Town Council Regular Meeting

June 1, 2026

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. PLEDGES

D. PRESENTATION(S)

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, fill out a comment form (PDF). Note:

- Limited to three (3) minutes, a tone will sound at 30 seconds left and when time has expired, and times may be adjusted by the Mayor
- Direct comments to the Town Council
- State your name and the municipality where you reside

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
   a. Tree Rebate Program Update

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. June 11 - Work Session
2. June 15 - Regular Meeting
3. July 6 - Regular Meeting

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 5/13 - Consider approval of the minutes from a special meeting held on May 13, 2026.
2. Minutes 5/18 - Consider approval of the minutes from a regular meeting held on May 18, 2026.
3. Minutes 5/21 - Consider approval of the minutes from a work session held on May 21, 2026.
4. Speed Limit Ordinance Clean Up - Consider approval of an ordinance amending Exhibit A of Ordinance 48-21, Speed Limit Ordinance Clean up, in order to add new Residential Streets and various other clean up items.
5. Design PSA - Justin Road Trail Improvements - Consider approval of Professional Services Agreement with Nathan D. Maier Consulting Engineers, Inc., for the design services associated with the Justin Road Trail Improvements Project, in the amount of $108,473.00; and authorization for the Mayor to execute same on behalf of the Town.
6. Water Storage Tank Cleaning and Inspection Service Contract - Consider approval of a Water Storage Tank Inspection and Cleaning Services contract with Texas Tank Services, in the amount of $31,000 annually through NCTCOG TXShare Contract No. 2024-135. The contract is for one year with three one-year renewal options.
7. Vehicle purchase for Public Works Streets Division - Consider approval of the purchase of a 2026 Ford F-250 Crew Cab 4X4 from Sam Pack’s Five Star Ford

through BuyBoard Contract #724-23 for the Streets Division in the total amount of $56,591.23.

8. Elite Chef Competition Fundraiser - Consider approval of the consumption of alcohol at the Flower Mound Senior Center during the 2026 Elite Chef Fundraiser.
9. Easement Abandonment Long Prairie Rd / Spinks Rd - Consider approval of an ordinance of the Town of Flower Mound, Texas, providing for the abandonment and release of the Town's interest in an easement previously granted to the Town for the construction and maintenance of a water line.

K. REGULAR ITEM(S)

1. Certificates of Obligation - Consider approval of an ordinance authorizing the issuance of Certificates of Obligation, Series 2026, for an amount not to exceed $35,265,000.00, for the purpose of paying for street, waterworks and sewer system improvements and fire-fighting facilities, establishing parameters for the sale and issuance of such bonds, delegating certain matters to an authorized official of the Town and resolving all matters incident and related thereto.
2. General Obligation Improvement and Refunding Bonds - Consider approval of an ordinance authorizing the issuance of General Obligation Improvement and Refunding Bonds, Series 2026, for an amount not to exceed $18,870,000.00 for the purpose of funding improvements to streets, park and recreation facilities, including trail system improvements, parks, sports fields and the renovation and expansion to the Communcity Activity Center, and $24,085,000.00 for purposes of the refunding of certain outstanding bonds, establishing parameters for the sale and issuance of such bonds, delegating certain matters to an authorized official of the Town and resolving all matters incident and related thereto.
3. School Zone FM 1171 - Consider approval of an ordinance amending Exhibit A of Ordinance 48-21, Speed Limit Ordinance, in order to add a new reduced school speed zone on FM 1171 from Flower Mound Road to Saddlewood Drive.
4. Construction Award - Timber Valley Dr and Fairfield Ln Reconstruction - Consider approval of a Construction Agreement with DDM Construction Corporation for the Timber Valley Dr and Fairfield Ln Reconstruction project, in the amount of $4,041,249.00; and authorization for the Mayor to execute same on behalf of the Town.
5. Dog Gun Investments, LLC 380 Agreement - Public Hearing to consider approval of a Chapter 380 Agreement with Dog Gun Investments, LLC for the economic development of Flower Mound, and authorization for the Mayor to execute same on behalf of Town.

L. WORK SESSION ITEM

1. Town Council Budget Work Session #1

M. 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.

N. 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. **Section 551.071: Consultation with Town Attorney**
   Consultation with Town Attorney.

   a. Reginald Rembert & Rembert Enterprises, Inc. v. Town of Flower Mound, Texas

   b. Potential Boundary Adjustment Matter

2. **Section 551.072: Deliberation Regarding Real Property**
   Discuss and consider purchase, exchange, lease or value of real property for parks, trails, cultural arts, public safety, public rights-of-way, and/or other municipal purposes, including real property located north of FM 1171 and west of US 377, and all matters incident and related thereto.
3. **Section 551.074: Personnel Matters**
   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. **Section 551.087: Deliberation Regarding Economic Development Negotiations**
   Discuss and consider economic development incentives, including retail centers, grocers, corporate relocation/expansion/retention, hospitality projects, health care facilities, construction of public improvements, requests for incentive related proposals to develop real property, and Tax Increment Reinvestment Zone (TIRZ) #1, TIRZ #2, River Walk PID No. 1, Proposed PID, MMDs, and MUDs.

O. RECONVENE

P. ADJOURN

I do hereby certify that the notice of above meeting for the Town of Flower Mound was posted at Town Hall, Town of Flower Mound, Texas, and on the Town's website in compliance with Chapter 551, Texas Government Code on May 26, 2026, by 5:00 p.m.

Traci Henderson, 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.

In accordance with section 551.043 of the Texas Government Code, the Taxpayer Impact Statement can be viewed by clicking **HERE**.

To preview upcoming items of business that may appear on future agendas click HERE.

Town Council Special Meeting - Canvass

May 13, 2026

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 6:01 p.m. with the following members present for items A.- F.:

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

The following members present for items G. - L.:

Cheryl Moore, Mayor
Adam Schiestel, Deputy Mayor Pro Tem
Chris Drew, Councilmember Place 2
Brian Taylor, Councilmember Place 3
Janvier Werner, Councilmember Place 4
Clare Harris, Councilmember Place 5

Town Staff present:

James W. Childers, Town Manager
Traci Henderson, Town Secretary
Tommy Dalton, Assistant Town Manager
John Zagurski, Chief Financial Officer
JP Walton, Strategic Services Officer

B. INVOCATION

Chaplain Wakefiled gave the invocation.

C. PLEDGES

Mayor Moore led the Pledge of Allegiance to the United States and Texas flags.

D. 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, fill out a comment form (PDF). Note:
Limited to three (3) minutes, a tone will sound at 30 seconds left and when time has expired, and times may be adjusted by the Mayor
Direct comments to the Town Council
State your name and the municipality where you reside

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

	Speaker name and municipality	Subject (as written on the form)
1.	Joseph Martin	Thank you
2.	Scott Langley	Ann Martin Outro

E. 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.

ACTION: Ann Martin moved to approve the consent agenda as written. Adam Schiestel seconded the motion.
AYES: Janvier Werner, Ann Martin, Adam Schiestel, Chris Drew, Brian Taylor
NAYS: None
ABSTAIN: None
RESULT: 5 : 0

1. Minutes - 5/4 - Consider approval of the minutes from a regular meeting held on May 4, 2026.

2. Election Canvass - Consider approval of an ordinance canvassing returns and declaring the results of a General Election held May 2, 2026, to elect Councilmember Place 2 and Place 5.

ORDINANCE NO. 13-26

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, CANVASSING RETURNS AND DECLARING RESULTS OF A GENERAL ELECTION HELD MAY 2, 2026, FOR THE PURPOSE OF ELECTING COUNCIL MEMBER PLACES 2 AND 5, OF THE TOWN OF FLOWER MOUND, TEXAS; AND PROVIDING AN EFFECTIVE DATE.

F. RECOGNITION OF AND REMARKS FROM MAYOR PRO TEM ANN MARTIN

Ann Martin offered remarks and her gratitude regarding her service and time on Town Council.

Mayor Moore and Town Council offered meaningful remarks recognizing and thanking outgoing Councilmember Ann Martin for her service and dedication.

G. ADMINISTER STATEMENT OF OFFICER, OATH OF OFFICE FOR RE-ELECTED AND NEWLY ELECTED OFFICIALS AND ISSUE CERTIFICATES OF ELECTION

1. Administer Statement of Officer and Oath of Office to re-elected Councilmember Place 2, Chris Drew and issue Certificate of Election.

   Town Secretary, Traci Henderson, administered the Statement of Officer and Oath of Office to Chris Drew, Place 2. Mayor Moore issued the Certificate of Election as required by law.

2. Administer Statement of Officer and Oath of Office to newly elected Councilmember Place 5, Clare Harris, and issue Certificate of Election.

   Town Secretary, Traci Henderson, administered the Statement of Officer and Oath of Office to Clare Harris, Place 5. Mayor Moore issued the Certificate of Election as required by law.

   Mayor Moore recessed the meeting at 6:33 p.m.

H. REMARKS FROM COUNCILMEMBER DREW AND COUNCILMEMEBER HARRIS

Mayor Moore reconvened the meeting at 6:38 p.m.

Councilmember Chris Drew and Councilmember Clare Harris provided brief comments regarding their election to office and noted they look forward to serving the Town.

The Mayor and Town Council extended congratulatory remarks to Councilmember Chris Drew and Councilmember Clare Harris, recognizing their achievements and expressing the anticipated collaboration for the benefit of the Town.

I. 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, 551.074, for consultation with Town Attorney, and to discuss matters relating to personnel. 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.

Mayor Moore announced that the Town Council is convening into a closed meeting at 6:52 p.m., pursuant to Texas Government Code Chapter 551, including, but not limited to, Section 551.074.

1. Discuss and consider election of Mayor Pro Tem; Deputy Mayor Pro Tem

J. RECONVENE

The Town Council reconvened into the open meeting at 6:55 p.m. The following action was taken as a result of closed meeting.

ACTION:	Janvier Werner moved to elect Adam Schiestel to serve as Mayor Pro Tem. Chris Drew seconded the motion.
AYES:	Janvier Werner, Clare Harris, Adam Schiestel, Chris Drew, Brian Taylor
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

ACTION:	Janvier Werner moved to elect Brian Taylor to serve as Deputy Mayor Pro Tem. Clare Harris seconded the motion.
AYES:	Janvier Werner, Clare Harris, Adam Schiestel, Chris Drew, Brian Taylor
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

K. COORDINATION OF CALENDARS

Mayor Moore confirmed that all Councilmembers plan to be at the following meetings:

1. May 18 - Regular Meeting

2. May 21 - Work Session

L. ADJOURN

Mayor Moore adjourned the meeting at 6:57 p.m.

TOWN OF FLOWER MOUND, TEXAS

____

CHERYL MOORE, MAYOR

ATTEST:

____

TRACI HENDERSON, TOWN SECRETARY

Town Council Regular Meeting

May 18, 2026

Town Hall
2121 Cross Timbers Road
Flower Mound, TX 75028

6:00 p.m.

DRAFT MINUTES

A. CALL TO ORDER

Mayor Moore with the assistance of Sitara Prasad, called the meeting to order at 6:00 p.m. with the following members present:

Cheryl Moore, Mayor
Adam Schiestel, Mayor Pro Tem
Brian Taylor, Deputy Mayor Pro Tem
Chris Drew, Councilmember Place 2
Janvier Werner, Councilmember Place 4
Clare Harris, Councilmember Place 5

Town Council member(s) absent:

Town Staff present:

James W. Childers, Town Manager
Bryn Meredith, Town Attorney
Traci Henderson, Town Secretary
Tommy Dalton, Assistant Town Manager
Tiffany Bruce, Assistant Town Manager/Town Engineer
Lexin Murphy, Director of Development Services
John Zagurski, Chief Financial Officer
JP Walton, Chief Strategic Officer

B. INVOCATION

Chaplain Wakefield gave the invocation.

C. PLEDGES

Mayor Moore with the assistance of Sitara Prasad, led the Pledge of Allegiance to the United States and Texas flags.

D. PRESENTATION(S)

1. Proclamation for Mental Health Awareness Month

   Mayor Moore with the assistance of Sitara Prasad recited the proclamation and presented it to Kirk VanHousen and Pam Gutierrez with Denton County MHMR.

2. Proclamation National Safe Boating Week

   Mayor Moore with the assistance of Sitara Prasad recited the proclamation and presented it to Eric Gunn, U.S. Coast Guard Auxillary, Grapevine.

3. Proclamation for Public Works Week

   Mayor Moore with the assistance of Sitara Prasad recited the proclamation and presented it to Director of Public Works, Brian Waltenburg and many public works staff.

4. Retirement Certificate Presentation Flower Mound Chamber of Commerce

   Mayor Moore with the assistance of Sitara Prasad acknowledged contributions to the Town and presented the certificate to Cindi Howard. Kelly Heslep was unable to attend.

5. The Summit Club and Flower Mound Firefighters Foundation donation to the restoration of retired Fire Engine 343.

   Summit Club representative Bryan Webb and many other Summit Club members presented the proclamation to Julian Pastrana of the Flower Mound Firefighters Foundation.

E. PUBLIC COMMENT

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- Limited to three (3) minutes, a tone will sound at 30 seconds left and when time has expired, and times may be adjusted by the Mayor
- Direct comments to the Town Council

- State your name and the municipality where you reside

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

	Speaker name and municipality	Subject (as written on the form)
1.	Fred Vincent	Environmental
2.	Bentley Ford	Chamber of Commerce
3.	Elizabeth Miller	Girl Scout Silver Award Project
4.	Jacque Narrell	Historical Commission Appointment

F. ANNOUNCEMENTS

1. Announcements from the mayor and council members

Chris Drew
Kids Fishing Derby May 23, 8:00 a.m. to 11:00 a.m. at Rheudasil Park
Concert in the Park, May 22. 7:00 p.m. at Heritage Park
Memorial Day Ceremony, May 25, 9:00 a.m. at Flower Mound Senior Center
Spring Jubilee, May 30, 10:00 a.m. to 2:00 p.m. at Gibson Grant Log House

G. TOWN MANAGER'S REPORT

1. Capital Improvement Projects

2. Economic Development Projects

3. Organizational Updates

a. National EMS Week, May 17–23, 2026.

James W. Childers, Town Manager, shared that the week of May 17-23 is National EMS Week with a theme of Improving Outcomes Together and highlighting the amazing work regarding our EMS response.

b. GFOA Distinguished Budget Presentation Award

Mr. Childers shared that for the 34th straight year, the Town of Flower Mound received the Distinguished Budget Presentation Award from the Government Finance Officers Association. Mr. Childers recognized the hard work that staff does each year.

c. Art Center Update

Mr. Childers gave a presentation identifying or noting:

Finalizing pre-design phase; focused on business and operations plan; meetings with key stakeholders; new arts foundation support; and providing deliverables to council in July.

Mr. Childers also spoke to the Mental Health Month Proclamation and Grant Program opportunities.

Mr. Childers stated that staff will assist Ms. Miller (spoke during public comments) with her Girl Scout Silver Award project.

Lastly, Mr. Childers shared that the Town Council Meeting streaming is down this evening.

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).

Janvier Werner requested Denton County Central Appraisal District (DCAD) provide education around notification and content changes to Flower Mound residential appraisals.

I. COORDINATION OF CALENDARS

Mayor Moore confirmed that all Council members plan to be at the following meetings:

1. May 21 - Board & Commission Reporting

2. June 1 - Regular Meeting

3. June 11 - 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.

ACTION:	Adam Schiestel moved to approve consent agenda items 1-4. Janvier Werner seconded the motion.
AYES:	Janvier Werner, Adam Schiestel, Chris Drew, Brian Taylor, Clare Harris
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

1. Samsara 3-year licensing contract - Consider approval of the purchase of a 3-year licensing contract paid annually for Samsara vehicle asset gateways, a vehicle telematics/GPS solution for a 3-year total cost of $223,611.84 utilizing Sourcewell Contract # 102924-SAM.

2. Animal Services 2026 Ford F250 - Consider approval of purchasing one(1) 2026 Ford F250 for Animal Services from Sam Packs Five Star Ford in the amount of $71,915.24 utilizing BuyBoard Contract #724-23.

3. Fire Station #6 - PSA for Material Testing - Consider approval of a Professional Services Agreement with ECS Southwest, LLP for the material testing services associated with Fire Station #6, in the amount of $99,385,00; and authorization for the Mayor to execute same on behalf of the Town.

4. Consider approval of ordinance to appoint Alternate Judge Cynthia Burkett. - Consider approval of an ordinance to appoint Alternate Municipal Judge Cythia Burkett for the period of May 18, 2026, through May 17, 2028.

   ORDINANCE NO. 14-26

   AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS APPOINTING AN ALTERNATE JUDGE OF THE MUNICIPAL COURT OF RECORD IN THE TOWN OF FLOWER MOUND; PROVIDING THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

K. REGULAR ITEM(S)

Mayor Moore announced that the Town Council is convening into a closed meeting at 6:47 p.m., pursuant to Texas Government Code Chapter 551, Section 551.087.

The Town Council reconvened into the open meeting at 7:00 p.m.

1. Prologis 380 Agreement - Public Hearing to consider approval of a Chapter 380 Agreement with Prologis for the economic development of Flower Mound, and authorization for the Mayor to execute same on behalf of Town.

   Ray Watson, Director of Economic Development, gave a presentation identifying or noting:

   Site photos; renderings; project overview; incentives requested; and cost benefit analysis.

   Town Council and staff discussed moving forward without the agreement.

   Mayor Moore opened the public hearing.

   All municipalities are located in Flower Mound unless otherwise indicated.

	Speaker name and municipality	Subject (as written on the form)
1.	Fred Vincent	Economic Development

   There being no one else wishing to speak, Mayor Moore closed the public hearing.

ACTION:	Adam Schiestel moved to approve K.1 as presented. Chris Drew seconded the motion.
AYES:	Janvier Werner, Adam Schiestel, Chris Drew, Brian Taylor, Clare Harris
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

2. MPA26-0001 – Economic Development - Public Hearing to consider an ordinance amending the Master Plan (MPA26-00001 – Economic Development) to amend Section 10.0 – Economic Development Plan, of the Master Plan.

   Ray Watson, Director of Economic Development, gave a presentation identifying or noting:

   Overview and plan goals.

   Town Council and staff discussed sales tax, 2024 to 2026 differences.

   Mayor Moore opened the public hearing. There being no one wishing to speak, Mayor Moore closed the public hearing.

ACTION:	Brian Taylor moved to approve K.2 as presented. Chris Drew seconded the motion.
AYES:	Janvier Werner, Adam Schiestel, Chris Drew, Brian Taylor, Clare Harris
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

ORDINANCE NO. 15-26

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING THE FLOWER MOUND 2011 MASTER PLAN BY AMENDING ORDINANCE NO. 26-11, WHICH ADOPTED THE MASTER PLAN, BY REPEALING AND REPLACING SECTION 10.0, "ECONOMIC DEVELOPMENT PLAN;" PROVIDING THIS ORDINANCE IS CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

3. SSP25-0007 - Solinski Enterprises - Consider a request for a Subdivision Site Plan (SSP25-0007 – Solinski Enterprises) to approve infrastructure for a non-residential subdivision with an exception to the access management policy and criteria, regarding driveway spacing, contained in the Town's Engineering Design Criteria and Construction Standards adopted through Chapter 32 of the Code of Ordinances. The property is generally located south of Spinks Road and west of Gerault Road. (PZ recommended approval by a vote of 6 to 0 at its May 11, 2026, meeting.)

Lexin Murphy, Director of Development Services, gave a presentation identifying or noting:

General and detailed site location photos; land use and zoning; subdivision site plan; exception request; site photos; and landscape plan.

Applicant Representative, Daniel Sterwart, Civil Engineer with Development Engineering Consultants, gave a presentation identifying or noting:

Truck turn analysis and anticipated vehicle traffic.

Town Council and staff discussed truck routes and U-turns.

ACTION:	Brian Taylor moved to approve K.3 as presented. Clare Harris seconded the motion.
AYES:	Janvier Werner, Adam Schiestel, Chris Drew, Brian Taylor, Clare Harris
NAYS:	None
ABSTAIN:	None

RESULT:	5 : 0

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.

1. Denco 9-1-1 Board of Managers - Consider a nomination letter to the Denco Area 9-1-1 District Board of Managers.

ACTION:	Adam Schiestel moved Move to appoint Patrick Martin to the Historical Commission, Place 5, with a term beginning May 19, 2026, during the Historical Commission Meeting held on May 19, 2026, and ending September 30, 2027. Janvier Werner seconded the motion.
AYES:	Janvier Werner, Adam Schiestel, Chris Drew, Brian Taylor, Clare Harris
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

L.1

Town Secretary, Traci Henderson, presented the item.

ACTION:	Adam Schiestel moved to submit Ann Martin as a nominee to be considered to serve on the DENCO 911 District Board of Managers. Clare Harris seconded the motion.
AYES:	Janvier Werner, Adam Schiestel, Chris Drew, Brian Taylor, Clare Harris
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

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.

Mayor Moore announced that the Town Council is convening into a closed meeting at 7:29 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. **Section 551.071: Consultation with Town Attorney**
   Consultation with Town Attorney.

   a. Reginald Rembert & Rembert Enterprises, Inc. v. Town of Flower Mound, Texas

   b. Potential Boundary Adjustment Matter

2. **Section 551.072: Deliberation Regarding Real Property**
   Discuss and consider purchase, exchange, lease or value of real property for parks, trails, cultural arts, public safety, public rights-of-way, and/or other municipal purposes, including real property located north of FM 1171 and west of US 377, and all matters incident and related thereto.

3. **Section 551.074: Personnel Matters**
   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. **Section 551.087: Deliberation Regarding Economic Development Negotiations**
   Discuss and consider economic development incentives, including retail centers, grocers, corporate relocation/expansion/retention, hospitality projects, health care facilities, construction of public improvements, requests for incentive related proposals to develop real property, 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 the open meeting at 8:29 p.m.; There was no action taken as a result of the closed meeting.

O. ADJOURN

Mayor Moore adjourned the meeting at 8:29 p.m.

TOWN OF FLOWER MOUND, TEXAS

____

CHERYL MOORE, MAYOR

ATTEST:

____

TRACI HENDERSON, TOWN SECRETARY

Town Council Work Session

May 21, 2026

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
Adam Schiestel, Mayor Pro Tem
Brian Taylor, Deputy Mayor Pro Tem
Chris Drew, Councilmember Place 2
Janvier Werner, Councilmember Place 4
Clare Harris, Councilmember Place 5

Town Council member(s) absent:

Town Staff present:

Traci Henderson, Town Secretary
Tommy Dalton, Assistant Town Manager
JP Walton, Chief Strategic Officer

B. 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, fill out a comment form (PDF). Note:

- Limited to three (3) minutes, a tone will sound at 30 seconds left and when time has expired, and times may be adjusted by the Mayor
- Direct comments to the Town Council
- State your name and the municipality where you reside

All municipalities are located in Flower Mound unless otherwise indicated.

	Speaker name and municipality	**Subject (as written on the form)**
1.	Marilyn Lawson	Memorial Day on Mound

C. WORK SESSION ITEM(S)

The following Boards, Commissions, or Committees to provide status update reports relative to their duties and responsibilities and receive feedback from Town Council:

1. Cultural Arts Commission

Liz Brannon, Chair, provided a report on the work of the Cultural Arts Commission, and responded to questions or comments from Town Council regarding:

- Traffic Signal Box Art Project
- Public engagement for Public Art Wall
- School Student Participation

2. Environmental Conservation Commission

Marilyn Lawson, Chair, and Alton Bowman, Vice-Chair, provided a report on the work of the Environmental Conservation Commission, and responded to questions or comments from Town Council regarding:

- Certified Wildlife Program
- Habitat Program
- No Mow Zones
- The Flower Mound seeding
- Eyeglass Collection
- Green Waste Awareness
- Acorns to Post Oaks Program

3. Historical Commission

Jacque Narrell,Chair, provided a report on the work of the Historical Commission, and responded to questions or comments from Town Council regarding:

- Acknowledgment of quality of speakers at Historical Commission meetings
- Gratitude for keeping history alive in Flower Mound

4. Parks Board

Teresa Thomason, Chair, provided a report on the work of the Parks Board, and responded to questions or comments from Town Council regarding:

- Resolution of Football League concerns
- Working with other Boards and Commissions for park naming opportunities

5. School Liaison Committee

Carey Turner, Chair, provided a report on the work of the School Liaison Committee, and responded to questions or comments from Town Council regarding:

- Tour of Tech West/ The Moore you Know collaboration
- Committee tie-in to Lewisville ISD Board meetings and attendance
- Reaching out to Argyle ISD

6. Transportation Commission

Chris Reed, Chair, provided a report on the work of the Transportation Commission, and responded to questions or comments from Town Council regarding:

- Streetlight locations
- Light pollution
- Industry advancements in streetlight timing
- Sidewalks and Trail System

7. Veterans Liaison Board

Michael Saddler, Place 1, Charlene Matthews, Place 4, and Richard Crossley, Place 3, provided a report on the work of the Veterans Liaison Board, and responded to questions or comments from Town Council regarding:

- Peter Colony Memorial Park Opening

- Certificates of Appreciation presented to Flower Mound residents with mobility issues
- Flower Mound High School Veteran's Event

8. Animal Services Board

Beth Soderberg, Chair, provided a report on the work of the Animal Services Board, and responded to questions or comments from Town Council regarding:

- Increased involvement of the board
- Success of educational offerings

D. ADJOURN

Mayor Moore adjourned the meeting at 7:43 p.m.

TOWN OF FLOWER MOUND, TEXAS

____

CHERYL MOORE, MAYOR

ATTEST:

____

TRACI HENDERSON, TOWN SECRETARY

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

DATE: June 1, 2026
FROM: Matthew Hotelling, Assistant Director of Public Works/Transportation
ITEM: **Consider approval of an ordinance amending Exhibit A of Ordinance 48-21, Speed Limit Ordinance Clean up, in order to add new Residential Streets and various other clean up items.**

BACKGROUND: On November 15, 2021, Town Council approved an ordinance change relating to the prima facie speed limit of streets within the Town of Flower Mound to 25 mph. Prior to this date, the Town's previous policy was to change locations within 1/4 mile of a school or major street construction project with other streets eligible through an exception process. Prior to November 2021, the prima facie speed limit for residential streets was 30 mph. Since each street must be listed in the ordinance, new residential subdivision street names must be added in order to keep the 25 mph residential speed limit.

The Transportation Commission (TRC) made a recommendation in October 2020 for residential streets to be lowered to 25 mph from the prima facie state law speed limit of 30 mph. The delay from October 2020 to November 2021 was due to the Texas State Legislature, which had introduced a bill to lower the state law prima facie speed limit to 25 mph which would have removed the need for Town Council to act on this measure. The bill ultimately did not pass the state legislature. Therefore, TRC's recommendation was brought forward to Town Council along with a policy change. The policy change is for locations that want to increase the residential speed limit up to 30 mph would follow the same process as before to lower the speed limit.

At the end of the 2024-2025 Lewisville Independent School District (LISD) school year, the decision was made to make both school boundary changes and to close Garden Ridge Elementary School (GRES). With the closing of GRES, there was no longer a need for the school zone along Garden Ridge south of Forest Vista nor along Paisley Drive. Those school zones are recommended for removal. Furthermore, the boundaries for both Lamar Middle School and Downing Middle School changed. With that change, Morriss Road became the new school boundary between the two schools. The school zone at the intersection of Morriss Road and College Parkway was for Lamar Middle School. Since the change, no crossing guard is at this location because there is no longer a need for school aged children for middle school to cross this intersection. Therefore, the school zone in all four directions surrounding this intersection is recommended for removal.

Finally, there were a number of clean up items from either typos or street name change in the original Ordinance 48-21. The street name change was the change between Kirkpatrick Lane and Voyager Lane. The changes for typos include Hickory to Hickory Drive; Cherokee Trail to Cherokee Path; removal of Kirkpatrick Road (east and west bound) in its entirety because of the change to Voyager Lane street name change; and Oak Brook Place because it is a private street.

BOARD REVIEW/CITIZEN FEEDBACK: The Transportation Commission (TRC) made the initial recommendation for the lowering of the residential speed limit to 25 mph. TRC was involved in street name changes for existing streets as spelled out in Section 90-320 in the code of ordinances.

ALTERNATIVES: N/A

FISCAL IMPACT: As new residential subdivisions go through the development process, the developments are responsible for the new speed limit signage. Town takes over normal maintenance after the subdivision has been accepted. Voyager Lane is all within a school zone and intersection street names have been changed. Hickory Drive and Cherokee Path have no changes that need to be made in the field.

STRATEGIC GOAL:

LEGAL REVIEW: Eric Garza, of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the ordinance as to form and legality.

ATTACHMENTS:
1. Draft Speed Limit Ordinance Clean Up

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 CHAPTER 66, "TRAFFIC AND VEHICLES," ARTICLE V, "SPEED LIMITS" OF THE CODE OF ORDINANCES, TOWN OF FLOWER MOUND, TEXAS, BY AMENDING SECTION 66-214(B) TO AMEND EXHIBIT A, "LIST OF ENUMERATED STREETS" TO ESTABLISH A PRIMA FACIE MAXIMUM SPEED LIMIT WHICH IS REASONABLE AND SAFE ON PORTIONS OF CERTAIN ROADWAYS IN THE TOWN BY ADDING SIXTY-TWO STREETS; BY REMOVING FOUR REDUCED SCHOOL ZONE SPEED LIMITS; BY REMOVING TWO STREETS; BY CHANGING THE STREET NAME OF FIVE STREETS; PROVIDING A CUMULATIVE CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATIONS HEREOF; PROVIDING FOR PUBLICATION; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, Section 545.356 of the Texas Transportation Code authorizes a municipality to establish prima facie maximum reasonable and prudent speeds for vehicles on streets and highways within the corporate boundaries; and,

WHEREAS, the Texas Department of Transportation has conducted an engineering and traffic investigation and study to determine a prima facie maximum speed limit which is reasonable and safe on portions of certain roadways that are the subject of this Ordinance; and,

WHEREAS, the Town Council hereby finds and determines based upon said engineering and traffic investigation and study that the speed limits in the affected areas established herein are reasonable and safe and the Town Council hereby declares that the speed limits in the affected areas should be those set out herein; and,

WHEREAS, the Town Council finds and determines that the adoption of this Ordinance is in the best interests of and necessary to protect the health, safety, and welfare of the public.

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

Chapter 66, "Traffic and Vehicles," Article V, "Speed Limits," of the Code of Ordinances, Town of Flower Mound, Texas is hereby amended by amending Section 66-214(b) to amend Exhibit "A" to add the following streets in alphabetical order:

Location	Speed (mph)
Angelou Circle	25
Asgard Court	25
Ashbrook Avenue	25
Birchview Drive	25
Bryan Court	25
Centerfield Drive	25
Clearview Boulevard	25
Cottagebrook Lane	25
Crystalbrook Drive	25
Cypress Ridge Way	25
Dappledbrook Avenue	25
Denton Creek Boulevard from approximately 270 feet south of Dolan Falls Drive to approximately 215 feet northwest of Prairie Ridge Road when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session.	20
At All Other Times It Shall Be:	30
Dickinson Drive	25
Dublin Drive	25
Fernbrook Court	25
Fernwood View	25
Foxwood Way	25
Glistening View Way	25
Goldenbrook Way	25
Gosling Cove	25
Hickory Drive	25
Hilltop Brook Road	25
Idus Bryant Trail	25

Indian Trail	25
Ivybrook Way	25
Jordan Circle	25
King Eric Trail	25
Kirkpatrick Lane (north and south bound	40
Lake Forest Boulevard south of Aberdeen Drive	25
Lakehurst Drive	25
Lakemont Drive	25
Legacy Park	25
Lessig Lane	25
Long Ship Lane	25
Mapleview Avenue	25
Midgard Drive	25
Morningstar Brook Way	25
Northshore Boulevard, approximately 1,000 feet east of FM 2499 to Hill Ridge Drive	25
Olin Circle	25
Pebbleview Lane	25
Plath Lane	25
Quietbrook Place	25
Scalzi Circle	25
Shady Oak Drive	25
Shady Trail	25
Silverbrook Path	25
Skyview Lane	25
Spring Meadow Lane	25
Stonemill Road	25
Sullivan Lane	25
Sunset Brook Road	25
Sweet Roxie Lane	25
Trillium View	25
Tulip Trail	25
Valkyrie Sky Road	25
Valleybrook Avenue	25
Violet Terrace	25
Wayfinder Road	25
Weir Way	25
Wildflower Rook Drive	25
World Tree Way	25

SECTION 3

Chapter 66, "Traffic and Vehicles," Article V, "Speed Limits," of the Code of Ordinances, Town of Flower Mound, Texas is hereby amended by amending Section 66-214(b) to amend Exhibit "A" to remove the following reduced school speed zones for the listed street sections in alphabetical order and to replace with the current speed limit during other times of the day for each respective street:

Location	Speed (mph)
College Parkway from approximately 200 feet west of Morriss Road to Morriss Road when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session.	20
College Parkway from Morriss Road to approximately 200 feet east of Morriss Road when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session.	20
Garden Ridge Road from approximately 60 feet south of Newport Drive to approximately 35 feet north of Saddleback Lane when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session.	20
Morriss Road from Woodview Drive to Morriss Court when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session.	20

SECTION 4

Chapter 66, "Traffic and Vehicles," Article V, "Speed Limits," of the Code of Ordinances, Town of Flower Mound, Texas is hereby amended by amending Section 66-214(b) to amend Exhibit "A" to remove the following streets:

Location	Speed (mph)
Kirkpatrick Road (east and west bound)	30
Oak Brook Place	25

SECTION 5

Chapter 66, "Traffic and Vehicles," Article V, "Speed Limits," of the Code of Ordinances, Town of Flower Mound, Texas is hereby amended by amending Section 66-214(b) to amend Exhibit "A" to change the name of the respective streets to the new name specified herein and for these entries to be placed in alphabetical order by the new name:

Previous Street Name	New Street Name	Speed (mph)
Cherokee Trail.	Cherokee Path	20
Hickory	Hickory Drive	25
Kirkpatrick Lane from Garden Ridge Boulevard to approximately 900 feet west of Wager Road when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session.	Voyager Lane from Garden Ridge Boulevard to approximately 900 feet west of Wager Road when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session.	20
	At all other times shall be:	30

SECTION 6

The revised Exhibit "A," as amended in this Ordinance, shall be kept on file with the Office of the Town Secretary as required by Section 66.214 of the Code of Ordinances, Town of Flower Mound, Texas.

SECTION 7

The speed limits set forth herein are effective when the Town Manager, or his designee, erects signs giving notice of the new speed limits. The Town Manager is directed to take such action necessary to ensure that such new speed limit signs are erected and installed.

SECTION 8

This Ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances, Town of Flower Mound, Texas, as amended, except when the provisions of this Ordinance are in direct conflict with the provisions of such ordinances and such code, in which event the conflicting provisions of such ordinances and such code are hereby repealed.

SECTION 9

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

SECTION 10

Any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be guilty of a misdemeanor and upon conviction shall be punished by a fine in accordance with Section 1-13 of the Code of Ordinances of the Town of Flower Mound. Each day any such violation exists or continues shall constitute a separate offense and shall be punishable as such.

SECTION 11

All rights and remedies of the Town are expressly saved as to any and all violations of the provisions of the Code of Ordinances, Town of Flower Mound, Texas, or any ordinances governing the matters addressed herein that have accrued at the time of the effective date of this Ordinance. As to such accrued violations and all pending litigation, whether civil or criminal, both under such ordinances, the same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

SECTION 12

The Town Secretary of the Town of Flower Mound is hereby directed to publish the caption of this Ordinance 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 13

This Ordinance shall be in full force and effect from and after the date of its passage and publication as required by law, and it is so ordained.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF ___ TO ___, ON THIS THE _____ DAY OF JUNE, 2026.

APPROVED:

____

Cheryl Moore, MAYOR

ATTEST:

____

Traci Henderson, TOWN SECRETARY

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

DATE: June 1, 2026
FROM: John Habern, Park Development Manager
ITEM: **Consider approval of Professional Services Agreement with Nathan D. Maier Consulting Engineers, Inc., for the design services associated with the Justin Road Trail Improvements Project, in the amount of $108,473.00; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND: This item is to enter into a Professional Services Agreement with Nathan D. Maier Consulting Engineers, Inc., for the design work associated with Town Trail improvements along FM 407 (Justin Road). The design will include a topographic survey, deed research, easement documents, drainage analysis, and preparation of permit-level construction drawings for approximately 3,300 linear feet of new 8-foot Town Trail along the southern side of FM 407, extending from Stone Hill Farms Road to Meadow View.

If approved, this agreement would provide for the full design and construction plans for the Justin Road Trail Improvements project that will be used for the construction of the project. This is one of the projects included in the 2025 Bond, which was approved by the voters in May 2025.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: A decision not to approve the Professional Services Agreement would result in existing 4-foot and 6-foot sidewalk segments along Justin Road remaining in place, leaving this portion of Master Planned Trail non-conforming with our Trails Master Plan.

FISCAL IMPACT: $108,473.00

Proposed Expenditure/(Revenue)	**Account Number(s):**
$108,473.00	537-110-XXXXX-621

STRATEGIC GOAL:

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. Professional Service Agreement
2. Form 1295

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

THE STATE OF TEXAS §
COUNTY OF DENTON §

PROFESSIONAL SERVICES AGREEMENT WITH NATHAN D. MAIER

This contract is entered into on this 1st day of June, 2026, 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 **Nathan D. Maier Consulting Engineers, Inc.,** ("hereinafter referred to as "CONSULTANT") whose address is 12801 N Central Expressway, Suite 1710 Dallas, Texas 75243.

RECITALS

WHEREAS, TOWN desires to obtain professional services from CONSULTANT relative to surveying, design and providing construction documents for the Justin Road Trail Improvements project; and

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

TERMS OF AGREEMENT

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

I.
Employment of Consultant

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

II.
Scope of Services

CONSULTANT shall perform such services as are necessary to provide services for the Justin Road Trail Improvements 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 One Hundred Eight Thousand four hundred seventy-three and No/100 Dollars ($108,473.00). This total payment for services includes CONSULTANT's ordinary expenses. Additional expenses and charges, which are extraordinary in nature, must be approved in advance by TOWN in writing signed by the parties. Such extraordinary expenses may be paid as incurred and billed to the TOWN pursuant to this Contract over and above the total payment amount identified in this provision. Any extraordinary expenses or charges not approved in writing in advance by the TOWN shall remain the sole responsibility of the CONSULTANT. If CONSULTANT retains any subcontractors to perform any of the work, CONSULTANT acknowledges that payments to such subcontractors are due and payable in accordance with the provisions of Texas Government Code Section 2251.022, and that interest on unpaid and overdue amounts shall accrue in accordance with Texas Government Code Section 2251.025.

CONSULTANT will bill TOWN on a lump sum basis 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 supporting the percentage for which payment is sought by CONSULTANT during the previous month for which payment is sought. Each invoice shall also state the percentage of work completed on the Project, the total of the current invoice amount and a running total balance for the Project to date.

Assuming that TOWN agrees with the invoice, that TOWN has not determined any of the work to be unsatisfactory, or that TOWN otherwise does not dispute any of the amounts billed, TOWN shall make payments in the amount shown by CONSULTANT's approved monthly statements and other documentation submitted in compliance with the Texas Prompt Payment Act, Texas Government Code Chapter 2251.

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

IV.
Revisions of the Scope of Services

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

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

V.
Term

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

VI.
Contract Termination Provision

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

VII.
Ownership of Documents

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

Vendor agrees they will not use the Town's data for AI purposes and will disclose if they submit documents to the Town that include AI generated statements. This includes proposals/bid submittals.

VIII.
Insurance

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

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

Town of Flower Mound
2121Cross Timbers Road
Flower Mound, TX 75028
Email: purchasing@flowermound.gov

The following policies and coverage shall be required:

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

2. Commercial General Liability Insurance including, but not limited to, Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractor's and Contractual Liability, including but not limited to coverage for all of the indemnification obligations of CONSULTANT under this Contract, and fully insuring CONSULTANT's liability for injury to or death of employees of TOWN and of third parties, extended to include personal injury liability coverage and for damage to property of third parties, with minimum combined single limits of $1,000,000 per occurrence, $1,000,000 Products/Completed Operations Aggregate and $1,000,000 general aggregate per occurrence. Coverage must be written on an occurrence form. The General Aggregate shall apply on a per project basis;

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

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

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

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

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

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

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

   John Habern
   Park Development Manager
   Town of Flower Mound
   2121 Cross Timbers Road
   Flower Mound, Texas 75028
   972-874-6343 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 sub-contractor involving transactions to the subcontract, and further, that TOWN shall have access during normal working hours to all such engineer or sub-contractor facilities and shall be provided adequate and appropriate work space, in order to conduct audits in compliance with the provisions of the paragraph. TOWN shall give any such engineer or sub-contractor reasonable advance notice of intended audits.

X.
Successors and Assigns

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

XI.
CONSULTANT's Liability

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

XII.
Indemnification

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

PERFORMANCE OF THIS CONTRACT, REGARDLESS OF WHETHER SUCH LIABILITY, CLAIMS, SUITS, DEMANDS OR CAUSES OF ACTION IS THE RESULT IN PART OF TOWN'S NEGLIGENCE OR FAULT, AND CONSULTANT WILL, AT ITS OWN COST AND EXPENSE, DEFEND AND PROTECT TOWN AGAINST ANY AND ALL SUCH CLAIMS AND DEMANDS, 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 CONSULTANT 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:

John Habern
Park Development Manager
Town of Flower Mound
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874-6343 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:

Julie Jones, PE, CFM
Director of Water Resources
Nathan D. Maier Consulting Engineers, Inc.
12801 N. Central Expressway, Suite 1710
Dallas, Texas 75243
214-739-4741, extension 213
jjones@ndmce.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.

[Signature Page to Follow]

AGREED AND SIGNED by the authorized representatives of the Parties hereto on the dates indicated below.

CONSULTANT: **NATHAN D. MAIER** **CONSULTING ENGINEERS, INC.**	**THE TOWN OF FLOWER MOUND, TEXAS**
By: ________________________	By: ___________________________
Name: Gary Dreighton, PE_____	Name: _________________________
Title: Vice President__________	Title: __________________________
Dated: 5/4/2026_______________	Dated: _________________________

ATTACHMENT A

SCOPE OF SERVICES

PROJECT NAME: Justin Road Trail Improvements

PROJECT UNDERSTANDING

The project is approximately 3,300 feet of proposed sidewalk along FM 407, Justin Road, and extends from Stone Hill Farms Road to Meadow View as shown in Exhibit 1. The design will include improvements to the southern side of FM 407 to install sidewalk/trail to fill existing gaps. The plans will be used by the Town of Flower Mound to obtain permits from TxDOT for construction of the sidewalks.

SCOPE OF PROFESSIONAL SERVICES

TASK ONE: SURVEY

1. Research

   A. Conduct deed research of adjacent properties on southern edge of ROW to identify existing ROW (for approximately eight tracts).

2. Site Surveying

   A. Horizontal and vertical project control tied to the Town's Geodetic Control Network will be established for approximately 3,300 linear feet along FM 407 and Stone Hill Farm Road.

   B. Full topographic surveys of the project limits will be performed from the existing southern curb of FM 407 to the edge of parking lot of the adjacent properties in order to provide adequate ground ties for the proposed improvements. Along Stone Hill Farm Road full topographic survey will be performed from the east curb to the adjacent wall/landscape area. The topographic survey will include ties to all visible features and break lines including franchise and Town utilities, overhead utility lines, appurtenances and flow lines, drainage structures and flow lines, tress 6" in diameter or greater, landscaped areas, bushes, shrubs, mailboxes, driveways, retaining walls, signs, curb lines, edges of pavement, flumes, gutters, sidewalk, pedestrian ramps, fences, and gates. The topographic survey will be included in a base map to be used for design purposes.

   C. Property corner monuments along the southern right-of-way will be field located and tied for adjoining properties. NDM will provide and coordinate right-of-entry for this task. The Town will assist in finding contact information.

3. Survey Guidelines and Exclusions

   A. Site coordination system will be the Texas Coordinate System of 1983 North Central Zone (4202 and tied to the Town's Geodetic Control Network and adjusted to surface based on scale factors listed in the Town's Geodetic Control Network.

   B. Elevation datum for site benchmarks will be NAVD 88 established with WDS RTK Network.

C. Property base map will determine right of way lines and southern/eastern adjacent property lines as they intersect the right of way.

D. No right of way strip map (signed & sealed final) is included in this estimate.

E. No time has been included for calculating, preparing plots or setting boundary corners monuments on any of the involved properties other than ROW dedications prepared by NDM.

F. Location of existing easements is limited to information provided by the client such as title commitments, surveys, plats or easement instruments and/or those incidentally discovered during property research; no time has been included for abstracting properties or research of existing easements beyond this.

G. No Town or County filing fees are included in this estimate.

H. Topographic survey includes visible and apparent utilities, improvements, structures, and trees six inches (in diameter) and above.

TASK TWO: DESIGN

PLAN DESIGN (PERMIT LEVEL CONSTRUCTION DWGS)

The general objective for this work is to prepare plans for the Town to receive TxDOT construction permits. NDM will prepare plans designed in accordance with the Town of Flower Mound Design Criteria Manual. All plans, details, specifications and contract documents, surveys, maps and documents will be produced in AutoCAD format and a copy of the design files will be provided to the Town electronically in that format as well as in .pdf or .tif format. The following are the anticipated specific components of the plan set:

1. Cover Sheet: Provide a description of the improvements, sheet index, client name, consultant information, etc.

2. General Notes Sheet: Provide standard information to contractor and parameters of the project.

3. Typical Sections: Proposed typical sections will be developed for the sidewalk segment. The typical sections will illustrate grading preferences. The typical section will be an 8’ section and two 4’ sections can be used in areas where it is not feasible for one 8’ trail.

4. Demolition and Protection Plans: Identify and document all existing elements that are to be demolished or protected as part of project implementation. This will utilize the existing conditions survey.

5. Sidewalk and Grading: The sidewalk geometry for the project will be developed based on the Town of Flower Mound design standards & criteria and to match existing conditions. NDM will provide plan sheets showing proposed sidewalk alignment and grading including locations of short retaining walls and curb ramps.

   The sidewalks will be provided along the southern side of FM 407. Curb ramps and pedestrian crossings will be provided across the existing commercial driveways. Driveway crossings will be evaluated for the need of curb ramps. Coordination with the Texas Department of Licensing and Regulation (TDLR) will be provided by the Town regarding project concurrence with TDLR or ADA standards.

6. Utility and Regulatory Coordination and Plans:

   A. Utility Locations: Proposed plans will show the schematic location, alignment, and grade of each public or private utility crossing visible in the field or obtainable from records and utility representatives (franchise utility company records) as well as SUE if applicable as an addition to the base scope. NDM will prepare and submit these plans to the Town of Flower Mound for coordination so that all utility company relocations may be approved and relocated prior to awarding of the general construction contracts. This scope specifically excludes any plan development or direct coordination with franchise utility companies.

      This scope assumes that the Town's existing local infrastructure (storm sewer, water, and sanitary sewer) will be maintained as-is. NDM will not conduct a review of the existing utility systems in the project area.

      The Town of Flower Mound will provide as-built records for the following facilities in the project area, including, but not limited to:

      Roadways
      Water Lines
      Sanitary Sewer Lines
      Storm Drain Lines
      Franchise Utility Underground and/or Overhead Lines
      Other utilities known by the Town to serve the project area

      No potholing or Level A or B SUE is included in this scope.

   B. Plot Preliminary Locations: Information secured above will be plotted to identify utility locations. Utility conflicts, and the need for relocation, will be identified and provided to the Town of Flower Mound for coordinating with the affected utilities. Consultant will not provide any design for franchise utility relocation as part of this scope.

7. Surface Drainage and Erosion Control:

   A. Storm Sewer Design: The existing storm sewer system <u>will not be</u> evaluated. The proposed improvements are assumed to require no relocation of existing drainage structures or capacity improvements.

   B. Erosion Control: Erosion control sheets <u>will not be</u> provided. It is assumed that standard TxDOT details will cover necessary erosion control protections. Contractor will be responsible for preparation of a Storm Water Pollution Prevention Plan (SW3P) for small construction activity (if applicable) and to control runoff.

8. Quality Control Review: An internal audit of design, engineering, and drawings to ensure quality control.

9. Quantity: NDM will prepare quantities for the proposed project.

10. Design drawings will be developed for 11"x17" will be submitted to the Town of Flower Mound electronically as .pdf files.

11. The scope includes up-to two (2) submittals for review by the Town and TxDOT [two (2) review submittals.

12. After submittals one workshop meeting with the Town will be included to discuss and review the Town's comments.

TASK THREE: EASEMENT DOCUMENTS

1. NDM will provide easement documents, exhibits, descriptions, and will field tie corners on a per tract basis (eight assumed). These will be billed on each basis.

TASK FOUR: DRAINAGE ANALYSIS

1. Drainage analysis will be included in the scope to be done on an hourly basis. One of the areas that will be analyzed will be the western sidewalk section with drainage going under the existing sidewalk. This fee assumes there will be up to two areas analyzed and NDM will inform the City if additional fee is needed when other scope is determined.

EXCLUSIONS

The following items are excluded from this scope of services, but can be added for additional compensation:

- Geotechnical investigation and sidewalk design is not included. All sidewalk details will be based on TxDOT and Town Design Criteria
- Subsurface utility engineering investigations
- Erosion control plans other than standard TxDOT details
- Traffic control plans other than standard TxDOT details
- Traffic signal design and plans
- Street lighting layout or design
- Landscaping or irrigation design
- Construction administration services
- No TDLR review fees are included in this scope of services.

FEES

Fees for engineering services for this project are included under Attachment B.

ATTACHMENT B

COMPENSATION

The Consultant will provide the Scope of Services for Tasks 1 and 2 for a lump sum fee. The Task fees provided are a projection of the level of service required for each task. Task 3 services will be provided based on the number of easement tracts that are required for the project implementation. Task 4 Drainage will be billed on an hourly basis.

TASK 1 – Survey	$32,038
TASK 2 – Design	
Initial Review Submittal	$32,520
Final Submittal	$9,915
SUBTOTAL (Lump Sum)	**$74,473**
TASK 3 – Easement Documents ($3,000/EA)	$24,000
TASK 4 – Drainage Analysis (Hourly)	$10,000
TOTAL	**$108,473**

Additional services will be negotiated at the time they are identified.

ATTACHMENT C

SCHEDULE OF FEES AND CHARGES

The following Schedule of Fees and Charges shall be modified on January 1, 2027.

Principal .... $180.00 - $300.00 / hour
Expert Testimony (Trial and Depositions) .... $350.00 -$500.00 / hour
Expert Testimony (Preparation Work) .... $250.00 -$350.00 / hour
Registered Engineer .... $120.00 - $240.00/ hour
Engineer-in-training .... $90.00 - $130.00 / hour
Senior Designers .... $90.00 - $150.00 / hour
Technician .... $85.00 - $150.00 / hour
Drafter $75.00 - $110.00 / hour
Administrative Assistant .... $70.00 / hour
Construction Manager .... $120.00 - $215.00/ hour
Construction Inspector .... $85.00 - $135.00 / hour
Emergency Services .... $160.00 - $300.00 / hour

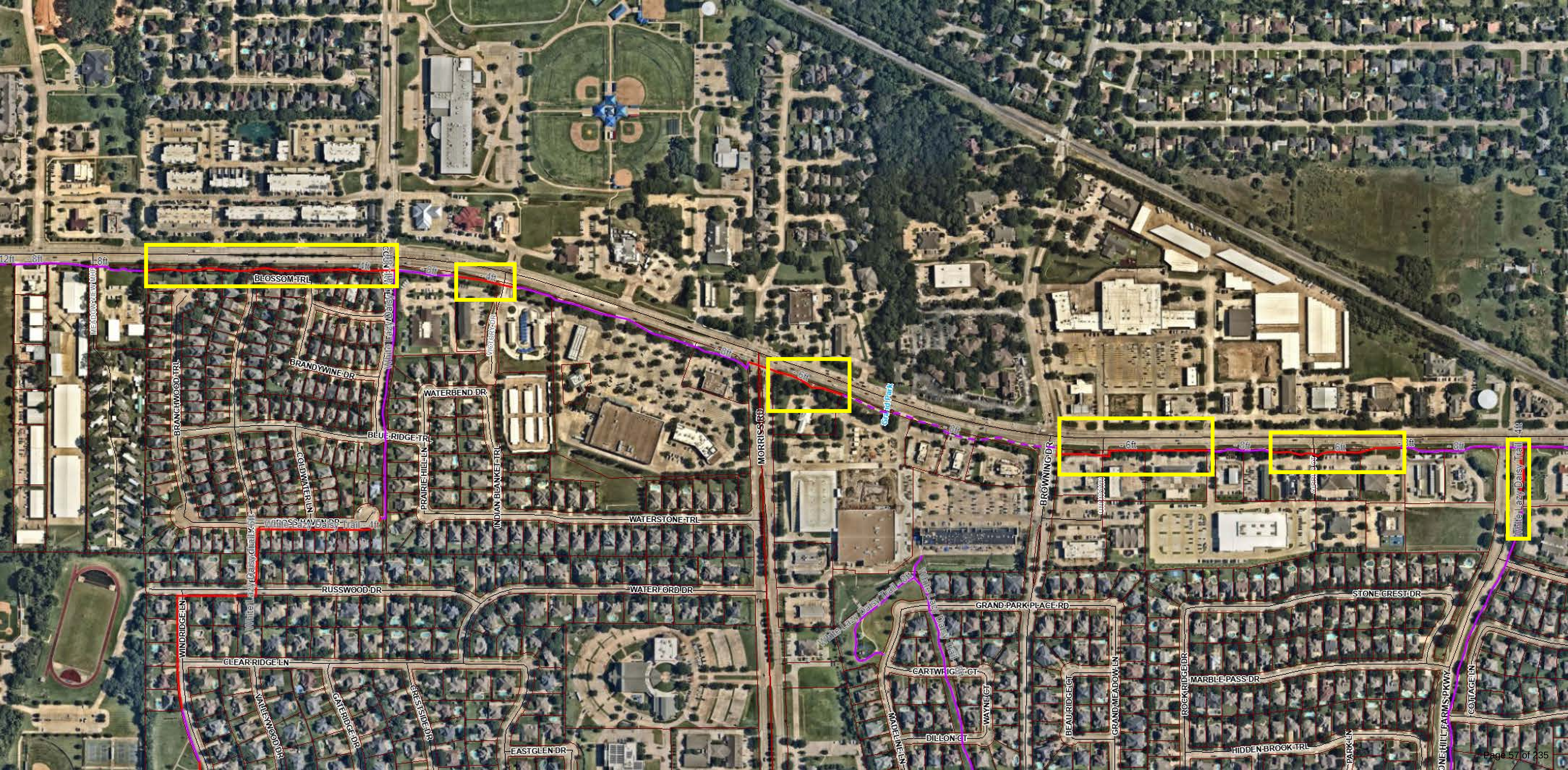
<u>Reimbursables</u>

1. Direct costs, such as reproductions, equipment rental, delivery services, travel expenses, or subcontractor services will be billed at actual cost plus 15%.

2. Unless otherwise stated, statements will be submitted monthly for charges incurred during the month and payments will be due within thirty (30) days following receipt of the statements.

Effective January 1, 2026

EXHIBIT 1


12ft
8ft
BLOSSOM TRL
4ft
6ft
8ft
BRANDYWINE DR
WATERBEND DR
BLUE RIDGE TRL
BRANCHWOOD TRL
PRAIRIE HILL LN
INDIAN BLANKET TRL
WATERSTONE TRL
RUSSWOOD DR
WATERFORD DR
WINDRIDGE LN
CLEAR RIDGE LN
EASTGLEN DR
MORRIS RD
BROWNING DR
GRAND PARK PLACE RD
STONE CREST DR
CARTWRIGHT CT
MARBLE PASS DR
DILLON CT
HIDDEN BROOK TRL
GRAND MEADOW LN
ROCKRIDGE DR
COTTAGE LN
White Lazy Daisy Trail

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

DATE: June 1, 2026
FROM: Manuel Palacios, Assistant Director of Public Works
ITEM: **Consider approval of a Water Storage Tank Inspection and Cleaning Services contract with Texas Tank Services, in the amount of $31,000 annually through NCTCOG TXShare Contract No. 2024-135. The contract is for one year with three one-year renewal options.**

BACKGROUND: The Utility Operations Division (Utility OPS) would like to utilize Texas Tank Services to provide water storage tank inspection and cleaning services for the Town's water infrastructure. The Town currently has five ground storage tanks (GST) and three elevated storage tanks (EST).

In the State of Texas, routine inspection and cleaning of potable water storage tanks are required to comply with Texas Commission on Environmental Quality (TCEQ) regulations and protect public health. Storage tanks are critical assets that must be kept in a sanitary and structurally sound condition to ensure safe drinking water.

In addition to cleaning, Texas Tank Services provides inspection services that can identify structural deficiencies such as corrosion, coating failures, damaged welds, compromised roofs, and improperly sealed vents or hatches. These structural inspections help preserve tank integrity, extend service life, and ensure continued regulatory compliance and reliable operation.

Utility OPS has utilized Texas Tank Services for the past five years and has performed great service. Utility OPS plans to utilize this contract for an estimated annual expense of $31,000.00. This contract is through the North Central Texas Council of Governments TXShare master agreement contract # 2024-135. This contract has an expiration date of 1-31-2027 with three renewal options.

BOARD REVIEW/CITIZEN FEEDBACK:

ALTERNATIVES: A decision not to approve may cause TCEQ violations.

FISCAL IMPACT: $31,000.00

Proposed Expenditure/(Revenue)	**Account Number(s):**
$31,000.00	200-690-92450-4312

STRATEGIC GOAL:

LEGAL REVIEW: N/A

ATTACHMENTS:
1. NCTCOG - TX Tank Services Contract

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

TXShare
Your Public Sector Solutions Center

MASTER SERVICES AGREEMENT #2024-135
Water Storage Tank Inspection & Cleaning Services

THIS MASTER SERVICES AGREEMENT ("Agreement"), effective the last date of signed approval ("Effective Date"), is entered into by and between the **North Central Texas Council of Governments** ("NCTCOG"), a Texas political subdivision and non-profit corporation, with offices located at 616 Six Flags Drive, Arlington, TX 76011, and

JK Tank Services, LLC, dba Texas Tank Services ("Contractor")
103 Stacy Dr.
Whitehouse, TX 75791

ARTICLE I
RETENTION OF THE CONTRACTOR

1.1 This Agreement defines the terms and conditions upon which the Contractor agrees to provide **Water Storage Tank Inspection & Cleaning Services** (hereinafter, "Services") to governmental entities participating in the TXShare program (hereinafter "Participating Entities"). The Contractor is being retained to provide services described below to Participating Entities based on the Contractor's demonstrated competence and requisite qualifications to perform the scope of the services described herein and in the Request for Proposals **#2024-135** (hereinafter, "RFP"). The Contractor demonstrated they have the resources, experience, and qualifications to perform the described services, which is of interest to Participating Entities and was procured via the RFP. NCTCOG agrees to and hereby does retain the Contractor, as an independent contractor, and the Contractor agrees to provide services to Participating Entities, in accordance with the terms and conditions provided in this Agreement and consistent with Contractor's response to the RFP.

ARTICLE II
SCOPE OF SERVICES

2.1 The Contractor will provide Services described in a written Purchase Order issued by NCTCOG or a SHARE Participating Entity. Any such Purchase Order is hereby incorporated by reference and made a part of this Agreement and shall be subject to the terms and conditions in this Agreement. In the event of a conflict between any term or provision in this Agreement and any term or provision in a Purchase Order, the term or provision in this Agreement shall control unless the conflicting term or provision in this Agreement is referenced, and expressly stated not to apply, in such Purchase Order.

2.2 All Services rendered under this Agreement will be performed by the Contractor: i) with due care; ii) in accordance with generally prevailing industry standards; iii) in accordance with Participating Entities' standard operating procedures and applicable policies, as may be amended from time to time; and iv) in compliance with all applicable laws, government regulatory requirements, and any other written instructions, specifications, guidelines, or requirements provided by NCTCOG and/or Participating Entities.

2.3 Any agreed-upon changes to a Purchase Order shall be set forth in a subsequent Purchase Order amendment. Contractor will not implement any changes or any new Services until a Purchase Order has been duly executed by Participating Entity. For the avoidance of doubt, the Contractor acknowledges that Participating Entity is under no obligation to execute a Purchase Order. Participating

Entity shall not be liable for any amounts not included in a Purchase Order in the absence of a fully executed amendment of Purchase Order.

2.4 Pricing for items in Appendix A represent the maximum cost for each item offered by the Contractor. Contractor and Participating Entity may mutually agree to a lower cost for any item covered under this agreement.

2.5 **NCTCOG Obligations**

2.5.1 NCTCOG shall make available a contract page on its TXShare.org website which will include contact information for the Contractor(s).

2.6 **Participating Entity Obligations.**

2.6.1 In order to utilize the Services, Participating Entities must have executed a Master Interlocal Agreement for TXShare with NCTCOG. This agreement with the Participating Entity will define the legal relationship between NCTCOG and the Participating Entity.

2.6.2 In order to utilize the Services, Participating Entities must execute a Purchase Order with the Contractor. This agreement with the Participating Entity will define the Services and costs that the Participating Entity desires to have implemented by the Contractor.

2.7 **Contractor Obligations.**

2.7.1 Contractor must be able to deliver, perform, install, and implement services with the requirements and intent of RFP #**2024-135.**

2.7.2 If applicable, Contractor shall provide all necessary material, labor and management required to perform this work. The scope of services shall include, but not be limited to, items listed in Appendix A.

2.7.3 Contractor agrees to market and promote the use of the SHARE awarded contract whenever possible among its current and solicited customer base. Contractor shall agree to follow reporting requirements in report sales made under this Master Services Agreement in accordance with Section 4.2.

ARTICLE III
TERM

3.1 This Agreement will commence on the Effective Date and remain in effect for an initial term ending on **January 31, 2027** (the "**Term**"), unless earlier terminated as provided herein. This Agreement will automatically be renewed, unless NCTCOG explicitly desires otherwise, for up to three additional years, through **January 31, 2030**.

3.2 **Termination.** NCTCOG and/or Participating Entities may terminate this Agreement and/or any Purchase Order to which it is a signatory at any time, with or without cause, upon thirty (30) days' prior written notice to Contractor. Upon its receipt of notice of termination of this Agreement or Purchase Order, Contractor shall follow any instructions of NCTCOG respecting work stoppage. Contractor shall cooperate with NCTCOG and/or Participating Entities to provide for an orderly conclusion of the Services. Contractor shall use its best efforts to minimize the amount of any non-cancelable obligations and shall assign any contracts related thereto to NCTCOG or Participating Entity at its request. If NCTCOG or Participating Entity elects to continue any activities underlying a terminated Purchase Order after termination, Contractor shall cooperate with NCTCOG or Participating Entity to provide for an orderly transfer of Contractor's responsibilities with respect to such Purchase Order to NCTCOG or Participating Entity. Upon the effective date of any such termination, the Contractor shall submit a final invoice for payment in accordance with Article IV, and NCTCOG or Participating Entity shall pay such amounts as are due to Contractor through the effective date of termination. NCTCOG or Participating Entity shall only be liable for payment of services rendered before the effective date of termination. If Agreement is terminated, certain reporting requirements identified in this Agreement shall survive termination of this Agreement.

3.2.1 Termination for Cause: Either party may immediately terminate this Agreement if the other party breaches its obligations specified within this Agreement, and, where capable of remedy, such breach has not been materially cured within thirty (30) days of the breaching party's receipt of written notice describing the breach in reasonable detail.

3.2.2 Breach: Upon any material breach of this Agreement by either party, the non-breaching party may terminate this Agreement upon twenty (20) days written notice to the breaching party. The notice shall become effective at the end of the twenty (20) day period unless the breaching party cures such breach within such period.

ARTICLE IV
COMPENSATION

4.1 **Invoices.** Contractor shall submit an invoice to the ordering Participating Entity upon receipt of an executed Purchase Order and after completion of the work, with Net 30 payment terms. Costs incurred prior to execution of this Agreement are not eligible for reimbursement. There shall be no obligation whatsoever to pay for performance of this Agreement from the monies of the NCTCOG or Participating Entities, other than from the monies designated for this Agreement and/or executed Purchase Order. Contractor expressly agrees that NCTCOG shall not be liable, financial or otherwise, for Services provided to Participating Entities.

4.2 **Reporting.** NCTCOG intends to make this Agreement available to other governmental entities through its SHARE cooperative purchasing program. Contractor shall submit to NCTCOG on a calendar quarterly basis a report that identifies any new client Participating Entities, the date and order number, and the total contracted value of services that each Participating Entity has purchased and paid in full under this Master Service Agreement. Reporting and invoices should be submitted to:

NCTCOG
ATTN: TXShare
PO Box 5888
Arlington, TX 76005-5888
Email: TXShare@nctcog.org

ARTICLE V
SERVICE FEE

5.1 **Explanation.** NCTCOG will make this Master Service Agreement available to other governmental entities, Participating Entities, and non-profit agencies in Texas and the rest of the United States through its SHARE cooperative purchasing program. The Contractor is able to market the Services under this Agreement to any Participating Entity with emphasis that competitive solicitation is not required when the Participating Entity purchases off of a cooperative purchasing program such as SHARE. However, each Participating Entity will make the decision that it feels is in compliance with its own purchasing requirements. The Contractor realizes substantial efficiencies through their ability to offer pricing through the SHARE Cooperative and that will increase the sales opportunities as well as reduce the need to repeatedly respond to Participating Entities' Requests for Proposals. From these efficiencies, Contractor will pay an administrative fee to SHARE calculated as a percentage of sales processed through the SHARE Master Services Agreement. This administrative fee is not an added cost to SHARE participants. This administrative fee covers the costs of solicitation of the contract, marketing and facilitation, as well as offsets expenses incurred by SHARE.

5.2 **Administrative Fee.** NCTCOG will utilize an administrative fee, in the form of a percent of cost that will apply to all contracts between awarded contractor and NCTCOG or participants resulting from this solicitation. The administrative fee will be remitted by the contractor to NCTCOG on a quarterly basis, along with required quarterly reporting. The remuneration fee for this program will be 2.5% on sales.

5.3 **Setup and Implementation.** NCTCOG will provide instruction and guidance as needed to the Contractor to assist in maximizing mutual benefits from marketing these Services through the SHARE purchasing program.

ARTICLE VI
RELATIONSHIP BETWEEN THE PARTIES

6.1 **Contractual Relationship.** It is understood and agreed that the relationship described in this Agreement between the Parties is contractual in nature and is not to be construed to create a partnership or joint venture or agency relationship between the parties. Neither party shall have the right to act on behalf of the other except as expressly set forth in this Agreement. Contractor will be solely responsible for and will pay all taxes related to the receipt of payments hereunder and shall give reasonable proof and supporting documents, if reasonably requested, to verify the payment of such taxes. No Contractor personnel shall obtain the status of or otherwise be considered an employee of NCTCOG or Participating Entity by virtue of their activities under this Agreement.

ARTICLE VII
REPRESENTATION AND WARRANTIES

7.1 **Representations and Warranties**. Contractor represents and warrants that:

7.1.1 As of the Effective Date of this Agreement, it is not a party to any oral or written contract or understanding with any third party that is inconsistent with this Agreement and/or would affect the Contractor's performance under this Agreement; or that will in any way limit or conflict with its ability to fulfill the terms of this Agreement. The Contractor further represents that it will not enter into any such agreement during the Term of this Agreement;

7.1.2 NCTCOG is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from, or ineligible for, participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. Contractor and its subcontractors shall include a statement of compliance with Federal and State Debarment and suspension regulations in all Third-party contracts.

7.1.3 Contractor shall notify NCTCOG if Contractor or any of the Contractor's sub-contractors becomes debarred or suspended during the performance of this Agreement. Debarment or suspension of the Contractor or any of Contractor's sub-contractors may result in immediate termination of this Agreement.

7.1.4 Contractor and its employees and sub-contractors have all necessary qualifications, licenses, permits, and/or registrations to perform the Services in accordance with the terms and conditions of this Agreement, and at all times during the Term, all such qualifications, licenses, permits, and/or registrations shall be current and in good standing.

7.1.5 Contractor shall, and shall cause its representatives to, comply with all municipal, state, and federal laws, rules, and regulations applicable to the performance of the Contractor's obligations under this Agreement.

ARTICLE VIII
CONFIDENTIAL INFORMATION AND OWNERSHIP

8.1 **Confidential Information.** Contractor acknowledges that any information it or its employees, agents, or subcontractors obtain regarding the operation of NCTCOG or Participating Entities, its products, services, policies, customer, personnel, and other aspect of its operation ("Confidential Information") is proprietary and confidential, and shall not be revealed, sold, exchanged, traded, or disclosed to any person, company, or other entity during the period of the Contractor's retention hereunder or at any time thereafter without the express written permission of NCTCOG or Participating Entity.

Notwithstanding anything in this Agreement to the contrary, Contractor shall have no obligation of confidentiality with respect to information that (i) is or becomes part of the public domain through no act or omission of Contractor; (ii) was in Contractor's lawful possession prior to the disclosure and had not been obtained by Contractor either directly or indirectly from the NCTCOG or Participating Entity; (iii) is lawfully disclosed to Contractor by a third party without restriction on disclosure; (iv) is independently developed by Contractor without use of or reference to the NCTCOG's Participating Entity's Confidential Information; or (v) is required to be disclosed by law or judicial, arbitral or governmental order or process, provided Contractor gives the NCTCOG or Participating Entity prompt written notice of such requirement to permit the NCTCOG or Participating Entity to seek a protective order or other appropriate relief. Contractor acknowledges that NCTCOG and Participating Entities must strictly comply with applicable public information laws, in responding to any request for public information. This obligation supersedes any conflicting provisions of this Agreement.

8.2 **Ownership.** No title or ownership rights to any applicable software are transferred to the NCTCOG by this agreement. The Contractor and its suppliers retain all right, title and interest, including all copyright and intellectual property rights, in and to, the software (as an independent work and as an underlying work serving as a basis for any improvements, modifications, derivative works, and applications NCTCOG may develop), and all copies thereof. All final documents, data, reports, information, or materials are and shall at all times be and remain, upon payment of Contractor's invoices therefore, the property of NCTCOG or Participating Entity and shall not be subject to any restriction or limitation on their future use by, or on behalf of, NCTCOG or Participating Entity, except otherwise provided herein. Subject to the foregoing exception, if at any time demand be made by NCTCOG or Participating Entity for any documentation related to this Agreement and/or applicable Purchase Orders for the NCTCOG and/or any Participating Entity, whether after termination of this Agreement of otherwise, the same shall be turned over to NCTCOG without delay, and in no event later than thirty (30) days after such demand is made. Contractor shall have the right to retain copies of documentation, and other items for its archives. If for any reason the foregoing Agreement regarding the ownership of documentation is determined to be unenforceable, either in whole or in part, the Contractor hereby assigns and agrees to assign to NCTCOG all rights, title, and interest that the Contractor may have or at any time acquire in said documentation and other materials, provided that the Contractor has been paid the aforesaid.

ARTICLE IX
GENERAL PROVISIONS

9.1 **Notices.** All notices from one Party to another Party regarding this Agreement shall be in writing and delivered to the addresses shown below:

If to NCTCOG:	North Central Texas Council of Governments P.O. Box 5888 Arlington, TX 76005-5888 Attn: Purchasing Agent Phone Number: @nctcog.org
If to Contractor:	JK Tank Services, LLC, dba Texas Tank Services Attn: Ashley Kemp 103 Stacy Drive Whitehouse, TX 75791 903-839-2830 ashley@texastankservices.com

The above contact information may be modified without requiring an amendment to the Agreement.

9.2 **Tax.** NCTCOG and several participating entities are exempt from Texas limited sales, federal excise and use tax, and does not pay tax on purchase, rental, or lease of tangible personal property for the organization's use. A tax exemption certificate will be issued upon request.

9.3 **Indemnification.** Contractor shall defend, indemnify, and hold harmless NCTCOG and Participating Entities, NCTCOG's affiliates, and any of their respective directors, officers, employees, agents, subcontractors, successors, and assigns from any and all suits, actions, claims, demands, judgments, liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees and court costs) (collectively, "Losses") arising out of or relating to: (i) Services performed and carried out pursuant to this Agreement; (ii) breach of any obligation, warranty, or representation in this Agreement, (iii) the negligence or willful misconduct of Contractor and/or its employees or subcontractors; or (iv) any infringement, misappropriation, or violation by Contractor and/or its employees or subcontractors of any right of a third party; provided, however, that Contractor shall have no obligation to defend, indemnify, or hold harmless to the extent any Losses are the result of NCTCOG's or Participating Entities' gross negligence or willful misconduct.

9.4 **Limitation of Liability.** In no event shall either party be liable for special, consequential, incidental, indirect or punitive loss, damages or expenses arising out of or relating to this Agreement, whether arising from a breach of contract or warranty, or arising in tort, strict liability, by statute or otherwise, even if it has been advised of their possible existence or if such loss, damages or expenses were reasonably foreseeable.

Notwithstanding any provision hereof to the contrary, neither party's liability shall be limited by this Article with respect to claims arising from breach of any confidentiality obligation, arising from such party's infringement of the other party's intellectual property rights, covered by any express indemnity obligation of such party hereunder, arising from or with respect to injuries to persons or damages to tangible property, or arising out of the gross negligence or willful misconduct of the party or its employees.

9.5 **Insurance.** At all times during the term of this Agreement, Contractor shall procure, pay for, and maintain, with approved insurance carriers, the minimum insurance requirements set forth below, unless otherwise agreed in a Purchase Order between Contractor and Participating Entities. Further, Contractor shall require all contractors and sub-contractors performing work for which the same liabilities may apply under this Agreement to do likewise. All subcontractors performing work for which the same liabilities may apply under this contract shall be required to do likewise. Contractor may cause the insurance to be effected in whole or in part by the contractors or sub-contractors under their contracts. NCTCOG reserves the right to waive or modify insurance requirements at its sole discretion.

9.5.1 Workers' Compensation: Statutory limits and employer's liability of $100,000 for each accident or disease.

9.5.2 Commercial General Liability:

9.5.2.1 Required Limits:

$1,000,000 per occurrence;

$3,000,000 Annual Aggregate

9.5.2.2 Commercial General Liability policy shall include:

9.5.2.2.1 Coverage A: Bodily injury and property damage;

9.5.2.2.2 Coverage B: Personal and Advertising Injury liability;

9.5.2.2.3 Coverage C: Medical Payments;

9.5.2.2.4 Products: Completed Operations;

9.5.2.2.5 Fire Legal Liability;

9.5.2.3 Policy coverage must be on an "occurrence" basis using CGL forms as approved by the Texas State Board of Insurance.

9.5.3 Business Auto Liability: Coverage shall be provided for all owned hired, and non-owned vehicles. Required Limit: $1,000,000 combined single limit each accident.

9.5.4 Professional Errors and Omissions liability:

9.5.4.1 Required Limits:

$1,000,000 Each Claim

$1,000,000 Annual Aggregate

9.6 **Conflict of Interest.** During the term of this Agreement, and all extensions hereto and for a period of one (1) year thereafter, neither party, shall, without the prior written consent of the other, directly or indirectly, whether for its own account or with any other persons or entity whatsoever, employ, solicit to employ or endeavor to entice away any person who is employed by the other party.

9.7 **Force Majeure.** It is expressly understood and agreed by both parties to this Agreement that, if the performance of any provision of this Agreement is delayed by force majeure, defined as reason of war, civil commotion, act of God, governmental restriction, regulation or interference, fire, explosion, hurricane, flood, failure of transportation, court injunction, or any circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated herein, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the period of time applicable to such requirement shall be extended for a period of time equal to the period of time such party was delayed. Each party must inform the other in writing within a reasonable time of the existence of such force majeure.

9.8 **Ability to Perform.** Contractor agrees promptly to inform NCTCOG of any event or change in circumstances which may reasonably be expected to negatively affect the Contractor's ability to perform its obligations under this Agreement in the manner contemplated by the parties.

9.9 **Availability of Funding.** This Agreement and all claims, suits, or obligations arising under or related to this Agreement are subject to and limited by the receipt and availability of funds which are received from the Participating Entities by NCTCOG dedicated for the purposes of this Agreement.

9.10 **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Texas, United States of America. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Tarrant County, Texas.

9.11 **Waiver.** Failure by either party to insist on strict adherence to any one or more of the terms or conditions of this Agreement, or on one or more occasions, will not be construed as a waiver, nor deprive that party of the right to require strict compliance with the same thereafter.

9.12 **Entire Agreement.** This Agreement and any attachments/addendums, as provided herein, constitutes the entire agreement of the parties and supersedes all other agreements, discussions, representations or understandings between the parties with respect to the subject matter hereof. No amendments hereto, or waivers or releases of obligations hereunder, shall be effective unless agreed to in writing by the parties hereto.

9.13 **Assignment.** This Agreement may not be assigned by either Party without the prior written consent of the other Party.

9.14 **Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision(s) hereof, and this Agreement shall be revised so as to cure such invalid, illegal, or unenforceable provision(s) to carry out as near as possible the original intents of the Parties.

9.15 **Amendments.** This Agreement may be amended only by a written amendment executed by both Parties, except that any alterations, additions, or deletions to the terms of this Agreement, which are required by changes in Federal and State law or regulations or required by the funding source, are automatically incorporated into this Agreement without written amendment hereto and shall become effective on the date designated by such law or regulation.

9.16 **Dispute Resolution.** The parties to this Agreement agree to the extent possible and not in contravention of any applicable State or Federal law or procedure established for dispute resolution, to attempt to resolve any dispute between them regarding this Agreement informally through voluntary mediation, arbitration or any other local dispute mediation process, including but not limited to dispute resolution policies of NCTCOG, before resorting to litigation.

9.17 **Publicity.** Contractor shall not issue any press release or make any statement to the media with respect to this Agreement or the services provided hereunder without the prior written consent of NCTCOG.

9.18 **Survival.** Rights and obligations under this Agreement which by their nature should survive will remain in effect after termination or expiration hereof.

ARTICLE X
ADDITIONAL REQUIREMENTS

10.1 **Equal Employment Opportunity**. Contractor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, gender identity, or national origin. Contractor shall take affirmative actions to ensure that applicants are employed, and that employees are treated, during their employment, without regard to their race, religion, color, sex, sexual orientation, gender identity, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

10.2 **Davis-Bacon Act.** Contractor agrees to comply with all applicable provisions of 40 USC § 3141 – 3148.

10.3 **Contract Work Hours and Selection Standards.** Contractor agrees to comply with all applicable provisions of 40 USC § 3701 – 3708 to the extent this Agreement indicates any employment of mechanics or laborers.

10.4 **Rights to Invention Made Under Contract or Agreement.** Contractor agrees to comply with all applicable provisions of 37 CFR Part 401.

10.5 **Clean Air Act, Federal Water Pollution Control Act, and Energy Policy Conservation Act.** Contractor agrees to comply with all applicable provisions of the Clean Air Act under 42 USC § 7401 – 7671, the Energy Federal Water Pollution Control Act 33 USC § 1251 – 1387, and the Energy Policy Conservation Act under 42 USC § 6201.

10.6 **Debarment/Suspension.** Contractor is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. Contractor and its subcontractors shall comply with the Certification Requirements for Recipients of Grants and Cooperative Agreements Regarding Debarments and Suspensions.

10.7 **Restrictions on Lobbying.** PROVIDER agrees to comply with all applicable provisions of 2 CFR §200.450. PROVIDER shall include a statement of compliance with the Lobbying Certification and Disclosure of Lobbying Activities in procurement solicitations exceeding $100,000. Lobbying Certification and Disclosure of Lobbying Activities shall be completed by subcontractors and included in subcontractor contracts, as applicable. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. See Appendix C.

10.8 **Procurement of Recovered Materials**. Contractor agrees to comply with all applicable provisions of 2 CFR §200.322.

10.9 **Drug-Free Workplace.** Contractor shall provide a drug free work place in compliance with the Drug Free Work Place Act of 1988.

10.10 **Texas Corporate Franchise Tax Certification.** Pursuant to Article 2.45, Texas Business Corporation Act, state agencies may not contract with for profit corporations that are delinquent in making state franchise tax payments.

10.11 **Civil Rights Compliance**

Compliance with Regulations: Contractor will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (USDOT), the Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made part of this agreement.

Nondiscrimination: Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 45 CFR Part 21.

Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by Contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of obligations under this contract and the Acts and Regulations relative to Nondiscrimination on the grounds of race, color, sex, or national origin.

Information and Reports: Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and facilities as may be determined by the State or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations or directives. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor will so certify to NCTCOG, the Texas Department of Transportation ("the State") or the Federal Highway Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

Sanctions for Noncompliance: In the event of Contractor's noncompliance with the Nondiscrimination provisions of this Agreement, NCTCOG will impose such sanctions as it or the State or the FHWA may determine to be appropriate, including, but not limited to: withholding of payments to the Contractor under this Agreement until the Contractor compiles and/or cancelling, terminating or suspension of this Agreement, in whole or in part.

Incorporation of Provisions: Contractor will include the provisions of the paragraphs listed above, in this section 10.11, in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contractor will take such action with respect to any subcontract or procurement as NCTCOG, the State, or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, Contractor may request the State to enter into such litigation to protect the interests of the State. In addition, Contractor may request the United States to enter into such litigation to protect the interests of the United States.

10.12 **Disadvantaged Business Enterprise Program Requirements**
Contractor shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. Contractor shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. Each sub-award or sub-contract must include the following assurance: *The Contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate.*

10.13 **Pertinent Non-Discrimination Authorities**
During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
b. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects).
c. Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), as amended, (prohibits discrimination on the basis of sex).
d. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27.
e. The Age Discrimination Act of 1975, as amended, (49 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age).
f. Airport and Airway Improvement Act of 1982, (49 U.S.C. Chapter 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex).
g. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, subrecipients and contractors, whether such programs or activities are Federally funded or not).
h. Titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38.
i. The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex).
j. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.
k. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the parties must take reasonable steps to ensure that LEP persons have meaningful access to the programs (70 Fed. Reg. at 74087 to 74100).
i. Title IX of the Education Amendments of 1972, as amended, which prohibits the parties from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

10.14 **Ineligibility to Receive State Grants or Loans, or Receive Payment on State Contracts**
In accordance with Section 231.006 of the Texas Family Code, a child support obligor who is more

than thirty (30) days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least twenty-five (25) percent is not eligible to:

a. Receive payments from state funds under a contract to provide property, materials or services; or
b. Receive a state-funded grant or loan.

By signing this Agreement, the Contractor certifies compliance with this provision.

10.15 **House Bill 89 Certification**

If contractor is required to make a certification pursuant to Section 2270.002 of the Texas Government Code, contractor certifies that contractor does not boycott Israel and will not boycott Israel during the term of the contract resulting from this solicitation. If contractor does not make that certification, contractor state in the space below why the certification is not required.

____

____

____

____

10.16 **Certification Regarding Disclosure of Conflict of Interest.**

The undersigned certifies that, to the best of his or her knowledge or belief, that:

> "No employee of the contractor, no member of the contractor's governing board or body, and no person who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this contract shall participate in any decision relating to this contract which affects his/her personal pecuniary interest.
>
> Executives and employees of contractor shall be particularly aware of the varying degrees of influence that can be exerted by personal friends and associates and, in administering the contract, shall exercise due diligence to avoid situations which give rise to an assertion that favorable treatment is being granted to friends and associates. When it is in the public interest for the contractor to conduct business with a friend or associate of an executive or employee of the contractor, an elected official in the area or a member of the North Central Texas Council of Governments, a permanent record of the transaction shall be retained.
>
> Any executive or employee of the contractor, an elected official in the area or a member of the NCTCOG, shall not solicit or accept money or any other consideration from a third person, for the performance of an act reimbursed in whole or part by contractor or Department. Supplies, tools, materials, equipment or services purchased with contract funds shall be used solely for purposes allowed under this contract. No member of the NCTCOG shall cast a vote on the provision of services by that member (or any organization which that member represents) or vote on any matter which would provide a direct or indirect financial benefit to the member or any business or organization which the member directly represents".

No officer, employee or paid consultant of the contractor is a member of the NCTCOG.

No officer, manager or paid consultant of the contractor is married to a member of the NCTCOG.

No member of NCTCOG directly owns, controls or has interest in the contractor.

The contractor has disclosed any interest, fact, or circumstance that does or may present a potential conflict of interest.

No member of the NCTCOG receives compensation from the contractor for lobbying activities as defined in Chapter 305 of the Texas Government Code.

Should the contractor fail to abide by the foregoing covenants and affirmations regarding conflict of interest, the contractor shall not be entitled to the recovery of any costs or expenses incurred in relation to the contract and shall immediately refund to the North Central Texas Council of Governments any fees or expenses that may have been paid under this contract and shall further be liable for any other costs incurred or damages sustained by the NCTCOG as it relates to this contract.

10.17 **Certification of Fair Business Practices**
That the submitter affirms that the submitter has not been found guilty of unfair business practices in a judicial or state agency administrative proceeding during the preceding year. The submitter further affirms that no officer of the submitter has served as an officer of any company found guilty of unfair business practices in a judicial or state agency administrative during the preceding year.

10.18 **Certification of Good Standing Texas Corporate Franchise Tax Certification**
Pursuant to Article 2.45, Texas Business Corporation Act, state agencies may not contract with for profit corporations that are delinquent in making state franchise tax payments. The undersigned authorized representative of the corporation making the offer herein certified that the following indicated Proposal is true and correct and that the undersigned understands that making a false Proposal is a material breach of contract and is grounds for contract cancellation.

10.19 **Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment.**
Pursuant to Public Law 115-232, Section 889, and 2 Code of Federal Regulations (CFR) Part 200, including §200.216 and §200.471, NCTCOG is prohibited from using federal funds to procure, contract with entities who use, or extend contracts with entities who use certain telecommunications and video surveillance equipment or services provided by certain Chinese controlled entities. The Contractor agrees that it is not providing NCTCOG with or using telecommunications and video surveillance equipment and services as prohibited by 2 CFR §200.216 and §200.471. Contractor shall certify its compliance through execution of the "Prohibited Telecommunications and Video Surveillance Services or Equipment Certification," which is included as Appendix D of this Contract. The Contractor shall pass these requirements down to any of its subcontractors funded under this Agreement. The Contractor shall notify NCTCOG if the Contractor cannot comply with the prohibition during the performance of this Contract.

10.20 **Discrimination Against Firearms Entities or Firearms Trade Associations**
Pursuant to Texas Local Government Code Chapter 2274, Subtitle F, Title 10, prohibiting contracts with companies who discriminate against firearm and ammunition industries. NCTCOG is prohibited from contracting with entities, or extend contracts with entities who have practice, guidance, or directive that discriminates against a firearm entity or firearm trade association. Contractor shall certify its compliance through execution of the "Discrimination Against Firearms Entities or Firearms Trade Associations Certification," which is included as Appendix D of this Contract. The Contractor shall pass these requirements down to any of its subcontractors funded under this Agreement. The Contractor shall notify NCTCOG if the Contractor cannot comply with the prohibition during the performance of this Contract.

10.21 **Boycotting of Certain Energy Companies**
Pursuant to Texas Local Government Code Chapter 2274, Subtitle F, Title 10, prohibiting contracts with companies who boycott certain energy companies. NCTCOG is prohibited from contracting with entities or extend contracts with entities that boycott energy companies. Contractor shall certify its compliance through execution of the "Boycotting of Certain Energy Companies Certification," which is included as Appendix D of this Contract. The Contractor shall pass these requirements down to any of its subcontractors funded under this Agreement. The Contractor shall notify NCTCOG if the Contractor cannot comply with the prohibition during the performance of this Contract.

10.22 **Domestic Preference for Procurements**
As appropriate and to the extent consistent with law, the PROVIDER should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or

materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). Consistent with §200.322,the following items shall be defined as: "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

10.23 **Termination for Convenience**
The Contractor may terminate the agreement for it's convenience in whole or in part at any time without cause, upon 30 days written notice. Upon termination for convenience, the vendor will be entitled to payment for goods or services satisfactorily performed or delivered.

10.24 **Trafficking in Persons**
Contractor agrees to comply with all applicable provisions of 2 CFR §175.15. NCTCOG, the Contractor, and its subcontractors are prohibited from (i) engaging in severe forms of trafficking in persons during the period of time that the award is in effect; (ii) procure a commercial sex act during the period of time that the award is in effect; (iii) use forced labor in the performance of the award or subawards under the award. The Federal award agency may unilaterally terminate the award, without penalty, if the Contractor (i) is determined to have violated an applicable prohibition; (ii) has an employee who is determined by the agency officially authorized to terminate the award to have violated an applicable prohibition of this award term. NCTCOG must notify the Federal award agency immediately if any information received from the Contractor indicates a violation of the applicable prohibitions.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

Aqueous Infrastructure Management

1-28-2025

Signature Date

Ashley Kemp

Printed Name

General Manager

Title

North Central Texas Council of Governments

Signed by:
Mike Eastland 2/5/2025
A4E72C1BEF0F426...

Signature Date
Michael Eastland
Executive Director

APPENDIX A
Statement of Work

5.0 This Appendix outlines the requirements and responsibilities for water storage tank inspection and cleaning services to be used on an as-needed basis.

Service Category #1: Water Storage Tank Inspection Services – to include, but no limited to:

- Conducting thorough visual inspection of the tank's interior and exterior.
- Assessment of structural integrity, including checking for corrosion, leaks, and other damages.
- Evaluation of the tank's coatings and linings.
- Assess structural integrity, safety and compliance with relevant regulations.
- Provide detailed reports of findings, including underwater inspection videos, photographs and recommendations for repairs and maintenance.
- Ensure all inspections are compliant with industry standards and regulations such as American Water Works Association (AWWA) and Texas Commission on Environmental Quality (TCEQ).

Service Category #2: Water Storage Tank Cleaning Services - to include, but not limited to:

- Perform routing cleaning of water storage tanks.
- Removal of sediment, debris, and biofilm from the tank interior.
- Disinfection of the tank to eliminate microbial contamination.
- Safe disposal of all waste materials in accordance with local regulations.
- Disinfect tanks using approved methods to ensure water quality and safety.
- Document cleaning procedures and submit a comprehensive report detailing the cleaning activities, findings, and recommendations for any necessary repairs or maintenance upon completion.

Service Category #3: Other Ancillary Goods or Services – may include, but not limited to:

- Emergency Response Services
- Leak Detection and Repair
- Coating and Lining Services
- Structural Repairs
- Sediment Analysis
- Water Quality Testing
- Drone Inspections
- Bypass Solutions
- Offer recommendations for upgrades or modifications to improve tank performance.
- Assist with regulatory compliance documentation and reporting.

5.1 SPECIAL REQUIREMENTS

The following are special conditions and specifications that apply.

Please understand that there is no specific project ready currently. This is for work to be determined in the future on an as-needed basis. The work to be performed under this contract will be defined on a project-by-project basis through a supplemental order from the Customer.

5.1.1 <u>Contractor's Responsibilities</u>

The Contractor shall furnish all labor, tools, equipment, materials, supplies and mobilization required to effectively perform the required services in accordance with the specifications described herein. All travel time or mileage is the responsibility of the Contractor.

The Contractor shall comply with the Social Security Act, Workers' Compensation laws and Unemployment laws of the State under which it is operating in as all State, Local and Federal legislation, rules and regulations associated with maintenance and construction relevant to the Contractor's business for the term of this contract.

The Contractor shall cooperate fully with the Customer, county, municipal, and local government officials, and all such others as may be required in the performance of this Contract. This includes attending meetings, discussions, and hearings, as required; presenting data as requested from time to time by the Customer to facilitate cooperation; and compliance with all directives issued by the Customer.

The Contractor certifies they have all authorizations required by, and will comply with any and all rules and regulations established by any federal, state or local authority having jurisdiction over the services to be performed including, but not limited to, any applicable laws, rules and regulations relating to public water supplies and water utility systems or components thereof, and persons performing duties relating to such public water supplies and water utility systems or components.

5.1.2 General Safety Requirements

The contractor shall adhere to all safety requirements outlined in this RFP.

1. General Safety Requirements
   a. All items and work proposed must comply with and be conducted in compliance with current applicable OSHA safety regulations and any other applicable local, state, or federal safety standards.
   b. The contractor is responsible for ensuring that all personnel are properly trained and equipped to perform their duties safely.
2. Deviation from Industry Standard
   a. Deviations from industry standards must be identified with an explanation of how the equipment, products, and services will provide equivalent function, coverage, performance, and/or related services.
3. Personal Protective Equipment
   a. Contractors are required to provide and enforce the use of appropriate PPE, including but not limited to hard hats, gloves, safety glasses, and harnesses.
   b. All PPE must be maintained in good condition and meet industry standards.
4. Confined Space Entry
   a. For inspections and cleaning that require entry into confined spaces, the contractor must adhere to confined space entry protocols.
   b. A permit system must be used, and all personnel must be trained in confined space entry procedures.
   c. Atmospheric testing and continuous monitoring must be conducted to ensure safety.
5. Equipment Safety
   a. All equipment used for inspection and cleaning must be inspected and maintained regularly.
   b. The contractor must ensure that all equipment meets safety standards and is operated by qualified personnel.
6. Safety Training

a. The contractor must provide documentation that all employees involved in the project have completed relevant safety training.
b. Training should include, but not be limited to hazard recognition, emergency response, and specific procedures related to water tank inspection and cleaning.

APPENDIX A.1

Pricing for TXShare Cooperative Purchase Program Participants

0% Discount off current list pricing for Categories 1 and 2.

EXHIBIT 1 - BID PRICE WORKSHEET

Item	Description	% Discount off Current List
	Service Category #1: Water Storage Tank Inspection Services **Catalog and/or Pricelist MUST be included, or proposal will not be considered.**	
1	**State % Discount off catalog/pricelist for Water Storage Tank Inspection Services described in Section 5. Specifications**	N/A
	Bidder Notes: Inspections cost waived if cleaning is performed at the same time (per tank)	
	Service Category #2: Water Storage Tank Cleaning Services **Catalog and/or Pricelist MUST be included, or proposal will not be considered.**	
2	**State % Discount off catalog/pricelist for Water Storage Tank Cleaning Services described in Section 5. Specifications**	N/A
	Bidder Notes: Pricing is for up to 3 inches. Any levels exceeding 3 inches will incur $350/inch	
	Service Category #3: Other Ancillary Goods or Services **Catalog and/or Pricelist MUST be included, or proposal will not be considered.**	
3	**State % Discount off catalog/pricelist for proposed services. Describe Below:**	N/A

APPENDIX A.2
Service Area Designation Forms

EXHIBIT 3: SERVICE DESIGNATION AREAS

	Texas Service Area Designation or Identification		
Proposing Firm Name:			
Notes:	**Indicate in the appropriate box whether you are proposing to service the entire state of Texas**		
	Will service the entire state of Texas	Will not service the entire state of Texas	
	☑	☐	
	If you are not proposing to service the entire state of Texas, designate on the form below the regions that you are proposing to provide goods and/or services to. By designating a region or regions, you are certifying that you are willing and able to provide the proposed goods and services.		
Item	**Region**	**Metropolitan Statistical Areas**	**Designated Service Area**
1.	North Central Texas	16 counties in the Dallas-Fort Worth Metropolitan area	
2.	High Plains	Amarillo Lubbock	
3.	Northwest	Abilene Wichita Falls	
4.	Upper East	Longview Texarkana, TX-AR Metro Area Tyler	
5.	Southeast	Beaumont-Port Arthur	
6.	Gulf Coast	Houston-The Woodlands-Sugar Land	
7.	Central Texas	College Station-Bryan Killeen-Temple Waco	
8.	Capital Texas	Austin-Round Rock	
9.	Alamo	San Antonio-New Braunfels Victoria	
10.	South Texas	Brownsville-Harlingen Corpus Christi Laredo McAllen-Edinburg-Mission	
11.	West Texas	Midland Odessa San Angelo	
12.	Upper Rio Grande	El Paso	

(Exhibit 3 continued on next page)

(Exhibit 3 continued)

	Nationwide Service Area Designation or Identification Form		
Proposing Firm Name:			
Notes:	**Indicate in the appropriate box whether you are proposing to provide service to all Fifty (50) States.**		
	Will service all fifty (50) states ☐	Will not service fifty (50) states ☑	
	If you are not proposing to service to all fifty (50) states, then designate on the form below the states that you will provide service to. By designating a state or states, you are certifying that you are willing and able to provide the proposed goods and services in those states. **If you are only proposing to service a specific region, metropolitan statistical area (MSA), or City in a State, then indicate as such in the appropriate column box.**		

Item	State	Region/MSA/City (write "ALL" if proposing to service entire state)	Designated as a Service Area
1.	Alabama		
2.	Alaska		
3.	Arizona		
4.	Arkansas		
5.	California		
6.	Colorado		
7.	Connecticut		
8.	Delaware		
9.	Florida		
10.	Georgia		
11.	Hawaii		
12.	Idaho		
13.	Illinois		
14.	Indiana		
15.	Iowa		
16.	Kansas		
17.	Kentucky		
18.	Louisiana	ALL	
19.	Maine		
20.	Maryland		

Exhibit 3 continued

21.	Massachusetts		
22.	Michigan		
23.	Minnesota		
24.	Mississippi		
25.	Missouri		
26.	Montana		
27	Nebraska		
28.	Nevada		
29	New Hampshire		
30.	New Jersey		
31.	New Mexico		
32.	New York		
33.	North Carolina		
34.	North Dakota		
35.	Ohio		
36.	Oregon		
37.	Oklahoma	ALL	
38.	Pennsylvania		
39.	Rhode Island		
40.	South Carolina		
41.	South Dakota		
42.	Tennessee		
43.	Texas	ALL	
44.	Utah		
45.	Vermont		
46.	Virginia		
47.	Washington		
48.	West Virginia		
49.	Wisconsin		
50.	Wyoming		

End of Exhibit 3

APPENDIX B

NCTCOG FEDERAL AND STATE OF TEXAS REQUIRED PROCUREMENT PROVISIONS

The following provisions are mandated by Federal and/or State of Texas law. Failure to certify to the following will result in disqualification of consideration for contract. Entities or agencies that are not able to comply with the following will be ineligible for consideration of contract award.

REQUIRED 2 CFR 200 CLAUSES
Uniform Administrative Requirements, Cost Principles & Audit Requirements for Federal Awards (Contractor)

1. **Equal Employment Opportunity.** PROVIDER shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, gender identity, or national origin. PROVIDER shall take affirmative actions to ensure that applicants are employed, and that employees are treated, during their employment, without regard to their race, religion, color, sex, sexual orientation, gender identity, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

2. **Davis-Bacon Act**. PROVIDER agrees to comply with all applicable provisions of 40 USC § 3141 – 3148.

3. **Contract Work Hours and Safety Standards**. PROVIDER agrees to comply with all applicable provisions of 40 USC § 3701 – 3708 to the extent this agreement indicates any employment of mechanics or laborers.

4. **Rights to Invention Made Under Contract or Agreement**. PROVIDER agrees to comply with all applicable provisions of 37 CFR Part 401.

5. **Clean Air Act, Federal Water Pollution Control Act, and Energy Policy Conservation Act**. PROVIDER agrees to comply with all applicable provisions of the Clean Air Act under 42 USC § 7401 – 7671, the Energy Federal Water Pollution Control Act 33 USC § 1251 – 1387, and the Energy Policy Conservation Act under 42 USC § 6201.

6. **Debarment/Suspension.** PROVIDER is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. PROVIDER and its subcontractors shall comply with the special provision "Certification Requirements for Recipients of Grants and Cooperative Agreements Regarding Debarments and Suspensions".

7. **Restrictions on Lobbying**. PROVIDER of these funds is prohibited from using monies for lobbying purposes; PROVIDER shall comply with the special provision "Restrictions on Lobbying". PROVIDER shall include a statement of compliance with the Lobbying Certification and Disclosure of Lobbying Activities in applicable procurement solicitations. Lobbying Certification and Disclosure of Lobbying Activities shall be completed by subcontractors and included in subcontractor contracts, as applicable.

8. **Procurement of Recovered Materials**. PROVIDER agrees to comply with all applicable provisions of 2 CFR §200.322.

9. **Anti-Israeli Boycott**. By accepting this work order, PROVIDER hereby certifies the following:
    1. PROVIDER's Company does not boycott Israel; and
    2. PROVIDER's Company will not boycott Israel during the term of the contract.

    The following definitions apply to this statute:

(1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli- controlled territory, but does not include an action made for ordinary business purposes; and

(2) "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

10. Domestic Preference for Procurements

As appropriate and to the extent consistent with law, the PROVIDER should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). Consistent with §200.322, the following items shall be defined as: "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

11. Trafficking in Persons

Proposer agrees to comply with all applicable provisions of 2 CFR §175.15. NCTCOG, the Contractor, and its subcontractors are prohibited from (i) engaging in severe forms of trafficking in persons during the period of time that the award is in effect; (ii) procure a commercial sex act during the period of time that the award is in effect; (iii) used force labor in the performance of the award or subawards under the award. The Federal award agency may unilaterally terminate the award, without penalty, if the Contractor (i) is determined to have violated an applicable prohibition; (ii) has an employee who is determined by the agency officially authorized to terminate the award to have violated an applicable prohibition of this award term. NCTCOG must notify the Federal award agency immediately if any information received from the Contractor indicates a violation of the applicable prohibitions.

Check one of the following:

☑ The Contractor or Subrecipient hereby certifies that it ***does*** comply with the requirements of 2 CFR 200 as stipulated above and required by the NCTCOG.

-OR-

☐ The Contractor or Subrecipient hereby certifies that it ***cannot*** comply with the requirements of 2 CFR 200 as stipulated above and required by the NCTCOG.

Signature of Authorized Person

Ashley Kemp

Name of Authorized Person

Texas Tank Services

Name of Company

1-28-2025

Date

APPENDIX C
RESTRICTIONS ON LOBBYING

Section 319 of Public Law 101-121 prohibits recipients of federal contracts, grants, and loans exceeding $100,000 at any tier under a federal contract from using appropriated funds for lobbying the Executive or Legislative Branches of the federal government in connection with a specific contract, grant, or loan. Section 319 also requires each person who requests or receives a federal contract or grant in excess of $100,000 to disclose lobbying.

No appropriated funds may be expended by the recipient of a federal contract, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any federal executive department or agency as well as any independent regulatory commission or government corporation, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan the entering into of any cooperative agreement and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

As a recipient of a federal grant exceeding $100,000, NCTCOG requires its subcontractors of that grant to file a certification, set forth in Appendix B.1, that neither the agency nor its employees have made, or will make, any payment prohibited by the preceding paragraph.

Subcontractors are also required to file with NCTCOG a disclosure form, set forth in Appendix B.2, if the subcontractor or its employees have made or have agreed to make any payment using nonappropriated funds (to include profits from any federal action), which would be prohibited if paid for with appropriated funds.

LOBBYING CERTIFICATION
FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies to the best of his or her knowledge and belief, that:

(1) No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension continuation, renewal amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature

General Manager

Title

Texas Tank Services

Agency

1-28-2025

Date

APPENDIX D
PROHIBITED TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT CERTIFICATION

This Contract is subject to the Public Law 115-232, Section 889, and 2 Code of Federal Regulations (CFR) Part 200, including §200.216 and §200.471, for prohibition on certain telecommunications and video surveillance or equipment.

Public Law 115-232, Section 889, identifies that restricted telecommunications and video surveillance equipment or services (e.g. phones, internet, video surveillance, cloud servers) include the following:

A) Telecommunications equipment that is produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliates of such entities).

B) Video surveillance and telecommunications equipment produced by Hytera Communications Corporations, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliates of such entities).

C) Telecommunications or video surveillance services used by such entities or using such equipment.

D) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, Director of the National Intelligence, or the Director of the Federal Bureau of Investigation reasonably believes to be an entity owned or controlled by the government of a covered foreign country.

The entity identified below, through its authorized representative, hereby certifies that no funds under this Contract will be obligated or expended to procure or obtain telecommunication or video surveillance services or equipment or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system prohibited by 2 CFR §200.216 and §200.471, or applicable provisions in Public Law 115-232 Section 889.

Check one of the following:

☑ The Contractor or Subrecipient hereby certifies that it ***does*** comply with the requirements of 2 CFR 200 as stipulated above and required by the NCTCOG.

-OR-

☐ The Contractor or Subrecipient hereby certifies that it ***cannot*** comply with the requirements of 2 CFR 200 as stipulated above and required by the NCTCOG.

Ashley Kemp

Signature of Authorized Person

Ashley Kemp

Name of Authorized Person

Texas Tank Services

Name of Company

1-28-2025

Date

DISCRIMINATION AGAINST FIREARMS ENTITIES OR FIREARMS TRADE ASSOCIATIONS

This contract is subject to the Texas Local Government Code chapter 2274, Subtitle F, Title 10, prohibiting contracts with companies who discriminate against firearm and ammunition industries.

TLGC chapter 2274, Subtitle F, Title 10, identifies that "discrimination against a firearm entity or firearm trade association" includes the following:

A) means, with respect to the entity or association, to:
   I. refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; and
   II. refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or
   III. terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association.

B) An exception to this provision excludes the following:
   I. contracts with a sole-source provider; or
   II. the government entity does not receive bids from companies who can provide written verification.

The entity identified below, through its authorized representative, hereby certifies that they have no practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and that they will not discriminate during the term of the contract against a firearm entity or firearm trade association as prohibited by Chapter 2274, Subtitle F, Title 10 of the Texas Local Government Code.

Check one of the following:

☑ The Contractor or Subrecipient hereby certifies that it does comply with the requirements of Chapter 2274, Subtitle F, Title 10.

-OR-

☐ The Contractor or Subrecipient hereby certifies that it cannot comply with the requirements of Chapter 2274, Subtitle F, Title 10.

Signature of Authorized Person

Ashley Kemp

Name of Authorized Person

Texas Tank Services

Name of Company

1-28-2025

Date

BOYCOTTING OF CERTAIN ENERGY COMPANIES

This contract is subject to the Texas Local Government Code chapter 809, Subtitle A, Title 8, prohibiting contracts with companies who boycott certain energy companies.

TLGC chapter Code chapter 809, Subtitle A, Title 8, identifies that "boycott energy company" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:

I. engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; and
II. does business with a company described by paragraph (I).

The entity identified below, through its authorized representative, hereby certifies that they do not boycott energy companies, and that they will not boycott energy companies during the term of the contract as prohibited by Chapter 809, Subtitle A, Title 8 of the Texas Local Government Code.

Check one of the following:

☑ The Contractor or Subrecipient hereby certifies that it ***does*** comply with the requirements of Chapter 809, Subtitle A, Title 8.

-OR-

☐ The Contractor or Subrecipient hereby certifies that it ***cannot*** comply with the requirements of Chapter 809, Subtitle A, Title 8.

Ashley Kemp

Signature of Authorized Person

Ashley Kemp

Name of Authorized Person

Texas Tank Services

Name of Company

1-28-2025

Date

APPENDIX E
DEBARMENT CERTIFICATION

Ashley Kemp ______________________________ being duly
(Name of certifying official)
sworn or under penalty of perjury under the laws of the United States, certifies that neither

Jessica Moton ______________________________, nor its principals
(Name of lower tier participant)
are presently:

- debarred, suspended, proposed for debarment,
- declared ineligible,
- or voluntarily excluded from participation in this transaction by any federal department

or agency

Where the above identified lower tier participant is unable to certify to any of the above statements in this certification, such prospective participant shall indicate below to whom the exception applies, the initiating agency, and dates of action.

Exceptions will not necessarily result in denial of award but will be considered in determining contractor responsibility. Providing false information may result in criminal prosecution or administrative sanctions.

EXCEPTIONS:

____

____

____

Ashley Kemp ______________________________
Signature of Certifying Official

General Manager ______________________________
Title

January 28, 2025 ______________________________
Date of Certification

Form 1734
Rev.10-91
TPFS

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

DATE: June 1, 2026
FROM: Manuel Palacios, Assistant Director of Public Works
ITEM: **Consider approval of the purchase of a 2026 Ford F-250 Crew Cab 4X4 from Sam Pack's Five Star Ford through BuyBoard Contract #724-23 for the Streets Division in the total amount of $56,591.23.**

BACKGROUND: The Public Works Department Street Division is requesting the purchase of one 2026 Ford F-250 crew cab 4X4 with the listed options. This unit was approved through the FY25-26 budget decision package for the Public Works Streets Division. This unit will be purchased through BuyBoard Cooperative Contract #724-23. This request is in accordance with the Fleet Department's Recommendation.

BOARD REVIEW/CITIZEN FEEDBACK:

ALTERNATIVES: N/A

FISCAL IMPACT: $56,591.23

Proposed Expenditure/(Revenue)	**Account Number(s):**
$56,591.23	100-690-995000-6130

STRATEGIC GOAL:

LEGAL REVIEW: N/A

ATTACHMENTS:
1. Fleet Req
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:	3/16/2026	Ship/Bill To:	Town of Flower Mound
Suggested Vendor:	Five Star Ford	ATTN:	FLEET SERVICES
Contact (if known):	Alan Rosner	Address:	1101 Duncan Lane
Address (if available):	1635 S. I 35		Flower Mound, TX 75028
	Carrollton, TX	PO #:	
Phone/Fax:	972-466-5031	Department Name:	Streets

G/L Account # (if Decision Package)	$ Amount Estimated	Qty.	Unit Description (Specifications)	Quoted Unit Price	Amount
100-690-95000-6130	$ 57,000	1	New Ford F-250 Crew Cab, 4 Wheel drive, Cloth Seats Running Boards V8 6.8 L Gas 373 Rear Gears	$56,591.23	$56,591.23
					-
			See attached quote.		-
					-
					-
	All Pickups come equipped w/ Spray-In Liner, Headache Rack, Across-the-bed Locking Toolbox, and Lights			**TOTAL:**	**$56,591.23**

Name/Phone Ext.: Keith Gabbard 6412

Approved By:

Unit #(s) to be replaced or specify NEW Unit: New Unit.

Spec Name: NEW Add F250

APRROVALS:

Fleet Manager: **Bill Sterner**

Bid/Solicitation #:

Co-Op/Contract #: BuyBoard 724-23

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

Sam Pack's Five Star Ford
1635 S. IH 35E Carrollton Texas, 75006
972-446-5031

CUSTOMIZED PRODUCT PRICING SUMMARY BASED ON CONTRACT

Cars and Light Trucks

Team Members - Kevin Moore - Austin Moore - Casey Marshall - Jorge Guerra - Alan Rosner

BuyBoard 724-23

End User: Town of Flower Mound **Sam Pack's Rep:** Alan Rosner

Contact: Keith Gabbard **Date:** 4.7.26

Contact TN/Email keith.gabbard@flowermound.gov Phone #

Product Description: *** FALL ORDER *** Color Code White

A. **Bid Line #** 118 **Base Price:** $ 41,190.00

B. **Published Options (Itemize Each Below)**

Code	Description	Bid Price	Code	Description	Bid Price
	Automatic	Included			
	Air Conditoning - Power Steering/Brakes	Included			
	Power Group	Included			
	V8 6.8L gasoline Engine	Included			
	4 Wheel Drive	$ 3,700.00			
	Crew Cab	$ 3,650.00			
	Cloth Seat 40/20/40	$ 100.00			
	Running Boards	$ 445.00			

Total of B. - Published Options $ 7,895.00

C. **Dealer Published Options**

Code	Description	Bid Price	Code	Description	Bid Price
C63A	Aluminum Toolbox	$ 1,875.94			
	Spray Liner	$ 599.00			
	Headache Rack	$ 970.00			

Total of C. - Dealer Published Options $ 3,444.94

D. **Off Menu Options**

Code	Description	Bid Price	Code	Description	Bid Price
	2026 Estimated Increase	$1,250.00			
	ONE EXTRA KEY	$225.00			

Off Menu Options limited to 25% of Published Price	Current % 2.81%	**Total of D. - Off Menu Options**	$1,475.00
Delivery Charges	**0 Miles @ $1.99/mile**		$ -
Manufacturer Options Discount			$ (394.75)
Requested aftermarket equipment listed in Section C and D			$ -
Floorplan Expense	**30 Days**	**$8.10 Per Diem**	$ 243.02
Lot Insurance Expense	**30 Days**	**$8.10 Per Diem**	$ 243.02
Manufacturer Destination and Delivery			$ 2,095.00
		Total Each	$ 56,191.23
Quantity Ordered 1	**X F =**		$ 56,191.23
Administrative Fee			$ 400.00
Trade In Allowance - Non-Equipment debits and credits			$ -
TOTAL PURCHASE PRICE INCLUDING ADMIN FEE			$56,591.23

Bid Award Recommendation

Date: 4/9/2026 – DP- FY 25-26

Description: **F250 Crew Cab Pick-up 4x4**

Qty.: 1

Replaces: NONE, New Fleet Addition – Street Services

Bidder: Sam Packs Five Star Ford, Kevin Moore 214-838-7018, kevinmoore@spford.com

Item: 1 – F250 Crew Cab 4x4 Pick-up Truck

Total Cost of Vehicles, Equipment & Installation: $56,591.23

It is Fleet Services recommendation to award the bid to **Sam Packs Five Star Ford** in the amount of **$56,591.23** utilizing the **BuyBoard Cooperative Contract 724-23**.

Fleet Services Manager

4/9/2026

Date

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

DATE: June 1, 2026
FROM: Jaime Jaco-Cooper, Senior Center Manager
ITEM: **Consider approval of the consumption of alcohol at the Flower Mound Senior Center during the 2026 Elite Chef Fundraiser.**

BACKGROUND: The SIM Auxiliary, Inc. (SIMA) is requesting Council's approval to serve wine at the Flower Mound Senior Center during the Elite Chef Competition Fundraiser on June 25, 5 - 8pm. SIMA is a 501(c)3 that supports the Flower Mound Seniors In Motion program. Since its formation in 2009, SIMA has donated over $100,000 to support the program and the Flower Mound Senior Center. The Elite Chef competition has been held annually at the Senior Center for the last nine years. SIMA invites four local, professional chefs to create dishes for the competition. Participants get to sample each dish and vote for their favorite. After the votes are tallied, the winning chef receives a trophy and the title of Elite Chef. Guests will purchase tickets for $30 each, which includes appetizers, chef tastings, dessert, wine, and beverages. The event typically raises over $10,000. During the event, a TABC licensed server will be onsite to serve wine, as well as monitor participant consumption. SIMA will take on the risk and liability of providing alcohol at the event. They have obtained event insurance and named the Town of Flower Mound as an additional insured on their liability insurance. No one under the age of 21 will be admitted to the event.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: Not having the option of alcohol at this event could impact proceeds.

FISCAL IMPACT: N/A
N/A

STRATEGIC GOAL:

LEGAL REVIEW: N/A

ATTACHMENTS:
1. Elite Chef 2026 (3)

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

THE SIM AUXILIARY PRESENTS

Elite Chef COMPETITION

THURSDAY, JUNE 25

5 - 8 P.M.

$30 PER PERSON

FLOWER MOUND SENIOR CENTER

2701 W. WINDSOR DRIVE

Tickets can be purchased at the Senior Center Courtesy Desk or by calling 972.874.6110.

All proceeds will be donated to SIM Auxiliary, benefiting the Flower Mound Senior Center,

SIM AUXILIARY, INC. SUPPORTING SENIORS IN MOTION

MAGNOLIA Assisted Living & Memory Care

LEWISVILLE ESTATES SENIOR LIVING AT EASE

FLOWER MOUND SENIORS IN MOTION

The OAKS AT FLOWER MOUND

ClearSky Rehabilitation Hospital of Flower Mound

Teresa's House Assisted Living | Memory Care Village

BrightStarCare®

ASSISTED LIVING ROCKBROOK MEMORY CARE

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

DATE: June 1, 2026
FROM: Robert Pegg, Town Engineer
ITEM: **Consider approval of an ordinance of the Town of Flower Mound, Texas, providing for the abandonment and release of the Town's interest in an easement previously granted to the Town for the construction and maintenance of a water line.**

BACKGROUND: In 1965, a blanket easement over a property located East of the intersection of Long Prairie Rd and Spinks Rd was granted to the Town for the construction and maintenance of a water line. The property owner has requested that the Town release the easement in order to allow for development of the property. The Engineering Department has confirmed that the water line which was previously installed is no longer a part of the Town's water supply system, and there is no interest in using this easement for the water system in the future.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES:

FISCAL IMPACT: N/A
N/A

STRATEGIC GOAL:

LEGAL REVIEW: Kyndall McAnany, of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the ordinance as to form and legality.

ATTACHMENTS:
1. Ordinance
2. Quitclaim Deed - Exhibit A
3. Metes & Bounds - QCD Exhibit A
4. Preliminary Survey - QCD Exhibit A

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, PROVIDING FOR THE ABANDONMENT AND RELEASE OF THE TOWN'S INTEREST IN A PERMANENT RIGHT-OF-WAY EASEMENT PREVIOUSLY GRANTED TO THE TOWN BY JOSEPH B. COKER AND WIFE, DOROTHY D. COKER, AS RECORDED IN VOLUME 532, PAGE 54, DEED RECORDS, DENTON COUNTY, TEXAS; AUTHORIZING THE MAYOR TO EXECUTE AND SIGN ALL DOCUMENTS RELEASING THE EASEMENT TO THE OWNERS OF THE FEE ESTATE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, FM 2499 Retail Venture, LP ("Owner") is the sole and current owner of approximately 34.36 acres of land situated in the J. N. Tannehill Survey, Abstract No. 1252, Denton County, Texas, as recorded in Volume 532, Page 54 of the Deed Records of Denton County, Texas (the "Property"); and

WHEREAS, in August 1965, Joseph B. Coker and wife, Dorothy D. Coker, granted an easement, recorded in Volume 532, Page 54, Deed Records, Denton County, Texas, to the Town of Flower Mound, Texas, for the purpose of constructing, operating, inspecting, repairing, maintaining, replacing, and removing a water line within a strip of land not to exceed 20 feet in width (the "Easement"); and,

WHEREAS, the Town Council of the Town desires to abandon and release the Easement; and,

WHEREAS, the Town Council deems it advisable to abandon the Town's interest in the Easement for the reason that the Easement is no longer needed for public use, and said property should be released, abandoned, relinquished, and vacated.

WHEREAS, the Town Council authorizes the Mayor to execute the easement abandonment by Quit Claim Deed attached as Exhibit A.

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

SECTION 1.

The Town of Flower Mound does hereby release, abandon, relinquish, and vacate its interest in the permanent right-of-way easement recorded in Volume 532, Page 54 of the Deed Records of Denton County, Texas. Accordingly, the Easement is hereby vacated and abandoned and shall revert in fee simple to the Owners of the Property.

SECTION 2.

The abandonment provided herein shall apply to the Town's public right, title, easement, and interest that the Town may lawfully abandon, vacate, and relinquish. The Town makes no warranty or representation as to title to the property as released.

SECTION 3.

The Mayor of the Town is hereby authorized and empowered to sign all documents necessary to effectuate the release on behalf of the Town of Flower Mound, Texas.

SECTION 4.

The Town Secretary is hereby directed to certify a copy of this Ordinance and the easement abandonment Quit Claim Deed attached hereto as Exhibit A and cause both to be recorded in the Deed Records of Denton County, Texas.

SECTION 5.

It is hereby declared to be the intention of the Town Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

SECTION 6.

This Ordinance shall be in full force and effect from its passage, and it so ordained.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF _____ TO _____, ON THIS THE ___ DAY OF ______, 2026.

APPROVED:

____

Cheryl Moore, MAYOR

ATTEST:

____
Traci Henderson, TOWN SECRETARY

APPROVED AS TO FORM AND LEGALITY:

____
Bryn Meredith, Town Attorney

EXHIBIT A

"Quit Claim Deed"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS' LICENSE NUMBER.

QUITCLAIM DEED

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF DENTON	§	

For and in consideration of the sum of Ten Dollars ($10.00), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town of Flower Mound ("Grantor"), does hereby bargain, sell, release, vacate, abandon, and forever quitclaim unto FM 2499 Retail Venture, LP ("Grantee") and any and all of its heirs, legal representatives, or assigns, all of Grantor's right, title, and interest in and to the permanent right-of-way easement in the James H. Tannehill Survey, Abstract No 1252, Denton County, Texas, Being all of Lot 2, Block A, Crosby Addition, an addition to the Town of Flower Mound, Denton County, Texas, as more particularly described and depicted on the attached Exhibit "A," and incorporated herein for all purposes.

TO HAVE AND TO HOLD all of Grantor's right, title, and interest in and to the above-described easement unto the said Grantee, its heirs and assigns forever, so that neither Grantor nor its heirs, legal representatives, or assigns shall have, claim or demand any right or title to the aforesaid easement or any part thereof.

EXECUTED on the dates appearing in the acknowledgements below, however, to be effective on this ______ day of ________________________, 2026.

TOWN OF FLOWER MOUND

____
CHERYL MOORE, MAYOR

STATE OF TEXAS §
§
COUNTY OF DENTON §

BEFORE ME, ________________________, Notary Public, on this day personally appeared Cheryl Moore, Mayor of the Town of Flower Mound, Texas, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed that instrument for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____________, 2026.

____
NOTARY PUBLIC in and for the State of Texas

(Seal)

BEING A TRACT OF LAND LOCATED IN THE JAMES H. TANNEHILL SURVEY, ABSTRACT NUMBER 1252, DENTON COUNTY, TEXAS, BEING ALL OF LOT 2, BLOCK A, CROSBY ADDITION, AN ADDITION TO THE TOWN OF FLOWER MOUND, DENTON COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN DOCUMENT NUMBER 2020-297, PLAT RECORDS, DENTON COUNTY, TEXAS (P.R.D.C.T.), BEING ALL OF A TRACT OF LAND DESCRIBED IN A DEED TO FM 2499 RETAIL VENTURE, LP, RECORDED IN DOCUMENT NUMBER 2022-48466, OFFICIAL RECORDS, DENTON COUNTY, TEXAS (O.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF LONG PRAIRIE ROAD (F.M. 2499) (A VARIABLE WIDTH RIGHT-OF-WAY) WITH THE SOUTH RIGHT-OF-WAY LINE OF SPINKS ROAD (A VARIABLE WIDTH RIGHT-OF-WAY), AND BEING THE NORTHWEST CORNER OF SAID LOT 2;

THENCE N 50°35'11" E, ALONG THE NORTH LINE OF SAID LOT 2 AND THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, 66.45 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "RPLS 8989", BEING THE BEGINNING OF A CURVE TO THE RIGHT;

THENCE NORTHEASTERLY, AN ARC LENGTH OF 599.13 FEET ALONG THE NORTH LINE OF SAID LOT 2, THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, AND SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 1085.92 FEET, A DELTA ANGLE OF 31°36'41", AND A CHORD BEARING OF N 66°22'46" E, 591.56 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE MOST WESTERLY NORTHEAST CORNER OF SAID LOT 2 AND THE NORTHWEST CORNER OF LOT 1, BLOCK A, OF SAID CROSBY ADDITION;

THENCE DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD AND ALONG THE WEST, SOUTH, AND EAST LINES OF SAID LOT 1 AS FOLLOWS:

1) S 00°55'36" W, 325.39 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE SOUTHWEST CORNER OF SAID LOT 1;

2) S 89°04'24" E, 342.00 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE SOUTHEAST CORNER OF SAID LOT 1;

3) N 00°55'36" E, 338.00 FEET TO AN "X" CUT FOUND IN THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, BEING THE NORTHEAST CORNER OF SAID LOT 1 AND THE MOST EASTERLY NORTHWEST CORNER OF SAID LOT 2;

THENCE S 89°04'23" E, ALONG THE MOST EASTERLY NORTH LINE OF SAID LOT 2 AND THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, 55.83 FEET TO A

1/2" IRON ROD FOUND WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE MOST EASTERLY NORTHEAST CORNER OF SAID LOT 2 AND IN THE WEST LINE OF LOT 1, BLOCK A, DFW AIRPORT NORTH DISTRIBUTION CENTER II, AN ADDITION TO THE TOWN OF FLOWER MOUND, DENTON COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN DOCUMENT NUMBER 2015-366, P.R.D.C.T.;

THENCE S 00°17'53" E, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, ALONG THE EAST LINE OF SAID LOT 2 AND THE WEST LINE OF SAID LOT 1, BLOCK A, DFW AIRPORT NORTH DISTRIBUTION CENTER II, AT A DISTANCE OF 284.36 FEET PASSING A 1/2" IRON ROD FOUND WITH A CAP STAMPED "HALFF", BEING THE MOST WESTERLY SOUTHWEST CORNER OF SAID LOT 1, BLOCK A, DFW AIRPORT NORTH DISTRIBUTION CENTER II AND THE NORTHWEST CORNER OF LOT 1, BLOCK A, FLOWER MOUND SOUTH SUBSTATION ADDITION, AN ADDITION TO THE TOWN OF FLOWER MOUND, DENTON COUNTY, TEXAS ACCORDING TO THE PLAT RECORDED IN CABINET V, SLIDE 786, P.R.D.C.T., AT A DISTANCE OF 684.36 PASSING AN "X" CUT FOUND, BEING THE SOUTHWEST CORNER OF SAID LOT 1, BLOCK A, FLOWER MOUND SOUTH SUBSTATION ADDITION AND THE NORTHWEST CORNER OF LOT 2, BLOCK A OF SAID DFW AIRPORT NORTH DISTRIBUTION CENTER II, AT A DISTANCE OF 960.95 FEET PASSING A MAG NAIL FOUND, BEING THE SOUTHEAST CORNER OF SAID LOT 2, BLOCK A, CROSBY ADDITION, AT A DISTANCE OF 1350.92 FEET PASSING AN "X" CUT FOUND, BEING THE SOUTHWEST CORNER OF SAID LOT 2, BLOCK A, DFW AIRPORT NORTH DISTRIBUTION CENTER II, AND CONTINUING IN ALL A TOTAL DISTANCE OF 1363.21 FEET TO AN "X" CUT FOUND IN THE NORTH RIGHT-OF-WAY LINE OF LAKESIDE PARKWAY (VARIABLE WIDTH RIGHT-OF-WAY), BEING THE SOUTHEAST CORNER OF SAID FM 2499 RETAIL VENTURE TRACT;

THENCE ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID LAKESIDE PARKWAY AND THE SOUTH LINE OF SAID FM 2499 RETAIL VENTURE TRACT AS FOLLOWS:

1) S 89°02'48" W, 18.60 FEET TO AN "X" CUT FOUND, BEING THE BEGINNING OF A CURVE TO THE LEFT;

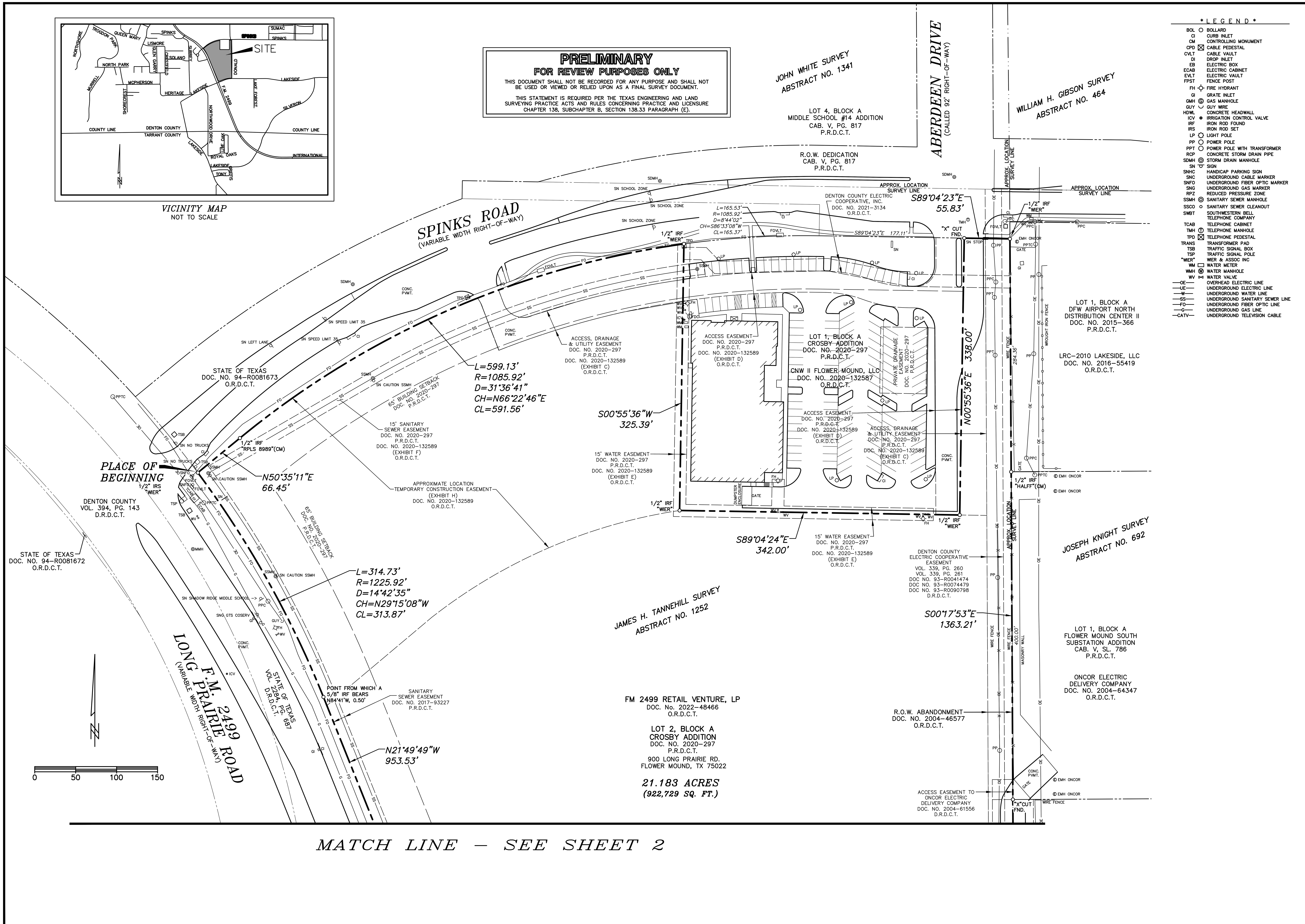
2) SOUTHWESTERLY, AN ARC LENGTH OF 336.43 FEET ALONG SAID CURVE TO THE LEFT, HAVING A RADIUS OF 920.00 FEET, A DELTA ANGLE OF 20°57'08", AND A CHORD BEARING OF S 78°34'14" W, 334.56 FEET TO A 1/2" IRON ROD FOUND;

3) S 68°05'40" W, 105.62 FEET TO AN "X" CUT FOUND, BEING THE SOUTHEAST END OF A RIGHT-OF-WAY CORNER CLIP AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID LAKESIDE PARKWAY WITH THE EAST RIGHT-OF-WAY LINE OF SAID LONG PRAIRIE ROAD, FROM WHICH A SECOND "X" CUT FOUND BEARS N 28°39'31" E, 0.40 FEET;

THENCE N 61°37'43" W, ALONG SAID CORNER CLIP, 52.22 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC";

THENCE N 21°49'49" W, ALONG THE EAST RIGHT-OF-WAY LINE OF SAID LONG PRAIRIE ROAD, AT A DISTANCE OF 532.99 FEET PASSING A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE SOUTHWEST CORNER OF SAID LOT 2, BLOCK A, CROSBY ADDITION, AND CONTINUING IN ALL A TOTAL DISTANCE OF 953.53 FEET TO A POINT, FROM WHICH A 5/8" IRON ROD FOUND BEARS N 84°41'W, 0.50 FEET, BEING THE BEGINNING OF A CURVE TO THE LEFT;

THENCE NORTHWESTERLY, AN ARC LENGTH OF 314.73 FEET ALONG THE EAST RIGHT-OF-WAY LINE OF SAID LONG PRAIRIE ROAD, THE WEST LINE OF SAID LOT 2, BLOCK A, CROSBY ADDITION, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 1225.92 FEET, A DELTA ANGLE OF 14°42'35", AND A CHORD BEARING OF N 29°15'08" W, 313.87 FEET TO THE PLACE OF BEGINNING AND CONTAINING 21.183 ACRES (922,729 SQUARE FEET) OF LAND, MORE OR LESS.



PREPARED BY:
WIER & ASSOCIATES, INC.
ENGINEERS SURVEYORS LAND PLANNERS
2201 E. LAMAR BLVD., SUITE 200E ARLINGTON, TEXAS 76006
5151 HEADQUARTERS DR., SUITE 115 PLANO, TEXAS 75024 (817) 467-7700
Texas Firm Registration No. F-2776 www.WierAssociates.com
Texas Board of Professional Land Surveying Registration No. 10033900

REVISIONS | DATE | BY

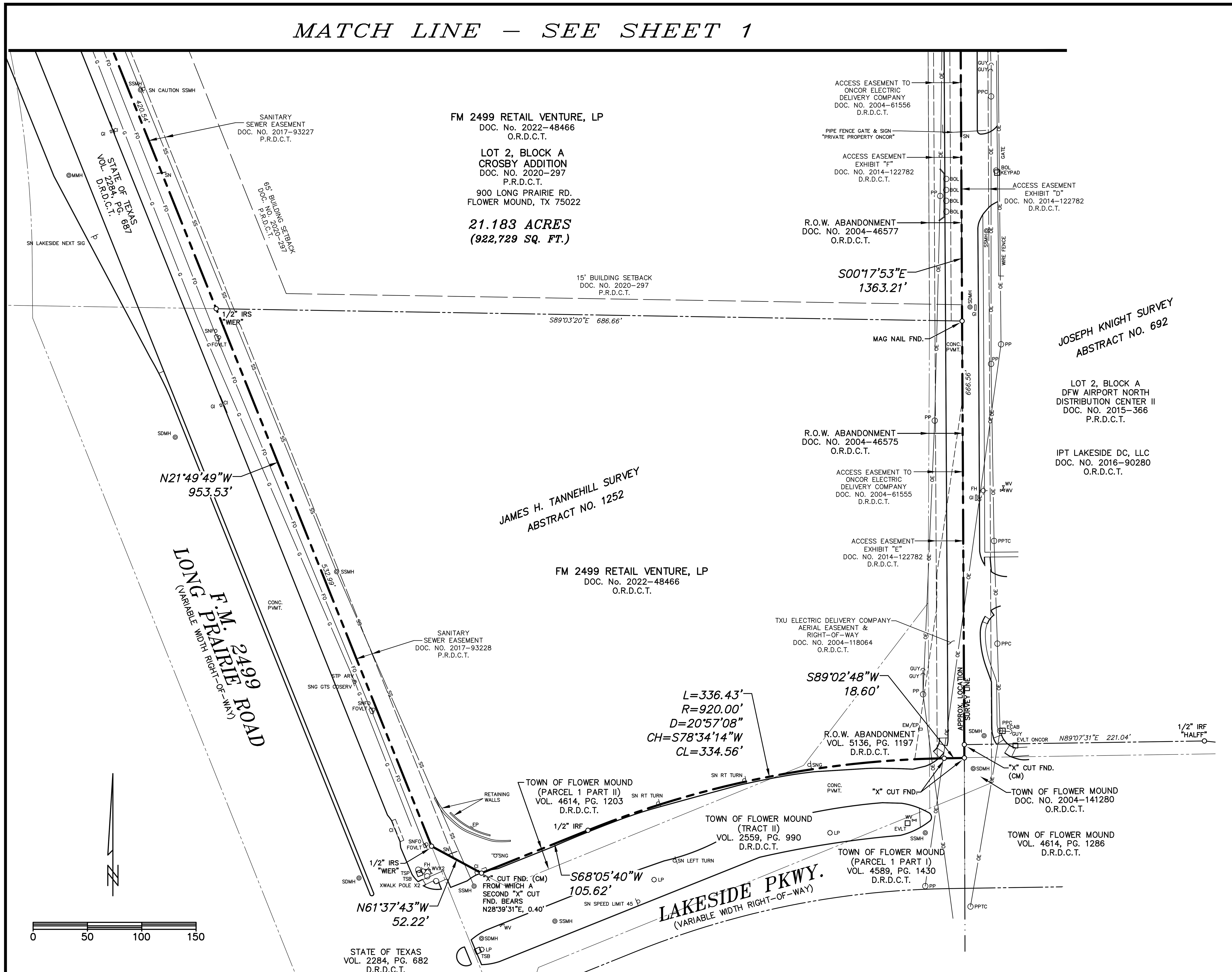
ALTA/NSPS LAND TITLE SURVEY
21.183 ACRE TRACT
LOCATED IN THE JAMES H. TANNEHILL SURVEY, ABSTRACT No. 1252
TOWN OF FLOWER MOUND, DENTON COUNTY, TEXAS

LAST SHEET EDIT
DATE 1/12/2026
WA# 25129

SHEET NO. 1 OF 2

BAR IS ONE INCH ON ORIGINAL FULL-SIZE PRINT

PRINTED: 1/12/2026 STB FILE: WIER-SURVEY.STB LAST SAVED: 1/12/2026 2:18 PM SAVED BY: AARONLS FILE: 25129-ALTA.DWG



N O T E S

1. ACCORDING TO SURVEYOR'S INTERPRETATION OF INFORMATION SHOWN ON THE NATIONAL FLOOD INSURANCE PROGRAM (NFIP) "FLOOD INSURANCE RATE MAP" (FIRM), MAP No. 48121C0680G, MAP REVISED APRIL 18, 2011, AND MAP NO. 48121C0685G, MAP REVISED APRIL 18, 2011, ALL OF THE SUBJECT TRACT LIES WITHIN ZONE "X", "AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN" AS DEFINED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, FEDERAL INSURANCE ADMINISTRATION, OR THE FEDERAL EMERGENCY MANAGEMENT AGENCY.

2. THE ABOVE REFERENCED "FIRM" MAP IS FOR USE IN ADMINISTERING THE "NFIP"; IT DOES NOT NECESSARILY SHOW ALL AREAS POTENTIALLY SUBJECT TO FLOODING, PARTICULARLY AREAS WHICH COULD BE FLOODED BY SEVERE, CONCENTRATED RAINFALL COUPLED WITH INADEQUATE LOCAL DRAINAGE SYSTEMS. THERE MAY BE OTHER STREAMS, CREEKS, LOW AREAS, DRAINAGE SYSTEMS OR OTHER SURFACE OR SUBSURFACE CONDITIONS EXISTING ON OR NEAR THE SUBJECT PROPERTY WHICH ARE NOT STUDIED OR ADDRESSED AS PART OF THE "NFIP".

3. NO UNDERGROUND UTILITIES WERE LOCATED DURING THE COURSE OF THIS SURVEY.

4. ALL BEARINGS SHOWN HEREON ARE CORRELATED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202, NAD OF 1983, AS DERIVED BY FIELD OBSERVATIONS UTILIZING THE RTK NETWORK ADMINISTRATED BY ALLTERRA CENTRAL, INC.

5. THIS SURVEY WAS PREPARED WITH BENEFIT OF A CURRENT COPY OF COMMITMENT FOR TITLE INSURANCE PREPARED BY FIRST AMERICAN TITLE INSURANCE COMPANY, GF No. 1002-417853-RTT, EFFECTIVE DATE DECEMBER 01, 2025, ISSUED DATE DECEMBER 19, 2025.

7. ALL 1/2" IRON RODS SET WITH A CAP STAMPED "WIER & ASSOC INC", UNLESS NOTED OTHERWISE.

8. THE SUBJECT TRACT CONTAINS ZERO STRIPED PARKING SPACES.

9. NO BUILDINGS WERE OBSERVED ON THE SUBJECT TRACT.

S U R V E Y O R ' S   S T A T E M E N T

TO FM 2499 RETAIL VENTURE, LP, A TEXAS LIMITED PARTNERSHIP, GREYSTAR DEVELOPMENT CENTRAL, LLC, A DELAWARE LIMITED LIABILITY COMPANY, REPUBLIC TITLE OF TEXAS, INC., AND FIRST AMERICAN TITLE INSURANCE COMPANY:

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH LAWS REGULATING SURVEYING IN THE STATE OF TEXAS, AND WITH THE 2021 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/NSPS LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 1, 2, 3, 4, 7(a), 7(b)(1), 7(c), 8, 9, 13, & 14 OF TABLE A THEREOF.

THE FIELDWORK WAS COMPLETE ON JANUARY 8, 2026.

DATE OF PLAT OR MAP: 01/12/2026

"THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF REVIEW UNDER THE AUTHORITY OF AARON L. STRINGFELLOW, RPLS. NO. 6373 ON JANUARY 12, 2026. IT IS NOT TO BE USED FOR RECORDING, CONSTRUCTION, BIDDING, OR PERMIT PURPOSES. THIS DOCUMENT IS NOT TO BE RELIED UPON AS A COMPLETE SURVEY AND SHALL NOT BE RECORDED."

AARON L. STRINGFELLOW, R.P.L.S.
STATE OF TEXAS No. 6373
E-MAIL: AaronLS@WierAssociates.com

PRELIMINARY
FOR REVIEW PURPOSES ONLY

THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.

THIS STATEMENT IS REQUIRED PER THE TEXAS ENGINEERING AND LAND SURVEYING PRACTICE ACTS AND RULES CONCERNING PRACTICE AND LICENSURE CHAPTER 138, SUBCHAPTER B, SECTION 138.33 PARAGRAPH (E).

F I E L D   N O T E S

BEING A TRACT OF LAND LOCATED IN THE JAMES H. TANNEHILL SURVEY, ABSTRACT NUMBER 1252, DENTON COUNTY, TEXAS, BEING ALL OF LOT 2, BLOCK A, CROSBY ADDITION, AN ADDITION TO THE TOWN OF FLOWER MOUND, DENTON COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN DOCUMENT NUMBER 2020-297, PLAT RECORDS, DENTON COUNTY, TEXAS (P.R.D.C.T.), BEING ALL OF A TRACT OF LAND DESCRIBED IN A DEED TO FM 2499 RETAIL VENTURE, LP, RECORDED IN DOCUMENT NUMBER 2022-48466, OFFICIAL RECORDS, DENTON COUNTY, TEXAS (O.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF LONG PRAIRIE ROAD (F.M. 2499) (A VARIABLE WIDTH RIGHT-OF-WAY) WITH THE SOUTH RIGHT-OF-WAY LINE OF SPINKS ROAD (A VARIABLE WIDTH RIGHT-OF-WAY), AND BEING THE NORTHWEST CORNER OF SAID LOT 2;

THENCE N 50°35'11" E, ALONG THE NORTH LINE OF SAID LOT 2 AND THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, 66.45 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "RPLS 8989", BEING THE BEGINNING OF A CURVE TO THE RIGHT;

THENCE NORTHEASTERLY, AN ARC LENGTH OF 599.13 FEET ALONG THE NORTH LINE OF SAID LOT 2, THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, AND SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 1085.92 FEET, A DELTA ANGLE OF 31°36'41", AND A CHORD BEARING OF N 66°22'46" E, 591.56 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE MOST WESTERLY NORTHEAST CORNER OF SAID LOT 2 AND THE NORTHWEST CORNER OF LOT 1, BLOCK A, OF SAID CROSBY ADDITION;

THENCE DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD AND ALONG THE WEST, SOUTH, AND EAST LINES OF SAID LOT 1 AS FOLLOWS:

1) S 00°55'36" W, 325.39 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE SOUTHWEST CORNER OF SAID LOT 1;

2) S 89°04'24" E, 342.00 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE SOUTHEAST CORNER OF SAID LOT 1;

3) N 00°55'36" E, 338.00 FEET TO AN "X" CUT FOUND IN THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, BEING THE NORTHEAST CORNER OF SAID LOT 1 AND THE MOST EASTERLY NORTHWEST CORNER OF SAID LOT 2;

THENCE S 89°04'23" E, ALONG THE MOST EASTERLY NORTH LINE OF SAID LOT 2 AND THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, 55.83 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE MOST EASTERLY NORTHEAST CORNER OF SAID LOT 2 AND IN THE WEST LINE OF LOT 1, BLOCK A, DFW AIRPORT NORTH DISTRIBUTION CENTER II, AN ADDITION TO THE TOWN OF FLOWER MOUND, DENTON COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN DOCUMENT NUMBER 2015-366, P.R.D.C.T.;

THENCE S 00°17'53" E, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID SPINKS ROAD, ALONG THE EAST LINE OF SAID LOT 2 AND THE WEST LINE OF SAID LOT 1, BLOCK A, DFW AIRPORT NORTH DISTRIBUTION CENTER II, AT A DISTANCE OF 284.36 FEET PASSING A 1/2" IRON ROD FOUND WITH A CAP STAMPED "HALFF", BEING THE MOST WESTERLY SOUTHWEST CORNER OF SAID LOT 1, BLOCK A, DFW AIRPORT NORTH DISTRIBUTION CENTER II AND THE NORTHWEST CORNER OF LOT 1, BLOCK A, FLOWER MOUND SOUTH SUBSTATION ADDITION, AN ADDITION TO THE TOWN OF FLOWER MOUND, DENTON COUNTY, TEXAS ACCORDING TO THE PLAT RECORDED IN CABINET V, SLIDE 786, P.R.D.C.T., AT A DISTANCE OF 684.36 PASSING AN "X" CUT FOUND, BEING THE SOUTHWEST CORNER OF SAID LOT 1, BLOCK A, FLOWER MOUND SOUTH SUBSTATION ADDITION AND THE NORTHWEST CORNER OF LOT 2, BLOCK A OF SAID DFW AIRPORT NORTH DISTRIBUTION CENTER II, AT A DISTANCE OF 960.95 FEET PASSING A MAG NAIL FOUND, BEING THE SOUTHEAST CORNER OF SAID LOT 2, BLOCK A, CROSBY ADDITION, AT A DISTANCE OF 1350.92 FEET PASSING AN "X" CUT FOUND, BEING THE SOUTHWEST CORNER OF SAID LOT 2, BLOCK A, DFW AIRPORT NORTH DISTRIBUTION CENTER II, AND CONTINUING IN ALL A TOTAL DISTANCE OF 1363.21 FEET TO AN "X" CUT FOUND IN THE NORTH RIGHT-OF-WAY LINE OF LAKESIDE PARKWAY (VARIABLE WIDTH RIGHT-OF-WAY), BEING THE SOUTHEAST CORNER OF SAID FM 2499 RETAIL VENTURE TRACT;

THENCE ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID LAKESIDE PARKWAY AND THE SOUTH LINE OF SAID FM 2499 RETAIL VENTURE TRACT AS FOLLOWS:

1) S 89°02'48" W, 18.60 FEET TO AN "X" CUT FOUND, BEING THE BEGINNING OF A CURVE TO THE LEFT;

2) SOUTHWESTERLY, AN ARC LENGTH OF 336.43 FEET ALONG SAID CURVE TO THE LEFT, HAVING A RADIUS OF 920.00 FEET, A DELTA ANGLE OF 20°57'08", AND A CHORD BEARING OF S 78°34'14" W, 334.56 FEET TO A 1/2" IRON ROD FOUND;

3) S 68°05'40" W, 105.62 FEET TO AN "X" CUT FOUND, BEING THE SOUTHEAST END OF A RIGHT-OF-WAY CORNER CLIP AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID LAKESIDE PARKWAY WITH THE EAST RIGHT-OF-WAY LINE OF SAID LONG PRAIRIE ROAD, FROM WHICH A SECOND "X" CUT FOUND BEARS N 28°39'31" E, 0.40 FEET;

THENCE N 61°37'43" W, ALONG SAID CORNER CLIP, 52.22 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC";

THENCE N 21°49'49" W, ALONG THE EAST RIGHT-OF-WAY LINE OF SAID LONG PRAIRIE ROAD, AT A DISTANCE OF 532.99 FEET PASSING A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE SOUTHWEST CORNER OF SAID LOT 2, BLOCK A, CROSBY ADDITION, AND CONTINUING IN ALL A TOTAL DISTANCE OF 953.53 FEET TO A POINT, FROM WHICH A 5/8" IRON ROD FOUND BEARS N 84°41'W, 0.50 FEET, BEING THE BEGINNING OF A CURVE TO THE LEFT;

THENCE NORTHWESTERLY, AN ARC LENGTH OF 314.73 FEET ALONG THE EAST RIGHT-OF-WAY LINE OF SAID LONG PRAIRIE ROAD, THE WEST LINE OF SAID LOT 2, BLOCK A, CROSBY ADDITION, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 1225.92 FEET, A DELTA ANGLE OF 14°42'35", AND A CHORD BEARING OF N 29°15'08" W, 313.87 FEET TO THE PLACE OF BEGINNING AND CONTAINING 21.183 ACRES (922,729 SQUARE FEET) OF LAND, MORE OR LESS.

TITLE COMMITMENT SCHEDULE "B" ITEMS (SEE NOTE 5)			
EXCEPTION NO.	SHOWN GRAPHICALLY	LOCATED ON SUBJECT TRACT	DESCRIPTION
10e	YES	YES	THE VARIABLE WIDTH ACCESS, DRAINAGE & UTILITY EASEMENT(S), THE 15 FOOT SANITARY SEWER EASEMENT, THE 65 FOOT BUILDING SETBACK LINE, THE 7.5 FOOT WATER EASEMENT, AND THE 15 FOOT BUILDING SETBACK LINE, AS SHOWN ON THE PLAT RECORDED IN DOCUMENT NO. 2020-297, P.R.D.C.T., ARE LOCATED ON THE SUBJECT TRACT.
10f	YES	YES	THE EASEMENT RECORDED IN VOL. 339, PG. 260, D.R.D.C.T, AND DOCUMENT NOS. 93-R0041474, 93-R0074479, AND 93-R0090798, O.R.D.C.T., IS LOCATED ON THE SUBJECT TRACT.
10g	YES	YES	THE EASEMENT RECORDED IN VOL. 339, PG. 261, D.R.D.C.T, AND DOCUMENT NOS. 93-R0041474, 93-R0074479, AND 93-R0090798, O.R.D.C.T., IS LOCATED ON THE SUBJECT TRACT.
10h	NO	TOO VAGUE	LOT 2, BLOCK A, CROSBY ADDITION IS A PORTION OF THE LAND DESCRIBED IN THE EASEMENT RECORDED IN VOL. 532, PG. 54, D.R.D.C.T., HOWEVER, DUE TO THE VAGUE DESCRIPTION, SURVEYOR CANNOT LOCATE THE EASEMENT.
10i	YES	YES	THE EASEMENT RECORDED IN DOCUMENT NO. 2004-61555, O.R.D.C.T., IS LOCATED ON THE SUBJECT TRACT.
10j	YES	YES	THE EASEMENT RECORDED IN DOCUMENT NO. 2004-61556, O.R.D.C.T., IS LOCATED ON THE SUBJECT TRACT.
10k	NO	YES	THE SUBJECT TRACT IS A PORTION OF THE LANDS DESCRIBED IN THE MEMORANDUM OIL AND GAS LEASE RECORDED IN DOCUMENT NO. 2009-104346, O.R.D.C.T.
10l	YES	YES	THE EASEMENTS RECORDED IN DOCUMENT NO. 2014-122782, O.R.D.C.T., ARE LOCATED ON THE SUBJECT TRACT.
10m	YES	YES	THE EASEMENT RECORDED IN DOCUMENT NO. 2017-93227, O.R.D.C.T., IS LOCATED ON THE SUBJECT TRACT.
10n	YES	YES	THE EASEMENT RECORDED IN DOCUMENT NO. 2017-93228, O.R.D.C.T., IS LOCATED ON THE SUBJECT TRACT.
10o	NO	YES	THE SUBJECT TRACT IS A PORTION OF THE LANDS DESCRIBED IN THE DOCUMENT RECORDED IN DOCUMENT NO. 2017-121848, O.R.D.C.T.
10p	YES	YES	THE SUBJECT TRACT IS A PORTION OF THE LANDS DESCRIBED IN THE DOCUMENT RECORDED IN DOCUMENT NO. 2021-132589, O.R.D.C.T., AND THE EASEMENTS DEPICTED IN SAID DOCUMENTS ARE LOCATED ON THE SUBJECT TRACT.
10q	YES	YES	THE EASEMENT RECORDED IN DOCUMENT NO. 2021-3134, O.R.D.C.T., IS LOCATED ON THE SUBJECT TRACT.
10r	YES	YES	THE AERIAL EASEMENT AND RIGHT-OF-WAY RECORDED IN DOCUMENT NO. 2004-118064, O.R.D.C.T., IS LOCATED ON THE SUBJECT TRACT.
10s	NO	YES	THE SUBJECT TRACT IS THE SAME TRACT OF LAND DESCRIBED IN EXHIBIT 'A' OF THE SPECIAL WARRANTY DEED WITH VENDOR'S LIEN RECORDED IN DOCUMENT NO. 2022-48466, O.R.D.C.T.
10t	NO	YES	THE SUBJECT TRACT IS A PORTION OF THE LANDS DEPICTED IN EXHIBITS A AND B OF THE CHAPTER 380 AGREEMENT BETWEEN THE TOWN OF FLOWER MOUND AND FM 2499 RETAIL VENTURE, LP RECORDED IN DOCUMENT NO. 2025-114558, O.R.D.C.T.

PREPARED BY:
WIER & ASSOCIATES, INC.
ENGINEERS SURVEYORS LAND PLANNERS
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5151 HEADQUARTERS DR., SUITE 115 PLANO, TEXAS 75024 (817) 467-7700
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Texas Board of Professional Land Surveying Registration No. 10033900

REVISIONS	DATE	BY
TITLE OBJECTIONS	12/08/21	ALS
DESCRIPTION PREAMBLE	03/08/22	ALS

ALTA/NSPS LAND TITLE SURVEY
21.183 ACRE TRACT
LOCATED IN THE JAMES H. TANNEHILL SURVEY, ABSTRACT No. 1252
TOWN OF FLOWER MOUND, DENTON COUNTY, TEXAS

LAST SHEET EDIT
DATE 1/12/2026
WA# 25129

SHEET NO.
2 OF 2

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

DATE: June 1, 2026
FROM: Julie Taylor, Director of Treasury Operations
ITEM: **Consider approval of an ordinance authorizing the issuance of Certificates of Obligation, Series 2026, for an amount not to exceed $35,265,000.00, for the purpose of paying for street, waterworks and sewer system improvements and fire-fighting facilities, establishing parameters for the sale and issuance of such bonds, delegating certain matters to an authorized official of the Town and resolving all matters incident and related thereto.**

BACKGROUND:

The Financial Services staff and Hilltop Securities, the Town's financial advisor, request the Town Council's approval of an ordinance authorizing the issuance of Certificates of Obligation, Series 2026, ("the Certificates").

On October 6, 2025, the Town Council approved a reimbursement resolution for an amount not to exceed $79,325,000.00 to fund improvements to streets, water and wastewater system projects, fire-fighting facilities, park and trail improvements and facilities, and the costs of issuance of the debt. CIP Amendments during the fiscal year have modified funding sources and/or moved project start dates to future years, thus reducing the proposed debt issuance. The majority of the decrease is due to the phasing of the fire stations and utility projects in future years.

At the Town Council meeting on April 8, 2026, the Town Council authorized the publication of notice to issue Certificates of Obligation, Series 2026, (the "Certificates") in the principal amount not to exceed $35,265,000.00.

In order to efficiently complete the sale, the attached ordinance establishes the following parameters, giving the Town Manager and the Chief Financial Officer the authority to approve all necessary documents and finalize the sale. The authorization will expire 180 days after passage of the ordinance.

Maximum Principal Amount: $35,265,000.00
Maximum True Interest Cost: 5.00%
Final Maturity Date: March 1, 2046

The issuance will be conducted as a negotiated sale with the pricing to occur on June 3, 2026. The Certificates will begin accruing interest on June 15, 2026 (the Dated Date), which the Town will receive upon delivery of the funds on June 25, 2026. US Bank will serve as the Paying Agent/Registrar for the Certificates. The preliminary official statement, which discloses details related to the issuance of the Certificates and the Town, is available in the Financial Services Department for review.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: $35,265,000.00

Proposed Expenditure/(Revenue)	**Account Number(s):**
$35,265,000.00	Ad valorem taxes will fund the general capital projects, while the utilities' system will fund the waterworks and sewer system improvements.

STRATEGIC GOAL:

LEGAL REVIEW: The Town's Bond Counsel, Norton Rose Fulbright US LLP, prepared the proposed ordinance. This standard notice of intent 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. 2026 Certificates of Obligation Projects
2. 2026 Certificates Of Obligation Ordinance
3. 2026 Certificates of Obligation Paying Agent Agreement

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

General Capital Projects

Streets:			
Urban Minor Arterial with Bike Lane; Denton Creek Blvd to West Town Limit, UMAB-5)		$ 1,200,000	
Facility Projects:			
Fire Station 3 Renovation/9 Construction	6,000,000		
Fire Station 6	15,000,000		
Total Facility		$ 21,000,000	
Total General Fund			**$ 22,200,000**
Utility Capital Projects			
Water Projects:			
Amhearst Lane Water Line Replacement	$ 595,000		
Denton Creek Spine Road 12-inch Water Line	350,000		
Denton Creek Water Reuse - Reuse Waterlines	750,000		
Harvard Drive Water Line Replacement	75,000		
Marcus Court Cul-de-sac Water Line Replacement	142,500		
Marcus Drive Water Line Replacement	535,000		
Public Works - West	500,000		
Service Center Improvements	4,320,000		
Timber Creek Bridge Water Line Lowering	500,000		
West Side Water Line (South)	350,000		
Total Water		$ 8,117,500	
Wastewater Projects:			
Amhearst Lane Sewer Line Replacement	$ 95,000		
Marcus Court Cul-de-sac Sewer Line Replacement	67,500		
Marcus Drive Sewer Line Replacement	155,000		
Prospect Drive Manhole Rehab	60,000		
WWTP - Preliminary Treatment Area Improvement	4,300,000		
WWTP - Blowing Builder 2 Rehab	270,000		
Total Wastewater		$ 4,947,500	
Total Utility			**$ 13,065,000**
Grand Total of Debt Issuance			**$ 35,265,000**

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. [____]-26

AN ORDINANCE authorizing the issuance of "TOWN OF FLOWER MOUND, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 2026"; providing for the payment of said certificates of obligation by the levy of an ad valorem tax upon all taxable property within the Town and a limited pledge of the net revenues derived from the operation of the Town's waterworks and sewer system; providing the terms and conditions of such certificates and resolving other matters incident and relating to the issuance, payment, security and delivery of said certificates of obligation; delegating matters relating to the sale and issuance of said certificates to an authorized Town official; and providing an effective date.

WHEREAS, the Town Council of the Town of Flower Mound, Texas, has heretofore determined that certificates of obligation should be issued in the maximum principal amount not to exceed $35,265,000 for the purpose of paying contractual obligations to be incurred for authorized needs and purposes, to wit: (i) constructing waterworks and sewer system improvements and extensions, including the acquisition of land, rights-of-way and equipment therefor, (ii) acquiring, designing, constructing, equipping and improving fire-fighting facilities, including the acquisition of land and rights-of-way therefor, (iv) constructing and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, entryways, pedestrian pathways, signage and traffic signalization and the acquisition of land and rights-of-way therefor and (iv) professional services rendered in connection therewith; and

WHEREAS, a "Notice of Intention to Issue Town of Flower Mound, Texas, Certificates of Obligation" was (a) duly published in *The Denton Record-Chronicle*, a newspaper hereby found and determined to be of general circulation in the Town of Flower Mound, Texas, on April 11, 2026 and April 18, 2026, the date of the first publication of such notice being not less than forty-six (46) days prior to the tentative date stated therein for the passage and adoption of this Ordinance and (b) duly published continuously on the City's website for at least forty-five (45) days before the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates; and

WHEREAS, no petition protesting the issuance of such certificates of obligation and bearing valid petition signatures of at least 5% of the qualified voters of the Town, has been presented to or filed with the Mayor, Town Secretary or any other official of the Town on or prior to the date of the passage of this Ordinance; and

WHEREAS, the Town Council hereby finds and determines that all of the certificates of obligation described in such notice should be issued and sold at this time in the amount and manner as hereinafter provided; and

WHEREAS, the Town Council by this Ordinance, in accordance with the provisions of Texas Government Code, Chapter 1371, as amended ("Chapter 1371"), delegates to a Pricing Officer (hereinafter designated) the authority to determine the principal amount of the Certificates to be issued and to negotiate the terms of sale thereof; and

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

SECTION 1: Authorization – Designation – Principal Amount – Purpose. Certificates of obligation of the Town shall be and are hereby authorized to be issued in an amount not to exceed the aggregate original principal amount hereinafter set forth to be designated and bear the title "TOWN OF FLOWER MOUND, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 2026" or such other designation as specified in the Pricing Certificate (hereinafter referred to as the "Certificates"), for the purpose of paying contractual obligations to be incurred for authorized needs and purposes, to wit: (i) constructing waterworks and sewer system improvements and extensions, including the acquisition of land, rights-of-way and equipment therefor, (ii) acquiring, designing, constructing, equipping and improving fire-fighting facilities, including the acquisition of land and rights-of-way therefor, (iii) constructing and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, entryways, pedestrian pathways, signage and traffic signalization and the acquisition of land and rights-of-way therefor and (iv) professional services rendered in connection therewith, pursuant to authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Texas Local Government Code, Subchapter C of Chapter 271, as amended, and Chapter 1371.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Date. The Certificates are issuable in fully registered form only; shall be dated as provided in the Pricing Certificate (the "Certificate Date") and shall be in denominations of $5,000 or any integral multiple thereof (within a Stated Maturity) and the Certificates shall become due and payable on a date certain in each of the years and in principal amounts (the "Stated Maturities") and bear interest at the per annum rates in accordance with the details of the Certificates as provided in the Pricing Certificate.

The Certificates shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate (calculated on the basis of a 360-day year of twelve 30-day months) and shall be payable in each year, on the dates and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer. (a) As authorized by Chapter 1371, the Town Manager or the Chief Financial Officer of the Town (either a "Pricing Officer") is hereby authorized to act on behalf of the Town in selling and delivering the Certificates and carrying out the other procedures specified in this Ordinance determining the aggregate principal amount of the Certificates, the date of the Certificates, any additional or different designation or title by which the Certificates shall be known, the price at which the Certificates will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Certificates will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Certificates will accrue, the interest payment dates, the record date, the price and terms upon and at which the Certificates shall be subject to redemption prior to maturity at the option of the Town, as well as any mandatory sinking fund redemption provisions, determination of the use of a book-entry-only securities clearance, settlement and transfer system, the terms of any bond insurance applicable to the Certificates, any modification of the continuing disclosure undertaking contained in Section 32 hereof as may be required by the purchasers of the Certificates in connection with any amendments to Rule 15c2-12, and all other matters relating to the issuance, sale and delivery of the Certificates, all of which shall be specified in the Pricing Certificate, provided that:

(i) the aggregate original principal amount of the Certificates shall not exceed $35,265,000;

(ii) the maximum true interest cost for the Certificates shall not exceed 5.000%; and

(iii) the maximum maturity date of the Certificates shall not exceed March 1, 2046.

The execution of the Pricing Certificate shall evidence the sale date of the Certificates by the Town to the Purchasers (hereinafter defined).

If the Pricing Officer determines that bond insurance results in a net reduction of the Town's interest costs associated with the Certificates, then the Pricing Officer is authorized, in connection with effecting the sale of the Certificates, to make the selection of the municipal bond insurance company for the Certificates (the "Insurer") and to obtain from the Insurer a municipal bond insurance policy in support of the Certificates. The Pricing Officer shall have the authority to determine the provisions of the commitment for any such policy and to execute any documents to affect the issuance of said policy by the Insurer.

(b) In establishing the aggregate principal amount of the Certificates, the Pricing Officer shall establish an amount not exceeding the amount authorized in subsection (a)(i) above, which shall be sufficient in amount to provide for the purposes for which the Certificates are authorized and to pay costs of issuing the Certificates. The delegation made hereby shall expire if not exercised by the Pricing Officer within one (1) year of the date of the adoption of this Ordinance. The Certificates shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined), and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

SECTION 4: Terms of Payment-Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Certificates, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Certificates (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of U.S. Bank Trust Company, National Association, Houston, Texas, to serve as "Paying Agent/Registrar" for the Certificates is hereby approved and confirmed. Books and records relating to the registration, payment, exchange and transfer of the Certificates (the "Security Register") shall at all times be kept and maintained on behalf of the Town by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the Town may prescribe. The Mayor or Mayor Pro Tem and Town Secretary are hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Certificates. The Town covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying

Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Certificates, the Town agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first-class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Certificates, shall be payable at the Stated Maturities or the redemption thereof only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its designated offices initially in St. Paul, Minnesota, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Certificates shall be paid to the Holder whose name appears in the Security Register at the close of business on the Record Date (which shall be set forth in the Pricing Certificate) and shall be paid by the Paying Agent/Registrar (i) by check sent United States mail, first-class, postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 5: Registration - Transfer - Exchange of Certificates - Predecessor Certificates. The Paying Agent/Registrar shall obtain, record and maintain in the Security Register the name and address of each and every owner of the Certificates issued under and pursuant to the provisions of this Ordinance or, if appropriate, the nominee thereof. Any Certificate may be transferred or exchanged for Certificates of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Certificate (other than the Initial Certificate authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates, executed on behalf of, and furnished by, the Town, of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holders, Certificates (other than the Initial Certificate authorized in Section 8 hereof) may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Certificates surrendered for exchange upon surrender of the Certificates to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Certificates are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Certificates, executed on behalf of, and furnished by the Town, to the Holder requesting the exchange.

All Certificates issued upon any transfer or exchange of Certificates shall be delivered at the Designated Payment/Transfer Office of the Paying Agent/Registrar, or sent by United States mail, first-class, postage prepaid, to the Holder and, upon the registration and delivery thereof, the same shall be valid obligations of the Town, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Certificates surrendered in such transfer or exchange.

All transfers or exchanges of Certificates pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Certificates canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Certificates," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Certificates" shall include any mutilated, lost, destroyed, or stolen Certificate for which a replacement Certificate has been issued, registered and delivered in lieu thereof pursuant to Section 25 hereof and such new replacement Certificate shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

Neither the Town nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for the redemption of such Certificate; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Certificate called for redemption in part.

SECTION 6: <u>Book-Entry-Only Transfers and Transactions</u>. Notwithstanding the provisions contained herein relating to the payment and transfer/exchange of the Certificates, the Town hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), in accordance with the operational arrangements referenced in the Blanket Issuer Letter of Representations by and between the Town and DTC (the "Depository Agreement").

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Certificates shall be deposited with DTC who shall hold said Certificates for its participants (the "DTC Participants"). While the Certificates are held by DTC under the Depository Agreement, the Holder of the Certificates on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Certificate (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Certificates or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, or in the event the Town decides to discontinue use of the system of book-entry transfers through DTC, the Town covenants and agrees with the Holders of the Certificates to cause Certificates to be printed in definitive form and issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Certificates in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Certificates shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Certificates shall be executed on behalf of the Town by the Mayor or the Mayor Pro Tem under its seal reproduced or impressed thereon and countersigned by the Town Secretary. The signature of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of said individuals who are or were the proper officers of the Town on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the Town, notwithstanding that such individuals or any of them shall cease to hold such offices prior to the delivery of the Certificates to the initial purchaser(s), and with respect to Certificates delivered in subsequent exchanges and transfers, all as authorized and provided by Texas Government Code, Chapter 1201, as amended.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially in the form provided in Section 9(c), executed by facsimile or manually by the Comptroller of Public Accounts of the State of Texas or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified, registered and delivered.

SECTION 8: Initial Certificate. The Certificates herein authorized shall be initially issued as a single fully registered certificate in the total principal amount with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1 (hereinafter called the "Initial Certificate") and the Initial Certificate shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Certificate shall be the Certificate submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Certificate, the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Certificate delivered hereunder and exchange therefor definitive Certificates of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Certificates, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on the Certificates, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and to be completed and modified with the information set forth in the Pricing Certificate and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Certificates, or any maturities thereof, are purchased with bond insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Town or determined by the Pricing Officer. The Pricing Officer shall set forth the final and controlling forms and terms of the Certificates. Any portion of the text of any Certificates may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Certificate.

The Certificates, including the Initial Certificate, shall be typewritten, printed, lithographed, or photocopied, or produced in any other similar manner, all as determined by the officers executing such Certificates as evidenced by their execution.

(b) Form of Definitive Certificate.

REGISTERED NO. ________	REGISTERED $___________

UNITED STATES OF AMERICA
STATE OF TEXAS
TOWN OF FLOWER MOUND, TEXAS
CERTIFICATE OF OBLIGATION
SERIES 2026

Certificate Date:	Interest Rate:	Stated Maturity:	CUSIP No.:
__________, 2026	______ %	______, ___	

Registered Owner:

Principal Amount: __________________________ DOLLARS

The Town of Flower Mound (hereinafter referred to as the “Town”), a body corporate and municipal corporation in the Counties of Denton and Tarrant, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the “Registration Date” of this Certificate appearing below (unless this Certificate bears a “Registration Date” as of an interest payment date, in which case it shall bear interest from such date, or unless the “Registration Date” of this Certificate is prior to the initial interest payment date, in which case it shall bear interest from ______) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on ___________ and _____________ of each year, commencing _________, 20____, until maturity or prior redemption of this Certificate. Principal of this Certificate is payable at its Stated Maturity or redemption to the registered owner hereof upon presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while the Certificate is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount may be accomplished without presentation and surrender of this Certificate. Interest is payable to the registered owner of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears on the “Security Register” maintained by the Paying Agent/Registrar at the close of business on the “Record Date”, which is the _____________ day of the month next preceding each interest payment date and interest shall be paid by the Paying Agent/Registrar by check sent United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of $_______ to be designated and bear the title “TOWN OF FLOWER MOUND, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 2026” (hereinafter referred to as the “Certificates”), for the purpose of paying contractual obligations to be incurred for authorized needs and purposes, to wit: (i) constructing waterworks and sewer system improvements and extensions, including the acquisition of land, rights-of-way and equipment therefor, (ii) acquiring, designing, constructing, equipping and improving fire-fighting facilities, including the acquisition of land and rights-of-way therefor, (iii) constructing and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, entryways, pedestrian pathways, signage and traffic signalization and the acquisition of land and rights-of-way therefor and (iv) professional services rendered in connection therewith, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Texas Local Government Code, Subchapter C of Chapter 271, as amended, and Texas Government Code, Chapter 1371, as amended, and pursuant to an ordinance adopted by the Town Council of the Town (herein referred to as the “Ordinance”).

[The Certificates maturing on the date hereinafter identified (collectively, the “Term Certificates”) are subject to mandatory redemption prior to maturity with funds on deposit in the Certificate Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the mandatory redemption date on the respective dates and in principal amounts as follows:

<u>[insert sinking fund schedule, if applicable]</u>

The particular Term Certificates of a stated maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Certificates for a stated maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the Town, by the principal amount of Term Certificates of like stated maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the Town at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.**]**

[The Certificates having Stated Maturities on and after ________, 20___ may be redeemed prior to their Stated Maturities, at the option of the Town, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on _________, 20____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to a redemption date, the Town shall cause a written notice of such redemption to be sent by United States mail, first-class, postage prepaid, to the registered owners of each Certificate to be redeemed at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Certificate (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon the redemption date such Certificate (or the portion of its principal sum to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable from and after the redemption date on the principal amount redeemed.

In the event a portion of the principal amount of a Certificate is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Certificate to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Certificate or Certificates of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Certificate is selected for redemption, in whole or in part, the Town and the Paying Agent/Registrar shall not be required to transfer such Certificate to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Certificate redeemed in part.

With respect to any optional redemption of the Certificates, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption may, at the option of the Town, be conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the Town shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.]

The Certificates are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the Town and are additionally payable from and secured by a lien on and limited pledge of the Net Revenues (as defined in the Ordinance) of the Town's combined waterworks and sewer system (the "System"), such lien and pledge being limited to the amount of $1,000 and being junior and subordinate to the lien on and pledge of the Net Revenues of the System securing the payment of "Prior Lien Obligations" (identified and defined in the Ordinance) now outstanding and hereafter issued by the Town. In the Ordinance, the Town reserves and retains the right to issue Prior Lien Obligations while the Certificates are outstanding without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise, as well as the right to issue additional obligations payable from the same sources as the Certificates and, together with the Certificates, equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all the provisions of which the Holder by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Certificates; the Net Revenues of the System pledged to the payment of the principal of and interest on the Certificates; the nature and extent and manner of enforcement of the limited pledge; the terms and conditions relating to the transfer or exchange of this Certificate; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Town and the Paying Agent/Registrar; the terms and provisions upon which the tax levy and the liens, pledges, charges and covenants made therein may be discharged at or prior to the maturity of this Certificate, and this Certificate deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The Town and the Paying Agent/Registrar, and any agent of either, may treat the registered owner hereof whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Certificate as the owner entitled to payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the Town nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and covenanted that the Town is duly organized and legally incorporated under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Certificates is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Certificates to render the same lawful and valid obligations of the Town have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Certificates do not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Certificates by the levy of a tax and a pledge of the Net Revenues of the System as aforestated. In case any provision in this Certificate or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Town Council of the Town has caused this Certificate to be duly executed under the official seal of the Town as of the Certificate Date.

TOWN OF FLOWER MOUND, TEXAS

____
[Mayor][Mayor Pro Tem]

COUNTERSIGNED:

____
Town Secretary

(TOWN SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on the Initial Certificate only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	(	
OF PUBLIC ACCOUNTS	(	
	(	REGISTER NO. ______________________
THE STATE OF TEXAS	(	

I HEREBY CERTIFY that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this ____________________ .

____
Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Certificates only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Certificate has been duly issued and registered under the provisions of the within-mentioned Ordinance; the certificate or certificates of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated office of the Paying Agent/Registrar located in St. Paul, Minnesota is the Designated Payment/Transfer Office for this Certificate.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, Houston, Texas,
as Paying Agent/Registrar

Registration Date:

____

By: ____________________________________
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee:)
____
____
____
____
(Social Security or other identifying number: ____)
the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ______________________________ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: ______________________________

Signature guaranteed:

____

____
NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular.

(f) The Initial Certificate shall be in the form set forth in paragraph (b) of this Section, except that the heading and first paragraph shall be modified as follows:

REGISTERED:
NO. T-1

REGISTERED:
$________

UNITED STATES OF AMERICA
STATE OF TEXAS

TOWN OF FLOWER MOUND, TEXAS,
CERTIFICATE OF OBLIGATION
SERIES 2026

Certificate Date: ____________, 2026

Registered Owner: ________________

Principal Amount: ______________________________________ DOLLARS

The Town of Flower Mound (hereinafter referred to as the "Town"), a body corporate and municipal corporation in the Counties of Denton and Tarrant, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, the above stated Principal Amount on _________ in each of the years and in principal installments in accordance with the following schedule:

YEAR	PRINCIPAL INSTALLMENT ($)	INTEREST RATE (%)

(Information to be inserted from the Pricing Certificate).

(or so much thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid Principal Amount from the interest payment date next preceding the "Registration Date" of this Certificate appearing below (unless this Certificate bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Certificate is prior to the initial interest payment date, in which case it shall bear interest from the ______________) at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on __________ and __________ of each year, commencing _________, 20____, until maturity or prior redemption of this Certificate. Principal installments of this Certificate are payable at the year of maturity or on a redemption date to the registered owner hereof by U.S. Bank Trust Company, National Association, Houston, Texas (the "Paying Agent/Registrar"), upon presentation and surrender at its designated offices in St. Paul, Minnesota, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Certificate whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the __________ day of the month next preceding each interest payment date hereof and interest shall be paid by the Paying Agent/Registrar by check sent United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Definitions. For purposes of this Ordinance and for clarity with respect to the issuance of the Certificates herein authorized, and the levy of taxes and appropriation of Net Revenues therefor, the following words or terms, whenever the same appear herein without qualifying language, are defined to mean as follows:

(a) The term “Additional Obligations” shall mean tax and revenue obligations hereafter issued under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271, or other law and payable from ad valorem taxes and additionally payable from and secured by a lien on and pledge of the Net Revenues of the System on a parity with and of equal rank and dignity with the lien and pledge securing the payment of the Certificates.

(b) The term “Certificate Fund” shall mean the special Fund created and established under the provisions of Section 11 of this Ordinance.

(c) The term “Certificates” shall mean the “Town of Flower Mound, Texas, Certificates of Obligation, Series 2026” authorized by this Ordinance.

(d) The term “Collection Date” shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the Town become delinquent.

(e) The term “Fiscal Year” shall mean the twelve-month period ending on September 30 of each year.

(f) The term “Net Revenues” shall mean the gross revenues of the System, less the expense of operation and maintenance, including all salaries, labor, materials, interest, repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the Town Council, reasonably and fairly exercised, are necessary to keep the System in operation and render adequate service to the Town and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the security of any obligations payable from and secured by a lien on the Net Revenues of the System, shall be deducted in determining “Net Revenues”.

(g) The term “Outstanding” when used in this Ordinance with respect to Certificates means, as of the date of determination, all Certificates theretofore issued and delivered under this Ordinance, except:

(1) those Certificates canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Certificates deemed to be duly paid by the Town in accordance with the provisions of Section 24 hereof; and

(3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof as provided in Section 25 hereof.

(h) The term “Prior Lien Obligations” shall mean all bonds or other similar obligations now outstanding and hereafter issued that are payable from and secured by a lien on and pledge of the Net Revenues of the System, which is prior in right and claim to the lien on and pledge of the Net Revenues securing the payment of the Certificates.

(i) The term "System" shall mean the Town's combined waterworks and sewer system, including all properties (real, personal or mixed and tangible or intangible) owned, operated, maintained and vested in the Town for the supply, treatment and distribution of treated water for domestic commercial, industrial and other uses and the together with all future additions, extensions replacements and improvements thereto.

SECTION 11: Certificate Fund. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption and retirement of the Certificates, there shall be and is hereby created a special account on the books of the Town to be designated "SPECIAL 2026 TAX AND REVENUE CERTIFICATE OF OBLIGATION FUND," and all moneys deposited to the credit of such account shall be kept and maintained in a banking fund maintained at the Town's depository. The Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager, Chief Financial Officer or Town Secretary, individually or collectively, are hereby authorized and directed to make withdrawals from the Certificate Fund sufficient to pay the principal of and interest on the Certificates as the same become due and payable, and, shall cause to be transferred to the Paying Agent/Registrar from moneys on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest falling due on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Certificates.

Pending the transfer of funds to the Paying Agent/Registrar, money in the Certificate Fund may, at the option of the Town, be invested in obligations identified in, and in accordance with the provisions of the Town's Investment Policy as the same may be amended from time to time and the "Public Funds Investment Act" relating to the investment of "bond proceeds"; provided that all such investments shall be made in such a manner that the money required to be expended from said Fund will be available at the proper time or times. All interest and income derived from deposits and investments in said Certificate Fund shall be credited to, and any losses debited to, the said Certificate Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 12: Tax Levy. To provide for the payment of the "Debt Service Requirements" on the Certificates being (i) the interest on said Certificates and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied, within the limitations prescribed by law, for the current year and each succeeding year thereafter while said Certificates or any interest thereon shall remain Outstanding, a sufficient tax on each one hundred dollars' valuation of taxable property in said Town, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund. The Town Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the Town for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Certificates shall be determined and accomplished in the following manner:

(a) Prior to the date the Town Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the Town Council shall determine:

(1) The amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of the Net Revenues of the System appropriated and allocated to pay such Debt Service Requirements prior to the Collection Date for the ad valorem taxes to be levied.

(2) The amount of Net Revenues of the System, and any other lawfully available revenues which are appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(3) The amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(b) The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (3) above less the sum total of the amounts established in paragraphs (1) and (2), after taking into consideration delinquencies and costs of collecting such annual taxes.

SECTION 13: Limited Pledge of Net Revenues. The Town hereby covenants and agrees that, subject to the prior lien on and pledge of the Net Revenues of the System to the payment and security of Prior Lien Obligations, the Net Revenues of the System in the amount of $1,000 are hereby irrevocably pledged, equally and ratably, to the payment of the principal of and interest on the Certificates, and the limited pledge of $1,000 of the Net Revenues of the System herein made for the payment of the Certificates shall constitute a lien on the Net Revenues of the System until such time as the Town shall pay all of such $1,000, after which time the pledge shall cease. Furthermore, such lien on and pledge of the Net Revenues securing the payment of the Certificates shall be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer or transfer of control of the Net Revenues, the filing of this Ordinance or any other act; all as provided in Texas Government Code, Chapter 1208, as amended.

Texas Government Code, Section 1208, as amended, applies to the issuance of the Certificates and the pledge of the Net Revenues of the System granted by the Town under this Section 13, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are Outstanding such that the pledge of the Net Revenues of the System granted by the Town under this Section 13 is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the Town agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 14: Revenue Fund. The Town hereby covenants and agrees that so long as the pledge of the Net Revenues is made to the payment of the Certificates all revenues derived from the operation of the System shall be kept separate and apart from all other funds, accounts and moneys of the Town, and all such revenues shall be deposited as collected into the "Town of Flower Mound, Texas, Waterworks and Sewer System Revenue Fund" (heretofore created and established and hereinafter called the "Revenue Fund"). All moneys deposited to the credit of the Revenue Fund shall be pledged and appropriated to the extent required for the following purposes and in the order of priority shown, to wit:

First: To the payment of the reasonable and proper operating and maintenance expenses as defined herein or required by statute to be a first charge on and claim against the gross revenues of the System.

Second: To the payment of all amounts required to be deposited in the special Funds created and established for the payment, security and benefit of Prior Lien Obligations in accordance with the terms and provisions of any ordinance authorizing the issuance of Prior Lien Obligations.

Third: To the payment, equally and ratably, of the limited amounts required to be deposited in the special funds and accounts created and established for the payment of the debt service requirements of the Certificates and Additional Obligations.

Any Net Revenues remaining in the Revenue Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other Town purpose now or hereafter permitted by law.

SECTION 15: Deposits to Certificate Fund. Subject to the provisions of Section 13 hereof, the Town hereby covenants and agrees to cause to be deposited in the Certificate Fund from the pledged Net Revenues of the System in the Revenue Fund, the amount of Net Revenues of the System pledged to the payment of the Certificates.

The Town covenants and agrees that the amount of pledged Net Revenues of the System ($1,000), together with other lawfully available revenues appropriated by the Town for payment of the debt service requirements on the Certificates and ad valorem taxes levied, collected, and deposited in the Certificate Fund for and on behalf of the Certificates, will be an amount equal to one hundred percent (100%) of the amount required to fully pay the interest and principal due and payable on the Certificates. In addition, any surplus proceeds from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said Fund from ad valorem taxes and the Net Revenues of the System.

SECTION 16: Security of Funds. All moneys on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of Texas for the security of public funds, and moneys on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

SECTION 17: <u>Special Covenants</u>. The Town hereby further covenants as follows:

(1) It has the lawful power to pledge the Net Revenues of the System supporting this issue of Certificates and has lawfully exercised said powers under the Constitution and laws of the State of Texas, including said power existing under Texas Government Code, Chapter 1502, as amended, and Texas Local Government Code, Sections 271.041, et seq., as amended.

(2) Other than for the payment of the Prior Lien Obligations and the Certificates, the Net Revenues of the System are not pledged to the payment of any debt or obligation of the Town or of the System.

SECTION 18: <u>Issuance of Prior Lien Obligations and Additional Obligations</u>. The Town hereby expressly reserves the right to hereafter issue Prior Lien Obligations, without limitation as to principal amount but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, and also reserves the right to issue Additional Obligations which, together with the Certificates, shall be secured by a parity lien on and pledge of the Net Revenues of the System.

SECTION 19: <u>Application of Prior Lien Obligations Covenants and Agreements</u>. It is the intention of this governing body and accordingly hereby recognized and stipulated that the provisions, agreements and covenants contained herein bearing upon the management and operations of the System, and the administering and application of revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements and covenants contained in the ordinances authorizing the issuance of the Prior Lien Obligations, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of the Prior Lien Obligations, the provisions, agreements and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance but in all respects subject to the priority of rights and benefits, if any, conferred thereby to the holders of the Prior Lien Obligations. Notwithstanding the above, any change or modification affecting the application of revenues derived from the operation of the System shall not impair the obligation of contract with respect to the pledge of revenues herein made for the payment and security for the Certificates.

SECTION 20: <u>Further Procedures</u>. Any one or more of the Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager, Chief Financial Officer and Town Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Town all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Certificates. In addition, prior to the initial delivery of the Certificates, the Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager, Chief Financial Officer or Bond Counsel to the Town are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Certificates by the Attorney General and if such officer or counsel determines that such changes are consistent with the intent and purpose of the Ordinance, which determination shall be final. In the event that any officer of the Town whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 21: Notices to Holders Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class, postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Certificates. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 22: Cancellation. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Town, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Town may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the Town may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Certificates held by the Paying Agent/Registrar shall be returned to the Town.

SECTION 23: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Certificates are first authenticated and delivered to the initial purchasers against payment therefor.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Certificates.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Certificates are

invested and which is not acquired to carry out the governmental purposes of the Certificates.

"Rebate Amount" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Regulations" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Certificates. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"Yield" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Certificates has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The Town shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Certificate to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Town receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Certificate, the Town shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Town shall at all times prior to the last Stated Maturity of Certificates:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Certificates, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Certificates or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the Town or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Town shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the Town shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Certificates.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the Town shall not take or omit to take any action which would cause the Certificates to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The Town shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The Town shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Certificate is discharged. However, to the extent permitted by law, the Town may commingle Gross Proceeds of the Certificates with other money of the Town, provided that the Town separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the Town shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The Town shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Certificates by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the

interest thereon from the gross income of the owners thereof for federal income tax purposes, the Town shall pay to the United States from the general fund, other appropriate fund, or if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Certificate Fund, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The Town shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the Issuer shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Certificates, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Certificates not been relevant to either party.

(j) Elections. The Town hereby directs and authorizes the Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager and Chief Financial Officer, either or any combination of them to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Certificates, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(k) Qualified Tax-Exempt Obligations. The Pricing Officer is hereby authorized to designate in the Pricing Certificate the designation of the Certificates as "qualified tax-exempt obligations" in accordance with the provisions of the paragraph (3) of subsection (b) of Section 265 of the Code in the event the Certificates qualify for such designation and confirm that the Certificates are not "private activity bonds" as defined in the Code and confirm the amount of "tax-exempt obligations" to be issued by the Town (including all subordinate entities of the Town) for the calendar year in which the Certificates are issued will not exceed the applicable limitation.

SECTION 24: Satisfaction of Obligations of Town. If the Town shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and the Net Revenues of the System (to the extent such limited pledge of Net Revenues shall not have been discharged or terminated by prior payment of principal of or interest on the Certificates) and all covenants, agreements, and other obligations of the Town to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Certificates or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section ("Defeased Certificates") when (i) money sufficient to pay in full such Certificates or the principal amount(s) thereof at maturity or the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities (as defined below) shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting or consulting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/ Registrar have been made) the redemption date thereof. At such time as Certificates shall be deemed to be Defeased Certificates hereunder, as aforesaid, such Certificates and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the taxes or revenues levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Government Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem the Defeased Certificates that is made in conjunction with the payment arrangements specified in (i) or (ii) above in this paragraph shall not be irrevocable, provided that in the proceedings providing for such payment arrangements, the Town: (1) expressly reserves the right to call the Defeased Certificates for redemption; (2) gives notice of the reservation of that right to the registered owners of the Defeased Certificates immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes. The Town covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Certificates, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the Town or deposited as directed by the Town. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Certificates and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Certificates such moneys were deposited and are held in trust to pay shall upon the request of the Town be remitted to the Town against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Town shall be subject to any applicable unclaimed property laws of the State of Texas.

Unless otherwise modified by the Pricing Officer, the term "Government Securities" as used herein, means (a) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the Town are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the Town, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (d) any other then authorized securities or obligations that may be used to defease obligations such as the Certificates under the then applicable laws of the State of Texas.

SECTION 25: Mutilated, Destroyed, Lost, and Stolen Certificates. In case any Certificate shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Certificate of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Certificate, or in lieu of and in substitution for such destroyed, lost or stolen Certificate, only upon the approval of the Town and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Certificate, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the Town and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Certificate shall be borne by the Holder of the Certificate mutilated, or destroyed, lost or stolen.

Every replacement Certificate issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Certificates.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Certificates.

SECTION 26: Ordinance a Contract - Amendments. This Ordinance, together with the Pricing Certificate, shall constitute a contract with the Holders from time to time, be binding on the Town, and shall not be amended or repealed by the Town so long as any Certificate remains Outstanding except as permitted in this Section and Section 32 hereof. The Town, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Town may, with the written consent of Holders holding a majority in aggregate principal amount of the Certificates and Additional Obligations then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Certificates, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required to be held by Holders for consent to any such amendment, addition, or rescission.

SECTION 27: Sale of the Certificates – Official Statement. The Certificates authorized by this Ordinance are to be sold by the Town to the Purchasers in accordance with a bond purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (the

"Purchase Contract"), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the Town, as the act and deed of this Council, and to make a determination as to whether the terms are in the Town's best interests, which determination shall be final.

With regard to such terms and provisions of the Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Certificates;
2. The details of any public offering of the Certificates by the Purchasers, if any;
3. The details of any Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Certificates and the Town's Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Certificates, if any;
5. The representations and warranties of the Town to the Purchasers;
6. The details of the delivery of, and payment for, the Certificates;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the Town under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the Town;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Certificates.

The Mayor or Mayor Pro Tem and Town Secretary of the Town and the Pricing Officer are each further authorized and directed to deliver for and on behalf of the Town copies of a Preliminary Official Statement and Official Statement prepared in connection with the offering of the Certificates by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement as delivered by said officials shall constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 28: Proceeds of Sale. The proceeds of sale of the Certificates excluding accrued interest, if any, received from the Purchasers, and amounts to pay costs of issuance and any additional proceeds to be deposited to the Certificate Fund as specified in the Pricing Certificate, shall be deposited in a fund maintained at a Town depository bank (the "Construction Fund"). Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, as amended, including specifically guaranteed investment contracts permitted by Texas Government Code, Section 2256.015, et seq., and the Town's investment policies and guidelines, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Certificate Fund as shall be determined by the Town Council. Accrued interest, if any, received from the Purchasers as well as proceeds of sale, including investment earnings thereon, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Certificate Fund.

SECTION 29: Control and Custody of Certificates. The Mayor or Mayor Pro Tem of the Town shall be and is hereby authorized to take and have charge of all necessary orders and records pending the sale of the Certificates, the investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Certificates, and shall take and have charge and control of the Initial Certificate pending the approval thereof by the Attorney General and its registration thereof by the Comptroller of Public Accounts.

Furthermore, the Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager, Chief Financial Officer and Town Secretary individually or collectively, are hereby authorized and directed to furnish and execute such documents and certifications relating to the Town and the issuance of the Certificates, including a certification as to facts, estimates, circumstances and reasonable expectations pertaining to the use and expenditure and investment of the proceeds of the Certificates as may be necessary for the approval of the Attorney General and their registration by the Comptroller of Public Accounts. In addition, such officials, together with the Town's financial advisor, bond counsel and the Paying Agent/Registrar, are authorized and directed to make the necessary arrangements for the delivery of the Initial Certificate to the initial purchasers.

SECTION 30: Bond Counsel's Opinion. The Purchasers' obligation to accept delivery of the Certificates is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, Dallas, Texas, approving the Certificates as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Certificates. An executed counterpart of said opinion shall accompany the global certificates deposited with The Depository Trust Company or a reproduction thereof shall be printed on the definitive Certificates in the event the book-entry-only system shall be discontinued. The Town Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the Town's bond counsel.

SECTION 31: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof and neither the Town nor attorneys approving said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 32: Continuing Disclosure Undertaking. This Section shall apply unless the Pricing Officer determines in the Pricing Certificate that an undertaking is not required pursuant to the Rule (defined below).

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"*Financial Obligation*" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Rule*" means SEC Rule 15c2-12, as amended from time to time.

"*SEC*" means the United States Securities and Exchange Commission.

(b) Annual Reports.

The Town shall provide annually to the MSRB (1) within six months after the end of each fiscal year, beginning with the year stated in the Pricing Certificate, financial information and operating data with respect to the Town of the general type included in the Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and (2) if not provided as part of such financial information and operating data, audited financial statements of the Town within twelve months after the end of each fiscal year, when and if available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the Town may be required to employ from time to time pursuant to state law or regulation. If audited financial statements are not available by the required time, the Town will file unaudited financial statements within such twelve-month period and audited financial statements when and if such audited financial statements become available.

If the Town changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Town otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any documents available to the public on the MSRB's internet web site or filed with the SEC.

(c) Notice of Certain Events.

The Town shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than ten (10) business days after occurrence of the event:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the

tax status of the Certificates, or other material events affecting the tax status of the Certificates;

(7) Modifications to rights of holders of the Certificates, if material;

(8) Certificate calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Certificates, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership, or similar event of the Town, which shall occur as described below;

(13) The consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Town, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Town, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding item (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Town in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town and (b) the Town intends the words used in the immediately preceding items (15) and (16) to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The Town shall notify the MSRB, in a timely manner, of any failure by the Town to provide financial information or operating data in accordance with Subsection (b) of this Section of this Ordinance by the time required by such Section.

(d) Filings with the MSRB.

All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments.

The Town shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Town remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the Town in any event will give the notice required by Subsection (c) of this Section of any Certificate calls and defeasance that cause the Town to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Certificates; and, nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Town undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section. Except as expressly provided within this Section, the Town does not undertake to provide any other information, whether or not it may be relevant or material to a complete presentation of the Town's financial results, condition, or prospects; nor does the Town undertake to update any information provided in accordance with this Section or otherwise. Furthermore, the Town does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE TOWN BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE TOWN, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the Town in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Town under federal and state securities laws.

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the Town from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Town, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the Town (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Certificates. The provisions of this Section may also be amended from time to time or repealed by the Town if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the Town's right to do so would not prevent underwriters of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the Town so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 33: Municipal Bond Insurance. The Certificates may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Certificates and make the determination of the provisions of any commitment therefor.

SECTION 34: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the Town, the Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the Town, the Paying Agent/Registrar and the Holders.

SECTION 35: Inconsistent Provisions. All ordinances, orders, or resolutions, or parts thereof which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 36: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 37: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 38: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 39: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 40: Incorporation of Findings and Determinations. The findings and determinations of the Town Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 41: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 42: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

[Remainder of page left blank intentionally]

DULY PASSED AND APPROVED BY THE TOWN COUNCIL ON JUNE 1, 2026.

TOWN OF FLOWER MOUND, TEXAS

Cheryl Moore, MAYOR

(Town Seal)

ATTEST:

Traci Henderson, TOWN SECRETARY

302418953/1001362207

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

<u>PAYING AGENT/REGISTRAR AGREEMENT</u>

THIS AGREEMENT is entered into as of ______________, 2026 (this "Agreement"), by and between U.S. Bank Trust Company, National Association, a banking association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the Town of Flower Mound, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "Town of Flower Mound, Texas Certificates of Obligation, Series 2026" (the "Securities"), dated _____, 2026, such Securities scheduled to be delivered to the initial purchasers thereof on or about ________, 2026; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE
APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 **<u>Appointment</u>**. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 **<u>Compensation</u>**. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO
DEFINITIONS

Section 2.01 **Definitions**. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Acceleration Date" on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

"Authorizing Document" means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

"Bank Office" means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Holder" and "Security Holder" each means the Person in whose name a Security is registered in the Security Register.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"Predecessor Securities" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

"Redemption Date", when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

"Responsible Officer", when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

"Stated Maturity" means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 **Other Definitions**. The terms "Bank," "Issuer," and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE
PAYING AGENT

Section 3.01 **Duties of Paying Agent**. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

U.S. Bank Trust Company, National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Section 3.02 **Payment Dates**. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE FOUR
REGISTRAR

Section 4.01 **Security Register - Transfers and Exchanges**. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank represents and warrants that it will at all times have immediate access to the Security Register by electronic or other means and will be capable at all times of producing a hard copy of the Security Register for use by the Issuer. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 **Securities**. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 **Form of Security Register**. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 **List of Security Holders**. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

Section 4.07 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE
THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, Issuer's financial advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 **Recitals of Issuer**. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 **May Hold Securities**. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05 **Moneys Held by Bank - Paying Agent Account/Collateralization**. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 **Indemnification**. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 **Interpleader**. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

Section 5.08 **DTC Services**. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX
MISCELLANEOUS PROVISIONS

Section 6.01 **Amendment**. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 **Assignment**. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 **Notices**. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 **Effect of Headings**. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 **Successors and Assigns**. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 Entire Agreement. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Notwithstanding anything contained herein, the representations and covenants contained in Section 6.12 hereof shall survive the termination of this Agreement until the statute of limitations has run.

Section 6.12 Iran, Sudan or Foreign Terrorist Organizations. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on the following page of such officer's internet website:

https://comptroller.texas.gov/purchasing/publications/divestment.php

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Notwithstanding anything contained herein, the representations and covenants contained in this Section 6.12 shall survive the termination of this Agreement until the statute of limitations has run.

Section 6.13 **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Remainder of page left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By:____________________________________

Title: ____________________________________

Address: 8 Greenway Plaza, Suite 1100
Houston, Texas 77046

TOWN OF FLOWER MOUND, TEXAS

By: ___________________________________
_______________ and Pricing Officer

Address: 2121 Cross Timbers Road
Flower Mound, Texas 75028

ANNEX A

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

DATE: June 1, 2026
FROM: Julie Taylor, Director of Treasury Operations
ITEM: **Consider approval of an ordinance authorizing the issuance of General Obligation Improvement and Refunding Bonds, Series 2026, for an amount not to exceed $18,870,000.00 for the purpose of funding improvements to streets, park and recreation facilities, including trail system improvements, parks, sports fields and the renovation and expansion to the Communcity Activity Center, and $24,085,000.00 for purposes of the refunding of certain outstanding bonds, establishing parameters for the sale and issuance of such bonds, delegating certain matters to an authorized official of the Town and resolving all matters incident and related thereto.**

BACKGROUND:

On October 6, 2025, the Town Council approved a reimbursement resolution for an amount not to exceed $79,325,000.00 to fund improvements to streets, water and wastewater system projects, fire-fighting facilities, park and trail improvements and facilities, and the costs of issuance of the debt. CIP Amendments during the fiscal year have modified funding sources and/or moved project start dates to future years, thus reducing the proposed debt issuance. The majority of the decrease is due to the phasing of the fire stations and utility projects in future years.

At the Town Council meeting on April 8, 2026, the Town Council authorized staff to begin the preparation and distribution of an official statement pertaining to the sale of General Obligation Improvement and Refunding Bonds, Series 2026 ("The Obligations"). The Financial Services staff and Hilltop Securities request the Town Council's approval of an ordinance authorizing the issuance of "The Obligations".

The Town held a bond election on May 3, 2025, for $112,000,000 in General Obligation Bonds which was approved by the voters. The issuance of these bonds will begin in FY 2025-26 and phased over a five (5) year period.

Authorized But Unissued General Obligation Bonds

Date Authorized	Purpose	Amount Authorized	Issued To Date	This Issue	Unissued Balance
5/3/2025	Prop A - Park Improvements	$ 82,000,000	$ -	$ 12,300,000	$ 69,700,000
	Prop B - Street Improvements	30,000,000		6,570,000	23,430,000
	Total	$ 112,000,000	$ -	$ 18,870,000	$ 93,130,000

A refunding opportunity has been identified which would prepay or refund a portion of the Town's outstanding tax-supported issues, lowering the overall debt service requirements of the Town. In accordance with the Town's Financial Policies, "an advance refunding of outstanding debt shall only be considered when present value savings of at least 3.50% of the principal amount of the refunded bonds is produced." Please note that all debt refunded with the Bonds will be structured to maintain the existing maturity pattern to ensure no debt will be extended as a result of the refunding. Based on volatility in the municipal bond market and the interest rate levels at the time of pricing, the amount of bonds refunded may be decreased.

Refunded Issue	Refunded Bonds	Current Interest Rates	Refunded Years
Certificates of Obligation, Series 2016	$ 7,395,000.00	4.00%	2027-2036
Certificates of Obligation, Series 2017A	$14,205,000.00	4.00% - 5.00%	2027-2037

In order to efficiently complete the sale, the attached ordinance establishes the following parameters, giving the Town Manager and the Chief Financial Officer the authority to approve all necessary documents and finalize the sale. The authorization will expire 180 days after passage of the ordinance.

Maximum Principal Amount for new money purposes: $18,870,000.00
Maximum True Interest Cost: 5.00%
Final Maturity Date: March 1, 2046

Maximum Principal Amount for refunding purposes: $24,085,000.00
Maximum True Interest Cost: 5.00%
Final Maturity Date: March 1, 2037

The issuance will be conducted as a negotiated sale with the pricing to occur on June 3, 2026. The Obligations will begin accruing interest on June 15, 2026 (the Dated Date), which the Town will receive upon delivery of the funds on June 25, 2026. US Bank will serve as the Paying Agent/Registrar for the Certificates. The preliminary official statement, which discloses details related to the issuance of the Obligations and the Town, is available in the Financial Services Department for review.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT:
New money purposes: $18,870,000.00

Refunding purposes: $24,085,000.00

Proposed Expenditure/(Revenue)	Account Number(s):
New money purposes: $18,870,000.00	Ad valorem taxes will fund the new money.
Refunding purposes: $24,085,000.00	Ad valorem taxes and utilities system revenues will fund the bonds, proportionately.

STRATEGIC GOAL:

LEGAL REVIEW: The Town's Bond Counsel, Norton Rose Fulbright US LLP, prepared the proposed ordinance. This standard notice of intent 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. 2026 General Obligation Bonds Projects
2. 2026 General Obligation Bonds Improvement and Refunding Ordinance
3. 2026 General Obligation Bonds Improvement and Refunding Paying Agent Registrar Agreement

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

General Obligation Bonds:

Street Reconstruction:			
Amhearst Lane Reconstruction (Bershire Drive and Lake Forest Blvd)	$ 2,250,000		
Harvard Drive Panel Replacement	1,600,000		
Marcus Court Cul-de-sac Reconstruction	480,000		
Marcus Drive Reconstruction (Christie Court to Colony Street)	1,740,000		
Prospect Drive Panel Replacement	500,000		
Total Street Reconstruction		$ 6,570,000	
Parks:			
CAC Expansion & Renovation	$ 5,500,000		
Canyon Falls Trailhead, Outdoor Library & Connectors	1,100,000		
Chinn Chapel Soccer Complex Multipurpose Field Conversion	1,800,000		
Leonard & Helen Johns Community Park Improvements	1,000,000		
Trail Projects	2,900,000		
Total Parks		$ 12,300,000	
Grand Total of Debt Issuance			**$ 18,870,000**

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. [__]-26

AN ORDINANCE authorizing the issuance of "TOWN OF FLOWER MOUND, TEXAS, GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2026"; levying a continuing direct annual ad valorem tax for the payment of said Bonds; resolving other matters incident and related to the issuance, sale, payment and delivery of said Bonds; establishing procedures for the sale and delivery of said Bonds; and delegating matters relating to the sale and issuance of said Bonds to an authorized Town official.

WHEREAS, the Town of Flower Mound, Texas (the "Town") currently has outstanding obligations of the Town of the following issue or series (hereinafter collectively called the "Refunded Obligations"), to wit:

(i) "Town of Flower Mound, Texas General Obligation Refunding Bonds, Series 2016," dated April 15, 2016; and

(ii) "Town of Flower Mound, Texas Certificates of Obligation, Series 2016," dated September 1, 2016; and

(iii) "Town of Flower Mound, Texas Certificates of Obligation, Series 2017A," dated August 15, 2017; and

WHEREAS, pursuant to the provisions of Texas Government Code, Chapter 1207, as amended ("Chapter 1207"), the Town Council of the Town (the "Council") is authorized to issue refunding bonds and deposit the proceeds of sale directly with any place of payment for the Refunded Obligations, or other authorized depository, and such deposit, when made in accordance with Chapter 1207 and the ordinances authorizing the issuance of the Refunded Obligations, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, the Town shall by this Ordinance, in accordance with the provisions of Section 1207.007, Texas Government Code, as amended, and Chapter 1371, Texas Government Code, as amended, delegate to a Pricing Officer (hereinafter designated) the authority to determine the principal amount and certain other specified terms of the Bonds to be issued, negotiate the terms of sale thereof and select the specific maturities, in whole or in part, of the Refunded Obligations to be refunded; and

WHEREAS, the Council hereby finds and determines that it is a public purpose and in the best interests of the Town to refund the Refunded Obligations in order to achieve a present value debt service savings, with such savings, among other information and terms, to be included in a pricing certificate (the "Pricing Certificate") to be executed by the Pricing Officer, all in accordance with the provisions of Texas Government Code, Section 1207.007, as amended;

WHEREAS, the Council hereby finds and determines that it is in the best interests of the Town to issue bonds to pay the costs of making permanent public improvements authorized by the voters of the Town at a bond election held on May 3, 2025 (the "Election") and that the Pricing Officer be authorized to determine from such voted authorization the purposes and amounts for which such bonds shall be issued, such determination to be included in the Pricing Certificate, all in accordance with the provisions of Chapters 1331 and 1371, Texas Government Code, as amended. now, therefore

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

SECTION 1. Authorization - Series Designation - Principal Amount - Purpose - Bond Date. General obligation refunding bonds of the Town shall be and are hereby authorized to be issued in the maximum aggregate principal amount hereinafter set forth to be designated and bear the title "TOWN OF FLOWER MOUND, TEXAS, GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2026", or such other designation as specified in the Pricing Certificate (herein referred to as the "Bonds"), for the purpose of providing funds for the discharge and final payment of certain obligations of the Town (described in the preamble hereof and finally identified in the Pricing Certificate and referred to herein as the "Refunded Obligations"), to make various permanent public improvements for the Town and to pay the costs and expenses of issuance, in accordance with the authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1207, 1331, and 1371 ("Chapter 1371"), as amended. The Bonds shall be dated (the "Bond Date") as provided in the Pricing Certificate.

SECTION 2. Fully Registered Obligations - Terms. The Bonds shall be issued as fully registered obligations, without coupons, and (other than the Initial Bonds referenced in Section 8 hereof) shall be in denominations of $5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from one (1) upward and principal shall become due and payable on a date certain in each of the years (the "Stated Maturities") and in amounts and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 3. Delegation of Authority to Pricing Officer. (a) As authorized by Texas Government Code, Section 1207.007, as amended, and Chapter 1371, the Town Manager or the Chief Financial Officer of the Town (either, the "Pricing Officer") is hereby authorized to act on behalf of the Town in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including determining the purposes and amounts of the Bonds to be issued to fund public improvements authorized at the Election, selection of the specific maturities, in whole or in part, of the Refunded Obligations to be refunded, determining the aggregate principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Bonds will accrue, the interest payment dates, the record date, the compounding dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Town, as well as any mandatory sinking fund redemption provisions, determination of the use of a book-entry-only securities clearance, settlement and transfer system, the designation of an escrow agent satisfying the requirements of Chapter 1207, if any, the terms of any bond insurance applicable to the Bonds, including any modification of the continuing disclosure undertaking contained in Section 31 hereof as may be required by the purchasers of the Bonds in connection with any amendments to Rule 15c2-12, and all other matters relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Pricing Certificate, provided that:

(i) the aggregate original principal amount of the Bonds issued for refunding purposes shall not exceed $24,085,000;

(ii) the aggregate original principal amount of the Bonds issued for new money purposes shall not exceed $18,870,000;

(iii) the refunding must produce a net present value debt service savings of at least 2.00% of the debt service of the Refunded Obligations, net of any Town contribution;

(iv) the maximum true interest cost for the Bonds shall not exceed 5.00%;

(v) the maximum maturity date of the Bonds issued for refunding purposes shall not exceed March 1, 2037; and

(vi) the maximum maturity date of the Bonds issued for new money purposes shall not exceed March 1, 2046.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the Town to the Purchasers (hereinafter defined).

If the Pricing Officer determines that bond insurance results in a net reduction of the Town's interest costs associated with the Bonds, then the Pricing Officer is authorized, in connection with effecting the sale of the Bonds, to make the selection of the municipal bond insurance company for the Bonds (the "Insurer") and to obtain from the Insurer a municipal bond insurance policy in support of the Bonds. The Pricing Officer shall have the authority to determine the provisions of the commitment for any such policy and to execute any documents to effect the issuance of said policy by the Insurer.

(b) In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount for the Bonds not exceeding the amount authorized in subsection (a)(i) above, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The delegation made hereby shall expire if not exercised by the Pricing Officer within one (1) year of the date hereof. The Bonds shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined), and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

SECTION 4. Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption, or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying

Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of U.S. Bank Trust Company, National Association, Houston, Texas, to serve as "Paying Agent/Registrar" for the Bonds is hereby approved and confirmed. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the Town by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the Town may prescribe. The Mayor or Mayor Pro Tem and Town Secretary are hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The Town covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the Town agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first-class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

The Bonds shall be payable at their Stated Maturities or upon their earlier redemption, only upon the presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices, initially in St. Paul, Minnesota, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"); provided, however, while a Bond is registered to Cede & Co., the payment thereof upon a partial redemption of the principal amount thereof may be accomplished without presentation and surrender of such Bond. Interest on a Bond shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the Record Date (which shall be set forth in the Pricing Certificate) and such interest payments shall be made (i) by check sent by United States mail, first-class, postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a non-payment of interest on one or more maturities of the Bonds on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such past due interest have been received from the Town. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Holder of the Bonds appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 5. Registration - Transfer - Exchange of Bonds - Predecessor Bonds. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of like kind, maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for assignment or transfer of any Bond (other than the Initial Bonds authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds, executed on behalf of and furnished by the Town, shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be of authorized denominations, of like Stated Maturity, and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bonds authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf of and furnished by the Town, to the Holder requesting the exchange.

All Bonds issued upon any such transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first-class, postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the Town, evidencing the same obligation to pay and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 11 hereof, and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the Town nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6. Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 4 and 5 hereof relating to the payment and transfer/exchange of the Bonds, the Town hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representations, by and between the Town and DTC, and the Letter of Representations from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the Town decides to discontinue the use of the system of book-entry transfers through DTC, the Town covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7. Execution - Registration. The Bonds shall be executed on behalf of the Town by the Mayor or Mayor Pro Tem under the Town's seal reproduced or impressed thereon and attested by the Town Secretary. The signature of said officials on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officials of the Town on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the Town, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

SECTION 8. Initial Bonds. The Bonds herein authorized shall be initially issued as fully registered Bonds as specified in the Pricing Certificate, being a single, fully registered Bond in the aggregate principal amount noted and principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, (hereinafter called the "Initial Bond") and the Initial Bond shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond shall be the Bond submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond, the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond delivered hereunder and exchange therefor definitive Bonds and of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9. Forms.

(a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and, with the Bonds to be completed and modified with the information set forth in the Pricing Certificate, may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Town or determined by the Pricing Officer. The Pricing Certificate shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Definitive Bonds.

REGISTERED NO. R-_________	PRINCIPAL AMOUNT $___________

UNITED STATES OF AMERICA
STATE OF TEXAS
TOWN OF FLOWER MOUND
GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BOND
SERIES 2026

Bond Date:	Interest Rate:	Stated Maturity:	CUSIP No.:
__________, 20__	_________%	__________, 20__	_________

Registered Owner:

Principal Amount: DOLLARS

The Town of Flower Mound (hereinafter referred to as the "Town"), a body corporate and political subdivision in the Counties of Denton and Tarrant, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is prior to the initial interest payment date in which case it shall bear interest from the _______) at the per annum rate of interest specified above computed on the basis of a 360 day year of twelve 30 day months; such interest being payable on ____________ and _______________ in each year, commencing __________, 20__, until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or upon its prior redemption to the registered owner hereof, upon presentation and surrender, at the designated offices of the Paying Agent/Registrar executing the registration certificate appearing hereon, initially in St. Paul, Minnesota, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"); provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the _____________ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of $_____________ (herein referred to as the "Bonds") for the purpose of providing funds for the discharge and final payment of certain outstanding obligations of the Town, to make various permanent public improvements for the Town, to wit: _____ and to pay the costs and expenses of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1207, 1331 and 1371, as amended, and pursuant to an Ordinance adopted by the Town Council of the Town (herein referred to as the "Ordinance").

[The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Bonds due __________, 20__

Redemption Date	Principal Amount
__________, 20__	
__________, 20__*	

Term Bonds due __________, 20__

Redemption Date	Principal Amount
__________, 20__	
__________, 20__*	

* Stated maturity.

The particular Term Bonds of a Stated Maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the Town, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date, (1) shall have been acquired by the Town at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.]

The Bonds maturing on and after __________, 20__, may be redeemed prior to their Stated Maturities, at the option of the Town, in whole or in part in principal amounts of $5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on __________, 20__, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to the date fixed for any redemption of Bonds, the Town shall cause a written notice of such redemption to be sent by United States mail, first-class, postage prepaid, to the registered owners of each Bond to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the Town and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received or such prerequisites are not satisfied, such notice shall be of no force and effect, the Town shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the Town. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Town and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The Town and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal at the Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the Town nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a Bond on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Town. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each registered owner of a Bond appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented, and declared that the Town is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions, and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the Town have been properly done, have happened, and have been performed in regular and due time, form, and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by the levy of a tax as aforestated. In case any provision in this Bond shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Town Council of the Town has caused this Bond to be duly executed under the official seal of the Town.

TOWN OF FLOWER MOUND, TEXAS

____
[Mayor][Mayor Pro Tem]

ATTEST:

____
Town Secretary

(Town Seal)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER (
OF PUBLIC ACCOUNTS (REGISTER NO. __________
THE STATE OF TEXAS (

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this ________________.

____
Acting Comptroller of Public Accounts
of the State of Texas

(Seal)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered in the name of the Registered Owner shown above under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, as shown by the records of the Paying Agent/Registrar.

The designated office of the Paying Agent/Registrar in St. Paul, Minnesota, is the Designated Payment/Transfer Office for this Bond.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, Houston, Texas

____
as Paying Agent/Registrar

Registration Date:

____

By: ______________________________
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): __________________________
____
(Social Security or other identifying number: ____
_________________________________) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: ___________________________

Signature guaranteed:

____

____
NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

(f) The Initial Bond shall be in the form set forth therefor in subsection (b) of this Section, except the heading and paragraph one shall be amended to read as follows:

NO. T-1 $______________

UNITED STATES OF AMERICA
STATE OF TEXAS
TOWN OF FLOWER MOUND
GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BOND
SERIES 2026

Bond Date: __________, 20__

Registered Owner:

Principal Amount: DOLLARS

The Town of Flower Mound (hereinafter referred to as the "Town"), a body corporate and political subdivision in the Counties of Denton and Tarrant, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on ____________________ in the years and in principal installments in accordance with the following schedule:

STATED MATURITY	PRINCIPAL AMOUNT	INTEREST RATE(S)

(Information to be inserted from Pricing Certificate)

(or so much principal thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal installments hereof from the _________ at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on __________, 20__, and each ___________ and ________________ thereafter, until maturity or prior redemption. Principal installments of this Bond are payable in the year of maturity or on a redemption date to the registered owner hereof by U.S. Bank Trust Company, National Association, Houston, Texas (the "Paying Agent/Registrar"), upon presentation and surrender at its designated offices, initially in St. Paul, Minnesota, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the ________________ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the registered owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which such institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

SECTION 10. Levy of Taxes. To provide for the payment of the "Debt Service Requirements" of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount is the greater) there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the Town, within the limitations by law prescribed, sufficient to pay the Debt Service Requirements on the Bonds as the same becomes due and payable; and such tax hereby levied on each one hundred dollars' valuation of taxable property in the Town for the payment of the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; the taxes levied, assessed, and collected for and on account of the Bonds shall be accounted for separate and apart from all other funds of the Town and shall be deposited in the "SPECIAL

SERIES 2026 GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BOND FUND", or such other fund designation as specified in the Pricing Certificate (the "Interest and Sinking Fund") to be maintained at an official depository of the Town's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

PROVIDED, however, with regard to any payment to become due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date, if any, sufficient current funds will be available and are hereby appropriated to make such payments; and the Mayor, Mayor Pro Tem, Town Manager, Chief Financial Officer and Town Secretary of the Town, individually or jointly, are hereby authorized and directed to transfer and deposit in the Interest and Sinking Fund such current funds which, together with the accrued interest received from the initial purchasers, will be sufficient to pay the payments due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date.

The Mayor, Mayor Pro Tem, Town Manager, Chief Financial Officer and Town Secretary of the Town, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

SECTION 11. Mutilated - Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond; and with respect to a lost, destroyed, or stolen Bond, a replacement Bond may be issued only upon the approval of the Town and after (i) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the Town and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost, or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation of the Town, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 12. Satisfaction of Obligation of Town. If the Town shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance and the Pricing Certificate, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the Town to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities (as defined below) shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm or consulting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The Town covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the Town or deposited as directed by the Town. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall upon the request of the Town be remitted to the Town against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Town shall be subject to any applicable unclaimed property laws of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

Unless otherwise modified by the Pricing Officer, the term "Government Securities" shall mean (a) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the Town, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the Town, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (d) any other then authorized securities or obligations that may be used to defease obligations such as the Bonds under the then applicable laws of the State of Texas.

The Town reserves the right, subject to satisfying the requirements of (i) and (ii) above, to substitute other Government Securities for the Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the Town moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. Provided, however, the Town has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Bonds which have been defeased to their maturity date, if the Town: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the Holders of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

SECTION 13. Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance, together with the Pricing Certificate, shall constitute a contract with the Holders from time to time, be binding on the Town, and shall not be amended or repealed by the Town so long as any Bond remains Outstanding except as permitted in this Section and in Section 31 hereof. The Town may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or any provision in the Pricing Certificate in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Town may, with the consent of Holders who own a majority of the aggregate of the principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance or any provision in the Pricing Certificate; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

The term "Outstanding" when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

(1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds deemed to be duly paid by the Town in accordance with the provisions of Section 12 hereof; and

(3) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 11 hereof.

SECTION 14. Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The Town shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed (or refinanced) directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Town receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the Town shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Town shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Obligations), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Obligations), other than taxes of general application within the Town or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Town shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed, or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the Town shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the Town shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The Town shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The Town shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the Town may commingle Gross Proceeds of the Bonds with other money of the Town, provided that the Town separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the Town shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The Town shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the Holders thereof for federal income tax purposes, the Town shall pay to the United States out of the general fund, other appropriate fund, or, if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place, and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The Town shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the Town shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The Town hereby directs and authorizes the Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager and Chief Financial Officer of the Town, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

(k) Bonds Not Hedge Bonds. At the time the original obligations refunded by the Bonds were issued, the Town reasonably expected to spend at least 85% of the spendable proceeds of such obligations within three years after such obligations were issued and (2) not more than 50% of the proceeds of the original obligations refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Current Refunding. The Bonds are being issued to pay and discharge in full the Refunded Obligations and such payment of the Refunded Obligations will occur within ninety (90) days after the issuance of the Bonds.

(m) Qualified Tax-Exempt Obligations. The Pricing Officer is hereby authorized to designate in the Pricing Certificate the designation of the Bonds as “qualified tax-exempt obligations” in accordance with the provisions of the paragraph (3) of subsection (b) of Section 265 of the Code in the event the Bonds qualify for such designation and confirm that the Bonds are not “private activity bonds” as defined in the Code and confirm the amount of “tax-exempt obligations” to be issued by the Town (including all subordinate entities of the Town) for the calendar year in which the Bonds are issued will not exceed the applicable limitation.

SECTION 15. Sale of Bonds - Official Statement. The Bonds authorized by this Ordinance are to be sold by the Town to the Purchasers in accordance with a bond purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (the “Purchase Contract”), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the Town, as the act and deed of this Council, and to make a determination as to whether the terms are in the Town’s best interests, which determination shall be final.

With regard to such terms and provisions of the Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of any public offering of the Bonds by the Purchasers, if any;
3. The details of any Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the Town’s Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Bonds, if any;
5. The representations and warranties of the Town to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers’ obligations under the Purchase Contract;
8. The certain conditions to the obligations of the Town under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the Town;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and

14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Mayor or Mayor Pro Tem and Town Secretary of the Town and the Pricing Officer are further authorized and directed to deliver for and on behalf of the Town copies of a Preliminary Official Statement and Official Statement prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement as delivered by said officials shall constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 16. Escrow Agreement. An "Escrow Agreement" (the "Escrow Agreement") by and between the Town and an authorized escrow agent (the "Escrow Agent"), if any such agreement is required in connection with the issuance of the Bonds, shall be attached to and approved in the Pricing Certificate. Such Escrow Agreement is hereby authorized to be finalized and executed by the Pricing Officer for and on behalf of the Town and as the act and deed of this Council; and such Escrow Agreement as executed by said Pricing Officer shall be deemed approved by this Council and constitute the Escrow Agreement herein approved. With regard to the finalization of certain terms and provisions of any Escrow Agreement, a Pricing Officer is hereby authorized to come to an agreement with the Escrow Agent on the following details, among other matters:

1. The identification of the Refunded Obligations;

2. The creation and funding of the Escrow Fund or Funds; and

3. The Escrow Agent's compensation, administration of the Escrow Fund or Funds, and the settlement of any paying agents' charges relating to the Refunded Obligations.

Furthermore, appropriate officials of the Town in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of the escrowed securities referenced in the Escrow Agreement, if any, and the delivery thereof to the Escrow Agent on the day of delivery of the Bonds to the Purchasers for deposit to the credit of the "TOWN OF FLOWER MOUND, TEXAS, GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2026 ESCROW FUND" (referred to herein as the "Escrow Fund"), or such other designation as specified in the Pricing Certificate; all as contemplated and provided in Chapter 1207, this Ordinance, the Pricing Certificate and the Escrow Agreement.

On or immediately prior to the date of the delivery of the Bonds to the Purchasers, the Pricing Officer, or other authorized Town official listed in Section 33 hereof, shall also cause to be deposited (and is hereby authorized to cause to be deposited) with the Escrow Agent or the paying agent for the Refunded Obligations from any moneys on deposit in the debt service fund(s) maintained for the payment of the Refunded Obligations an amount which, together with the proceeds of sale of the Bonds, and the investment earnings thereon, will be sufficient to pay in full the Refunded Obligations (or the amount of accrued interest due thereon) scheduled to mature and authorized to be redeemed on the earliest date established in the Pricing Certificate for the redemption of any of the Refunded Obligations (or the earliest date of payment, to be made from moneys in the Escrow Fund(s), as established in the Pricing Certificate, of the amount of accrued interest due thereon).

To the extent an Escrow Agreement is not required in connection with the issuance of the Bonds, the Pricing Officer is authorized to enter into a deposit letter agreement or such other comparable document which evidences the receipt of refunding bond proceeds with the paying agent for the Refunded Obligations. The deposit letter agreement or such other comparable document as executed by the Pricing Officer shall be deemed approved by the Town Council and constitute the agreement herein approved.

SECTION 17. Refunded Obligations. (a) In order to provide for the refunding, discharge, and retirement of the Refunded Obligations as selected by the Pricing Officer, the Refunded Obligations, identified, described, and in the amounts set forth in the Pricing Certificate, are called for redemption on the first date such Refunded Obligations are subject to redemption or such other date specified by the Pricing Officer in the Pricing Certificate at the price of par plus accrued interest to the redemption date, and a notice of such redemption shall be given in accordance with the applicable provisions of the ordinance adopted by this Council, which authorized the issuance of the Refunded Obligations. The Pricing Officer is hereby authorized and directed to issue or cause to be issued a Notice of Redemption for the Refunded Obligations, in substantially the form set forth as an exhibit to the Pricing Certificate, to the paying agent/registrar for the Refunded Obligations, in accordance with the redemption provisions applicable to the Refunded Obligations.

(b) The paying agent/registrar for Refunded Obligations is hereby directed to provide the appropriate notice of redemption as required by the ordinance authorizing the issuance of the Refunded Obligations and is hereby directed to make appropriate arrangements so that the Refunded Obligations may be redeemed on the redemption date specified in the Pricing Certificate.

(c) The source of funds for payment of the principal of and interest on the Refunded Obligations on their respective maturity or redemption dates shall be from the funds deposited with the Escrow Agent, pursuant to the Escrow Agreement, if any, or with the paying agent/registrar for the Refunded Obligations pursuant the provisions of Chapter 1207, this Ordinance and the Pricing Certificate finalized by the Pricing Officer.

SECTION 18. Control and Custody of Bonds. The Mayor or Mayor Pro Tem of the Town shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders and records, including the definitive Bonds and the Initial Bonds, pending the investigation and approval of the Initial Bonds by the Attorney General of the State of Texas, and the registration of the Initial Bonds thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager, Chief Financial Officer and Town Secretary individually or collectively, are hereby authorized and directed to furnish and execute such documents and certifications relating to the Town and the issuance of the Bonds, including a certification as to facts, estimates, circumstances and reasonable expectations pertaining to the use and expenditure and investment of the proceeds of the Bonds as may be necessary for the approval of the Attorney General and their registration by the Comptroller of Public Accounts. In addition, such officials, together with the Town's financial advisor, bond counsel and the Paying Agent/Registrar, are authorized and directed to make the necessary arrangements for the delivery of the Initial Bonds to the initial purchasers.

SECTION 19. Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of making permanent public improvements of the Town and to pay costs of issuance and any accrued interest received from the Purchasers of the Bonds or additional proceeds being deposited to the Interest and Sinking Fund) shall be deposited with the Escrow Agent for application and disbursement in accordance with the provisions of the Escrow Agreement or deposited with the paying agent/registrar for the

Refunded Obligations for the payment and redemption of the Refunded Obligations. The proceeds of sale of the Bonds not so deposited with the Escrow Agent (or the paying agent/registrar for the Refunded Obligations) for the refunding of the Refunded Obligations shall be disbursed for payment of the costs of making permanent public improvements of the Town, the costs of issuance, or deposited in the Interest and Sinking Fund for the Bonds, all in accordance with written instructions from the Town or its financial advisor. Such proceeds of sale may be invested in authorized investments and any investment earnings realized may be (with respect to the accrued interest received from the Purchasers) deposited in the Interest and Sinking Fund as shall be determined by this Council.

Additionally, the Pricing Officer shall determine the amount of any Town contribution to the refunding from moneys on deposit in the interest and sinking fund maintained for the payment of the Refunded Obligations.

SECTION 20. Notices to Holders - Waiver. Wherever this Ordinance or the Pricing Certificate provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class, postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance or the Pricing Certificate provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 21. Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the Town, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The Town may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the Town may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the Town.

SECTION 22. Bond Counsel Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, Dallas, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the Bonds, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry-Only System used in the settlement and transfer of the Bonds. The Town Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the Town's bond counsel.

SECTION 23. CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the Town nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 24. Benefits of Ordinance. Nothing in this Ordinance or the Pricing Certificate, expressed or implied, is intended or shall be construed to confer upon any person other than the Town, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof or the Pricing Certificate, this Ordinance and all of its provisions and the Pricing Certificate being intended to be and being for the sole and exclusive benefit of the Town, the Paying Agent/Registrar, and the Holders.

SECTION 25. Inconsistent Provisions. All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance or the Pricing Certificate are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 26. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 27. Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 28. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 29. Severability. If any provision of this Ordinance or the Pricing Certificate or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the Pricing Certificate and the application thereof to other circumstances shall nevertheless be valid, and the Town Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 30. Incorporation of Findings and Determinations. The findings and determinations of this Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 31. Continuing Disclosure Undertaking. This Section shall apply, with such modifications, if any, set forth in the Pricing Certificate, unless the Pricing Officer determines in the Pricing Certificate that an undertaking is not required pursuant to the Rule (defined below).

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

> "*Financial Obligation*" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Rule*" means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

"*SEC*" means the United States Securities and Exchange Commission.

(b) Annual Reports. The Town shall provide annually to the MSRB (1) within six months after the end of each fiscal year, beginning with the year stated in the Pricing Certificate, financial information and operating data with respect to the Town of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate and (2) if not provided as part of such financial information and operating data, audited financial statements of the Town within twelve months after the end of each fiscal year, when and if available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the Town may be required to employ from time to time pursuant to state law or regulation, and audited, if the Town commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available by the required time, the Town will file unaudited financial statements within such twelve-month period and audited financial statements when and if such audited financial statements become available.

If the Town changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Town otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The Town shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership, or similar event of the Town, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material;
15. Incurrence of a Financial Obligation of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Town, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Town, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding item 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Town in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town and (b) the Town intends the words used in the immediately preceding items 15 and 16 to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The Town shall notify the MSRB, in a timely manner, of any failure by the Town to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers and Amendments. The Town shall be obligated to observe and perform the covenants specified in this Section while, but only while, the Town remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Town in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the Town to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Town undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the

Town's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Town does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE TOWN BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE TOWN, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the Town in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Town under federal and state securities laws.

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the Town from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Town, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Town (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the Town if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the Town's right to do so would not prevent an underwriter of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the Town so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 32. Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 33. Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager, Chief Financial Officer and Town Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Town all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, Deputy Mayor Pro Tem, Town Manager, Chief Financial Officer or Bond Counsel to the Town are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance, including the Pricing Certificate: (i) in order to cure any ambiguity, formal defect or omission in this Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such changes are consistent with the intent and purpose of this Ordinance, which determination shall be final. In the event that any officer of the Town whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 34. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 35. Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

[Remainder of page left blank intentionally]

DULY PASSED AND APPROVED BY THE TOWN COUNCIL ON JUNE 1, 2026.

TOWN OF FLOWER MOUND, TEXAS

____
Cheryl Moore, MAYOR

(Town Seal)

ATTEST:

____
Traci Henderson, TOWN SECRETARY

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of ________, 2026 (this "Agreement"), by and between U.S. Bank Trust Company, National Association, a banking association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the Town of Flower Mound, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "Town of Flower Mound, Texas, General Obligation Improvement and Refunding Bonds, Series 2026" (the "Securities"), dated ______________, 2026, such Securities scheduled to be delivered to the initial purchasers thereof on or about __________, 2026; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE
APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 **Appointment**. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 **Compensation**. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO
DEFINITIONS

Section 2.01 **Definitions**. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Acceleration Date" on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

"Authorizing Document" means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

"Bank Office" means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Holder" and "Security Holder" each means the Person in whose name a Security is registered in the Security Register.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"Predecessor Securities" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

"Redemption Date", when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

"Responsible Officer", when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

"Stated Maturity" means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 **Other Definitions**. The terms "Bank," "Issuer," and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE
PAYING AGENT

Section 3.01 **Duties of Paying Agent**. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

U.S. Bank Trust Company, National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Section 3.02 **Payment Dates**. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE FOUR
REGISTRAR

Section 4.01 **Security Register - Transfers and Exchanges**. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank represents and warrants that it will at all times have immediate access to the Security Register by electronic or other means and will be capable at all times of producing a hard copy of the Security Register for use by the Issuer. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 **Return of Cancelled Securities**. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 **Mutilated, Destroyed, Lost or Stolen Securities**. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

Section 4.07 **Transaction Information to Issuer**. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE
THE BANK

Section 5.01 **Duties of Bank**. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 **Reliance on Documents, Etc.**

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, Issuer's financial advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 **Recitals of Issuer**. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 **May Hold Securities**. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05 **Moneys Held by Bank - Paying Agent Account/Collateralization**. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 **Indemnification**. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 **Interpleader**. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

Section 5.08 **DTC Services**. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX
MISCELLANEOUS PROVISIONS

Section 6.01 **Amendment**. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 **Assignment**. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 **Notices**. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 **Effect of Headings**. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 **Successors and Assigns**. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 **Severability**. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 **Merger, Conversion, Consolidation, or Succession.** Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 **Benefits of Agreement**. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 **Entire Agreement**. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.10 **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 **Termination**. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Notwithstanding anything contained herein, the representations and covenants contained in Section 6.12 hereof shall survive the termination of this Agreement until the statute of limitations has run.

Section 6.12 Iran, Sudan or Foreign Terrorist Organizations. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on the following page of such officer's internet website:

https://comptroller.texas.gov/purchasing/publications/divestment.php

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Section 6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Remainder of page left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By:____________________________________

Title: __________________________________

Address:

8 Greenway Plaza, Suite 1100
Houston, Texas 77046

TOWN OF FLOWER MOUND, TEXAS

By: ______________________________________

_____________ and Pricing Officer

Address: 2121 Cross Timbers Road
Flower Mound, Texas 75028

ANNEX A

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

DATE: June 1, 2026
FROM: Matthew Hotelling, Assistant Director of Public Works/Transportation
ITEM: **Consider approval of an ordinance amending Exhibit A of Ordinance 48-21, Speed Limit Ordinance, in order to add a new reduced school speed zone on FM 1171 from Flower Mound Road to Saddlewood Drive.**

BACKGROUND: The Town has received a request from the Founders Academy Public Charter School requesting a school zone along FM 1171. This request has been submitted to the Texas Department of Transportation (TxDOT) from Founders Academy. TxDOT provided a detailed location map showing the limits of the proposed school zone on FM 1171. The detailed location map identified the proposed school zone from just east of Flower Mound Road to just west of Saddlewood Drive.

Typically, school zones next to schools are set because of the high likelihood of pedestrian activity near the school because students attending the school live in the immediate vicinity. The main reason for the request for the reduced school speed zone along FM 1171 is for parents who decide to park at Rockpointe Church and walk their children to school instead of going through the school drop off/pick up line. The path between Rockpointe Church and Founders Academy is an eight (8) foot trail. A portion of this trail is near the edge of FM 1171 before it enters onto the Founders Academy property, where it diverges from the edge of the road. The property between Rockpointe Church and Founders Academy is Trotter Park. The proposed design for Trotter Park has a connection from the parking lot of Trotter Park to the near edge of Founders Academy. Ultimately, when Trotter Park has finished construction, the portion of the trail that is next to FM 1171 could easily be avoided.

The proposed school zone stops short of the section of trail that is next to FM 1171. It is a typical distance from any school property where the TxDOT location map ends. A school zone that would cover the entire distance to Rockpointe Church would be nearly 1/2 mile in length and approximately 700 feet from the end of the school zone. That is not typical distance from school property. There is a likelihood that drivers will instinctively begin to speed through the school zone at that distance away from the school.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: Leave as status quo.

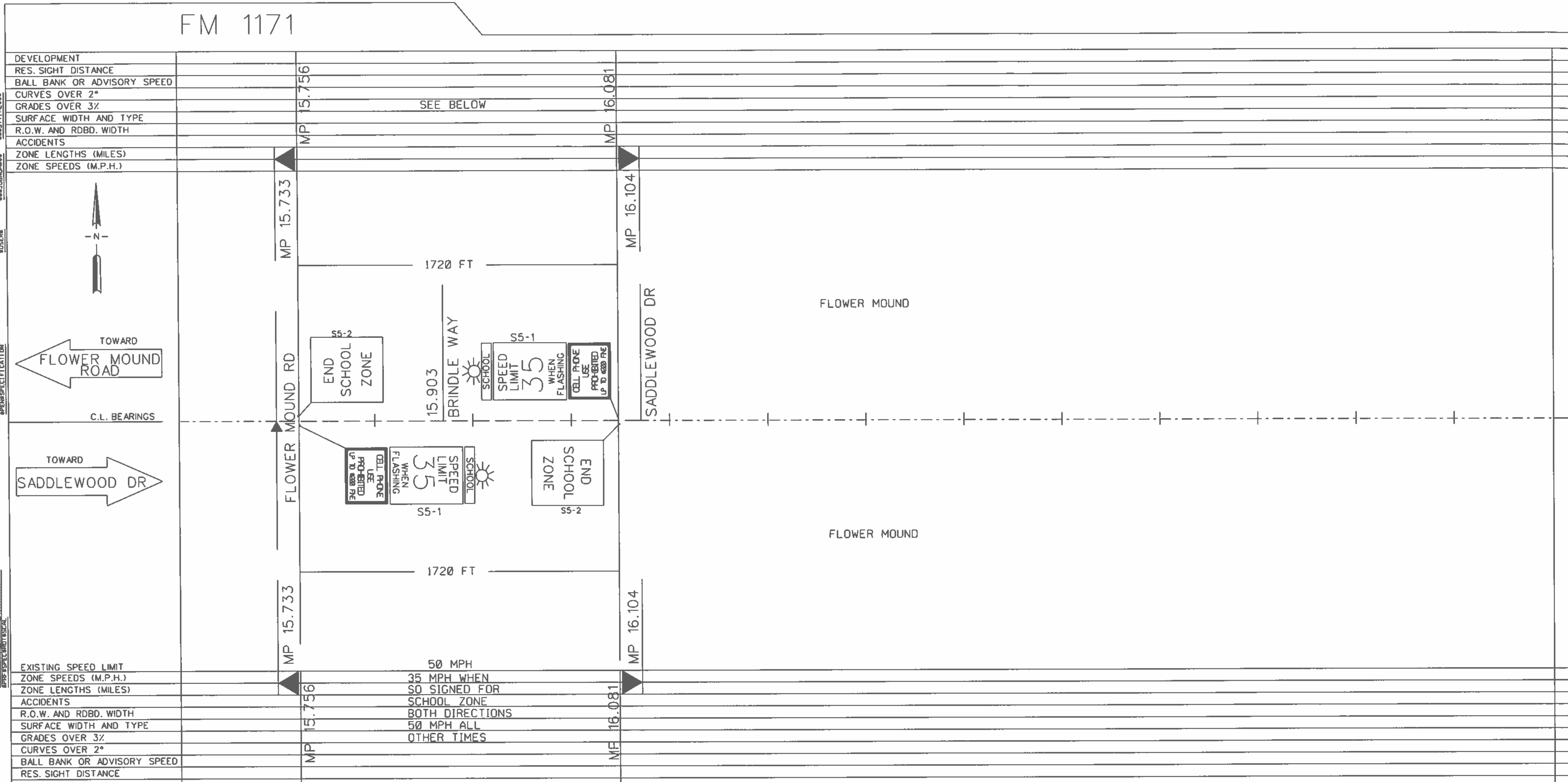
FISCAL IMPACT: There will be a cost associated with the installation of new school zone flashers and associated school zone signs as well as ongoing maintenance.

STRATEGIC GOAL:

LEGAL REVIEW: Eric Garza, of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the ordinance as to form and legality.

ATTACHMENTS:
1. TxDOT Location Map
2. Draft Speed Limit Ordinance

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



DISTRICT: DALLAS	COUNTY: DENTON	MINUTE NO. : ____	DATE _/_/_
HIGHWAY: FM 1171	CITY: FLOWER MOUND	REPLACES : ____	DATE _/_/_
DATE OF STUDY 09-05-2023	SCALE 1" = 0.1 MILES	REPLACED BY : ____	DATE _/_/_
		CANCELLED BY : ____	DATE _/_/_

LIMITS OF ZONE

SECTION ONE		LENGTH ___ MILES		SECTION TWO		LENGTH ___ MILES	
	STA. OR M.P.	CONT. AND SECT.	PROJECT		STA. OR M.P.	CONT. AND SECT.	PROJECT
BEGINS	0 + 00	___ - ___	___(_)	BEGINS	___ + ___	___ - ___	___(_)
	MP ___				MP ___		
	STA. OR M.P.	CONT. AND SECT.	PROJECT		STA. OR M.P.	CONT. AND SECT.	PROJECT
ENDS	0 + 00	___ - ___	___(_)	ENDS	___ + ___	___ - ___	___(_)
	MP ___				MP ___		

LEGEND

▲ SIGNALIZED INTERSECTION

SPEED ZONE

CONT. 1311 SEC. 01

LIMITS: FROM FLOWER MOUND RD TO SADDLEWOOD DR

SHEET 1 OF 1

Texas Department of Transportation

SCHOOL FLASHER
DENTON COUNTY
FM 1171

DESIGN TEAM	FED. RD. DIV. NO.	FEDERAL AID PROJECT NO.		SHEET NO.
	STATE	STATE DIST. NO.	COUNTY	
CHECKED	CONTROL NO.	SECTION NO.	JOB NO.	HIGHWAY NO.

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. __-__

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING EXHIBIT A OF ORDINANCE 48-21, "LIST OF ENUMERATED STREETS;" BY THE ADDITION OF ONE REDUCED SCHOOL ZONE SPEED LIMIT AND IDENTIFYING A MAXIMUM PRIMA FACIE SPEED LIMIT FOR SAID IDENTIFIED STREETS WITHIN THE TOWN; PROVIDING A PENALTY NOT TO EXCEED $200 FOR VIOLATIONS HEREOF; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 545.356 of the Texas Transportation Code authorizes a municipality to establish prima facie maximum reasonable and prudent speeds for vehicles on streets and highways within the corporate boundaries; and,

WHEREAS, the Texas Department of Transportation has conducted an engineering and traffic investigation and study to determine a prima facie maximum speed limit which is reasonable and safe on portions of certain roadways that are the subject of this ordinance; and,

WHEREAS, the Town Council hereby finds and determines based upon said engineering and traffic investigation and study that the reduced school speed zone speed limit and the Town Council hereby declares that the speed limits in this area should be thirty-five miles per hour (35 mph) when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session;

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

Ordinance 48-21 made the following changes:

That Chapter 66, "Traffic and Vehicles," Article V, "Speed Limits," Section 66-214 "Enumeration for Specific Streets" of the Code of Ordinances, Town of Flower Mound, Texas is hereby amended to read as follows:

"**Sec. 66-214 Enumeration for specific streets.**

The maximum prima facie speed limits for specific streets within the Town shall be as indicated in a list of affected streets that shall be kept on file with the Office of the Town Secretary. Such speed limits are hereby fixed for vehicles traveling in the town and are hereby determined to be reasonable and safe and any speeds in excess of such limits shall be prima facie evidence that the speed is not reasonable or prudence and that it is unlawful."

SECTION 3

As part of Ordinance 48-21 the affected streets were indicated on the list attached to Ordinance 48-21 as Exhibit "A," which shall be kept on file with the Office of the Town Secretary.

SECTION 4

From and after the effective date of this ordinance, the prima facie speed limits for specific streets listed in Exhibit A of Ordinance 48-21, is hereby amended by adding the following streets in alphabetical order:

Location	Speed (mph)
(5) from MP 15.756, approximately 100 feet east of Flower Mound Road to MP 16.104, approximately 75 feet west of Saddlewood Drive when the school zone flasher is flashing or during times as posted on reduced school zone speed limit sign while school is in session.	35
At All Other Times It Shall Be:	50

SECTION 5

The speed limits set forth in Sections 4 above, are effective when the Town Manager, or his designee, erects signs giving notice of the new speed limits. The Town Manager is directed to take such action necessary to ensure that such new speed limit signs are erected and installed.

SECTION 6

Any person, firm or corporation violating any term or provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be punished by a fine not to exceed $200.

SECTION 7

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

SECTION 8

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

SECTION 9

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 10

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

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, BY A VOTE OF ___ TO ___, ON THIS THE 1ST DAY OF JUNE, 2026.

APPROVED:

____

Cheryl Moore, MAYOR

ATTEST:

____

Traci Henderson, TOWN SECRETARY

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

DATE: June 1, 2026

FROM: David Brockway, Senior Project Engineer, Dale Crown, Assistant Director of Engineering

ITEM: **Consider approval of a Construction Agreement with DDM Construction Corporation for the Timber Valley Dr and Fairfield Ln Reconstruction project, in the amount of $4,041,249.00; and authorization for the Mayor to execute same on behalf of the Town.**

BACKGROUND:

On April 16, 2026, bids were received and opened for the Timber Valley Drive and Fairfield Lane Reconstruction Project (Bid No. 2026-37-B). DDM Construction Corporation submitted the lowest responsive and qualified base bid among 16 bidders, with a bid amount of $4,041,249.00. The base bid includes flex base material as the structural foundation beneath the concrete pavement, while the alternate bid includes chemical stabilization of the native subgrade material. The Town is recommending award of the contract based on the Total Base Bid, which incorporates the preferred method of subgrade preparation, rather than the Total Base Bid with Alternate Bid Items.

The project includes the reconstruction of Timber Valley Drive and Fairfield Lane and consists of approximately 13,000 square yards of concrete pavement with curb and gutter, 3,500 square yards of concrete sidewalk, 40 ADA-compliant sidewalk ramps, 3,500 linear feet of 8-inch sanitary sewer main, 25 sanitary sewer manholes, 4,500 linear feet of 8-inch water main, 20 water main gate valves, and 10 fire hydrants.

The existing neighborhood infrastructure is approaching 50 years of age. The concrete pavement has experienced increasing failures, and the existing curbs and gutters no longer meet current design standards. In addition, the aging water and sanitary sewer infrastructure beneath the roadway has required recurring maintenance by Public Works. The existing sanitary sewer lines are constructed of substandard materials that are more susceptible to deterioration and maintenance issues, increasing the likelihood of future repairs that could require excavation of newly reconstructed streets. Replacing these utilities as part of the project will improve long-term reliability and help reduce future maintenance costs and disruptions to residents.

BOARD REVIEW/CITIZEN FEEDBACK: A public meeting to provide residents with project information will be held prior to start of construction.

ALTERNATIVES: A decision not to approve the construction agreement would result in pavement failures worsening over time and continued maintenance/service issues with the existing water and sewer lines.

FISCAL IMPACT: $4,041,249.00

Proposed Expenditure/(Revenue)	**Account Number(s):**

$2,423,166.53	316-560-78046-6160 (Streets)
$864,878.72	630-970-98295-6180 (Wastewater)
$753,203.75	630-960-96025-6170 (Water)

STRATEGIC GOAL:

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. Timber Valley Dr and Fairfield Ln CONSTRUCTION AGREEMENT(Rev061725)
2. Form 1295 Certificate 101536228
3. Bid No. 2026-37-B Verified Bid Tab

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

TOWN OF FLOWER MOUND

TIMBER VALLEY DR AND FAIRFIELD LN RECONSTRUCTION

Bid # 2026-37-B

CONSTRUCTION AGREEMENT

THIS CONSTRUCTION AGREEMENT (the "Agreement"), made and entered into this ____day of , 2026, by and between the Town of Flower Mound, County of Denton, Texas, hereinafter referred to as the "Town," and DDM Construction Corporation, a corporation, 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:

TIMBER VALLEY DR AND FAIRFIELD LN RECONSTRUCTION
Bid # 2026-37-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:

. The Construction Agreement;

. Properly executed Change Orders and Field Orders in writing and executed by the Town, the last in time being first in precedence;

. Any listed and numbered addenda;

. Special Provisions;

. Supplementary Conditions;

. Construction Drawings or Plans;

. Technical Specifications;

. Town's Standard Construction Details;

. The most current edition of the *Town of Flower Mound Design Criteria and Construction Standards* (by reference);

. *Occupational Safety and Health Standards – Excavation*, 20 CFR Part 1926 (by reference);

. *Texas Manual on Uniform Traffic Control Devices (TMUTCD)* (by reference);

. The General Conditions;

. *Public Works Construction Standards - North Central Texas, as amended* (by reference);

. Notice to Bidders;

. Instructions to Bidders;

. The Town's written notice to proceed to Contractor;

. The Contractor's Bid Proposal;

. The Performance Bond, Payment Bond and Maintenance Bond; and

. 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 **Four Million, Forty-One Thousand, Two Hundred Forty-Nine Dollars ($4,041,249)** 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 three hundred sixty (360) calendar days, and final completion of four hundred (400) calendar days ready for final payment, as measured from the Effective Start Date shown in the Notice to Proceed. The work shall be in strict accordance with this Agreement, a copy of which is filed pursuant to law in the office of the legal representative of the Town.

ARTICLE 3. Before commencing work, the Contractor shall, at its own expense, procure, pay for, and maintain the insurance coverage required by the Contract Documents written by companies approved by the State of Texas and acceptable to the Town of Flower Mound. Contractor shall provide the Town Purchasing Manager with certificates of insurance indicating coverage's required by the Contract Documents. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificate of Insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

ARTICLE 4. The Contractor shall procure and pay for performance and payment bonds applicable to the work in the amount of the total bid price. The Contractor shall also procure and pay for a maintenance bond applicable to the work in the amount of one hundred percent (100%) of the total bid price. The period of the Maintenance Bond shall be two years from the date of acceptance of all work done under the contract, to cover the guarantee as set forth in the Special Conditions. The performance, payment, and maintenance bonds shall be issued on the forms attached to this Construction Agreement. Other performance, payment, and maintenance bond forms shall not be accepted. Among other things, these bonds shall apply to any work performed during the two-year warranty period after acceptance as described in this Construction Agreement.

The performance, payment, and maintenance bonds shall be issued by a corporate surety, acceptable to and approved by the Town, authorized to do business in the State of Texas, pursuant to Chapter 2253 of the Texas Government Code. Further, the Contractor shall supply capital and surplus information concerning the surety and reinsurance information concerning the performance, payment, and maintenance bonds upon Town request. In addition to the foregoing requirements if the amount of the bond exceeds One Hundred Thousand and Zero/One Hundredths Dollars ($100,000.00) the bond must be issued by a surety that is qualified as a surety on obligations permitted or required under federal law as indicated by publication of the surety's name in the current U.S. Treasury Department

Circular 570. In the alternative, an otherwise acceptable surety company (not qualified on federal obligations) that is authorized and admitted to write surety bonds in Texas must obtain reinsurance on any amounts in excess of One Hundred Thousand and Zero/One Hundredths Dollars ($100,000.00) from a reinsurer that is authorized and admitted as a reinsurer in Texas who also qualifies as a surety or reinsurer on federal obligations as indicated by publication of the surety's or reinsurer's name in the current U.S. Treasury Department Circular 570.

ARTICLE 5. It is hereby further agreed that in consideration of the faithful performance of the work by the Contractor, the Town shall pay the Contractor the compensation due him by reason of said faithful performance of the work in accordance with the provisions of this Agreement. As it completes portions of the Work, the Contractor may request progress payments from the Town. Progress payments shall be made by the Town based on the Town's estimate of the value of the Work properly completed by the Contractor since the time the last progress payment was made. The "estimate of the value of the work properly completed" shall include the net invoice value of acceptable, non-perishable materials actually delivered to and currently at the job site only if the Contractor provides to the Town satisfactory evidence that material suppliers have been paid for these materials.

No progress payment shall be due to the Contractor until the Contractor furnishes to the Town:

1. copies of documents reasonably necessary to aid the Town in preparing an estimate of the value of Work properly completed;

2. full releases of liens, including releases from subcontractors providing materials or delivery services relating to the Work, in a form acceptable to the Town releasing all liens or claims relating to goods and services provided up to the date of the most recent previous progress payment;

3. an updated and current schedule clearly detailing the project's critical path elements; and

4. any other documents required under the Contract Documents.

Progress payments shall not be made more frequently than once every thirty (30) calendar days unless the Town determines that more frequent payments are appropriate. Further, progress payments are to be based on estimates and these estimates are subject to correction through the adjustment of subsequent progress payments and the final payment to Contractor. If the Town determines after final payment that it has overpaid the Contractor, then Contractor agrees to pay to the Town the overpayment amount specified by the Town within thirty (30) calendar days after it receives written demand from the Town.

The fact that the Town makes a progress payment shall not be deemed to be an admission by the Town concerning the quantity, quality, or sufficiency of the Contractor's work. Progress payments shall not be deemed to be acceptance of the Work nor shall a progress payment release the Contractor from any of its responsibilities under the Contract Documents.

After determining the amount of a progress payment to be made to the Contractor, the Town shall withhold a percentage of the progress payment as retainage. The amount of retainage withheld from each progress payment shall be set depending upon the value of the Contract Work on the effective date of the Contract:

Contract Amount	Retainage Percentage
Up to $25,000.00	15%
$25,000.00 to $400,000.00	10%
Over $400,000.00	5%

Retainage shall be withheld and may be paid to:

1. ensure proper completion of the Work. The Town may use retained funds to pay replacement or substitute contractors to complete unfinished or defective work;

2. ensure timely completion of the Work. The Town may use retained funds to pay liquidated damages; and

3. provide an additional source of funds to pay claims for which the Town is entitled to indemnification from Contractor under the Contract Documents.

Retained funds shall be held by the Town in accounts that shall not bear interest. Retainage not otherwise withheld in accordance with the Contract Documents shall be returned to the Contractor as part of the final payment.

ARTICLE 6. The Town may withhold payment of some or all of any progress or final payment that would otherwise be due if the Town determines, in its discretion, that the Work has not been performed in accordance with the Contract Documents. The Town may use these funds to pay replacement or substitute contractors to complete unfinished or defective Work.

The Town may withhold payment of some or all of any progress or final payment that would otherwise be due if the Town determines, in its discretion, that it is necessary and proper to provide an additional source of funds to pay claims for which the Town is entitled to indemnification from Contractor under the Contract Documents. Amounts withheld under this section shall be in addition to any retainage.

ARTICLE 7. When the erosion control measures have been completed, the Contractor shall request that the Town perform a final inspection. The Town shall inspect the Work.

If the Town determines that the Work has been completed in accordance with the Contract Documents and per TPDES General Construction Permit, it shall issue a written Notice of Acceptance of the Work. If the Town determines that the Work has not been completed in accordance with the Contract Documents or TPDES General Construction Permit, then it shall provide the Contractor with a verbal or written list of items to be completed before another final inspection shall be scheduled.

<u>ARTICLE 8.</u> 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.

<u>ARTICLE 9.</u> 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 Four Hundred and Zero/One Hundredths Dollars ($400.00) 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 Four Hundred and Zero/One Hundredths Dollars ($400.00) 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
____________________________	____________________________ (Signature)
Cheryl Moore, MAYOR	____________________________ (Printed Name)
	____________________________ (Position)

CERTIFICATE OF INTERESTED PARTIES

FORM **1295**

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2026-1460243

Date Filed:
05/11/2026

Date Acknowledged:

1 **Name of business entity filing form, and the city, state and country of the business entity's place of business.**

DDM Construction Corporation
Lake Dallas, TX United States

2 **Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**

Town of Flower Mound

3 **Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.**

CIP23-07874
Timber Valley Dr and Fairfield Ln Reconstruction BID # 2026-37-B

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Markwardt, Zackery	Lake Dallas, TX United States	X	
Markwardt, David	Lake Dallas, TX United States	X	
Ruez, Michelle	Lake Dallas, TX United States		X

5 **Check only if there is NO Interested Party.** ☐

6 **UNSWORN DECLARATION**

My name is Zackery Markwardt, and my date of birth is August 12, 1992.

My address is 306 W. Overly Drive, Lake Dallas (city), TX (state), 75065 (zip code), USA (country).

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Denton County, State of Texas, on the 11th day of April (month), 20 26 (year).

Signature of authorized agent of contracting business entity
(Declarant)

Verified Bid Tab

Bid No: 2026-37-B – Timber Valley Dr and Fairfield Ln Reconstruction

Bid Opening: 04/16/2026 at 11:00 AM

Company	Total Base Bid	Bid Alternate
DDM Construction Corporation	$ 4,041,249.00	$ (116,673.00)
3D Paving & Contracting LLC	$ 4,108,988.00	$ (207,857.00)
McMahon Contracting LP	$ 4,158,228.95	$ (131,890.03)
Quality Excavation LLC	$ 4,252,955.57	$ (98,011.84)
Ratliff Landscape Ltd	$ 4,493,923.00	$ (89,385.00)
Tiseo Paving Company LLC	$ 4,725,131.25	$ (173,259.80)
SYB Construction Co. Inc	$ 4,773,031.65	$ (332,007.00)
Garret Shields Infrastructure LLC	$ 4,881,425.00	$ (137,894.00)
JR West Texas Concrete LLC	$ 5,620,849.64	$ (264,313.00)
The Fain Group LLC	$ 5,662,457.00	$ (426,993.00)
J & L Construction LLC	$ 5,697,180.75	$ (8,940.99)
Muniz Construction Inc	$ 5,729,166.00	$ 396,255.00
Camino Construction LP	$ 5,762,707.00	$ 90,751.00
Reliable Paving Inc	$ 6,164,727.00	$ (234,562.20)
Flow-Line Construction	$ 6,203,941.00	$ (247,646.00)

**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: April 19, 2026

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

DATE: June 1, 2026
FROM: Maxine Musuqua, Economic Development Specialist
ITEM: **Public Hearing to consider approval of a Chapter 380 Agreement with Dog Gun Investments, LLC for the economic development of Flower Mound, and authorization for the Mayor to execute same on behalf of Town.**

BACKGROUND: The subject request relates to the proposed Chapter 380 Agreement between the Town of Flower Mound and Dog Gun Investments, LLC, to support the development of the Trinity Park Lakeside light manufacturing warehouse project. The project includes a warehouse building, surface parking, and related site improvements to support local economic growth. As part of the agreement, the Town is providing a waiver of up to fifty thousand dollars ($50,000) toward the one hundred seventeen thousand six hundred dollar ($117,600) tree mitigation fee. This fee will be held in escrow for one year.

The proposed Chapter 380 Agreement requires Dog Gun Investments, LLC to meet specific obligations related to the construction project. All necessary building permits must be obtained within twenty-four (24) months, and construction must be completed within three (3) years from the Effective Date. As of the first January 1 appraisal following completion, the finished project must reach a minimum Taxable Value of five million dollars ($5,000,000.00).

All Town codes and the Urban Design Plan must be followed, and all taxes and fees must be paid on time for the duration of this Agreement. In an effort to preserve Specimen Tree #3953, Dog Gun Investments, LLC has agreed to the following standards, which are outlined in the proposed Chapter 380 Agreement:

a. deep root fertilization to promote overall tree health and resilience during construction;
b. preventative borer treatment to protect against wood-boring insects;
c. application of growth regulator treatment to reduce canopy growth and promote root development;
d. installation and maintenance of chain link tree protection fencing around the Critical Root Zone (CRZ);
e. mulching within the CRZ to aid in soil moisture retention;
f. selective pruning performed by a reputable tree care company under the supervision of a Board Certified Master Arborist; and
g. monthly construction monitoring by a certified arborist to verify CRZ protection and identify and address any issues in a timely manner.

Should Specimen Tree #3953 be found dead or significantly damaged one (1) year after the Certificate of Occupancy is issued, the Town will not pay out the fifty thousand dollar ($50,000) incentive. Any failure to comply with the conditions of this Agreement will result in early termination.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES: N/A

FISCAL IMPACT: Up to $50,000 of the $117,600 tree mitigation fee will be waived, with $67,600 retained, and long-term property tax revenue is anticipated based on a minimum Taxable Value of $5,000,000.

Proposed Expenditure/(Revenue)	**Account Number(s):**
Tree Mitigation Fee Waiver Up to $50,000	100-600-81000-5320

STRATEGIC GOAL:

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

ATTACHMENTS:

1. Dog Gun Investments Chapter 380 Agreement - 5.29.2026 FINAL

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

CHAPTER 380 AGREEMENT
BETWEEN THE TOWN OF FLOWER MOUND
AND
DOG GUN INVESTMENTS, LLC

This Chapter 380 Agreement ("**Agreement**") is made and entered into by and between the Town of Flower Mound, Texas ("**Town**"), and Dog Gun Investments, a Texas Limited Liability Corporation ("**Company**"), for the purposes and considerations stated below. Town and Company may sometimes hereafter be referred to individually as a "**Party**" or collectively as the "**Parties**."

WITNESSETH:

WHEREAS, Company intends to construct a warehouse within the Town; and

WHEREAS, the Town seeks to incentivize the development; and

WHEREAS, the Town possesses legal and statutory authority under Chapter 380 of the Texas Local Government Code to create programs to promote local economic development and to stimulate business and commercial activity within the Town; and

WHEREAS, the Town has determined that the incentives set forth in this Agreement will serve the public purpose of promoting local economic development, will diversify the economy of the State and Town, will assist in eliminating unemployment and underemployment in the State and Town, and will enhance business and commercial activity within the Town; and

WHEREAS, the Town has concluded and hereby finds that this Agreement promotes economic development in the Town of Flower Mound, Texas, and, as such, meets the requirements of Article III, Section 52-a of the Texas Constitution, by assisting in the development and diversification of the economy of the State, by assisting in the elimination of unemployment or underemployment in the State, and by the development or expansion of commerce within the State.

NOW THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

The following words shall have the following meanings when used in this Agreement:

The terms "Agreement", "Town," "Company," "Parties," and "Party" shall have the meanings provided above.

"Building Final" means all site infrastructure permitted under the Development Permit must be fully completed, and Engineering must approve their final inspection; all landscaping must be installed in accordance with the approved landscape plan, and the Parks & Recreation Department must issue their final approval; all required fire-protection systems must be installed, tested, and approved by the Fire Department; all work covered under the Building Permit must be completed, and Building Inspections must issue their final approval.

"Certificate of Occupancy" means the document issued by the Town certifying the building's compliance with applicable building codes and other laws and indicating it to be in a condition suitable for occupation.

"Company Records" has the meaning as described in Section 3.8.

"Completion of Construction" means that the Town has issued a Certificate of Occupancy for the warehouse.

"Development" means the development to be known as Trinity Park Lakeside, consisting of a warehouse building and surface parking, as shown on Exhibit A, as well as the infrastructure, driveways, parking, landscaping, and other improvements reasonably required to be constructed in conjunction with the Development.

"Effective Date" shall mean the last date this Agreement is executed by the Parties.

"Expiration Date" shall mean the date of payment of the last of the eligible Grants, unless sooner terminated as provided herein.

"Event of Bankruptcy or Insolvency" means the dissolution or termination of a Party's existence as a going business, insolvency, appointment of receiver for any part of such Party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such Party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

"Force Majeure" means the occurrence of an event by which either Party is prevented or hindered from timely satisfying any provisions set forth herein because of a shortage of or inability to obtain materials or equipment, strikes or other labor difficulties, governmental restrictions, acts of God, casualties or any other cause beyond such Party's reasonable control, in which event such Party shall be permitted an extension of time of performance by the number of days during which such performance was prevented or hindered.

"Impositions" means all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company or any property or any business owned by Company within the Town.

"Improvements" means the warehouse, as shown on Exhibit A, and the infrastructure, driveways, parking, landscaping, and other improvements reasonably required to be constructed in conjunction with the Improvements.

"Property" means the warehouse to be built.

"Related Agreement" means any agreement (other than this Agreement) by and between the Town and Company.

"Situs" means declaring the Town of Flower Mound as the location at which the sale is consummated under Texas Tax Code § 321.203 and § 323.203:

a) Order not fulfilled from a place of business of the seller in Texas.
b) Order fulfilled in Texas. When an order is received at a location that is not a place of business of the seller in Texas and is fulfilled from a location in Texas that is not a place of business of the seller, the sale is consummated at the location in Texas to which the order is shipped or delivered, or at which the purchaser of the item takes possession.

"Taxable Value" shall mean the appraised value as certified by the Denton County Appraisal District, or its successor, for a given year.

"Term" means the term of this Agreement as defined in Section 2.2 below.

"Tree Mitigation Waiver" means a waiver of fees to be paid for mitigation of specific trees as noted in Section 4.1.

ARTICLE 2
PROGRAM AND TERM

2.1 Program. A program authorized under Chapter 380 of the Texas Local Government Code is hereby established to bring the Development to the Town. The terms of this Agreement shall implement the Program.

2.2 Term. The Term of this Agreement will commence on the Effective Date and will continue until the Expiration Date, unless sooner terminated as provided herein.

ARTICLE 3
COMPANY OBLIGATIONS

The obligation of the Town to issue a tree mitigation waiver shall be conditioned upon compliance and satisfaction by Company of the terms and conditions of this Agreement and each of the conditions set forth in this Article 3:

3.1 Construction Requirements. Subject to causes or events of Force Majeure, Company must receive a building construction permit for the warehouse no later than twenty-four (24) months from the Effective Date of this Agreement. Notwithstanding any causes or events of Force

Majeure, Company must achieve Completion of Construction no later than three (3) years from the Effective Date. Developer has the right to request an extension from the Town Council for events outside of their control.

3.2 Taxable Value. Upon the January 1st that occurs two years after Completion of Construction, the Development (including the land) must have a minimum Taxable Value of Five Million Dollars ($5,000,000.00).

3.3 Compliance with Laws. Company agrees to construct the Development in accordance with all applicable federal, state, and local laws, codes, and regulations (or obtain a valid waiver thereof).

3.4 Impositions. Company shall make timely payment of all Impositions during the Term of this Agreement as it solely relates to this Agreement.

3.5 Good Standing. Company shall not have an uncured breach or default of this Agreement or a Related Agreement.

3.6 Audit. Intentionally Deleted.

3.7 Regulations Regarding Building Products, Materials, or Methods. The Parties find that the Development and the Property constitute an area of architectural importance and significance, and the Town Council hereby designates it as an area of architectural importance and significance for purposes of Chapter 3000 of the Texas Government Code (the "Code"). In consideration for the mutual covenants and conditions contained herein and pursuant to §3000.002(d) of the Code, Company voluntarily consents that all buildings in the Development shall be built in compliance with the Town's codes and ordinances, and the Town's Urban Design Plan, including provisions regulating building products, materials, and methods. This Section 3.8 shall run with the land, shall bind the Company, and shall survive the termination or expiration of this Agreement.

ARTICLE 4
TOWN OBLIGATIONS

Subject to Company's continued satisfaction of its obligations as required by this Agreement, and subject to the provisions of this section, the Town will be obligated to do the following:

4.1 Tree Mitigation Waiver. The Town agrees to waive a portion of the tree mitigation fees required to be paid by Company prior to the issuance of a building permit in an amount equal to a maximum of fifty thousand dollars ($50,000.00) of the required one hundred and seventeen thousand, six hundred dollars ($117,600.00) mitigation fee to be held in escrow with the Town until the one year anniversary of the Building Final issuance and subject to the following conditions:

(i) Company shall use its best efforts to comply with all applicable requirements of the Town's Tree Protection and Landscape Ordinance, as amended, in connection with the preservation of Specimen Tree #3953 (the "Protected Tree").

(ii) Company shall: (i) take all reasonable measures to avoid damage to the Protected Tree and its critical root zone ("CRZ"); (ii) implement and maintain any required tree protection fencing, signage, and barriers; (iii) ensure that all contractors, subcontractors, and agents adhere to applicable tree preservation standards; and (iv) promptly address any issues or violations related to the Protected Tree in accordance with Town requirements.

(iii) Company shall retain, at its sole cost and expense, a qualified independent third-party arborist or tree preservation consultant (the "Consultant"), acceptable to Company to monitor and oversee preservation efforts for the Protected Tree. The Consultant's scope of services shall include: (a) deep root fertilization to promote overall tree health and resilience during construction; (b) preventative borer treatment to protect against wood-boring insects; (c) application of growth regulator treatment to reduce canopy growth and promote root development; (d) installation and maintenance of chain link tree protection fencing around the CRZ; (e) mulching within the CRZ to aid in soil moisture retention; (f) selective pruning performed by a reputable tree care company under the supervision of a Board Certified Master Arborist; and (g) monthly construction monitoring by a certified arborist to verify CRZ protection and identify and address any issues in a timely manner. Company's obligations under this Section shall be performed in good faith and in a manner consistent with commercially reasonable construction practices, subject to site conditions and applicable governmental approvals.

At the Town's reasonable discretion, if the Protected Tree is determined to have died within one (1) year following issuance of the Building Final as a direct result of the Company's gross negligence or the Company's failure to perform its obligations under this Article 4.1, then the Town shall not release the Fifty Thousand Dollars ($50,000.00) being held in trust to the Company, and the Town shall have no further obligation to release such funds under this Agreement.

However, if the Town determines that the Protected Tree survived, or that the Protected Tree died due to causes outside the Company's control despite the Company's compliance with all obligations under Article 4.1, then the Town shall release the Fifty Thousand Dollars ($50,000.00) to the Company within fifteen (15) business days following the one (1) year anniversary of the issuance of the Building Final.

ARTICLE 5
TERMINATION; REPAYMENT; OFFSET

5.1 Termination. This Agreement terminates on the Expiration Date, and may, prior to the Expiration Date, be terminated upon any one or more of the following:

(a) by mutual written agreement of the Parties;

(b) upon written notice by the Town if Company has not obtained a building construction permit within two (2) years of the Effective Date, subject to any extension granted by the Town Council;

(c) upon written notice by the Town, if any Impositions owed to the Town or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions), and such delinquency is not cured within thirty (30) days after written notice thereof;

(d) upon written notice by the Town if Company suffers an event of Bankruptcy or Insolvency, and such event is not cured within thirty (30) days after written notice thereof;

(e) upon written notice by either Party if any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable; or

(f) upon written notice by the Town if Company defaults or breaches any of the other terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof.

5.2 Repayment. In the event this Agreement is terminated by the Town pursuant to Section 5.1 (b), (c), (d), or (f), Company shall immediately refund to the Town an amount equal to the amount of all of the Grants that have been provided by the Town to Company prior to the date of such termination, plus interest at the rate of interest periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the Town) as its prime or base commercial lending rate, accruing from the Effective Date until paid. The repayment obligation of Company set forth in this Section 5.2 hereof shall survive termination of this Agreement

5.3 Offsets. The Town may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to the Town from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement or otherwise, provided Company shall have the right to contest Town's determination if Company reasonably believes Town has no lawful right to such offset.

ARTICLE 6
MISCELLANEOUS

6.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and assigns of the Parties. This Agreement may not be assigned by Company without the prior written consent of the Town, which consent shall not be unreasonably withheld.

6.2 Limitation on Liability. It is understood and agreed between the Parties that Company, in satisfying the conditions of this Agreement, is deemed to have acted independently, and the Town assumes no responsibilities or liabilities to third parties in connection with these actions. Company agrees to indemnify and hold harmless the Town from all such claims, suits, and causes of actions, liabilities, and expenses, including reasonable attorney's fees, of any nature whatsoever by a third party arising out of Company's performance of this Agreement.

6.3 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties.

6.4 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

6.5 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter if sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered.

If intended for Town, to:	Town of Flower Mound, Texas Attn: Economic Development Director 2121 Cross Timbers Rd. Flower Mound, TX 75028
With a copy to:	Flower Mound Town Attorney Taylor, Olson, Adkins, Sralla & Elam, LLP 6000 Western Place, Suite 200 Fort Worth, Texas 76107
If intended for Company, to:	Dog Gun Investments, LLC 1807 Keller Parkway, STE 200 Keller, TX 76248 Attn: Art Barkley, SVP
With a copy to:	(Legal) Attn:

6.6 Entire Agreement. This Agreement is the entire Agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that in any manner relates to the subject matter of this Agreement, except as provided in any exhibits attached hereto.

6.7 Governing Law. The substantive laws of the State of Texas (and not its conflicts of law principles) govern all matters arising out of, or relating to, this Agreement and all of the transactions it contemplates, including without limitation its validity, interpretation, construction, performance and enforcement. Mandatory and exclusive venue for any action concerning this Agreement must be in a court of competent jurisdiction in Denton County, Texas.

6.8 Amendment. This Agreement may only be amended by the mutual written agreement of the Parties.

6.9 Legal Construction. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.10 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all counterparts shall constitute one and the same instrument.

6.11 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.12 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.13 Limitation of Damages. The Parties agree that no Party will be liable to the other under this Agreement for consequential damages (including lost profits), punitive damages, speculative damages, or exemplary damages.

6.14 Legislative or Judicial Changes. In the event of any legislative or judicial interpretation that limits or restricts the Town's ability to pay the grant or otherwise extracts or imposes any penalty or other restriction upon the payment of same, such payments will cease as of the effective date of such limitation or restriction and be of no further force, effect, or consequence in which event the Town shall be under no further obligation to Company as of the effective date of such limitation or restriction, provided Company shall be allowed to retain all Grants received prior to such effective date.

6.15 Undocumented Workers. Company certifies that Company, and its branches, divisions and departments, do not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Company or any of its branches, divisions or departments is convicted of a violation under 8 U.S.C. § 1324a(f), Company shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of six percent (6%), not later than the 120th day after the date the Town notifies Company of the violation.

6.16 Governmental Function. The Parties agree that this Agreement serves the public purpose of assisting in the development and diversification of the economy of the Town and the State of Texas, assisting in the elimination of unemployment or underemployment of the state, and developing and expanding commerce in the state, and is for all purposes a governmental function of Town for the benefit of the citizens of the Town and the State of Texas. The Parties further agree that this Agreement is entered into for the purpose of carrying out governmental functions which are enjoined on the Town by law and given to it by the State of Texas as part of the state's sovereignty.

6.17 Attorney's Fees. If either Party employs an attorney or attorneys to enforce any of the provisions hereof, or to recover damages for the breach of this Agreement, the non-prevailing Party in any final judgment or award agrees to pay the other Party all reasonable costs, charges, and expenses, including reasonable attorneys' fees and costs of court, expended or incurred in connection therewith.

[Signatures on following page]

PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, on this _____ day of _____________, 2026.

TOWN:

TOWN OF FLOWER MOUND, TEXAS

____
Cheryl Moore, Mayor

STATE OF TEXAS)
)
COUNTY OF DENTON)

This instrument was acknowledged before me on the ____ day of _____________, 2026, Cheryl Moore, Mayor of the Town of Flower Mound, Texas, a Texas home rule municipality, on behalf of said Town.

____
Notary Public, State of Texas

COMPANY:

Dog Gun Investments, LLC

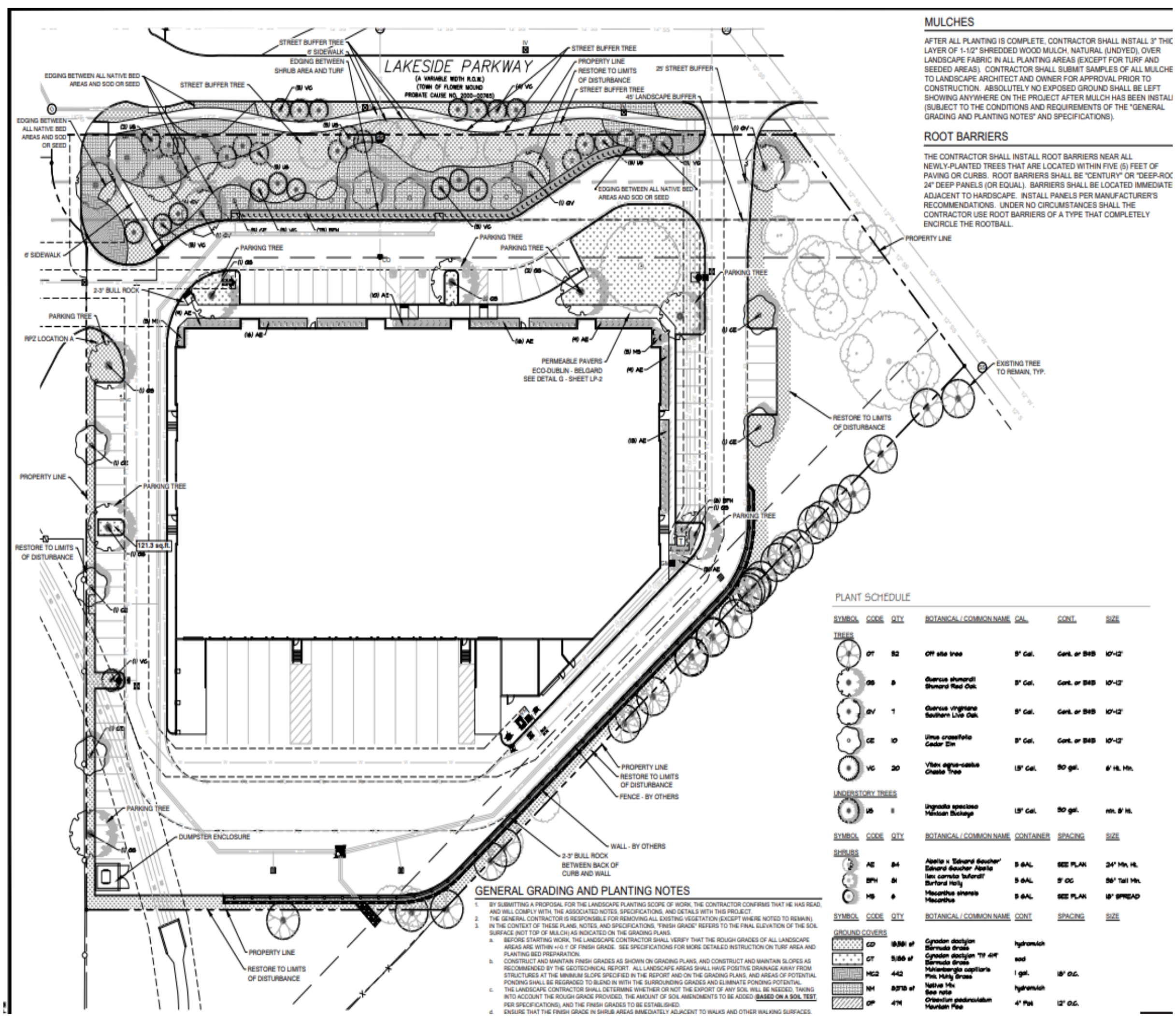
By: ________________________
Name: Andrew Beckman
Title: ________________________

STATE OF ___________)
)
COUNTY OF __________)

This instrument was acknowledged before me on the ____ day of _____________, 2026, by ________________, the ______________ of Prologis.

____
Notary Public, State of Texas

Exhibit A



LAKESIDE PARKWAY
MULCHES
ROOT BARRIERS
PLANT SCHEDULE
GENERAL GRADING AND PLANTING NOTES

TOWN COUNCIL
AGENDA L.1.
WORK SESSION ITEM

DATE: June 1, 2026
FROM: John Zagurski, Chief Financial Officer
ITEM: **Town Council Budget Work Session #1**

BACKGROUND: The Fiscal Year 2026-2027 budget reflects a change in the discretion available for budget decisions. Over the past five years, the town has lowered its property tax rate while absorbing significant inflation in the costs of labor, equipment, fuel, construction, maintenance, and operations. Meanwhile, service expectations and regulatory requirements also increased. As a result, we are changing how we present the budget to the Town Council. Below is a short outline of what you can expect over the meetings in June:

- June 1st Council Meeting — Overview of the Fiscal Year 2026-2027 Budget
- June 11th Council Work Session — Service Level Discussion
- June 15th Council Meeting — Property Tax and Sales Tax Update

BOARD REVIEW/CITIZEN FEEDBACK: NA

ALTERNATIVES:

FISCAL IMPACT: NA
NA

STRATEGIC GOAL:

LEGAL REVIEW: NA

ATTACHMENTS:
None

DRAFT MOTION: NA