein by reference and made a part hereof as if written word for word. However, in case of conflict in the language of Attachment "A-1" and this Contract, the terms and conditions of this Contract shall be final and binding upon both parties hereto."

C.
Amendment of Paragraph No. III

From and after the approval of this First Amendment, Section III of the Contract entitled "Payment for Services" is amended in part by deleting the first paragraph of said Section III and replacing it with a new paragraph reading as follows and leaving all other provisions of Section III intact and unchanged:

> "Total payment for services described herein for the Services for the Project shall be a sum not to exceed one hundred eighty-seven thousand three hundred Dollars and 00/100 ($187,300.00) as specified in Attachment "B-1"."

D.
Revisions of the Scope of Services

From and after the approval of this First Amendment, Attachment "A", is replaced by the document attached hereto and incorporated herein by reference as Attachment "A-1" to the Contract. In case of conflict in the language of Attachment "A-1" and any other provision of the Contract, as amended by this First Amendment, the terms and conditions of the Contract, as amended by the First Amendment, shall control, and shall be final and binding upon both parties hereto.

From and after the approval of this First Amendment, Attachment "B", is replaced by the document attached hereto and incorporated herein by reference as Attachment "B-1" to the Contract. In case of conflict in the language of Attachment "B-1" and any other provision of the Contract, as amended by this First Amendment, the terms and conditions of the Contract, as amended by the First Amendment, shall control, and be final and binding upon both parties hereto.

E.
Contract Controls

All other provisions of the Contract remain in full force and effect. In the event of a conflict or an inconsistency between the Contract and/or the First Amendment, the terms of the First Amendment shall control.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first written above.

THE TOWN OF FLOWER MOUND, TEXAS

By:_______________________________________

The Honorable Steve Dixon
Mayor, Town of Flower Mound

Date Signed: ________________________

Attest:

____
Town Secretary

CONSULTANT:
Kimley-Horn and Associates, Inc.

By: ____________________
Name Kevin Hoppers
Title Vice President

Date Signed: 8/17/18

State of Texas §
§
County of Denton §

This instrument was acknowledged before me on the 17th day of August, 2018, by Kevin Hoppers., in his capacity as Vice President of **Kimley-Horn and Associates, Inc.**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same on behalf of and as the act of **Kimley-Horn and Associates, Inc.**

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 17th DAY OF August, 2018.

Teresa J. Gunsolus
Notary Public, State of Texas

My Commission Expires:
12.27.2020

TERESA J. GUNSOLUS
Notary Public, State of Texas
Comm. Expires 12-27-2020
Notary ID 130943032

ATTACHMENT A-1

SCOPE OF SERVICES

PROJECT NAME: FM 2499 12-Inch Water Line Phase I (Dixon to South of FM 1171)

PROJECT UNDERSTANDING

This project includes design of approximately 6,800 linear feet of 12-inch water at various locations along FM 2499, between Sagebrush Drive and Dixon Lane. The proposed locations are intended to fill in existing gaps in the Town's existing distribution system. The approximate limits are shown in Attachment C. It is assumed that all water lines will be installed in easement adjacent to FM 2499.

SCOPE OF PROFESSIONAL SERVICES

TASK 1: SURVEY

A. Perform field survey to identify and locate existing topographic elements within the alignment corridor including, but not limited to, the following:
   1. Property pins
   2. Existing pavement, curbs, sidewalks, barrier free ramps, etc.
   3. Lane striping
   4. Driveways
   5. Existing storm sewer inlets, manholes, junction boxes, outfalls, and erosion control
   6. Culverts and bridges
   7. Guardrail
   8. Utility manholes, vaults, water valves, water meters, sprinkler heads, telephone poles, power poles, utility markers, other public utilities, and franchise utilities
   9. Traffic signal poles, cabinets, and other signal equipment
   10. Signs (excluding temporary signs)
   11. Buildings
   12. Retaining walls
   13. Fence limits and material types
   14. Trees greater than 6-inch
   15. Other applicable physical features that could impact design

B. Review the final topographic drawing in digital format (including one foot contours and breaklines) showing the features located in the field as well as right-of-way strip map information. Document and incorporate minor changes into the base map.

Minor changes are anticipated not to require additional survey ties. If field work by a survey crew is required it shall be considered additional services.

C. Prepare right of entry letters as required

TASK 2: EASEMENTS

A. Summary
It is assumed that all water lines will be installed in easement adjacent to FM 2499. Additional analysis will be performed during design to determine if any sections are able to installed within TxDOT right-of-way.

B. Prepare permanent and temporary easement instruments (narrative and graphic exhibits as required for proposed water improvements). Up to nine (9) instruments are anticipated. One (1) easement instrument shall consist of a permanent and temporary easement.
   1. Easement preparation will begin after the alignment through each property has been approved by the Town. Easement preparation is anticipated to take 21 days.

C. Individual parcel exhibits shall be on 8 ½"x11" paper, shall be sealed, dated, and signed by a Registered Professional Land Surveyor, shall conform to standard format provided by the Owner and shall contain the following at a minimum:
   1. Parcel number
   2. Area required
   3. Area remaining
   4. Legal description
   5. Current owner
   6. Any existing platted easements
   7. All physical features

D. Deliverables
   1. Three (3) paper copies of field notes and exhibits, and an electronic version of the exhibits (i.e. PDF) for easements.

TASK 3: WATER LINE DESIGN

A. Design
   1. Prepare plan and profile sheets as necessary based on existing surface features and current design standards. Plan sheet will consist of a 22"x34" sheet at a scale of 1"=40' horizontal. The following sheets are anticipated
      a. Cover
      b. General Notes
      c. Sheet Index
      d. Water Line Plan & Profile Sheets (9 sheets assumed)

   e. Construction Details
   f. Erosion Control Details
2. Prepare specifications which include technical specifications for materials and installation of the proposed facilities. The contract documents shall be based upon Flower Mound Contract Documents. The NCTCOG Standard Specifications for Public Works Construction and the Town of Flower Mound's requirements for Public Works Construction will govern all other specifications.
3. Coordinate horizontal alignment with TxDOT.
4. Submit to the Town 50% plan and OPCC for review and comments.
5. Conduct meeting with Town to review 50% plans. Meeting will occur as part of the monthly progress meetings. Make revisions based on the Town's review of the 50% plans.
6. Prepare auger boring details and specifications at various creek and roadway crossings.
7. Submit to the Town 95% complete Contract Documents (plans and specifications) and OPCC for review and comments.
8. Conduct meeting with Town to review 95% plans and specifications. Meeting will occur as part of the monthly progress meetings. Make revisions based on the Town's review of the 95% submittal.
9. Submit to the Town 100% complete Contract Documents (plans and specifications) and OPCC
10. Submit final plans to appropriate regulatory agencies (TCEQ) for review and comments.

B. Design Deliverables
   1. Three (3) copies of the 50% Construction Plans
   2. Three (3) copies of the 95% Contract Documents (Plans and Specifications)
   3. Three (3) copies of the 100% Contract Documents (Plans and Specifications)
   4. Three (3) copies of the Opinion of Probable Construction Cost for 50%, 95%, and 100% submittals.

C. Services provided by the Town
   1. Review and comment on 50% plan view only plans and OPCC.
   2. Review and comment on 95% Contract Documents (plans and specifications) and OPCC.

TASK 4: BIDDING PHASE SERVICES

A. Print and issue 3 sets of bidding documents and provide CD with PDFs. Additional sets of bidding documents shall be printed, only upon the Town's authorization, as Additional Professional Services. Bidding documents will be issued to potential bidders upon the payment of a non-refundable fee to cover the cost of printing those documents.

B. Review Contractor questions and issue addenda as required.

C. Deliverables
    1. Addenda as required
    2. Print and deliver to the Town up to 3 sets of bid documents
    3. CD with PDFs of bid documents

TASK 5: RECORD DRAWINGS

A. Prepare record drawings from Contractor's marks showing changes made during construction. Transfer Contractor's marks to digital format. Kimley-Horn will be provided the Contractor's revisions and shall not be responsible for verifying their completeness or accuracy.

B. Deliverables
    1. One (1) compact disc containing Record Drawing in digital format (PDF, TIFF, CAD)

C. Services Provided by the Town
    1. Review of Contractor's marks for completeness and accuracy

TASK 6: SUBSURFACE UTILITY ENGINEERING (SUE)

A. Summary
Due to inadequate record information associated with the existing 16-inch water line at the intersection of FM 2499 and Waketon Road, SUE is required to determine the vertical elevation of the existing utility.

B. SUE
    1. Perform Level A exploration to provide three-dimensional information at identified location. Nondestructive vacuum excavation equipment is used to expose utilities at specific points which are then tied down by survey.
    2. Survey SUE location.

C. Deliverables
    1. Summary report of SUE exploration.

TASK 7: LIMITED PHASE II ESA

A. Summary
This task applies to Water Line 1 only.

B. Phase II Evaluation
    1. Perform field sampling

    a. Prepare a traffic control plan for closing one southbound lane of FM 2499 and submit to TxDOT for approval.
    b. Collect soil samples from up to four (4) locations and ground water samples (if required) from no more than one (1) location along the proposed alignment.
    c. Submit soil samples for laboratory analysis. Sample will be analyzed for volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs), and total petroleum hydrocarbons (TPH).
2. Prepare a Phase II ESA report for Water Line 1 only.

C. Deliverables
    1. Phase II ESA report in digital format (PDF)

TASK 8: USACE NWP 12 PCN

A. Summary
Existing wetlands have been identified within the project limits. Initial assessment indicates that these wetlands are likely jurisdictional and require permitting through the U.S. Army Corps of Engineers (USACE). We anticipate permitting being handled through a NWP 12; however, due to anticipated disruption within the wetlands, Pre-Construction Notification (PCN) is anticipated. This task includes the work associated with preparing notification. Compensatory mitigation is not anticipated. If mitigation is required, mitigation strategies can be studied under a separate scope of work.

B. Tasks
    1. Perform an Aquatic Resources Delineation including a desktop review of site conditions and one (1) site visit.
    2. Prepare a report documenting the results of the Aquatic Resources Delineation, and recommendations pertaining to compliance with Section 404 of the Clean Water Act.
    3. Prepare a USACE Section 404 Permit NWP 12 PCN, including the following, at a minimum.
        a. Aquatic Resources Delineation Report
        b. Project description
        c. Purpose and need
        d. Plan, profile and other CAD Drawings
        e. Threatened and Endangered species information from readily available databases
        f. Cultural resources information from readily available databases

C. Deliverables
    1. PCN submittal in digital format (PDF).

ADDITIONAL SERVICES

Any services not specifically provided for in the above scope will be considered additional services and can be performed at our then current hourly rates. Additional services we can provide include, but are not limited to, the following:

- Assisting Town or contractor in the defense or prosecution of litigation in connection with or in addition to those services contemplated by this Agreement. Such services, if any, shall be furnished by the Consultant on a fee basis negotiated by the respective parties outside of and in addition to this Agreement.
- Sampling, testing, or analysis beyond that specifically included in the Scope of Services referenced herein above.
- Preparing applications and supporting documents for government grants, loans, or planning advances, and providing data for detailed applications.
- Appearing before regulatory agencies or courts as an expert witness in any litigation with third parties or condemnation proceedings arising from the development or construction of the Project, including the preparation of engineering data and reports for assistance to the Town.
- Providing professional services associated with the discovery of any hazardous waste or materials in the project route.
- Providing additional presentations to the Town Council.
- Providing construction staking, additional platting, or other surveying services not identified in the above Scope of Services.
- Providing additional printing for bidding document distribution.
- Providing additional documentation required by the Town's legal representative during condemnation proceedings.
- Providing any easement acquisition services.
- Attending additional public meetings during the project.
- Providing professional services associated with the construction phase of the project.
- Attending a Pre Bid Meeting
- Preparing a Bid Tabulation or Recommendation Letter
- Reviewing Contractor's References
- Mitigation assessment/study
- Any services not listed in the Scope of Services.

ATTACHMENT B-1

COMPENSATION

The Consultant will provide the Scope of Services for a lump sum fee.

TASK 1 - Survey	$30,000
TASK 2 – Easements and Right-of-Way (If Necessary, $1,650/EA)	$14,850
TASK 3 – Water Line Design	$98,150
TASK 4 – Bidding Phase Services	$2,500
TASK 5 – Record Drawings	$6,000
TASK 6 – Subsurface Utility Engineering (SUE)	$3,800
TASK 7 – Limited Phase II ESA	$19,500
TASK 8 – USACE NWP 12 PCN	$12,500
TOTAL	**$187,300**

Additional services will be negotiated at the time they are identified.

TOWN COUNCIL AGENDA ITEM NO. 11

CONSENT ITEM

DATE: September 17, 2018

FROM: Brent Anderson, Senior Project Engineer

ITEM: **Consider approval of a Development Agreement with M&M Sisk Farms, LLC., for the construction of the Freeman 12-Inch Water Line in association with Rocky Hill Farms in the amount of $20,740.78; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND INFORMATION: Rocky Hill Farms is a residential development in Flower Mound. As part of the overall development, the developer agrees to construct a twelve (12) inch water line along Freeman Road from the western elevated water storage tank site, north to the Rocky Hill Farms entrance on Freeman Road. The water line is to be upsized from the minimum required 8-inch to the desired 12-inch pipe size. The developer will receive water impact fee credits for the Rocky Hill Farms development as reimbursement for the construction costs related to increasing the water line size from 8-inch to 12-inch. This agreement allows for the Town and the developer to address various development issues related to the project and to provide for the construction of utility improvements, among other matters and to provide for impact fee credits by the Town for certain infrastructure construction costs.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: $20,740.78

Proposed Expenditure:	Account Number(s):
$20,740.78	Impact Fee Credits

Finance Review by: Debra Wallace, Deputy Town Manager /CFO DW

LEGAL REVIEW: Ashley Dierker of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the development agreement as to form and legality.

ATTACHMENTS:

1. Freeman Road Water Line Development Agreement

DRAFT MOTION: Move to approve as presented in the agenda caption.

DEVELOPMENT AGREEMENT FOR ROCKY HILL FARMS

THIS DEVELOPMENT AGREEMENT FOR Rocky Hill Farms ("Agreement") is made and entered into this 17th day of September, 2018, by and between the Town of Flower Mound, Texas (the "Town"), and M&M Sisk Farms, LLC, a Texas limited liability company ("Developer").

W I T N E S S E T H:

WHEREAS, the Rocky Hill Farms Project ("Project") is a development encompassing approximately 48.706 acres in Flower Mound and described by metes and bounds on Exhibit "1" attached and incorporated herein for all purposes; and

WHEREAS, the Town and Developer wish to address various development issues related to the Project and to provide for the construction of utilities, among other matters, and to provide for impact fee credits by the Town for certain infrastructure construction costs; and

WHEREAS, the Town's SMARTGrowth Program requires that certain levels of key public services and infrastructure necessary to serve a new development project be in place before construction begins; and

WHEREAS, the Town and Developer desire to address (1) infrastructure and related concerns associated with the Project due to its location; (2) the anticipated utilities and related improvements to be constructed at and near the Project necessitated by the development of the Project; and (3) the concern for the public health, safety and welfare due to the foregoing; and

WHEREAS, the Town and Developer acknowledge that the foregoing issues should be addressed through a development agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Town and Developer covenant and agree as follows:

1. Project Subject to Town Ordinances. The Project, or any portion thereof, at all times shall be developed and constructed in accordance with all applicable Town ordinances and agreements related to the Project, and shall be subject to said ordinances and agreements, as such now exist or may hereafter be amended and/or approved by the Town. Unless otherwise expressly stipulated in this Agreement, nothing herein shall relieve Developer from its responsibilities for the construction of public improvements under applicable development ordinances of the Town.

2. Water Line.

A. Developer agrees to construct a twelve (12) inch water line ("Water Line") along Freeman Road from the eastern edge of the Project south to the elevated water storage tank site more particularly shown on Exhibit "2." The Water Line is to be upsized from an 8 inch to 12 inch line. The Town will provide impact fee credits to pay for the upsizing.

B. Prior to commencing construction, Developer shall submit construction plans for the Water Line to the Town for review and approval. Upon approval of the plans, the Town will issue Developer a notice to proceed. Developer shall secure a maintenance bond in a form acceptable to the Town for a period of at least two (2) years from the date of the Town's acceptance of the Water Line.

3. Impact Fee Credit. Developer will receive water impact fee credits for the Water Line in an amount not to exceed $20,740.78 for the Rocky Hill Farms development.

4. Easement Dedication. The Developer agrees to timely dedicate the required easements for construction of the Water Line, so as not to delay construction. All easements dedicated to the Town for the construction of the Water Line shall be without cost to the Town.

5. Captions and Headings. The captions and headings of the sections of this Agreement are for convenience and reference only and shall not affect, modify or amplify the provisions of this Agreement, nor shall they be employed to interpret or aid in the construction of this Agreement.

6. Applicable Laws and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Denton County, Texas. Venue for any action arising under this Agreement shall lie in Denton County, Texas.

7. Notices. Any notices required or permitted to be given hereunder shall be given by hand delivery or by certified or registered mail, return receipt requested, to the addresses set forth below or to such other single address as either party hereto shall notify the other:

If to the Town: The Town of Flower Mound, Texas
2121 Cross Timbers Road
Flower Mound, Texas 75028
Attn: Town Manager's Office

If to Developer: M&M Sisk Farms, LLC
1920 E. State Highway 114
Southlake, Texas 76092
Attn: Thomas Stroh

8. Attorneys' Fees. In the event any person initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorneys' fees (including its reasonable costs and attorneys' fees on any appeal). Nothing herein shall constitute a waiver of any claim or defense that could be asserted in any litigation related to this Agreement and the parties agree that this Agreement is subject to Subchapter 1 of Chapter 271 of the Texas Local Government Code.

9. Entire Agreement. This Agreement contains the entire agreement between the parties hereto and supersedes all prior agreements, oral or written, with respect to the subject matter hereof. The provisions of this Agreement shall be construed as a whole and not strictly for or against any party.

10. Severability. In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

11. Filing in Denton County Deed Records; Covenant Running with the Land. This Agreement or a memorandum thereof shall be filed in the deed records of Denton County, Texas. Upon any sale or other transfer of any ownership rights in the Property, Developer shall notify the Town in writing of such sale or transfer within thirty (30) days of such sale or transfer, provided, however, no notice shall be required for the sale of a lot for which a record plat has been approved and recorded in the deed records. This Agreement shall be deemed a covenant that runs with the land and is binding on all heirs, successors, assigns, grantees, vendors, trustees, representatives of Developer and all others holding any interest now or in the future with the exceptions of the purchaser of a lot for which a record plat has been approved and recorded in the deed records and on which a residence has been constructed and common areas owned by a property owners' association (a “Fully Improved Lot”).

12. Binding Obligation. The Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. The Town warrants and represents that the individual executing this Agreement on behalf of the Town has full authority to execute this Agreement and bind the Town to the same. Developer warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Developer to same. Further, this Agreement is and shall be binding upon Developer, its successors, heirs, assigns, grantees, vendors, trustees, representatives, and all others holding any interest in the Property now or in the future with the exception of the purchaser of a Fully Improved Lot.

13. Mediation. In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

14. Default. No party shall be in default of provisions under this Agreement until notice of the alleged failure of such party to perform has been given as provided herein (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such party has been given ten (10) days after the written notice in the case of the default of a payment obligation, and in all other cases a reasonable time, to cure the alleged failure (such reasonable time determined based upon the nature of the alleged failure, but in no event less than ten (10) days after written notice of the alleged failure has been given).

15. Roughly Proportionate Determination under Texas Law and Federal Law. Developer has been represented by legal counsel in the negotiation of this Agreement and has been advised regarding Developer's rights under Texas and federal law. Developer has carefully reviewed the development exactions (both construction and payment obligations) mandated by the Town associated with the Project and has been afforded the opportunity to consult with the Town and Developer's own professional consultants in order to ascertain whether Developer objects to same. In executing this Agreement, Developer hereby and in good faith agrees that the development exactions associated with the Project are roughly proportionate to the impact of the Project. In addition, Developer knows of no development exaction associated with the Project that would give rise to a claim relating to rough proportionality (procedural or substantive) arising out of 1) the Texas Constitution, §212.904 and Chapter 395 of the Texas Local Government Code and/or 2) the federal constitution, as mandated by the United States Supreme Court in *Dolan v. City of Tigard*, 512 U.S. 374 (1994), and its progeny; and Developer further agrees that there exists an essential nexus between said development exactions and the Project.

16. Exhibits. The following exhibits are attached hereto and incorporated into this Agreement for all purposes:

Exhibit 1 Metes and Bounds Description of the Project in the Town of Flower Mound;

Exhibit 2 Map depicting construction of the twelve inch (12") Water Line.

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed as of the date first above written.

THE TOWN OF FLOWER MOUND, TEXAS

By: ___________________________________
Name: Steve Dixon
Mayor, Town of Flower Mound

STATE OF TEXAS §
§
COUNTY OF DENTON §

This instrument was acknowledged before me on this the ___ day of ______________________, 2018 by Steve Dixon, Mayor of the Town of Flower Mound, Texas, on behalf of the Town of Flower Mound, Texas.

____
Notary Public, State of Texas

Attachment 1

DEVELOPER:

M&M Sisk Farms, LLC,
a Texas limited liability company

By: ______________________
Name: Mine Sisk
Authorized Signatory

STATE OF TEXAS §
§
COUNTY OF Denton §

This instrument was acknowledged before me on this the 28th day of August, 2018 by Mine Sisk, Authorized Signatory of M&M Sisk Farms, LLC, a Texas limited liability company, on behalf of said company.

SARAH CHEYENNE RODRICKS
Notary Public
STATE OF TEXAS
ID#131287114
My Comm. Exp. Sep. 20, 2021

____
Notary Public, State of Texas

4832-6218-1720v.3 52918-44

LEGAL DESCRIPTION

Being all that certain lot, tract or parcel of land situated in the M.E.P. & P. R.R. Co. Survey, Abstract No. 928, Town of Flower Mound, Denton County, Texas, being part of Lot 2, Block A, The Estates at Tour 18, Section Four, and being part of Lot 9R, Block 1, The Estates at Tour 18, Section One, according to the plat thereof recorded in Document Number 2017-366 of the Plat Records of Denton County, Texas, and being more particularly described as follows:

COMMENCING at a 5/8" rebar found on the north line of Lot 1R, Block A, of said The Estates at Tour 18, Section One, according to the plat thereof recorded in said Document Number 2017-366 at the southeast corner of Lot 1R, Block 12, , The Estates at Tour 18, Section Two, recorded in said Document Number 2017-366 of the Plat Records of Denton County, Texas being the southwest corner of Lot 2, Block 12, of The Estates at Tour 18, Section One, recorded in Cabinet K, Page 253 of the Plat Records, Denton County, Texas and being on the north line of said Lot 1, Block A;

THENCE N 89°09'25" E, 197.20 feet with the north line of said Lot 1R, Block A, and the south line of said Lot 2, Block 12, to a 1/2" capped rebar set (G&A Consultants) at the southeast corner thereof, and being the southwest corner of that certain called 4.433 acre tract of land, described in deed to Richard Earl Garrett, Jr., and Amy P. Garrett, recorded in Document Number 2009-115437 of the Real Property Records of Denton County, Texas;

THENCE N 89°44'40" E, 106.77 feet with the south line of said 4.433 acre tract, and the north line of said Lot 1R, Block A, to a 1/2" capped rebar set (G&A Consultants) at the westerly northeast corner thereof, and being the northwest corner of that certain called 5.0001 acre tract of land described in Deed to Richard Earl Garrett, Jr. & Amy P. Garrett, recorded in Document Number 2014-116762 of the Real Property Records of Denton County, Texas;

THENCE S 00°07'30" E, 297.90 feet with the north line of said Lot 1R, Block A, and the west line of said 5.001 acre tract (2014-116762), to a 5/8" rebar found at the southeast corner of said Lot 1R, Block A, being an inner ell corner on the north line of said Lot 2, Block A;

THENCE S 00°07'30" E, 270.00 feet with the east line of said Lot 1R, Block A, and the west line of said 5.001 acre tract (2014-116762), to a 1/2" capped rebar found (G&A) at the southeast corner of said Lot 1R, Block A, being the northeast corner of aforementioned Lot 1, Block A, being on the north line of said 42.010 acre tract and being the POINT OF BEGINNING;

THENCE N 89°45'45" E, with the north line of said Lot 2, Block A and the south of said 5.0001 acre tract (2014-116762), passing at 420.20 feet the southeast corner thereof, and being the southwest corner of a called 5.0001 acre tract, described in Deed to Anthony Cucinotta & wife Jacklyn F. Cucinotta, continuing with the south line thereof, a total distance of 840.66 feet to a 5/8" rebar found at the southeast corner of said 5.0001 acre tract (1997-88957) and being an inner ell corner of said Lot 2, Block A;

THENCE N 00°07'30" W, 518.16 feet with the west line of said Lot 2, Block A, and the east line of said 5.0001 acre tract (1997-88957) to a 6" wooden fence corner post, at the easterly northwest corner of said Lot 2, Block A, being the northeast corner of said 5.0001 acre tract, being the southeast corner of that certain tract of land described in Deed to Anthony Cucinotta and wife Jacklyn F. Cucinotta, recorded in Document Number 1994-18163 of the Real Property Records of Denton County, Texas, and being the southwest corner of that certain called 2.000 acre tract of land described in Deed to Richard M. Highduke and wife Nancy J. Highduke, recorded in Document Number 1997-88957 of the Real Property Records of Denton County, Texas;

THENCE N 89°44'40 E with the north line of Lot 2, Block A, the south line of said 2.00 tract passing the southeast corner thereof, being the southwest corner of that certain called 12.592 acre tract of land described in Deed to Mark Wilson Young and Phyllis Ann Young, Co-Trustees of the Young Living Trust, recorded in Document Number 2015-80864 of the Real Property Records of Denton County, Texas and continuing with the south line for a total distance of 561.71 feet to 5/8” rebar found at the northeast said Lot 2, Block A, being the northwest corner that certain called 13.823 acre tract of land described in Deed to Jeffery D. York and Carmen M. York, recorded in Document Number 2015-117379 of the Real Property Records of Denton County, Texas;

THENCE S 00°20'00 E, 518.34 feet with the east line of said Lot 2, Block A and the west line of said 13.823 acre tract to a 1/2" capped rebar found (Trav) at an inner ell corner of said Lot 2, Block A, and being the southwest corner of said 13.823 acre tract;

THENCE N 89°45'45” E, 52.40 feet with the north line of said Lot 2, Block A, and the south line of said 13.823 acre tract, to a 5/8” capped rebar found (PBS&J) at the easterly northeast corner of said Lot 2, Block A, and being the northwest corner of that certain called 24.4075 acre tract described in Deed to Tom W. Kindred, recorded in Document Number 1997-88961 of the Real Property Records of Denton County, Texas;

THENCE S 00°06'20” E, 953.06 feet with the east line of said Lot 2, Block A and the west line of said 24.4075 acre tract, to a 5/8” capped rebar found at the southwest corner thereof, being the southeast corner of said Lot 2, Block A, and being on the north line of that certain called 27.4102 acre tract described in Deed to Tom. W. Kindred, recorded in Volume 1379, Page 434 of the Deed Records of Denton County, Texas;

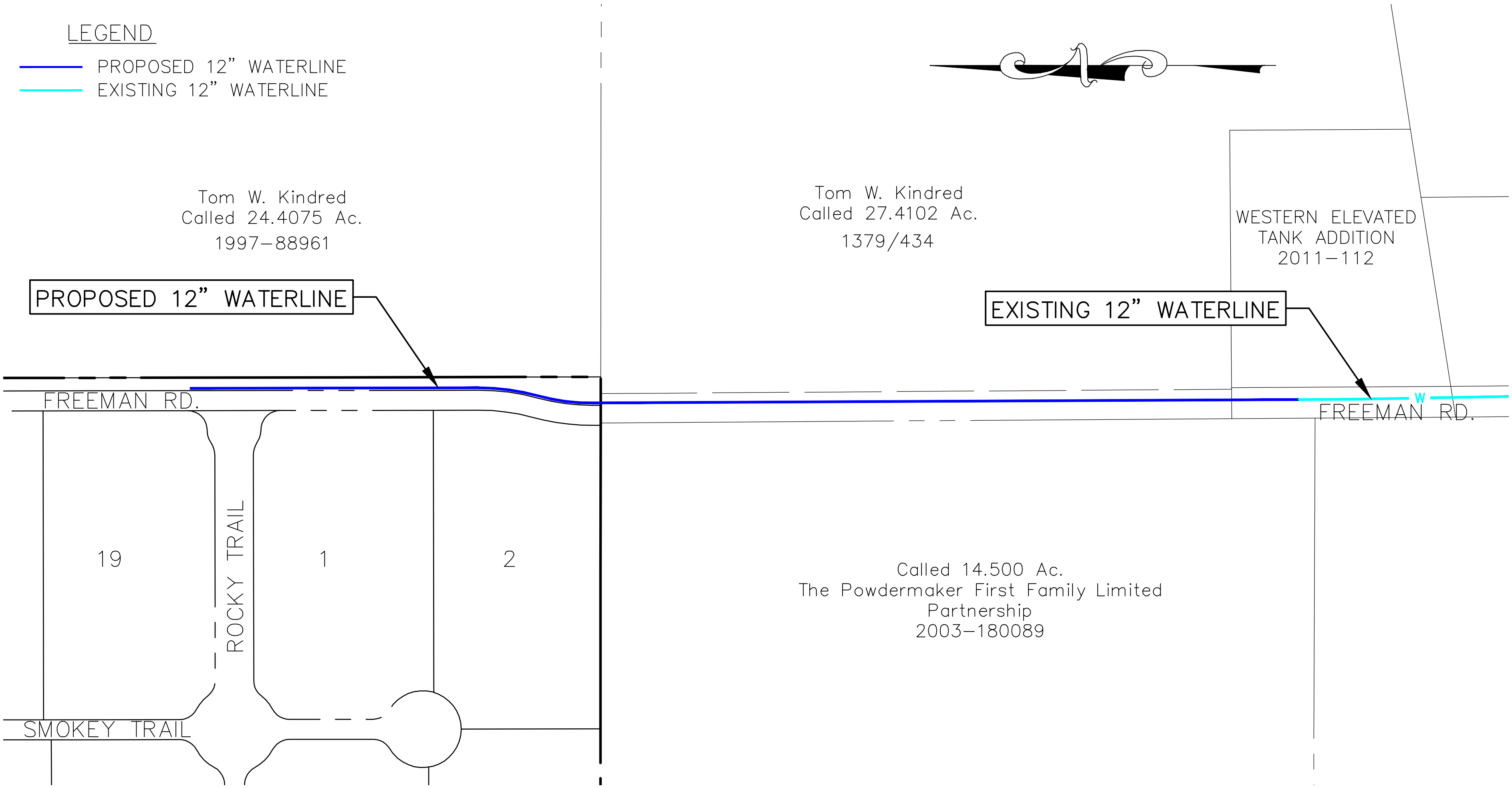
THENCE N 89°56'35” W, with the south line of said Lot 2, Block A and the north line of said 27.4102 acre tract, passing the northwest corner thereof, and being the northeast corner of that certain 14.500 acre tract described in quitclaim Deed to The Powdermaker First Family Limited Partnership, recorded in Document Number 2003-180089, continuing with the north line thereof and passing the northwest corner, and being the northeast corner of Lot 1, Block 1, Powdermaker Addition, according to the plat thereof, recorded in Cabinet L, Page 80 of Plat Records of Denton County, Texas, continuing with the north line thereof, a total distance of 1929.97 feet to a 1/2” capped rebar set (G&A Consultants), at the northwest corner of the aforementioned Lot 1, Block 1, Powdermaker Addition, being the southwest corner of said Lot 2, Block A, and being on the east line of Lot 9R, Block 1, The Estates at Tour 18, Section One, recorded in said Document Number 2017-366 of the Plat Records of Denton County, Texas;

THENCE N 89°56'35” W, 943.14 feet to a 1/2" capped rebar set (G&A);

THENCE N 89°45'45” E, 473.83 feet to the POINT OF BEGINNING and containing approximately 48.706 Acres of land.

PRELIMINARY DOCUMENT:
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.
MARK PAINE, RPLS 5078 08/14/2018

Attachment 1



DEVELOPMENT AGREEMENT
EXHIBIT 2
PROPOSED 12" WATERLINE

TOWN OF FLOWER MOUND
DENTON COUNTY, TEXAS

SITE PLANNING CIVIL ENGINEERING PLATTING
CONSULTANTS, LLC
LAND SURVEYING LANDSCAPE ARCHITECTURE

111 Hillside Drive • Lewisville, TX 75057 • P: 972.436.9712 • F: 972.436.9715
201 Country View Drive • Roanoke, TX 76262 • P: 940.240.1012 • F: 940.240.1028
TBPE Firm No. 1798 TBPLS Firm No. 10047700

1/1

DRAWN BY: JT DATE: 08/14/2015 SCALE: 1" = 200' JOB. NO. **16079**

File: Z:\2016\16079\Drawings\Exhibit\16079 Developers Agreement
Plotted: 8/14/2018 11:13 AM, by Jacob Tiemann; Saved: 8/14/2018 10:25 AM, by jacob

TOWN COUNCIL AGENDA ITEM NO. 12

CONSENT ITEM

DATE: September 17, 2018

FROM: Brian Waltenburg, CIP Engineering Manager

ITEM: **Consider approval of a Professional Services Agreement with HVJ North Texas – Chelliah Consulting, Inc., to provide construction materials engineering and testing, for the High Road Water Line Replacement Phase I project, in the amount of $57,340.00; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND INFORMATION: The Professional Services Agreement includes construction materials engineering and testing for the High Road Water Line Replacement Phase I project.

FISCAL IMPACT: $57,340.00

Proposed Expenditure:	Account Number(s):
$57,340.00	630-960-98844

Finance Review by: Debra Wallace, Deputy Town Manager /CFO DW

LEGAL REVIEW: The Town's standard Professional Services Agreement form documents, prepared by Taylor, Olson, Adkins, Sralla, & Elam L.L.P., were used to draft this agreement. No alteration to the legal content of this form document was made in preparation of these documents.

ATTACHMENTS:

1. Professional Services Agreement

DRAFT MOTION: Move to approve as presented in the agenda caption.

THE STATE OF TEXAS §
COUNTY OF DENTON §

PROFESSIONAL SERVICES AGREEMENT WITH HVJ NORTH TEXAS – CHELLIAH CONSULTANT, INC.

This contract is entered into on this 17th day of September, 2018, by and between the **TOWN OF FLOWER MOUND, TEXAS,** a municipal corporation located in Denton County, Texas, (hereinafter referred to as "TOWN"), acting by and through its Mayor, and **HVJ NORTH TEXAS – CHELLIAH CONSULTANT, INC.,** ("hereinafter referred to as "CONSULTANT") whose address is 8701 John Carpenter Freeway, Suite 250, Dallas, Texas 75247.

RECITALS

WHEREAS, TOWN desires to obtain professional services from CONSULTANT relative to construction materials engineering and testing for the High Road Water Line Replacement - Phase 1 project.; and

WHEREAS, CONSULTANT is a construction materials engineering and testing firm qualified to provide such services and is willing to undertake the performance of such services for TOWN in exchange for fees hereinafter specified;

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter contained and subject to the terms and conditions hereinafter stated, the parties hereto do mutually agree as follows:

I.
Employment of Consultant

CONSULTANT will perform as an independent contractor all services under this Contract to the prevailing professional standards consistent with the level of care and skill ordinarily exercised by members of the architectural, engineering and planning professions, both public and private, currently practicing in the same locality under similar conditions including but not limited to the exercise of reasonable, informed judgments and prompt, timely action. If CONSULTANT is representing that it has special expertise in one or more areas to be utilized in this Contract, then CONSULTANT agrees to perform those special expertise services to the appropriate local, regional and national professional standards.

II.
Scope of Services

CONSULTANT shall perform such services as are necessary to provide the High Road Water Line Replacement - Phase 1 materials engineering and testing specifically including, but not necessarily limited to, the tasks enumerated more fully in Attachment "A" hereto entitled "Scope of Work" (hereafter referred to as the "Project"). Attachment "A" is hereby incorporated herein by reference and made a part hereof as if written word for word. However, in case of conflict in the language of Attachment "A" and this Contract, the terms and conditions of this Contract shall be final and binding upon both parties hereto.

III.
Payment for Services

Total payment for services described herein shall be a sum not to exceed Fifty Seven Thousand Three Hundred Forty and No/100 Dollars ($57,340.00). This total payment for services includes CONSULTANT's ordinary expenses. Additional expenses and charges, which are extraordinary in nature, must be approved in advance by TOWN in writing signed by the parties. Such extraordinary expenses may be paid as incurred and billed to the TOWN pursuant to this Contract over and above the total payment amount identified in this provision. Any extraordinary expenses or charges not approved in writing in advance by the TOWN shall remain the sole responsibility of the CONSULTANT.

CONSULTANT will bill TOWN on an hourly basis for certain services provided combined with a flat fee for specific tests performed in accordance with Attachment "B"; provided however that this Contract shall control in the event of any conflict between the language in Attachment "B" and the language in this Contract. If additional services, trips or expenses are requested, CONSULTANT will not provide such additional services until authorized by TOWN in writing to proceed. The scope of services shall be strictly limited. TOWN shall not be required to pay any amount in excess of the amount identified in the preceding paragraph unless TOWN shall have approved in writing in advance (prior to the performance of additional work) the payment of additional amounts.

Each month CONSULTANT will submit to TOWN an invoice for actual services performed and reimbursable expenses incurred by CONSULTANT during the previous month for which payment is sought. Each invoice shall be itemized to show the amount of work performed that month broken down by the identity of the person(s) performing such work, the amount of time expended by such person(s) in performing that work, the billing rate for each such person, and a brief summary of the work or testing performed by each such person. Each invoice shall also state the percentage of work completed on the Project, the total of the current invoice amount and a running total balance for the Project to date.

Assuming that TOWN agrees with the invoice, that TOWN has not determined any of the work to be unsatisfactory, or that TOWN otherwise does not dispute any of the amounts billed, within thirty (30) days of receipt of each such monthly invoice TOWN shall make monthly payments in the amount shown by CONSULTANT's approved monthly statements and other documentation submitted.

Nothing contained in this Contract shall require TOWN to pay for any work that TOWN has determined has not been successfully completed or is unsatisfactory as determined by TOWN, or which is not otherwise submitted in compliance with the terms of this Contract, nor shall failure to withhold payment pursuant to the provisions of this section constitute a waiver of any right, at law or in equity, which TOWN may have if CONSULTANT is in default, including the right to bring legal action for damages or for specific performance of this Contract. Waiver of any default under this Contract shall not be deemed a waiver of any subsequent default.

IV.
Revisions of the Scope of Services

TOWN reserves the right to revise or expand the scope of services after due approval by TOWN as TOWN may deem necessary, but in such event TOWN shall pay CONSULTANT equitable compensation for such services. In any event, when CONSULTANT is directed to revise or expand the scope of services under this Section of the Contract, CONSULTANT shall provide TOWN a written proposal for the entire costs involved in performing such additional services. Prior to CONSULTANT undertaking any revised or expanded services as directed by TOWN under this Contract, TOWN must authorize in writing the nature and scope of the services and accept the method and amount of compensation and the time involved in all phases of the Project.

It is expressly understood and agreed by CONSULTANT that any compensation not specified in Paragraph III herein above may require Flower Mound Town Council approval and is subject to the current budget year limitations.

V.
Term

This Contract shall begin on the date first written above, and shall terminate when TOWN has approved the Project as being final or otherwise terminates this Contract as provided herein.

VI.
Contract Termination Provision

Notwithstanding any other provision of this Contract, this Contract may be terminated at any time by TOWN for any reason, with or without cause, by providing CONSULTANT thirty (30) days written notice of such termination. Upon receipt of such notice, CONSULTANT shall immediately terminate working on, placing orders or entering into contracts for supplies, assistance, facilities or materials in connection with this Contract and shall proceed to promptly cancel all existing contracts insofar as they are related to this Contract.

VII.
Ownership of Documents

All materials and documents prepared or assembled by CONSULTANT under this Contract shall become the sole property of TOWN and shall be delivered to TOWN without restriction on future use. CONSULTANT may retain in its files copies of all drawings, specifications and all other pertinent information for the work. CONSULTANT shall have no liability for changes made to any materials or other documents by others subsequent to the completion of the Contract.

VIII.
Insurance

A. CONSULTANT shall, at its own expense, purchase, maintain and keep in force during the term of this Contract such insurance as set forth below. CONSULTANT shall not commence work under this Contract until CONSULTANT has obtained all the insurance required under this Contract and such insurance has been approved by TOWN, nor shall CONSULTANT allow any subcontractor to commence work on its own subcontract until all similar insurance of the subcontractor has been obtained and approved. All insurance policies provided under this Contract shall be written on an "occurrence" basis save and except the Professional Liability Insurance which may be written on a "claims-made" basis, provided that "tail coverage" or continuation coverage is provided. The insurance requirements shall remain in effect throughout the term of this Contract.

The CONSULTANT shall furnish to TOWN certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. Certificates shall reference the Project and be addressed as follows:

Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, TX 75028
Email: purchasing@flower-mound.com

The following policies and coverage shall be required:

1. Worker's Compensation Insurance (as required by law) with the policy endorsed to provide a waiver of subrogation as to TOWN; such policy to provide for Employers' Liability Insurance of not less than $100,000.00 for each accident, $100,000.00 disease-each employee, $500,000.00 disease-policy limit;

2. Commercial General Liability Insurance including, but not limited to, Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractor's and Contractual Liability, including but not limited to coverage for all of the indemnification obligations of CONSULTANT under this Contract, and fully insuring CONSULTANT's liability for injury to or death of employees of TOWN and of third parties, extended to include personal injury liability coverage and for damage to property of third parties, with minimum combined single limits of $1,000,000 per occurrence, $1,000,000 Products/Completed Operations Aggregate and $1,000,000 general aggregate per occurrence. Coverage must be written on an occurrence form. The General Aggregate shall apply on a per project basis;

3. Business Automobile Liability Insurance, covering owned, hired and non-owned vehicles, with a minimum combined bodily injury and property damage limit of $1,000,000.00 per occurrence; and

4. Professional Liability Insurance: CONSULTANT shall obtain and maintain at all times during the prosecution of the work under this Contract professional liability insurance, which may be written on a claims made form provided that "tail coverage" or continuation coverage is provided. Limits of liability shall be $1,000,000.00 per claim, $1,000,000.00 annual aggregate. The coverage under this policy shall include a contractual liability endorsement.

If any of the foregoing insurance is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than thirty-six (36) months following completion of the Contract and acceptance by the TOWN. All such insurance shall be purchased from an insurance company that meets a financial rating of B+VI or better as assigned by A.M. Best Company or equivalent.

B. Each insurance policy to be furnished by CONSULTANT shall include the following conditions by endorsement to the policy:

1. The TOWN shall be named as an additional insured on the Commercial General Liability policy, by using endorsement CG2026 or broader;

2. The TOWN shall also be named as an additional insured as to all other applicable coverage save and except the Worker's Compensation Insurance and Professional Liability Insurance;

3. Each policy will <u>require</u> that thirty (30) days prior to the expiration, cancellation, nonrenewal or any material change in coverage, a notice thereof shall be given to TOWN by certified mail to:

Brian Waltenburg, PE
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874-6234 Telephone

However, if the policy is canceled for nonpayment of premium, only ten (10) days advance written notice to TOWN is required. CONSULTANT shall also notify TOWN within twenty-four (24) hours after receipt of any notices of expiration, cancellation, nonrenewal or any material change in coverage it receives from its insurer(s);

4. The term "Owner" or "TOWN" shall include all authorities, boards, bureaus, commissions, divisions, departments and offices of TOWN and the individual members, employees and agents thereof in their official capacities, and/or while acting on behalf of TOWN;

5. The policy phrase "Other Insurance" shall not apply to TOWN where TOWN is an additional insured on the policy; and

6. All provisions of the Contract concerning liability, duty and standards of care together with the indemnification provision shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

C. Concerning insurance to be furnished by CONSULTANT, it is a condition precedent to acceptability thereof that:

1. Any policy submitted shall not be subject to limitations, conditions or restrictions deemed inconsistent with the intent of the insurance requirements to be fulfilled by CONSULTANT. The TOWN's decision(s) thereon shall be final;

2. All policies are to be written through companies duly approved to transact that class of insurance in the State of Texas; and

3. All liability policies required herein, save and except Professional Liability Insurance, shall be written with an "occurrence" basis coverage trigger.

D. CONSULTANT agrees to the following:

1. CONSULTANT hereby waives subrogation rights for loss or damage to the extent same are covered by insurance. Insurers shall have no right of recovery or subrogation against TOWN, it being the intention that the insurance policies shall protect all parties to this Contract and be primary coverage for all losses covered by the policies;

2. Companies issuing the insurance policies and CONSULTANT shall have no recourse against TOWN for payment of any premiums, or assessments for any deductible, as all such premiums are the sole responsibility and risk of CONSULTANT;
3. Approval, disapproval or failure to act by TOWN regarding any insurance supplied by CONSULTANT (or any subcontractors) shall not relieve CONSULTANT of full responsibility or liability for damages and accidents as set forth in the Contract documents. Neither shall the insolvency or denial of liability by the insurance company exonerate CONSULTANT from liability; and
4. No special payments shall be made for any insurance that the CONSULTANT and subcontractors are required to carry; all are included in the contract price and the contract unit prices.

Any of the insurance policies required under this section may be written in combination with any of the others, where legally permitted, but none of the specified limits may be lowered thereby.

IX.
Right to Inspect Records

CONSULTANT agrees that TOWN shall have access to and the right to examine any directly pertinent books, documents, papers and records of CONSULTANT involving transactions relating to this Contract. CONSULTANT agrees that TOWN shall have access during normal working hours to all necessary CONSULTANT facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. TOWN shall give CONSULTANT reasonable advance notice of intended audits.

CONSULTANT further agrees to include in subcontract(s), if any, a provision that any subcontractor or engineer agrees that TOWN shall have access to and the right to examine any directly pertinent books, documents, papers and records of such engineer or sub-contractor involving transactions to the subcontract, and further, that TOWN shall have access during normal working hours to all such engineer or sub-contractor facilities and shall be provided adequate and appropriate work space, in order to conduct audits in compliance with the provisions of the paragraph. TOWN shall give any such engineer or sub-contractor reasonable advance notice of intended audits.

X.
Successors and Assigns

TOWN and CONSULTANT each bind themselves and their successors, executors, administrators and assigns to the other party to this Contract and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Contract. Neither TOWN nor CONSULTANT shall assign or transfer its interest herein without the prior written consent of the other.

XI.
<u>CONSULTANT's Liability</u>

Acceptance of the final plans by the TOWN shall not constitute nor be deemed a release of the responsibility and liability of CONSULTANT, its employees, associates, agents or consultants for the accuracy and competency of their designs, working drawings, specifications or other documents and work; nor shall such acceptance be deemed an assumption of responsibility by TOWN for any defect in the designs, working drawings, specifications or other documents and work; nor shall such acceptance be deemed an assumption of responsibility by TOWN for any defect in the designs, working drawings, specifications or other documents and work prepared by said CONSULTANT, its employees, associates, agents or sub-consultants. In this regard, CONSULTANT acknowledges that TOWN is retaining CONSULTANT to provide the services described herein, in reliance upon CONSULTANT's specialized expertise and experience, and in reliance thereon.

XII.
<u>Indemnification</u>

THE PROVISIONS OF THIS SECTION ARE SUBJECT TO THE LIMITATIONS OF TEXAS LOCAL GOVERNMENT CODE SECTION 271.904 AND SHALL BE CONSTRUED TO THAT EFFECT. THE CONSULTANT AS ALLOWED BY TEXAS LOCAL GOVERNMENT CODE SECTION 271.904 WILL STILL NAME TOWN AS ADDITIONAL INSURED IN ITS GENERAL LIABILITY POLICY AND PROVIDE ANY DEFENSE AS ALLOWED BY THE POLICY. CONSULTANT DOES HEREBY COVENANT AND CONTRACT TO WAIVE ALL CLAIMS, RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ALL OF ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES AND INVITEES, IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM ANY AND ALL LIABILITY, CLAIMS, SUITS, DEMANDS OR CAUSES OF ACTION, INCLUDING ALL EXPENSES OF LITIGATION AND/OR SETTLEMENT, THAT MAY ARISE BY REASON OF DEATH OR INJURY TO PERSONS OR DAMAGE TO OR LOSS OF USE OF PROPERTY OCCASIONED BY ANY WRONGFUL INTENTIONAL ACT OR OMISSION OF CONSULTANT AS WELL AS ANY NEGLIGENT OMISSION, ACT OR ERROR OF CONSULTANT, ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES AND INVITEES, OR OTHER PERSONS FOR WHOM CONSULTANT IS LEGALLY LIABLE WITH REGARD TO THE PERFORMANCE OF THIS CONTRACT, AND CONSULTANT WILL, AT ITS OWN COST AND EXPENSE, DEFEND AND PROTECT TOWN AGAINST ANY AND ALL SUCH CLAIMS AND DEMANDS.

XIII.
Independent Contractor

CONSULTANT's status shall be that of an Independent Contractor and not an agent, servant, employee or representative of TOWN in the performance of this Contract. No term or provision of or act of CONSULTANT or TOWN under this Contract shall be construed as changing that status. CONSULTANT will have exclusive control of and the exclusive right to control the details of the work performed hereunder, and shall be liable for the acts and omissions of its officers, agents, employees, contractors, subcontractors and engineers and the doctrine of respondeat superior shall not apply as between TOWN and CONSULTANT, its officers, agents, employees, contractors, subcontractors and engineers, and nothing herein shall be construed as creating a partnership or joint enterprise between TOWN and CONSULTANT.

XIV.
Default

If at any time during the term of this Contract, CONSULTANT shall fail to commence the work in accordance with the provisions of this Contract, or fail to diligently provide services in an efficient, timely and careful manner and in strict accordance with the provisions of this Contract, or fail to use an adequate number or quality of personnel to complete the work or fail to perform any of its obligations under this Contract, then TOWN shall have the right, if CONSULTANT shall not cure any such default after thirty (30) days written notice thereof, to terminate this Contract for cause. Any such act by TOWN shall not be deemed a waiver of any other right or remedy of TOWN. If after exercising any such remedy due to CONSULTANT's nonperformance under this Contract, the cost to TOWN to complete the work to be performed under this Contract is in excess of that part of the Contract sum which has not theretofore been paid to CONSULTANT hereunder, CONSULTANT shall be liable for and shall reimburse TOWN for such excess. CONSULTANT'S liability under this provision shall be limited to the total dollar amount of this Contract, except to the extent that such liability is covered by CONSULTANT's insurance, whether maintained as a requirement of this Contract or otherwise.

TOWN's remedies for CONSULTANT's default or breach under this Contract shall be limited to one or more of the following remedies which may be exercised separately or in combination at TOWN's sole exclusive choice:

(a) Specific performance of the Contract;

(b) Re-performance of this Contract at no extra charge to TOWN; or

(c) Monetary damages in an amount not to exceed:

(1) The amount of any applicable insurance coverage CONSULTANT is required to purchase and maintain under this Contract plus any deductible amount to be paid by CONSULTANT in conjunction with said coverage regardless of whether CONSULTANT has actually purchased and maintained said coverage, plus any additional insurance maintained by CONSULTANT in excess or in addition to the coverage required under this Contract; plus

(2) The total dollar amount of this Contract.

XV.
Provisions Surviving Termination

The terms of Sections XII entitled Indemnification, and XVIII entitled Confidential Information shall survive termination of this Contract.

XVI.
Changes

TOWN may, from time to time, require changes in the scope of services to be performed under this Contract. Such changes as are mutually agreed upon by and between TOWN and CONSULTANT shall be incorporated by written modification to this Contract.

XVII.
Conflicts of Interest

CONSULTANT covenants and agrees that CONSULTANT and its associates and employees will have no interest, and will acquire no interest, either direct or indirect, which will conflict in any manner with the performance of the services called for under this Contract. All activities, investigations and other efforts made by CONSULTANT pursuant to this Contract will be conducted by employees, associates or subcontractors of CONSULTANT.

No officer or employee of TOWN shall have any personal, financial interest, direct or indirect, in this Contract nor have any direct financial interest in the sale to TOWN of any land, materials, supplies, or services under this Contract, except on behalf of TOWN as a TOWN officer or employee. Any violation of this prohibition with knowledge, expressed or implied, of the person or corporation contracting with TOWN shall render the Contract voidable by the Director or the Town Council.

XVIII.
Confidential Information

CONSULTANT hereby acknowledges and agrees that its representatives may have access to or otherwise receive information during the furtherance of its obligations in accordance with this Contract, which is of a confidential, non-public or proprietary nature. CONSULTANT shall treat any such information received in full confidence and will not disclose or appropriate such Confidential Information for its own use or the use of any third party at any time during or subsequent to this Contract. As used herein, "Confidential Information" means all oral and written information concerning TOWN, its affiliates and subsidiaries, and all oral and written information concerning TOWN or its activities, that is of a non-public, proprietary or confidential nature including, without limitation, information pertaining to customer lists, services, methods, processes and operating procedures, together with all analyses, compilation, studies or other documents, whether prepared by CONSULTANT or others, which contain or otherwise reflect such information. The term "Confidential Information" shall not include such materials that are or become generally available to the public other than as a result of disclosure of CONSULTANT, or are required to be disclosed by a governmental authority or by law, as determined by TOWN's attorney.

XIX.
Notice Information

All notices and communications under this CONTRACT to be mailed to TOWN shall be sent to the address of TOWN's agent as follows, unless and until CONSULTANT is otherwise notified:

Brian Waltenburg, PE
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874- 6234 Telephone

Notices and communications to be mailed or delivered to CONSULTANT shall be sent to the address of CONSULTANT as follows, unless and until TOWN is otherwise notified:

Devarajan Chelliah, PE
HVJ Associates
8701 John Carpenter Freeway,
Suite 250,
Dallas, Texas 75247
214-678-0027 Telephone

Any notices and communications required to be given in writing by one party to the other shall be considered as having been given to the addressee on the date the notice or communication is posted, faxed or personally delivered by the sending party.

XX.
Applicable Law

The Contract is entered into subject to the Flower Mound Town Charter and ordinances of TOWN, as same may be amended from time to time, and is subject to and is to be construed, governed and enforced under all applicable State of Texas and federal laws. CONSULTANT will make any and all reports required per federal, state or local law including, but not limited to, proper reporting to the Internal Revenue Service, as required in accordance with CONSULTANT's income. Situs of this Contract is agreed to be Denton County, Texas, for all purposes, including performance and execution.

XXI.
Non-Discrimination

CONSULTANT shall not discriminate against any employee, applicant for employment, contractor, or sub-contractor because of the race, age, color, religion, sex, or national origin of such person. Engineer shall take affirmative action to insure that all such persons are treated equally during their employment without regard to their race, age, color, religion, sex, or national origin. If CONSULTANT fails to comply with the federal or state laws relating to Equal Employment Opportunity, it is agreed that TOWN, at its option, may do either or both of the following:

(a) Cancel, terminate, or suspend the Contract in whole or in part; or

(b) Declare CONSULTANT ineligible for future TOWN contracts until it is determined to be in compliance.

XXII.
Arbitration

CONSULTANT agrees not to enter into any agreement to arbitrate arising out of, or relating to, this Contract which would subject TOWN to being a party to any arbitration without TOWN's prior written consent.

XXIII.
No Waiver of Governmental Immunity

Nothing in this Contract shall be construed as a waiver of TOWN'S governmental immunity, or of any applicable limitation on damages, or any other legal protection or defense or privilege of TOWN, except to the extent expressly provided otherwise herein.

XXIV.
Severability

If any of the terms, provisions, covenants, conditions or any other part of this Contract are for any reason held to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants, conditions or any other part of this Contract shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

XXV.
Remedies

No right or remedy granted herein or reserved to the parties is exclusive of any other right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Contract may be waived without written consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Contract.

XXVI.
Entire Agreement

This Contract embodies the entire agreement of the parties hereto, superseding all oral or written previous and contemporaneous agreements between the parties relating to matters herein, and except as otherwise provided herein cannot be modified without written agreement of the parties.

XXVII.
Non-Waiver

It is further agreed that one (1) or more instances of forbearance by TOWN in the exercise of its rights herein shall in no way constitute a waiver thereof.

XXVIII.
Headings

The headings of this Contract are for the convenience of reference only and shall not affect any of the terms and conditions hereof in any manner.

XXIX.
Venue

This Contract is fully performable in Denton County, Texas, and the parties to this Contract agree and covenant that this Contract will be enforceable in Flower Mound, Texas; and that if legal action is necessary to enforce this Contract, exclusive venue will lie in Denton County, Texas.

XXX.
No Third Party Beneficiary

For purposes of this Contract, including its intended operation and effect, the parties (TOWN and CONSULTANT) specifically agree and contract that: (1) the Contract only affects matters/disputes between the parties to this Contract, and is in no way intended by the parties to benefit or otherwise affect any third person or entity notwithstanding the fact that such third person or entity may be in contractual relationship with TOWN or CONSULTANT or both; and (2) the terms of this Contract are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either TOWN or CONSULTANT.

[The remainder of this page left blank intentionally]

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed as of the date first above written.

THE TOWN OF FLOWER MOUND, TEXAS

By:_____________________________________
The Honorable Steve Dixon
Mayor, Town of Flower Mound

Date Signed: ________________________

Attest:

____
Town Secretary

CONSULTANT:
HVJ NORTH TEXAS – CHELLIAH CONSULTANT, INC.

By: C. Thevi

Name: Devarajan Chelliah, PE
Title: Manager Owner
Date Signed: 8/16/2018

State of Texas §
§
County of Dallas §

This instrument was acknowledged before me on the 16th day of AUGUST, 2018, by DEVARAJAN CHELLIAH in his capacity as MANAGING OWNER of HVJ NORTH TEXAS-CHELLIAH CONSUL., a TEXAS Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same on behalf of and as the act of HVJ NORTH TEXAS-CHELLIAH CONS..

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 16th DAY OF AUGUST, 2018.

Notary Public, State of Texas

My Commission Expires:

10-03-2020

MABEL M. LUSENGO
NOTARY PUBLIC - STATE OF TEXAS
ID# 130846879
COMM. EXP. 10-03-2020

HVJ ASSOCIATES

8701 John Carpenter Freeway, Suite 250
Dallas, Texas 75247-4640
214.678.0227 Ph
214.678.0228 Fax
www.hvj.com

August 10, 2018

Brian Waltenburg, PE.
CIP Engineering Manager
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, TX 75028

Re: Proposal for Construction Materials Engineering and Testing Services
Project: High Road Water Line Replacement – Phase 1
Owner: Town of Flower Mound
HVJ Proposal No.: DC 1810130.1

Dear Mr. Waltenburg:

HVJ Associates ® (HVJ) is pleased to submit this budget estimate for material testing and laboratory services for the above referenced project.

Project Description
It is our understanding that the project consist of the construction of approximately one thousand eight hundred ninety (1,890) linear feet of 8-inch water line, six thousand eight hundred thirty (6,830) linear feet of 12-inch water line, and associated appurtenances. The High Road Water Line Replacement Phase 1 project runs parallel to High Road, from Arabian Circle to Bolo Lane and along Green Meadow Lane.

Estimated Quantities
Based on the estimated quantities provided in the project specifications, following quantities were obtained for various materials:

- Asphalt – 2500 SY
- Concrete – 100 SY
- Flexbase – 100 SY
- Controlled Low Strength Material (CLSM) – 271 LF

Schedule
We understand that the project schedule consists of 150 calendar days for substantial completion, and 180 calendar days for final completion. Notice to proceed is expected around mid October 2018. Per the project General Notes, we anticipate work hours will be between 7 AM to 7 PM on Monday through Fridays and between 9 AM to 5 PM on Saturdays.

Mr. Brian Waltenburg, PE,
DC 1810130.1
August 10, 2018

Scope of Services
HVJ's scope of services for this project will consist of on-call field and laboratory construction materials inspection and testing services for earthwork, asphalt and concrete. The scope of material testing services anticipated for this project is in accordance with project plan and specifications and your email dated July 31, 2018.

- Standard Compaction (ASTM-D 698)
- Field soil Moisture and density testing using Nuclear Gauge Method (ASTM D-6938)
- Sampling and Testing of Fresh Concrete
- Sampling and Testing of Asphaltic Concrete
- Sampling and Testing of Flexbase
- Sampling and Testing of Controlled Low Strength Material (CLSM)

Testing, including sampling, will be performed by a certified technician or the testing firm's laboratory personnel, in the general manner indicated in the project specifications. The testing firm's laboratory shall perform all laboratory tests within a reasonable time consistent with the specified standards and shall furnish a written report of each test.

Budget Estimate
The estimated cost to perform the material testing services required on this project by HVJ is $57,340.00. Testing services will be provided on an on-call basis, with at least 24 hours prior notice to ensure proper scheduling of work.

Overtime rates of 1.5 times the regular hourly rates will be billed for services performed before 6:00 AM and after 6:00 PM on Monday through Friday, or any hours worked on Saturday, Sunday, a holiday, or if over 8 hours in one day. Onsite cancellations will be charged a minimum of 4 hours.

Invoice
HVJ's accounting procedures call for the submittal of invoices on a month-end basis or at the conclusion of the project should its duration last less than a month. HVJ credit terms are net 30 days.

If this proposal meets with your approval, please send us a written NTP along with task order or work order. Alternatively, if you agree with our scope and fee estimate please sign and complete the indicated spaces below and forward a copy of the proposal to us.

Mr. Brian Waltenburg, PE,
DC 1810130.1
August 10, 2018

We appreciate your consideration of HVJ for this project and look forward to the opportunity of working with you. Should you have any questions regarding the contents of this proposal, please contact us at 214-678-0227.

Sincerely,

HVJ NORTH TEXAS - CHELLIAH CONSULTANT, INC.

C. [signature]

Devarajan Chelliah, PE
Manager Owner

Agreed to this ______ day of ______________________________, 20_________

By: ____

Title: ____

Firm: ____

Phone No.____

Date to Start Work: ____

FEE SCHEDULE

TABLE- CONSTRUCTION TESTING
DC-18-10130.1
High Road Water Line Replacement Phase 1
Client/Owner: Town of Flower Mound
August 10, 2018

Construction Materials Tests

CMT Soils & Aggregate Testing				
Mositure Density Relationship - Subgrade Soils	10	each	$180.00	**$1,800.00**
Mositure Density Relationship - Flexible Base	2	each	$220.00	**$440.00**
Mositure Density Relationship - Lime Stabilized Subgrade	4	each	$220.00	**$880.00**
Atterberg Limits	20	each	$65.00	**$1,300.00**
Percent Passing # 200 Sieve	20	each	$45.00	**$900.00**
Sieve Analysis	4	each	$75.00	**$300.00**
Lime Series	4	each	$ 300.00	**$1,200.00**
Controlled Low Strength Material (CLSM) - Compressive Strength	20	each	$75.00	**$1,500.00**
Soluble Sulfate Testing TEX-145-E	10	each	$125.00	**$1,250.00**
Acid Insoluble Residue TEX-612-J	1	each	$175.00	**$175.00**
Determining Soil pH TEX-128-E	20	each	$40.00	**$800.00**
TxDOT Wet Ball Mill	2	each	$140.00	**$280.00**
LA Abrasion	2	each	$200.00	**$400.00**
Sand Equivalent TEX-203-F	2	each	$115.00	**$230.00**
Tex-411-A, Soundness of Aggregate	2	each	$400.00	**$800.00**
Deliterious Material in Mineral Aggregate TEX-413-A	2	each	$65.00	**$130.00**
Organic Impurities TEX-408-A	2	each	$65.00	**$130.00**
Specific Gravity of Fine Aggregate ASTM C128	2	each	$115.00	**$230.00**
Specific Gravity of Coarse Aggregate ASTM C127	2	each	$70.00	**$140.00**
CMT Concrete Testing				
Concrete Compression Test (ASTM C-39) (5 cylinders per set)	60	each	$20.00	**$1,200.00**
Hot Mix Asphalt Testing				
Asphalt Extraction / Gradation	10	each	$165.00	**$1,650.00**
Max Theoretical Specific Gravity	10	each	$105.00	**$1,050.00**
Percent Air Voids of Road Cores	10	each	$45.00	**$450.00**
Density of Lab Molded Specimen, TxDOT Gyratory (3 min per set)	5	set	$90.00	**$450.00**
Density of Lab Molded Specimen, Superpave (2 min per set)	5	set	$110.00	**$550.00**
Engineering				
Professional Engineer	21	hours	$ 145.00	**$3,045.00**
Field Technician (Regular Time - minimum 4 hours per trip)	315	hours	$ 60.00	**$18,900.00**
Field Technician (Overtime)	32	hours	$ 90.00	**$2,880.00**
Administrative Assistant/Record Keeper	63	hours	$ 55.00	**$3,465.00**
Staff Engineer	21	hours	$ 95.00	**$1,995.00**
Nuclear Gauge rental	63	days	$ 50.00	**$3,150.00**
Trip Charge	63	Trips	$ 90.00	**$5,670.00**
Total Cost				***$57,340.00***

General Notes

1. The items listed above are those tests most frequently requested. Additional test and special service quotes are available upon request.
2. A minimum charge of 4 hours applies to field testing and inspection services with the exception of sample pick ups for which only actual time is charged. Onsite cancellation will be charged minimum of 4 hrs.
3. Technician time is charged on a portal to portal basis from our office. The minimum billing increment for field time is 1/2 of an hour.
4. Overtime rates of 1.5 times the regular hourly rates will be billed for services performed before 6:00 AM and after 6:00 PM Monday through Friday or any hours worked on Saturday, Sunday or a Holiday or over 8 hours per day.
5. Personnel time for site visits, consulting, compliance letter etc. will be charged per applicable unit rates.
6. The above unit rates assume that Special Inspections are to be performed by others.
7. Duration of construction is estimated to be 180 calendar days.

TOWN COUNCIL AGENDA ITEM NO. 13
CONSENT ITEM

DATE: September 17, 2018

FROM: David Bauer, Construction Manager

ITEM: **Consider approval of a Professional Services Agreement with ReStl Engineers TX, LLC., to provide certification of the design for the Safe Room, required by the 2015 International Building Code, for the Fire Station No. 7 project, in the amount of $19,800.00; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND INFORMATION: The Town is required by state law to have a separate engineering consultant to review and certify the safe room will comply with the laws governing the construction means and methods, as mandated in the 2015 IBC guidelines. ReStl Engineers, TX, LLC will review the design and make recommendations/changes, if any, to the construction documents prior to bid and will meet the safe room review guidelines. The Fire Station No. 7 project will be bid as a competitive sealed proposal. Staff anticipates bringing the most qualified proposal to Council in December for approval.

FISCAL IMPACT: $19,800.00

Proposed Expenditure:	**Account Number(s):**
$19,800.00	533-111-50082

Finance Review by: Debra Wallace, Deputy Town Manager/CFO DW

LEGAL REVIEW: The Town's standard Professional Services Agreement form documents, prepared by Taylor, Olson, Adkins, Sralla, & Elam L.L.P., were used to draft this amendment. No alteration to the legal content of this form document was made in preparation of these documents.

ATTACHMENTS:

1. Professional Services Agreement

DRAFT MOTION: Move to approve as presented in the agenda caption.

THE STATE OF TEXAS §
COUNTY OF DENTON §

PROFESSIONAL SERVICES AGREEMENT WITH
ReStl Engineers TX

This contract is entered into on this 17th day of September, 2018, by and between the **TOWN OF FLOWER MOUND, TEXAS,** a municipal corporation located in Denton County, Texas, (hereinafter referred to as "TOWN"), acting by and through its Mayor, and**, ReStl Engineers TX, LLC** ("hereinafter referred to as "CONSULTANT") whose address is North Central Plaza 1 12655 North Central Express, Suite 420 Dallas, Texas 75248.

RECITALS

WHEREAS, TOWN desires to obtain professional services from CONSULTANT relative to Architectural, Engineering, Design and providing construction documents certification for Fire Station # 7 project; and

WHEREAS, CONSULTANT is an Engineering firm qualified to provide such services and is willing to undertake the performance of such services for the TOWN in exchange for fees hereinafter specified;

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter contained and subject to the terms and conditions hereinafter stated, the parties hereto do mutually agree as follows:

I.
Employment of Consultant

CONSULTANT will perform as an independent contractor all services under this Contract to the prevailing professional standards consistent with the level of care and skill ordinarily exercised by members of the architectural, engineering and planning professions, both public and private, currently practicing in the same locality under similar conditions including but not limited to the exercise of reasonable, informed judgments and prompt, timely action. If CONSULTANT has represented or is representing that it has special expertise in one or more areas to be utilized in this Contract, then CONSULTANT agrees to perform those special expertise services to the appropriate local, regional and national professional standards.

II.
Scope of Services

CONSULTANT shall perform such services as are necessary to provide services for the Fire Station #7 project specifically including, but not necessarily limited to, the tasks enumerated more fully in Exhibit "A" hereto entitled "Scope of Work" (hereafter referred to as the "Project"). Attachment "A" is hereby incorporated herein by reference and made a part hereof as if written word for word. However, in case of conflict in the language of Exhibit "A" and this Contract, the terms and conditions of this Contract shall be final and binding upon both parties hereto.

III.
Payment for Services

Total payment for services described herein shall be a sum not to exceed Nineteen Thousand Eight Hundred and No/100 Dollars ($19,800.00). This total payment for services includes CONSULTANT's ordinary expenses. Additional expenses and charges, which are extraordinary in nature, must be approved in advance by TOWN in writing signed by the parties. Such extraordinary expenses may be paid as incurred and billed to the TOWN pursuant to this Contract over and above the total payment amount identified in this provision. Any extraordinary expenses or charges not approved in writing in advance by the TOWN shall remain the sole responsibility of the CONSULTANT. If CONSULTANT retains any subcontractors to perform any of the work, CONSULTANT acknowledges that payments to such subcontractors are due and payable in accordance with the provisions of Texas Government Code Section 2251.022, and that interest on unpaid and overdue amounts shall accrue in accordance with Texas Government Code Section 2251.025.

CONSULTANT will bill TOWN on a percentage complete basis in accordance with Exhibit "B"; provided however that this Contract shall control in the event of any conflict between the language in Exhibit "B" and the language in this Contract. If additional services, trips or expenses are requested, CONSULTANT will not provide such additional services until authorized by TOWN in writing to proceed. The scope of services shall be strictly limited. TOWN shall not be required to pay any amount in excess of the amount identified in the preceding paragraph unless TOWN shall have approved in writing in advance (prior to the performance of additional work) the payment of additional amounts.

Each month CONSULTANT will submit to TOWN an invoice for supporting the percentage for which payment is sought by CONSULTANT during the previous month for which payment is sought. Each invoice shall also state the percentage of work completed on the Project, the total of the current invoice amount and a running total balance for the Project to date.

Assuming that TOWN agrees with the invoice, that TOWN has not determined any of the work to be unsatisfactory, or that TOWN otherwise does not dispute any of the amounts billed, TOWN shall make payments in the amount shown by CONSULTANT's approved monthly statements and other documentation submitted in compliance with the Texas Prompt Payment Act, Texas Government Code Chapter 2251.

Nothing contained in this Contract shall require TOWN to pay for any work that TOWN has determined has not been successfully completed or is unsatisfactory as determined by TOWN, or which is not otherwise submitted in compliance with the terms of this Contract, nor shall failure to withhold payment pursuant to the provisions of this section constitute a waiver of any right, at law or in equity, which TOWN may have if CONSULTANT is in default, including the right to bring legal action for damages or for specific performance of this Contract. Waiver of any default under this Contract shall not be deemed a waiver of any subsequent default.

IV.
Revisions of the Scope of Services

TOWN reserves the right to revise or expand the scope of services after due approval by TOWN as TOWN may deem necessary, but in such event TOWN shall pay CONSULTANT equitable compensation for such services. In any event, when CONSULTANT is directed to revise or expand the scope of services under this Section of the Contract, CONSULTANT shall provide TOWN a written proposal for the entire costs involved in performing such additional services. Prior to CONSULTANT undertaking any revised or expanded services as directed by TOWN under this Contract, TOWN must authorize in writing the nature and scope of the services and accept the method and amount of compensation and the time involved in all phases of the Project.

It is expressly understood and agreed by CONSULTANT that any compensation not specified in Paragraph III herein above may require Flower Mound Town Council approval and is subject to the current budget year limitations.

V.
Term

This Contract shall begin on the date first written above, and shall terminate when TOWN has approved the Project as being final or otherwise terminates this Contract as provided herein.

VI.
Contract Termination Provision

Notwithstanding any other provision of this Contract, this Contract may be terminated at any time by TOWN for any reason, with or without cause, by providing CONSULTANT thirty (30) days written notice of such termination. Upon receipt of such notice, CONSULTANT shall immediately terminate working on, placing orders or entering into contracts for supplies, assistance, facilities or materials in connection with this Contract and shall proceed to promptly cancel all existing contracts insofar as they are related to this Contract.

VII.
Ownership of Documents

All materials and documents prepared or assembled by CONSULTANT under this Contract shall become the sole property of TOWN and shall be delivered to TOWN without restriction on future use. CONSULTANT shall provide documents in any commonly-used electronic file format as requested by TOWN. CONSULTANT may retain in its files copies of all drawings, specifications and all other pertinent information for the work. CONSULTANT shall have no liability for changes made to any materials or other documents by others subsequent to the completion of the Contract.

VIII.
Insurance

A. CONSULTANT shall, at its own expense, purchase, maintain and keep in force during the term of this Contract such insurance as set forth below. CONSULTANT shall not commence work under this Contract until CONSULTANT has obtained all the insurance required under this Contract and such insurance has been approved by TOWN, nor shall CONSULTANT allow any subcontractor to commence work on its own subcontract until all similar insurance of the subcontractor has been obtained and approved. All insurance policies provided under this Contract shall be written on an "occurrence" basis save and except the Professional Liability Insurance which may be written on a "claims-made" basis, provided that "tail coverage" or continuation coverage is provided. The insurance requirements shall remain in effect throughout the term of this Contract.

The CONSULTANT shall furnish to TOWN certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. Certificates shall reference the Project and be addressed as follows:

Town of Flower Mound
2121Cross Timbers Road
Flower Mound, TX 75028
Email: purchasing@flower-mound.com

The following policies and coverage shall be required:

1. Worker's Compensation Insurance (as required by law) with the policy endorsed to provide a waiver of subrogation as to TOWN; such policy to provide for Employers' Liability Insurance of not less than $100,000.00 for each accident, $100,000.00 disease-each employee, $500,000.00 disease-policy limit;

2. Commercial General Liability Insurance including, but not limited to, Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractor's and Contractual Liability, including but not limited to coverage for all of the indemnification obligations of CONSULTANT under this Contract, and fully insuring CONSULTANT's liability for injury to or death of employees of TOWN and of third parties, extended to include personal injury liability coverage and for damage to property of third parties, with minimum combined single limits of $1,000,000 per occurrence, $1,000,000 Products/Completed Operations Aggregate and $1,000,000 general aggregate per occurrence. Coverage must be written on an occurrence form. The General Aggregate shall apply on a per project basis;

3. Business Automobile Liability Insurance, covering owned, hired and non-owned vehicles, with a minimum combined bodily injury and property damage limit of $1,000,000.00 per occurrence; and

4. Professional Liability Insurance: CONSULTANT shall obtain and maintain at all times during the prosecution of the work under this Contract professional liability insurance, which may be written on a claims made form provided that "tail coverage" or continuation coverage is provided. Limits of liability shall be $1,000,000.00 per claim, $1,000,000.00 annual aggregate. The coverage under this policy shall include a contractual liability endorsement.

If any of the foregoing insurance is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than thirty-six (36) months following completion of the Contract and acceptance by the TOWN. All such insurance shall be purchased from an insurance company that meets a financial rating of B+VI or better as assigned by A.M. Best Company or equivalent.

B. Each insurance policy to be furnished by CONSULTANT shall include the following conditions by endorsement to the policy

1. The TOWN shall be named as an additional insured on the Commercial General Liability policy, by using endorsement CG2026 or broader;

2. The TOWN shall also be named as an additional insured as to all other applicable coverage save and except the Worker's Compensation Insurance and Professional Liability Insurance;

3. Each policy will <u>require</u> that thirty (30) days prior to the, cancellation, nonrenewal, a notice thereof shall be given to TOWN by certified mail to:

David Bauer, Construction Manager
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874-6308 Telephone

However, if the policy is canceled for nonpayment of premium, only ten (10) days advance written notice to TOWN is required. CONSULTANT shall also notify TOWN within twenty-four (24) hours after receipt of any notices of cancellation, nonrenewal it receives from its insurer(s);

4. The term "Owner" or "TOWN" shall include all authorities, boards, bureaus, commissions, divisions, departments and offices of TOWN and the individual members, employees and agents thereof in their official capacities, and/or while acting on behalf of TOWN;

5. The policy phrase "Other Insurance" shall not apply to TOWN where TOWN is an additional insured on the policy; and

6. All provisions of the Contract concerning liability, duty and standards of care together with the indemnification provision shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

C. Concerning insurance to be furnished by CONSULTANT, it is a condition precedent to acceptability thereof that:

1. Any policy submitted shall not be subject to limitations, conditions or restrictions deemed inconsistent with the intent of the insurance requirements to be fulfilled by CONSULTANT. The TOWN’s decision(s) thereon shall be final;

2. All policies are to be written through companies duly approved to transact that class of insurance in the State of Texas; and
3. All liability policies required herein, save and except Professional Liability Insurance, shall be written with an "occurrence" basis coverage trigger.

D. CONSULTANT agrees to the following:

1. CONSULTANT hereby waives subrogation rights for loss or damage to the extent same are covered by insurance. Insurers shall have no right of recovery or subrogation against TOWN, it being the intention that the insurance policies shall protect all parties to this Contract and be primary coverage for all losses covered by the policies;

2. Companies issuing the insurance policies and CONSULTANT shall have no recourse against TOWN for payment of any premiums, or assessments for any deductible, as all such premiums are the sole responsibility and risk of CONSULTANT;

3. Approval, disapproval or failure to act by TOWN regarding any insurance supplied by CONSULTANT (or any subcontractors) shall not relieve CONSULTANT of full responsibility or liability for damages and accidents as set forth in the Contract documents. Neither shall the insolvency or denial of liability by the insurance company exonerate CONSULTANT from liability; and

4. No special payments shall be made for any insurance that the CONSULTANT and subcontractors are required to carry; all are included in the contract price and the contract unit prices.

Any of the insurance policies required under this section may be written in combination with any of the others, where legally permitted, but none of the specified limits may be lowered thereby.

IX.
Right to Inspect Records

CONSULTANT agrees that TOWN shall have access to and the right to examine any directly pertinent books, documents, papers and records of CONSULTANT involving transactions relating to this Contract. CONSULTANT agrees that TOWN shall have access during normal working hours to all necessary CONSULTANT facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. TOWN shall give CONSULTANT reasonable advance notice of intended audits.

If TOWN agrees that CONSULTANT may retain any subcontractors, CONSULTANT further agrees to include in subcontract(s), if any, a provision that any subcontractor or engineer agrees that TOWN shall have access to and the right to examine any directly pertinent books, documents, papers and records of such engineer or sub-contractor involving transactions to the subcontract, and further, that TOWN shall have access during normal working hours to all such engineer or sub-contractor facilities and shall be provided adequate and appropriate work space, in order to conduct audits in compliance with the provisions of the paragraph. TOWN shall give any such engineer or sub-contractor reasonable advance notice of intended audits.

X.
Successors and Assigns

TOWN and CONSULTANT each bind themselves and their successors, executors, administrators and assigns to the other party to this Contract and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Contract. Neither TOWN nor CONSULTANT shall assign or transfer its interest herein without the prior written consent of the other.

XI.
CONSULTANT's Liability

Acceptance of the final plans by the TOWN shall not constitute nor be deemed a release of the responsibility and liability of CONSULTANT, its employees, associates, agents or consultants for the accuracy and competency of their designs, working drawings, specifications or other documents and work; nor shall such acceptance be deemed an assumption of responsibility by TOWN for any defect in the designs, working drawings, specifications or other documents and work; nor shall such acceptance be deemed an assumption of responsibility by TOWN for any defect in the designs, working drawings, specifications or other documents and work prepared by said CONSULTANT, its employees, associates, or sub-consultants. In this regard, CONSULTANT acknowledges that TOWN is retaining CONSULTANT to provide the services described herein, in reliance upon CONSULTANT's specialized expertise and experience, and in reliance thereon.

XII.
Indemnification

THE PROVISIONS OF THIS SECTION ARE SUBJECT TO THE LIMITATIONS OF TEXAS LOCAL GOVERNMENT CODE SECTION 271.904 AND SHALL BE CONSTRUED TO THAT EFFECT. THE CONSULTANT AS ALLOWED BY TEXAS LOCAL GOVERNMENT CODE SECTION 271.904 WILL STILL NAME TOWN AS ADDITIONAL INSURED IN ITS GENERAL LIABILITY POLICY AND PROVIDE ANY DEFENSE AS ALLOWED BY THE POLICY. CONSULTANT DOES HEREBY COVENANT AND CONTRACT TO WAIVE ALL CLAIMS, RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ALL OF ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES AND INVITEES, IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM ANY AND ALL LIABILITY, CLAIMS, SUITS, DEMANDS OR CAUSES OF ACTION, INCLUDING ALL EXPENSES OF LITIGATION AND/OR SETTLEMENT, THAT MAY ARISE BY REASON OF DEATH OR INJURY TO PERSONS OR DAMAGE TO OR LOSS OF USE OF PROPERTY OCCASIONED BY ANY WRONGFUL INTENTIONAL ACT OR OMISSION OF CONSULTANT AS WELL AS ANY NEGLIGENT OMISSION, ACT OR ERROR OF CONSULTANT, ITS OFFICIALS, OFFICERS, EMPLOYEES AND INVITEES, OR OTHER PERSONS FOR WHOM CONSULTANT IS LEGALLY LIABLE WITH REGARD TO THE

PERFORMANCE OF THIS CONTRACT. IN THE EVENT OF A CLAIM IS BROUGHT AGAINST TOWN, TOWN SHALL HAVE THE RIGHT TO RETAIN LEGAL COUNSEL OF ITS CHOOSING IN DEFENSE OF SUCH A CLAIM, AND SUCH ELECTION SHALL NOT RELIEVE CONTRACTOR OF ITS OBLIGATIONS UNDER THIS SECTION.

XIII.
Independent Contractor

CONSULTANT's status shall be that of an Independent Contractor and not an agent, servant, employee or representative of TOWN in the performance of this Contract. No term or provision of or act of CONSULTANT or TOWN under this Contract shall be construed as changing that status. CONSULTANT will have exclusive control of and the exclusive right to control the details of the work performed hereunder, and shall be liable for the acts and omissions of its officers, agents, employees, contractors, subcontractors and engineers and the doctrine of respondeat superior shall not apply as between TOWN and CONSULTANT, its officers, agents, employees, contractors, subcontractors and engineers, and nothing herein shall be construed as creating a partnership or joint enterprise between TOWN and CONSULTANT.

XIV.
Default

If at any time during the term of this Contract, CONSULTANT shall fail to commence the work in accordance with the provisions of this Contract, or fail to diligently provide services in an efficient, timely and careful manner and in strict accordance with the provisions of this Contract, or fail to use an adequate number or quality of personnel to complete the work or fail to perform any of its obligations under this Contract, then TOWN shall have the right, if CONSULTANT shall not cure any such default after thirty (30) days written notice thereof, to terminate this Contract for cause. Any such act by TOWN shall not be deemed a waiver of any other right or remedy of TOWN. If after exercising any such remedy due to CONSULTANT's nonperformance under this Contract, the cost to TOWN to complete the work to be performed under this Contract is in excess of that part of the Contract sum which has not theretofore been paid to CONSULTANT hereunder, CONSULTANT shall be liable for and shall reimburse TOWN for such excess.

TOWN's remedies for CONSULTANT's default or breach under this Contract shall be limited to one or more of the following remedies which may be exercised separately or in combination at TOWN's sole exclusive choice:

(a) Specific performance of the Contract;

(b) Re-performance of this Contract at no extra charge to TOWN; or

(c) Monetary damages.

XV.
<u>Provisions Surviving Termination</u>

The terms of Sections XII entitled <u>Indemnification</u>, and XVIII entitled <u>Confidential Information</u> shall survive termination of this Contract.

XVI.
<u>Changes</u>

TOWN may, from time to time, require changes in the scope of services to be performed under this Contract. Such changes as are mutually agreed upon by and between TOWN and CONSULTANT shall be incorporated by written modification to this Contract.

XVII.
<u>Conflicts of Interest</u>

CONSULTANT covenants and agrees that CONSULTANT and its associates and employees will have no interest, and will acquire no interest, either direct or indirect, which will conflict in any manner with the performance of the services called for under this Contract. All activities, investigations and other efforts made by CONSULTANT pursuant to this Contract will be conducted by employees, associates or subcontractors of CONSULTANT.

No officer or employee of TOWN shall have any personal, financial interest, direct or indirect, in this Contract nor have any direct financial interest in the sale to TOWN of any land, materials, supplies, or services under this Contract, except on behalf of TOWN as a TOWN officer or employee. Any violation of this prohibition with knowledge, expressed or implied, of the person or corporation contracting with TOWN shall render the Contract voidable by the Director or the Town Council.

XVIII.
<u>Confidential Information</u>

CONSULTANT hereby acknowledges and agrees that its representatives may have access to or otherwise receive information during the furtherance of its obligations in accordance with this Contract, which is of a confidential, non-public or proprietary nature. CONSULTANT shall treat any such information received in full confidence and will not disclose or appropriate such Confidential Information for its own use or the use of any third party at any time during or subsequent to this Contract. As used herein, "Confidential Information" means all oral and written information concerning TOWN, its affiliates and subsidiaries, and all oral and written information concerning TOWN or its activities, that is of a non-public, proprietary or confidential nature including, without limitation, information pertaining to customer lists, services, methods, processes and operating procedures, together with all analyses, compilation, studies or other documents, whether prepared by CONSULTANT or others, which contain or otherwise reflect such information. The term "Confidential Information" shall not include such materials that are or become generally available to the public other than as a result of disclosure of CONSULTANT, or are required to be disclosed by a governmental authority or by law, as determined by TOWN's attorney.

XIX.
Notice Information

All notices and communications under this CONTRACT to be mailed to TOWN shall be sent to the address of TOWN's agent as follows, unless and until CONSULTANT is otherwise notified:

David Bauer, Construction Manager
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874-6308 Telephone

Notices and communications to be mailed or delivered to CONSULTANT shall be sent to the address of CONSULTANT as follows, unless and until TOWN is otherwise notified:

Russell Laquey, PE
Senior Mechanical Engineer/PM
ReStl Engineers TX, LLC
2705 Swiss Avenue
Suite 220
Dallas, TX 75204
469 249-9313 Telephone

Any notices and communications required to be given in writing by one party to the other shall be considered as having been given to the addressee on the date the notice or communication is posted, faxed or personally delivered by the sending party.

XX.
Applicable Law

The Contract is entered into subject to the Flower Mound Town Charter and ordinances of TOWN, as same may be amended from time to time, and is subject to and is to be construed, governed and enforced under all applicable State of Texas and federal laws. CONSULTANT will make any and all reports required per federal, state or local law including, but not limited to, proper reporting to the Internal Revenue Service, as required in accordance with CONSULTANT's income.

XXI.

Non-Discrimination

CONSULTANT shall not discriminate against any employee, applicant for employment, contractor, or sub-contractor because of the race, age, color, religion, sex, or national origin of such person. Engineer shall take affirmative action to insure that all such persons are treated equally during their employment without regard to their race, age, color, religion, sex, or national origin. If CONSULTANT fails to comply with the federal or state laws relating to Equal Employment Opportunity, it is agreed that TOWN, at its option, may do either or both of the following:

(a) Cancel, terminate, or suspend the Contract in whole or in part; or

(b) Declare CONSULTANT ineligible for future TOWN contracts until it is determined to be in compliance.

XXII.
Arbitration

CONSULTANT agrees not to enter into any agreement to arbitrate arising out of, or relating to, this Contract which would subject TOWN to being a party to any arbitration without TOWN's prior written consent.

XXIII.
No Waiver of Governmental Immunity

Nothing in this Contract shall be construed as a waiver of TOWN'S governmental immunity, or of any applicable limitation on damages, or any other legal protection or defense or privilege of TOWN, except to the extent expressly provided otherwise herein.

XXIV.
Severability

If any of the terms, provisions, covenants, conditions or any other part of this Contract are for any reason held to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants, conditions or any other part of this Contract shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

XXV.
Remedies

No right or remedy granted herein or reserved to the parties is exclusive of any other right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Contract may be waived without written consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Contract.

XXVI.
Entire Agreement

This Contract embodies the entire agreement of the parties hereto, superseding all oral or written previous and contemporaneous agreements between the parties relating to matters herein, and except as otherwise provided herein cannot be modified without written agreement of the parties.

XXVII.
Non-Waiver

It is further agreed that one (1) or more instances of forbearance by TOWN in the exercise of its rights herein shall in no way constitute a waiver thereof.

XXVIII.
Headings

The headings of this Contract are for the convenience of reference only and shall not affect any of the terms and conditions hereof in any manner.

XXIX.
Venue

Situs of this Contract is agreed to be Denton County, Texas, for all purposes, including performance and execution, and the parties to this Contract agree and covenant that this Contract will be enforceable in Flower Mound, Texas; and that if legal action is necessary to enforce this Contract, exclusive venue will lie in Denton County, Texas.

XXX.
No Third Party Beneficiary

For purposes of this Contract, including its intended operation and effect, the parties (TOWN and CONSULTANT) specifically agree and contract that: (1) the Contract only affects matters/disputes between the parties to this Contract, and is in no way intended by the parties to benefit or otherwise affect any third person or entity notwithstanding the fact that such third person or entity may be in contractual relationship with TOWN or CONSULTANT or both; and (2) the terms of this Contract are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either TOWN or CONSULTANT.

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed as of the date first above written.

THE TOWN OF FLOWER MOUND, TEXAS

By:______________________________________
The Honorable Steve Dixon
Mayor, Town of Flower Mound

Date Signed: ________________________

Attest:

____
Town Secretary

[The remainder of this page is left blank intentionally]

Attachment 1

CONSULTANT:
ReStl Engineers TX, LLC

By: Gina Konganda
Name: Gina Konganda
Title: CEO President

Date Signed: 08/27/2018

State of Texas §
§
County of Dallas §

This instrument was acknowledged before me on the 27 day of AUGUST, 2018, by Gina Konganda in his capacity as 8/27/18 of ReStl Engineers TX, a LLC Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same on behalf of and as the act of CEO, President.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 27th DAY OF August, 2018.

Notary Public, State of Texas

My Commission Expires:

11/12/2018

NOTARY PUBLIC STATE OF TEXAS
MATT MCCUMBEE
My Commission Expires
November 12, 2018

ReStl
ENGINEERING TX, LLC.

North Central Plaza 1
12655 North Central Express, Suite 420
Dallas, Texas 75248

www.ReStlTX.com

22 August 2018

David Bauer
Construction Manager
Capital Projects
Town of Flower Mound
972 874-6308

RE: **Flower Mound Fire Station No. 7 Storm Shelter Document Peer Review**
Flower Mound, TX

Dear Mr. Bauer,

ReStl Engineers TX, LLC (ReStl) appreciates the opportunity to submit our proposal for Structural, Architectural, Mechanical, Plumbing, and Electrical (MEP) Engineering services for the above referenced project.

Project Description

The project consists of the peer review and report of the design documents for the Bunker F to be used as storm shelter for personnel.

The project scope, as we understand it, is as follows:

- Review the design consultant's construction documents to make sure that the requirements per the International Building Code 2015 for emergency storm shelter is incorporated.
- A written report will be produced to show items that are not incorporated into the documents at the end of each review.
- A kickoff meeting with design group before reviews starts.
- A review will be done at three phases of design; 50% CD, 95% CD and 100% CD.
- Provide a letter of compliance at the end of design.

Peer Review Services

We foresee our scope of services to be as follows:

- Structural review of the structural construction documents for compliance.
- Architectural review of the architectural construction documents for compliance.
- Mechanical review of the mechanical construction documents for compliance.
- Electrical review of the electrical construction documents for compliance.
- Plumbing and Fire Protection review of the plumbing and fire protection construction documents for compliance.
- The documents will not be reviewed for other code requirements.
- There will not be any construction administration included.
- There will be four meetings included in the fee, to discuss the project and findings.
- The reports will be created in Word and delivered to the owner in PDF form.
- The design documents will be provided by the design team at the end of each phase.

Please note that the attached Scope of Services form part of our agreement. Please initial where indicated and return an accepted copy of this proposal to this office.

Thank you for considering ReStl Engineering TX, LLC on this project. If you have any questions or require additional information, please feel free to contact me at your convenience. I look forward to hearing your favorable reply soon.

Sincerely,

Russell Laquey

Russell Laquey
Senior Mechanical Engineer/PM
ReStl Engineers TX, LLC

CC: Gina Konganda
Art Dietz

The terms and conditions of this proposal **including the terms on the attached General Conditions** are accepted:

BY:________________________________DATE: ________________________________
Signature

________________________________ ________________________________

Printed Name Title

ATTACHMENT 'A' - GENERAL TERMS AND CONDITIONS

Interest of 1.5% per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days, payment thereafter to be applied first to accrued interest and then to the principal unpaid amount. Any attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by the Client.

In the event payment for an invoice is not made within 30 days, ReStl reserves the right to notify the Client of our intention to stop work on the project.

In the event the Client makes a claim against ReStl, at law or otherwise, for any alleged error, omission or other act arising out of the performance of our professional services, and the Client fails to prove such claim, then the Client shall pay all costs, including attorney's fees, incurred by ReStl in defending itself against the claim.

The only warranty or guarantee made by ReStl in connection with the services performed hereunder is that we will use that degree of care and skill ordinarily exercised under similar conditions by reputable members of our profession practicing in the same or similar locality. No other warranty, expressed or implied, is made or intended by our proposal for consulting services, by our furnishing oral or written reports, or by furnishing drawings and specifications.

Neither party to this Agreement shall transfer, sublet or assign any rights or duties under or interest in this Agreement, including but not limited to monies that are due or monies that may be due, without the prior written consent of the other party. Subcontracting to sub-consultants, normally contemplated by the Consultant as a generally accepted business practice, shall not be considered an assignment for purposes of this Agreement.

The outlined scope of services will be accomplished in a timely, workmanlike and professional manner by employees or agents of ReStl at the fees quoted. If during the execution of the work we are required to stop operations as a result of changes in the scope of work such as requests by the Client, or others, additional charges will be applicable

ReStlL maintains Worker's Compensation and Employer's Liability Insurance in conformance with state law. In addition, we maintain Professional Liability Insurance with limits of $1,000,000. A

Certificate of Insurance can be supplied evidencing such coverage. Cost of this coverage is included in our quoted fees. Additional insurance or increased limits of liability are available upon written request for an additional charge.

All reports, drawings, specifications, computer files, field data, notes, and other documents and instruments prepared by ReStl as instruments of service shall remain the property of ReStl. ReStl shall retain all common law, statutory and other reserved rights, including, without limitation, the copyrights thereto.

This agreement is to be governed by the laws of the State of Texas. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Client or the ReStl. ReStl's professional services under this Agreement are being performed solely for the Client's benefit, and no other party or entity shall have any claim against
ReStl because of this Agreement or the performance or nonperformance of professional services

hereunder. The Client and ReStl agree to require a similar provision in all contracts with contractors, subcontractors, subconsultants, vendors, and other entities involved in this Project to carry out the intent of this provision.

ReStl agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Client,, its officers and employees (collectively, Client) against all damages, claims, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by ReStl's negligent performance of professional services under this Agreement. The Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless ReStl, its officers and employees (collectively, ReStl) against all damages, claims, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the Client's negligent acts taken in connection with the project set forth in this

Agreement. Neither ReStl nor the Client shall be obligated to indemnify or hold harmless the other party in any manner whatsoever for the other party's own negligence.

In the event of termination of this Agreement by either party, the Client shall within fifteen (15) calendar days of termination pay ReStl for all services rendered and all reimbursable costs incurred by ReStl up to the date of termination, in accordance with the payment provisions of this Agreement. The Client may terminate this Agreement for the Client’s convenience and without cause upon giving ReStl not less than seven (7) calendar days’ written notice. Either party may terminate this Agreement for cause upon giving the other party not less than seven (7) calendar days’ written notice for any of the following reasons:

– Substantial failure by the other party to perform in accordance with the terms of this Agreement and through no fault of the terminating party;

– Assignment of this Agreement or transfer of the Project by either party to any other entity without the prior written consent of the other party;

– Suspension of the Project or the Consultant’s services by the Client for more than ninety (90) calendar days, consecutive or in the aggregate;

– Material changes in the conditions under which this Agreement was entered into, the Scope of Services or the nature of the Project, and the failure of the parties to reach agreement on the compensation and schedule adjustments necessitated by such changes.

In the event of any termination that is not the fault of ReStl, the Client shall pay ReStl, in addition to payment for services rendered and reimbursable costs incurred, for all expenses reasonably

Incurred by ReStl in connection with the orderly termination of this Agreement, including but not limited to demobilization, reassignment of personnel, associated overhead costs and all other expenses directly resulting from the termination.

Notwithstanding any other provisions of this Agreement, and to the fullest extent permitted by law, neither the Client nor ReStl, their respective officers, directors, partners, subsidiaries, employees, contractors, or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the Project, this Agreement, or the performance of professional services under this Agreement. This mutual waiver of incidental, indirect or consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty. Both the Client and ReStl shall require similar waivers of incidental, indirect or consequential damages protecting all the entities or persons named herein in

Attachment 1

all contracts and subcontracts with others involved in this project.

In recognition of the relative risks, rewards and benefits of the project to both the Client and the Engineer (ReStl), the risks have been allocated so that the Client agrees that, to the fullest extent permitted by law, ReStl's total liability to the Client, for any and all injuries, claims, losses, expenses, damages or claims expenses arising out of this agreement, from any cause or causes, shall not exceed the total amount of $50,000, the amount of ReStl's fee (whichever is greater) or other amount agreed upon when added under special conditions. Such causes include, but are not limited to, ReStl's negligence, errors, omissions, strict liability, breach of contract or breach of warranty.

ATTACHMENT 'B' - Compensation

Compensation for Engineering and Architecture review services is proposed to be a fixed fee of **$19,800**, plus normal reimbursable, comprised of the following components:

- Review and report $19,800
  - 50% CD $7,850
  - 95% CD $6,070
  - 100% CD $4,400
  - Meetings & Letter $1,280
  - Expenses $200

The above fees are due and payable based on completion of each phase. Invoices will be submitted monthly. Payment is anticipated within 30 days of invoicing.

Any revisions to the scope of work that will require modifications to any portion of the peer review, will be done at the prevailing hourly rates for the personnel involved.

TOWN COUNCIL AGENDA ITEM NO. 14

CONSENT ITEM

DATE: September 17, 2018

FROM: Debra Wallace, Deputy Town Manager/CFO DW

ITEM: **Consider and approve annual update to the Riverwalk Public Improvement District No. 1 (PID) Service and Assessment Plan (SAP) and Assessment Roll**

BACKGROUND INFORMATION: The Riverwalk Public Improvement District No. 1 (PID) was created on April 19, 2013, to finance certain improvement projects for the benefit of the property in the PID. A service and assessment plan (SAP) was prepared when the PID was created and pursuant to Chapter 372, Texas Local Government Code, must be reviewed and updated annually. The Town also adopted an assessment roll that identifies the assessment on each parcel within the PID. The annual update to the SAP also updates the Assessment Roll.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

Proposed Expenditure:	Account Number(s):

Finance Review by: N/A

LEGAL REVIEW: Corey Admire, of Fulbright & Jaworski L.L.P., approved the original SAP as to form and legality.

ATTACHMENTS:

1. Annual Service Plan Update

DRAFT MOTION: Move to approve as presented in the agenda caption.

Attachment 1

Riverwalk
Public Improvement District No. 1
Town of Flower Mound, Texas

Annual Service Plan Update
2018-19

September 17, 2018

Prepared By:

MuniCap, Inc.
Public Finance

RIVERWALK
PUBLIC IMPROVEMENT DISTRICT NO. 1

ANNUAL SERVICE PLAN UPDATE – 2018-19

TABLE OF CONTENTS

A. INTRODUCTION

The Riverwalk Public Improvement District No. 1 (the "PID") was created pursuant to the PID Act and a resolution of the Town Council on April 19, 2013 to finance certain public improvement projects for the benefit of the property in the PID. The Town of Flower Mound, Texas Special Assessment Revenue Bonds, Series 2014 (Riverwalk Public Improvement District No. 1) (the "Bonds") in the aggregate principal amount of $16,000,000 were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID.

A service and assessment plan (the "Service and Assessment Plan") was prepared at the direction of the Town identifying the public improvements (the "Authorized Improvements") to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. Pursuant to Chapter 372, Texas Local Government Code, the Service and Assessment Plan must be reviewed and updated annually. This document is the annual update of the Service and Assessment Plan for 2018-19 (the "Annual Service Plan Update").

The Town also adopted an assessment roll (the "Assessment Roll") identifying the Assessments on each parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Roll for 2018-19.

Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Service and Assessment Plan as updated from time to time.

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B. Update of the Service Plan

I. Annual Budget for the Public Improvements

The current total estimated costs of the Authorized Improvements are equal to $12,910,000, which remains the same as the budget estimates included in the original Service and Assessment Plan.

As shown by Table B-1 below, the PID has incurred indebtedness in the total amount of $16,000,000 in the form of the Bonds, which are to be repaid from Assessments.

Table B-1
Sources and Uses of Funds
Public Improvements

Sources of Funds	Funded by the PID
Bond Proceeds	$16,000,000
Total sources of funds	**$16,000,000**
Uses of Funds	
Authorized Improvements	
Estimated costs paid with Bonds	$12,910,000
Subtotal: Construction costs	*$12,910,000*
Costs of issuing the Bonds	
Deposit to capitalized interest	$356,321
Deposit to debt service reserve fund	$1,329,875
Bond issue costs	$1,403,804
Subtotal: Costs of issuing the Bonds	*$3,090,000*
Total uses of funds	**$16,000,000**

A service plan must cover a period of five years. All of the Authorized Improvements are expected to be built within a period of five years. The anticipated budget for the Authorized Improvements over a period of five years and the indebtedness expected to be incurred for these costs is shown by Table B-2 on the following page.

Table B-2
Authorized Improvements
PID Sources and Uses of Funds – 2018-2023

Year	Annual Projected Cost	Annual Projected Indebtedness	Sources other than PID Bonds
2014-17	$16,000,000	$16,000,000	$0
2018	$0	$0	$0
2019	$0	$0	$0
2020	$0	$0	$0
2021	$0	$0	$0
2022	$0	$0	$0
2023	$0	$0	$0
Total	**$16,000,000**	**$16,000,000**	**$0**

II. Debt Service and Collection Costs

The Assessment imposed on any parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the tax year following the issuance of the Bonds.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Bonds commencing with the issuance of the Bonds. The effective interest rate on the Bonds is 6.526 percent for 2018-19. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the additional interest of one-half of one percent, together with other estimated district administration costs, is included as Annual Collection Costs. These payments, the "Annual Installments" of the Assessments, shall be billed by the Town in 2018 and will be delinquent on February 1, 2019.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2018-19 and the Annual Collection Costs to be collected from each Parcel. Annual Collection Costs shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Assessment Ordinance or Indenture of Trust, such as capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service on the Bonds will be paid from the collection of the Annual Installments. In addition, Annual Collection Costs are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments and other district administration expenses. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Indenture of Trust.

Annual Installments to be collected for 2018-19

The budget for the PID will be paid from the collection of Annual Installments collected for 2018-19 as shown by Table B-3 below.

Table B-3
Budget for the Annual Installments
to be Collected for 2018-19

Descriptions	Total
Interest payment on March 1, 2019	$503,592
Interest payment on September 1, 2019	$503,592
Principal payment on September 1, 2019	$300,000
Subtotal debt service on Bonds	*$1,307,184*
Annual Collection Costs	$115,812
Subtotal Expenses	*$1,422,996*
Available reserve fund income	$0
Available capitalized interest account	$0
Available collection costs account	$0
Subtotal funds available	*$0*
Annual Installment to be collected	**$1,422,996**

As shown in Table B-3 above, the total Annual Installment for 2018-19 is equal to $1,422,996. The total debt service payments on the Bonds and the Annual Collection Costs for 2018-19 are shown as $1,307,184 and $115,918, respectively.

According to the revised development plan, 662.67 total Equivalent Units were estimated to be built within the PID. According to the Trustee, Parcel 667648 (0.90 Equivalent Units) and Parcel 652931 (1.00 Equivalent Units) have prepaid their Assessments in full, lowering the total Equivalent Units to 660.87 (i.e. 662.67 - 0.90 - 1.00 = 660.87). The upcoming mandatory prepayment of Parcel 667418 (0.90 Equivalent Units), as required by Section VI.C of the Service and Assessment Plan, further lowers the total Equivalent Units to 659.97 (660.87 - 0.90 = 659.97). As a result, the remaining total outstanding Equivalent Units subject to the Assessments are calculated to be 659.97 (660.87 – 0.90 = 659.97). The net principal and interest portion of Annual Installment to be collected from each outstanding Equivalent Unit will be $1,980.68 (i.e. $1,307,184 ÷ 659.97 = $1,980.68) and the Annual Collection Costs to be collected from each Equivalent Unit will be $175.48 (i.e. $115,918 ÷ 659.97 = $175.48). As a result, the total Annual Installment to be collected from each Equivalent Unit within the PID will be $2,156.16 (i.e. $1,980.68 + $175.48 = $2,156.16).

The list of parcels within the PID, the cumulative amount of Assessments on each parcel, the principal and interest, the Annual Collection Costs, and the Annual Installment to be collected for 2018-19 are shown in the Assessment Roll summary attached hereto as Appendix B.

III. Bond Redemption Related Updates

The Bonds were issued in May 2014. Pursuant to Section 4.3 of the Indenture of Trust, the City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after September 1, 2019, such redemption date or dates to be fixed by the City, at the redemption prices and dates shown in the Indenture of Trust.

The Administrator has conducted a preliminary evaluation of the current refunding market conditions, recent PID bond refunding transactions, and other relevant factors. Based on this preliminary evaluation, the Administrator believes a refunding of the Bonds does not appear viable at this time. The Administrator will continue to monitor the refunding market conditions, applicable PID bond refunding transactions, and other relevant factors to determine if refunding becomes viable in the future and will inform the City accordingly.

(remainder of this page left intentionally blank)

C. UPDATE OF THE ASSESSMENT PLAN

The Service and Assessment Plan adopted by the Town Council provided that the PID Costs shall be allocated to the Assessed Property equally on the basis of the number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the PID Costs to Parcels similarly benefited. According to the Developer, the initial plan for a single category of townhomes in the PID has been revised to include two townhome categories based on the location of such townhomes with respect to the amenity area. As a result, Land Use Class 2 has been updated as follows and a new land use class ("Land Use Class 9") has been created for the second category of townhomes as follows:

"Land Use Class 2" means lots identified as such on the Assessment Roll, which are referred to as townhomes in the CBD and being generally lots for an attached single-family dwelling unit on individually platted lots adjacent to the River Walk amenity area.

"Land Use Class 9" means lots identified as such on the Assessment Roll, which are referred to as townhomes in the CBD and being generally lots for an attached single-family dwelling unit on individually platted lots located along the outer periphery of the CBD.

According to the Developer the estimated home prices for the two townhome categories in Land Use Class 2 and Land Use Class 9 are $380,500 and $324,500, respectively. As a result, the Equivalent Unit factors for Land Use Class 2 and Land Use Class 9 are calculated as shown in Table D below.

Table C-1
Equivalent Unit Calculations
Land Use Class 2 and Land Use Class 9

Land Use Class	Estimated Home price	Equivalent Unit factor[1]	Assessment per Unit[2]
Land Use Class 2	$380,500.00	0.90	$21,623.00
Land Use Class 9	$324,500.00	0.76	$18,435.00

1 - The Equivalent Unit factors are calculated (as rounded) by dividing the newly estimated home prices for each Land Use Class by the initial estimated home price of $425,000 for Land Use Class 1.
2 – The Assessment per Unit is calculated by multiplying the Assessment per Equivalent Unit of $24,141 shown in the Service and Assessment Plan by the Equivalent Units factors (as rounded) calculated in this table.

According to the Developer, the original development plan for Parcels 636005, 636005, 636015, 636019, 636020, 636021, 464947 and 527979 were changed in 2017 as part of a revised development plan to develop additional residential units in the PID. The original development plan for each of these Parcels is shown in Table C-2 on the following page.

Table C-2
Original Development Plan, Equivalent Units and Assessment Allocations

Parcel	Original Proposed Development Type	Land Use Class	No. of units/ Proposed use in 1,000 Sq. Ft	Assessment per EU	EU	Assessment Per Unit	Total EU	Total Assessment Allocated - Original
636005	Townhomes	2	36	$24,141.00	0.69	$16,658	24.84	$599,675
636006	Townhomes	2	36	$24,141.00	0.69	$16,658	24.84	$599,675
636015	Office	7	45	$24,141.00	0.46	$11,105	20.70	$499,729
527979	Memory Care	5	100	$24,141.00	0.42	$10,139	42.00	$1,013,942
464947	Row Houses	2	110	$24,141.00	0.69	$16,658	75.90	$1,832,339
636019	Retail	6	8	$24,141.00	0.69	$16,658	5.52	$133,261
636020	Retail	6	30	$24,141.00	0.69	$16,658	20.70	$499,729
636021	Retail	6	35	$24,141.00	0.69	$16,658	24.15	$583,017
	Total						**238.65**	**$5,761,366**

The revised development plan and the Land Use Classes to be developed, as provided by the Developer, and the related Assessments reallocated to each Parcel that are based upon the revised Equivalent Unit factors calculated and shown in Table C-3 below.

Table C-3
Revised Development Plan, Equivalent Units and Assessment Reallocations

Parcel	New Proposed Development Type	Land Use Class	New No. of units/ Proposed use in 1,000 Sq. Ft	Assessment per EU	New EU	New Assessment Per Unit	Total EU	Total Assessment Allocated - New
636005	Townhomes	2	36	$24,141	0.90	$21,623	32.24	$778,424
636006	Townhomes	2	36	$24,141	0.90	$21,623	32.24	$778,424
636015	Office	7	23	$24,141	0.46	$11,105	10.35	$249,864
464947	Townhomes	2	84	$24,141	0.90	$21,623	75.24	$1,816,322
527979	Townhomes	9	55	$24,141	0.76	$18,435	42.00	$1,013,942
636015 636019 636020 636021	Townhomes	2	52	$24,141	0.90	$21,623	46.58	$1,124,390
	Total						**238.65**	**$5,761,366**

This method of assessing property has not been changed other than the updates shown on the previous pages and the Assessed Property will continue to be assessed as provided for in the Service and Assessment Plan.

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D. UPDATE OF THE ASSESSMENT ROLL

Pursuant to the original Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

> The identification of each Parcel as Benefited Property, Assessed Property, and Non-Assessed Property; (ii) the Assessment for each Parcel, including any adjustments authorized by the Service and Assessment Plan or in the Act; (iii) the Principal Portion of the Assessment for each Parcel, including any adjustments authorized by this Service and Assessment Plan or in the Act; (iv) the Annual Installment for the Parcel for the year (if the Assessment is payable in installments); and (v) payments of the Assessment, if any, as provided by Section VI.C of the Service and Assessment Plan.

The summary Assessment Rolls are shown in Appendix B. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel. Assessments are to be reallocated for the subdivision of any Parcels.

I. PARCEL UPDATES

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the reallocation formula shown in the Service and Assessment Plan. The reallocation formula, which was intended to be applied using Equivalent Units is updated as shown in the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel.

B = the Assessment for the Parcel prior to subdivision.

C = the estimated number of Equivalent Units to be built on each newly subdivided Parcel

D = the sum of the estimated number of Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of Equivalent Units to be built on a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units and related Equivalent Units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

According to the Developer and project engineer, 52 separate Land Use Class 2 Parcels were subdivided from Parcel 667425 in 2017. As a result, the Assessment amount allocated to Parcel 667425 is reallocated to the 52 total newly subdivided parcels, as shown in Table D-1 on the following page, using the formula above. The total Assessment and total Equivalent Units on Parcel 667425 prior to the new Parcel subdivisions were $1,124,390 and 46.58, respectively. The Assessment reallocated to each Land Use Class 2 Parcel newly created from Parcel 667425 is, therefore, $21,623 [$1,124,390 × (0.90 ÷ 46.58) = $21,623]. See the notes to Table C-1 regarding rounding on the Equivalent Unit factors.

Table D-1
Assessment Reallocations from Replats

Prior to Consolidation/ Replat			After Consolidation/ Replat		
Parcel	**Total Equivalent Units**	**Total Assessments**	**Parcel**	**Total Equivalent Units**	**Total Assessments**
667425	46.58	$1,124,390.00	Various	46.58	$1,124,390.00
Total	**46.58**	**$1,124,390.00**		**46.58**	**$1,124,390.00**

According to the Developer, Parcels 655441 and 667414 are planned to be developed as shown in Table D-2 below. The Assessment for the planned development on the two Parcels was initially allocated as part of Parcel 667424 and is reallocated to each of the newly identified Parcels using the reallocation formula shown on the previous page.

Table D-2
Assessment Reallocations for Planned Development

Prior to subdivision			After subdivision				
Parcel	**Total EUs**	**Total Assessments**	**Parcels**	**Proposed Development**	**Estimated Units (sp. Ft.)**	**Totals EUs**	**Total Assessments**
667424	111.18	$2,684,038.00	655441	Reception Hall	13,000	8.97	$216,549.00
			655443	Open Space	0	0	$0.00
			696483	Open Space	0	0	$0.00
			667414	Restaurant	21,000	14.49	$349,810.00
			667422	Open Space	0	0	$0.00
			667424	Various		87.72	$2,117,679.00
Total	**111.18**	**$2,684,038.00**		**Total**		**111.18**	**$2,684,038.00**

According to the revised development plan, 84 townhomes, representing 75.24 total Equivalent Units, were proposed to be built within the PID, deriving from Parcels 667418 and 667420. According to the Developer and Denton Central Appraisal District ("DCAD"), the proposed development from Parcels 667418 and 667420 is now 83 townhomes. This change results in a total of 74.34 Equivalent

Units derived from parcels 667418 and 667420. The decrease in proposed total Equivalent Units will cause a mandatory prepayment in the amount of $20,975, according to Section VI. C. of the Service and Assessment Plan. This change is shown in Table D-4 and Table D-5 on the following page.

Table D-4
Previous Allocations for Planned Development

Parcel	Original Proposed Development Type	Original Proposed Units	EUs per Unit	Total Equivalent Units	Assessment per Unit	Total Assessment Allocated - Original
667418	Townhomes	84	0.90	75.24	$20,946	$1,759,646
667420	Open space	0	0.00	0.00	$0	$0.00
Total		**84**		**75.24**		**$1,759,464**

Table D-5
Revised Allocations for Planned Development

Parcel	Revised Proposed Development Type	Revised Proposed Units	EUs per Unit	Revised Total Equivalent Units	Assessment per Unit	Revised Total Assessments
Various	Townhomes	83[1]	0.90	74.34	$20,946	$1,738,518
667418	Townhomes	1	0.90	0.90	$20,946	$20,946[2]
Total		**84**		**75.24**		**$1,759.464**

[1]According to the Developer and the final plat recorded with DCAD, the proposed number of units split from Parcel 667418 has changed from 84 to 83 in 2018.
[2]The decrease in proposed total Equivalent Units subdivided from Parcel 667418 triggered a mandatory prepayment in the amount of $20,975, Pursuant to Section VI. C. of the Service and Assessment Plan.

According to the Developer and the final plat recorded with DCAD, Parcel 655452 has been re-platted and is now Parcel 711952. According to the Developer, the proposed land type use for Parcel 711952 remains assisted living and maintains 52.50 Equivalent Units.

According to the Developer and the final plat recorded with DCAD, Parcels 655441, 667414, 655443, 696483, and 667442 have been re-platted and are now Parcels 705227, 705226, 705225, 705224, and 705228. These changes are shown in Table D-6 below.

Table D-6
2018-19 Parcel Replats

Prior to subdivision				After subdivision			
Parcels	**Land Use Type**	**EUs**	**Assessment per Unit**	**Parcel**	**Land Use Type**	**EUs**	**Assessment per Unit**
667414	Restaurant	14.49	$338,860	705226	Restaurant	14.49	$338,860
667414	Reception Hall	8.97	$209,770	705227	Reception Hall	8.97	$209,770
655443	Open space	0.00	$0	705228	Open space	0.00	$0
667422	Open space	0.00	$0	705224	Open space	0.00	$0
696483	Open space	0.00	$0	705225	Open space	0.00	$0
Total		**23.46**	**$548,630**			**23.46**	**$548,630**

According to the Developer and the final plat recorded with DCAD, Parcels 705216, 705217, 705218, 705219, 705220, 705222, and 705223 have been subdivided from Parcel 667426. According to the Developer and the proposed development plan, the proposed land use type and Equivalent Units, office/retail and 27.83 respectively, remain the in the subdivided Parcels as in the Parent Parcel as shown in Table D-7 below.

Table D-7
2018-19 Parcel Replats

Prior to subdivision				After subdivision			
Parcel	**Land Use Type**	**EUs**	**Assessment per Unit**	**Parcels**	**Land Use Type**	**EUs**	**Assessment per Unit**
667426	Retail/Office	27.83	$650,826	705216	Office/Retail	24.12	$564,049
				705217	Retail	3.71	$86,777
				705218	Open space	0.00	$0
				705219	Open space	0.00	$0
				705220	Open space	0.00	$0
				705222	Open space	0.00	$0
				705223	Open space	0.00	$0
Total		**27.83**	**$650,826**			**27.83**	**$650,826**

II. Prepayment of Assessments

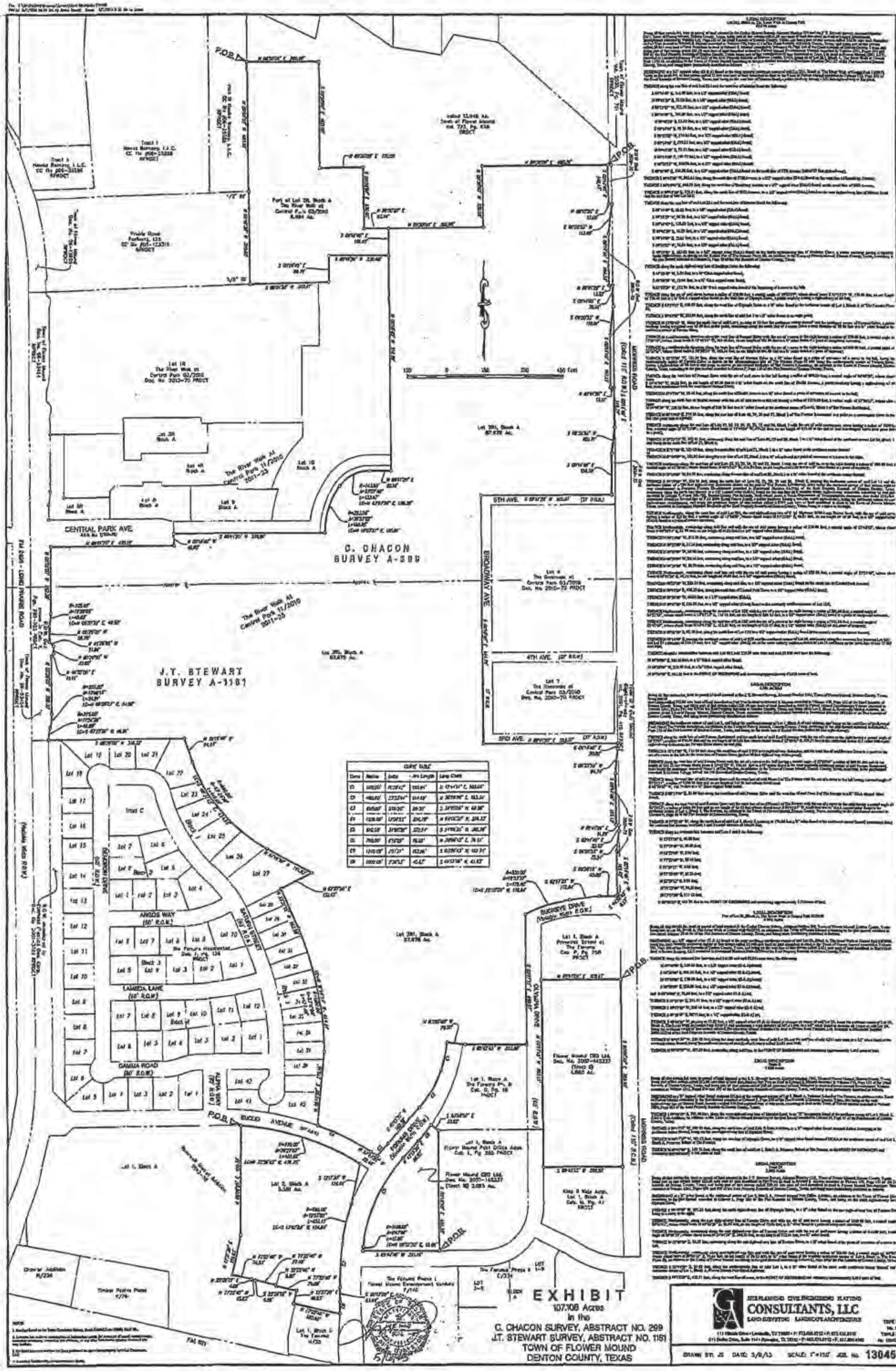
According to the trustee, Parcels 667648 and 652931 have prepaid their Assessments in full as of August 31, 2018.

According to Section VI. C. of the Service and Assessment Plan, the remaining Assessment balance on Parcel 667418 will be paid in full as a mandatory prepayment of $20,975 due to the proposed decrease in total Equivalent Units as a result of the final subdivision Lots from this parent Parcel.

The list of current parcels within the PID, the estimated number of units to be developed on the current residential parcels, the corresponding total Assessments and current Annual Installment are shown in the Assessment Roll summary attached hereto as Appendix B.

The complete Assessment Roll is available for review at Flower Mound Town Hall, located at 2121 Cross Timbers Road, Flower Mound, Texas 75028.

APPENDIX A
PID MAP


C. CHACON
SURVEY A-299
J.T. STEWART
SURVEY A-1161
CENTRAL PARK AVE
BROADWAY AVE
5TH AVE.
4TH AVE.
3RD AVE.
ARGOS WAY
LAMEDA LANE
GAMMA ROAD
EUCLID AVENUE
BUCKEYE DRIVE
MORRISS ROAD
FM 2499 - LONG PRAIRIE ROAD
P.O.B.
EXHIBIT
107.108 Acres
in the
C. CHACON SURVEY, ABSTRACT NO. 299
J.T. STEWART SURVEY, ABSTRACT NO. 1161
TOWN OF FLOWER MOUND
DENTON COUNTY, TEXAS
CONSULTANTS, LLC
13045

APPENDIX B
ASSESSMENT ROLL SUMMARY – 2018-19

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
715531	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715532	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715533	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715534	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715535	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715536	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715537	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715538	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715539	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715540	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715541	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715542	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715543	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715544	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715545	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715546	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715547	0.00	$0	$0.00	$0.00	$0.00
715548	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715549	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715550	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715551	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715552	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715553	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715554	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715555	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715556	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715557	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715558	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715559	0.00	$0	$0.00	$0.00	$0.00
715560	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715561	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715562	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715563	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715564	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715565	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715566	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715567	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715568	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715569	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715570	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715571	0.00	$0	$0.00	$0.00	$0.00
715572	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715573	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715574	0.90	$20,946	$1,774.04	$157.17	$1,931.21

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
715575	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715576	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715577	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715578	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715579	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715580	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715581	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715582	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715583	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715584	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715585	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715586	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715587	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715588	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715589	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715590	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715591	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715592	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715593	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715594	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715595	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715596	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715597	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715598	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715599	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715600	0.00	$0	$0.00	$0.00	$0.00
715601	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715602	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715603	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715604	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715605	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715606	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715607	0.00	$0	$0.00	$0.00	$0.00
715608	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715609	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715610	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715611	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715612	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715613	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715614	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715615	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715616	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715617	0.90	$20,946	$1,774.04	$157.17	$1,931.21
715618	0.90	$20,946	$1,774.04	$157.17	$1,931.21

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
715619	0.00	$0	$0.00	$0.00	$0.00
715620	0.00	$0	$0.00	$0.00	$0.00
715621	0.00	$0	$0.00	$0.00	$0.00
715622	0.00	$0	$0.00	$0.00	$0.00
563269	25.39	$593,811	$50,293.36	$4,455.82	$54,749.18
655453	34.64	$810,036	$68,606.70	$6,078.32	$74,685.02
711952	52.50	$1,227,753	$103,985.56	$9,212.77	$113,198.33
655447	85.92	$2,009,305	$170,179.79	$15,077.36	$185,257.15
667424	87.72	$2,051,388	$173,744.00	$15,393.14	$189,137.14
705216	24.12	$564,049	$47,772.62	$4,232.49	$52,005.11
705217	3.71	$86,777	$7,349.63	$651.15	$8,000.79
705218	0.00	$0	$0.00	$0.00	$0.00
705219	0.00	$0	$0.00	$0.00	$0.00
705220	0.00	$0	$0.00	$0.00	$0.00
705222	0.00	$0	$0.00	$0.00	$0.00
705223	0.00	$0	$0.00	$0.00	$0.00
705227	8.97	$209,770	$17,766.68	$1,574.07	$19,340.74
705224	0.00	$0	$0.00	$0.00	$0.00
655450	0.00	$0	$0.00	$0.00	$0.00
705225	0.00	$0	$0.00	$0.00	$0.00
705226	14.49	$338,860	$28,700.01	$2,542.73	$31,242.74
705228	0.00	$0	$0.00	$0.00	$0.00
667423	0.00	$0	$0.00	$0.00	$0.00
652930	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652931	PREPAID	PREPAID	PREPAID	PREPAID	$0.00
652932	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652933	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652934	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652935	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652936	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652937	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652938	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652939	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652940	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652941	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652942	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652943	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652944	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652945	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652946	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652947	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652948	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652949	1.00	$23,386	$1,980.68	$175.48	$2,156.16

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
652950	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652951	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652952	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652953	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652954	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652955	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652956	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652957	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652958	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652959	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652960	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652961	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652962	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652963	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652964	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652965	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652966	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652967	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652968	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652969	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652970	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652971	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652972	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652973	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652974	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652975	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652976	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652977	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652978	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652979	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652980	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652981	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652982	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652987	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652988	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652989	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652990	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652991	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652992	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652993	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652994	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652995	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652996	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652997	1.00	$23,386	$1,980.68	$175.48	$2,156.16

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
652998	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652999	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653000	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653001	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653002	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653003	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653004	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653005	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653006	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653007	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653011	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653012	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653013	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653014	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653015	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653016	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653017	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653018	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653019	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653020	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653021	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653022	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653023	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653024	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653025	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653027	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653028	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653029	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653030	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653031	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653032	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653033	1.00	$23,386	$1,980.68	$175.48	$2,156.16
653034	1.00	$23,386	$1,980.68	$175.48	$2,156.16
652983	0.00	$0	$0.00	$0.00	$0.00
652984	0.00	$0	$0.00	$0.00	$0.00
652985	0.00	$0	$0.00	$0.00	$0.00
652986	0.00	$0	$0.00	$0.00	$0.00
653008	0.00	$0	$0.00	$0.00	$0.00
653009	0.00	$0	$0.00	$0.00	$0.00
653010	0.00	$0	$0.00	$0.00	$0.00
653026	0.00	$0	$0.00	$0.00	$0.00
653035	0.00	$0	$0.00	$0.00	$0.00

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
653036	0.00	$0	$0.00	$0.00	$0.00
653037	0.00	$0	$0.00	$0.00	$0.00
653038	0.00	$0	$0.00	$0.00	$0.00
675215	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675216	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675217	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675218	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675219	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675220	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675221	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675222	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675223	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675227	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675228	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675229	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675230	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675231	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675232	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675233	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675234	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675237	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675238	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675239	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675240	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675241	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675242	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675243	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675245	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675246	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675247	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675248	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675249	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675250	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675251	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675252	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675256	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675257	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675258	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675259	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675260	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675261	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675262	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675263	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675264	0.76	$17,858	$1,512.52	$134.00	$1,646.52

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
675265	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675266	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675267	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675268	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675269	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675270	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675275	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675276	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675277	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675278	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675279	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675280	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675281	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675282	0.76	$17,858	$1,512.52	$134.00	$1,646.52
675224	0.00	$0	$0.00	$0.00	$0.00
675225	0.00	$0	$0.00	$0.00	$0.00
675226	0.00	$0	$0.00	$0.00	$0.00
675235	0.00	$0	$0.00	$0.00	$0.00
675236	0.00	$0	$0.00	$0.00	$0.00
675244	0.00	$0	$0.00	$0.00	$0.00
675253	0.00	$0	$0.00	$0.00	$0.00
675254	0.00	$0	$0.00	$0.00	$0.00
675255	0.00	$0	$0.00	$0.00	$0.00
675271	0.00	$0	$0.00	$0.00	$0.00
675272	0.00	$0	$0.00	$0.00	$0.00
675273	0.00	$0	$0.00	$0.00	$0.00
675274	0.00	$0	$0.00	$0.00	$0.00
675283	0.00	$0	$0.00	$0.00	$0.00
675284	0.00	$0	$0.00	$0.00	$0.00
675285	0.00	$0	$0.00	$0.00	$0.00
667598	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667599	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667600	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667601	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667602	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667603	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667604	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667605	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667606	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667607	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667608	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667609	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667610	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667611	0.90	$20,946	$1,774.04	$157.17	$1,931.21

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
667612	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667613	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667614	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667615	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667618	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667619	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667620	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667621	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667622	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667623	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667624	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667625	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667626	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667627	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667628	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667629	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667630	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667631	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667632	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667633	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667634	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667635	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667637	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667638	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667639	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667640	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667641	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667642	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667643	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667644	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667645	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667646	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667647	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667648	PREPAID	PREPAID	PREPAID	PREPAID	$0.00
667649	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667650	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667651	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667652	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667653	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667654	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667656	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667657	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667658	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667659	0.90	$20,946	$1,774.04	$157.17	$1,931.21

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
667660	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667661	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667662	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667663	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667664	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667665	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667666	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667667	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667668	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667669	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667670	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667671	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667672	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667673	0.90	$20,946	$1,774.04	$157.17	$1,931.21
667616	0.00	$0	$0.00	$0.00	$0.00
667617	0.00	$0	$0.00	$0.00	$0.00
667636	0.00	$0	$0.00	$0.00	$0.00
667655	0.00	$0	$0.00	$0.00	$0.00
667674	0.00	$0	$0.00	$0.00	$0.00
667675	0.00	$0	$0.00	$0.00	$0.00
693466	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693467	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693468	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693469	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693470	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693471	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693472	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693473	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693474	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693475	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693476	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693477	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693478	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693479	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693480	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693481	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693482	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693483	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693484	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693485	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693486	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693487	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693488	0.90	$20,946	$1,774.04	$157.17	$1,931.21

Riverwalk PID No. 1
Assessment Roll Summary 2018-19

Parcel	Estimated EU	Outstanding Assessments	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installments - 2018-19
693489	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693490	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693491	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693492	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693493	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693494	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693495	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693496	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693498	0.00	$0	$0.00	$0.00	$0.00
693499	0.00	$0	$0.00	$0.00	$0.00
693500	0.00	$0	$0.00	$0.00	$0.00
693501	0.00	$0	$0.00	$0.00	$0.00
693502	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693503	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693504	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693505	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693506	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693507	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693508	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693509	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693510	0.00	$0	$0.00	$0.00	$0.00
693511	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693512	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693513	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693514	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693515	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693516	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693517	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693518	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693519	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693520	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693521	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693522	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693523	0.90	$20,946	$1,774.04	$157.17	$1,931.21
693524	0.00	$0	$0.00	$0.00	$0.00
Total	**659.97**	**$15,433,861**	**$1,307,183.91**	**$115,812.13**	**$1,422,996.05**

Assessment to be Prepaid in Full as Mandatory Prepayment

Parcel	Estimated EU	Outstanding Assessment	Annual Assessment (Principal and Interest)	Annual Collection Costs	Annual Installment - 2018-19
667418	0.90	$20,946	$0.00	$0.00	$0.00

TOWN COUNCIL AGENDA ITEM NO. 15
REGULAR ITEM

DATE: September 17, 2018

FROM: Kay Wilkinson, Budget Officer

ITEM: **Consider approval of an ordinance adopting the budget for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019, and making appropriations for each fund and department; ratify property tax revenue increase reflected in the budget.**

BACKGROUND INFORMATION: The FY 2018-2019 Proposed Budget is hereby presented for adoption in fund total. Section 9.08 of the Town's Charter states that, "The budget shall be adopted by the favorable vote of three (3) of the members of the Town Council."

The Flower Mound Town Council and staff held the FY 2018-2019 Budget Work Session on August 16, 2018, in the Council Chambers. A public hearing for the Proposed Budget was also held on August 20, 2018. The proposed budget for FY 2018-2019 includes a five-year Capital Improvement Program (CIP).

The proposed budget for the General Fund includes $66,103,479 in revenues and $68,250,344 in expenditures, which includes the baseline budget, non-discretionary requests, and proposed decision packages. Agencies that provide community support for the Town of Flower Mound, and meet certain criteria are eligible to request community support funding. The proposed budget includes $251,845 for community support funding. Seven organizations that provide a quantifiable benefit to the Town were incorporated into Town department budgets for $148,845. Cultural Arts organizations are funded at $41,000 and $62,000 of community support funding is for Social Services/Volunteerism organizations.

The proposed budget for the Utility Fund includes $44,882,407 in revenues, and $44,702,020 in expenditures, which includes the baseline budget, non-discretionary requests, and proposed decision packages.

The proposed budget for the Stormwater Utility Fund includes $1,641,814 in revenues, and $1,590,009 in expenditures, which includes the baseline budget, non-discretionary requests, and proposed decision packages.

The Town utilizes three Internal Service Funds. The three funds are the Health Insurance/Flex Fund, the Vehicle and Equipment Replacement Fund and the Technology Replacement Fund. The Health Insurance/Flex Fund is supported by internal charges and employee contributions. The proposed budget for the Health Insurance/Flex Fund includes $9,895,000 in revenues, and $9,730,000 in expenditures. The Vehicle and Equipment Replacement Fund and the Technology Replacement Fund are supported by internal transfers. The Vehicle and Equipment Replacement Fund includes $2,001,515 in revenues, and $1,575,000 in expenditures. The Technology Replacement Fund includes $485,430 in revenues, and $277,000 in expenditures.

The first year of the five-year General Government Capital Improvement Program (CIP) addresses needs pertaining to streets, signals, facilities and parks, and totals $24,292,000. The largest portion of the CIP for FY 2018-2019 is dedicated to street and signal projects for $15,810,000, $6,207,000 for facilities and $2,275,000 for park projects. These projects will be supported by $13,057,000 in additional debt.

The five-year CIP in the Utility Fund is approximately $27,500,000 for FY 2018-2019, which includes water and wastewater lines and stormwater projects. These projects will be supported by $24,955,000 in additional debt.

A complete listing of Funds approved is included in the Fiscal Impact section.

Since the budget will require raising more revenue from property taxes than in the previous year, Section 102.007(c), Local Government Code, requires a separate vote of the governing body (in addition to and separate from the vote to adopt the budget) to ratify the property tax revenue increase reflected in the budget. This separate motion is set out below under the recommendation.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT:

Proposed Expenditure:		
General Fund	$	68,250,344
Utility Fund		44,702,020
Stormwater Utility Fund		1,590,009
Health insurance/Flex Fund		9,730,000
Vehicle and Equipment Replacement Fund		1,575,000
Technology Replacement Fund		277,000
Library Development Fund		20,000
TIRZ Fund		9,258,085
Park Development Fund		4,383,690
Tree Preservation Fund		192,975
Public Education Government (PEG) Fund		474,976
Street Maintenance Sales Tax Fund		8,409,539
4B Parks Sales Tax Fund		5,191,791
Park & Recreation Special Activities Fund		175,700
Police Seizure Fund		2,200
IRS Equitable Sharing Fund		491,000
Justice Seizures Fund		1,309
Chapter 59 Seizures Fund		30,000
Animal Care Fund		30,500
CDBG-HUD Grant Fund		192,892
Neighborhood Improvement Fund		160,000
Hotel Occupancy Tax Fund		300,000
Municipal Court Security Fund		33,000
Municipal Court Technology Fund		34,440
General Debt Service Fund		12,759,500
Total Expenditures	**$**	**168,265,970**

Proposed Revenue:

General Fund	$	66,103,479
Utility Fund		44,882,407
Stormwater Utility Fund		1,641,814
Health insurance/Flex Fund		9,895,000
Vehicle and Equipment Replacement Fund		2,001,515
Technology Replacement Fund		485,430
Library Development Fund		10,150
TIRZ Fund		5,295,880
Park Development Fund		20,000
Tree Preservation Fund		10,000
Public Education Government (PEG) Fund		186,500
Street Maintenance Sales Tax Fund		3,249,240
4B Parks Sales Tax Fund		3,229,240
Park & Recreation Special Activities Fund		168,350
Police Seizure Fund		50
IRS Equitable Sharing Fund		1,000
Justice Seizures Fund		-
Chapter 59 Seizures Fund		-
Animal Care Fund		8,350
CDBG-HUD Grant Fund		192,892
Neighborhood Improvement Fund		101,050
Hotel Occupancy Tax Fund		330,300
Municipal Court Security Fund		29,155
Municipal Court Technology Fund		38,840
General Debt Service Fund		12,808,353
Total Resources	**$**	**150,688,995**

Finance Review by: Debra Wallace, Deputy Town Manager/CFO DW

LEGAL REVIEW: No alteration to the legal content of this ordinance, which was originally approved by Taylor, Olson, Adkins, Sralla, & Elam L.L.P, was made.

ATTACHMENTS:

1. Ordinance

DRAFT MOTION:

Note: Budget adoption must include two motions- the second motion is to ratify the property tax increase reflected in the budget.

1. Move to approve an ordinance adopting the budget for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019, and making appropriations for each fund and department.

2. Move to ratify the property tax revenue increase reflected in the FY 2018-2019 budget.

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF FLOWER MOUND, TEXAS, ADOPTING AND APPROVING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018, AND ENDING SEPTEMBER 30, 2019, AND MAKING APPROPRIATIONS FOR EACH FUND AND DEPARTMENT; PROVIDING FOR THE LEVYING AND COLLECTION OF A SUFFICIENT TAX TO PAY THE INTEREST ON SINKING FUND AND OTHER OBLIGATIONS; REPEALING CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Town Manager has caused to be filed with the Town Secretary a budget to cover all proposed expenditures of the government of the Town for the fiscal year beginning October 1, 2018, and ending September 30, 2019; and,

WHEREAS, said budget shows, as definitely as possible, each of the various projects for which appropriations are made in the budget and the estimated amount of money carried in the budget for each such project; and,

WHEREAS, said budget has been filed with the Town Secretary and has been available for inspection by any taxpayer; and,

WHEREAS, notice of public hearing on the proposed Annual Budget, stating the date, time, place, and subject matter of said public hearing was given as required by the laws of the State of Texas; and,

WHEREAS, one (1) such public hearing was held on August 20, 2018, prior approval of which date being hereby ratified and confirmed by the Town Council, and all those wishing to speak on the budget were heard; and,

WHEREAS, the Town Council has studied said budget and listened to the comments of the taxpayers at the public hearing held, and therefore has determined that the budget attached in fund total hereto is in the best interest of the Town of Flower Mound; and,

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, THAT:

SECTION 1

All of the above premises are hereby found to be true and correct legislative and factual findings of the Town of Flower Mound and they are hereby approved and incorporated into the body of this Ordinance, as if copied in their entirety.

SECTION 2

The budget attached in fund total hereto as Exhibit "A", and incorporated herein for all purposes, is adopted for the fiscal year beginning October 1, 2018, and ending September 30, 2019, and there is hereby appropriated from the funds indicated and for such purposes, respectively, such sums of money for such projects, operations, activities, purchases, and other expenditures as proposed in the attached budget. The budget includes a contingent appropriation in the General Fund of $6,825,034 (i.e., 10 percent of total expenditures) to be used in the event of unforeseen items of expenditure. Such contingent appropriations shall be under the control of the Town Manager and distributed by him, after approval of the Town Council.

SECTION 3

No expenditure of the funds of the Town shall hereafter be made except in strict compliance with said budget, except that in the case of public necessity, the Town Council shall authorize amendments to said budget such emergency expenditures to meet unusual and unforeseen conditions which could not, by reasonably diligent thought and attention, have been included in the original budget.

SECTION 4

The Town Manager shall file or cause to be filed three (3) true and correct copies of said approved budget, along with this Ordinance, with the Town Secretary, who shall file or cause to be filed one (1) true and correct copy of same in the office of the County Clerk of Denton County, Texas and one (1) true and correct copy of same in the office of the County Clerk of Tarrant County, Texas.

SECTION 5

Any and all ordinances, resolutions, rules, regulations, policies, or provisions in conflict with the provisions of this Ordinance are hereby repealed and rescinded to the extent of any conflict herewith.

SECTION 6

If any section, paragraph, sentence, clause, phrase, or word in this Ordinance, or application thereof by any persons or circumstances is held invalid in any Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance; and the Town Council hereby declares it would have passed such remaining portions of the ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 7

The necessity of adopting and approving a budget for the next fiscal year as required by the laws of the State of Texas requires that this Ordinance shall take effect immediately from and after its passage.

DULY PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _______ TO ______ ON THIS 17th DAY OF SEPTEMBER, 2018.

APPROVED:

____
Steve Dixon, MAYOR

ATTEST:

____
Theresa Scott, TOWN SECRETARY

ORDINANCE NO. ______ **PAGE 4**

EXHIBIT A

Town of Flower Mound, Texas
FY 18-19

PROPOSED REVENUES	General Fund	General Debt Service Fund	Utility Fund	Stormwater Utility Fund	Internal Service Funds
Property Taxes	$ 36,066,313	$ 9,619,978	$ -	$ -	$ -
Utility Franchise Fees	5,652,774	-	-	-	-
Sales Tax Collections	12,816,960	-	-	-	-
Other Taxes	233,295	-	-	-	-
Charges for Current Services	3,062,000	-	-	-	-
Licenses and Permits	2,603,550	-	-	-	-
Fines and Forfeitures	1,222,835	-	-	-	-
Investment Earnings	120,000	30,000	50,000	3,000	-
Intergovernmental Revenue	807,707	-	-	-	-
Interfund Transfer	2,007,480	3,158,375	-	-	-
Other Revenue	1,510,565	-	153,000	-	-
Water Sales	-	-	32,879,046	-	-
Sewer Charges	-	-	11,185,361	-	-
Stormwater Fees	-	-	-	1,403,814	-
Drainage Inspections	-	-	-	225,000	-
Meter and Connect Fees	-	-	180,000	-	-
Solid Waste Collection	-	-	135,000	-	-
Penalties-Utility Billing	-	-	300,000	10,000	-
Health Insurance Fund	-	-	-	-	9,895,000
Vehicle and Equipment Replacement Fund	-	-	-	-	2,001,515
Technology Replacement Fund	-	-	-	-	485,430
TOTAL REVENUE	**$ 66,103,479**	**$ 12,808,353**	**$ 44,882,407**	**$ 1,641,814**	**$ 12,381,945**

PROPOSED EXPENDITURES	General Fund	General Debt Service Fund	Utility Fund	Stormwater Utility Fund	Internal Service Funds
Town Manager's Office	$ 1,697,270	$ -	$ -	$ -	$ -
Legislative Services	485,725	-	-	-	-
Development Services	2,092,440	-	-	-	-
Parks & Recreation Services	8,264,302	-	-	-	-
Library Services	1,781,570	-	-	-	-
Police Services	15,433,897	-	-	-	-
Financial Services	3,669,149	-	1,712,285	-	-
Administrative Services	6,601,334	-	-	-	-
Fire & Emergency Services	16,145,597	-	-	-	-
Community Relations	726,680	-	-	-	-
General Fund Non-Departmental	4,562,065	-	-	-	-
Utility Fund Non-Departmental	-	-	11,418,350	-	-
Public Works	5,228,290	-	31,571,385	1,507,254	-
Environmental Services	1,562,025	-	-	82,755	-
Debt Service	-	12,759,500	-	-	-
Health Insurance Fund	-	-	-	-	9,730,000
Vehicle and Equipment Replacement Fund	-	-	-	-	1,575,000
Technology Replacement Fund	-	-	-	-	277,000
TOTAL EXPENDITURES	**$ 68,250,344**	**$ 12,759,500**	**$ 44,702,020**	**$ 1,590,009**	**$ 11,582,000**
NET CHANGE	$ (2,146,865)	$ 48,853	$ 180,387	$ 51,805	$ 799,945

2018-2019 FUND BALANCE PROJECTION	General Fund	General Debt Service Fund	Utility Fund	Stormwater Utility Fund	Internal Service Funds
Unassigned Fund Balance 10/1/18	$ 16,355,330	$ 1,239,913	$ 9,052,925	$ 327,646	$ 11,823,858
Revenue	66,103,479	12,808,353	44,882,407	1,641,814	12,381,945
Expenditure	(68,250,344)	(12,759,500)	(44,702,020)	(1,590,009)	(11,582,000)
Unassigned Fund Balance 09/30/19	$ 14,208,465	$ 1,288,766	$ 9,233,312	$ 379,451	$ 12,623,803

EXHIBIT A

Town of Flower Mound, Texas
FY 18-19

PROPOSED REVENUES	Library Development Fund	TIRZ Fund	Park Development Fund	Tree Preservation Fund	Public-Education Government (PEG) Fund	Strt Maint Sales Tax Fund
Taxes	$ -	$ 5,235,880	$ -	$ -	$ 185,000	$ 3,204,240
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Interest Earnings	150	60,000	20,000	10,000	1,500	45,000
Interfund Transfer	-	-	-	-	-	-
Other Revenue	10,000	-	-	-	-	-
TOTAL REVENUE	**$ 10,150**	**$ 5,295,880**	**$ 20,000**	**$ 10,000**	**$ 186,500**	**$ 3,249,240**

PROPOSED EXPENDITURES	Library Development Fund	TIRZ Fund	Park Development Fund	Tree Preservation Fund	Public-Education Government (PEG) Fund	Strt Maint Sales Tax Fund
Town Manager's Office	$ -	$ -	$ -	$ -	$ -	$ -
Legislative Services	-	-	-	-	-	-
Development Services	-	-	-	-	-	-
Community Services	20,000	-	4,383,690	82,945	-	-
Police Services	-	-	-	-	-	-
Financial Services	-	9,258,085	-	-	-	-
Administrative Services	-	-	-	-	474,976	-
Fire & Emergency Services	-	-	-	-	-	-
Community Relations	-	-	-	-	-	-
Public Works	-	-	-	-	-	8,409,539
Environmental Services	-	-	-	110,030	-	-
TOTAL EXPENDITURES	**$ 20,000**	**$ 9,258,085**	**$ 4,383,690**	**$ 192,975**	**$ 474,976**	**$ 8,409,539**
NET CHANGE	$ (9,850)	$ (3,962,205)	$ (4,363,690)	$ (182,975)	$ (288,476)	$ (5,160,299)

2018-2019 FUND BALANCE PROJECTION	Library Development Fund	TIRZ Fund	Park Development Fund	Tree Preservation Fund	Public-Education Government (PEG) Fund	Strt Maint Sales Tax Fund
Unassigned Fund Balance 10/1/18	$ 32,533	$ 3,962,205	$ 4,363,690	$ 1,839,830	$ 288,476	$ 5,160,299
Revenue	10,150	5,295,880	20,000	10,000	186,500	3,249,240
Expenditure	(20,000)	(9,258,085)	(4,383,690)	(192,975)	(474,976)	(8,409,539)
Unassigned Fund Balance 09/30/19	$ 22,683	$ -	$ -	$ 1,656,855	$ -	$ -

ORDINANCE NO. _______ **PAGE 6**

EXHIBIT A

Town of Flower Mound, Texas
FY 18-19

PROPOSED REVENUES	4B Parks Sales Tax Fund	Park & Rec Spc Activities Fund	Police Seizure Fund	IRS Equitable Sharing Fund	Justice Seizures Fund	Chapter 59 Seizure Fund
Taxes	$ 3,204,240	$ -	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-
Charges for Services	-	167,850	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Interest Earnings	25,000	500	50	1,000	-	-
Interfund Transfer	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-
TOTAL REVENUE	**$ 3,229,240**	**$ 168,350**	**$ 50**	**$ 1,000**	**$ -**	**$ -**

PROPOSED EXPENDITURES	4B Parks Sales Tax Fund	Park & Rec Spc Activities Fund	Police Seizure Fund	IRS Equitable Sharing Fund	Justice Seizures Fund	Chapter 59 Seizure Fund
Town Manager's Office	$ -	$ -	$ -	$ -	$ -	$ -
Legislative Services	-	-	-	-	-	-
Development Services	-	-	-	-	-	-
Community Services	5,191,791	175,700	-	-	-	-
Police Services	-	-	2,200	491,000	1,309	30,000
Financial Services	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-
Fire & Emergency Services	-	-	-	-	-	-
Community Relations	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Environmental Services	-	-	-	-	-	-
TOTAL EXPENDITURES	**$ 5,191,791**	**$ 175,700**	**$ 2,200**	**$ 491,000**	**$ 1,309**	**$ 30,000**
NET CHANGE	$ (1,962,551)	$ (7,350)	$ (2,150)	$ (490,000)	$ (1,309)	$ (30,000)

2018-2019 FUND BALANCE PROJECTION	4B Parks Sales Tax Fund	Park & Rec Spc Activities Fund	Police Seizure Fund	IRS Equitable Sharing Fund	Justice Seizures Fund	Chapter 59 Seizure Fund
Unassigned Fund Balance 10/1/18	$ 1,962,551	$ 64,585	$ 10,245	$ 523,331	$ 1,309	$ 53,752
Revenue	3,229,240	168,350	50	1,000	-	-
Expenditure	(5,191,791)	(175,700)	(2,200)	(491,000)	(1,309)	(30,000)
Unassigned Fund Balance 09/30/19	$ -	$ 57,235	$ 8,095	$ 33,331	$ -	$ 23,752

ORDINANCE NO. ______ **PAGE 7**

EXHIBIT A

Town of Flower Mound, Texas
FY 18-19

PROPOSED REVENUES	Animal Care Fund	CDBG-HUD Grant Fund	Neighborhood Improvement Fund	Hotel Occupancy Tax Fund	Muni Court Security Fund	Muni Court Technology Fund
Taxes	$ -	$ -	$ -	$ 330,000	$ -	$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	-	192,892	-	-	-	-
Charges for Services	-	-	75,300	-	-	-
Fines and Forfeitures	-	-	-	-	28,905	38,540
Interest Earnings	350	-	750	300	250	300
Interfund Transfer	-	-	25,000	-	-	-
Other Revenue	8,000	-	-	-	-	-
TOTAL REVENUE	**$ 8,350**	**$ 192,892**	**$ 101,050**	**$ 330,300**	**$ 29,155**	**$ 38,840**

PROPOSED EXPENDITURES	Animal Care Fund	CDBG-HUD Grant Fund	Neighborhood Improvement Fund	Hotel Occupancy Tax Fund	Muni Court Security Fund	Muni Court Technology Fund
Town Manager's Office	$ -	$ -	$ -	$ -	$ -	$ -
Legislative Services	-	-	-	-	-	-
Development Services	-	-	-	-	-	-
Community Services	-	-	-	-	-	-
Police Services	30,500	-	-	-	-	-
Financial Services	-	-	-	300,000	33,000	34,440
Administrative Services	-	-	-	-	-	-
Fire & Emergency Services	-	-	-	-	-	-
Community Relations	-	192,892	-	-	-	-
Public Works	-	-	110,000	-	-	-
Environmental Services	-	-	50,000	-	-	-
TOTAL EXPENDITURES	**$ 30,500**	**$ 192,892**	**$ 160,000**	**$ 300,000**	**$ 33,000**	**$ 34,440**
NET CHANGE	$ (22,150)	$ -	$ (58,950)	$ 30,300	$ (3,845)	$ 4,400

2018-2019 FUND BALANCE PROJECTION	Animal Care Fund	CDBG-HUD Grant Fund	Neighborhood Improvement Fund	Neighborhood Improvement Fund	Muni Court Security Fund	Muni Court Technology Fund
Unassigned Fund Balance 10/1/18	$ 68,558	$ -	$ 137,654	$ 30,723	$ 61,424	$ 68,855
Revenue	8,350	192,892	101,050	330,300	29,155	38,840
Expenditure	(30,500)	(192,892)	(160,000)	(300,000)	(33,000)	(34,440)
Unassigned Fund Balance 09/30/19	$ 46,408	$ -	$ 78,704	$ 61,023	$ 57,579	$ 73,255

TOWN COUNCIL AGENDA ITEM NO. 16

REGULAR ITEM

DATE: September 17, 2018

FROM: Kay Wilkinson, Budget Officer

ITEM: **Consider approval of an ordinance adopting the 2018 tax rolls and fixing and levying municipal ad valorem taxes for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019, and for each fiscal year thereafter until otherwise provided, at the rate of $0.4390 per $100 assessed valuation on all taxable property within the corporate limits of the Town of Flower Mound as of January 1, 2018.**

BACKGROUND INFORMATION: The Denton Central Appraisal District and the Tarrant Appraisal District provide the final appraisal rolls during the budget process that are utilized by the Town in the calculation of the Town's property tax revenues. The Chief Appraisers certify the appraisal rolls that allow the Town to calculate and submit the effective and rollback tax rates and estimate revenues. On August 6, 2018, the Town Council approved the certified appraisal roll. The approval of the tax rolls is an annual process required by Section 26.09(e) of the Texas Tax Code.

This ordinance apportions the tax levy for the purpose of defraying the current expenses of the General Fund (i.e., $0.346474) and for creating an interest and sinking fund for outstanding bonded indebtedness not otherwise provided for (i.e., $0.092526); it also provides for the collection and payment of taxes, and assesses penalties and interest for the nonpayment of taxes within the time set.

An ordinance setting a property tax rate that exceeds the effective tax rate (as with this ordinance) requires the affirmative vote of at a least 60% of the members of the governing body.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: $48,836,832

Proposed Revenue:	Account Number(s):
$35,749,949	100-4105 Property Taxes
9,554,978	110-4105 Property Taxes
3,531,905	308-4105 Property Taxes

Finance Review by: Debra Wallace, Deputy Town Manager/CFO DW

LEGAL REVIEW: No alteration to the legal content of this ordinance, which was originally approved by Taylor, Olson, Adkins, Sralla, & Elam L.L.P, was made.

ATTACHMENTS:

1. Ordinance

DRAFT MOTION: "I move that the property tax rate be increased by the adoption of a tax rate of $0.4390 per $100 of assessed value, which is effectively a 2.79 percent increase in the tax rate; and move to approve an ordinance adopting the 2018 tax rolls and fixing and levying municipal ad valorem taxes for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019, and for each fiscal year thereafter until otherwise provided, at the rate of $0.4390 per $100 assessed valuation on all taxable property within the corporate limits of the Town of Flower Mound as of January 1, 2018."

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. _________

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, FIXING AND LEVYING MUNICIPAL AD VALOREM TAXES FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2018, AND ENDING ON SEPTEMBER 30, 2019, AND FOR EACH FISCAL YEAR THEREAFTER UNTIL OTHERWISE PROVIDED, AT A RATE OF $0.4390 PER ONE HUNDRED DOLLARS ($100) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE TOWN AS OF JANUARY 1, 2018; DIRECTING THE ASSESSMENT THEREOF TO PROVIDE REVENUES FOR THE PAYMENT OF CURRENT EXPENSES AND TO PROVIDE AN INTEREST AND SINKING FUND ON ALL OUTSTANDING DEBTS OF THE TOWN; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALITIES AND INTEREST; PROVIDING FOR APPROVAL OF THE 2018 TAX ROLLS; REPEALING CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Town Council hereby finds that the tax rate for the fiscal year beginning October 1, 2018, and ending September 30, 2019, hereinafter levied for current expenses of the Town and the general improvements of the Town and its property, must be levied to provide the revenue requirements of the budget for the ensuing year; and

WHEREAS, the Town Council has approved by a separate Ordinance adopting the budget for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019; and

WHEREAS, the Town Council provided notice of the effective tax rate as required by law; and

WHEREAS, all statutory and constitutional requirements concerning the levying and assessing of ad valorem taxes have been completed in due and correct time.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, THAT:

SECTION 1

All of the above premises are hereby found to be true and correct legislative and factual determinations of the Town of Flower Mound and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

ORDINANCE NO. __________ **PAGE 2**

SECTION 2

There be and is hereby levied and ordered to be assessed and collected for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019, and for each fiscal year thereafter until otherwise provided, on all taxable property, real, personal, and mixed, situated within the corporate limits of the Town of Flower Mound, Texas, and not exempt by the Constitution of the State and valid state laws, a tax rate of $0.4390 on each One Hundred Dollars ($100) assessed value of taxable property, which shall be apportioned and distributed as follows:

A. For the purpose of defraying the current expenses of the municipal government of the Town, a tax rate of $0.346474 on each One Hundred Dollars ($100) assessed value of all taxable property within the Town; and

B. For the purpose of creating an interest and sinking fund to pay the interest and principal of all outstanding debt obligations of the Town, not otherwise provided for, a tax rate of $0.092526 on each One Hundred Dollars ($100) assessed value of all taxable property within the Town.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 2.79 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $21.53.

SECTION 3

All ad valorem taxes shall become due and payable on October 1, 2018 and all ad valorem taxes shall become delinquent after January 31, 2019. There shall be no discount for payment of taxes prior to said January 31, 2019. If any person fails to pay said ad valorem taxes on or before January 31, 2019, the following penalties shall be payable thereon, to-wit:

During the month of February 2019, six percent	(6%)
During the month of March 2019, seven percent	(7%)
During the month of April 2019, eight percent	(8%)
During the month of May 2019, nine percent	(9%)
During the month of June 2019, ten percent	(10%)
On or after July 1, 2019, twelve percent	(12%)

SECTION 4

Taxes shall be payable at the offices of the Denton County Tax Office. The Town shall have available all rights and remedies provided by law for enforcement of the collection of taxes levied under this Ordinance.

SECTION 5

All delinquent taxes shall bear interest at the rate of twelve percent (12%) per annum, in addition to the penalties.

SECTION 6

The Town Council hereby approves the 2018 tax rolls of the Town of Flower Mound, Texas, in the amount of $48,836,832, based upon the certified appraisal roll and roll under protest as approved by the Appraisal Review Boards of the Denton Central Appraisal District and the Tarrant Appraisal District, to be used for the authorized collection of ad valorem taxes for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019.

SECTION 7

Pursuant to the authority granted by Section 33.07 of the Texas Tax Code, in the event that 2018 taxes and taxes for all subsequent years become delinquent on or after February 1 but not later than May 1 of the year in which they become delinquent, and in the event such delinquent taxes are referred to an attorney for collection, an additional amount of twenty percent (20%) of the total amount of tax, penalty and interest then due shall be added as collection costs to be paid by the taxpayer, for all taxes delinquent on or after July 1, 2019.

SECTION 8

Pursuant to the authority granted by Section 33.08 of the Texas Tax Code, the Town further provides that all 2018 taxes and taxes for all subsequent years that become delinquent on or after June 1 of the year in which they become delinquent shall, in order to defray the costs of collection, incur an additional 20% of the delinquent tax, penalty and interest.

SECTION 9

Any and all ordinances, resolutions, rules, regulations, policies, or provisions in conflict with the provisions of this Ordinance are hereby repealed and rescinded to the extent of the conflict herewith.

SECTION 10

If any section, paragraph, sentence, clause, phrase, or word in this Ordinance, or application thereof by any persons or circumstances is held invalid in any Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance; and, the Town Council hereby declares it would have passed such remaining portions of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 11

The fact that it is necessary that this Ordinance be enacted in order to authorize the collection of ad valorem taxes for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019, requires that this Ordinance shall take effect from and after its passage as the law in such cases provides.

DULY PASSED, APPROVED, AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF ________ TO ________ ON THIS 17th DAY OF SEPTEMBER, 2018.

APPROVED:

____
Steve Dixon, MAYOR

ATTEST:

____
Theresa Scott, TOWN SECRETARY

TOWN COUNCIL AGENDA ITEM NO. 17
REGULAR ITEM

DATE: September 17, 2018

FROM: Kay Wilkinson, Budget Officer

ITEM: **Town Council acting as the Board of Directors for the Town of Flower Mound Crime Control and Prevention District to consider approval of a resolution adopting the Town of Flower Mound Crime Control and Prevention District budget for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019.**

BACKGROUND INFORMATION: Section 363.204 of the Local Government Code requires the budget to be adopted by the Crime Control and Prevention District (Crime District), Board of Directors.

At the March 3, 2008, Town Council meeting, the Town Council acting as the Board of Directors for the Crime District, adopted alternative budget procedures for the Crime District to follow similar procedures and dates to the Town's annual budget.

The Flower Mound Town Council acting as the Board of Directors for the Crime District and staff held the FY 2018-2019 Budget Work Session on August 16, 2018, in the Council Chambers. A public hearing for the Crime District's Proposed Budget was held on August 20, 2018.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT:

Proposed Revenue:	**Account Number(s):**
$3,192,219	Fund 318-Crime District

Proposed Expenditure:	**Account Number(s):**
$3,489,401	Fund 318-Crime District

Finance Review by: Debra Wallace, Deputy Town Manager/CFO DW

LEGAL REVIEW: No alteration to the legal content of this resolution, which was originally approved by Taylor, Olson, Adkins, Sralla, & Elam L.L.P, was made.

ATTACHMENTS:

1. Resolution

DRAFT MOTION: Move to approve as presented in the agenda caption.

TOWN OF FLOWER MOUND, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, ACTING AS THE BOARD OF DIRECTORS OF THE TOWN OF FLOWER MOUND CRIME CONTROL AND PREVENTION DISTRICT, ADOPTING AND APPROVING THE BUDGET FOR THE TOWN OF FLOWER MOUND CRIME CONTROL AND PREVENTION DISTRICT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018, AND ENDING SEPTEMBER 30, 2019; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Town Council acting as the Board of Directors of the Town of Flower Mound Crime Control and Prevention District ("Crime District") has adopted procedures for adopting a budget that are different from the procedures outlined in Texas Local Government Code Section 363.204, as permitted by such section; and

WHEREAS, the Town Council acting as the Board of Directors of the Crime District caused to be filed with the Town Secretary, in accordance with the procedures adopted therefore, a budget to cover all proposed expenditures of the Crime District for the fiscal year beginning October 1, 2018, and ending September 30, 2019; and

WHEREAS, said budget shows, as definitely as possible, each of the various projects for which appropriations are made in the budget and the estimated amount of money carried in the budget for each such project; and

WHEREAS, said budget has been filed with the Town Secretary and has been available for inspection by any taxpayer; and

WHEREAS, notice of public hearing on the proposed Crime District Budget, stating the date, time, place, and subject matter of said public hearing was given as required by the laws of the State of Texas; and

WHEREAS, one (1) such public hearing was held on August 20, 2018, prior approval of such date being hereby ratified and confirmed by the Town Council acting as the Board of Directors for the Crime District, and all those wishing to speak on the budget were heard; and

WHEREAS, the Town Council acting as the Board of Directors for the Crime District has studied said budget and listened to the comments of the taxpayers at the public hearing held, and therefore has determined that the budget attached is in the best interest of the Crime District.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, ACTING AS THE BOARD OF DIRECTORS OF THE TOWN OF FLOWER MOUND CRIME CONTROL AND PREVENTION DISTRICT, THAT:

SECTION 1

All of the above premises are hereby found to be true and correct legislative and factual determinations of the Town of Flower Mound and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

SECTION 2

The budget attached in total hereto as Exhibit "A", and incorporated herein for all purposes, is adopted for the fiscal year beginning October 1, 2018, and ending September 30, 2019, and there is hereby appropriated from the funds indicated and for such purposes, respectively, such sums of money for such projects, operations, activities, purchases, and other expenditures as proposed in the attached budget.

SECTION 3

No expenditure of the funds of the Crime District shall hereafter be made except in strict compliance with said budget except that, in the case of public necessity, the Town Council acting as the Board of Directors of the Crime District shall authorize amendments to said budget for emergency expenditures necessary to meet unusual and unforeseen conditions which could not, by reasonably diligent thought and attention, have been included in the original budget.

SECTION 4

The Town Manager shall file or cause to be filed three (3) true and correct copies of said approved budget, along with this Resolution, with the Town Secretary, who shall file or cause to be filed one (1) true and correct copy of same in the office of the County Clerk of Denton County, Texas and one (1) true and correct copy of same in the office of the County Clerk of Tarrant County, Texas.

SECTION 5

If any section, paragraph, sentence, clause, phrase, or word in this Resolution, or application thereof by any persons or circumstances is held invalid in any Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Resolution; and the Town Council acting as the Board of Directors of the Crime District hereby declares it would have passed such remaining portions of the resolution despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 6

The necessity of adopting and approving a budget for the next fiscal year as required by the laws of the State of Texas requires that this Resolution shall take effect immediately from and after its passage.

DULY PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _______ TO ______ ON THIS 17th DAY OF SEPTEMBER, 2018.

APPROVED:

____

Steve Dixon, MAYOR

ATTEST:

____

Theresa Scott, TOWN SECRETARY

EXHIBIT A

Town of Flower Mound, Texas
FY 18-19

CRIME CONTROL AND PREVENTION DISTRICT

PROPOSED REVENUES	**Crime District Sales Tax Fund**
Taxes	$ 3,188,219
Licenses and Permits	-
Intergovernmental Revenue	-
Charges for Services	-
Fines and Forfeitures	-
Interest Earnings	4,000
Interfund Transfer	-
Other Revenue	-
TOTAL REVENUE	**$ 3,192,219**

PROPOSED EXPENDITURES	**Crime District Sales Tax Fund**
Town Manager's Office	$ -
Legislative Services	-
Development Services	-
Community Services	-
Police Services	3,489,401
Financial Services	-
Fire & Emergency Services	-
Community Relations Services	-
Infrastructure Services	-
TOTAL EXPENDITURES	**$ 3,489,401**
NET CHANGE	$ (297,182)

2018-2019 FUND BALANCE PROJECTION	**Crime District Sales Tax Fund**
Unassigned Fund Balance 10/1/18	$ 1,042,273
Revenue	3,192,219
Expenditure	(3,489,401)
Unassigned Fund Balance 09/30/19	$ 745,091

TOWN COUNCIL AGENDA ITEM NO. 18

REGULAR ITEM

DATE: September 17, 2018

FROM: Kay Wilkinson, Budget Officer

ITEM: **Town Council acting as the Board of Directors for the Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District to consider approval of a resolution adopting the Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District budget for the fiscal year beginning on October 1, 2018, and ending on September 30, 2019.**

BACKGROUND INFORMATION: Section 344.204 of the Local Government Code requires the budget to be adopted by the Fire Control, Prevention, and Emergency Medical Services District (Fire District), Board of Directors.

At the March 3, 2008, Town Council meeting, the Town Council acting as the Board of Directors for the Fire District, adopted alternative budget procedures for the Fire District to follow similar procedures and dates to the Town's annual budget.

The Flower Mound Town Council acting as the Board of Directors for the Fire District and staff held the FY 2018-2019 Budget Work Session on August 16, 2018, in the Council Chambers. A public hearing for the Fire District's Proposed Budget was held on August 20, 2018.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT:

Proposed Revenue:	**Account Number(s):**
$3,172,298	Fund 319-Fire District
Proposed Expenditure:	**Account Number(s):**
$3,054,880	Fund 319-Fire District

Finance Review by: Debra Wallace, Deputy Town Manager/CFO DW

LEGAL REVIEW: No alteration to the legal content of this resolution, which was originally approved by Taylor, Olson, Adkins, Sralla, & Elam L.L.P, was made.

ATTACHMENTS:

1. Resolution

DRAFT MOTION: Move to approve as presented in the agenda caption.

TOWN OF FLOWER MOUND, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, ACTING AS THE BOARD OF DIRECTORS OF THE TOWN OF FLOWER MOUND FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES DISTRICT, ADOPTING AND APPROVING THE BUDGET FOR THE TOWN OF FLOWER MOUND FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES DISTRICT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018, AND ENDING SEPTEMBER 30, 2019; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Town Council acting as the Board of Directors of the Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District (Fire District) has adopted procedures for adopting a budget that are different from the procedures outlined in Texas Local Government Code Section 344.204, as permitted by such section; and

WHEREAS, the Town Council acting as the Board of Directors of the Fire District caused to be filed with the Town Secretary, in accordance with the procedures adopted therefore, a budget to cover all proposed expenditures of the Fire District for the fiscal year beginning October 1, 2018, and ending September 30, 2019; and

WHEREAS, said budget shows, as definitely as possible, each of the various projects for which appropriations are made in the budget and the estimated amount of money carried in the budget for each such project; and

WHEREAS, said budget has been filed with the Town Secretary and has been available for inspection by any taxpayer; and

WHEREAS, notice of public hearing on the proposed Fire District Budget, stating the date, time, place, and subject matter of said public hearing was given as required by the laws of the State of Texas; and

WHEREAS, one (1) such public hearing was held on August 20, 2018, prior approval of such date being hereby ratified and confirmed by the Town Council acting as the Board of Directors for the Fire District, and all those wishing to speak on the budget were heard; and

WHEREAS, the Town Council acting as the Board of Directors for the Fire District has studied said budget and listened to the comments of the taxpayers at the public hearing held, and therefore has determined that the budget attached is in the best interest of the Town of Flower Mound Fire District.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, ACTING AS THE BOARD OF DIRECTORS OF THE TOWN OF FLOWER MOUND FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES DISTRICT, THAT:

SECTION 1

All of the above premises are hereby found to be true and correct legislative and factual determinations of the Town of Flower Mound and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

SECTION 2

The budget attached in total hereto as Exhibit "A", and incorporated herein for all purposes, is adopted for the fiscal year beginning October 1, 2018, and ending September 30, 2019, and there is hereby appropriated from the funds indicated and for such purposes, respectively, such sums of money for such projects, operations, activities, purchases, and other expenditures as proposed in the attached budget.

SECTION 3

No expenditure of the funds of the Fire District shall hereafter be made except in strict compliance with said budget except that, in the case of public necessity, the Town Council acting as the Board of Directors of the Fire District shall authorize amendments to said budget for emergency expenditures necessary to meet unusual and unforeseen conditions which could not, by reasonably diligent thought and attention, have been included in the original budget.

SECTION 4

The Town Manager shall file or cause to be filed three (3) true and correct copies of said approved budget, along with this Resolution, with the Town Secretary, who shall file or cause to be filed one (1) true and correct copy of same in the office of the County Clerk of Denton County, Texas and one (1) true and correct copy of same in the office of the County Clerk of Tarrant County, Texas.

SECTION 5

If any section, paragraph, sentence, clause, phrase, or word in this Resolution, or application thereof by any persons or circumstances is held invalid in any Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Resolution; and the Town Council acting as the Board of Directors of the Fire District hereby declares it would have passed such remaining portions of the resolution despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 6

The necessity of adopting and approving a budget for the next fiscal year as required by the laws of the State of Texas requires that this Resolution shall take effect immediately from and after its passage.

DULY PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _______ TO ______ ON THIS 17th DAY OF SEPTEMBER, 2018.

APPROVED:

____

Steve Dixon, MAYOR

ATTEST:

____

Theresa Scott, TOWN SECRETARY

EXHIBIT A

Town of Flower Mound, Texas
FY 18-19

FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES DISTRICT

PROPOSED REVENUES	**Fire District Sales Tax Fund**
Taxes	$ 3,172,198
Licenses and Permits	-
Intergovernmental Revenue	-
Charges for Services	-
Fines and Forfeitures	-
Interest Earnings	100
Interfund Transfer	-
Other Revenue	-
TOTAL REVENUE	**$ 3,172,298**

PROPOSED EXPENDITURES	**Fire District Sales Tax Fund**
Town Manager's Office	$ -
Legislative Services	-
Development Services	-
Community Services	-
Police Services	-
Financial Services	-
Fire & Emergency Services	3,054,880
Community Relations Services	-
Infrastructure Services	-
TOTAL EXPENDITURES	**$ 3,054,880**
NET CHANGE	$ 117,418

2018-2019 FUND BALANCE PROJECTION	**Fire District Sales Tax Fund**
Unreserved Fund Balance 10/1/18	$ 492,821
Revenue	3,172,298
Expenditure	(3,054,880)
Unreserved Fund Balance 09/30/19	$ 610,239

TOWN COUNCIL AGENDA ITEM NO. 19

REGULAR ITEM

DATE: September 17, 2018

FROM: Matthew Woods, Director of Environmental Services

ITEM: **Consider approval of a resolution to adopt the Denton County Greenbelt Plan.**

BACKGROUND INFORMATION: This proposed resolution requests the adoption of the Denton County Greenbelt Plan ("Plan") as a tool for preserving greenbelts. The Plan defines greenbelts as vegetated portions of land adjacent to streams, creeks, rivers or lakes. The population of Denton County is currently growing at a rapid pace, and as such land uses are changing in the county. As developable space decreases, the County's and Town's streams, creeks, and other aquatic resources will be stressed by these land use changes. To address the foreseeable land use changes, the Upper Trinity Conservation Trust, Denton County, and Upper Trinity Regional Water District commissioned a study to inventory and analyze greenbelts in Denton County. The Plan was then created to assist in protecting greenbelts along streams that flow into the local water supply reservoirs.

The Plan helps set a common vision for preserving greenbelts and provides strategies for municipalities, developers, landowners, and residents to use in pretecting these valuable natural assets. Preserving the natural areas adjacent to the creeks and other waterways is vital to having dependable, clean drinking water. As water flows across the land, these greenbelts help filter out harmful pollutants before the water enters the creeks and lakes.

The Plan is a voluntary guide to preserving and protecting local greenbelt areas and encourages all of the stakeholders to coordinate the planning and preservation of greenbelts according to a common vision. A coordinating committee will help oversee implementation of the Plan, and will be made up of and represent the many stakeholders in Denton County.

BOARD REVIEW/CITIZEN FEEDBACK: The Environmental Conservation Commission recommended adoption of the Denton County Greenbelt Plan at its May 1, 2018, regular meeting.

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: Alicia Kreh, of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the resolution as to form and legality.

ATTACHMENT:

1. Resolution
2. Denton County Greenbelt Plan – Executive Summary

DRAFT MOTION: Move to approve as presented in the agenda caption.

Attachment 1

TOWN OF FLOWER MOUND, TEXAS

RESOLUTION NO.

A RESOLUTION OF THE TOWN OF FLOWER MOUND, TEXAS, RECOGNIZING THE NECESSITY OF PROTECTING THE NATURAL AREAS (GREENBELTS) ADJACENT TO CREEKS AND OTHER WATERWAYS; ADOPTING THE DENTON COUNTY GREENBELT PLAN ("PLAN") AS A TOOL FOR PRESERVING GREENBELTS; ENDORSING THE PLAN AS AN URGENT REGIONAL PROGRAM FOR THE COUNTY, CITIES, TOWNS AND UTILITIES TO HELP PROTECT WATER QUALITY IN LOCAL WATERSHEDS; AND EXPRESSING FLOWER MOUND'S INTENT TO PARTICIPATE IN IMPLEMENTING STRATEGIES THAT WILL PRESERVE AND PROTECT THE ENVIRONMENT AND SAFEGUARD THE PUBLIC WELFARE.

WHEREAS, the Town of Flower Mound is located in the watersheds of Grapevine Lake and the Elm Fork of the Trinity River; and

WHEREAS, the Town of Flower Mound recognizes that the long-term prosperity and success of the Town of Flower Mound depends on an adequate and safe drinking water supply, which is necessary for the continued growth and prosperity of the local economy; and

WHEREAS, with continued growth and development across the region, continued population increase is expected in this watershed, rapidly transforming from a rural setting to an area with urban characteristics; and

WHEREAS, communities, including the Town of Flower Mound, are knitted together by many water courses that extend into and through neighborhoods, transporting water to the nearest creek or lake—the sources of our drinking water; and

WHEREAS, the vegetated areas along creeks and rivers (also known as greenbelts) protect the quality of water "right where we live" by providing a buffer between homes, farms, and the neighboring creeks and filtering out harmful pollutants, such as soil, silt, fertilizers, and pesticides before they reach the creeks and rivers; and

WHEREAS, the Town of Flower Mound believes that protecting and preserving local greenbelts today costs very little in comparison to restoring them in the future; and

WHEREAS, Denton County, the Upper Trinity Regional Water District, and Upper Trinity Conservation Trust developed the Plan as a coordinated effort to identify priority greenbelt areas and other related natural assets in need of preservation; and

WHEREAS, the Plan has identified priority greenbelts near the Town of Flower Mound and provides strategies that can be implemented on a voluntary basis to help protect our water supply sources; and

Attachment 1

WHEREAS, to help champion the Plan; Denton County will create a Coordinating Committee, in which the Town of Flower Mound, as a supporter of the Plan, will have eligibility to participate; and

WHEREAS, it is advisable to advance the Plan in a cooperative voluntary manner with neighboring communities, considering appropriate policies and actions that will help preserve and protect water resources and enhance the quality of life for all Denton County residents.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, THAT:

SECTION 1

For the reasons enumerated above, the Town of Flower Mound hereby expresses its support for the Denton County Greenbelt Plan.

SECTION 2

The Town Council of the Town of Flower Mound does hereby adopt the Denton County Greenbelt Plan to be a convenient guide to help protect the watershed by preserving and protecting greenbelts within the Town of Flower Mound's.

SECTION 3

The Town Council of the Town of Flower Mound does hereby direct its staff to review the Plan for timely recommendations and for incorporation of appropriate items into Town of Flower Mound policies, practices, and standards by enacting appropriate ordinances, zoning requirements, or other measures that will protect greenbelts within our local jurisdiction.

SECTION 4

To help achieve the preservation and protection of local greenbelts, the Town Council of the Town of Flower Mound hereby expresses its intent to participate on the Coordinating Committee to be formed by Denton County and will work with Denton County, Upper Trinity, and other stakeholders to implement strategies and best management practices for the protection of our watershed.

SECTION 5

This Resolution shall become effective from and after its passage.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF __ TO __ , ON THIS 17TH DAY OF SEPTEMBER, 2018.

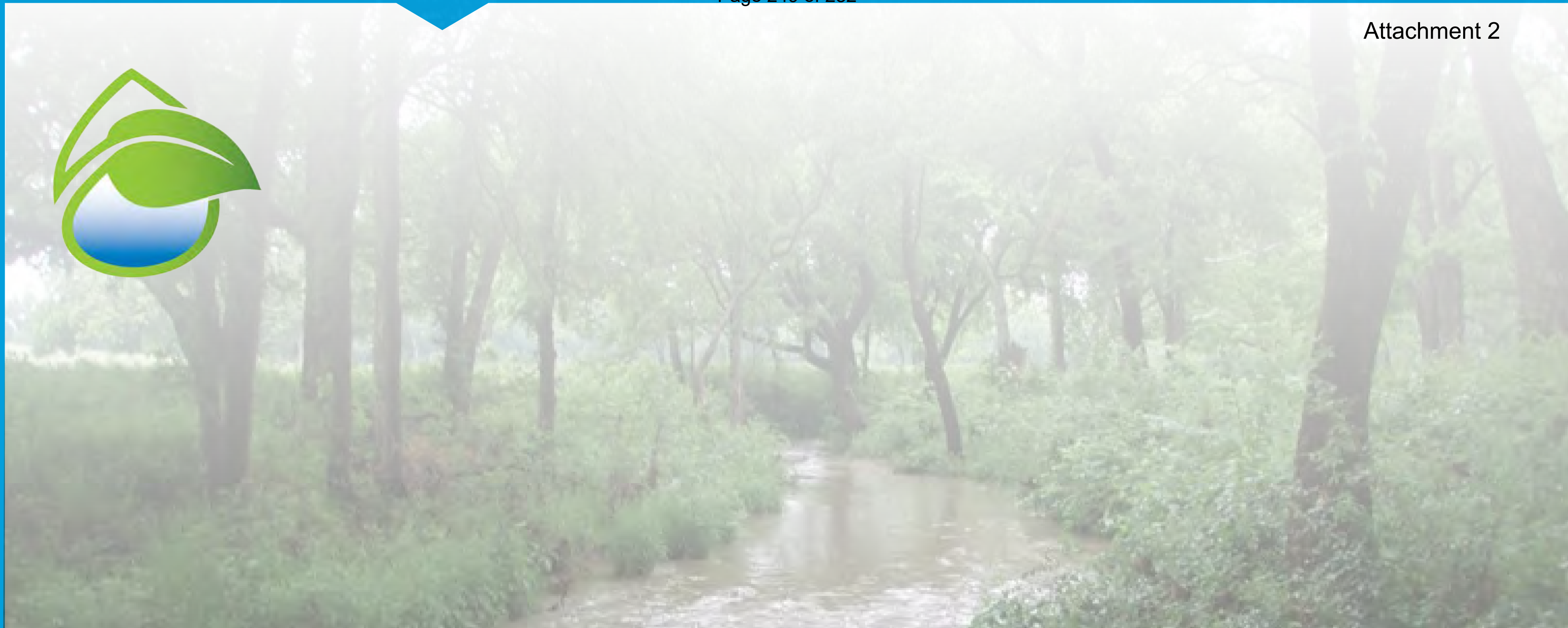
APPROVED:

____
Steve Dixon, MAYOR

ATTEST:

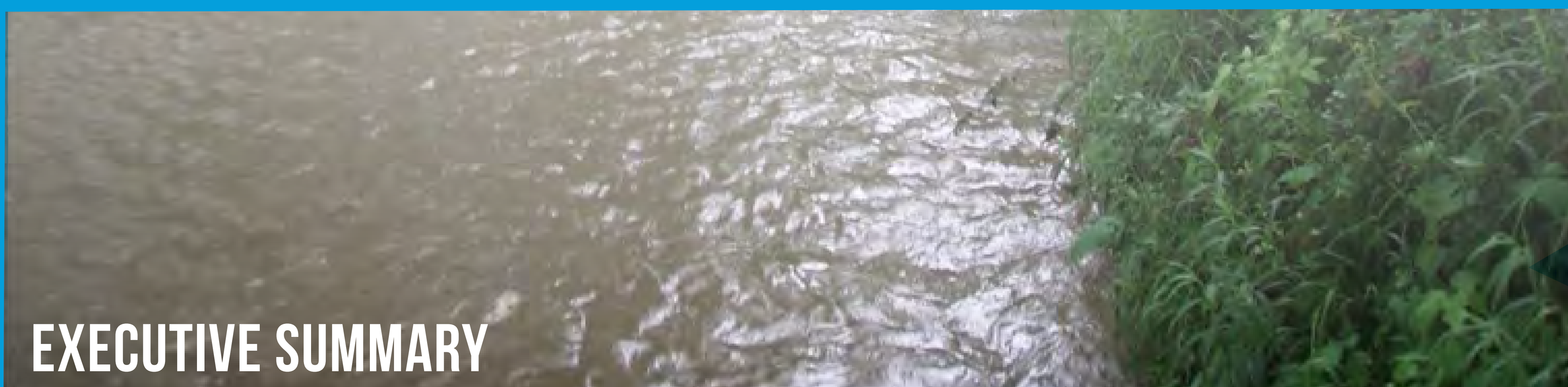
____
Theresa Scott, TOWN SECRETARY

Attachment 2



DENTON COUNTY GREENBELT PLAN

For The Future



EXECUTIVE SUMMARY

ACKNOWLEDGEMENTS

Denton County Greenbelt Plan Sponsors

Denton County

Denton County, under leadership of the County Judge and Commissioners, provides planning and other services for the rural and urban areas of the County; and, coordinates transportation and public works needs among communities as the population continues to grow - - while keeping sustainability, environmental protection, and quality of life as priorities.

Upper Trinity Regional Water District

Upper Trinity Regional Water District was created by the Texas Legislature in 1989 for the benefit of cities and utilities in the Denton County area. Its mandate is to develop regional plans for water and wastewater services on a wholesale basis to cities and utilities in the Denton County area. Upper Trinity is a leader in public education about water conservation and water quality protection.

Upper Trinity Conservation Trust

Created as a nonprofit 501(c)(3) land trust in 2010 by the Upper Trinity Regional Water District Board of Directors, the Conservation Trust works with communities, landowners and developers to preserve natural watershed and riparian assets within the catch basins of the District's water supply sources. The mission of the Trust is to promote the conservation and stewardship of land and water resources through educational activities, coordination with local governments, and the acquisition of land and conservation easements - - protecting water quality in our water supply basins for future generations.

Acknowledgements

Many stakeholders participated and contributed to the development of the Denton County Greenbelt Plan - - some by participating in public meetings and others through the website or online surveys. The Plan Sponsors would like to express appreciation to all stakeholders who participated. Active stakeholders included:

- Denton County Residents
- City / Town Officials and Staff
- University of North Texas – Lewisville Lake Environmental Learning Area
- Greenbelt Alliance
- North Central Texas Council of Governments
- Texas A&M AgriLife Extension Service – Denton County
- Texas A&M Forest Service
- Texas Department of Transportation
- Texas Master Naturalists
- Texas Parks and Wildlife Department
- Trust for Public Land
- and more!

Many thanks to the consultant team:
Alan Plummer Associates, Inc.
Schrickel, Rollins and Associates, Inc.

ALAN PLUMMER ASSOCIATES, INC.
ENVIRONMENTAL ENGINEERS AND SCIENTISTS

Schrickel, Rollins and Associates, Inc.
Landscape Architecture • Civil Engineering • Planning

FOREWORD FROM UPPER TRINITY CONSERVATION TRUST

As land continues to be developed in Denton County, converting farms and ranches into communities, it's important to remember the role and benefits of creeks and waterways - - not only as a source of water for farm animals and wildlife, but also as a source of drinking water for our growing communities. Preserving the natural areas (greenbelts) adjacent to the creeks and other waterways is vital to having dependable, clean drinking water. As water flows across the land, these greenbelts help filter out harmful pollutants before the water enters the creeks and lakes, protecting the quality of water.

The Denton County Greenbelt Plan helps set a common vision for preserving greenbelts; and, it provides strategies for stakeholders (municipalities, developers, landowners and residents) to use in protecting these valuable natural assets. Within the mission of Upper Trinity Conservation Trust, one strategy for protecting these assets is through conservation easements. Conservation easements offer a convenient way to preserve valuable watershed areas and greenbelts - - also, wildlife habitat and family heritage lands.

Conservation easements are voluntary agreements between a landowner and a qualified land trust that enables a landowner to retain possession while protecting a designated area in perpetuity. As a nonprofit land trust, Upper Trinity Conservation Trust is available to accept conservation easements from landowners, developers and municipalities that desire to protect greenbelts and other watershed lands. Easement donors can enjoy a valuable partnership with the Trust who can help them carry out their goals that they have for their land.

The voluntary nature of the Denton County Greenbelt Plan will ensure that the municipalities, developers and others implementing it are doing so because of the great economic, environmental and social benefits for everyone in Denton County. Together, we can preserve the quality of our environment and life in Denton County and leave a legacy for future generations.

UPPER TRINITY CONSERVATION TRUST

Trent Lewis
President
Upper Trinity Conservation Trust

FOREWORD FROM DENTON COUNTY

Denton County is one of the best places to live, work and raise a family. Just take a look around: a strong local economy, thriving communities, excellent educational institutions, and a rich history, and beautiful landscapes. Over the next several years, Denton County's population is expected to surpass one million people, making the County the fifth fastest growing in the State. As our County transitions to a more urban setting, we should be mindful of potential impacts on our quality of life, and to the environment, especially to protection of water quality in our local lakes - - a key source for our drinking water.

The County's long-term prosperity and success depends on an adequate and safe drinking water supply; without it, our economy cannot grow or prosper. Maintaining precious natural assets, such as greenbelts, is important to the safety and security of our water supply, and to the quality of life that residents have come to expect in Denton County. If left in their natural condition, greenbelts (the vegetated areas along creeks and streams) offer many benefits and provide a buffer between homes and the neighboring creeks. Greenbelts also provide recreational and educational opportunities to residents; and, help filter out harmful pollutants before reaching the creek.

Denton County is proud to be a sponsor of the **Denton County Greenbelt Plan** - - a voluntary guide to preserving and protecting local greenbelt areas. The Plan offers a common vision in preserving these natural assets; and, will help coordinate the roles that municipalities, developers, landowners and other stakeholders have in protecting greenbelts. Each of us can have a role in preserving and protecting greenbelts - - now, and for future generations!

A coordinating committee will help champion and oversee implementation of the Plan. The mission of the Committee will be to encourage, and work with, the many stakeholders to pursue the most effective strategies for preservation of greenbelts throughout the County. The committee will be diverse and represent the many stakeholders that makes our County so unique. Together, we can make a difference to ensure our economy continues to grow, while preserving important greenbelt areas and protecting our valuable water supply.

Now is the time to protect our natural resource assets for future generations!

Mary Horn
Denton County Judge

FOREWORD FROM UPPER TRINITY REGIONAL WATER DISTRICT

Local communities are knitted together by the many water courses that extend into and through neighborhoods, transporting water to the nearest creek or lake - - the sources of our drinking water. Please, an alert! As our region transforms from a largely rural setting to one with more urban character, it is urgent that we consider the effect on water quality and our water supply. At Upper Trinity Regional Water District, a priority goal is to safeguard our local water resources and the quality of life “right where we live”. To reach the goal, we need your help.

Now is the time to preserve natural waterways and to protect water quality in local watersheds. Greenbelts and flood plains; streams and waterways; riparian lands and wetlands - - all are irreplaceable assets. Greenbelts help protect creeks and lakes by filtering out pollutants, such as sediment, pesticides and fertilizer. Also, greenbelts are an important buffer during flood events. These critical functions are the focus of the Denton County Greenbelt Plan - - helping protect and safeguard these assets for the future. Good news: it costs very little to protect existing watershed assets - - if we do it now. In contrast, it would cost a fortune to try to restore greenbelts later, if the watershed were allowed to become impaired.

UPPER TRINITY
REGIONAL WATER DISTRICT

In some cases, greenbelts can help enhance the quality of life for residents by enabling hike and bike trails. Typically, greenbelts also help improve property values for nearby homes. The Greenbelt Plan will serve as a useful guide for municipalities, landowners and developers for voluntary implementation of greenbelts areas. The Plan encourages stakeholders to coordinate the planning and preservation of multi-use greenbelts according to a common vision.

If you appreciate natural greenbelt areas, we urge you to get involved, to volunteer to help. Please join in the effort to achieve sustainability of greenbelt assets in Denton County, and enhance the quality of life for all residents.

If we each do our part well, just think of the legacy you can leave for future generations!

Thomas E. Taylor
Executive Director
Upper Trinity Regional Water District

EXECUTIVE SUMMARY

DENTON COUNTY AT A POINT OF GREAT OPPORTUNITY

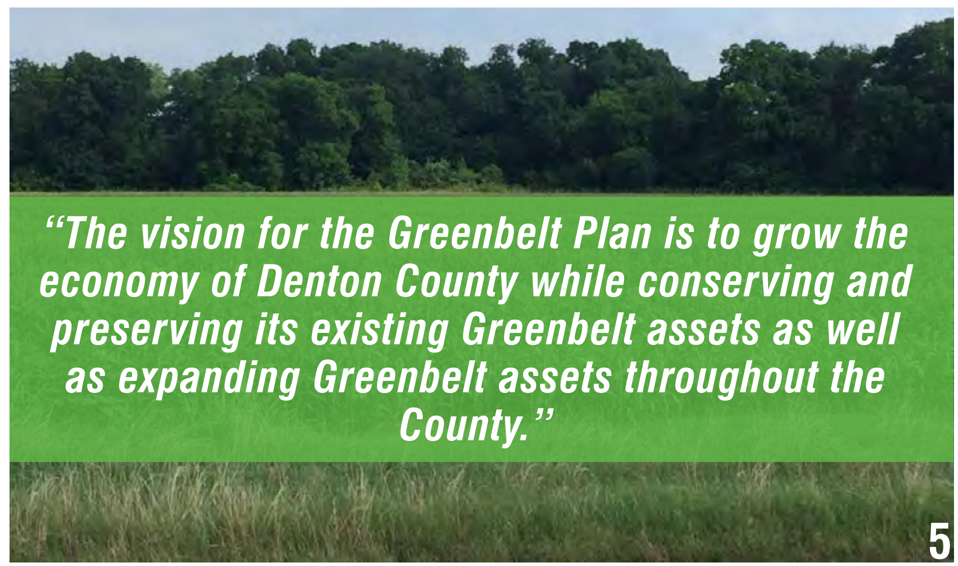
Denton County is growing - FAST. In less than 25 years, the population of Denton County is projected to be over 1.4 million, or double its current population. With growth, land uses will change. The rural character of the County will likely transform to urban and suburban land uses similar to what is occurring in neighboring Counties. As developable space becomes a premium, the County's streams, creeks, and other aquatic resources will be stressed from these impending land-use changes. Now is the time to initiate cooperative efforts for the protection of Denton County's water resources, especially its streams, creeks, and the Elm Fork of the Trinity River – the sources for our drinking water.

To address the foreseeable land use changes, the Upper Trinity Conservation Trust, Denton County, and Upper Trinity Regional Water District commissioned a study to inventory and analyze greenbelts along the County's major streams and the Elm Fork of the Trinity River. The major emphasis for this study was to identify existing greenbelts, opportunities for developing and expanding greenbelt corridors, and to categorize and prioritize area streams and watersheds for greenbelt preservation. This document summarizes those efforts with the overarching goal "to protect the water quality entering Denton County's three primary drinking water supply reservoirs – Lewisville Lake, Ray Roberts Lake, and Grapevine Lake." Of course, once preserved, a greenbelt offers community benefits far beyond just protection of water quality. Such drainageways flow through all communities, with many opportunities to benefit neighborhoods and Denton County as a whole.

"A greenbelt is defined as a vegetated portion of land typically adjacent to area streams, creeks, rivers or lakes that is set aside for preservation purposes."

The purpose for the Denton County Greenbelt Plan ("the Plan") is to assist in protecting the greenbelts along and associated with streams that flow into the local water supply reservoirs. *The Plan is not intended to be a regulatory document; rather, a convenient guide to encourage and enable closer coordination among stakeholders.*

Stakeholders include Denton County's municipalities, developers, citizens, and land owners. It is important to recognize the importance of our waterways and associated riparian zones, and to acknowledge the priority streams identified within the Plan. Implementation strategies are provided in the Plan to help protect the identified priority greenbelt corridors and streams for the foreseeable future. The following are highlights of the Denton County Greenbelt Plan.



PRIORITY STREAMS FOR DENTON AND SURROUNDING COUNTIES

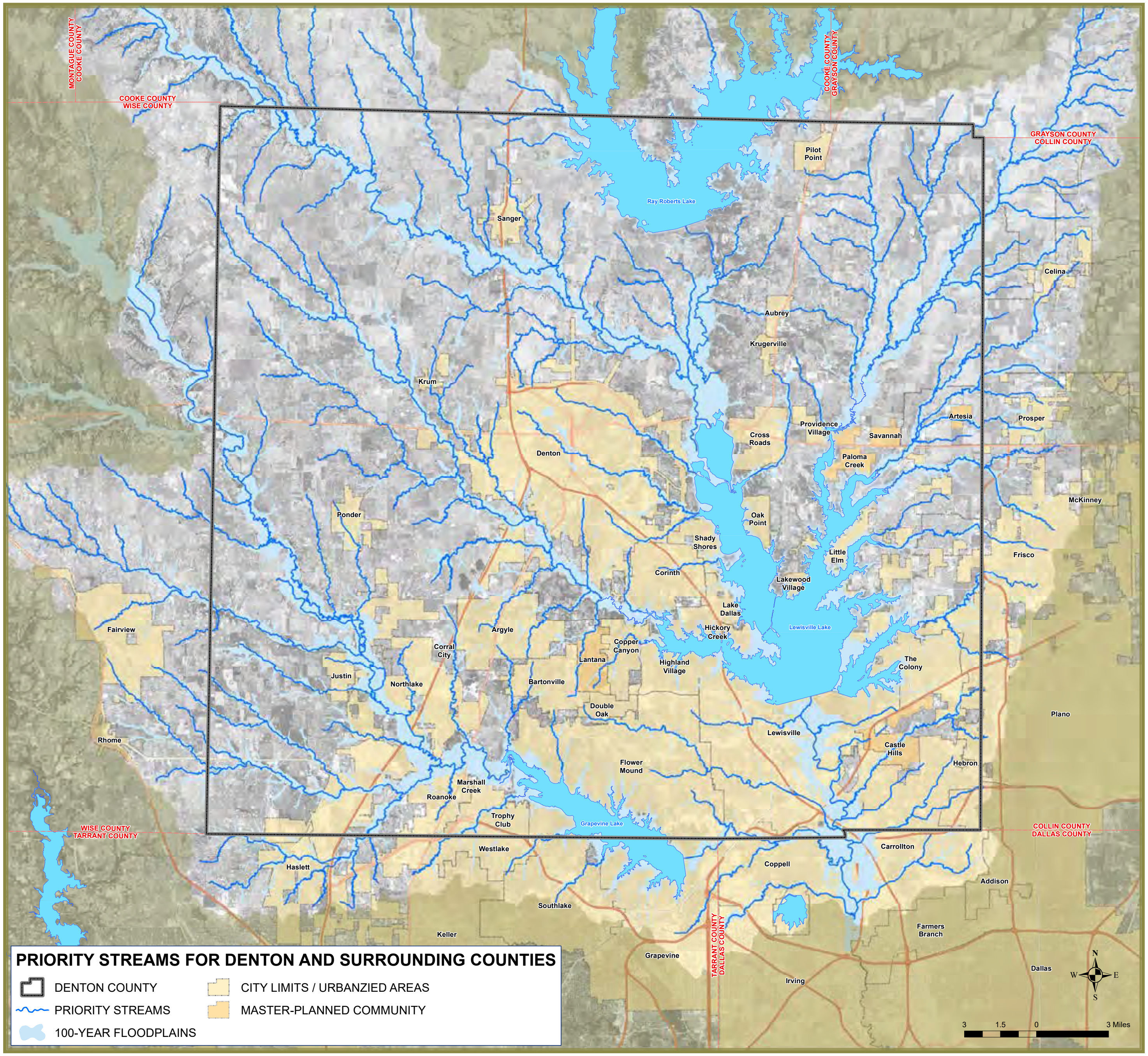


Figure ES-1: Priority Streams

GREENBELT SYSTEM COMPONENTS

Streams

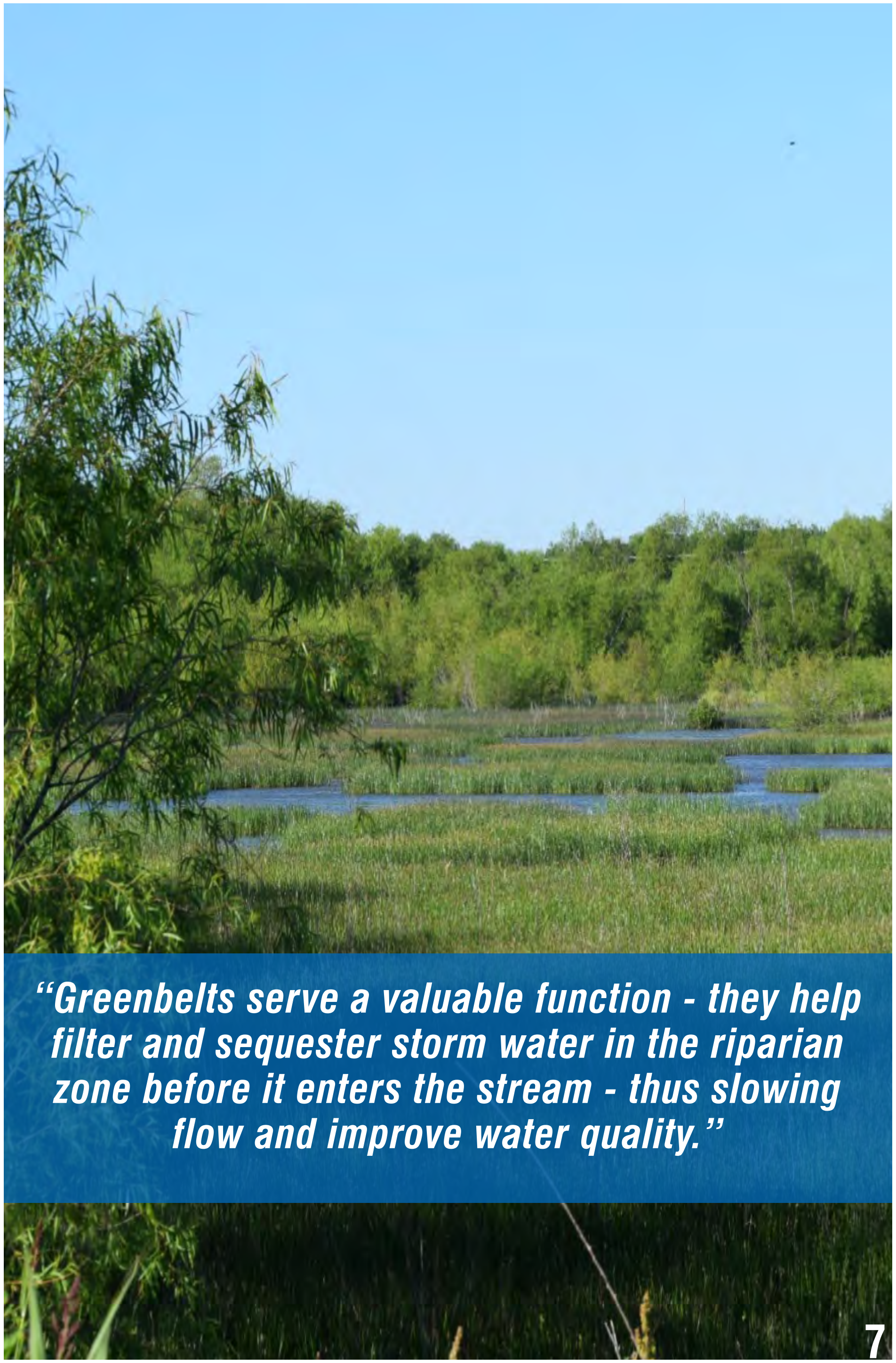
Within the Plan, approximately 1,225 miles of streams were identified as "priority streams"(Figure ES-1) both within Denton County and the adjoining Counties. These priority streams are significant contributors of water to the local water supply reservoirs. These streams are located in both urban and urbanizing areas, and in rural areas. Corridors along some of these streams already contain developments at or near the streams edge. Therefore, opportunities for greenbelt protection along these developed stream segments may be limited.

Of special note, the Plan identifies those streams that will help maintain existing greenbelts and the streams that have an opportunity to restore connections to the existing greenbelt corridors. **A compelling fact: it is much more cost effective to protect greenbelts and stream corridors now -- rather than restore greenbelts and stream corridors after they have been lost to nearby development.**

Existing Greenbelts

Several of the priority streams are flanked with significant widths of vegetation typically consisting of a mixture of trees, shrubs, and herbaceous vegetation. These heavily vegetated streams are the existing greenbelts identified within the Plan. The graphic in Figure ES-2 shows the existing greenbelt inventory.

Greenbelts serve a valuable function for all of us; they help filter and sequester storm water in the riparian zone before it enters the stream – thus slowing the flow and improving the quality of water entering the actual stream. Within Denton County, some agencies have set aside certain existing greenbelts, providing protection for water quality and riparian assets. Examples include already established linear parks, federal lands associated with the three major lakes within Denton County, and areas protected by ordinances, setbacks and dedications in the Cities of Denton and Lewisville, Town of Flower Mound, and the master-planned community of Lantana. However, a majority of the existing greenbelt opportunities lack mechanisms to protect their ecological and water quality functions.



INVENTORY OF STREAMS WITH GREENBELT CHARACTERISTICS

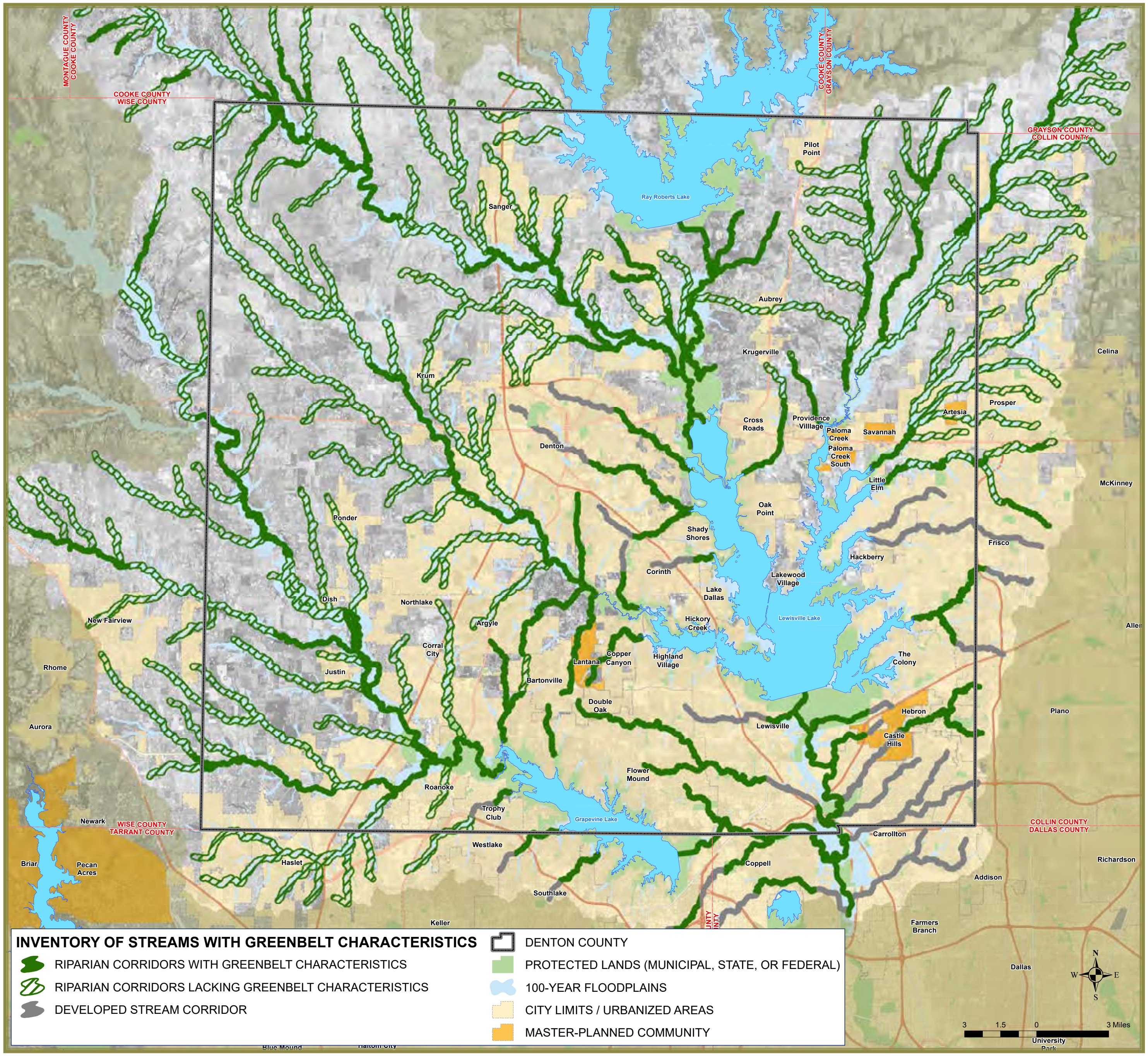


Figure ES-2: Greenbelt Inventory

GREENBELT SYSTEM OPPORTUNITIES

A majority of the priority streams identified in the Plan lack diversity of vegetation to meet the usual qualifications for greenbelt status. The vegetation surrounding these priority streams has either been greatly reduced in species composition and width, or completely removed for agricultural pursuits or for some other land use. However, all is not lost; they are still worthy of being preserved for their riparian assets and benefits.

Within the Plan, these stream segments are classified as Greenbelt Opportunities. These are the areas that need special attention and preservation to protect the quality of water and to ensure other benefits for future generations. Figure ES-4 identifies these Greenbelt Opportunities.

These Greenbelt Opportunity streams may require modifications to adjacent land uses as well as implementing protection mechanisms. Example land use modifications include allowing vegetation to reestablish within the riparian corridor, possibly limiting or exceeding cattle or other livestock from the stream corridor - - and for the long-term, providing for preservation of the riparian zone and a potential set-back for future development from the stream's edge. Design parameters for the protection of streams are provided in the document.

In summary, to protect the quality of water within local water supply reservoirs, preserving a 100-foot wide buffer or set-back from the top of stream bank is generally recommended, as illustrated in the Figure below. However, greenbelts of lesser width will yield significant benefits for water quality protection, for bank stabilization and for trails or other uses. Existing municipal ordinances in Denton County vary in specified width; and, some municipalities have different widths depending on the size of the stream. Each municipality in cooperation with development activity is encouraged to determine what is feasible for their purposes.

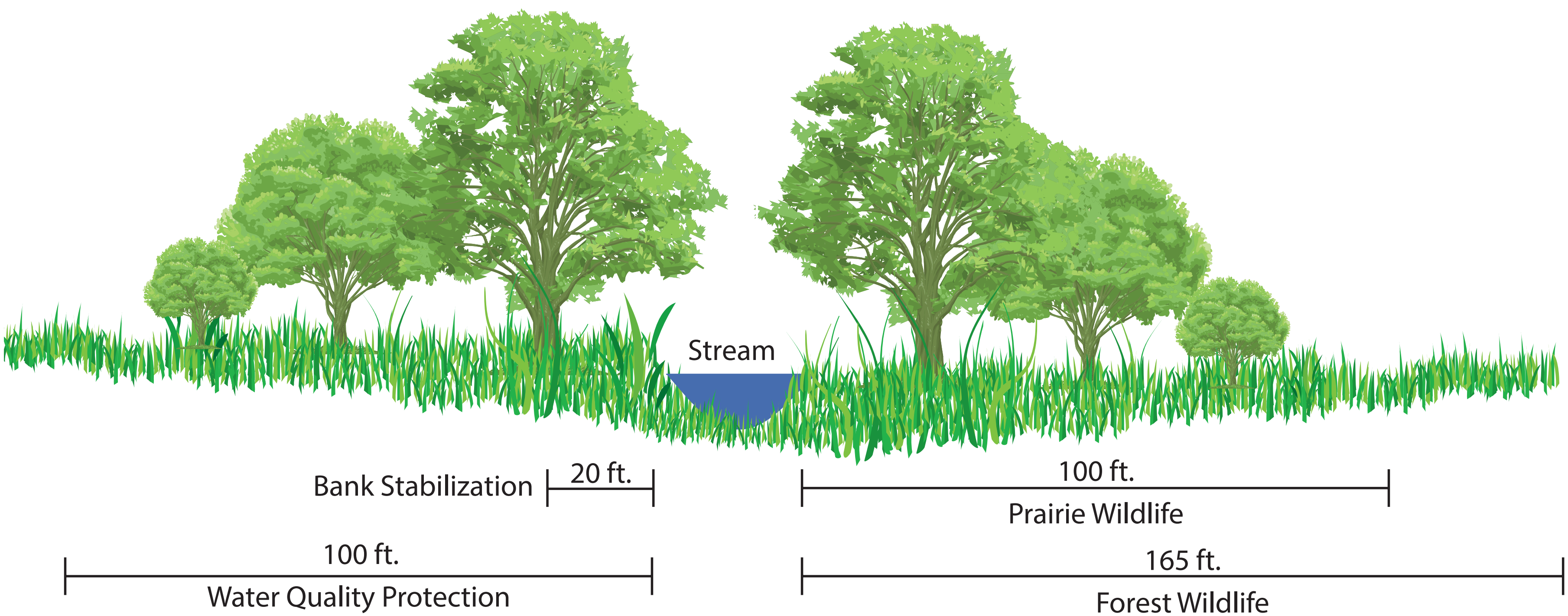


Figure ES-3: Recommended Greenbelt Corridor Width, Courtesy Texas A&M Agrilife Extension Service

GREENBELT OPPORTUNITIES

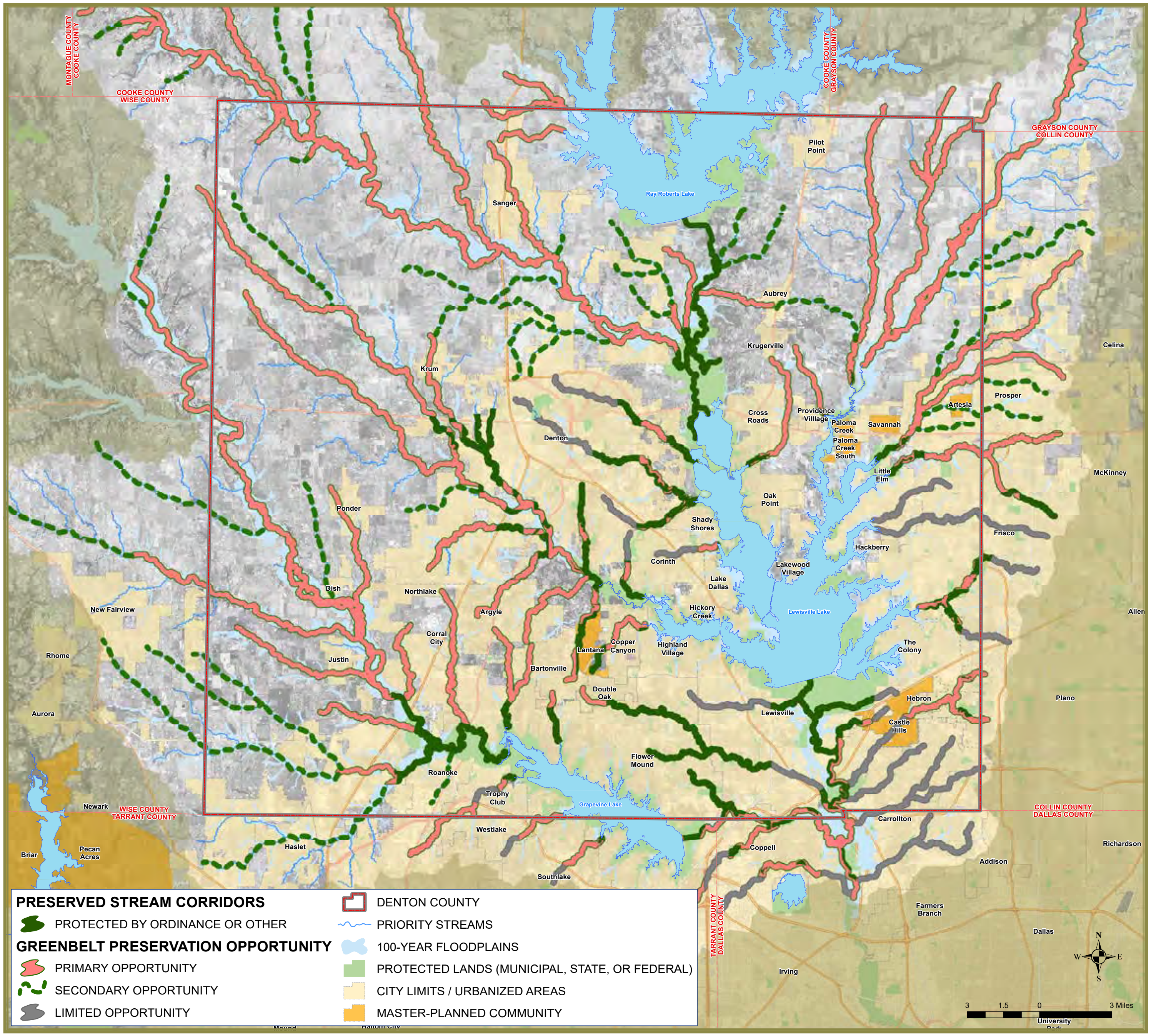


Figure ES-4: Greenbelt Opportunities

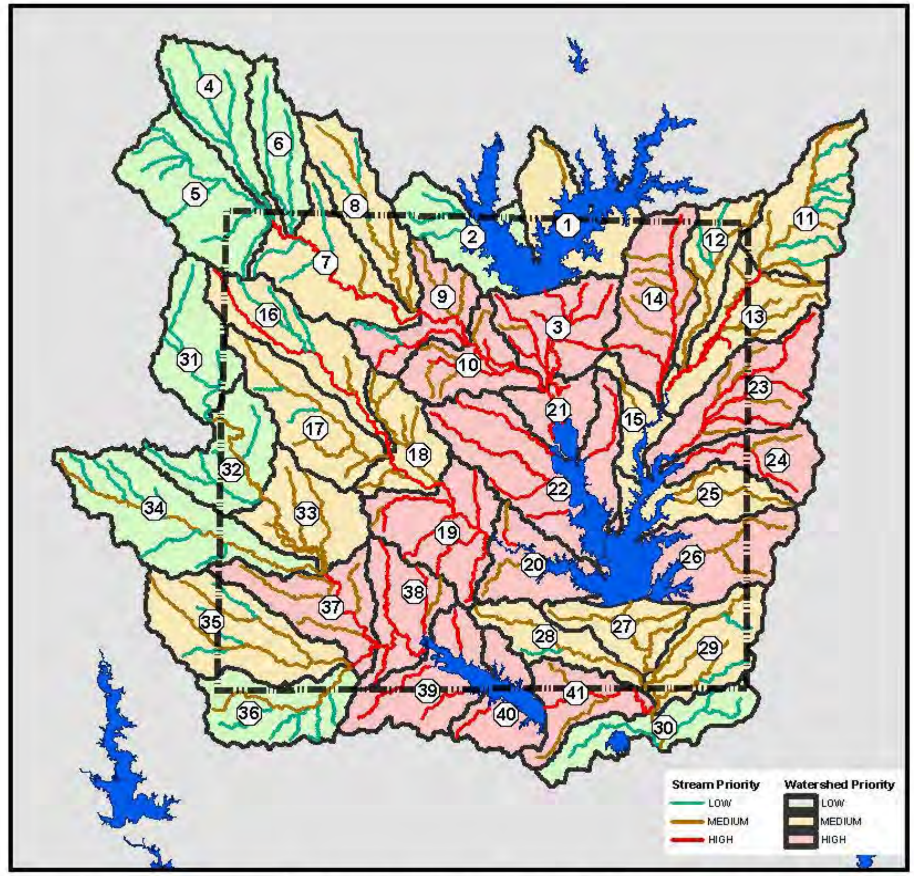
PRIORITY WATERSHEDS AND STREAMS

In the planning area, forty-one sub-watersheds to the Elm Fork of the Trinity River contribute flow directly to the three Denton County reservoirs. Within those 41 sub-watersheds, there are 73 named streams including the Elm Fork of the Trinity River. Each of the named streams, their tributaries, and their watersheds were ranked based on a high, medium, or low priority status, which translates to a timeline for implementing the Plan. The planning horizon associated with the prioritization rankings is:

1. High – 1-10 years
2. Medium – 10-20 years
3. Low – 20 years and beyond

Of the 41 sub-watersheds, 11 were ranked as high priority; and, of the 73 named streams, 26 were identified as high priority streams. Figure ES-5 shows the priority status associated with the 41 sub-watersheds and the 73 name streams and their tributaries. As shown, the majority of the high priority watersheds and streams are near the three major reservoirs and the major urban centers within Denton County.

The existing Greenbelts and Greenbelt Opportunities were then overlaid onto the prioritized watersheds and streams. This helps to identify the greenbelts in need of protection and/or preservation. Figure ES-6, on the following page, shows the highest priority watershed with existing Greenbelts and Greenbelt Opportunities identified. Each of the 41 sub-watersheds are identified in the Appendices with the existing Greenbelts and Greenbelt Opportunities shown.



1: Walnut Branch-Isle du Bois Creek	15: Running Branch-Lewisville Lake	29: Indian Creek-Elm Fork Trinity River
2: Pond Creek-Elm Fork Trinity River	16: Headwaters Hickory Creek	30: Grapevine Creek-Elm Fork Trinity River
3: Culp Branch-Elm Fork Trinity River	17: South Hickory Creek	31: North Pecan Creek-Denton Creek
4: Blocker Creek	18: Upper Hickory Creek	32: Morris Branch-Denton Creek
5: Whites Creek-Clear Creek	19: Middle Hickory Creek	33: Hog Branch-Denton Creek
6: Flat Creek	20: Lower Hickory Creek	34: Oliver Creek
7: Buck Creek-Clear Creek	21: Harmony Ranch-Lewisville Lake	35: Headwaters Elizabeth Creek
8: Little Duck Creek-Duck Creek	22: Pecan Creek-Lewisville Lake	36: Henrietta Creek
9: Moores Branch-Clear Creek	23: Doe Branch-Lewisville Lake	37: Elizabeth Creek-Denton Creek
10: Milam Creek-Clear Creek	24: Panther Creek-Lewisville Lake	38: Denton Creek-Grapevine Lake
11: Headwaters Little Elm Creek	25: Cottonwood Branch-Lewisville Lake	39: Marshall Branch-Grapevine Lake
12: Mustang Creek	26: Stewart Creek-Lewisville Lake	40: Dove Creek-Grapevine Lake
13: Town of Celina-Lewisville Lake	27: Prairie Creek-Elm Fork Trinity River	41: Cottonwood Branch-Denton Creek
14: Pecan Creek	28: Timber Creek	

Figure ES-5 Watershed Priority Status

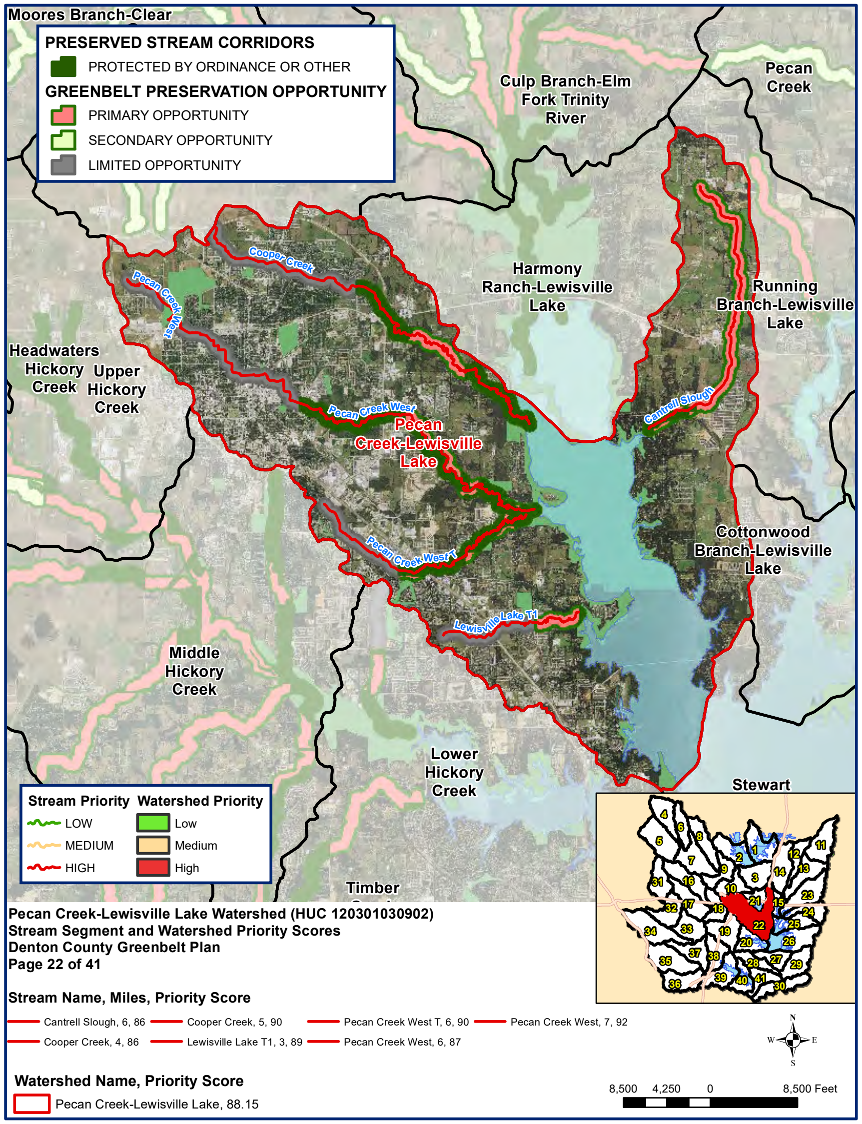


Figure ES-6: Highest Priority Watershed

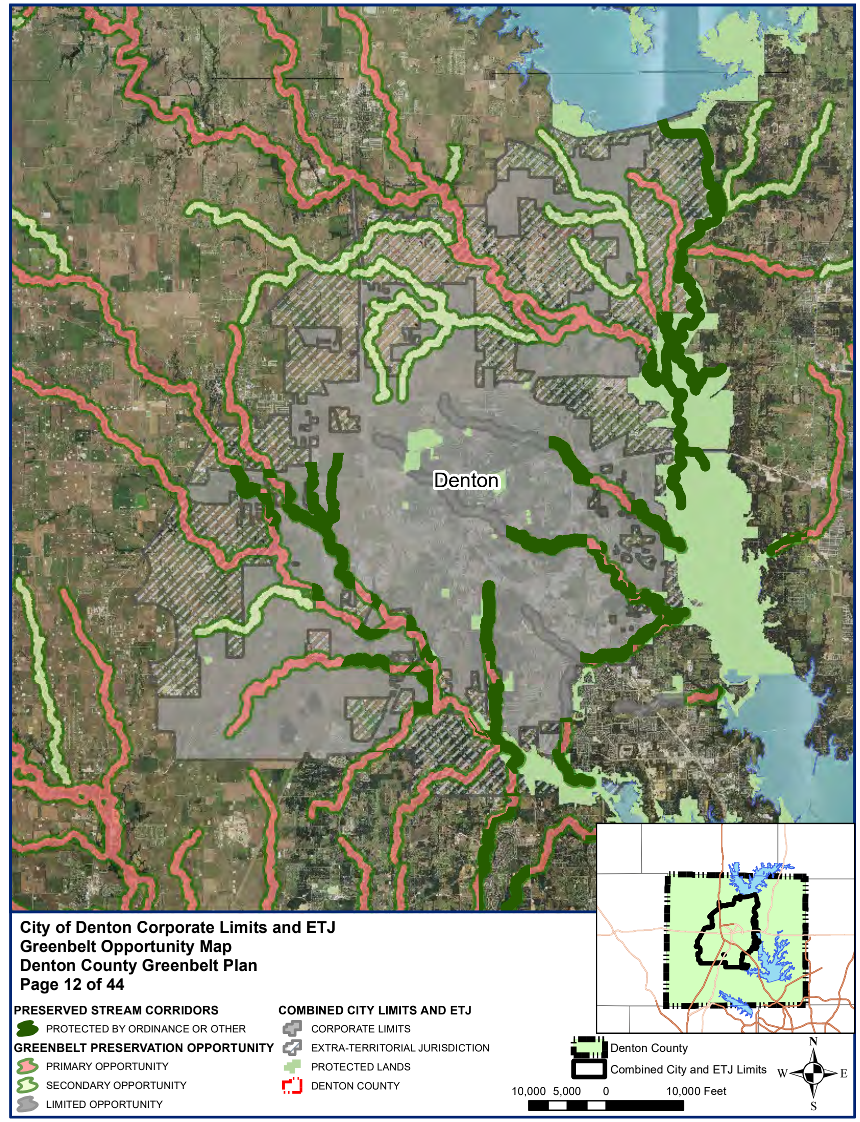


Figure ES-7: City of Denton Greenbelt Opportunity

To assist municipalities, the existing Greenbelts and Greenbelt Opportunities were superimposed onto their corporate limits and extra-territorial jurisdiction. As an example, Figure ES-7 shows the existing Greenbelts, Greenbelt Opportunities, and Developed Stream Corridors within the City of Denton.

IMPLEMENTATION

Capturing the Enthusiasm - Realizing the Vision

The Denton County Greenbelt Plan is not intended to be a regulatory document; rather, the goal for the Plan is to be a convenient guide to encourage and enable closer coordination among stakeholders. Therefore, successful implementation of the Plan, on a voluntary basis, will require strong leadership at all levels: support from County officials, and active support from local municipalities and dedicated citizens. A successful fulfillment of the Plan will depend on informed and supportive citizens and landowners, the stewardship of the County's critical natural assets - private landowners own a majority of the greenbelt corridors in Denton County. The overall, long-term vision is to grow the economy of Denton County, conserving and preserving existing natural assets, while saving and connecting greenbelts.

Implementing the Plan

Greenbelt preservation will require a concerted effort from all stakeholders, each of which may have a different role. Denton County, as well as the local municipalities have a distinct role in implementing the Plan - these entities can enact ordinances, zoning requirements or other measures that will protect greenbelt corridors within their respective jurisdictions. In addition, they can provide funding for greenbelt preservation by issuing bonds or obtaining grants. Non-profit organizations, such as the Upper Trinity Conservation Trust, and other natural resource agencies can also obtain grant funding for projects that would especially benefit landowners and other citizens through public outreach efforts.

Opportunities for leadership exist - champions for greenbelt preservation. As part of the implementation, it is recommended that a Coordinating Committee be established. To keep all stakeholders informed and connected, the Committee will have an important role - The coordinating committee would be charged with keeping all stakeholders informed and connected. The committee will have an important role in the plan's implementations as well as facilitating momentum.

To address the goal for protecting valuable watershed assets, the Plan outlines various strategies to consider in preserving greenbelts.

- Tools to facilitate preservation of Greenbelts within municipal and County jurisdictions,
- Tools for landowners to consider for greenbelt preservation efforts, and
- Funding and acquisition opportunities to help save and connect Greenbelts.

Benefits of Greenbelts

Potential benefits afforded to Denton County and its communities from the preservation of Greenbelts are numerous and quantifiable:

- Conserve the quality of water entering Denton County's water supply reservoirs, the sources of our drinking water, as the County is rapidly urbanizing,
- Increase the quality of life for Denton County residents - - by providing nature-based recreational and educational opportunities,
- Rather than barriers, greenbelts enable increased connections for both people and wildlife,
- Add zest to neighborhoods and enhance property values,
- Healthy tree roots and other vegetative material help protect homes and property by stabilizing and protecting stream banks from erosion potential,
- Increase appreciation for environmental matters through nature-based educational opportunities,
- Preserve the cultural, historical and natural landscapes of Denton County, and
- Safeguard habitat for native plants, animals and aquatic species.

Promoting and Developing Demand for Greenbelts

Education and outreach programs about greenbelts and the importance of conserving greenbelt corridors will be imperative for the success of preserving these critical resources. Within the Plan, numerous strategies are identified to provide education and outreach. The principal purpose for these efforts are to generate demand and citizen interest for greenbelts. These strategies include:

Strategy 1 – Establish a brand for the plan – Denton County For The Future

Strategy 2 – Create campaigns to promote Greenbelt awareness and preservation in Denton County and adjoining counties.

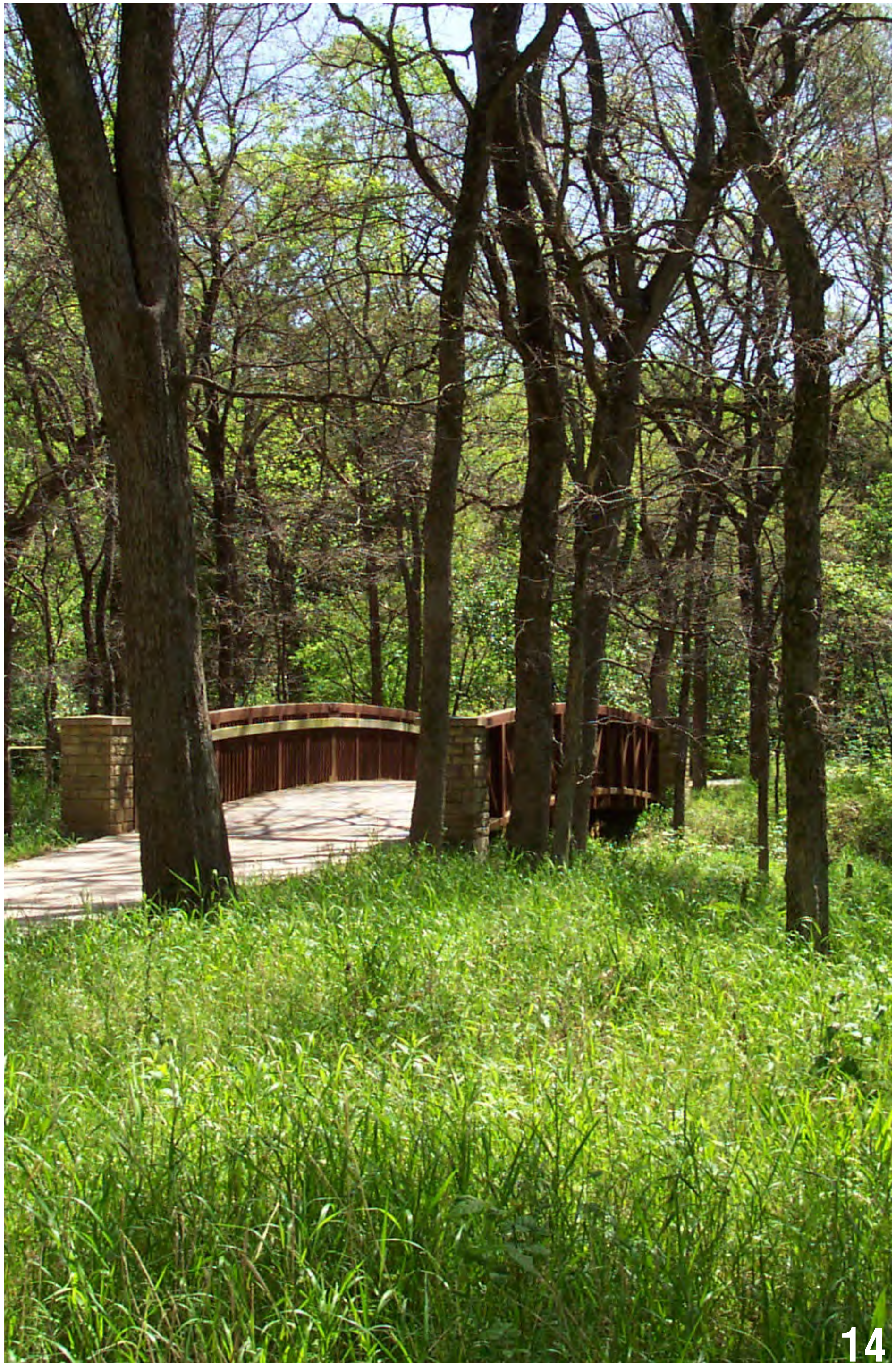
Strategy 3 – Educate, raise awareness, and increase citizen involvement in the Greenbelt preservation efforts across the County.

Strategy 4 – Collaborate with Government and Non-Government agencies and organizations to support the Greenbelt Preservation efforts.

Greenbelt Protection Measures

Protection measures need to be implemented to preserve the identified greenbelt corridors into the foreseeable future. Numerous regulations are in place on the federal and state level that protects aspects of streams; however, those regulations do not provide protections to the vegetation associated with greenbelts per se. Certain municipalities within Denton County have enacted ordinances specifically to offer protections to greenbelts. Examples include the Cities of Denton and Lewisville, and the Town of Flower Mound have ordinances in place to provide protections to Greenbelt corridors. Ordinances, in conjunction with State and Federal regulations, are excellent vehicles for protecting Greenbelts.

The Plan offers other preservation measures to consider that are not necessarily regulatory in nature. These include the establishment of Greenbelt Districts, Purchase of Development Rights, Conservation



Easements, Mitigation Banking Opportunities, In-Lieu Fee Programs, and Property Tax Exemptions. Non-profit organizations, such as the Upper Trinity Conservation Trust, specialize in these types of protection measures and can partner with the various stakeholders in Denton County to implement these needed protection measures. Specifics about these voluntary programs are outlined in the Plan.

Greenbelt Preservation for Landowners

The majority of the land occupied with existing greenbelts and Greenbelt Opportunities in Denton County is in private ownership. These landowners are key to protecting existing greenbelts on their property, as well as enable connection of Greenbelt Opportunity corridors. The Plan offers several land management suggestions for landowners to protect water quality entering the receiving streams. Management suggestions include:

- Grazing Management
- Cropland Management
- Riparian Corridor Restoration
- Invasive Species Management

Funding

Numerous funding opportunities are available to assist in the preservation of Greenbelts, including bonds, grants, and donations. Specific funding opportunities outlined in the Plan include:

- General Obligation Bonds
- Community Development Block Grants
- Development Dedications
- Recreation Grants
- Highway Grants
- 319 Grants
- Public Private Partnerships
- Donations

Other opportunities may be available that are not included in the Plan, any funding opportunity that can be applied for greenbelt protection purposes should not be discounted.

FINDING A BALANCE

Finding a balance between growth and conservation in Denton County will be a challenge. The Denton County Greenbelt Plan is a step in the direction toward finding that balance. With the existing and priority Greenbelt Corridors identified, municipal and County leaders have the tools needed to know what assets are available for protection. Also, with the Greenbelt Corridors identified, Developers have the locations of the priority Greenbelts to consider in their development plans. Finally, the landowners who have priority Greenbelt corridors located on their property have tools and mechanisms available to improve water quality and stream function within their property.

Denton County is at a point of great opportunity. Now is the time to preserve its natural assets while sustaining economic growth for the next generations to come.

DENTON COUNTY GREENBELT PLAN

For the Future

TOWN COUNCIL AGENDA ITEM NO. 20

REGULAR ITEM

DATE: September 17, 2018

FROM: Brian Waltenburg, CIP Engineering Manager

ITEM: **Consider approval of a Construction Agreement with ANA Site Construction LLC, for the Bakers Branch Collector Phase II project, in the amount of $1,228,169.00; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND INFORMATION: On August 16, 2018, bids were received and opened (Bid # 2018-112-B) for the Bakers Branch Collector Phase II project. ANA Site Construction LLC., submitted the lowest qualified bid of the seven responding bidders, at a base bid of $1,228,169.00.

FISCAL IMPACT: $1,228,169.00

Proposed Expenditure:	Account Number(s):
$1,228,169.00	630-970-98733

Finance Review by: Debra Wallace, Deputy Town Manager /CFO DW

LEGAL REVIEW: The Town's standard construction agreement form documents, prepared by Taylor, Olson, Adkins, Sralla, & Elam L.L.P., were used to draft this agreement. No alteration to the legal content of this form document was made in preparation of these documents.

ATTACHMENTS:

1. Bid Tabulation
2. Construction Agreement

DRAFT MOTION: Move to approve as presented in the agenda caption.

Attachment 1

Town of Flower Mound
Bid Tabulation

Bid No: 2018-112-B - Bakers Branch Interceptor Phase II (Lexington Avenue to Gerault Road)

Bid Opening: 8/16/2018 at 11:00 AM

Company	Total Bid
ARK Contracting Services	$ 1,488,514.00
Flow-Line Construction Inc	$ 1,446,307.00
Wilson Contractor Services	$ 1,789,262.00
Gomez Brothers Construction	$ 1,631,358.00
ANA Site Construction	$ 1,228,169.00
Jackson Construction	$ 2,212,734.00
John Burns Construction Company of Texas	$ 1,468,592.00

**All bids/proposals submitted for the designated project are reflected on this tabulation sheet. However, the listing of the bid/proposal on this tabulation sheet shall not be construed as a comment on the responsiveness of such bid/proposal or as any indication that the agency accepts such bid/proposal as being responsive. The agency will make a determination as to the responsiveness of the vendor responses submitted based upon compliance with all applicable laws, purchasing guidelines and project documents, including but not limited to the project specifications and contract documents. The agency will notify the successful vendor upon award of the contract and, as according to the law, all bid/proposal responses received will be available for inspection at that time.

Certified By: Sabrina Zadow
Purchasing Manager
Town of Flower Mound, Texas

Date: August 16, 2018

TOWN OF FLOWER MOUND

BAKERS BRANCH INTERCEPTOR PHASE II (LEXINGTON AVENUE TO GERAULT ROAD)

Bid # 2018-112-B

CONSTRUCTION AGREEMENT

THIS CONSTRUCTION AGREEMENT (the "Agreement"), made and entered into this 17th day of September, 2018, by and between the Town of Flower Mound, County of Denton, Texas, hereinafter referred to as the "Town," and ANA Site Construction, a Limited Liability Company, hereinafter referred to as the "Contractor." For and in consideration of the payment, agreements, and conditions hereinafter mentioned, and under the conditions expressed in the bonds herein, Contractor hereby agrees to complete the construction of improvements described as follows:

BAKERS BRANCH INTERCEPTOR PHASE II
(LEXINGTON AVENUE TO GERAULT ROAD), Bid # 2018-112-B

in the Town of Flower Mound, Texas, and all extra work in connection therewith, under the terms as stated in this Agreement, and under the terms of the Contract Documents; and at his, her, or their own proper cost and expense to furnish all superintendence, labor, insurance, equipment, tools, and other accessories and services necessary to complete the said construction in accordance with all the Contract Documents, incorporated herein as if written word for word, and in accordance with the Plans, which include all maps, plats, blueprints, and other drawings and printed or written explanatory manner therefore, and the Conditions and Specifications as prepared by the Town or its consultant hereinafter called "Engineer", who has been identified by the endorsement of the Contractor's written proposal, and the General Conditions, Supplemental Conditions, and Special Provisions of this Agreement, and the payment, performance, and maintenance bonds hereto attached; all of which are made a part hereof and collectively evidence and constitute the entire Agreement.

ARTICLE 1. The Contract Documents shall consist of the following documents:

A. The Construction Agreement;

B. Properly executed Change Orders and Field Orders in writing and executed by the Town, the last in time being first in precedence;

C. Any listed and numbered addenda;

D. Special Provisions;

E. Supplementary Conditions;

F. Construction Drawings or Plans;

G. Technical Specifications;

H. Town's Standard Construction Details;

I. The most current edition of the *Town of Flower Mound Design Criteria and Construction Standards* (by reference);

J. *Occupational Safety and Health Standards – Excavation*, 20 CFR Part 1926 (by reference);

K. *Texas Manual on Uniform Traffic Control Devices (TMUTCD)* (by reference);

L. The General Conditions;

M. *Public Works Construction Standards - North Central Texas, as amended* (by reference);

N. Notice to Bidders;

O. Instructions to Bidders;

P. The Town's written notice to proceed to Contractor;

Q. The Contractor's Bid Proposal;

R. The Performance Bond, Payment Bond and Maintenance Bond; and

S. Bid materials distributed by the Town that relate to the Project.

These Contract Documents are incorporated by reference into this Agreement as if set out in their entirety. The Contract Documents are intended to be complementary; what is called for by one document shall be as binding as if called for by all Contract Documents. It is specifically provided; however, that in the event of any inconsistency in the Contract Documents, the inconsistency shall be resolved by giving precedence to the Contract Documents in the order in which they are listed herein above. If, however, there exists a conflict or inconsistency between the Technical Specifications and the Construction Drawings, it shall be the Contractor's obligation to seek clarification as to which requirements or provisions control before undertaking any work on that component of the project. Should the Contractor fail or refuse to seek a clarification of such conflicting or inconsistent requirements or provisions prior to any work on that component of the project, the Contractor shall be solely responsible for the costs and expenses - including additional time - necessary to cure, repair, and/or correct that component of the project.

ARTICLE 2. For performance of the Work in accordance with the Contract Documents, the Town shall pay the Contractor in current funds an amount not to exceed **One Million Two Hundred Twenty-Eight Thousand, One Hundred Sixty-Nine Dollars and No cents ($1,228,169.00)** taking into consideration additions to or deductions from the Total Bid through properly executed change orders by reason of alterations or modifications of the original quantities or by reason of "Extra Work" authorized under this Agreement in accordance with the provisions of the Contract Documents. It is hereby mutually agreed that for and in consideration of the payments as provided for herein to the Contractor by the Town, the said Contractor shall furnish all labor, equipment, and material (except as otherwise specified above) and shall perform all work necessary to complete the improvements in a good and workmanlike manner, ready for use, within the specified time for substantial completion of One Hundred Fifty (150) calendar days, and final completion of One Hundred Eighty (180) calendar days ready for final payment, as measured from the Effective Start Date shown in the Notice to Proceed. The work shall be in strict accordance with this Agreement, a copy of which is filed pursuant to law in the office of the legal representative of the Town.

ARTICLE 3. Before commencing work, the Contractor shall, at its own expense, procure, pay for, and maintain the insurance coverage required by the Contract Documents written by companies approved by the State of Texas and acceptable to the Town of Flower Mound. Contractor shall provide the Town Purchasing Manager with certificates of insurance indicating coverage's required by the Contract Documents. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificate of Insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

ARTICLE 4. The Contractor shall procure and pay for performance and payment bonds applicable to the work in the amount of the total bid price. The Contractor shall also procure and pay for a maintenance bond applicable to the work in the amount of one hundred percent (100%) of the total bid price. The period of the Maintenance Bond shall be two years from the date of acceptance of all work done under the contract, to cover the guarantee as set forth in the Special Conditions. The performance, payment, and maintenance bonds shall be issued on the forms attached to this Construction Agreement. Other performance, payment, and maintenance bond forms shall not be accepted. Among other things, these bonds shall apply to any work performed during the two-year warranty period after acceptance as described in this Construction Agreement.

The performance, payment, and maintenance bonds shall be issued by a corporate surety, acceptable to and approved by the Town, authorized to do business in the State of Texas, pursuant to Chapter 2253 of the Texas Government Code. Further, the Contractor shall supply capital and surplus information concerning the surety and reinsurance information concerning the performance, payment, and maintenance bonds upon Town request. In addition to the foregoing requirements if the amount of the bond exceeds One Hundred

Thousand and Zero/One Hundredths Dollars ($100,000.00) the bond must be issued by a surety that is qualified as a surety on obligations permitted or required under federal law as indicated by publication of the surety's name in the current U.S. Treasury Department Circular 570. In the alternative, an otherwise acceptable surety company (not qualified on federal obligations) that is authorized and admitted to write surety bonds in Texas must obtain reinsurance on any amounts in excess of One Hundred Thousand and Zero/One Hundredths Dollars ($100,000.00) from a reinsurer that is authorized and admitted as a reinsurer in Texas who also qualifies as a surety or reinsurer on federal obligations as indicated by publication of the surety's or reinsurer's name in the current U.S. Treasury Department Circular 570.

ARTICLE 5. It is hereby further agreed that in consideration of the faithful performance of the work by the Contractor, the Town shall pay the Contractor the compensation due him by reason of said faithful performance of the work in accordance with the provisions of this Agreement. As it completes portions of the Work, the Contractor may request progress payments from the Town. Progress payments shall be made by the Town based on the Town's estimate of the value of the Work properly completed by the Contractor since the time the last progress payment was made. The "estimate of the value of the work properly completed" shall include the net invoice value of acceptable, non-perishable materials actually delivered to and currently at the job site only if the Contractor provides to the Town satisfactory evidence that material suppliers have been paid for these materials.

No progress payment shall be due to the Contractor until the Contractor furnishes to the Town:

1. copies of documents reasonably necessary to aid the Town in preparing an estimate of the value of Work properly completed;

2. full releases of liens, including releases from subcontractors providing materials or delivery services relating to the Work, in a form acceptable to the Town releasing all liens or claims relating to goods and services provided up to the date of the most recent previous progress payment;

3. an updated and current schedule clearly detailing the project's critical path elements; and

4. any other documents required under the Contract Documents.

Progress payments shall not be made more frequently than once every thirty (30) calendar days unless the Town determines that more frequent payments are appropriate. Further, progress payments are to be based on estimates and these estimates are subject to correction through the adjustment of subsequent progress payments and the final payment to Contractor. If the Town determines after final payment that it has overpaid the Contractor, then Contractor agrees to pay to the Town the overpayment amount specified by the Town within thirty (30) calendar days after it receives written demand from the Town.

The fact that the Town makes a progress payment shall not be deemed to be an admission by the Town concerning the quantity, quality, or sufficiency of the Contractor's work. Progress payments shall not be deemed to be acceptance of the Work nor shall a progress payment release the Contractor from any of its responsibilities under the Contract Documents.

After determining the amount of a progress payment to be made to the Contractor, the Town shall withhold a percentage of the progress payment as retainage. The amount of retainage withheld from each progress payment shall be set depending upon the value of the Contract Work on the effective date of the Contract:

Contract Amount	Retainage Percentage
Up to $25,000.00	15%
$25,000.00 to $400,000.00	10%
Over $400,000.00	5%

Retainage shall be withheld and may be paid to:

1. ensure proper completion of the Work. The Town may use retained funds to pay replacement or substitute contractors to complete unfinished or defective work;

2. ensure timely completion of the Work. The Town may use retained funds to pay liquidated damages; and

3. provide an additional source of funds to pay claims for which the Town is entitled to indemnification from Contractor under the Contract Documents.

Retained funds shall be held by the Town in accounts that shall not bear interest. Retainage not otherwise withheld in accordance with the Contract Documents shall be returned to the Contractor as part of the final payment.

ARTICLE 6. The Town may withhold payment of some or all of any progress or final payment that would otherwise be due if the Town determines, in its discretion, that the Work has not been performed in accordance with the Contract Documents. The Town may use these funds to pay replacement or substitute contractors to complete unfinished or defective Work.

The Town may withhold payment of some or all of any progress or final payment that would otherwise be due if the Town determines, in its discretion, that it is necessary and proper to provide an additional source of funds to pay claims for which the Town is entitled to indemnification from Contractor under the Contract Documents. Amounts withheld under this section shall be in addition to any retainage.

ARTICLE 7. When the erosion control measures have been completed, the Contractor shall request that the Town perform a final inspection. The Town shall inspect the Work. If the Town determines that the Work has been completed in accordance with the Contract Documents and per TPDES General Construction Permit, it shall issue a written Notice of Acceptance of the Work. If the Town determines that the Work has not been completed in accordance with the Contract Documents or TPDES General Construction Permit, then it shall provide the Contractor with a verbal or written list of items to be completed before another final inspection shall be scheduled.

ARTICLE 8. When the Work is completed, the Contractor shall request that the Town perform a final inspection. The Town shall inspect the Work. If the Town determines that the Work has been completed in accordance with the Contract Documents, it shall issue a written notice of acceptance of the Work. If the Town determines that the Work has not been completed in accordance with the Contract Documents, then it shall provide the Contractor with a written list of items to be completed before another final inspection shall be scheduled.

It is specifically provided that Work shall be deemed accepted on the date specified in the Town's written notice of acceptance of the Work. The Work shall not be deemed to be accepted based on "substantial completion" of the Work, use or occupancy of the Work, or for any reason other than the Town's written Notice of Acceptance. Further, the issuance of a certificate of occupancy for all or any part of the Work shall not constitute a Notice of Acceptance for that Work.

In its discretion, the Town may issue a Notice of Acceptance covering only a portion of the Work. In this event, the notice shall state specifically what portion of the Work is accepted.

ARTICLE 9. After all Work required under the Contract Documents has been completed, inspected, and accepted, the Town shall calculate the final payment amount promptly after necessary measurements and computations are made. The final payment amount shall be calculated to:

1. include the estimate of the value of Work properly completed since the date of the most recent previous progress payment;

2. correct prior progress payments; and

3. include retainage or other amounts previously withheld that are to be returned to Contractor, if any.

Final payment to the Contractor shall not be due until the Contractor provides original full releases of liens, or other evidence satisfactory to the Town to show that all sums due for labor, services, and materials furnished for or used in connection with the Work have been paid or shall be paid with the final payment. To ensure this result, Contractor consents to the issuance of the final payment in the form of joint checks made payable to Contractor and others. The Town may, but is not obligated to, issue final payment using joint checks.

Final payment to the Contractor shall not be due until the Contractor has supplied to the Town copies of all documents that the Town determines are reasonably necessary to ensure both that the final payment amount is properly calculated and that the Town has satisfied its obligation to administer the Agreement in accordance with applicable law.

Subject to the requirements of the Contract Documents, the Town shall pay the Final Payment within thirty (30) calendar days after the date specified in the Notice of Acceptance. This provision shall apply only after all Work called for by the Contract Documents has been accepted.

ARTICLE 10. **CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE TOWN, ITS TOWN COUNCIL, OFFICERS, EMPLOYEES, AND AGENTS FROM AND AGAINST ALL CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LOSSES, PENALTIES, OR SUITS, WHICH IN ANY WAY ARISE OUT OF, RELATE TO, OR RESULT FROM THE PERFORMANCE OF THE WORK OR WHICH ARE CAUSED BY THE INTENTIONAL ACTS OR NEGLIGENT ACTS OR OMISSIONS OF CONTRACTOR, ITS SUBCONTRACTORS, ANY OFFICERS, AGENTS, OR EMPLOYEES OF EITHER CONTRACTOR OR ITS SUBCONTRACTORS, AND ANY OTHER THIRD PARTIES FOR WHOM OR WHICH CONTRACTOR IS LEGALLY RESPONSIBLE (THE "INDEMNIFIED ITEMS").**

BY WAY OF EXAMPLE, THE INDEMNIFIED ITEMS MAY INCLUDE PERSONAL INJURY AND DEATH CLAIMS AND PROPERTY DAMAGE CLAIMS, INCLUDING THOSE FOR LOSS OF USE OF PROPERTY.

INDEMNIFIED ITEMS SHALL INCLUDE ATTORNEYS' FEES AND COSTS, COURT COSTS, AND SETTLEMENT COSTS. INDEMNIFIED ITEMS SHALL ALSO INCLUDE ANY EXPENSES, INCLUDING ATTORNEYS' FEES AND EXPENSES, INCURRED BY AN INDEMNIFIED INDIVIDUAL OR ENTITY IN ATTEMPTING TO ENFORCE THIS INDEMNITY.

In its sole discretion, the Town shall have the right to approve counsel to be retained by Contractor in fulfilling its obligation to defend and indemnify the Town. Contractor shall retain approved counsel for the Town within seven business days after receiving written notice from the Town that it is invoking its right to indemnification under this

Agreement. If Contractor does not retain counsel for the Town within the required time, then the Town shall have the right to retain counsel and the Contractor shall pay the attorneys' fees and expenses.

The Town retains the right to provide and pay for any or all costs of defending indemnified items, but it shall not be required to do so. To the extent that Town elects to provide and pay for any such costs, Contractor shall indemnify and reimburse Town for such costs.

<u>ARTICLE 11.</u> The Contractor understands and agrees that time is of the essence in performing and completing the Work. The Town and Contractor acknowledge that the actual damages the Town may sustain if the Contractor fails to complete the Work on time are uncertain and will be difficult to ascertain. The Contractor agrees that the sum of Two Hundred Fifty and Zero/One Hundredths Dollars ($250.00) per day or portion of a day in Liquidated Damages will be deducted from the Contract price by the Town for each calendar day or portion thereof that the work is not substantially complete beyond the Substantially Complete Contract time, or within such extra time as may have been allowed by an extension approved by the Town. The Contractor also agrees that the sum of Two Hundred Fifty and Zero/One Hundredths Dollars ($250.00) per day or portion of a day in Liquidated Damages for each calendar day or portion thereof the work has not been finally completed by the Contractor beyond the Contract time for final completion, or within such extra time as may have been allowed by an extension approved by the Town. The Town and the Contractor agree that this amount is payable as reasonable and just compensation for failure to complete the Work on time. This amount is payable as liquidated damages and not as a penalty.

<u>ARTICLE 12.</u> For a two-year period after the date specified in a written notice of acceptance of Work and authorization to make final payment by the Flower Mound Town Council, Contractor shall provide and pay for all labor and materials that the Town determines are necessary to correct all defects in the Work arising because of defective materials or workmanship supplied or provided by Contractor or any subcontractor. This shall also include areas of vegetation that did meet TPDES General Construction Permit during final close out but have since become noncompliant.

Forty-five (45) to sixty (60) calendar days before the end of the two-year warranty period, the Town may make a warranty inspection of the Work. The Town shall notify the Contractor of the date and time of this inspection so that a Contractor representative may be present. After the warranty inspection, and before the end of the two-year warranty period, the Town shall mail to the Contractor a written notice that specifies the defects in the Work that are to be corrected.

The Contractor shall begin the remedial work within ten (10) calendar days after receiving the written notice from the Town. If the Contractor does not begin the remedial work timely or prosecute it diligently, then the Town may pay for necessary labor and materials to effect repairs and these expenses shall be paid by the Contractor, the maintenance bond surety, or both.

If the Town determines that a hazard exists because of defective materials and workmanship, then the Town may take steps to alleviate the hazard, including making repairs. These steps may be taken without prior notice either to the Contractor or its surety. Expenses incurred by the Town to alleviate the hazard shall be paid by the Contractor, the maintenance bond surety, or both.

Any Work performed by or for the Contractor to fulfill its warranty obligations shall be performed in accordance with the Contract Documents. By way of example only, this is to ensure that Work performed during the warranty period is performed with required insurance and the maintenance and payment bonds still in effect.

Work performed during the two-year warranty period shall itself be subject to a one-year warranty. This warranty shall be the same as described in this section.

The Town may make as many warranty inspections as it deems appropriate.

<u>ARTICLE 13.</u> The Contractor shall be responsible for ensuring that it and any subcontractors performing any portion of the Work required under the Contract Documents comply with all applicable federal, state, county, and municipal laws, regulations, and rules that relate in any way to the performance and completion of the Work. This provision applies whether or not a legal requirement is described or referred to in the Contract Documents.

<u>Ancillary/Integral Professional Services</u>: In selecting an architect, engineer, land surveyor, or other professional to provide professional services, if any, that are required by the Contract Documents, Contractor shall not do so on the basis of competitive bids but shall make such selection on the basis of demonstrated competence and qualifications to perform the services in the manner provided by Section 2254.004 of the Texas Government Code and shall so certify to the Town the Contractor's agreement to comply with this provision with Contractor's bid.

<u>ARTICLE 14.</u> The Contractor shall sign the Construction Agreement, and deliver signed performance, payment, and maintenance bonds and proper insurance policy endorsements (and/or other evidence of coverage) within fifteen (15) calendar days after the Town makes available to the Contractor copies of the Contract Documents for signature. Six copies of the Contract Documents shall be signed by an authorized representative of the Contractor and returned to the Town.

The Construction Agreement "effective date" shall be the date on which the Town Council acts to approve the award of the Contract for the Work to Contractor. It is expressly provided; however, that the Town Council delegates the authority to the Town Manager or his designee to rescind the Contract award to Contractor at any time before the Town delivers to the Contractor a copy of this Construction Agreement that bears the signature of the Mayor or Town Manager and Town Secretary or their authorized designees. The purpose of this provision is to ensure that:

1. the Contractor timely delivers to the Town all bonds and insurance documents; and

2. the Town retains the discretion not to proceed if the Town Manager or his designee determines that information indicates that the Contractor was not the lowest responsible bidder or that the Contractor cannot perform all of its obligations under the Contract Documents.

THE CONTRACTOR AGREES THAT IT SHALL HAVE NO CLAIM OR CAUSE OF ACTION OF ANY KIND AGAINST THE TOWN, INCLUDING A CLAIM FOR BREACH OF CONTRACT, NOR SHALL THE TOWN BE REQUIRED TO PERFORM UNDER THE CONTRACT DOCUMENTS, UNTIL THE DATE THE TOWN DELIVERS TO THE CONTRACTOR A COPY OF THE CONSTRUCTION AGREEMENT BEARING THE SIGNATURES JUST SPECIFIED.

Contractor stipulates that the Town is a political subdivision of the State of Texas, and, as such, may enjoy immunities from suit and liability under the Constitution and laws of the State of Texas. By entering into this Agreement, the Town does not waive any of its immunities from suit and/or liability, except as otherwise expressly and specifically provided herein or as specifically provided by law.

Payments under this Contract are due and payable in accordance with the provisions of Texas Government Code Section 2251.022. Interest on unpaid and overdue amounts shall accrue in accordance with Texas Government Code Section 2251.025.
Attention is called to the Government Code, Chapter 2258, Prevailing Wage Rates. Contractor and any subcontractor shall pay not less than the prevailing rates of per diem wages in the locality at the time of construction to all laborers, workmen, and mechanics employed by them in the execution of this Agreement. The Town has determined the general prevailing rate of per diem wages in the locality in which the public work is to be constructed by using the prevailing wage rates as determined by the United States Department of Labor in accordance with the Davis-Bacon Act as applicable to this Project. Contractor or a subcontractor who violates this provision shall be liable for the penalty specified in Texas Government Code Section 2258.023, which as of the date of this Agreement is $60 for each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated in the contract. Town reserves the right to receive and review payroll records, payment records, and earnings statements of employees of Contractor, and of Contractor's Subcontractors, and of Sub-Subcontractors to verify payments made to same. However, no Claim for additional compensation shall be considered by Town because of payments of wage rates in excess of the applicable rate provided herein.

It is distinctly understood that by virtue of this Contract, no mechanic, contractor, materialmen, artisan, laborer, or subcontractor, whether skilled or unskilled, shall ever in any manner have, claim, or acquire any lien upon the project of whatever nature or kind so erected or to be erected by virtue of this Contract, nor upon any of the land upon which said improvements are so erected, built, or situated, such property being public property belonging to a political subdivision of the State of Texas.

The Contractor represents and warrants the following to the Town (in addition to the other representations and warranties contained in the Contract Documents), as an inducement to the Town to execute this Contract, which representations and warranties shall survive the execution and delivery of the Contract and the Final Completion of the Work:

1. that it is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to complete the Work and perform its obligations under the Contract Documents;

2. that it is able to furnish the tools, materials, supplies, equipment and labor required to timely complete the Work and perform its obligations hereunder and has sufficient experience and competence to do so;

3. that it is authorized to do business in the State of Texas and properly licensed by all necessary governmental, public and quasi-public authorities having jurisdiction over it, the Work, or the site of the Project; and

4. that the execution of the Contract and its performance thereof are within its duly-authorized powers.

The Contract Documents shall be construed and interpreted by applying Texas law. Exclusive venue for any litigation concerning the Contract Documents shall be Denton County, Texas.

Although the Construction Agreement has been drafted by the Town, should any portion of the Construction Agreement be disputed, the Town and Contractor agree that it shall not be construed more favorably for either party.

The Contract Documents are binding upon the Town and Contractor and shall inure to their benefit as well as that of their respective successors and assigns.

If Town Council approval is not required for the Construction Agreement under applicable law, then the Construction Agreement "effective date" shall be the date on which the Mayor or Town Manager and Town Secretary or their designees have signed the Construction Agreement. If the Mayor or Town Manager and Town Secretary sign on different dates, then the later date shall be the effective date.

IN WITNESS WHEREOF, the Town and the Contractor, respectively, have caused this Agreement to be duly executed in the day and year first herein written in two copies, all of which to all intents and purposes shall be considered as the original.

Attachment 2

This Agreement will be effective on the ____ day of __________, 20___.

TOWN OF FLOWER MOUND	CONTRACTOR
___________________________ Steve Dixon, MAYOR	__________________________ (Signature)
	__________________________ (Printed Name)
	__________________________ (Position)
(CORPORATE SEAL)	(CORPORATE SEAL)
ATTEST:___________________________ Theresa Scott, TOWN SECRETARY	ATTEST:_____________________ (Signature)
	_____________________ (Position)

Town Council Future Agenda Items

SCHEDULED	**9/18/2018**	Work Session	BOARD AND COMMISSION INTERVIEWS ONLY
	9/20/2018	Work Session	Discuss Lakeside Reuse Master Plan
		Work Session	BOARD AND COMMISSION INTERVIEWS (7pm - after work session item)
	10/1/2018	Presentation	Special Recognition of German Exchange Students
		Consent	Consider approval of the minutes from a regular meeting of the Town Council; Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District Special meeting held on September 17, 2018.
		Consent	Consider approval of an agreement with Axon Enterprise, Inc., to purchase body worn camera products; and authorization for the Mayor to execute same on behalf of the Town
		Consent	US 377 @ Canyon Falls Traffic Signal Construction Award.
		Consent	Consider approval of the Professional Services Agreement with Mesa Design Associates, Inc., for the design services associated with the Canyon Falls Park project, in the amount of $146,000.00; and authorization for the Mayor to execute same on behalf of the Town.
		Consent	FM 1171 @ FM 2499 Eastbound Right Turn Lane Change Order No.3 and Final Acceptance.
		Consent	Rheudasil Park Improvements Design Award.
		Consent	Consider approval of the purchase of pavement marking services, in the estimated annual amount of $300,000.00, from Stripe-A-Zone, through a City of Grand Prairie contract.
		Regular	Public Hearing to consider an application for a tree removal permit for five (5) specimen trees on property proposed for development as Townlake East. The property is generally located south of Cross Timbers Road and east of Flower Mound Road. (The Environmental Conservation Commission recommended approval by a vote of 6-0-0 at its August 7, 2018 meeting).
		Regular	Public Hearing to consider a request for rezoning (ZPD18-0006 – Townlake East) from Agricultural District (A) to Planned Development District No. 166 (PD-166) for a cluster development with certain modifications and exceptions to the Code of Ordinances and to consider adopting an ordinance providing for said amendment. The property is generally located south of Cross Timbers Road and east of Flower Mound Road. (Planning and Zoning Commission recommended by a vote of to at its September 24, 2018, meeting.)

SCHEDULED	10/1/2018	Regular	Consider a request for a Development Plan (DP18-0003 - Sunset Point at Twin Coves, previously Ridge Bluff Estates) to develop a residential subdivision. The property is generally located west of Simmons Road and south of Holly Lane. (Planning and Zoning Commission recommended by a vote of to at its Septemer 24, 2018, meeting.)
		Regular	Consider a request for a Development Plan (DP18-0005 - Townlake East) to develop a residential subdivision, subject to the terms and conditions in the attached Development Agreement and authorization for Mayor to execute same on behalf of the Town. The property is generally located south of Cross Timbers Road and east of Flower Mound Road. (Planning and Zoning recommended by a vote of to at its September 24, 2018, meeting.)
		Regular	Public Hearing to consider a request for rezoning (ZPD17-0003 - NEM Senior Living) from Retail District-1 (R-1) to Planned Development District No. 154 (PD-154) with age-restricted, high-density residential use, and with certain modifications and exceptions to the Code of Ordinances, and to consider adopting an ordinance providing for said amendment, subject to the terms and conditions in the attached Development Agreement and authorization for Mayor to execute same on behalf of the Town. The property is generally located south of Rippy Road and east of Long Prairie Road. (The Planning and Zoning Commission recommended by a vote of to at its September 24, 2018, meeting.)
		Regular	Public Hearing to consider a request for a Specific Use Permit No. 452 (SUP18-0001 - Tidal Wave Car Wash) to permit an automatic car wash, with an exception to Section 82-242, “Street buffer landscaping”, of the Code of Ordinances, and a waiver to certain Architectural Standards in the Town’s Urban Design Plan, and to consider adopting an ordinance providing for said amendment. The property is generally located south of Flower Mound Road and east of Gerault Road. (Planning and Zoning Commission recommended by a vote of to at its September 24, 2018, meeting.)
		Regular	Consider approval of a Cultural Arts Master Plan for the Town
	10/15/2018	Consent	WWTP Phase IV Change Order 3 and Final Acceptance.
		Consent	Consider approval of the purchase of new Traffic Signal Detection Equipment for the Traffic Detection Rehabilitation project, from Twincrest Technologies through the HGAC program, in the amount of $137,850.00
		Consent	Engineering Standards Update
		Consent	Old Gerault Road 12-Inch Water Line Development Agreement.
		Consent	FM 2499 at Gerault Corp Permit PSA.
		Consent	FM 2499 @ College Drive Signal - Change Order 1 and Final Acceptance.
	11/5/2018	Consent	Central Fire Station Phase II Construction Award.
		Consent	Bakersfield Park Restroom Design Award

SCHEDULED	**11/5/2018**	Consent	FM 2499 Roadway, Traffic Signal & Drainage Improvements - CO 2 and Final Acceptance.
		Consent	Flower Mound Storage Warehouse - Construction Award.
	11/19/2018	Consent	East Waketon Road Drainage Design Award.
		Consent	Fire Station #7 Testing Award.
	12/3/2018	Consent	Consider approval of a resolution authorizing the adoption of the Program Year 2017 Consolidated Annual Performance & Evaluation Report for the Community Development Block Grant; and authorization for the Mayor to execute same on behalf of the Town and submit to the U.S. Department of Housing and Urban Development.
	12/17/2018	Consent	Fire Station #7 Construction Award
		Consent	Library Expansion Testing Award.
		Consent	Library Expansion Construction Award (GMP).