

**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**



September 16, 2024
Town Hall
2121 Cross Timbers Road
Flower Mound, TX 75028

6:00 p.m.

In accordance with section 551.127 of the Texas Government Code (Open Meeting Act) this meeting will be an in-person meeting with either a member of Town Council, staff, or consultant, participating by video conference. The public meeting location will be Flower Mound Town Hall, 2121 Cross Timbers Rd Flower Mound, Texas. The Mayor, as presiding officer of Town Council, and a quorum of the Town Council will be physically present at this location. The location where the Mayor is physically present shall be open to the public during the open portions of the meeting.

Comments regarding any agenda item can be sent to the Town Council by emailing towncouncil@flowermound.gov or by calling 972.874.6005 and leaving a message.

AGENDA

A. CALL 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. PRESENTATION(S)

1. LIVEUnited Month Proclamation - United Way
2. Constitution Week Proclamation - Daughter's of the American Revolution
3. Food Safety Award

E. PUBLIC COMMENT

The purpose of this item is to allow the public an opportunity to address the Town Council regarding any item on this agenda that is not a "Public Hearing." Issues regarding daily operational or administrative matters should first be dealt with by calling Town Hall at 972.874.6000 during business hours.

In accordance with the Texas Open Meetings Act, the Town Council is restricted from discussing or acting on items not listed on the agenda.

To speak to Council during public comment, please fill out a [comment form \(PDF\)](#).

- Speakers are limited to 3 minutes, a tone will sound at 30 seconds left and when time has expired, and times may be adjusted by the mayor
- Speakers must address their comments to the Town Council
- Please state your name and address when speaking

F. ANNOUNCEMENTS

1. Announcements from the mayor and council members

G. TOWN MANAGER'S REPORT

1. Capital Improvement Projects
2. Economic Development Projects
3. Organizational Updates

H. FUTURE AGENDA ITEM(S)

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 that 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. September 17 - B&C Interview #1
2. September 19 - B&C Interview #2
3. October 7 - Regular Meeting
4.
 - Discuss and prioritize future work session topics:
 - Town lighting regulations
 - Naming of Independence Fest Car Show
 - Rainwater Harvesting
 - Utility Rates: currently scheduled for March 20, 2025
 - Hotel Occupancy Tax revenue: currently scheduled for March 20, 2025
5. Discuss canceling the December 19 Work Session

J. CONSENT ITEM(S)

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

1. Minutes - 8/19 - Consider approval of the minutes from a regular meeting held on August 19, 2024.
2. Atmos Rate Case - 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.
3. 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.
4. Water and Sewer System Rates - Consider approval of an ordinance amending Appendix A of the Code of Ordinances by amending the charges for residential and non-residential water and sewer service; providing a severability clause; providing for publication; and providing an effective date.
5. Stormwater Utility System Fee - Consider approval of an ordinance amending the Code of Ordinances of the Town of Flower Mound through the amendment of Appendix A "Fee Schedule" of the Code of Ordinances by amending and

- ratifying the fee not codified in Section 70-777 relative to the charges for the Stormwater Utility System fee.
6. Blue Ribbon Bond Committee Resolution - Consider adopting a Resolution establishing a Blue Ribbon Bond Committee, and defining its purpose and scope of work.
 7. 2024 Mound Throw Down Event - Beer/Wine Request - Consider approval for the sale and consumption of alcoholic beverages (beer and wine) at the Heritage Park of Flower Mound during Therapeutic Recreation Group's 2024 Mound Throw Down event. The Parks Board recommended approval by a vote of 6 to 0 at its September 5, 2024, regular meeting.
 8. Vehicle Purchases - PD - Consider approval of purchasing four (4) 2024 Chevrolet Silverado Crew Cab Trucks with a police equipment package from Lake Country Chevrolet as per Town of Flower Mound specifications and vendor estimate via TIPS USA Cooperative Contract for \$201,094.00.
 9. Joint Firefighting Training Facility ILA Amendment - Consider the approval of the Second Amendment to the Interlocal Agreement between the City of Lewisville, the Town of Flower Mound, and the City of Highland Village for the design, construction, maintenance, operation, and management of a Joint Firefighting Training Facility.
 10. PSA - Wastewater Preliminary Treatment Area Screen Equipment - Consider approval of a Professional Service Agreement with Plummer Associates, Inc., for the Wastewater Preliminary Treatment Area Screen Equipment Replacement project, in the amount of \$57,585; and authorization for the Mayor to execute same on behalf of the Town.
 11. Erosion Control - Construction Agreement - Consider approval of a Construction Agreement with Knight Erosion Control, Inc. for site repairs of the aerial sanitary sewer line creek crossing near River Bend Trail, in the amount of \$356,143.21; and authorization for the Mayor to execute same on behalf of the Town.
 12. Construction Agreement with Texas Pride Utilities, LLC - Consider approval of a Construction Agreement with Texas Pride Utilities, LLC, for the Kirkpatrick Lane and Stapleton Street Sanitary Sewer Rehabilitation project, in the amount of \$700,494.00; and authorization for the Mayor to execute same on behalf of the Town.
 13. Professional Services Firm Selections - Consider approval of twenty-two (22) professional engineering firms to provide professional engineering services, five (5) geotechnical engineering firms to provide material testing services, two (2) independent property appraisal firms to provide real property appraisals, and two (2) subsurface utility engineering firms to provide subsurface utility engineering for the Town, for a two-year term ending September 15, 2026.
 14. TML Interlocal Agreement - Consider approval of the Cyber Liability and Data Breach Response Interlocal Agreement with Texas Municipal League Intergovernmental Risk Pool to join the self-insurance pool to be named the Texas Municipal League Joint Cyber Liability and Data Breach Response Self-Insurance Fund.

K. REGULAR ITEM(S)

1. FY 24-25 Budget Public Hearing - Public Hearing to consider the proposed budget for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025.
2. FY 24-25 Budget Adoption - Consider approval of an ordinance adopting the budget for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025, and making appropriations for each fund and department.
3. FY 24-25 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, 2024, and ending on September 30, 2025.
4. FY 24-25 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, 2024, and ending on September 30, 2025.
5. FY 24-25 Tax Rate Adoption - Public Hearing to consider approval of an ordinance adopting the 2024 tax rolls and fixing and levying municipal ad valorem taxes for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025, and for each fiscal year thereafter until otherwise provided, at the rate of \$0.387278 per \$100 assessed valuation on all taxable property within the corporate limits of the Town of Flower Mound as of January 1, 2024.
6. Scooter Safety - Presentation and discussion regarding scooter safety and potential solutions the Town can explore.

L. BOARDS/COMMISSIONS

Discuss and consider resignations, appointments, evaluations, reassignments, discipline, or dismissals for the following boards or commissions: Animal Services Board, Capital Improvements Advisory Committee, Community Development Corporation, Cultural Arts Commission, Denton County Transportation Authority, Environmental Conservation Commission, Historical Commission, Parks Board, School Liaison Committee, SMARTGrowth Commission, Tax Increment Reinvestment Zone Number (TIRZ #1), Tax Increment Reinvestment Zone Number (TIRZ #2), Transportation Commission, and Veterans Liaison Board.

M. 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, 551.074, and 551.087 for consultation with Town Attorney, and to discuss matters relating to real property, personnel, and economic development negotiations, as indicated below. The Town Council may convene in executive session to conduct a private consultation with its attorney on any legally posted agenda item, when the Town Council seeks the advice of its attorney about pending or contemplated litigation, a settlement offer, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of Chapter 551, including the below-referenced items.

1. Consultation with Town Attorney.

2. Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Municipal Judge, Alternate Judge, and Associate Judge.
3. Discuss and consider purchase, exchange, lease or value of real property for parks, cultural arts, public safety, public rights-of-way, and/or other municipal purposes and all matters incident and related thereto.
4. Discuss and consider resignations, appointments, evaluations, reassignments, discipline, or dismissals for the following boards or commissions: Board of Adjustment/Oil & Gas Board of Appeals, and Planning and Zoning Commission.
5. Discuss and consider economic development incentives, including retail centers, grocers, corporate relocation/expansion/retention, hospitality projects, health care facilities, performance related to certain incentive agreements, and Tax Increment Reinvestment Zone (TIRZ) #1, TIRZ #2, River Walk PID No. 1, Proposed PID, MMDs, and MUDs.

The Town Council may convene in executive session to conduct a private consultation with its attorney on any legally posted agenda item, when the Town Council seeks the advice of its attorney about pending or contemplated litigation, a settlement offer, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of Chapter 551, including the above referenced items.

N. RECONVENE

O. ADJOURN

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, 2024, at 10:11 a.m., at least 72 hours prior to the scheduled time of said meeting.

Theresa Scott, Town Secretary

The Flower Mound Town Hall and Jody Smith Hall are wheelchair accessible. Requests for accommodation or interpretive services must be made 48 hours prior to this meeting by contacting Town Hall at 972.874.6000. Additional time limits will be provided for members of the public that need to address the Town Council through a translator.

To preview upcoming items of business that may appear on future agendas click [HERE](#).

**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**



August 19, 2024
Town Hall
2121 Cross Timbers Road
Flower Mound, TX 75028

6:00 p.m.

DRAFT MINUTES

A. CALL TO ORDER

Mayor Moore called the meeting to order at 6:00 p.m. with the following members present:

Cheryl Moore, Mayor
Ann Martin, Mayor Pro Tem
Adam Schiestel, Deputy Mayor Pro Tem
Chris Drew, Councilmember Place 2
Brian Taylor, Councilmember Place 3
Janvier Werner, Councilmember Place 4

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

Theresa Scott, Town Secretary
James W. Childers, Town Manager
Bryn Meredith, Town Attorney
Tommy Dalton, Assistant Town Manager
Tiffany Bruce, Assistant Town Manager/Town Engineer
Jaime Jaco-Cooper, Senior Programs Manager
Lexin Murphy, Director of Development Services
John Zagurski, Chief Financial Officer
Meg Jakubik, Director of Budget Services
JP Walton, Chief Strategic Officer
Clay Riggs, Director of Public Works

B. INVOCATION

Mayor Moore gave the 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."

Mayor Moore led the pledges.

D. PRESENTATION(S)

1. Proclamation and presentation of Hometown Hero banner to Thomas Economidis
Mayor Moore recited the proclamation and presented it to the Economidis family.
2. Senior Center Month Proclamation
Mayor Moore recited the proclamation and presented it to Jaime Cooper, Senior Programs Manager
3. Ovarian Cancer Awareness Month Proclamation
Mayor Moore recited the proclamation and presented it to Stacey Langley.

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 name and address	Subject (as written on the form)
1.	Clare Harris, 416 Northwood Dr	Item J11

F. ANNOUNCEMENTS

Mayor Moore or Councilmembers had announcements regarding:

- Motorcity Pizza Mayor Cookoff fundraiser

G. TOWN MANAGER'S REPORT

1. Capital Improvement Projects
2. Economic Development Projects
3. Organizational Updates

a. Employee Recognition

Mr. Childers and Mayor Moore recognized the following Town employee anniversaries: Ryan Christ, Parks Dept. (15 years) and Liz Armstrong, Planning Dept. (20 years)

H. FUTURE AGENDA ITEM(S)

Mayor Pro Tem Martin requested the following future agenda items:

- use of scooters (safety concerns)
- cost-friendly options, besides the audit requirement, for community support organizations that would still provide the information needed to properly vet these organizations

Deputy Mayor Pro Tem Schiestel requested the following future agenda:

- rainwater harvesting

There was Council consensus to discuss these topics.

I. COORDINATION OF CALENDARS

Mayor Moore confirmed that all Councilmembers plan to attend the following meetings.

1. September 2 - Labor Day (No meeting)
2. September 16 - Regular Meeting
3. September 17 - Board & Commission Interviews (1 of 2)
4. September 19 - Board & Commission Interviews (2 of 2)

J. CONSENT ITEM(S)

ACTION: Adam Schiestel moved to approve J.1; 3 - 16 as presented in the agenda caption. Chris Drew seconded the motion.
AYES: Ann Martin, Adam Schiestel, Chris Drew, Brian Taylor, Janvier Werner
NAYS: None
ABSTAIN: None
RESULT: 5 : 0

1. Minutes - 8/5 and 8/15 - Consider approval of the minutes from a regular meeting held on August 5, 2024, and a work session held on August 15, 2024.
2. SPAN Agreement - Consider approval of a Service Agreement for Demand Response Transit Service with SPAN, Inc., in an amount not-to-exceed \$60,873.12, to provide transportation service for Town citizens who are age 65 or older and Town citizens with verifiable disabilities that prevent them from driving; and authorization for the Mayor to execute same on behalf of the Town.

This item was moved from consent to regular.

Mr. Jennings gave a presentation identifying or noting:

- background information
- contract changes
- grant funds

and SPAN representatives provided background information on the services offered, and they, or Mr. Jennings, responded to questions from Council regarding:

- maintenance fees
- funding concerns (\$20,000 need)
- veteran services offered and funding concerns (\$2,500)

ACTION: Ann Martin moved to approve J.2. as presented, with an amendment to increase the not-to-exceed amount to \$80,873.12. Janvier Werner seconded the motion.

AYES: Ann Martin, Adam Schiestel, Chris Drew, Brian Taylor, Janvier Werner

NAYS: None

ABSTAIN: None

RESULT: 5 : 0

3. Vehicle purchase (3) - Public Works Water Line Maint. Div. - Consider approval of the purchase of one 2023 F350 Regular Cab with Dump Body, one 2024 F250 Super Cab, and one 2024 Ford F550 Crew Cab, with Service Body per the Town of Flower Mound Specifications and Vendor Quotes from Silsbee Ford, for the Public Works Water Line Maintenance division, for a total of \$216,199.00.
4. Vehicle purchase (1) - Public Works Sewer Line Maint. Div. - Consider approval of the purchase of one 2024 Ford F550 Crew Cab, with Service Body per the Town of Flower Mound Specifications and Vendor Quote from Silsbee Ford, for the Public Works Sewer Line Maintenance division, for the amount of \$71,452.50.
5. Water Valve Maintenance Trailer purchase - Public Works - Consider approval of the purchase of one Wachs Standard LX VMT – Water Valve Maintenance Trailer with Options and Accessories from Wachs Utility Products in the amount of \$121,012.67.
6. Emergency generator for Fire Station 2 - Consider approval of a quote for the purchase and installation of a replacement 150 kW emergency generator for Fire Station 2 from Parker Power Systems Inc. in the amount of \$82,397.91.

7. Denton Creek Blvd Bridge & Waterline Materials Testing PSA - Consider approval of a Professional Services Agreement with ECS Southwest, LLP for the engineering materials testing associated with the Denton Creek Blvd Bridge and Waterline project, in the amount of \$86,120.00, and authorization for the Mayor to execute same on behalf of the Town.
8. Denton Creek Blvd Bridge Inspection Services PSA - Consider approval of a Professional Services Agreement with VRX Global, Inc., for bridge inspection services associated with the Denton Creek Blvd Bridge and Waterline project, in the amount of \$227,512.08; and authorization for the Mayor to execute same on behalf of the Town.
9. Peters Colony Memorial Park Material Testing PSA - Consider approval of a Professional Services Agreement with Alliance Geotechnical Group, Inc., to provide construction material testing services, for the Peters Colony Memorial Park project, in the amount of \$69,795.00, and authorization for the Mayor to execute same on behalf of the Town.
10. Timber Creek Trail Alignment Feasibility and Hydraulic Analysis - Consider the approval of a Professional Services Agreement with Halff Associates, Inc. for the Timber Creek Trail Alignment Feasibility and Hydraulic Analysis, in the amount of \$99,500.00; and authorization for the Mayor to execute same on behalf of the Town.
11. Water Conservation Plan Update - Consider a request to amend the Town's Code of Ordinances by amending Chapter 70: Utilities by replacing Article VI, entitled "Water Conservation;" in its entirety with a new Article VI, entitled "Water Conservation", and to consider adopting an ordinance for said amendment.

ORDINANCE 35-24

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING THE CODE OF ORDINANCES, CHAPTER 70: UTILITIES BY REPLACING ARTICLE VI, ENTITLED "WATER CONSERVATION," IN ITS ENTIRETY WITH A NEW ARTICLE VI, ENTITLED "WATER CONSERVATION;" PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

12. Flood Damage Prevention Ordinance Update - Consider approval of an ordinance amending the Town's Code of Ordinances Chapter 33 entitled "Flood Damage Prevention" and removing references to previous Flood Damage Prevention Ordinance 06-18.

ORDINANCE NO. 36-24

AN ORDINANCE OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING THE CODE OF ORDINANCES, TOWN OF FLOWER MOUND, TEXAS, BY AMENDING CHAPTER 33, "FLOOD DAMAGE PREVENTION," TO INCLUDE

REQUIREMENTS TO REDUCE FLOOD LOSSES CONSISTENT WITH THE NATIONAL FLOOD INSURANCE PROGRAM; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVING CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.

13. Certified Collection Rate - Consider accepting the submission of the certified collection rate of 100 percent for the fiscal year beginning October 1, 2024, and ending September 30, 2025.
14. 2024 Certified Appraisal Roll - Consider approval of an ordinance establishing the 2024 certified appraisal roll.

ORDINANCE 37-24

AN ORDINANCE OF THE TOWN OF FLOWER MOUND, TEXAS, APPROVING THE 2023 APPRAISAL ROLL; REPEALING CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

15. No-New-Revenue and Voter-Approval Tax Rates - Consider accepting the submission of the notice of a no-new-revenue tax rate of \$0.348167 per \$100 assessed valuation and a voter-approval tax rate of \$0.387278 per \$100 assessed valuation for the fiscal year beginning October 1, 2024, and ending September 30, 2025.
16. Schedule Budget and Tax Rate Meetings - Consider proposing a maximum tax rate of \$0.387278 per \$100 valuation for the fiscal year beginning October 1, 2024, and ending September 30, 2025; and scheduling September 16, 2024, public hearing on the budget, scheduling September 16, 2024, public hearing on the tax rate, and scheduling the September 16, 2024, adoption of said budget and tax rate; with each meeting to be held at 6:00 PM, at Town Hall, located at 2121 Cross Timbers Road.

K. REGULAR ITEM(S)

1. Proposed Budget FY 2024-2025 - Discussion and direction regarding the FY 2024 - 2025 proposed budget, including community support funding, and water, wastewater and stormwater rates (continued from August 15).

Mr. Childers provided background information and Ms. Jakubik summarized the discussion and direction from the August 15 work session. She also presented information about the Town's community support funding program. She or Mr. Walton responded to questions regarding:

- substantial cost increase for some organizations
- increase in the amount of Flower Mound individuals served by some organizations and what's driving that
- SPAN funding
- Lewisville Lake Symphony funding request and the need for data to substantiate the additional funding they requested (interest in Flower Mound programming at the Library)
- Ranch Hands Rescue and Winning the Fight not applying
- ticket writers (funding)
- fall festival funding
- hotel tax

Mr. Zagurski summarized cost increases, rate impact, and other impacts regarding water/sewer and stormwater rates, and he, Mr. Riggs, or Mr. Childers, responded to questions from Council regarding:

- 5.25% rate impact implementation timing
- wholesale cost
- operating expenses and debt service
- maintenance cost
- septic versus sewer cost
- impervious area study, including residential and commercial differences
- rainwater collection

No Council action was needed at this time.

2. Crime District Budget Public Hearing - Public Hearing by the Town Council acting as the Board of Directors for the Town of Flower Mound Crime Control and Prevention District to consider the Flower Mound Crime Control and Prevention District proposed budget for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025.

Mayor Moore opened items 2 and 3 at the same time.

Mr. Childers provided background information regarding the use of 4B funds. Ms. Jakubik gave a presentation for items 2 and 3 with a budget summary and calculations for each district.

Mayor Moore opened the public hearing for items 2 and 3 at 7:34 p.m. No one spoke. Mayor Moore closed the public hearing at 7:34 p.m.

No council action was required for items 2 and 3.

3. Fire District Budget Public Hearing - Public Hearing by the Town Council acting as the Board of Directors for the Town of Flower Mound Fire Control, Prevention, and Emergency Medical Services District to consider the Flower Mound Fire Control, Prevention, and Emergency Medical Services District proposed budget

for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025.

L. BOARDS/COMMISSIONS

No discussion.

M. CLOSED MEETING

Mayor Moore announced that the Town Council is convening into a closed meeting at 7:35 p.m., pursuant to Texas Government Code Chapter 551, including, but not limited to, Sections 551.071, 551.072, 551.074, and 551.087.

1. Consultation with Town Attorney.

a. Enforcement of Zoning Regulations

2. Discuss and consider purchase, exchange, lease or value of real property for parks, cultural arts, public safety, public rights-of-way, and/or other municipal purposes and all matters incident and related thereto.

ACTION: Adam Schiestel moved to authorize staff to purchase property described as Lot 1 RA, Block A, the River Walk at Central Park, and authorization for the Town Manager or his designee to close on the property, to pay all costs associated with said closing, in addition to the purchase price of the property, and to execute all necessary documents at closing on behalf of the Town. Chris Drew seconded the motion.

AYES: Ann Martin, Adam Schiestel, Chris Drew, Brian Taylor, Janvier Werner

NAYS: None

ABSTAIN: None

RESULT: 5 : 0

3. Discuss and consider resignations, appointments, evaluations, reassignments, discipline, or dismissals for the following boards or commissions: Board of Adjustment/Oil & Gas Board of Appeals, and Planning and Zoning Commission.
4. Discuss and consider economic development incentives, including retail centers, grocers, corporate relocation/expansion/retention, hospitality projects, health care facilities, performance related to certain incentive agreements, and Tax Increment Reinvestment Zone (TIRZ) #1, TIRZ #2, River Walk PID No. 1, Proposed PID, MMDs, and MUDs.

N. RECONVENE

The Town Council reconvened into an open meeting at 8:02 p.m., and took action on item M.2 above.

O. ADJOURN

Mayor Moore adjourned the meeting at 8:02 p.m. and all were in favor.

TOWN OF FLOWER MOUND, TEXAS

CHERYL MOORE, MAYOR

ATTEST:

THERESA SCOTT, TOWN SECRETARY



TOWN COUNCIL AGENDA J.2. CONSENT ITEM(S)

DATE: September 16, 2024
FROM: Meg Jakubik, Director of Budget Services
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: The Town, along with 181 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 in 2018. On or about April 1, 2024, 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, 2023, entitled it to additional system-wide revenues of \$196.8 million.

Application of the standards set forth in ACSC's RRM Tariff reduces the Company's request to \$182.5 million, \$132.6 million of which would be applicable to ACSC members. After reviewing the filing and conducting discovery, ACSC's consultants concluded that the system-wide deficiency under the RRM regime should be \$149.6 million instead of the claimed \$182.5 million.

After several settlement meetings, the parties have agreed to settle the case for \$164.7 million. This is a reduction of \$32.1 million to the Company's initial request. This includes payment of ACSC's expenses.

The impact of the settlement on average residential rates is an increase of \$5.52 on a monthly basis, or 6.84%. The increase for average commercial usage will be \$13.39 or 3.44%. Atmos provided bill impact comparisons containing these figures. The Effective Date for new rates is October 1, 2024. ACSC members should take action approving the Resolution/Ordinance before September 30, 2024.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: Thomas Brocato, of Lloyd Gosselink Rochelle & Townsend, P.C., created the proposed resolution for the cities in the Steering Committee of Cities Served by Atmos.

ATTACHMENTS:

1. Atmos Mid-Tex 2024 RRM Settlement Resolution
2. Attachment 1_ CY23 MTX RRM - Tariffs
3. Attachment 2_ CY23 MTX RRM - Pension Benchmark
4. CY23 MTX RRM - Average Bill

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

**TOWN OF FLOWER MOUND
RESOLUTION NO. ____24**

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 2024 RATE REVIEW MECHANISM FILING; 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 ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; 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 (“City”) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), and a regulatory authority with an interest in the rates, charges, and services 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 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 current RRM tariff was adopted by the City in a rate ordinance in 2018; and,

WHEREAS, on about April 1, 2024, Atmos Mid-Tex filed its 2024 RRM rate request with ACSC Cities based on a test year ending December 31, 2023; and,

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2024 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 \$164.7 million on a system-wide basis with an Effective Date of October 1, 2024; and,

WHEREAS, ACSC agrees that Atmos' plant-in-service is reasonable; and,

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and,

WHEREAS, the attached tariffs (Attachment 1) 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 settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); 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, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of \$164.7 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 2024 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

SECTION 3

That despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

SECTION 4

That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment 1,

are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$164.7 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION 5

That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment 2, 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 2024 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, 2024.

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 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

**DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN
OF FLOWER MOUND, TEXAS, THIS 16TH DAY OF SEPTEMBER, 2024.**

APPROVED:

Cheryl Moore, MAYOR

ATTEST:

Theresa Scott, TOWN SECRETARY

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

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	\$ 22.95 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 23.00 per month
Commodity Charge – All <u>Ccf</u>	\$0.58974 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.

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2024.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

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	\$ 81.75 per month
Rider CEE Surcharge	\$ 0.00 per month ¹
Total Customer Charge	\$ 81.75 per month
Commodity Charge – All Ccf	\$ 0.19033 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.

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2024.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 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 200 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	\$ 1,587.75 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.6553 per MMBtu
Next 3,500 MMBtu	\$ 0.4799 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1029 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.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

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.

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

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	\$ 1,587.75 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.6553 per MMBtu
Next 3,500 MMBtu	\$ 0.4799 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1029 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.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

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.

**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 10/01/2024	

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 j th customer in i th rate schedule is computed as:

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

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

**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 10/01/2024	

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	9.52	0.1526	88.98	0.7485
Austin	8.87	0.1343	213.30	0.9142
Dallas	12.38	0.2024	185.59	1.0974
Waco	8.71	0.1219	130.62	0.7190
Wichita Falls	10.20	0.1394	117.78	0.6435

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.

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Post-Employment Benefit Plan	Supplemental Executive Benefit Plan	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Benefits Benchmark -						
	Fiscal Year 2024 Willis Towers Watson Report as adjusted	\$ 1,402,365	\$ (1,146,665)	\$ 2,186,549	\$ (4,070,086)	\$ 278,107	
2	Allocation Factor	45.93%	45.93%	82.00%	82.00%	100.00%	
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	\$ 644,172	\$ (526,717)	\$ 1,792,929	\$ (3,337,394)	\$ 278,107	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4)	\$ 644,172	\$ (526,717)	\$ 1,792,929	\$ (3,337,394)	\$ 278,107	\$ (1,148,903)
6							
7	O&M Expense Factor (WP_F-2.3, Ln 2)	81.70%	81.70%	38.85%	38.85%	11.24%	
8							
9	Summary of Costs to Approve:						
10	Total Pension Account Plan	\$ 526,315		\$ 696,536			\$ 1,222,851
11	Total Post-Employment Benefit Plan		\$ (430,349)		\$ (1,296,547)		(1,726,896)
12	Total Supplemental Executive Benefit Plan					\$ 31,256	31,256
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 526,315	\$ (430,349)	\$ 696,536	\$ (1,296,547)	\$ 31,256	\$ (472,789)

**ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023**

Line No.	Description	Current	Proposed	Change	
				Amount	Percent
	(a)	(b)	(c)	(d)	(e)
1	<u>Rate R @ 42.8 Ccf</u>				
2	Customer charge	\$ 22.25			
3	Consumption charge 42.8 CCF X \$ 0.48567 =	20.79			
4	Rider GCR Part A 42.8 CCF X \$ 0.27958 =	11.97			
5	Rider GCR Part B 42.8 CCF X \$ 0.47494 =	20.33			
6	Subtotal	\$ 75.34			
7	Rider FF & Rider TAX \$ 75.34 X 0.07196 =	5.42			
8	Total	\$ 80.76			
9					
10	Customer charge		\$ 22.95		
11	Consumption charge 42.8 CCF X \$ 0.58974 =		25.24		
12	Rider GCR Part A 42.8 CCF X \$ 0.27958 =		11.97		
13	Rider GCR Part B 42.8 CCF X \$ 0.47494 =		20.33		
14	Subtotal		\$ 80.49		
15	Rider FF & Rider TAX \$ 80.49 X 0.07196 =		5.79		
16	Total		\$ 86.28	\$ 5.52	6.84%
17					

**ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023**

Line No.	Description	Current	Proposed	Change	
				Amount	Percent
	(a)	(b)	(c)	(d)	(e)
18	Rate C @ 363.6 Ccf				
19	Customer charge	\$ 72.00			
20	Consumption charge 363.6 CCF X \$ 0.18280 =	66.47			
21	Rider GCR Part A 363.6 CCF X \$ 0.27958 =	101.67			
22	Rider GCR Part B 363.6 CCF X \$ 0.33806 =	122.93			
23	Subtotal	\$ 363.07			
24	Rider FF & Rider TAX \$ 363.07 X 0.07196 =	26.13			
25	Total	<u>\$ 389.20</u>			
26					
27	Customer charge		\$ 81.75		
28	Consumption charge 363.6 CCF X \$ 0.19033 =		69.21		
29	Rider GCR Part A 363.6 CCF X \$ 0.27958 =		101.67		
30	Rider GCR Part B 363.6 CCF X \$ 0.33806 =		122.93		
31	Subtotal		\$ 375.56		
32	Rider FF & Rider TAX \$ 375.56 X 0.07196 =		27.03		
33	Total		<u>\$ 402.59</u>	\$ 13.39	3.44%
34					

**ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023**

Line No.	Description	Current	Proposed	Change	
				Amount	Percent
	(a)	(b)	(c)	(d)	(e)
35	<u>Rate I @ 1335 MMBTU</u>				
36	Customer charge	\$ 1,382.00			
37	Consumption charge 1,335 MMBTU X \$ 0.7484 =	998.94			
38	Consumption charge 0 MMBTU X \$ 0.5963 =	-			
39	Consumption charge 0 MMBTU X \$ 0.2693 =	-			
40	Rider GCR Part A 1,335 MMBTU X \$ 2.7303 =	3,644.33			
41	Rider GCR Part B 1,335 MMBTU X \$ 0.7337 =	979.37			
42	Subtotal	\$ 7,004.64			
43	Rider FF & Rider TAX \$ 7,004.64 X 0.07196 =	504.08			
44	Total	<u>\$ 7,508.72</u>			
45					
46	Customer charge		\$ 1,587.75		
47	Consumption charge 1,335 MMBTU X \$ 0.6553 =		874.67		
48	Consumption charge 0 MMBTU X \$ 0.4799 =		-		
49	Consumption charge 0 MMBTU X \$ 0.1029 =		-		
50	Rider GCR Part A 1,335 MMBTU X \$ 2.7303 =		3,644.33		
51	Rider GCR Part B 1,335 MMBTU X \$ 0.7337 =		979.37		
52	Subtotal		\$ 7,086.12		
53	Rider FF & Rider TAX \$ 7,086.12 X 0.07196 =		509.94		
54	Total		<u>\$ 7,596.06</u>	\$ 87.34	1.16%
55					

**ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023**

Line No.	Description							Current	Proposed	Change	
										Amount	Percent
	(a)							(b)	(c)	(d)	(e)
56	<u>Rate T @ 4645 MMBTU</u>										
57	Customer charge							\$ 1,382.00			
58	Consumption charge	1,500	MMBTU	X	\$	0.5684	=	852.60			
59	Consumption charge	3,145	MMBTU	X	\$	0.4163	=	1,309.08			
60	Consumption charge	0	MMBTU	X	\$	0.0893	=	-			
61	Rider GCR Part B	4,645	MMBTU	X	\$	0.7337	=	3,407.90			
62	Subtotal							\$ 6,951.58			
63	Rider FF & Rider TAX		\$ 6,951.58	X		0.07196	=	500.26			
64	Total							<u>\$ 7,451.84</u>			
65											
66	Customer charge								\$ 1,587.75		
67	Consumption charge	1,500	MMBTU	X	\$	0.6553	=	982.95			
68	Consumption charge	3,145	MMBTU	X	\$	0.4799	=	1,509.08			
69	Consumption charge	0	MMBTU	X	\$	0.1029	=	-			
70	Rider GCR Part B	4,645	MMBTU	X	\$	0.7337	=	3,407.90			
71	Subtotal							\$ 7,487.68			
72	Rider FF & Rider TAX		\$ 7,487.68	X		0.07196	=	538.84			
73	Total							<u>\$ 8,026.52</u>	<u>\$ 574.68</u>		7.71%



TOWN COUNCIL AGENDA J.3. CONSENT ITEM(S)

DATE: September 16, 2024
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: 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: 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 and Investment Policy

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

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.20-23 and became effective September 18, 2023.

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 16th DAY OF SEPTEMBER, 2024.

APPROVED:

Cheryl Moore, 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. The Town Council on an annual basis shall consider a resolution stating they reviewed the policy and investment strategies. 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 Objective

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 return of event, yield should exceed the average rate 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 Investment Committee

There is hereby created an Investment Committee consisting of the Town Manager and/or his designee, the 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 Responsibility and Standard

- 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 Texas State Library Municipal Records Manual 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 Investment

- 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:

<u>Investment Type</u>	<u>% of Portfolio</u>
• 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 Principal Protection and Safekeeping

- 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.

ANNUAL COMPREHENSIVE FINANCIAL REPORT: The official annual report for the Town of Flower Mound. It includes 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 at 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 16th day of
September 2024.

James W. Childers, Town Manager



TOWN COUNCIL AGENDA J.4. CONSENT ITEM(S)

DATE: September 16, 2024
FROM: Julie Taylor, Director of Treasury Operations
ITEM: **Consider approval of an ordinance amending Appendix A of the Code of Ordinances by amending the charges for residential and non-residential water and sewer service; providing a severability clause; providing for publication; and providing an effective date.**

BACKGROUND: The proposed water and sewer service (System) rate structure is designed to bring long-term financial stability to the System and fully fund all costs from user rates. The Town of Flower Mound owns and operates a sewer treatment plant and purchases treated water with up to 11 MGD from the City of Dallas (DWU) and up to 30 MGD from the Upper Trinity Regional Water District, (UTRWD). The majority of the cost increases are attributed to inflation, including rising costs for treated water and for infrastructure improvements to the System.

The Town adopted an ordinance on September 19, 2022, to amend the System's rates and set the revenues through FY 2024-25. The attached ordinance revises the rates for FY 2024-25 to recover the full costs of the Town's water and sewer systems and is designed to meet the following criteria:

1. Implement the necessary capital improvements to meet customer needs for utility services.
2. Have the System pay its full cost of services provided by the Town's General Fund.
3. Maintain the quality of water and sewer services required by the Town's customers.
4. Financially position the System to be able to replace necessary infrastructure as the system ages.

The following table displays the rate changes contained within the attached ordinance which are effective each October of the years noted:

	Current FY 2024	Proposed FY 2025
<u>Water</u>		
Minimum Bill*	\$ 42.10	\$ 44.31
2,001-10,000	\$ 4.79	\$ 5.04
10,001-15,000	\$ 6.48	\$ 6.82
15,001-50,000	\$ 7.37	\$ 7.76
over 50,000	\$ 8.27	\$ 8.71
<u>Sewer</u>		
Minimum Bill - Residential	\$ 23.85	\$ 25.10
Minimum Bill - Commercial	\$ 23.85	\$ 25.10
over 2,000 - Residential	\$ 4.85	\$ 5.10
over 2,000 - Commercial	\$ 5.34	\$ 5.62

*For residential 3/4 inch meter. All other minimum bills will increase in same proportion.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: \$59,336,541

Proposed Expenditure/(Revenue)

\$(44,533,089)

\$(14,803,452)

Account Number(s):

200-4205

200-4210

LEGAL REVIEW: This standard ordinance 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 Utility Rate Ordinance FY 24-25

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

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING APPENDIX A, "FEE SCHEDULE," OF THE CODE OF ORDINANCES OF THE TOWN OF FLOWER MOUND BY AMENDING THE CHARGES CONTAINED THEREIN FOR RESIDENTIAL AND NON-RESIDENTIAL WATER AND SEWER SERVICE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Flower Mound is a home rule municipal corporation organized and existing by virtue of the Constitution and laws of the State of Texas and by its Home Rule Charter adopted November 3, 1981; and,

WHEREAS, the Town of Flower Mound possesses all the rights, powers, and authorities possessed by all home rule municipalities to regulate utility billing services and the fees for services provided; and,

WHEREAS, the Town of Flower Mound enacted Ordinance No. 66-85 on September 30, 1985 to establish rates for water service provided by the Town of Flower Mound; and,

WHEREAS, the Town of Flower Mound has from time to time amended the water service rate fee schedule as well as the sewer service rate fee schedule applicable to residential and non-residential water consumption and sewer service; and,

WHEREAS, the Town of Flower Mound desires to amend the water service rate fee schedule as well as the sewer service rate fee schedule applicable to residential and non-residential water consumption and sewer service and hereby finds that it is in the best interest of the health, safety and general welfare of the citizens of the Town to amend the fees as outlined herein;

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

That Appendix A-Fee Schedule of the Code of Ordinances, Town of Flower Mound, Texas, is hereby amended by amending the schedule of fees corresponding to Section 70-361, "Water Service Rates," to read as follows:

Code Section Number	Description
70-361	Water service rates:

The minimum monthly charge for each sized meter in the Town, which amount includes 2,000 gallons of water is as follows:

Water Meter Size (inches)	Minimum Bills Water Usage Beginning 10/01/2024 Thereafter
3/4 or 5/8	\$ 44.31
1	72.93
1 1/2	120.57
2	177.79
3	330.33
4	501.92
6 and larger	950.09

The monthly volume charge per 1,000 gallons after the first 2,000 gallons of water usage is as follows:

Volumetric Rates	Per 1,000 Gallons Water Usage Beginning 10/01/2024 and Thereafter
2,000 – 10,000 Gallons	\$ 5.04
10,001 – 15,000 Gallons	6.82
15,001 – 50,000 Gallons	7.76
Over 50,000 Gallons	8.71
Town Meters	2.62
Fire Hydrants	8.70

SECTION 3

That Appendix A-Fee Schedule of the Code of Ordinances, Town of Flower Mound, Texas, is hereby amended by amending the schedule of fees corresponding to Section 70-381, "Sewer Service Rates," to read as follows:

Code Section Number	Description
70-381	Sewer service rates:

The minimum monthly charge for sewer service for each sized water meter in the Town, which amount includes 2,000 gallons of water usage is as follows:

Water Meter Size (inches)	Minimum Bills Water Usage Beginning 10/01/2024 and Thereafter
Residential - All Sizes	\$ 25.10
Non-Residential - All Sizes	25.10
"Residential No-Average Maximum"	55.70

The monthly volume charge per 1,000 gallons after the first 2,000 gallons of water usage is as follows:

Volumetric Rates	Per 1,000 Gallons Water Usage Beginning 10/01/2024 Thereafter
Residential – Over 2,000 Gallons	\$ 5.10
Non-Residential – Over 2,000 Gallons	5.62

SECTION 4

Any and all ordinances, orders, resolutions, rules, regulations, policies or provisions in conflict with the provisions of this Ordinance and the Code are hereby repealed and rescinded to the extent of any conflict herewith.

SECTION 5

If any section, subsection, clause, phrase or provision of this Ordinance and the Code, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unconstitutional, the remaining sections, subsections, clauses, phrases or provisions of this Ordinance and the Code, or the application thereof to any person or circumstances, shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

SECTION 6

The Town Secretary of the Town of Flower Mound is hereby directed to publish the caption in the official newspaper of the Town of Flower Mound as required by Section 3.07 of the Charter of the Town of Flower Mound.

SECTION 7

This Ordinance shall take effect and be in full force immediately upon its passage and adoption as provided by the laws of the State of Texas and the Home Rule Charter of the Town of Flower Mound, Texas.

DULY PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF ____ TO ____ ON THIS 16th DAY OF SEPTEMBER, 2024.

APPROVED:

Cheryl Moore, MAYOR

ATTEST:

Theresa Scott, TOWN SECRETARY



TOWN COUNCIL AGENDA J.5. CONSENT ITEM(S)

DATE: September 16, 2024

FROM: John Zagurski, Chief Financial Officer

ITEM: Consider approval of an ordinance amending the Code of Ordinances of the Town of Flower Mound through the amendment of Appendix A “Fee Schedule” of the Code of Ordinances by amending and ratifying the fee not codified in Section 70-777 relative to the charges for the Stormwater Utility System fee.

BACKGROUND: Every property owner and customer of the Town’s Stormwater Utility System pays a Stormwater Utility System (SWUS) fee for the benefited property. The fee for residential property is based on the size of a residential lot, including the following classifications: less than one acre; one to five acres; and over five acres. The multifamily, commercial, and industrial rates are based on the size of a commercial/industrial building, including the following classifications: less than 25,000 square feet; 25,000 to 50,000 square feet; and over 50,000 square feet.

Lots that utilize stormwater detention facilities qualify for a 17 percent discount from the standard SWUS fee. A property may qualify for the discount through one of two methods. First, an individual lot or parcel may qualify for a discount if a stormwater detention facility is located on the property. Second, a lot or parcel may also qualify for a discount if it is part of a larger unified development or subdivision that provides stormwater detention facilities.

The SWUS fee was previously adjusted during the FY 22-23 budget process. The increase for fiscal year 2024-2025 will maintain the current level of SWUS services.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: \$2,147,000

Proposed Expenditure/(Revenue)
\$(2,147,000)

Account Number(s):
230-4250

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

ATTACHMENTS:

1. Proposed Stormwater Ordinance 2024

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 APPENDIX A “FEE SCHEDULE” OF THE CODE OF ORDINANCES OF THE TOWN OF FLOWER MOUND RELATIVE TO THE CHARGES FOR STORMWATER UTILITY SYSTEM FEES; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Town of Flower Mound is a home rule municipal corporation organized and existing by virtue of the Constitution and laws of the State of Texas and by its Home Rule Charter adopted November 3, 1981; and

WHEREAS, the Town of Flower Mound possesses all the rights, powers, and authorities possessed by all home rule municipalities to regulate the fees for services provided; and

WHEREAS, the Town of Flower Mound has determined that it needs to increase the fees charged for the operation and maintenance of the Town’s surface water management program designed to assist in the protection of public health and safety from loss of life and property caused by surface water overflows, surface water stagnation, and pollution arising from water runoff within the boundaries of the Town;

WHEREAS, the Town Council finds that the classification of the benefited properties and the increased fees charged for the operation and maintenance of the Town’s surface water management program are nondiscriminatory, reasonable, and equitable for similar services in all areas of the service area.

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

SECTION 1

All 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 restated herein in their entirety.

SECTION 2

From and after the effective date of this Ordinance, Appendix A, “Fee Schedule,” of the Code of Ordinances of the Town of Flower Mound shall be amended by amending Section 70-777, Stormwater Utility System fee as follows:

Code Section Number	Description
70-777	Stormwater Utility System fee:

(a) The drainage charge for single family residential, townhome, duplex, and mobile home parcels that are not entitled to a Discount:

(1) For property that is less than one (1) acre in size is Six Dollars (\$6.00) per month;

(2) For property that is between one (1) acre and five (5) acres in size is Five and Twenty/One Hundredths Dollars (\$5.20) per month; and

(3) For property greater than five (5) acres in size is Four and Forty/One Hundredths Dollars (\$4.40) per month.

(b) The drainage charge for Multi-family, Commercial, and Industrial parcels that are not entitled to a Discount:

(1) For property that is up to twenty-five thousand (25,000) square feet in size is Forty-Five and Twenty/One Hundredths Dollars (\$45.20) per month;

(2) For property that is between twenty-five thousand (25,000) square feet and fifty thousand (50,000) square feet in size is Sixty-One and Sixty/One Hundredths Dollars (\$61.60) per month; and

(3) For property that is over fifty thousand (50,000) square feet in size is Seventy-Eight Dollars (\$78.00) per month.

(c) The drainage charge for single family residential, townhome, duplex, and mobile home parcels that are entitled to a Discount:

(1) For property that is less than one (1) acre in size is Five Dollars (\$5.00) per month;

(2) For property that is between one (1) acre and five (5) acres in size is Four and Thirty/One Hundredths Dollars (\$4.30) per month; and

(3) For property greater than five (5) acres in size is Three and Sixty/One Hundredths Dollars (\$3.60) per month.

(d) The drainage charge for Multi-family, Commercial, and Industrial parcels that are entitled to a Discount:

(1) For property that is up to twenty-five thousand (25,000) square feet in size is Thirty-Seven and Fifty/One Hundredths Dollars (\$37.50) per month;

(2) For property that is between twenty-five thousand (25,000) square feet and fifty thousand (50,000) square feet in size is Fifty-One and Ten/One Hundredths Dollars (\$51.10) per month; and

(3) For property that is over fifty thousand (50,000) square feet in size is Sixty-Four and Eighty/One Hundredths Dollars (\$64.80) per month.

SECTION 3

This Ordinance shall be cumulative of all provisions of ordinances of the Town of Flower Mound, Texas, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 4

If any section, subsection, clause, phrase or provision of this Ordinance and the Code, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unconstitutional, the remaining sections, subsections, clauses, phrases or provisions of this Ordinance and the Code, or the application thereof to any person or circumstances, shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

SECTION 5

Any person, firm, or corporation who violates any provision of this Ordinance as adopted by the Town Council of the Town of Flower Mound shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine as provided in Section 1-13 of the Code of Ordinances of the Town of Flower Mound. Each day any such violation or violations exist shall constitute a separate offense and shall be punishable as such.

SECTION 6

This Ordinance shall take effect and be in full force on and after October 1, 2024, and its publication as provided by the laws of the State of Texas and the Home Rule Charter of the Town of Flower Mound, Texas.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _____ TO _____, ON THIS THE 16th DAY OF SEPTEMBER, 2024.

APPROVED:

Cheryl Moore, MAYOR

ATTEST:

Theresa Scott, TOWN SECRETARY



TOWN COUNCIL AGENDA J.6. CONSENT ITEM(S)

DATE: September 16, 2024
FROM: John Zagurski, Chief Financial Officer
ITEM: **Consider adopting a Resolution establishing a Blue Ribbon Bond Committee, and defining its purpose and scope of work.**

BACKGROUND: The Town Council discussed the creation of a Blue Ribbon Bond Committee on June 3, 17, and July 1 and appointed members. This resolution outlines the committee's structure, purpose, and scope of work.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES:

FISCAL IMPACT: \$N/A

Proposed Expenditure/(ReN/Avenue)
\$

Account Number(s):
100-XXX-XXXXXX-XXXX

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

ATTACHMENTS:

1. Draft Resolution

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

**TOWN OF FLOWER MOUND
RESOLUTION NO. ____24**

A RESOLUTION OF THE TOWN OF FLOWER MOUND, TEXAS, ESTABLISHING A BLUE RIBBON BOND COMMITTEE, OUTLINING ITS STRUCTURE, DEFINING ITS PURPOSE AND SCOPE OF WORK, AND SETTING A SUNSET DATE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Flower Mound, Texas (the “Town”), is a home rule municipality acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Texas Local Government Code; and,

WHEREAS, the Town has a need for certain quality-of-life amenities and public facility and infrastructure needs; and,

WHEREAS, twenty-two (22) years have passed since the previous Blue Ribbon Bond Committee was formed for a General Obligation (GO) election; and,

WHEREAS, achieving financial stability and operational soundness is one of the Town’s strategic goals, and is crucial for the long-term success of the Town; and,

WHEREAS, the Town Council is contemplating the call of a bond election in May of 2025; and,

WHEREAS, the Town Council is desirous of establishing a citizen committee to review proposed capital improvements and make such recommendations as may be proper and fitting; and,

WHEREAS, the Town Council finds that it is in the best interest of the public health, safety, and general welfare of the Town to formally establish a Blue Ribbon Bond Committee.

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

SECTION 1

The findings and recitals above are found to be true and correct, and are incorporated into this Resolution as if fully set forth herein.

SECTION 2

The Town Council hereby establishes a Blue Ribbon Bond Committee (the “Committee”), consisting of twelve (12) regular members appointed by a majority vote of the Town Council, with the Chair serving as a non-voting member, and for the purposes and guidelines set forth below.

At the time of their appointment, each member of the Committee shall be a Flower Mound resident and a qualified voter of the Town. A member who ceases to reside in the Town while serving on the Committee shall immediately forfeit their office.

SECTION 3

The Town Council hereby appoints the following members of the Committee:

1. Laverne Amsterdam
2. Todd Bayuk
3. Clare Harris
4. Ron Hogue
5. Marie "Michelle" Jackson
6. Richard Kenyon
7. William "Scott" Langley
8. Steve Lyda
9. Ann Martin
10. Murthy Mantha
11. Sandeep Sharma, Chair (non-voting member)
12. Teresa Thomason

All members shall serve without compensation and at the will of the Town Council. The Committee shall elect a vice chair at its first meeting.

The chairperson shall preside over meetings and shall vote only in case of a tie.

A majority, seven (7) members, shall constitute a quorum to do business, and the affirmative vote of the majority of those voting and attending shall be necessary to pass any motion or recommendation.

The vice-chairperson shall assist the chairperson in the affairs of the Committee. In the chairperson's absence, the vice-chairperson shall assume the duties of the chairperson. When acting as chairperson, the vice-chairperson shall retain the right to vote.

The Committee shall establish rules and procedures that govern its operation and in compliance with Texas Open Meetings Act requirements.

Voting shall be by roll call.

The recording of the minutes of all Committee meetings shall be the responsibility of the Town staff.

SECTION 4

The Committee is charged with reviewing and evaluating the proposed capital improvements identified at the June 3, 2024 (item K3), June 17, 2024 (item L1), and July 1, 2024 (item L1) Town Council meetings, and more specifically for projects relating to:

- Community Activity Center expansion
- Trails Master Plan
- Parks Master Plan
- Street Reconstruction

SECTION 5

The Committee shall engage the public through public meetings, public comment email, and surveys.

SECTION 6

The Committee shall automatically sunset on February 15, 2025 (the last date to call a May 2025 election). The Committee shall make its recommendations to the Town Council as it deems fitting and consistent with its charge, on or before the December 16, 2024, Town Council meeting. The Committee recommendations will be presented to the Town Council by the Chief Financial Officer and the Committee Chair.

SECTION 7

This Resolution shall take effect immediately upon its adoption by the Town Council.

PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, THIS 16TH DAY OF SEPTEMBER, 2024.

APPROVED:

Cheryl Moore, MAYOR

ATTEST:

Theresa Scott, TOWN SECRETARY



TOWN COUNCIL AGENDA J.7. CONSENT ITEM(S)

DATE: September 16, 2024
FROM: Travis Cunniff, Assistant Director of Parks and Recreation
ITEM: **Consider approval for the sale and consumption of alcoholic beverages (beer and wine) at the Heritage Park of Flower Mound during Therapeutic Recreation Group's 2024 Mound Throw Down event. The Parks Board recommended approval by a vote of 6 to 0 at its September 5, 2024, regular meeting.**

BACKGROUND: Therapeutic Recreation Group, a Flower Mound based 501 C3 focused on local veterans & first responders is requesting permission to hold their second annual Mound Throw Down corn hole tournament at Heritage Park on Sunday, November 10, 2024. All proceeds from the event will go directly to Therapeutic Recreation Group to continue their mission.

The event will be held from 11:30am – 6pm (with registration opening at 10:30am) and beyond the corn hole tournament, will include a variety of activities and games for families and participants. Event objectives include:

- Building a network of veterans, first responders, and their families who can gather and share similar life experiences.
- Raising awareness that the combination of a strong community blended with outdoor activity will bring down rates of suicide and other significant health issues amongst our veterans and first responders.

This will be the second time that Therapeutic Recreation Group has hosted their event at Heritage Park, and they expect to have over 300 in attendance with 175 or more corn hole players. Approximately 14 businesses and nonprofits will be on site to network with attendees. Activities will be set up for attendees, including a kids' zone and an entertainment area for those who are not actively participating in the tournament. There will also be a food vendor on site and, if approved, beer and wine will be served in a regulated area for event participants 21 and older.

Therapeutic Recreation Group is proposing to fence in a portion of the site so that beer can be sold and consumed during the event. There will be manned gates for entrance and exit into the area to ensure no alcohol is brought into or taken out of the designated area. The group will be hiring a Texas Alcohol & Beverage Commission (TABC) licensed server to provide the beverages. Therapeutic Recreation Group will be required to secure a TABC Permit for the event and provide security at the entrance/exit gates. Therapeutic Recreation Group and/or a third party retailer will take on the risk and liability of selling alcohol at the event. The Town will be named as an additional insured on their liability insurance.

The sale of beer or wine on park property requires Parks Board consideration and the Town Council's approval since the event will be held at The Heritage Park of Flower Mound. 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 recommended approval by a unanimous vote of 6 to 0 at its September 5, 2024, regular meeting.

ALTERNATIVES: The Town Council can deny the request and Therapeutic Recreation Group can work with Town staff to host their event without offering alcoholic beverages.

FISCAL IMPACT: \$220 (revenue)

The Town's Parks and Recreation Department will receive revenue from the Therapeutic Recreation Group in accordance with the rental policy which outlines pavilion rental fees.

LEGAL REVIEW: N/A

ATTACHMENTS:

1. Mound Throw Down Site Plan 2024

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



Local Business
Tents

Tournament Area

Sitting Area

Kid Zone

Food / Drink
Area under
cover

Security Fence

TV Screen for Games



TOWN COUNCIL AGENDA J.8. CONSENT ITEM(S)

DATE: September 16, 2024

FROM: Wendell Mitchell, Assistant Chief of Police

ITEM: **Consider approval of purchasing four (4) 2024 Chevrolet Silverado Crew Cab Trucks with a police equipment package from Lake Country Chevrolet as per Town of Flower Mound specifications and vendor estimate via TIPS USA Cooperative Contract for \$201,094.00.**

BACKGROUND: The Police Services Department requests the purchase of four (4) 2024 Chevrolet Silverado Crew Cab Trucks. These unmarked vehicles are assigned to the department's division commanders (captains). The requirements and duties of this position require division commanders to be in an authorized uniform regularly. They are expected to represent the agency at various events or meetings and respond to incidents 24/7. Further, assigning a vehicle to these positions is consistent with this position in other agencies. These vehicles are anticipated to be in service for six to eight years, and the captain assignment would no longer receive a car allowance.

BOARD REVIEW/CITIZEN FEEDBACK:

ALTERNATIVES: Nothing that provides the same benefits and availability.

FISCAL IMPACT: \$201,094.00

Proposed Expenditure/(Revenue)
\$201,094.00

Account Number(s):
332-365-00000-6130

LEGAL REVIEW: N/A

ATTACHMENTS:

1. Fleet Requisition
2. Quote
3. Bid Award Recommendation

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

VEHICLE-EQUIPMENT PURCHASE REQUISITION

(For Purchase Process)

Date: 7/17/2024
 Suggested Vendor: Lake Country Chevrolet
 Contact (if known): Seth Gamblin
 Address (if available): _____
 Phone/Fax: 512-436-1313



Ship/Bill To: Town of Flower Mound
 ATTN: FLEET SERVICES
 Address: 1101 Duncan Lane
Flower Mound, TX 75028
 PO #: _____
 Department Name: Police

G/L Account # (if Decision Package)	\$ Budget Estimate	Qty.	Unit Description (Specifications)	Quoted Unit Price	Amount
332-365-00000-6130	\$0.00	4	Chevrolet 1500 CrewCab Short Bed Pick-up Trucks	\$50,273.50	\$201,094.00
		4	Defender Vehicle Upfit 39817 (Included in unit price)		-
					-
					-
					-
All Pickups come equipped w/ Spray-In Liner, Headache Rack, Across-the-bed Locking Toolbox, and Lights				TOTAL:	\$201,094.00

Name/Phone Ext.: Wendell Mitchell/3344
 Approved By: Wendell Mitchell
 Unit #(s) to be replaced
 or specify NEW Unit: NEW Fleet Additions
 Spec Name: _____

APPROVALS:
 Fleet Manager: Bill Sterner
 Bid/Solicitation #: _____
 Co-Op/Contract #: TIPS 210907

Note: Requisition 'Unit Description' **must** match unit approved through the budget process. Any exceptions **must** accompany a detailed justification and ATM/CFO signature approval.



PRODUCT PRICING SUMMARY

TIPS USA 210907 Automobiles

VENDOR- 5426 LAKE COUNTRY CHEVROLET, 2152 N. WHEELER STREET JASPER, TX 75951

End User: TOWN OF FLOWER MOUND TRUCK 9

Prepared by: SETH GAMBLIN

Contact: _____

Phone: 512.436.1313

Email: _____

Email: SGAMBLIN.SILSBEEFLEET@GMAIL.COM

Product Description: CHEVROLET SILVERADO 1500

Date: August 5, 2024

A. Bid Item: _____

A. Base Price: \$ 41,907.00

B. Factory Options

Code	Description	Bid Price	Code	Description	Bid Price
CC10543	2024 SILVERADO CREW CAB WT 2WD				
L3B	2.7L TURBO	\$ -		17" PAINTED STEEL WHEELS	
PEB	WT FLEET CONVEIENCE PACKAGE	\$ 1,190.00			
	KEYLESS, CRUISE, POWER LOCK				
G80	AUTO LOCKING REAR	\$ 395.00			
Total of B. Published Options:					\$ 1,585.00

Published Option Discount (5%) \$ (367.50)

C. Unpublished Options

\$= 14.4 %

Description	Bid Price	Options	Bid Price
		EXTERIOR - WHITE	
DEFENDER INSTALL 39817	\$ 5,576.50	INTERIOR - H1T JET BLACK	
BEDLINER	\$ 510.00		
1 ADDITIONAL KEY 3 TOTAL	\$ 175.00		
Total of C. Unpublished Options:			\$ 6,261.50

D. Floor Plan Interest (for in-stock and/or equipped vehicles):

\$ 450.00

E. Lot Insurance (for in-stock and/or equipped vehicles):

F. Contract Price Adjustment:

G. Additional Delivery Charge: 250 miles

\$ 437.50

H. Subtotal:

\$ 50,273.50

I. Quantity Ordered 4 x H =

\$ 201,094.00

J. Trade in:

\$ -

K.

L. Total Purchase Price

\$ 201,094.00



Bid Award Recommendation

Date: 8/5/2024 – Seizure Fund FY24

Description: **Half Ton Crew Cab Pick-Up**

Qty.: 4

Replaces: None – New Fleet Additions – Police

Bidder: Lake Country Chevrolet, Seth Gamblin 512-436-1313
sgamblin.silsbeefleet@gmail.com
Via TIPS USA Cooperative Contract# 210907.

Item: **4 – White Chevrolet 1500 Crew Cab Pick-Up Trucks with Spray-In Bedliner and Options as Identified on “Town of Flower Mound Truck 9” Quote Which Includes Defender Upfit #39817.**

Total Cost of Vehicles, Equipment & Installation:

\$201,094.00

It is Fleet Services recommendation to award the bid to **Lake Country Chevrolet** in the amount of **\$201,094.00** utilizing the **TIPS USA Cooperative Contract #210907.**

Fleet Services Manager

8/5/2024

Date



TOWN COUNCIL AGENDA J.9. CONSENT ITEM(S)

DATE: September 16, 2024
FROM: James Childers, Town Manager
ITEM: **Consider the approval of the Second Amendment to the Interlocal Agreement between the City of Lewisville, the Town of Flower Mound, and the City of Highland Village for the design, construction, maintenance, operation, and management of a Joint Firefighting Training Facility.**

BACKGROUND: On October 21, 2021, the Town of Flower Mound entered into an interlocal agreement (ILA) with the City of Lewisville and City of Highland Village regarding the joint funding for design, construction, and operation of a fire training facility to be located in the City of Lewisville. Under the ILA, the City of Lewisville is responsible for the bidding and construction of the facility on behalf of all three municipalities. Additionally, the City of Lewisville will own and operate the facility. Operational and use policies for the facility will be set by a Facility Executive Committee and a Facility Operations Committee whose members consist of representatives of all three fire departments. The ILA presently provides that the parties share in the cost to design, construct, and equip the facility for an amount not to exceed \$4,961,250. The Town of Flower Mound share is 40.6%.

On October 3, 2023, the first amendment was executed by the Town due to rising costs associated with the project. The amount of the original cost overruns was \$1,912,910 and the Town paid 40.6% of that amount, or \$776,642.

Pursuant to its request, the City of Lewisville has prepared and presented a proposed Second Amendment to the ILA providing for each City to pay for the increased cost to construct the facility based on the original cost sharing percentages set forth in the ILA. The latest construction increase was due to significant groundwater intrusion to the construction site. The amount of the additional cost overruns is \$395,000. Lewisville will pay \$203,820, Flower Mound will pay \$160,370, and Highland Village will pay \$30,810.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: \$160,370.00

Proposed Expenditure/(Revenue)
\$160,370.00

Account Number(s):
505-111-50086-6010

LEGAL REVIEW: Bryn Meredith, of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the agreement as to form and legality.

ATTACHMENTS:

1. Second Amendment to ILA Training Facility

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

**SECOND AMENDMENT TO INTERLOCAL AGREEMENT
AMONG THE CITY OF LEWISVILLE, THE TOWN OF FLOWER MOUND AND
THE CITY OF HIGHLAND VILLAGE**

This **Second Amendment to Interlocal Agreement** (the “**Second Amendment**”) is entered into by and among the **City of Lewisville** (“**Lewisville**”), the **Town of Flower Mound** (“**Flower Mound**”), and the **City of Highland Village** (“**Highland Village**”), all entities being home rule municipalities and hereinafter referred to collectively as “**Cities**” or individually as a “**City**”. The Cities execute this Second Amendment in accordance with the Texas Government Code, Chapter 791, known as the Interlocal Cooperation Act:

RECITALS

WHEREAS, the Cities previously entered into a certain Interlocal Agreement (the “**Agreement**”), effective October 21, 2021, establishing the terms by which the Cities will jointly design, construct, maintain, operate, manage, and use a fire training facility on property owned by Lewisville; and

WHEREAS, the Cities amended the Agreement (“**First Amendment**”), effective October 3, 2023, addressing cost overruns on the original estimate of Shared Capital Cost for the initial design, construction, and equipping of the Facility; and

WHEREAS, during excavation of the Facility Property, the unanticipated presence of groundwater was discovered; and

WHEREAS, such groundwater must be mitigated and measures taken to prevent further migration of groundwater into the Facility Property before the construction of the Facility may proceed; and

WHEREAS, the Cities desire to further amend the Agreement to account for the cost of said groundwater mitigation efforts, as more specifically provided herein.

NOW, THEREFORE, for and in consideration of the mutual benefits and obligations set forth in this Agreement, the Cities agree as follows:

SECTION 1. Recitals. The recitals are incorporated into this Second Amendment and are true and correct for all purposes.

SECTION 2. Definitions. Capitalized terms used in this Second Amendment and not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement, as amended by the First Amendment.

SECTION 3. Amendments to Agreement. The Agreement, as amended by the First Amendment, is amended as follows:

- (a) Article I, Definitions, is hereby amended by amending the definition of “Cost Overruns” and adding definitions for the phrases “Additional Cost Overruns” and “Original Cost Overruns” to read as follows:

“Additional Cost Overruns” means the costs attributable to labor and materials relating to the groundwater mitigation measures described in that certain change order between Lewisville and CORE Construction Services of Texas, Inc., dated June 17, 2024.

“Cost Overruns” means, collectively, the Original Cost Overruns and Additional Cost Overruns.

“Original Cost Overruns” means the actual Shared Capital Costs for the initial design, construction, and equipping of the Facility that exceeds the Original Estimate.

- (b) Article III, Design and Construction of Facility, Section 3.2., Advance Payment to Paying City, is amended by (i) changing the phrase “Cost Overruns” to read “Original Cost Overruns” where such phrase appears in subsection B. of Section 3.2, as amended, and (ii) adding subsection C. to read as follows:

C. The amount of the Additional Cost Overruns is THREE HUNDRED NINETY-FIVE THOUSAND AND 00/100 DOLLARS (\$395,000).

- (c) Article V, Division of Costs, Section 5.1., Shared Capital Costs for Initial Design, Construction, and Equipping of the Facility, is deleted in its entirety and replaced to read as follows:

5.1 Shared Capital Costs for Initial Design, Construction, and Equipping of the Facility.

A. Each City has paid its portion of the Original Estimate.

B. The Cities agree the Cost Overruns shall be allocated and paid as set forth in Section 5.5.

- (d) Article V, Division of Costs, Section 5.5, Allocation and Payment of Cost Overruns, is amended by (i) changing the phrase “Cost Overruns” to read “Original Cost Overruns” where such phrase appears in subsections A. and B. of Section 5.5, as amended, and (ii) adding subsections C. and D. to read as follows:

C. The Cities agree the proportionate share of the Additional Cost Overruns shall be allocated as follows:

- (1) Lewisville shall pay a 51.6% undivided interest, not to exceed TWO HUNDRED THREE THOUSAND EIGHT HUNDRED TWENTY AND 00/100 DOLLARS (\$203,820.00).
- (2) Flower Mound shall pay a 40.6% undivided interest, not to exceed ONE HUNDRED SIXTY THOUSAND THREE HUNDRED SEVENTY AND 00/100 DOLLARS (\$160,370.00).
- (3) Highland Village shall pay a 7.8% undivided interest, not to exceed THIRTY THOUSAND EIGHT HUNDRED TEN AND 98/100 DOLLARS (\$30,810.00).

D. Each City shall pay its share of the Additional Cost Overruns to Lewisville no later than October 14, 2024. Funds paid by each City for the Additional Cost Overruns are in addition to the Shared Capital Costs and Original Cost Overruns as set forth in Section 3.2. Lewisville, as the Paying City, will place the funds paid by the Cities for the Cost Overruns into a restricted project account and spend such funds only to pay the Cost Overruns.

SECTION 4. Effect on Agreement; Integration. Except as specifically amended by this Second Amendment, all other terms and provisions of the Agreement, as amended by the First Amendment, shall remain in full force and effect, and as applicable, shall apply to this Second Amendment. In the event of any conflict or inconsistency between this Second Amendment and the Agreement, as amended by the First Amendment, the terms and provisions of this Second Amendment shall govern and prevail to the extent necessary to resolve such conflict or inconsistency.

SECTION 5. Amendments. This Second Amendment may be amended or modified only by the mutual agreement of the Cities. Such amendment or modification must be in writing and executed by an authorized representative of each City.

SECTION 6. Severability. In case any one or more of the provisions contained in this Second Amendment shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof or any other provision of the Agreement, as amended by the First Amendment, and this Second Amendment shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

SECTION 7. Counterparts. This Second Amendment may be executed in multiple counterparts and shall be binding on and inure to the benefit of each City, and each counterpart shall be deemed an original for all purposes when duly authorized by the governing body of each City and signed by such City's duly authorized representative.

SECTION 8. Binding Nature. This Second Amendment shall be binding on and inure to the benefit of the Cities and their respective successors and assigns as permitted by this Second Amendment and the Agreement, as amended by the First Amendment.

IN WITNESS WHEREOF, the Cities hereto have executed this Second Amendment to be effective upon execution and dating by each City. The Second Amendment shall be effective from the last date signed and marked on this Second Amendment by a participating City.

APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS

BY:

Claire Powell, CITY MANAGER

DATE: _____

ATTEST:

Thomas Harris III, CITY SECRETARY

APPROVED AS TO FORM:

Lizbeth Plaster, CITY ATTORNEY

**APPROVED BY THE CITY COUNCIL OF THE CITY OF THE HIGHLAND VILLAGE,
TEXAS**

BY:

Paul Stevens, CITY MANAGER

DATE: _____

ATTEST:

Angela Miller, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, CITY ATTORNEY

**APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND,
TEXAS**

BY:

Cheryl Moore, TOWN MAYOR

DATE: _____

ATTEST:

Theresa Scott, TOWN SECRETARY

APPROVED AS TO FORM:

Bryn Meredith, TOWN ATTORNEY



TOWN COUNCIL AGENDA J.10. CONSENT ITEM(S)

DATE: September 16, 2024
FROM: Manuel Palacios, Assistant Director of Public Works
ITEM: **Consider approval of a Professional Service Agreement with Plummer Associates, Inc., for the Wastewater Preliminary Treatment Area Screen Equipment Replacement project, in the amount of \$57,585; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND: The Wastewater Preliminary Treatment Area (PTA) consists of two influent screens that remove large materials or solids flowing into the wastewater treatment plant (WWTP) along with other treatment elements such as grit removal and filtration. One of the screens broke in May of this year and was not repairable. The second screen was in operation, however, it failed in early August. The PTA facility, including the screen replacement, is part of the WWTP Master Plan. This project was scheduled for construction FY 2025. Due to the second screen failing and no longer functioning, an emergency purchase order to fast-track the design of the screens was initiated with Plummer Associates, Inc. Staff engaged Plummer Associates for an accelerated design of the screen portion of the PTA project. Once the screens are designed, staff will request another emergency purchase order for the construction.

The project includes the detailed design, preparation of technical specifications, and contract documents for the two influent screens and washer compactor.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: \$57,585

Proposed Expenditure/(Revenue)
\$57,585

Account Number(s):
630-970-99250-6070

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

ATTACHMENTS:

1. PSA PTA Screen Design
2. 1295 Form PTA Emergency PO

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

THE STATE OF TEXAS §
COUNTY OF DENTON §

**PROFESSIONAL SERVICES AGREEMENT WITH
PLUMMER ASSOCIATES, INC.**

This contract is entered into on this 16th day of September, 2024, 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 **Plummer Associates, Inc.**, (“hereinafter referred to as “CONSULTANT”) whose address is 1320 South University Drive, Suite 300, Fort Worth, Texas 76107.

RECITALS

WHEREAS, TOWN desires to obtain professional services from CONSULTANT relative to design and advertisement phases for Wastewater Treatment Plant Emergency Screen Equipment Replacement project; and

WHEREAS, CONSULTANT is a construction materials engineering and testing firm qualified to provide 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 Timber Creek Road Concrete Panel Replacement project 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 Five Hundred Eighty Five and No/100 Dollars (\$57,585). 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 according to their unit cost fee schedule on 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 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
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 require 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:

Manny Palacios Jr.
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874-6414 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.

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 subcontractor 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, INCLUDING PAYMENT OF TOWN'S REASONABLE ATTORNEYS' FEES. 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.
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:

Manny Palacios Jr.
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874-6414 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:

Paula Monaco, PhD, PE
Wastewater Treatment Team Leader
1320 S. University, Suite 300
Fort Worth, Texas 76107
817-806-1700 Telephone
817-806-1718 Direct
pmonaco@plummer.com

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.

[The remainder of this page is 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 Cheryl Moore
Mayor, Town of Flower Mound

Date Signed: _____

Attest:

Town Secretary

CONSULTANT:
Plummer

By: [Signature]
Name: Jeffrey E. Caffey, P.E.
Title: Principal

Date Signed: 8/2/2024

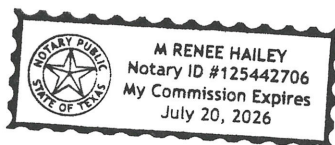
State of Texas §
 §
County of Tarrant §

This instrument was acknowledged before me on the 2nd day of August, 20 24, by Jeffrey E. Caffey in his capacity as Principal of Alan Plummer Associates, Inc. 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 Authorized Agent.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 2nd DAY OF August, 20 24.

[Signature]
Notary Public, State of Texas

My Commission Expires:
July 20, 2026



ATTACHMENT A

TOWN OF FLOWER MOUND WASTEWATER TREATMENT PLANT EMERGENCY SCREEN EQUIPMENT REPLACEMENT BASIC ENGINEERING SERVICES

Prepare detailed design and advertisement phase services for the Preliminary Treatment Area (PTA) screen emergency equipment replacement package. The project will include replacement of the two existing influent screens and washer compactor

BASIC SERVICES

CONSULTANT agrees to perform BASIC SERVICES in connection with the PROJECT as hereinafter stated, in accordance with the stipulations within this AGREEMENT. The CONSULTANT shall perform BASIC SERVICES necessary for the development of the PROJECT as follows:

A. DETAILED DESIGN

1. Prepare detailed plans, technical specifications, contract documents of improvements to be constructed for the EMERGENCY SCREEN EQUIPMENT REPLACEMENT project, to be contracted as a single construction project.
2. Submit plans, specifications, and contract documents to the applicable federal and state agency(s) for approval, where required.
3. Emergency Equipment Replacement Package
 - a. Prepare equipment specifications and drawings for screens and associated washer compactors. Facilities to be designed will consist of the following:
 - (1) Demolition of two (2) existing step screens and washer compactors.
 - (2) Installation of two (2) new screen systems with washer compactors. Associated instruments and system control panel will be included and integration of a new control panel with the plant control system.
 - (3) Replacement of heat trace and insulation for cold weather protection for new screens and the washer compactors.
 - (4) Provide electrical, and instrumentation, improvements associated with the new equipment and facilities listed above.
 - b. Coordinate equipment presentation with Town staff.
 - c. Provide QC/design review of the bid package.
 - d. Assist the TOWN with coordinating emergency Contractor selection.
4. Deliverables
 - a. Furnish up to two (2) sets of Contract Documents for the Emergency Equipment Replacement Package.

B. ADVERTISEMENT PHASE SERVICES

1. Assist the TOWN in securing contractor proposals.

ADDITIONAL SERVICES

- A. Additional services to be performed by the CONSULTANT, if authorized by the TOWN, which are not included in the above-described BASIC SERVICES, are described as follows:
1. Attending additional meetings as requested by TOWN;
 2. Sampling, testing or analysis beyond that specifically included in BASIC SERVICES;
 3. Providing additional copies of reports, plans and specifications;
 4. Any additional services that may be required by the TOWN for completion of the project that are not included in the BASIC or SPECIAL SERVICES; and
 5. Preparing copies of Computer-Aided Drafting (CAD) electronic databases, drawings, or files for the TOWN's use in a future CAD system.

TIME OF COMPLETION

Upon receipt of a notice to proceed, Plummer Associates anticipates the following completion schedule for each of the project tasks. It is anticipated the Town will have two weeks to review submittals prior to the date review meetings are scheduled.

- | | |
|---|--|
| 1. Equipment Presentation | Within 14 days of Notice to Proceed. |
| 2. Submit Emergency Package Review Documents: | Within 60 days of Notice to Proceed meeting. |
| 3. Emergency Package Delivered to Owner for Contractor Selection: | Within 14 days of Emergency Package Review Meeting |

ATTACHMENT B ENGINEER FEE SCHEDULE

TOWN OF FLOWER MOUND											
WASTEWATER TREATMENT PLANT PTA IMPROVEMENTS											
EMERGENCY EQUIPMENT REPLACEMENT PACKAGE											
Basic Services											
Level 2 (Phase) No. and Description Level 3 (Task) No. and Description	Principal (hrs)	Sr. Proj Mgr (hrs)	Proj Mgr (hrs)	Proj Engr (hrs)	EIT (hrs)	Technician (hrs)	Clerical (hrs)	QC (hrs)	Total Labor		Percent of Total Fee
									Hours	Fee (\$\$\$)	
EMERGENCY EQUIPMENT REPLACEMENT PACKAGE	2	0	33	45	34	52	16	6	188		100.0%
A Meetings	2	0	2	4	0	0	0	0	8	\$ 1,900	5.8%
1 Equipment Presentation	2		2	4					8	\$ 1,900	5.8%
B Contract Document Detail Design	0	0	17	41	34	52	16	6	166	\$ 27,600	83.6%
1 Front end document development			4	16	16		8	2	46	\$ 7,650	23.2%
2 Screens Technical Specifications and Drawings			8	16	16	48		4	92	\$ 15,300	46.4%
3 Review Set Deliverable Production (1)			1	1	2	4	8		16	\$ 2,210	6.7%
4 Contractor Coordination			4	8					12	\$ 2,440	7.4%
PM ADMINISTRATIVE/QC TASKS	0	0	14	0	0	0	0	0	14	\$ 3,500	10.6%
1 Quality Control									0	\$ -	0.0%
2 Project Management			14						14	\$ 3,500	10.6%
TOTAL LABOR	2	0	33	45	34	52	16	6	188		
Total Labor Hours	2	0	33	45	34	52	16	6	188		
Total Labor Amount									\$ 33,000	100.0%	
Total Amounts by Labor Category	\$ 680	\$ -	\$ 8,250	\$ 8,100	\$ 4,760	\$ 7,540	\$ 1,840	\$ 1,830	\$ 33,000		
Labor Category Percent of Total Labor	2.1%	0.0%	25.0%	24.5%	14.4%	22.8%	5.6%	5.5%			100.0%
TOTAL EXPENSES (see breakdown below)											
Total Subconsultants									\$ 22,860		
Total Reimbursables									\$ 1,725		
Total Expenses									\$ 24,585		
GRAND TOTAL - EMERGENCY EQUIPMENT REPLACEMENT PACKAGE									\$ 57,585		
SUBCONSULTANT EXPENSES											
Code	Description	Budget (\$\$)	Markup	Fee (\$\$\$)							
CA	Architect Consultant	\$ -	1.15	\$ -							
CC	Civil Engr Consultant	\$ -	1.15	\$ -							
CE	Electrical Consultant	\$ 19,878	1.15	\$ 22,860							
CG	Geotechnical Consultant	\$ -	1.15	\$ -							
CM	Mechanical Consultant	\$ -	1.15	\$ -							
CO	Other Consultant	\$ -	1.15	\$ -							
CS	Structural Consultant	\$ -	1.15	\$ -							
CY	Surveying Consultant	\$ -	1.15	\$ -							
C1		\$ -	1.15	\$ -							
C2		\$ -	1.15	\$ -							
C3		\$ -	1.15	\$ -							
C4		\$ -	1.15	\$ -							
C5		\$ -	1.15	\$ -							
C6		\$ -	1.15	\$ -							
TOTAL SUBCONSULTANT EXPENSES		\$ 19,878		\$ 22,860							
REIMBURSABLE EXPENSES											
Code	Description	Budget (\$\$)	Markup	Fee (\$\$\$)							
RA	Laboratory Analysis	\$ -	1.15	\$ -							
RC	Computer	\$ -	1.15	\$ -							
RH	Historical	\$ -	1.15	\$ -							
RI	In-House Reproduction	\$ -	1.15	\$ -							
RL	Long Distance Telephone	\$ -	1.15	\$ -							
RM	Employee Mileage	\$ -	1.15	\$ -							
RO	Other Expenses	\$ -	1.15	\$ -							
RP	Purchased Services	\$ -	1.15	\$ -							
RR	Reproduction	\$ 1,500	1.15	\$ 1,725							
RS	Shipping, Delivery, Postage	\$ -	1.15	\$ -							
RT	Travel, Meals, Lodging	\$ -	1.15	\$ -							
RU	Telecommunications	\$ -	1.00	\$ -							
R1		\$ -	1.15	\$ -							
R2		\$ -	1.15	\$ -							
TOTAL REIMBURSABLE EXPENSES		\$ 1,500		\$ 1,725							
https://apainv-my.sharepoint.com/personal/pmonaco_plummer_com/Documents/Projects/Flower Mound/PTA Improvements Scope and Fee/Budget/[2024-07-16 TOFM PTA Improvements Budget Worksheet_v2.xlsx]Project 08/01/24											



TOWN COUNCIL AGENDA J.11. CONSENT ITEM(S)

DATE: September 16, 2024
FROM: Manuel Palacios, Assistant Director of Public Works
ITEM: **Consider approval of a Construction Agreement with Knight Erosion Control, Inc. for site repairs of the aerial sanitary sewer line creek crossing near River Bend Trail, in the amount of \$356,143.21; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND: On August 1, 2024, Town staff inspected a failing retaining wall that supports a major aerial sanitary sewer line crossing over Twin Coves Creek. Staff immediately began assessing the area and determined that the existing retaining wall that supports the aerial sewer main crossing had collapsed. Immediate repair of the retaining wall is necessary to prevent the sewer line from collapse, which would cause raw sewage to discharge into the creek.

Staff initiated an emergency purchase order with Knight Erosion Control to repair the retaining wall supporting the sanitary sewer aerial crossing. The project will allow for the removal and replacement of approximately 1,260 square feet of collapsed retaining wall. Knight Erosion Control has an excellent history of constructing past Town projects.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: \$356,143.21

Proposed Expenditure/(Revenue)
\$356,143.21

Account Number(s):
200-690-92330-5110

LEGAL REVIEW: N/A

ATTACHMENTS:

1. Town of Flower Mound-2701 River Bend Trail-RRap Wall Construction Proposal-Updated Warranty
2. 1295 Form-Town of Flower Mound

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

CONSTRUCTION PROPOSAL

Knight Erosion Control, Inc.
DBA Knight Engineering & Construction
10751 Tube Drive
Hurst, TX, 76053
Office: 817/640-4442
www.kecinc.net
[TBPE No. F-23137](#)

Date: August 2nd, 2024

Proposal No. 2-Construction Only

HUB No. 1752354978400
Certified By: NCTRCA MBE/WBE/SBE
Certification No. WFWB69820N0323

Proposal Submitted To:	Work Performed At:
Town of Flower Mound Attn: Manny Palacios Jr.- <i>Assistant Director of Public Works</i> 201 Spinks Road Flower Mound, TX, 75028 972/874-6400 Manuel.palacios@flower-mound.com	- Site Location: 2701 River Bend Trail Flower Mound, Texas. -Scope: Demo and Removal of failed section of existing slope protection wall at aerial crossing, and the installation of an engineered Rrap Wall application. - Proposal Updated for extended warranty

Knight Erosion Control, Inc. dba KEC Engineering & Construction, Inc. appreciates the opportunity to work with you and The Town of Flower Mound, and to provide a quotation for the following scope of work, complete and in place, for your consideration. This quotation was prepared in accordance with the information gathered per the site visit with Mr. Palacios, on (7/16/2024), and as well as our General Terms and Conditions.

Proposed: Knight Erosion Control, Inc. dba Knight Engineering & Construction, Inc proposes per the Line Items below for the removal and replacement of the existing failed slope protection wall, at the aerial sewer line crossing on Wichita Chase Watershed. KEC is proposing to demo out approximately 1,020.00 SF of existing failed slope protection wall and replace it with approximately 1,260.00 SF of Rrap Retaining Wall, along with a grade control structure to prevent any further scouring of the creek bottom. The proposed grade control structure is to be made up of 8"-12" non-mortared rip rap (20' Long x 5' Deep x 3' Thick). The top of the grade control structure is to match the top of existing creek bottom. The proposed Rrap Retaining Wall is to be reinforced as an MSE wall system, with gravel backfill, geo grid, filter fabric and drainage.
Access and Restoration, KEC is proposing to mat (Timber/Crane mats) the drainage channel between the two homes (2700 and 2701 River Bend Trail) to limit the disturbance to the two properties. KEC will work to protect any tree greater than 6", however we may request for the removal of certain trash trees within the limits of the drainage channel. Upon completion of the project, KEC will remove all the access mats, along with repairs to damaged sprinkler lines, sod or concrete. A preconstruction video, along with site pictures will be provided to the Town before construction.

Rrap Wall Summary

• Access & Restoration	\$ 70,669.00
• Demo & Haul Existing Failed Section of Wall (1,020.00 SF @ \$14.40/SF)	\$ 14,688.00
Installation of Engineered Rrap Wall (1,260.00 SF)	
• Materials	\$ 82,357.00
• Equipment	\$ 19,670.00
• Operations	\$ 40,379.84
• Labor	<u>\$ 128,379.37</u>
TOTAL	\$ 356,143.21

Project Timeline

- Substantial Completion- 25 Working Days
- Final Completion- 5 Working Days
- Total Time to Complete- 30 Working Days

Knight Erosion Control to Provide:

1. Locate Utilities
2. Access & Restoration
 - a. Preconstruction video and pictures of access and site.
 - b. Access Mats
 - c. Tree Removal (If required for access)
 - d. Access mat removal
 - e. Sod and Sprinkler Repairs
 - f. Misc. repairs, if damaged due to construction
3. Demo and Haul off failed section of proposed wall.
 - a. Demo of existing failed section of wall, approximately 1,020 SF
4. Installation of Engineered RRap Retaining Wall Design, approximately 1,260 SF
 - a. Construction Proposal does not include the cost of design proposal.
5. Materials
 - a. RRap Bag Wall, per specifications
 - b. Rebar per design specification
 - c. Rock Fill: 1" Utility or #57 Stone
 - d. Filter Fabric- Mirafi 140N or approved equal.
 - e. Geo Grid- Based on final design
 - f. Installation of 8"-12" non-mortared rip rap for grade control structure
6. Haul off excavated spoils.

Specific Exclusions:

1. Construction Proposal does not include cost of Topographic survey.
 - a. Does not include cost for construction staking
2. Construction Proposal does not include cost of Geotechnical borings or report.
3. Construction Proposal does not include the cost of Civil or Structural designs.
 - a. Does not include cost of flood study.
4. Construction Proposal does not include any cost for permits required for the construction of the proposed RRap Retaining Wall.

General Terms and Conditions:

1. The freight for this project is site specific and is subject to change based on location.
2. KEC has provided pricing based on current market conditions. No escalations or contingencies have been included for future labor, equipment, or material increases.
 - a. If the project is planned for a future year, then add 7.5% increase to project total, per year.
3. This proposal is contingent upon the understanding that there are no conflicts with any underground or overhead lines, wires, pipes, structures, or easements with the work as proposed. All location of utilities and/or conflicts shall be by others.
4. All material is guaranteed to be as specified and the above work to be performed in accordance with any drawings and/or specifications submitted for above work and completed in a workmanlike manner for the amount listed above.
5. The Work shall be performed in accordance with construction industry standards. Contractor may offer engineering services as part of its scope of work. If so, Contractor shall provide such services in accordance with the appropriate applicable standard of care. Such engineering services are limited to those specifically described in this Proposal/Agreement. Any latent or subsurface conditions or conditions not known to Contractor at the time this Proposal/Agreement is prepared are excluded from Contractor's Work and any additional work required as a result shall be performed as an extra charge.

6. At the time Work starts, Owner will provide Contractor with exclusive access and use of all areas where the Work is to be performed and such additional areas as reasonably necessary to perform the Work without interruption. The owner shall ensure no unauthorized persons enter into the Work area while Work is ongoing.
7. Owner is entitled to order changes to the Work consisting of alterations in, additions to, or omissions from the agreed-upon scope, and Owner authorizes Contractor to adjust the Contract price accordingly. Contractor reserves the right to perform any changed or additional work with Owner's verbal instruction, but shall not be required to perform any such work without written authorization.
8. **Payment Terms: A Mobilization of 20%** of the Project Cost, shall be paid no later than the day prior to mobilization or commencement of Work, said payment being a pre-condition to Contractor's obligation to deliver materials or begin work. **Monthly Draw** will be based on a percentage of work completed. The **balance is due** upon completion of the work. Owner acknowledges that payment in full for Contractor's work is a pre-condition to Contractor's obligation to honor its Warranty obligation hereunder.
9. Additional exclusions. Any latent or subsurface conditions, or conditions which were not known to Contractor or reasonably discoverable are excluded from Contractor's scope. This includes, but is not limited to, information regarding the site or site conditions known or which should have been known by Owner and disclosed to Contractor prior to Contractor's commencement of work, any subsurface conditions not identified by Contractor's engineer at the time a global stability or other analysis was performed, and any items of work outside those specifically included in the project plans and specifications. The exclusions contained in the Warranty separately provided by Contractor are incorporated herein by reference.
10. **Warranties.** The contractor warrants its work for **TWO** year following substantial completion. **THE WARRANTIES EXPRESSLY STATED OR REFERRED TO HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES ARE HEREBY DISCLAIMED AND EXCLUDED.** Warranty updated 8-2-2024
11. **Any dispute between Contractor and Owner arising out of or relating to this Agreement or the breach thereof, shall first be subject to mediation. In the event mediation is unsuccessful, said dispute shall be decided by arbitration conducted by the American Arbitration Association. Owner waives its right to participate in any class action suits or claims against Contractor.** The prevailing party in any dispute shall be entitled to its attorney's fees and all other costs incurred therein. The arbitrator's award shall be final, and judgement may be entered upon it in any Court having jurisdiction thereof. The Parties waive any claims for consequential or exemplary damages. Contractor's aggregate cumulative liability arising out of or related to this Contract shall not exceed the total amount of all money actually paid to Contractor under this Contract, without regard to whether any other provisions of this Contract have been breached or proven ineffective. **Owner grants Contractor the right to place a contractual lien against Owner's property and to foreclose on that lien in the event of non-payment.**
12. In case any one or more of the provisions contained in this Agreement are determined to be invalid, illegal, or unenforceable in any respect, such provision shall be modified to the minimum extent necessary for enforceability. To the extent it cannot be so modified, the Agreement shall be construed as if such provision(s) had never been contained herein.
13. **Proposal may be withdrawn by KEC, if not accepted within 90 days.**

Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. All agreements are contingent upon strikes, accidents or delays beyond our control. Workers' Compensation and Public Liability Insurance on above work will be supplied by **KNIGHT EROSION CONTROL, INC dba KNIGHT ENGINEERING & CONSTRUCTION.**

Respectfully submitted by **KNIGHT EROSION CONTROL, INC dba KNIGHT ENGINEERING & CONSTRUCTION**

Per *Russell Hergesell*
Russell Hergesell- Vice President of Sales



TOWN COUNCIL AGENDA J.12. CONSENT ITEM(S)

DATE: September 16, 2024

FROM: Dale Crown, Senior Project Engineer

ITEM: Consider approval of a Construction Agreement with Texas Pride Utilities, LLC, for the Kirkpatrick Lane and Stapleton Street Sanitary Sewer Rehabilitation project, in the amount of \$700,494.00; and authorization for the Mayor to execute same on behalf of the Town.

BACKGROUND: On August 22, 2024, bids were received and opened for the Kirkpatrick Lane and Stapleton Street Sanitary Sewer Rehabilitation project (Bid # 2024-109-B). Texas Pride Utilities, LLC, submitted the lowest qualified bid of the five responding bidders at a base bid of \$700,494.00.

The project generally consists of the construction of approximately 3,000 linear feet of sewer line by pipe bursting and installation of associated appurtenances along Kirkpatrick Lane between College Parkway and Stapleton Street and portions of College Parkway and Stapleton Street west of Kirkpatrick.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: The existing sewer mains have reached their service life and have had maintenance issues. A decision not to proceed with this project would result in continued maintenance problems and waste water service issues in the area.

FISCAL IMPACT: \$700,494.00

Proposed Expenditure/(Revenue)
\$700,494

Account Number(s):
630-970-98282-6180

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

ATTACHMENTS:

1. CONSTRUCTION AGREEMENT
2. Bid No. 2024-109-B Verified Bid Tab
3. Form 1295

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

TOWN OF FLOWER MOUND

Kirkpatrick Lane and Stapleton Street Sanitary Sewer Rehabilitation

Bid #2024-109-B

CONSTRUCTION AGREEMENT

THIS CONSTRUCTION AGREEMENT (the “Agreement”), made and entered into this 16th day of September, 2024, by and between the Town of Flower Mound, County of Denton, Texas, hereinafter referred to as the “Town,” and Texas Pride Utilities, LLC, 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:

Kirkpatrick Lane and Stapleton Street Sanitary Sewer Rehabilitation,
Bid # 2024-109-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 **Seven Hundred Thousand Four Hundred Ninety-Four dollars and Zero cents (\$700,494.00)** 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 and Twenty (120) calendar days, and final completion of One Hundred and Fifty (150) 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:

<u>Contract Amount</u>	<u>Retainage Percentage</u>
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.

ARTICLE 11. 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 and Forty and Zero/One Hundredths Dollars (\$240.00) 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 and Forty and Zero/One Hundredths Dollars (\$240.00) 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.

ARTICLE 12. 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.

ARTICLE 13. 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.

Ancillary/Integral Professional Services: 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.

ARTICLE 14. 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.

This Agreement will be effective on the ____ day of _____, 20__.

TOWN OF FLOWER MOUND

CONTRACTOR

Cheryl Moore, MAYOR

(Signature)
(Printed Name)
(Position)

(CORPORATE SEAL)

(CORPORATE SEAL)

ATTEST: _____
Theresa Scott, TOWN SECRETARY

ATTEST: _____

(Signature)
(Position)



**Town of Flower Mound
Verified Bid Tabulation**

Bid No: 2024-109-B - Kirkpatrick Lane and Stapleton Street Sanitary Sewer Rehabilitation

Bid Opening: 08/22/2024 at 11:00 AM

Company	Total Base Bid
Texas Pride Utilities LLC	\$ 700,494.00
C & A Builders	\$ 969,827.00
King Solutions Services Inc	\$ 1,072,710.00
NO-DIGTEC LLC	\$ 1,205,905.00
Horseshoe Construction Inc	\$ 1,278,941.00

****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.**

Certified By: Sabrina Zadow
Purchasing Manager
Town of Flower Mound, Texas

Date: August 22, 2024



TOWN COUNCIL AGENDA J.13. CONSENT ITEM(S)

DATE: September 16, 2024

FROM: Brian Waltenburg, Assistant Director of Engineering

ITEM: **Consider approval of twenty-two (22) professional engineering firms to provide professional engineering services, five (5) geotechnical engineering firms to provide material testing services, two (2) independent property appraisal firms to provide real property appraisals, and two (2) subsurface utility engineering firms to provide subsurface utility engineering for the Town, for a two-year term ending September 15, 2026.**

BACKGROUND: A Request for Qualifications (RFQ) for professional engineering services, professional material testing services, real property appraisal services, and subsurface utility engineering and locating services was issued on March 28, 2024. The statements of qualifications were received on May 15, 2024. Each prospective firm was requested to submit qualifications and relevant project experience.

- Fifty-five firms responded to the Town's request for Statement of Qualifications for Professional Engineering Services for Various Projects (2024-80-B).
- Nine firms responded to the Town's request for Statement of Qualifications for Material Testing Services for Various Projects (2024-81-B).
- Eight firms responded to the Town's request for Statement of Qualifications for Appraisal Services for Various Projects (2024-82-B).
- Eleven firms responded to the Town's request for Statement of Qualifications for Subsurface Utility Engineering and Locating Services (2024-83-B).

A selection committee, comprised of the Assistant Director of Engineering, Project Engineers and Project Managers, reviewed the submittals based upon qualifications, experience, office location, and previous experience with the Town. The selected firms are provided in Attachments 1 – 4. Upon approval by the Town Council, staff will have the authority to initiate negotiations with any of the selected firms to perform services for individual Town projects, for a two-year term ending September 15, 2026. Each time staff negotiates with one of the selected firms, the professional services agreement will be submitted to the Town Council or the Town Manager for approval.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: N/A

ATTACHMENTS:

1. Professional Engineering Services - Result Letter
2. Material Testing Services - Result Letter
3. Appraisal Services - Result Letter
4. Subsurface Utility Engineering and Locating Services - Results Letter

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



PUBLIC WORKS

Engineering

Memorandum

Date: September 16, 2024
To: Submitting Firms
From: Tiffany Bruce, P.E., Assistant Town Manager/Town Engineer
Subject: Statement of Qualifications Decision for Professional Engineering Services

Fifty-Seven firms responded to the Town's request for Statement of Qualifications for Professional Engineering Services for Various Projects (2024-80-B). A selection committee, comprised of the Assistant Director of Engineering, Project Engineers and Project Managers, reviewed the submittals. After a difficult decision, the following Twenty-Two firms were selected:

- Ardurra
- Burns & McDonnell
- CEI Engineering Associates
- CP&Y
- Dunaway Associates
- Freese and Nichols
- Halff Associates
- Kimley-Horn and Associates
- Lee Engineering
- MESA
- MHS Planning & Design
- Nathan D. Maier Consulting Engineers
- Olsson
- Parkhill, Smith & Cooper
- Plummer Associates
- Quiddity Engineering
- RJN Group
- Studio Oustside
- TBG Partners
- Teague Nall & Perkins
- Valley Quest Design
- Westwood Professional Services

The above listed firms will be used for a two-year period ending on September 15, 2026. We thank you for your submittal. Please contact us if you have questions.



**PUBLIC WORKS
Engineering**

Memorandum

Date: September 16, 2024
To: Submitting Firms
From: Tiffany Bruce, P.E., Assistant Town Manager/Town Engineer
Subject: Statement of Qualifications Decision for Material Testing Services

Nine firms responded to the Town's request for Statement of Qualifications for Material Testing Services for Various Projects (2024-81-B). A selection committee, comprised of the Assistant Director of Engineering, Project Engineers and Project Managers, reviewed the submittals. After a difficult decision, the following five firms were selected:

- Alliance Geotechnical Group
- Braun Intertec
- Ettl Engineers & Consultants
- ECS
- Terracon Consultants

The above listed firms will be used for a two-year period ending on September 15, 2026. We thank you for your submittal. Please contact us if you have questions.



PUBLIC WORKS Engineering

Memorandum

Date: September 16, 2024
To: Submitting Firms
From: Tiffany Bruce, P.E., Assistant Town Manager/Town Engineer
Subject: Statement of Qualifications Decision for Appraisal Services

Eight firms responded to the Town's request for Statement of Qualifications for Appraisal Services for Various Projects (2024-82-B). A selection committee, comprised of the Assistant Director of Engineering, Project Engineers and Project Managers, reviewed the submittals. After a difficult decision, the following two firms were selected:

- JLL Valuation & Advisory Service
- Pyles Whatley Corporation

The above listed firms will be used for a two-year period ending on September 15, 2026. We thank you for your submittal. Please contact us if you have questions.



PUBLIC WORKS Engineering

Memorandum

Date: September 16, 2024
To: Submitting Firms
From: Tiffany Bruce, P.E., Assistant Town Manager/Town Engineer
Subject: Statement of Qualifications for Subsurface Utility Engineering and Locating Services

Eleven firms responded to the Town's request for Statement of Qualifications for Subsurface Utility Engineering and Locating Services (2024-83-B). A selection committee, comprised of the Assistant Director of Engineering, Project Engineers and Project Managers, reviewed the submittals. After a difficult decision, the following two firms were selected:

- KCI Technologies
- CEC Corporation

The above listed firms will be used for a two-year period ending on September 15, 2026. We thank you for your submittal. Please contact us if you have questions.



TOWN COUNCIL AGENDA J.14. CONSENT ITEM(S)

DATE: September 16, 2024
FROM: Meg Jakubik, Director of Budget Services
ITEM: **Consider approval of the Cyber Liability and Data Breach Response Interlocal Agreement with Texas Municipal League Intergovernmental Risk Pool to join the self-insurance pool to be named the Texas Municipal League Joint Cyber Liability and Data Breach Response Self-Insurance Fund.**

BACKGROUND: Since 2016, when the Texas Municipal League (TML) Risk Pool first began offering Cyber Liability and Data Breach Response Coverage (“Cyber Coverage”), cyber claims have exponentially increased in both frequency and severity. Future cybercriminal activity is impossible to predict, which means neither the Pool nor any other insurer can rely on past patterns and trends to predict future losses. That’s why the TML Board of Trustees recently created a new Cyber Fund and approved changes to the Pool’s Coverage structure, effective on October 1, 2024. Members must elect to continue coverage or “opt-in” by completing and returning the Cyber Interlocal Agreement attached here along with the completed Cyber Renewal Application to participate in the newly-created Cyber Fund. Staff is currently completing the application for coverage to meet the October 1, 2024 deadline.

The New Cyber Fund – Ensuring the Viability of the Pool’s Cyber Coverage

Cyberattacks are becoming more common, more sophisticated, and more expensive. In fact, the Pool’s cyber claims have increased exponentially since 2016. Right now, if every Member of the Pool was hit by a coordinated attack, the Pool’s total exposure is in the billions of dollars. Thankfully, that hasn’t happened. But the Pool is updating its Cyber Coverage to ensure that it never does.

The following is a brief overview of the changes:

- The Pool is creating a **separate Cyber Fund** – each Member that wants to continue coverage **must sign a new, separate interlocal agreement (contract) to join the Fund.**
- The Pool’s **total annual payout** for cyber claims will be **capped at \$25 million** – should criminals execute a widespread attack, the Pool’s Board of Trustees would decide how to allocate those funds.
- The limit for third party liability has been reduced to **\$500,000 or \$1,000,000**, at the Core and Core+ levels only. Limits for Tiers 3-5 have not changed.
- **Cyber coverage contributions (premiums) will increase** based on a Member’s elected limits. The new contribution will have an increase of approximately 15% but could vary based on the Member’s exposure changes or loss experience.

The Coverage: What You Get

Some of the worst news a local official can receive is that they have fallen victim to a cyberattack. Whether criminals lock up your data and ask you for a ransom to restore it, they trick you into sending money to a fraudulent account and steal it, or whatever the form of an attack, the Pool’s coverage provides, among other things:

- **Breach response**, which includes access to computer experts, public relations specialists, attorneys, negotiators, and others with experience responding to cyberattacks – these experts help you lessen the damage from an attack.

- **Network business interruption**, which can help cover the loss of income and extra expenses (for a limited period) caused by an attack.
- **Cyber extortion**, which can help with ransom payments to recover data.
- **Data recovery costs**, which can help with costs to restore data that was damaged, corrupted, and/or deleted.
- **Fraud protection**, which can help (if certain conditions are met) with costs related to – for example – when an employee is tricked into sending money to a cybercriminal.

The above provides only a very basic overview of the coverage. Every claim is unique, and reading the above isn't a substitute for carefully reviewing the terms of the new interlocal agreement.

BOARD REVIEW/CITIZEN FEEDBACK:

ALTERNATIVES:

FISCAL IMPACT: N/A - This agreement allows access to the pool for cyber liability insurance. Actual costs will be based on underwriting evaluation.

LEGAL REVIEW: Brynn Meredith, of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the agreement as to form and legality.

ATTACHMENTS:

1. TML Interlocal Agreement

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

Texas Municipal League Intergovernmental Risk Pool

1821 Rutherford Lane, First Floor • Austin, Texas 78754

CYBER LIABILITY AND DATA BREACH RESPONSE INTERLOCAL AGREEMENT

This Contract and Interlocal Agreement is entered into by and between political subdivisions of this state (hereinafter referred to as “Pool Members”) to form a joint self-insurance pool to be named the Texas Municipal League Joint Cyber Liability and Data Breach Response Self-Insurance Fund (hereinafter referred to as the “Fund”) for the purpose of providing coverages against risks which are inherent in operating a political subdivision.

WITNESSETH:

The undersigned Pool Member, in accordance with Chapter 2259, Texas Government Code, the Interlocal Cooperation Act, Tex. Gov’t Code § 791.001, et seq., and the interpretation thereof by the Attorney General of the State of Texas (Opinion #MW-347, May 29, 1981), and in consideration of other political subdivisions executing like agreements, does hereby agree to become one of the Pool Members of this self-insured pool. The conditions of membership agreed upon by and between the parties are as follows:

1. Definitions of terms used in this Interlocal Agreement.
 - a. Board. Refers to the Board of Trustees of the Fund.
 - b. Fund Year. 12:01 a.m. October 1 through 12:01 a.m. the following October 1.
 - c. Manual Rates. The basic rates applicable to each cyber liability and data breach response classification promulgated by the Insurance Service Office or the Board.
 - d. Texas Municipal League Cyber Liability and Data Breach Response Self-Insurance Plan. The Cyber Liability and Data Breach Response Coverage Document that sets forth in exact detail the coverages provided as part of the overall plan.
 - e. Adjustments. Refers to any offsets to manual premium that may result from the Pool Member’s election of deductibles, loss experience, or Fund Modifier which reflects the savings to the Pool Member by entering into this Interlocal Agreement.
 - f. Premium and Contribution. Used interchangeably in some parts of this Interlocal Agreement. Any reference at any time in this Interlocal Agreement to an insurance term not ordinarily a part of self-insurance shall be deemed for convenience only and is not construed as being contrary to the self-insurance concept except where the context clearly indicates no other possible interpretation such as but not limited to the reference to “reinsurance.”
 - g. Reimbursable Deductible. The amount that was chosen by this Pool Member to be applicable to the first monies paid by the Fund to effect judgment or settlement of any claim or suit. The Pool Member, upon notification of the action taken, shall promptly reimburse the Fund for all or such part of the deductible amount as has been paid by the Fund. Further, however, the Fund’s obligation to pay damages shall be subject to the limits of liability stated in the Declarations of Coverage or Endorsements to this Interlocal Agreement less the stated deductible amount.
 - h. Fund Modifier. A percentage figure that is applied to the manual rates by the Fund to reflect the savings to the Pool Member by entering into this Interlocal Agreement.
 - i. Agreement Period. The continuous period since the Pool Member first became a member of this Fund excluding, however, any period or periods of time therein that the member did not participate as a member of the Pool.
 - j. Declarations of Coverage. The specific indication of the coverages, limits, deductibles, contributions, and special provisions elected by each individual Pool Member. The Declarations of Coverages may be modified by Endorsement.
2. The Board, acting through its agents and Fund staff, is responsible for the administration of all Fund business on behalf of the Pool Members.
3. In consideration of the execution of this Interlocal Agreement by and between the Pool Member and the Fund and of the contributions of the Pool Member, the coverage elected by the Pool Member is afforded according to the terms of the Texas Municipal League Cyber Liability and Data Breach Response Self-Insurance Plan. The affirmative declaration of contributions and limits of liability in the Declarations of Coverage and Endorsements determine the applicability of the Self-Insurance Plan.

Each Pool Member agrees to adopt and accept the coverages, provisions, terms, conditions, exclusions, and limitations as further provided for in the Texas Municipal League Cyber Liability and Data Breach Response Self-Insurance Plan or as specifically modified by the Pool Member's Declarations of Coverage. This Interlocal Agreement shall be construed to incorporate the Texas Municipal League Cyber Liability and Data Breach Response Self-Insurance Plan, Declarations of Coverage, and Endorsements and addenda whether or not physically attached hereto.

4. It is understood that by participating in this risk sharing mechanism to cover cyber liability and data breach response exposures, the Pool Member does not intend to waive any of the immunities that its officers or its employees now possess. The Pool Member recognizes the Texas Tort Claims Act and its limitations to certain governmental functions as well as its monetary limitations and that by executing this Interlocal Agreement does not agree to expand those limitations.
5. The term of this Interlocal Agreement and the self-insurance provided to the Pool Member shall be continuous commencing 12:01 a.m. on the date designated in this Interlocal Agreement until terminated as provided below. Although the self-insurance provided for in this Interlocal Agreement shall be continuous until terminated, the limit of liability of the Fund under the coverages that the Pool Member elects shall be limited during any Fund Year to the amount stated in the Declarations of Coverage for that Fund Year.

This Interlocal Agreement may be terminated by either party giving to the other sixty (60) days' prior written notice of intent to terminate except the Pool Member may terminate this Interlocal Agreement and its coverages thereunder without giving the sixty (60) days' notice if the reason is because of a change by the Fund in the Pool Member's contribution, coverage, or other change in the limits of liability, terms, conditions, exclusions, and limitations provided for in the Texas Municipal League Cyber Liability and Data Breach Response Self-Insurance Plan provided that no termination by the Member shall be effective prior to the date that written notice of termination is actually received in the offices of the Fund and provided that the Pool Member agrees to and shall pay the applicable premium and contribution for those coverages it is terminating until the date the notice of termination is actually received by the Fund.

The Fund shall provide the Pool Member with Declarations of Coverage and any Endorsements that determine the applicability of the Texas Municipal League Cyber Liability and Data Breach Response Self-Insurance Plan annually by December 1. Such Declarations of Coverage shall include, but not be limited to, the coverage period which shall be the applicable Fund Year, limits, deductibles, contributions, special provisions, and limitations. Changes made during the Fund Year, whether requested by the Pool Member or required by the Fund, will be handled by Endorsement.

It is the intention of the parties that the Pool Member's coverages under this Interlocal Agreement shall remain in full force and effect from Fund Year to Fund Year, subject to the limits of liability that the Fund can provide each Fund Year and the terms, conditions, and limitations that the Fund may require to protect its solvency and to comply with reinsurance requirements, until notice of termination is given as herein provided. Realizing that the Pool Member needs the earliest possible information concerning the Fund coverages, limits, and exclusions, and the Pool Member's contribution that will be required for any new Fund Year, the Fund will endeavor to provide this information as soon as possible before the beginning of each Fund Year. The parties recognize, however, that conditions in the reinsurance industry are such that the Fund may not be able to provide this information to the Pool Member before the beginning of a Fund Year for various reasons including the failure of the Pool Member to timely submit the appropriate exposure summary or delays on the part of reinsurers in getting information to the Fund, and so, to protect the Pool Member from gaps in its coverage and to protect the solvency of the Fund, the parties agree as follows:

If, for any reason other than the Pool Member's failure to provide the information requested in the exposure summary, the Fund has not been able to provide the Pool Member with information concerning available coverages for a new Fund Year or advise the Pool Member of the amount of its contribution for the new Fund Year by the beginning of the Fund Year, the Fund shall nevertheless continue the Pool Member's coverages at the same limits of liability (if still available and if not, then at the highest limit of liability available for the new Fund Year) so that the Pool Member shall at all times remain covered as herein provided and the Pool Member's initial contributions for the new Fund Year shall be determined by a "tentative contribution" as determined by the Board with the Pool Member's actual annual contribution to be credited by the amount paid in accordance with the tentative contribution and adjusted during the Fund Year. In the event the Pool Member does not wish to have its coverages extended or renewed at the end of any Fund Year, the burden shall be upon the Pool Member to give written notice to the Fund as provided hereinabove and the Pool Member agrees to pay as hereinabove stated all contributions or pro rata contributions until the date such written notice is received in the offices of the Fund or the date of termination of this Interlocal Agreement, whichever is later.

6. Commensurate with the execution of this Interlocal Agreement and annually thereafter, the Pool Member shall complete the appropriate exposure summary and deliver it or cause it to be delivered to the Fund, or, if so instructed, to a designated contractor, no later than September 1 of each year and new annual contributions shall be calculated using manual rates times exposure, less any adjustments. Intentional or reckless misstatements on the exposure summary shall be grounds for cancellation. In the event that the Pool Member fails or refuses to submit the appropriate exposure summary, the Fund reserves the right to terminate such Pool Member by giving thirty (30) days' written notice and to collect any and all contributions that are earned pro rata for the period preceding contract termination.

The Pool Member agrees to pay the annual contribution to the Fund in four (4) equal quarterly installments, in advance, commencing at the beginning of this Interlocal Agreement with subsequent installments due the first quarter thereafter. In the event this Interlocal Agreement is terminated as herein provided, the Fund shall promptly repay to the Pool Member any such unearned annual contribution prorated as of the date of termination and the Pool Member agrees during the term of this Interlocal Agreement to promptly pay all reimbursable deductibles upon receipt of statement.

At the end of each and every Fund Year, the Fund may require the Pool Member to submit the actual data requested on the exposure summary as reflected by the books and records of the Pool Member. The Fund reserves the right to audit the records of any Pool Member and adjust contributions accordingly.

In the event that the Pool Member fails or refuses to make the payments, including accrued interest, as herein provided, the Fund reserves the right to terminate such Pool Member by giving them ten (10) days' written notice and to collect any and all amounts that are earned pro rata for the period preceding contract termination. If the amounts owed, including reimbursable deductibles, must be collected by suit, the Pool Member agrees to pay attorneys' fees and costs incurred in such suit.

7. The Fund shall maintain adequate protection from catastrophic losses to protect its financial integrity. Aggregate protection shall also be maintained. The Member's contributions shall be limited to that amount as calculated under this Interlocal Agreement. Notwithstanding anything to the contrary, the total combined aggregate limit of liability of the Fund for all Pool Members in any Fund Year, regardless of the number of occurrences or claims, shall be limited to the amount of money contained in the Fund. As to the Pool annual aggregate limits or the amount of money in the Fund, the Board of Trustees, in its sole discretion, may determine an allocation methodology among affected Pool Members should the Pool annual aggregate limit be reached, or should the money in the Fund be exhausted.
8. Notwithstanding the provisions of the foregoing paragraph, it is agreed the Board shall have the right to adjust the financial protection outlined above and/or amend coverages as it finds available or deems necessary to maintain the fiscal soundness of the Fund at the beginning of or during any Fund Year.
9. The Fund will make available loss control services to the Pool Members to assist them in following a plan of loss control that may result in reduced losses. The Pool Member agrees that it will cooperate in instituting any and all reasonable loss control recommendations. In the event that the recommendations submitted seem unreasonable, the Pool Member has a right to appeal to the Board. The Board shall hear the objections of the Pool Member at its next regularly scheduled meeting and its decisions will be final and binding on all parties. Any Pool Member who does not agree to follow the decision of the Board shall be withdrawn from the Fund immediately.
10. The Pool Member agrees that it will appoint a contact of department head rank, and the Fund shall not be required to contact any other individual except this one person. Any notice to or any agreements with the contact shall be binding upon the Pool Member. The Pool Member reserves the right to change the contact from time to time by giving written notice to the Fund.
11. The Fund agrees to handle all cyber liability and data breach response claims, and provide a defense for any and all cyber liability and data breach response claims covered under this Interlocal Agreement after prompt notice has been given. The Pool Member hereby appoints the Fund staff and Contractors as its agents to act in all matters pertaining to processing and handling of claims covered under this Interlocal Agreement and shall cooperate fully in supplying any information needed or helpful in settlement or defense of such claims. As respects cyber liability and data breach response claims, the Fund staff and Contractors shall carry on all negotiations with the claimant and his/her attorney, when applicable, and negotiate within authority previously granted by the Fund. If a personal appearance by the Pool Member or an employee is necessary, the expense of this appearance will not be the responsibility of the Fund. With the advice and consent of the Fund, the Fund staff and the Contractors will retain and supervise legal counsel for the prosecution and defense of any litigation. All decisions on individual cases shall be made by the Fund through the Fund staff and the Contractors, which include, but are not limited to, the decision to appeal or not to appeal, settlement negotiations, the decision of whether to settle, and other litigation tactics. However, any Pool Member shall have the right in any case to consult with the Fund on any decision made by the Fund staff or Contractors. The Board shall hear the objections of the Pool Member at its next regularly scheduled meeting and its decision will be final and binding on all parties. Any suit brought or defended by the Fund shall be brought or defended only in the name of the Pool Member and/or its officers or employees. There shall be supplied periodically to each Pool Member a computer printout involving a statement of claims. As respects the Texas Municipal League Cyber Liability and Data Breach Response Self-Insurance Plan, the Fund shall have priority in enforcing its subrogation claims against the claims of Pool Member.
12. The Pool Member acknowledges that it has received a copy of the Bylaws of the Fund and agrees to abide by the Bylaws and any amendments thereto.
13. The Fund agrees that all Fund transactions will be annually audited by a nationally recognized certified public accounting firm.
14. If legally required, the Fund shall cause to be filed the necessary tax forms with the Internal Revenue Service.

15. As the administrators of the Fund, the Board shall primarily and consistently keep foremost in their deliberations and decisions in operating the Fund that each of the participating Pool Members is a “self-insured.” At least annually, the Board shall carefully review, study, and consider the actual claims or loss experience (including reserves for future claims payments) of each of the Pool Members, the pro rata savings to the Fund resulting from overall loss experience attributed to each Pool Member, and the pro rata portion of the cost of all catastrophic loss protection and aggregate stop loss protection allocated to each Pool Member as well as the pro rata allocation, as determined by the Board of the other and necessary administrative expenses of the Pool, in order to reasonably determine the actual pro rata cost, expense, and loss experience of each Pool Member in order to maintain as nearly as possible an equitable and reasonable self-insurance administration of the Fund as applied to each Pool Member.

The Fund shall maintain case reserves and supplemental reserves computed in accordance with standard actuarial principles, taking into account historical and other data, designed to measure claims development and claims incurred but not yet reported, so that funds will be available to meet these claims as they become due, subject to paragraph 7 above. The Board has complete authority to determine all matters pertaining to the existence and dissolution of the Fund.

16. Venue of any suit or action arising out of or related to this Interlocal Agreement shall be exclusively in the state and federal courts of Travis County, Texas. The parties agree they shall assume their own expenses for attorney’s fees in any suit or action arising out of or related to this Interlocal Agreement.
17. The parties agree this Interlocal Agreement may be executed by original written ink signature on paper documents, an exchange of copies showing the original written ink signature on paper documents, or electronic or digital signature technology in such a manner that the signature is unique and verifiable to the person signing. The use of any one or combination of these methods of execution shall constitute a legally binding and valid signing of this Interlocal Agreement, which may be executed in one or more counterparts, each of which, when duly executed, shall be deemed an original.

EMPLOYER MEMBERS’ FUND CONTACT (See Section 10):

Member Name _____

Name of Contact _____ Title _____

Mailing Address _____ Email Address _____

Street Address (if different from above) _____

City _____ Zip _____ Phone _____

SIGNATURE OF AUTHORIZED MEMBER OFFICIAL

Title _____ Date _____

Member’s Federal Tax I.D. Number ____ - ____ - ____ - ____ - ____ - ____

This Information is MANDATORY

TO BE COMPLETED BY FUND: (OFFICE USE ONLY)

Effective Date of This Agreement _____

Member Name _____

Contract Number _____

SIGNATURE OF AUTHORIZED FUND OFFICIAL

Title _____ Date _____



TOWN COUNCIL AGENDA K.1. REGULAR ITEM(S)

DATE: September 16, 2024

FROM: Meg Jakubik, Director of Budget Services

ITEM: **Public Hearing to consider the proposed budget for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025.**

BACKGROUND: The Town is required by Section 102.006 of the Texas Local Government Code and Section 9.07 of the Town Charter to hold a public hearing on the proposed budget. During the public hearing on the proposed budget, all interested persons shall be given an opportunity to be heard for or against any item, or the amount of any item, therein contained.

The Fiscal Year 2024-2025 Proposed Budget was filed with the Town Secretary and distributed to the Town Council on August 2, 2024. The proposed budget is on file for review at Town Hall and the Town's internet website. Town Council received a presentation of the proposed budget during the Town Council Work Session on August 15, 2024.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: N/A

ATTACHMENTS:

None

DRAFT MOTION: No action is required by the Town Council on this item.



TOWN COUNCIL AGENDA K.2. REGULAR ITEM(S)

DATE: September 16, 2024
FROM: Meg Jakubik, Director of Budget Services
ITEM: **Consider approval of an ordinance adopting the budget for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025, and making appropriations for each fund and department.**

BACKGROUND: The FY 2024-2025 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 2024-2025 Budget Work Session on August 18, 2024, in the Council Chambers. A public hearing for the Proposed Budget was also held on September 16, 2024. The proposed budget for FY 2024-2025 includes a five-year Capital Improvement Program (CIP).

The proposed budget for the General Fund includes \$95,444,111 in revenues and \$95,514,870 in expenditures, which includes the baseline budget, non-discretionary requests, and 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 \$249,500 for community support funding.

The proposed budget for the Utility Fund includes \$60,763,541 in revenues, and \$59,340,618 in expenditures, which includes the baseline budget, non-discretionary requests, and proposed decision packages.

The proposed budget for the Stormwater Utility Fund includes \$2,229,304 in revenues, and \$1,962,797 in expenditures, which includes the baseline budget, non-discretionary requests, and proposed decision packages.

The Town utilizes four Internal Service Funds: the Health Insurance/Flex Fund, the Vehicle and Equipment Replacement Fund, the Technology Replacement Fund, and the Small Equipment 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 \$17,102,785 in revenues, and \$16,976,456 in expenditures. The Vehicle and Equipment Replacement Fund, the Technology Replacement Fund, and the Small Equipment Replacement Fund are supported by internal transfers. The Vehicle and Equipment Replacement Fund includes \$2,487,500 in revenues, and \$4,959,438 in expenditures. The Technology Replacement Fund includes \$620,250 in revenues, and \$489,800 in expenditures. The Small Equipment Replacement Fund includes \$404,205 in revenues, and \$0 in expenditures.

The General Government Capital Improvement Program (CIP) addresses needs pertaining to streets, signals, street reconstruction, facilities, and parks, and, including incomplete prior authorized projects and totals \$53,129,175. \$20,000,000 in new debt will be issued for new facilities projects. These

projects will be supported by debt, dedicated sales tax, park development funds, grants and interlocal agreements, impact fees, TIRZ revenue, and cash transfers from the General Fund.

The CIP in the Utility Fund totals \$64,251,145 for FY 2024-2025, which includes incomplete prior authorized projects, water and wastewater lines and stormwater projects. These projects will be supported by \$23,637,000 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: N/A

FISCAL IMPACT: N/A

Proposed Expenditure:

General Fund	\$ 95,514,870
Utility Fund	59,340,618
Stormwater Utility Fund	1,962,797
Health insurance/Flex Fund	16,976,456
Vehicle and Equipment Replacement Fund	4,959,438
Technology Replacement Fund	489,800
Small Equipment Replacement Fund	-
Library Development Fund	-
TIRZ Fund	6,488,073
Park Development Fund	1,432,917
Tree Preservation Fund	186,590
Public Education Government (PEG) Fund	705,650
Street Maintenance Sales Tax Fund	21,511,788
4B Parks Sales Tax Fund	6,343,775
IRS Equitable Sharing Fund	-
Justice Seizures Fund	-
Chapter 59 Seizures Fund	-
Animal Care Fund	40,000
Opioid Settlement Fund	-
CDBG-HUD Grant Fund	288,137
Neighborhood Improvement Fund	100,000
COVID-19 Fund	2,057,104
Hotel Occupancy Tax Fund	369,000
Municipal Court Security Fund	64,165
Municipal Court Technology Fund	36,530
Municipal Court Jury Fund	1,125
Municipal Court Truancy Prevention	55,000

General Debt Service Fund	7,769,165
Total Expenditures	\$ 226,692,998

Proposed Revenue:

General Fund	\$ 95,444,111
Utility Fund	60,763,541
Stormwater Utility Fund	2,229,304
Health insurance/Flex Fund	17,102,785
Vehicle and Equipment Replacement Fund	2,487,500
Technology Replacement Fund	620,250
Small Equipment Replacement Fund	405,205
Library Development Fund	3,000
TIRZ Fund	8,035,056
Park Development Fund	150,000
Tree Preservation Fund	150,000
Public Education Government (PEG) Fund	115,000
Street Maintenance Sales Tax Fund	5,230,820
4B Parks Sales Tax Fund	5,080,820
Police Seizure Fund	-
IRS Equitable Sharing Fund	-
Justice Seizures Fund	500
Chapter 59 Seizures Fund	-
Animal Care Fund	11,000
SAFER Grant	-
CDBG-HUD Grant Fund	272,640
Neighborhood Improvement Fund	76,150
COVID-19 Fund	-
Hotel Occupancy Tax Fund	605,000
Municipal Court Security Fund	35,055
Municipal Court Technology Fund	28,255
Municipal Court Jury Fund	655
Municipal Court Truancy Prevention	36,600
General Debt Service Fund	7,919,075
Total Resources	\$ 206,802,322

Proposed Expenditure:

Crime District - Sales Tax	5,381,945
Fire District - Sales Tax	5,653,282

Proposed Revenue:

Crime District - Sales Tax	4,909,545
Fire District - Sales Tax	4,889,185

Proposed Expenditure:

General Capital Projects	9,885,217
Interlocal Capital Projects	12,193,660
CO's - Streets/Signals	1,681,031
CO's - Facilities	20,000,000
Road Impact Fund	9,369,267
Sewer Impact Fees	365,208
Water Impact Fees	7,120,820

Utility Capital Projects - Reserve	6,575,841
CO's/Rev Bond - Water	50,189,276

Proposed Revenue:	
General Capital Projects	3,150,000
Interlocal Capital Projects	12,193,660
CO's - Streets/Signals	-
CO's - Facilities	20,000,000
Road Impact Fund	680,000
Sewer Impact Fees	125,000
Water Impact Fees	400,000
Utility Capital Projects - Reserve	-
CO's/Rev Bond - Water	23,637,000

Total Proposed Expenditure	\$ 355,108,545
Total Proposed Revenue	\$ 276,786,712
	\$ (78,321,833)

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

ATTACHMENTS:

1. Attachment 1-Ordinance - Adopted Budget for 24-25

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, 2024, and ending on September 30, 2025, and making appropriations for each fund and department.
2. Move to ratify the property tax revenue increase reflected in the FY 2024-2025 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, 2024, AND ENDING SEPTEMBER 30, 2025, 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, 2024, and ending September 30, 2025; 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 September 16, 2024 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, 2024, and ending September 30, 2025, 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 \$9,551,487 (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.

ORDINANCE NO. _____

PAGE 3

DULY PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL OF THE
TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _____ TO _____ ON THIS 16th
DAY OF SEPTEMBER, 2024.

APPROVED:

Cheryl Moore, MAYOR

ATTEST:

Theresa Scott, TOWN SECRETARY

EXHIBITA
Town of Flower Mound, Texas
FY 24-25

PROPOSED REVENUES	General Fund	General Debt Service Fund	Utility Fund	Stormwater Utility Fund	Internal Service Funds
Property Taxes	\$ 52,221,141	\$ 7,597,825	\$ -	\$ -	\$ -
Utility Franchise Fees	6,750,357	-	-	-	-
Sales Tax Collections	19,723,285	-	-	-	-
Other Taxes	375,950	-	-	-	-
Charges for Current Services	5,347,954	-	-	-	-
Licenses and Permits	1,927,490	-	-	-	-
Fines and Forfeitures	1,136,560	-	-	-	-
Investment Earnings	500,000	50,000	350,000	5,000	-
Intergovernmental Revenue	2,994,615	-	-	-	-
Interfund Transfer	3,952,259	271,250	-	-	-
Other Revenue	514,500	-	234,000	-	-
Water Sales	-	-	44,533,089	-	-
Sewer Charges	-	-	14,803,452	-	-
Stormwater Fees	-	-	-	2,147,304	-
Drainage Inspections	-	-	-	65,000	-
Meter and Connect Fees	-	-	280,000	-	-
Solid Waste Collection	-	-	163,000	-	-
Penalties-Utility Billing	-	-	400,000	12,000	-
Health Insurance Fund	-	-	-	-	17,102,785
Vehicle and Equipment Replacement Fund	-	-	-	-	2,487,500
Technology Replacement Fund	-	-	-	-	620,250
Small Equipment Replacement Fund	-	-	-	-	405,205
TOTAL REVENUE	\$ 95,444,111	\$ 7,919,075	\$ 60,763,541	\$ 2,229,304	\$ 20,615,740
PROPOSED EXPENDITURES	General Fund	General Debt Service Fund	Utility Fund	Stormwater Utility Fund	Internal Service Funds
Town Manager's Office	\$ 3,152,145	\$ -	\$ -	\$ -	\$ -
Legislative Services	619,770	-	-	-	-
Development Services	3,033,995	-	-	-	-
Parks & Recreation Services	12,345,845	-	-	-	-
Library Services	2,511,815	-	-	-	-
Police Services	22,678,563	-	-	-	-
Financial Services	5,218,715	-	2,530,585	-	-
Administrative Services	7,607,200	-	-	-	-
Fire & Emergency Services	25,043,327	-	-	-	-
Communications	964,850	-	-	-	-
General Fund Non-Departmental	4,561,490	-	-	-	-
Utility Fund Non-Departmental	-	-	14,187,492	-	-
Public Works	5,878,415	-	42,622,541	1,790,812	-
Environmental Services	1,898,740	-	-	171,985	-
Debt Service	-	7,769,165	-	-	-
Health Insurance Fund	-	-	-	-	16,976,456
Vehicle and Equipment Replacement Fund	-	-	-	-	4,959,438
Technology Replacement Fund	-	-	-	-	489,800
Small Equipment Replacement Fund	-	-	-	-	-
TOTAL EXPENDITURES	\$ 95,514,870	\$ 7,769,165	\$ 59,340,618	\$ 1,962,797	\$ 22,425,694
NET CHANGE	\$ (70,759)	\$ 149,910	\$ 1,422,923	\$ 266,507	\$ (1,809,954)
2024-2025 FUND BALANCE PROJECTION	General Fund	General Debt Service Fund	Utility Fund	Stormwater Utility Fund	Internal Service Funds
Fund Balance 10/1/24	\$ 33,685,198	\$ 205,922	\$ 17,677,610	\$ 152,884	\$ 15,622,119
Revenue	95,444,111	7,919,075	60,763,541	2,229,304	20,615,740
Expenditure	(95,514,870)	(7,769,165)	(59,340,618)	(1,962,797)	(22,425,694)
Fund Balance 09/30/25	\$ 33,614,439	\$ 355,832	\$ 19,100,533	\$ 419,391	\$ 13,812,165

EXHIBIT A

Town of Flower Mound, Texas
FY 24-25

PROPOSED REVENUES	Library Development Fund	TIRZ Fund	Park Development Fund	Tree Preservation Fund	Public-Education Government (PEG) Fund
Taxes	\$ -	\$ 7,635,056	\$ -	\$ -	\$ 100,000
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Investment Earnings	3,000	400,000	150,000	150,000	15,000
Interfund Transfer	-	-	-	-	-
Other Revenue	-	-	-	-	-
TOTAL REVENUE	\$ 3,000	\$ 8,035,056	\$ 150,000	\$ 150,000	\$ 115,000

PROPOSED EXPENDITURES	Library Development Fund	TIRZ Fund	Park Development Fund	Tree Preservation Fund	Public-Education Government (PEG) Fund
Town Manager's Office	\$ -	\$ -	\$ -	\$ -	\$ -
Legislative Services	-	-	-	-	-
Development Services	-	-	-	-	-
Parks & Recreation Services	-	-	1,432,917	94,540	-
Library Services	-	-	-	-	-
Police Services	-	-	-	-	-
Financial Services	-	6,488,073	-	-	-
Administrative Services	-	-	-	-	-
Fire & Emergency Services	-	-	-	-	-
Communications	-	-	-	-	705,650
Public Works	-	-	-	-	-
Environmental Services	-	-	-	92,050	-
TOTAL EXPENDITURES	\$ -	\$ 6,488,073	\$ 1,432,917	\$ 186,590	\$ 705,650

NET CHANGE	\$ 3,000	\$ 1,546,983	\$ (1,282,917)	\$ (36,590)	\$ (590,650)
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2024-2025 FUND BALANCE PROJECTION	Library Development Fund	TIRZ Fund	Park Development Fund	Tree Preservation Fund	Public-Education Government (PEG) Fund
Fund Balance 10/1/24	\$ 58,954	\$ 24,516,272	\$ 6,396,524	\$ 2,055,908	\$ 843,311
Revenue	3,000	8,035,056	150,000	150,000	115,000
Expenditure	-	(6,488,073)	(1,432,917)	(186,590)	(705,650)
Fund Balance 09/30/25	\$ 61,954	\$ 26,063,255	\$ 5,113,607	\$ 2,019,318	\$ 252,661

EXHIBIT A

Town of Flower Mound, Texas
FY 24-25

PROPOSED REVENUES	Strt Maint Sales Tax Fund	4B Parks Sales Tax Fund	Flower Mound Log Cabin Fund	Police Seizure Fund	IRS Equitable Sharing Fund	Justice Seizures Fund	Chapter 59 Seizure Fund
Taxes	\$ 4,930,820	\$ 4,930,820	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-	-
Investment Earnings	300,000	150,000	-	-	-	500	-
Interfund Transfer	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
TOTAL REVENUE	\$ 5,230,820	\$ 5,080,820	\$ -	\$ -	\$ -	\$ 500	\$ -
PROPOSED EXPENDITURES	Strt Maint Sales Tax Fund	4B Parks Sales Tax Fund	Flower Mound Log Cabin Fund	Police Seizure Fund	IRS Equitable Sharing Fund	Justice Seizures Fund	Chapter 59 Seizure Fund
Town Manager's Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legislative Services	-	-	-	-	-	-	-
Development Services	-	-	-	-	-	-	-
Parks & Recreation Services	-	6,343,775	-	-	-	-	-
Library Services	-	-	-	-	-	-	-
Police Services	-	-	-	-	-	-	-
Financial Services	-	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-	-
Fire & Emergency Services	-	-	-	-	-	-	-
Communications	-	-	-	-	-	-	-
Public Works	21,511,788	-	-	-	-	-	-
Environmental Services	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 21,511,788	\$ 6,343,775	\$ -	\$ -	\$ -	\$ -	\$ -
NET CHANGE	\$ (16,280,968)	\$ (1,262,955)	\$ -	\$ -	\$ -	\$ 500	\$ -
2024-2025 FUND BALANCE PROJECTION	Strt Maint Sales Tax Fund	4B Parks Sales Tax Fund	Flower Mound Log Cabin Fund	Police Seizure Fund	IRS Equitable Sharing Fund	Justice Seizures Fund	Chapter 59 Seizure Fund
Fund Balance 10/1/24	\$ 19,494,290	\$ 10,338,865	\$ 6,797	\$ -	\$ 1,913	\$ 101,052	\$ 151,313
Revenue	5,230,820	5,080,820	-	-	-	500	-
Expenditure	(21,511,788)	(6,343,775)	-	-	-	-	-
Fund Balance 09/30/25	\$ 3,213,322	\$ 9,075,910	\$ 6,797	\$ -	\$ 1,913	\$ 101,552	\$ 151,313

EXHIBIT A

Town of Flower Mound, Texas
FY 24-25

PROPOSED REVENUES	Animal Care Fund	Opioid Settlement Fund	CDBG-HUD Grant Fund	Grants Fund	Neighborhood Improvement Fund	COVID-19 Fund
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	-	-	272,640	-	-	-
Charges for Services	-	-	-	-	55,150	-
Fines and Forfeitures	-	-	-	-	-	-
Investment Earnings	1,000	-	-	-	1,000	-
Interfund Transfer	-	-	-	-	-	-
Other Revenue	10,000	-	-	-	20,000	-
TOTAL REVENUE	\$ 11,000	\$ -	\$ 272,640	\$ -	\$ 76,150	\$ -

PROPOSED EXPENDITURES	Animal Care Fund	Opioid Settlement Fund	CDBG-HUD Grant Fund	Grants Fund	Neighborhood Improvement Fund	COVID-19 Fund
Town Manager's Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legislative Services	-	-	-	-	-	-
Development Services	-	-	-	-	-	-
Parks & Recreation Services	-	-	-	-	-	-
Library Services	-	-	-	-	-	180,256
Police Services	40,000	-	-	-	-	-
Financial Services	-	-	288,137	-	-	73,433
Administrative Services	-	-	-	-	-	141,345
Fire & Emergency Services	-	-	-	-	-	-
Communications	-	-	-	-	-	-
Public Works	-	-	-	-	100,000	1,662,070
Environmental Services	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 40,000	\$ -	\$ 288,137	\$ -	\$ 100,000	\$ 2,057,104

NET CHANGE	\$ (29,000)	\$ -	\$ (15,497)	\$ -	\$ (23,850)	\$ (2,057,104)
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2024-2025 FUND BALANCE PROJECTION	Animal Care Fund	Opioid Settlement Fund	CDBG-HUD Grant Fund	Grants Fund	Neighborhood Improvement Fund	COVID-19 Fund
Fund Balance 10/1/24	\$ 78,254	\$ -	\$ 29,048	\$ 5,300	\$ 95,912	\$ 2,057,104
Revenue	11,000	-	272,640	-	76,150	-
Expenditure	(40,000)	-	(288,137)	-	(100,000)	(2,057,104)
Fund Balance 09/30/25	\$ 49,254	\$ -	\$ 13,551	\$ 5,300	\$ 72,062	\$ -

EXHIBIT A
Town of Flower Mound, Texas
FY 24-25

PROPOSED REVENUES	Animal Care Fund	Hotel Occupancy Tax Fund	Muni Court Security Fund	Muni Court Technology Fund	Muni Court Jury Fund	Muni Court Truancy Prevention Fund
Taxes	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	32,555	26,755	655	36,600
Investment Earnings	1,000	5,000	2,500	1,500	-	-
Interfund Transfer	-	-	-	-	-	-
Other Revenue	10,000	-	-	-	-	-
TOTAL REVENUE	\$ 11,000	\$ 605,000	\$ 35,055	\$ 28,255	\$ 655	\$ 36,600

PROPOSED EXPENDITURES	Animal Care Fund	Hotel Occupancy Tax Fund	Muni Court Security Fund	Muni Court Technology Fund	Muni Court Jury Fund	Muni Court Truancy Prevention Fund
Town Manager's Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legislative Services	-	-	-	-	-	-
Development Services	-	-	-	-	-	-
Parks & Recreation Services	-	369,000	-	-	-	-
Library Services	-	-	-	-	-	-
Police Services	40,000	-	-	-	-	-
Financial Services	-	-	64,165	36,530	1,125	55,000
Administrative Services	-	-	-	-	-	-
Fire & Emergency Services	-	-	-	-	-	-
Communications	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Environmental Services	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 40,000	\$ 369,000	\$ 64,165	\$ 36,530	\$ 1,125	\$ 55,000

NET CHANGE	\$ (29,000)	\$ 236,000	\$ (29,110)	\$ (8,275)	\$ (470)	\$ (18,400)
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2024-2025 FUND BALANCE PROJECTION	Animal Care Fund	Hotel Occupancy Tax Fund	Muni Court Security Fund	Muni Court Technology Fund	Muni Court Jury Fund	Muni Court Truancy Prevention Fund
Fund Balance 10/1/24	\$ 78,254	\$ 624,076	\$ 133,674	\$ 87,896	\$ 815	\$ 76,316
Revenue	11,000	605,000	35,055	28,255	655	36,600
Expenditure	(40,000)	(369,000)	(64,165)	(36,530)	(1,125)	(55,000)
Fund Balance 09/30/25	\$ 49,254	\$ 860,076	\$ 104,564	\$ 79,621	\$ 345	\$ 57,916

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program provides budget authorization for previously approved, but unexpended projects, along with the proposed projects for FY 2024-2025. The Charts below show authorized spending for each capital project fund and new expected revenue. The CIP proposes additional debt issuances of \$20,000,000 for Facilities and \$23,637,0000 for Water projects.

Exhibit A

**Town of Flower Mound, Texas
FY 24-25**

PROPOSED REVENUES	General Capital Projects	Interlocal Capital Projects	RTR - Morris/Gerault 2499 to 407	Road Escrow Project Fund	CO's Streets/Signals
Intergovernmental Revenue	\$ -	\$ 12,193,660	\$ -	\$ -	\$ -
Investment Earnings	-	-	-	-	-
Interfund Transfer	650,000	-	-	-	-
Other Revenue	2,500,000	-	-	-	-
TOTAL REVENUE	\$ 3,150,000	\$ 12,193,660	\$ -	\$ -	\$ -

PROPOSED EXPENDITURES	General Capital Projects	Interlocal Capital Projects	RTR - Morris/Gerault 2499 to 407	Road Escrow Project Fund	CO's Streets/Signals
Capital Projects	\$ 9,885,217	\$ 12,193,660	\$ -	\$ -	\$ 1,681,031
TOTAL EXPENDITURES	\$ 9,885,217	\$ 12,193,660	\$ -	\$ -	\$ 1,681,031

NET CHANGE	\$ (6,735,217)	\$ -	\$ -	\$ -	\$ (1,681,031)
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2024-2025 FUND BALANCE PROJECTION	General Capital Projects	Interlocal Capital Projects	RTR - Morris/Gerault 2499 to 407	Road Escrow Project Fund	CO's Streets/Signals
Fund Balance 10/1/24	\$ 6,735,217	\$ -	\$ 143,559	\$ 562,368	\$ 2,391,916
Revenue	3,150,000	12,193,660	-	-	-
Expenditure	(9,885,217)	(12,193,660)	-	-	(1,681,031)
Fund Balance 09/30/25	\$ 0	\$ -	\$ 143,559	\$ 562,368	\$ 710,885

**Town of Flower Mound, Texas
FY 24-25**

PROPOSED REVENUES	CO's Facilities	Road Impact Fund	Sewer Impact Fees	Water Impact Fees	Utility Capital Projects Reserve	CO's/ Rev Bond Water
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	-	-	-	-
Interfund Transfer	-	-	-	-	-	-
Other Revenue	20,000,000	680,000	125,000	400,000	-	23,637,000
TOTAL REVENUE	\$ 20,000,000	\$ 680,000	\$ 125,000	\$ 400,000	\$ -	\$ 23,637,000

PROPOSED EXPENDITURES	CO's Facilities	Road Impact Fund	Sewer Impact Fees	Water Impact Fees	Utility Capital Projects Reserve	CO's/ Rev Bond Water
Capital Projects	\$ 20,000,000	\$ 9,369,267	\$ 365,208	\$ 7,120,820	\$ 6,575,841	\$ 50,189,276
TOTAL EXPENDITURES	\$ 20,000,000	\$ 9,369,267	\$ 365,208	\$ 7,120,820	\$ 6,575,841	\$ 50,189,276

NET CHANGE	\$ -	\$ (8,689,267)	\$ (240,208)	\$ (6,720,820)	\$ (6,575,841)	\$ (26,552,276)
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2024-2025 FUND BALANCE PROJECTION	CO's Facilities	Road Impact Fund	Sewer Impact Fees	Water Impact Fees	Utility Capital Projects Reserve	CO's/ Rev Bond Water
Fund Balance 10/1/24	\$ 75,668	\$ 13,408,445	\$ 8,157,544	\$ 14,479,332	\$ 6,575,841	\$ 26,552,276
Revenue	20,000,000	680,000	125,000	400,000	-	23,637,000
Expenditure	(20,000,000)	(9,369,267)	(365,208)	(7,120,820)	(6,575,841)	(50,189,276)
Fund Balance 09/30/25	\$ 75,668	\$ 4,719,178	\$ 7,917,336	\$ 7,758,512	\$ 0	\$ -



TOWN COUNCIL AGENDA K.3. REGULAR ITEM(S)

DATE: September 16, 2024
FROM: Meg Jakubik, Director of Budget Services
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, 2024, and ending on September 30, 2025.**

BACKGROUND: 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 2023-2024 Budget Work Session on August 15, 2024, in the Council Chambers. A public hearing for the Fire District's Proposed Budget was held on August 19, 2024.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: N/A

Proposed Revenue
\$4,889,185

Account Number(s):
Fund 319- Fire District

Proposed Expenditure
\$5,653,282

Account Number(s):
Fund 319- Fire District

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

ATTACHMENTS:

1. Attachment 1-Resolution - Fire Control - Budget for 2024-2025

DRAFT MOTION: The Town Council, acting as the Board of Directors for the Fire Control, Prevention, and Emergency Medical Services District, move to approve 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, 2024, and ending on September 30, 2025.

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, 2024, AND ENDING SEPTEMBER 30, 2025; 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, 2024, and ending September 30, 2025; 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 21, 2024, 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, 2024, and ending September 30, 2025, 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.

RESOLUTION NO. _____

PAGE 3

DULY PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL OF THE
TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _____ TO _____ ON THIS 16th
DAY OF SEPTEMBER, 2024.

APPROVED:

Cheryl Moore, MAYOR

ATTEST:

Theresa Scott, TOWN SECRETARY

EXHIBIT A

**Town of Flower Mound, Texas
FY 24-25**

**FIRE CONTROL, PREVENTION, AND EMERGENCY
MEDICAL SERVICES DISTRICT**

PROPOSED REVENUES	Fire District Sales Tax Fund
Taxes	\$ 4,869,185
Licenses and Permits	-
Intergovernmental Revenue	-
Charges for Services	-
Fines and Forfeitures	-
Investment Earnings	20,000
Interfund Transfer	-
Other Revenue	-
TOTAL REVENUE	\$ 4,889,185

PROPOSED EXPENDITURES	Fire District Sales Tax Fund
Town Manager's Office	\$ -
Legislative Services	-
Development Services	-
Community Services	-
Police Services	-
Financial Services	-
Fire & Emergency Services	5,653,282
Communications	-
Public Works	-
TOTAL EXPENDITURES	\$ 5,653,282
NET CHANGE	\$ (764,097)

2024-2025 FUND BALANCE PROJECTION	Fire District Sales Tax Fund
Fund Balance 10/1/23	\$ 3,905,495
Revenue	4,889,185
Expenditure	(5,653,282)
Fund Balance 09/30/24	\$ 3,141,398



TOWN COUNCIL AGENDA K.4. REGULAR ITEM(S)

DATE: September 16, 2024
FROM: Meg Jakubik, Director of Budget Services
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, 2024, and ending on September 30, 2025.**

BACKGROUND: 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 2024-2025 Budget Work Session on August 15, 2024, in the Council Chambers. A public hearing for the Crime District's Proposed Budget was held on August 19, 2024.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: N/A

Proposed Revenue
\$4,909,545

Account Number(s):
Fund 318- Crime District

Proposed Expenditure
\$5,381,945

Account Number(s):
Fund 318- Crime District

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

ATTACHMENTS:

1. Attachment 1-Resolution - Crime Control - Budget for 2024-2025

DRAFT MOTION: The Town Council, acting as the Board of Directors for the Crime Control and Prevention District, move to approve a resolution adopting the Town of Flower Mound Crime Control and Prevention District budget for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025.

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, 2024, AND ENDING SEPTEMBER 30, 2025; 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, 2024, and ending September 30, 2025; 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 21, 2024, 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, 2024, and ending September 30, 2025, 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.

RESOLUTION NO. _____

PAGE 3

DULY PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL OF THE
TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _____ TO _____ ON THIS 16th
DAY OF SEPTEMBER, 2024.

APPROVED:

Cheryl Moore, MAYOR

ATTEST:

Theresa Scott, TOWN SECRETARY

EXHIBIT A

Town of Flower Mound, Texas
FY 24-25

CRIME CONTROL AND PREVENTION DISTRICT

PROPOSED REVENUES	Crime District Sales Tax Fund
Taxes	\$ 4,879,545
Licenses and Permits	-
Intergovernmental Revenue	-
Charges for Services	-
Fines and Forfeitures	-
Investment Earnings	30,000
Interfund Transfer	-
Other Revenue	-
TOTAL REVENUE	\$ 4,909,545

PROPOSED EXPENDITURES	Crime District Sales Tax Fund
Town Manager's Office	\$ -
Legislative Services	-
Development Services	-
Community Services	-
Police Services	5,381,945
Financial Services	-
Fire & Emergency Services	-
Communications	-
Public Works	-
TOTAL EXPENDITURES	\$ 5,381,945

NET CHANGE	\$ (472,400)
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2024-2025 FUND BALANCE PROJECTION	Crime District Sales Tax Fund
Fund Balance 10/1/24	\$ 5,334,108
Revenue	4,909,545
Expenditure	(5,381,945)
Fund Balance 09/30/25	\$ 4,861,708



TOWN COUNCIL AGENDA K.5. REGULAR ITEM(S)

DATE: September 16, 2024

FROM: Meg Jakubik, Director of Budget Services

ITEM: **Public Hearing to consider approval of an ordinance adopting the 2024 tax rolls and fixing and levying municipal ad valorem taxes for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025, and for each fiscal year thereafter until otherwise provided, at the rate of \$0.387278 per \$100 assessed valuation on all taxable property within the corporate limits of the Town of Flower Mound as of January 1, 2024.**

BACKGROUND: Chapter 26 of the Property Tax Code requires municipalities to comply with truth-in-taxation laws in adopting their tax rates. The laws are designed to make taxpayers aware of tax rate proposals and to allow taxpayers, in certain cases, to limit a tax increase. The Town is required to hold a public hearing on the tax rate before adopting a tax rate that exceeds \$0.348167, the no-new-revenue tax rate. The Town is also required to publish a notice in the newspaper, on TV, and web site before adopting a tax rate. During the public hearing, taxpayers will be given the opportunity to express their views about the rate as it is proposed.

The no-new-revenue tax rate enables the public to evaluate the relationship between taxes for the current year and taxes that a proposed tax rate would produce if applied to the same properties taxed in both years.

The voter-approval rate calculation is split into two separate components: an operating and maintenance rate and a debt rate. The voter-approval rate calculation allows municipalities to raise 103.5 percent of the operating and maintenance money raised in the prior year, plus the necessary debt rate. The Town's voter-approval rate for FY 2043-2025 is \$0.387327.

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 no-new-revenue and voter-approval tax rates and estimate revenues. On August 19, 2024, the Town Council approved the certified estimate 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., \$0.323876) and for creating an interest and sinking fund for outstanding bonded indebtedness not otherwise provided for (i.e., \$0.063402); 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 no-new-revenue tax rate (as with this ordinance) requires the affirmative vote of at least 60% of the members of the governing body.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: \$(64,829,343)

Proposed Revenue

\$(51,971,141)

\$(7,557,825)

\$(5,300,377)

Account Number(s):

100-4105

110-4105

308-4105

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

ATTACHMENTS:

1. Attachment 1-Ordinance - 24-25 Tax Rate

DRAFT MOTION: "I move that the property tax rate be increased by the adoption of a tax rate of \$0.387278 per \$100 of assessed value, which is effectively a 6.04 percent increase in the tax rate; and move to approve an ordinance adopting the 2024 tax rolls and fixing and levying municipal ad valorem taxes for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025, and for each fiscal year thereafter until otherwise provided, at the rate of \$0.387278 per \$100 assessed valuation on all taxable property within the corporate limits of the Town of Flower Mound as of January 1, 2024."

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, 2024, AND ENDING ON SEPTEMBER 30, 2025, AND FOR EACH FISCAL YEAR THEREAFTER UNTIL OTHERWISE PROVIDED, AT A RATE OF \$0.387278 PER ONE HUNDRED DOLLARS (\$100) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE TOWN AS OF JANUARY 1, 2024; 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 PENALTIES AND INTEREST; PROVIDING FOR APPROVAL OF THE 2024 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, 2024, and ending September 30, 2025, 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, 2024, and ending on September 30, 2025; and

WHEREAS, the Town Council provided notice of the no-new-revenue 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.

SECTION 2

There be and is hereby levied and ordered to be assessed and collected for the fiscal year beginning on October 1, 2024, and ending on September 30, 2025, 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 \$0.387278 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 \$0.323876 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 \$0.063402 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 INCREASED BY 11.23 PERCENT AND WILL INCREASE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$10.95.

SECTION 3

All ad valorem taxes shall become due and payable on October 1, 2024, and all ad valorem taxes shall become delinquent after January 31, 2025. There shall be no discount for payment of taxes prior to said January 31, 2025. If any person fails to pay said ad valorem taxes on or before January 31, 2025, the following penalties shall be payable thereon, to-wit:

During the month of February 2025, six percent	(6%)
During the month of March 2025, seven percent	(7%)
During the month of April 2025, eight percent	(8%)
During the month of May 2025, nine percent	(9%)
During the month of June 2025, ten percent	(10%)
On or after July 1, 2025, 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 2024 tax rolls of the Town of Flower Mound, Texas, in the amount of \$60,710,145, 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, 2024, and ending on September 30, 2025.

SECTION 7

Pursuant to the authority granted by Section 33.07 of the Texas Tax Code, in the event that 2024 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, 2025.

SECTION 8

Pursuant to the authority granted by Section 33.08 of the Texas Tax Code, the Town further provides that all 2024 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, 2024, and ending on September 30, 2025, requires that this Ordinance shall take effect from and after its passage as the law in such cases provides.

ORDINANCE NO. _____

PAGE 4

DULY PASSED, APPROVED, AND ADOPTED BY THE TOWN COUNCIL OF THE
TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _____ TO _____ ON THIS
16th DAY OF SEPTEMBER, 2024.

APPROVED:

Cheryl Moore, MAYOR

ATTEST:

Theresa Scott, TOWN SECRETARY



TOWN COUNCIL AGENDA K.6. REGULAR ITEM(S)

DATE: September 16, 2024

FROM: JP Walton, Chief Strategic Officer

ITEM: **Presentation and discussion regarding scooter safety and potential solutions the Town can explore.**

BACKGROUND: Town Council requested this item be discussed during Future Agenda Items at the August 19th Town Council meeting. Town Council requested a discussion regarding safety while operating a scooter and to discuss potential safety requirements that the Town could consider enacting.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: N/A

ATTACHMENTS:

None

DRAFT MOTION: Discuss and provide staff with direction.