



**Monday, September 16, 2024
City Council Meeting**

**Council Chambers
3815 Sachse Road, Building B
6:30 PM**

City Council meetings are streamed live and available on-demand (<https://sachsetx.swagit.com/live>).

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

As authorized by Section 551.071(2) of the Texas Government Code, these meetings may be convened into closed Executive Session at any time during the meeting for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.

A. Meeting Opening

1. Call to Order: The City Council of the City of Sachse will hold a Regular Meeting on Monday, September 16, 2024, at 6:30 PM to consider the following items of business:
2. Invocation and Pledges of Allegiance.

B. Recognition

1. Present a proclamation to the North Texas Food Bank recognizing September as Hunger Action Month and the City's participation in the Peanut Butter Drive.
2. Recognize the City of Sachse Finance Department for receiving an upgraded credit rating from Moody's.

C. Public Comment

The public is invited to address Council regarding any topic not already on the agenda for action or public hearing. **Comments regarding the Consent Agenda or any discussion-only items on the agenda may be addressed during this Public Comment section.** The time limit is three minutes per speaker. A Public Comment Card should be presented to the City Secretary prior to the meeting. According to the Texas Open Meetings Act, Council is prohibited from discussing any item not posted on the agenda but will take comments under advisement.

D. Council/Staff Reports and Updates

1. Mayor and City Council announcements regarding special events, current activities, and local achievements.

E. Consent Agenda

Consent Agenda items are routine or administrative in nature, have been discussed previously at a Council meeting, and/or do not warrant discussion. Council will act upon these items with one motion. There will be no separate discussion of these items unless a Councilmember requests the item be removed from the consent agenda. **If you have comments related to items on the Consent Agenda, please address them in the Public Comment section of the meeting.**

1. Authorize the City Manager to negotiate and execute the terms and conditions of an agreement by and

between the City of Sachse and Wylie Auto Towing, Inc. for City wrecker and impound services.

F. Action Items

Action items are for Council discussion and consideration for action. **The presiding officer will invite comments before the Council votes.** A Public Comment Card should be given to the City Secretary prior to the start of the meeting.

1. Consider an ordinance authorizing the issuance of City of Sachse, Texas, General Obligation Bonds, Series 2024.
2. Ordinance authorizing the issuance of City of Sachse, Texas, Tax Notes, Series 2024.
3. Consider an ordinance of the City Council of Sachse, Texas, authorizing certain budget and Capital Improvement Plan amendments pertaining to the fiscal year 2023-2024 Budget and Capital Improvement Plan; and providing an effective date.
4. Consider an ordinance of the City of Sachse, Texas, adopting the budget for fiscal year beginning October 1, 2024 and ending September 30, 2025; providing that expenditures for said fiscal year shall be made in accordance with said budget; appropriating and setting aside the necessary funds out of the general and other revenues for said fiscal year for the maintenance and operation of the various departments and for various activities and improvements of the City; providing a repealing clause; providing a severability clause; and providing an effective date.
5. Consider ratifying the property tax increase in the budget for Fiscal Year 2024-2025.
6. Consider an ordinance of the City of Sachse, Texas, levying ad valorem taxes for the year 2024 (Fiscal Year 2024-2025) at a Maintenance and Operations rate of \$0.456209 and a Debt Service rate of \$0.194207 for a total rate of \$0.650416 per one hundred dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2024, to provide revenue for the payment of current expenses; providing for an Interest and Sinking fund for all outstanding debt of the City of Sachse; providing for due and delinquent dates together with penalties and interest; providing a severability clause; providing a repealing clause; and providing an effective date.
7. Conduct a public hearing to consider and act on a request to amend the existing gas station Special Use Permit, SUP 23-01, to revise the boundary, site, building layout, and add two additional gas pumps, generally located north of President George Bush Turnpike and east of Merritt Road, within Sachse city limits.
8. Consider and approve a resolution of the City of Sachse, Dallas County, Texas, setting a date for a public hearing to discuss and review updates to the City's Land Use Assumptions, Capital Improvement Plan and Impact Fees; and to approve any amendments to the Land Use Assumptions, Capital Improvements Plan and Impact Fees; and providing an effective date.
9. Consider authorizing the City Manager to execute a professional services agreement for the design of the City of Sachse Service Center between the City of Sachse and Ron Hobbs Architects in the amount of Nine Hundred Seventy-Three Thousand One Hundred Dollars and No/100 Dollars (\$937,100.00).
10. Consider a resolution nominating a candidate to be a member of the Board of Directors of the Dallas Central Appraisal District.
11. Consider a resolution nominating candidate(s) to the Board of Directors of the Collin Central Appraisal District.

G. Executive Session

1. The City Council will convene into executive session pursuant to Section 551.071(2) of the Texas

Government Code for the purpose of seeking legal consultation with the City Attorney regarding Section 363.112(a) of the Texas Health and Safety Code and City Ordinance No. 3980 prohibiting the processing or disposal of solid waste.

H. Action Resulting from Executive Session

Action items are for Council discussion and consideration for action. **The presiding officer will invite comments before the Council votes.** A Public Comment Card should be given to the City Secretary prior to the start of the meeting.

1. Take any action as a result of Executive Session regarding Section 363.112(a) of the Texas Health and Safety Code and City Ordinance No. 3980 prohibiting the processing or disposal of solid waste.

I. Adjournment

I, the undersigned authority, do hereby certify that this notice of a public meeting was posted in accordance with the regulations of the Texas Open Meetings Act and was posted on the bulletin board, an accessible location at Sachse City Hall.


Leah K Granger, City Secretary

Posted: 9/13/2024 by 5:00 PM Removed: _____

Accommodation requests for persons with disabilities should be made at least 48 hours prior to the meeting by contacting Logan Thatcher, ADA Coordinator, via phone at 972-495-1212, via email at lthatcher@cityofsachse.com, or by appointment at 3815 Sachse Road, Building B, Sachse, Texas 75048.

B. Recognition

Subject: 1. Present a proclamation to the North Texas Food Bank recognizing September as Hunger Action Month and the City's participation in the Peanut Butter Drive.

Meeting September 16, 2024 - City Council Meeting

Access Public

Type Recognition

Fiscal Impact None

Recommended Action Present a proclamation to the North Texas Food Bank recognizing September as Hunger Action Month and the City's participation in the Peanut Butter Drive.

Goals

BACKGROUND

Hunger Action Month was established in 2008 by Feeding America® and works to promote ways for individuals, organizations, and communities everywhere to get involved and help fight the hunger crisis. The nationwide campaign strives to mobilize the public into acting on the issue of hunger and help the more than 12 million children and their families who are food insecure. Locally, one in seven people or 14.2% of Dallas County residents, and 1 in 10 people or 10.9% of Collin County residents struggle with food insecurity.

Strategic Initiatives Manager for the North Texas Food Bank, Kathryn Cope, will be present at the City Council meeting to accept the proclamation.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Present a proclamation to the North Texas Food Bank recognizing September as Hunger Action Month and the City's participation in the Peanut Butter Drive.

File Attachments

1. Peanut Butter Drive Proclamation 2024

Proclamation

WHEREAS, Hunger Action Month was established in 2008 by Feeding America® and works to promote ways for individuals, organizations, and communities everywhere to get involved and help fight the hunger crisis; and

WHEREAS, the nationwide campaign strives to mobilize the public into acting on the issue of hunger and help the more than 12 million children and their families who are food insecure. Locally, one in seven people or 14.2% of Dallas County residents, and 1 in 10 people or 10.9% of Collin County residents struggle with food insecurity; and

WHEREAS, in an effort to raise awareness and curb this trend, Sachse is joining together with all of North Texas to promote and participate in the North Texas Food Bank's Annual Peanut Butter Drive, either virtually or in-person, with the goal of raising 400,000 pounds of peanut butter; and

WHEREAS, the residents and patrons within the City of Sachse have always given generously and with a tremendous amount of love toward efforts taking care of those in need, and the Sachse City Council calls Sachse into action to get involved in events like the Peanut Butter Drive and more; and

NOW, THEREFORE, I, Jeff Bickerstaff, Mayor of the City of Sachse, do hereby proclaim the month of September as

Hunger Action Month

in Sachse, and encourage all residents to join the Sachse City Council and the North Texas Food Bank to help eradicate hunger in our city, counties, state, and nation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Sachse, Texas to be affixed on this 16th day of September, 2024.

Gold
Seal



Jeff Bickerstaff, Mayor

B. Recognition

Subject: 2. Recognize the City of Sachse Finance Department for receiving an upgraded credit rating from Moody's.

Meeting September 16, 2024 - City Council Meeting

Access Public

Type Recognition

Recommended Action Recognize the City of Sachse Finance Department for receiving an upgraded credit rating from Moody's.

Goals Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

Independent rating services, such as Moody's, evaluate the credit quality of an issuer to repay their notes and bonds issued. That credit rating reflects the creditworthiness of the issuer. On September 6, 2024, Moody's issued an upgraded credit opinion for the City of Sachse, moving its rating from Aa2 to Aa1 for issuer and general obligation limited tax (GOLT). The "Aa1" rating is the second-highest rating available, and is now on par with Standard & Poor's "AA+" credit rating the City received in 2022. Generally, the higher the credit rating, the lower the interest rate and the more favorable the effect on the marketability of debt issuance.

Of note, Moody's stated "The City of Sachse, TX's credit profile (Aa1) benefits from a growing, primarily residential economy located within the rapidly expanding Dallas/Fort Worth metropolitan area with an above median resident income of roughly 165% of the nation. Financial reserves are exceptionally strong and although the city will drawdown general fund reserves in fiscal 2024 for one-time capital outlay, the available fund balance is expected to remain above the national Aa1 median at 65% of revenue. The leverage profile will remain manageable as assessed value growth will support increased property tax revenue and keep the long-term liabilities ratio below Aa1 peers."

Moody's identified the following as credit strengths:

- » Favorable economic metrics that are above the median for the rating category
- » Above median available fund balance and liquidity
- » Manageable leverage

David Baldwin, Director of Finance, Ryan Bredehoeft, Assistant Director of Finance, and Jason Hughes, Financial Advisor to the City with Hilltop Securities, will be there to receive the recognition.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Recognize the City of Sachse Finance Department for receiving an upgraded credit rating from Moody's.

File Attachments None

E. Consent Agenda

Subject: 1. Authorize the City Manager to negotiate and execute the terms and conditions of an agreement by and between the City of Sachse and Wylie Auto Towing, Inc. for City wrecker and impound services.

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Access Public

Type Action (Consent)

Fiscal Impact None

Recommended Action Authorize the City Manager to negotiate and execute the terms and conditions of an agreement by and between the City of Sachse and Wylie Auto Towing, Inc. for City wrecker and impound services.

Goals

BACKGROUND

The City of Sachse has historically contracted with a wrecker company to provide towing and impound services relative to predominately police-related activity and response, including vehicle crashes, arrests, evidence preservation, and City ordinance enforcement. The existing contract was enacted in 2018, extended per the terms of the contract in 2021 and will expire in October 2024.

A "Best Value" bid solicitation was published in August 2024 for a new contract. Four companies submitted bids. An evaluation process was completed in accordance with the published evaluation criteria, inclusive of site visits to the impound lots of all bidders. Wylie Auto Towing Inc. has been ranked first among all bidders and is the lowest bidder relative to overall service pricing.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Authorize the City Manager to negotiate and execute the terms and conditions of an agreement by and between the City of Sachse and Wylie Auto Towing, Inc. for City wrecker and impound services.

File Attachments

1. Presentation_City Wrecker Contract Sept 2024
2. 2024 Wrecker Services Agreement

City Wrecker Contract Vendor Recommendation

City Council
September 16, 2024



Overview

- Major contract provisions in the Wrecker Agreement
- Bid evaluation process utilizing best value
- Results of the evaluation



Major Contract Provisions

- Initial three (3) year term with optional three (3) year extension
- Weekly reporting and reconciliation of impounded vehicles
- Maximum thirty (30) minute response time
- Availability 24/7 for wrecker response and vehicle release
- Appropriate/Secure impound facility within fifteen (15) miles
- Roadway debris removal
- Towing of City vehicles within fifty (50) miles, no charge
- Provision for Chief of Police to waive impound and other fees
- Termination clause



Bid Evaluations (Best Value)

- Four (4) bids received:

- Big Bass Towing
- Wylie Towing
- Signature Towing
- NTX Towing

- Evaluation Criteria:

- Cost of Towing = 60%
- Capacity to meet city needs = 20%
- Background & History of Company = 10%
- References = 10%



Evaluation Results

- Wylie Auto Towing = 98
- Big Bass Towing = 94
- NTX Towing = 90
- Signature Towing = 90

- Wylie Towing is lowest cost bidder
 - ❖ Pass through service to end-user (Citizen)
 - ❖ Excellent service record previous six years with City
- Staff recommends authorizing City Manager to execute contract with Wylie Towing for initial three-year period



STATE OF TEXAS

§

COUNTY OF DALLAS

§

**AGREEMENT FOR CITY WRECKER AND
IMPOUND SERVICES**

This Agreement for City Wrecker and Impound Services ("Agreement") is made by and between the City of Sachse, Texas ("City") and _____ ("Contractor"), (individually as the "Party" or collectively as the "Parties"), acting by and through their authorized representatives:

Recitals:

WHEREAS, City desires to engage the services of Contractor as an independent contractor to provide non-exclusive wrecker and impound services for the City of Sachse in accordance with the terms and conditions set forth in this Agreement; and

WHEREAS, Contractor desires to render wrecker and impound services for the City, as more fully described in Exhibit "A" attached hereto and made a part herein by reference, and in accordance with the terms and conditions set forth in this Agreement;

NOW THEREFORE, in exchange for the mutual covenants set forth herein and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

**Article I
Term**

1.1 This Agreement is for a period of three (3) years commencing _____, 20____ ("Effective Date") and ending on the anniversary of said Effective Date, unless terminated prior thereto. City shall have the option to renew this Agreement under the same terms and conditions as provided for herein for one (1) additional term of three (3) years ("Renewal Term").

1.2. Either Party may terminate this Agreement by giving thirty (30) days prior written notice to the other Party.

**Article II
Contract Documents**

2.1. This Agreement consists of the following items:

- (a) This Agreement;
- (b) City's Request for Bid for "Annual Contract for City Wrecker and Impound Services"; and

- (c) Contractor's Response to City's Request for Bid. (City's Request for Bid and Contractor's Response thereto collectively attached as Exhibit "A").

2.2 In the event there exists a conflict in interpretation, the documents shall control in the order listed above. These documents shall be referred to collectively as "Contract Documents."

Article III Scope of Service

The Parties agree that Contractor shall perform the services specifically set forth under Exhibit "A".

Article IV Dispatch of Vehicles

Contractor shall dispatch appropriate vehicles or equipment to effectuate removal of a motor vehicle or such other vehicle at the direction of the Chief of Police or his designee, within the incorporated limits of the City. Contractor should maintain communication capabilities by use of pager, mobile telephone or other such device. Contractor will not have access to any Sachse Police Department radio frequency.

Article V Minimum Requirements

5.1 The following are the minimum requirements for personnel, equipment and facilities.

- (a) Personnel: The Contractor will provide twenty-four (24) hours a day, seven (7) days a week, access to release impounded vehicles or personal property. The Contractor will provide a person or service to answer the phone twenty-four (24) hours a day, seven (7) days a week. The Contractor will also provide, under their supervision, the opportunity for vehicle owners to remove items from their cars, and for appraisals and photographs by insurance agents and body shop specialists. Upon request by the City, vehicles shall be moved by Contractor to designated areas within the impound site for impound auctions and/or inspections. Contractor, at its cost, will also provide such other personnel as may be needed to be available on a 24-hour basis, seven (7) days a week for the towing and handling of all vehicles.

The wrecker service shall insure that wrecker operators assigned to tow vehicles and equipment, possess and maintain a current license to operate in accordance with the laws and regulations promulgated by the State of Texas. All operators shall wear traffic safety vest or clothing that meets ANSI (American National Standards Institute) Standards with a minimum Level II rating.

- (b) Equipment: To be available immediately (calls within city limit response time 30 minutes or less, heavy-duty wreckers within one hour or less): two (2) standard

duty one-ton wreckers with 5,000 pounds minimum hauling capacity and one (1) heavy-duty wrecker with 20,000 pounds minimum hauling capacity. Tow trucks shall have current registration and motor vehicle inspection. Each tow truck shall be in safe operating condition. Each wrecker will be equipped with the following miscellaneous equipment: fire extinguisher, tow bar, towing dollies, safety chains, broom, shovel, wrecking bar, and jack stand. Each tow vehicle will be required to carry at minimum 5 gallons of dry absorbent material to clean fluid spills that are not cleared by Fire Department personnel.

- (c) Facilities: The Contractor shall provide and maintain an impound site for the destination point of towed vehicles and the location for storage of towed vehicles. The impound site must meet the criteria as specified under state licensing procedures established by the Texas Department of Licensing and Regulation. This Vehicle Storage Facility license shall remain valid throughout the duration of this Agreement. The impound site and all adjacent areas shall be kept clean and free of trash, rubbish, debris, and auto parts. The impound site will be within a fifteen (15) mile drive from the Sachse Police Department. The impound site will be of a size that is adequate to store a minimum of forty (40) standards size vehicles. The Chief of Police, or his designee, shall inspect and approve the site before the Agreement is awarded.

The Contractor shall keep and maintain the impound site in an adequately lighted, safe and secure manner and shall adequately protect all vehicles located therein.

The Contractor shall post a list of fees that conform to this Agreement and are approved by the Sachse Police Department in a conspicuous place near the customer counter.

Article VI

Impoundment and Release of Vehicles

6.1 The Contractor shall keep and maintain such vehicles that he removes, in a safe and secure manner. No vehicle impounded may be released to any person without satisfactory proof of ownership. No vehicle impounded with a "hold" may be released without authorization from the Sachse Police Department. No storage fee will be computed on a vehicle with a "hold" placed on it. Storage fees may only be computed after the Sachse Police Department has officially released the "hold". The Sachse Police Department will release the hold by notifying the Vehicle Storage Facility (VSF) in person or by fax, a signed release identifying the officials name and identification number, the vehicle description including the VIN and license plate information and color. The Contractor will note the Sachse Police Department official's name, identification number, date and time that the release of hold is issued.

6.2 Any vehicle with a "hold" placed on it that is in the seizure process will be stored in a secured area away from other impounded vehicles. Upon the vehicle being awarded to the Sachse Police Department, all storage fees shall be waived.

6.3 Contractor shall not charge the Sachse Police Department nor the owner of the vehicle for towing, storage, impound or notification fees for the period of time that any vehicle towed and/or placed on "hold" by the Sachse Police Department is towed for evidentiary or examination purposes.

6.4 Upon the receipt of a complaint, by the Sachse Police Department, from any source concerning claimed damage to a towed vehicle or its contents, the Contractor shall submit a written report (format provided by the Police Department) upon request to the Chief of Police or his designee within twenty-four (24) hours after receipt of such request. Such report shall contain all facts pertinent to the claim or complaint presented. Contractor hereby expressly assumes full responsibility and liability for all such vehicles in his care, including all equipment and contents thereof and agrees to provide the defense for, indemnify and hold the City, its officers and employees harmless against all claims for damages to vehicles and their contents while under his control.

Article VII Sale of Vehicles

7.1 Any vehicle impounded under the provisions of this Agreement may be sold at public sale in accordance with applicable State law. Contractor shall be responsible for the preparation, publication, posting, mailing costs and dispatch of all notices and advertisements required under Chapters 683, 684 and 685 of the Texas Transportation Code, as amended, the Texas Occupation Code, Chapter 2303, as amended, or any other applicable law, to be given or provided by the Sachse Police Department and/or Contractor as agent for the Sachse Police Department or as operator of the City designated vehicle storage facility with respect to the impoundment, storage, release, destruction, auction, sale and disposal of any junked vehicle, abandoned motor vehicle or other vehicle impounded at the direction of the City.

- (a) On recovered stolen vehicles, storage fees shall commence on the day following the date in which the vehicle owner or agent signed the notice.
- (b) Storage fees shall not be collected when a vehicle is not involved in an accident but is taken into protective custody and the operator is incapacitated due to physical injury or other illness to the extent the operator is unable to care for his vehicle.
- (c) The Contractor shall dispose of junked vehicles in accordance with the Texas Transportation Code, Chapter 683, as amended and other applicable State or local laws, including Sachse City Ordinance Number 9-329, within forty-eight (48) hours after removal of the junked vehicle to the Impound Site. Contractor shall be responsible for applying for any Certificate of Authority to Dispose for any said junked vehicles.

7.2 Contractor shall provide to the Sachse Police Department on the day of disposition of a junked vehicle, a signed receipt (or other evidence satisfactory to the City) from a scrap yard or Motor Vehicle Demolisher as to the disposition of the junked vehicle. Once impounded, a "junked" vehicle shall not be released without authorization by the Sachse Police Department.

Article VIII Records and Reports

8.1 The Contractor shall prepare and maintain a current computerized inventory listing, a copy to be submitted electronically, faxed or mailed to the Sachse Police Department weekly that shows the following:

- (a) Date and time vehicle towed and impounded, indicating if a "hold" is or is not placed on vehicle. Date "hold" released and by whom indicated on form;
- (b) Make, model and year of vehicle;
- (c) License number (verified by Contractor);
- (d) Vehicle identification number (verified by Contractor);
- (e) General description of vehicle and its condition upon being brought in with adequate notes as to any major defects and/or damages. (Applies only to first time listed).
- (f) An inventory of all loose personal property or articles in the vehicle where it is brought into the City Pound. These contents, if unclaimed at the time vehicle is sold at public auction will remain with the vehicle. (Applies only to first time listed).
- (g) An inventory of vehicles claimed by owners, with a copy of receipts reflecting storage charges (if any) and payment for the storage charges in a manner designated by the City.

8.2 The Contractor shall retain and maintain all business records provided for in this Agreement for a period of three (3) years. The Contractor agrees to permit the Sachse Police Department to audit and inspect all records relative to the impoundment and towing of vehicles at any reasonable time. Failure to allow inspection or falsification of records will be grounds for immediate termination of this Agreement.

8.3 The Contractor further agrees to allow the Sachse Police Department the right to inspect at any time any and all vehicles towed, impounded or stored by Contractor and to conduct inventories of vehicle contents.

Article IX Accident Scene

The Contractor will be responsible for the clearing of the roadway and removing glass and other debris from the accident site. Accident scene includes one or more vehicles which are involved in an accident and includes the area of the location of vehicles and the area which contains debris from the vehicles including parts of vehicles and cartage. Labor rates for clearing the debris or cartage are to be provided in accordance with the authorized fee schedule. On minor accidents,

where the Fire Department does not respond, and there is a fluid spill or leak (oil, transmission fluid, coolant, etc.), the Contractor shall use an absorbent material to retrieve as much fluid as possible.

Note: Accident Site Defined: the area around the accident site is included and is not limited to the roadway. For example, a beverage truck overturns and spills cans onto the roadway and median. Both areas must be cleared.

Article X Response Time

10.1 From the time the wrecker service is notified, the response time will be no more than thirty (30) minutes for calls within Sachse City Limits.

10.2 On heavy duty wrecker calls, the response time will be no more than one (1) hour for calls within the Sachse City Limits.

Article XI Wrecker and Storage Fees

11.1 Wrecker and storage fees will be established via the contract between the Contractor and the City. The Contractor shall post in a conspicuous place, near the cashier's counter, a copy of the scheduled charges allowed by the City. On tows requested by the Police Department, when the vehicle will be towed to a destination other than the Vehicle Storage Facility, the Contractor shall not charge any fees that exceed the set schedule of fees.

11.2 There will be no storage fee for vehicles which remain in the pound less than twelve hours. At the end of the twelve-hour limit, a storage fee will be charged. Storage, impound and notification fees are set by the Texas Department of Licensing and Regulation. The City recognizes these fees and the tow service cannot exceed these fees in any way.

11.3 Vehicles owned and leased by the Sachse Police Department will not be charged for local towing or tows within a 50-mile radius of Sachse Police Headquarters. There shall be no limit to the number of tows. Towing outside of the fifty (50) mile radius will be the towing fee plus \$1.00 per mile.

11.4 Vehicles owned or leased by the City of Sachse will not be charged for local towing or tows within a 50-mile radius of the Sachse City Hall. There shall be no limit to the number of tows. The towing fee plus a fee of \$1.00 per mile after 50 miles will be allowed for light duty wrecker calls, \$2.00 per mile on medium duty wrecker calls, and \$3.00 per mile on heavy duty wrecker calls.

11.5 Contractor agrees to provide the necessary labor and equipment for the changing of flat tires on Sachse Police vehicles. Response time must be within thirty (30) minutes after the time the Sachse Police Department dispatcher notifies Contractor of a request for service.

Vehicle Storage Facility at the direction of the City and subsequently released, except for Five Dollars (\$5) of each Motor Vehicle Storage Fee, as applicable and provided herein, collected by the Contractor which shall be remitted to the City on a monthly basis.

Article XII Liability Insurance

Contractor shall provide and maintain for the duration of this Agreement, and for the benefit of the City (naming the City and its officers, agents and employees as additional insureds), insurance coverage as set forth in the Insurance Requirements as set out in Exhibit "A". Contractor shall provide a signed Certificate of Insurance verifying that the Contractor has obtained the required insurance coverage for the City prior to the Effective Date of this Agreement.

Article XIII Disregards

Contractor is solely responsible for the costs for tow calls that are disregarded by the Sachse Police Department. A request for a tow truck may be canceled by the City and Sachse Police Department at any time prior to arrival at the requested site. A request for tow services will not be disregarded, once the tow truck has arrived at the scene, unless a private wrecker (which was privately called) arrives simultaneously at the scene.

Article XIV Administrative

All forms, notices or other correspondence to owners and lien holders must be on a form that is approved by the Chief of Police or his designee. The Sachse Police Department shall have the right, upon reasonable demand, to review and copy any and all forms, notices, correspondence and receipts that are a result of an impound or towing authorized by the Sachse Police Department.

Article XV Restrictions

15.1 Wrecker services, under this Agreement, will not arrive at the location of an impound request unless they are on call or otherwise requested by the police department.

15.2 No portion of this Agreement may be assigned or delegated by the wrecker service without prior authorization and written approval by the Chief of Police or his designee.

15.3 The wrecker service is prohibited from selling parts from or dismantling vehicles that have been acquired under the terms of this agreement unless the police department causes to be issued a Certificate of Authority to dispose of said vehicle.

Article XVI
Authority of Chief of Police to Release Certain Vehicles

16.1 The Chief of Police or his designated representative may release a vehicle without payment of storage and payment of towing for the reasons set forth in City of Sachse Code of Ordinances, including the following:

- (a) A vehicle was taken into protective custody when the incident did not involve an arrest, violation or automobile accident.
- (b) A vehicle is owned by or belongs to an individual who is not a citizen of the United States, who does not permanently reside in the United States and who is entitled to diplomatic immunity.
- (c) Subsequent investigation results in a determination that there was no violation of the Texas motor vehicle laws or the Sachse traffic code or that the arrested person did not commit a criminal offense.
- (d) In extraordinary circumstances where the Chief of Police has determined a public necessity, emergency or the existence of exigent circumstances in order to ensure safety of the public.

Article XVII
Indemnification

THE CONTRACTOR HEREBY AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD THE CITY AND ITS EMPLOYEES, AGENTS, OFFICERS AND SERVANTS FREE AND HARMLESS FROM ANY AND ALL LOSSES, CLAIMS, LIENS, DEMANDS, LIABILITY, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER INCLUDING, BUT NOT LIMITED TO, THE AMOUNTS OF JUDGMENTS, PENALTIES, INTEREST, COURT COSTS, LEGAL FEES AND OTHER EXPENSES INCURRED BY THE CITY ARISING IN FAVOR OF OR ASSERTED BY ANY PARTY, INCLUDING CLAIMS, LIENS, DEBTS, PERSONAL INJURIES, INCLUDING EMPLOYEES OF THE CITY, DEATH OR DAMAGES TO PROPERTY (INCLUDING PROPERTY OF THE CITY) AND WITHOUT LIMITATION BY ENUMERATION, ALL OTHER CLAIMS OR DEMANDS OF EVERY CHARACTER OCCURRING OR IN ANY WAY INCIDENT TO, IN CONNECTION WITH OR ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AGREEMENT OR THE PROVISION OF SERVICES RENDERED HEREUNDER. CONTRACTOR AGREES TO INVESTIGATE, HANDLE, RESPOND TO, PROVIDE DEFENSE FOR AND DEFEND ANY SUCH CLAIMS, DEMAND OR SUIT AT THE SOLE EXPENSE OF THE CONTRACTOR. CONTRACTOR FURTHER AGREES TO BEAR ALL OTHER COSTS AND EXPENSES RELATED THERETO, EVEN IF THE CLAIM OR CLAIMS ALLEGED ARE GROUNDLESS, FALSE OR FRAUDULENT. THIS PROVISION IS NOT INTENDED TO CREATE ANY CAUSE OF ACTION IN FAVOR OF ANY THIRD PARTY AGAINST THE CONTRACTOR OR THE CITY OR TO ENLARGE IN ANY WAY THE

CONTRACTOR'S LIABILITY BUT IS INTENDED SOLELY TO PROVIDE FOR INDEMNIFICATION OF THE CITY FROM LIABILITY FOR CLAIMS, DAMAGES OR INJURIES TO THIRD PARTIES OR PROPERTY ARISING FROM CONTRACTOR'S PERFORMANCE HEREUNDER.

**Article XVIII
Miscellaneous**

18.1 Amendments. This Agreement may not be amended or modified except by a written instrument signed by all Parties hereto.

18.2 Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the invalid, illegal or unenforceable provision shall not affect any other provisions, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision is severed and deleted from this Agreement.

18.3 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties to this Agreement and their respective heirs, legal representatives, successors and assigns. The sale of the wrecker service shall void this Agreement.

18.4 Time for Performance. Time is of the essence under each provision of this Agreement. Strict compliance with the times for performance is required.

18.5 Business Day. If any date of performance under this Agreement falls on a Saturday, Sunday or Texas legal holiday, such date of performance shall be deferred to the next day which is not a Saturday, Sunday or Texas legal holiday.

18.6 Termination. Either Party may terminate this agreement upon a 30 day written notice addressed and mailed to the people and addresses in Section 24 of this agreement.

18.7 Notices. All notices to be given hereunder shall be in writing and shall be deemed to have been duly given at the time of delivery if personally delivered; or upon the next business day after mailing if mailed by registered or certified mail, return receipt requested, postage prepaid, and addressed to the Parties at the addresses set forth below:

If intended for City, to:

City of Sachse, Texas
Attn: Gina Nash
City Manager
3815 Sachse Road
Sachse, Texas 75048
Phone: (972) 495-1212

With a copy to:

Joseph J. Gorfida, Jr.
Nichols | Jackson
Suite 1800
500 North Akard
Dallas, Texas 75201
Phone: (214) 965-9900

If intended for Contractor:

[Name of Contractor)

Attn: _____

Phone: _____

18.8 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Exclusive venue for any cause of action relating to this Agreement shall be in the courts of appropriate jurisdiction of Dallas County, Texas.

18.9 Boycott Israel; Boycott Energy Companies; and Prohibition of Discrimination against Firearm Entities and Firearm Trade Associations.

- (a) Contractor verifies that it does not Boycott Israel and agrees that during the term of the Agreement will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.
- (b) Contractor verifies that it does not Boycott Energy Companies and agrees that during the term of this Agreement will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended.
- (c) Contractor verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association as those terms are defined in Texas Government Code Section 2274.001, as amended; and (ii) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.
- (d) This section does not apply if Contractor is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Contractor has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement.

(signature page to follow)

EXECUTED this ____ day of _____, 2024.

City of Sachse, Texas

By: _____
Gina Nash, City Manager

Approved as to form:

By: _____
Joseph J. Gorfida, Jr., City Attorney
(07-17-2024: 4892-5147-8992, v. 1)

EXECUTED this ____ day of _____, 2024.

[Contractor]

By: _____
Name: _____
Title: _____

F. Action Items

Subject:	1. Consider an ordinance authorizing the issuance of City of Sachse, Texas, General Obligation Bonds, Series 2024.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Action
Fiscal Impact	Yes
Dollar Amount	\$27,700,000 in principal to be paid off over 20 years.
Budgeted	Yes
Budget Source	Debt Service Fund in the FY 2024-2025 budget
Recommended Action	Adopt an ordinance authorizing the issuance and sale of "City of Sachse, Texas, General Obligation Bonds, Series 2024" and approving all other matters related thereto.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency. Provide excellent government services to Sachse citizens.

BACKGROUND

Sachse residents voted to approve the four propositions included on the November 2021 bond election ballot. Projects were initially planned to be funded in three General Obligation (GO) Bond tranches, with draws in fiscal years (FY) 2022, 2025, and 2028. Due to Council's current budget priority of prioritizing roadway infrastructure, and with the help of increased appraisal values, Sachse is able to accelerate many of the bond proposition projects without an increase to the interest and sinking (I&S) tax rate over the prior year. Projects by timing of funding include:

- 2022 Bond Issuance (\$18 million)
 - Bailey-Hooper Road
 - Sachse Animal Shelter
 - Sachse Road Phase 2 Design
 - Neighborhood Package partial funding
- 2024 Bond Issuance (\$27.3 million in proceeds). Sachse will sell Series 2024 General Obligation Bonds on October 17, 2024.
 - Sachse Road Phase 2 Construction
 - West Creek
 - Wiliford Road (escalated timing of funding from FY 2025 and FY 2028 to FY 2025)
 - Neighborhood Package full funding (escalated timing of funding from FY 2025 and FY 2028 to FY 2025)
- Planned 2026 Bond Issuance (\$8.7 million)
 - Sachse Road Phase 3 (escalated timing of funding from FY 2028 to FY 2026)

Jason Hughes, the City's Financial Advisor with Hilltop Securities, will be in attendance for this item.

POLICY CONSIDERATIONS

The issuance of GO bonds was authorized by the Sachse voters at the November 2021 bond election.

RECOMMENDATION

Adopt an ordinance authorizing the issuance and sale of "City of Sachse, Texas, General Obligation Bonds, Series 2024" and approving all other matters related thereto.

File Attachments

1. Ordinance - Sachse GO 2024

THE STATE OF TEXAS §
COUNTIES OF DALLAS AND COLLIN §
CITY OF SACHSE §

<u>Election Prop.</u>	<u>Purpose</u>	<u>Bonds Approved</u>	<u>Bonds Previously Issued</u>	<u>Amount Being Issued</u>	<u>Amount Remaining⁽¹⁾</u>
A	for the purpose of designing, constructing, improving, extending, expanding, upgrading and developing the following streets and roads in the City: Sachse Road, from Miles Road to the City limits, with such improvements to include any associated sidewalks, bridges and intersections, related drainage improvements, utility relocations, signalization, landscaping, lighting, signage, curbs, pedestrian right of ways, traffic safety and operational improvements and interests in land as may be necessary for such purposes	\$23,385,000	\$1,700,000	[\$21,685,000]	[\$-0-]
B	for the purpose of designing, constructing, improving, extending, expanding, upgrading and developing the following streets and roads in the City: Bailey-Hooper Road, from SH 78 to Sachse Road, Williford Road, from SH 78 to Bailey Road, and West Creek Lane, from Sachse Road to Timbercreek Court, with such improvements to include any associated sidewalks, bridges and intersections, related drainage improvements, utility relocations, signalization, landscaping, lighting, signage, curbs, pedestrian right of ways, traffic safety and operational improvements and interests in land as may be necessary for such purposes	\$20,650,000	\$10,660,000	[\$6,015,000]	[\$3,975,000]

C	for the purpose of designing, constructing, reconstructing, improving, extending, expanding, upgrading and developing residential streets, roads, sidewalks and related improvements in the City, including any associated bridges and intersections, related drainage improvements, utility relocations, signalization, landscaping, lighting, signage, curbs, pedestrian right of ways, traffic safety and operational improvements and interests in land as may be necessary for such purposes	\$5,000,000	\$675,000	\$-0-	\$4,325,000
D	for the purpose of designing, constructing, improving and equipping a municipal animal shelter	\$5,000,000	\$5,000,000	\$-0-	\$-0-

(1) Includes premium deposited into the Construction Fund and applied against voted authorization.

WHEREAS, the City Council (the "Council") of the City deems it necessary and advisable to authorize, issue and deliver a portion of the bonds voted at the Election (\$18,035,000 previously issued); and

WHEREAS, the bonds hereinafter authorized to be issued (the "Bonds") are to be issued, sold and delivered pursuant to the general laws of the State of Texas (the "State"), including Texas Government Code, Chapter 1331, as amended, and the City's Home Rule Charter; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Texas Government Code, Chapter 551;

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

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE BONDS. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The Bonds are hereby authorized to be issued and delivered in the aggregate principal amount of \$ ____ for the purpose of (i) designing, constructing, improving, extending, expanding, upgrading, and developing the following streets and roads in the city: Sachse Road, from Miles Road to the city limits, with such improvements to include any associated sidewalks, bridges and intersections, related drainage improvements, utility relocations, signalization, landscaping, lighting, signage, curbs, pedestrian right of ways, traffic safety, and operational improvements and interests in land as may be necessary for such purposes; (ii) designing, constructing, improving, extending, expanding, upgrading, and developing the following streets and roads in the city: Bailey-Hooper Road, from SH 78 to Sachse Road, Williford Road, from SH 78 to Bailey Road, and West Creek Lane, from Sachse Road to Timbercreek Court, with such improvements to include any associated sidewalks, bridges and intersections, related drainage improvements, utility relocations, signalization, landscaping, lighting, signage, curbs, pedestrian right of ways, traffic safety, and operational improvements and interests in land as may be necessary for such purposes (collectively, the "Projects"); and (iii) paying the costs incurred in connection with the issuance of the Bonds.

Section 2. DESIGNATION; DATED DATE; PRINCIPAL AMOUNTS; MATURITY DATES; INTEREST RATES; REDEMPTION PROVISIONS.

(a) Each bond issued pursuant to this Ordinance shall be designated: "CITY OF SACHSE, TEXAS, GENERAL OBLIGATION BOND, SERIES 2024", and initially there shall be issued, sold and delivered hereunder fully registered Bonds, without interest coupons, dated the September 15, 2024, in Authorized Denominations, with the Bonds being numbered consecutively R-1 upward, except that the Initial Bond (defined herein) shall be numbered T-1 and be in the aggregate principal amount of \$_____, with Bonds issued in replacement thereof being in the principal amounts set forth in **Exhibit A** to this Ordinance, payable to the respective Registered Owner thereof (with the Initial Bond being made payable to the Purchaser (defined herein) or its designee as described herein), or to the registered assignee or assignees of the Bonds.

(b) The Bonds shall (i) mature and be payable on the dates, in each of the years and in the principal amounts set forth in the Form of Bond attached as **Exhibit A** to this Ordinance and (ii) bear interest from the date and at the rates set forth in the Form of Bond attached as **Exhibit A** to this Ordinance to their respective dates of maturity or redemption prior to maturity.

(c) The term "Bonds" as used in this Ordinance shall mean and include collectively the Bonds initially issued and delivered pursuant to this Ordinance and all substitute Bonds exchanged therefor, as well as all other substitute Bonds and replacement Bonds issued pursuant hereto, and the term Bond shall mean any of the Bonds.

(d) Redemption Provisions.

(i) Optional [and Mandatory] Redemption. The Bonds are subject to redemption prior to maturity as set forth in the Form of Bond attached hereto as **Exhibit A**.

(ii) Notice of Redemption. At least thirty (30) days prior to the date fixed for any redemption of Bonds, or portions thereof, prior to maturity, the City shall cause written notice of such redemption to be sent by United States mail, first class, postage prepaid, to each Registered Owner of a Bond to be redeemed, in whole or in part, at the address of the Registered Owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing of such notice. All notices of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner.

(iii) Firm Banking and Financial Arrangements. By the date fixed for any prior redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be redeemed. If written notice of redemption is mailed and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be redeemed shall automatically be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond having the same maturity date, bearing interest at the same rate, in an Authorized Denomination, at the written request of the Registered Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City.

(iv) Selection of Bonds for Redemption. If less than all Bonds of the same maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall randomly select by lot the Bonds within such maturity to be redeemed.

(v) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance have been met and 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 may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City 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.

Section 3. CHARACTERISTICS OF THE BONDS.

(a) Registration, Transfer, Conversion and Exchange. The City shall keep or cause to be kept at the designated office of U.S. Bank Trust Company, National Association, Dallas, Texas, as the paying agent/registrar for the Bonds (the "Paying Agent/Registrar"), books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the Form of Bond set forth as **Exhibit A** to this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

(b) Authentication. Except as provided in Section 3(e) hereof, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of Bonds as aforesaid is

hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General and registered by the Comptroller.

(c) Payment of Bonds and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, in the event of a nonpayment 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 from the City. 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 registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) Substitute Paying Agent/Registrar. The City covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 50 days written notice to the Paying Agent/Registrar, to be effective not later than 45 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) General Characteristics of the Bonds. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the City at least 35 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the Form of Bond set forth as **Exhibit A** to this Ordinance. The Bonds initially issued and delivered pursuant to this Ordinance are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall

execute the Paying Agent/Registrar's Authentication Certificate, in the Form of Bond set forth as **Exhibit A** to this Ordinance.

(f) Book-Entry-Only System. Unless the Bonds are sold by private placement, the Bonds issued in exchange for the Bonds initially issued to the Purchaser shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsection (g) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(g) Successor Securities Depository; Transfers Outside Book-Entry-Only System. If the Bonds are subject to the DTC book-entry system, and in the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor

securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

(h) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

(i) Cancellation of Initial Bond(s). On the Delivery Date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the order of the Purchaser or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro Tem and City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller, will be delivered to the Purchaser or its designee. If the Bonds are sold subject to the book-entry system of DTC, then upon payment for the initial Bond(s), the Paying Agent/Registrar shall insert the Delivery Date on the initial Bond(s), cancel each of the initial Bond(s) and deliver to DTC on behalf of the Purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

Section 4. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller to be attached only to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially in the form provided in **Exhibit A**, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

Section 5. INTEREST AND SINKING FUND.

(a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the City as a separate fund or account and the funds therein shall be deposited into and held in an account at an official depository bank of said City. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said City, and shall be used only for paying the interest on and principal of said Bonds. All amounts received from the sale of the Bonds as accrued interest shall be deposited upon receipt to the Interest and Sinking Fund, and all ad valorem taxes levied and collected for and on account of said Bonds shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Bonds are outstanding and unpaid, the governing body of said City shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Bonds as such principal matures (but never less than 2% of the original amount of said Bonds as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said City, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said City, for each year while any of said Bonds are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. If lawfully available moneys of the City are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise

would have been required to be levied pursuant to this Section may be reduced to the extent and by the amount of the lawfully available funds then on deposit in the Interest and Sinking Fund.

(b) Chapter 1208 of the Texas Government Code applies to the issuance of the Bonds and the pledge of the taxes granted by the City under this Section, and is therefore valid, effective, and perfected. Should State law be amended at any time while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the taxes granted by the City under this Section is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, in order to preserve to the registered owners of the Bonds a security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, Texas Business and Commerce Code and enable a filing of a security interest in said pledge to occur.

Section 6. DEFEASANCE OF BONDS.

(a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in Subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds 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.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in Subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to discharge obligations such as the Bonds.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the City elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

(a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Bond, the registered owner applying for a replacement Bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Bond, the registered owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred that is then continuing in the payment of the principal of or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Section 1206.022, Texas Government Code, this Section shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with

the effect, as provided in Section 3(a) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

Section 8. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL.

(a) The Mayor and Mayor Pro Tem of the City are each hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination and approval by the Attorney General and their registration by the Comptroller. Upon registration of the Bonds the Comptroller (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of the Comptroller shall be impressed, or placed in facsimile, on such Bond. The approving legal opinion of the City's Bond Counsel and the assigned CUSIP numbers may, at the option of the City, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

(b) The obligation of the Purchaser to accept delivery of the Bonds is subject to the Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the City, which opinion shall be dated as of and delivered on the Delivery Date. The engagement of such firm as bond counsel to the City in connection with issuance, sale and delivery of the Bonds is hereby approved and confirmed.

Section 9. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS.

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with -

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148 1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the Delivery Date) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Use of Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the

Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the Mayor Pro Tem, the City Manager, the Assistant City Manager, the Finance Director and the City Secretary (collectively, the "Authorized Officers") to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) Allocation of, and Limitation on, Expenditures for the Projects. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the Projects on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Projects are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the Delivery Date, or (2) the date the Bonds are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of the Projects. The City covenants that the property constituting the Projects will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Bonds. For purpose of the foregoing, the City may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Reimbursement. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations. All costs to be reimbursed pursuant to this Ordinance will be capital expenditures and the Bonds shall be issued within 18 months of the later of (i) the date the expenditures are paid or (ii) the date on which the property, with respect to which such expenditures were made, is placed in service; and the foregoing notwithstanding, the Bonds will not be issued pursuant to this Ordinance on a date that is more than three years after the date any expenditure which is to be reimbursed is paid.

**Section 10. SALE OF BONDS AND APPROVAL OF OFFICIAL STATEMENT;
FURTHER PROCEDURES; APPLICATION OF PREMIUM FROM SALE OF BONDS.**

(a) The Bonds are hereby sold and shall be delivered to _____ (the "Purchaser") for the purchase price of \$_____ (representing the aggregate principal amount of the Bonds, plus a [net] reoffering premium of \$_____, less an underwriter's discount of \$_____). The Bonds shall initially be registered in the name of the Purchaser or its designee. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable.

(b) It is hereby officially found, determined and declared that the Bonds have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions. It is further officially found, determined and declared that the Bonds have been offered pursuant to a Preliminary Official Statement prepared and distributed in connection with the sale of the Bonds. Said Preliminary Official Statement, the Official Statement, and any addenda, supplement or amendment thereto, have been and are hereby approved by the governing body of the City, and its use in the offer and sale of the Bonds is hereby approved. It is further officially found, determined and declared that the statements and representations contained in said Official Statement are true and correct in all material respects, to the best knowledge and belief of the Council.

(c) The Authorized Officers, individually or jointly, shall be and they 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 under the corporate seal and on behalf of the City such documents, certificates and instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Blanket Issuer Letter of Representations, the Bonds and the sale of the Bonds. In addition, prior to the delivery of the Bonds, the Authorized Officers 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 this Ordinance or such other document, or (ii) as requested by the Attorney General or his representative to obtain the approval of the Bonds by the Attorney General. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(d) The Bonds have a [net] premium of \$_____ and which shall be allocated as follows:

(i) the amount of \$_____ shall be applied to pay costs of issuance of the Bonds, including underwriter's discount, with any excess to be deposited into the Interest and Sinking Fund; and

(ii) the amount of \$_____ shall be deposited into the Construction Fund and applied against voted authorization.

Section 11. DEFAULT AND REMEDIES.

(a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the registered owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the City.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Bonds then outstanding.

(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the Council.

Section 12. COMPLIANCE WITH RULE 15c2-12.

(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) a guarantee of the foregoing (a) and (b). The term Financial Obligation does not include any municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board 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.

(i) The City shall provide annually to the MSRB, in the electronic format prescribed by the MSRB certain updated financial information and operating data pertaining to the City, being the following: (i) the City's annual financial audit report; and (ii) the information found in tables 1 through 6 and 8 through 15 in the Official Statement for the Bonds. The City will update and provide the information in the numbered tables within six months after the end of each fiscal year ending in and after 2024 and, if not submitted as part of such annual financial information, the City will provide its audited financial statements when and if available, and in any event, within 12 months after the end of each fiscal year ending in and after 2024. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B to the Official Statement or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation.

(ii) Any financial information so to be provided shall be (i) prepared in accordance with the accounting principles described in the financial statements of the City appended to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided.

(iii) If the City 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 City 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 website or filed with the SEC. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(c) Event Notices.

(i) The City shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

- (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 City;

(13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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 City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, 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 City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City 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 City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the City 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 City, and (b) the City intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

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

(d) Limitations, Disclaimers, and Amendments.

(i) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes Bonds no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the Registered Owners 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 City 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 City'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 City 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.

(iii) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE REGISTERED OWNER 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 CITY, 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.

(iv) No default by the City in observing or performing its obligations under this Section shall comprise 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 City under federal and state securities laws.

(v) Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City hereby agrees to undertake such obligation with respect to the Bonds in accordance with the Rule as amended. The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, 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 since such offering as well as such changed circumstances and (2) either (a) the Registered Owners 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 City (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the Registered

Owners and beneficial owners of the Bonds. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 13. METHOD OF AMENDMENT. The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The City may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (v) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the City's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in a majority of the principal amount of then outstanding Bonds that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to: (i) make any change in the maturity of any of the outstanding Bonds; (ii) reduce the rate of interest borne by any of the outstanding Bonds; (iii) reduce the amount of the principal payable on any outstanding Bonds; (iv) modify the terms of payment of principal or of interest on outstanding Bonds or any of them or impose any condition with respect to such payment; or (v) change the minimum percentage of the principal amount of any series of Bonds necessary for consent to such amendment.

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to each registered owner of the affected Bonds a copy of the proposed amendment. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the City for inspection by all holders of such Bonds.

(d) Whenever at any time within one year from the date of mailing of such notice the City shall receive an instrument or instruments executed by the Registered Owners of a majority in aggregate principal amount of all of the Bonds then outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and which shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties and obligations of the City and all holders of such affected Bonds shall thereafter be determined, exercised and enforced, subject in all respects to such amendment.

(f) Any consent given by the Registered Owner of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of such consent and shall be conclusive and binding upon all future Registered Owners of the same bond during such period. Such consent may be revoked at any time after six months from the date of said consent by the Registered Owner who gave such consent, or by a successor in title, by filing notice with the City, but such revocation shall not be effective if the Registered Owners of a majority in aggregate principal amount of the affected Bonds then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

For the purposes of establishing ownership of the Bonds, the City shall rely solely upon the registration of the ownership of such Bonds on the registration books kept by the Paying Agent/Registrar.

Section 14. CONSTRUCTION FUND; PROCEEDS OF SALE; USE OF PROCEEDS.

(a) The City hereby creates and establishes and shall maintain on the books of the City a separate fund to be entitled the "Series 2024 Bond Construction Fund" (the "Construction Fund") for use by the City for payment of all lawful costs associated with the acquisition and construction of the Projects as hereinbefore provided and to pay the costs of issuance of the Bonds. Proceeds of the Bonds in the amount of \$_____ shall be deposited into the Construction Fund. Upon payment of all such costs, any moneys remaining on deposit in the Construction Fund shall be transferred to the Interest and Sinking Fund.

(b) Proceeds from the sale of the Bonds shall be disbursed in the manner described in a closing instructions letter prepared by the City's financial advisor.

(c) The City may place proceeds of the Bonds (including investment earnings thereon) and amounts deposited into the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; provided, however, that the City hereby covenants that the proceeds of the sale of the Bonds will be used as soon as practicable for the purposes for which the Bonds are issued.

(d) All deposits authorized or required by this Ordinance shall be secured to the fullest extent required by law for the security of public funds.

Section 15. APPROPRIATION. To pay the debt service coming due on the Bonds, if any, prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

Section 16. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

Section 17. EFFECTIVE DATE. In accordance with the provisions of Texas Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the Council.

Exhibit A

FORM OF BOND

(a) The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached only to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

NO. R-__	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF SACHSE, TEXAS GENERAL OBLIGATION BOND, SERIES 2024	PRINCIPAL AMOUNT \$ _____	
<u>Interest Rate</u>	<u>Delivery Date</u>	<u>Maturity Date</u>	<u>CUSIP No.</u>
_____%	October 17, 2024	February 15, 20__	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, the City of Sachse, in Dallas and Collin Counties, Texas (the "City"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above. The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date specified above at the Interest Rate per annum specified above. Interest is payable on February 15, 2025 and semiannually on each August 15 and February 15 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except, if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of U.S. Bank Trust Company, National Association, Dallas, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance

authorizing the issuance of this Bond (the "Bond Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the last business day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 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 City. 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 business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar. The City covenants with the registered owner of this Bond that on or before each principal payment date, interest payment date, and accrued interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal corporate trust 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 that 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.

THIS BOND is dated September 15, 2024, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$_____ for the purpose of (i) paying the costs of the Projects (as defined in the Bond Ordinance) and (ii) paying the costs incurred in connection with the issuance of the Bonds.

ON FEBRUARY 15, 2034 OR ANY DATE THEREAFTER, the Bonds may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the City (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

IN ADDITION TO THE FOREGOING OPTIONAL REDEMPTION, the Bonds scheduled to mature on February 15 in each of the years 20__ and 20__ (the "Term Bonds") are subject to scheduled mandatory redemption by the Paying Agent/Registrar by lot, or by any other customary method that results in a random selection, at a price equal to the principal amount thereof, plus accrued interest to the redemption date, out of moneys available for such purpose in the interest and sinking fund for the Bonds, on the dates and in the respective principal amounts, set forth in the following schedule:

Term Bond Maturity: February 15, 20__		Term Bond Maturity: February 15, 20__	
Mandatory Redemption Date	Principal Amount	Mandatory Redemption Date	Principal Amount
February 15, 20__		February 15, 20__	
February 15, 20__		February 15, 20__	
February 15, 20__		February 15, 20__	
February 15, 20__ *		February 15, 20__ *	

* Stated maturity.

The principal amount of Term Bonds required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City, by the principal amount of any Term Bonds which, at least 45 days prior to a mandatory redemption date (1) shall have been acquired by the City 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, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid to the registered owner of each Bond to be redeemed at its address as it appeared on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Bond Ordinance.

WITH RESPECT TO ANY OPTIONAL REDEMPTION OF THE BONDS, unless certain prerequisites to such redemption required by the Bond Ordinance have been met and money sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed will 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 City, be conditional upon the satisfaction of such prerequisites

and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not fulfilled, such notice will be of no force and effect, the City will not redeem such Bonds, and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that such Bonds have not been redeemed.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Ordinance, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into, and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion or exchange of any Bonds during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date or, with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Bond Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed, and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said City, and have been pledged for such payment, within the limit prescribed by law.

THE CITY HAS RESERVED THE RIGHT to amend the Bond Ordinance as provided therein, and under some (but not all) circumstances amendments thereto, must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Bond Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Bond and the Bond Ordinance constitute a contract between each registered owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Secretary of said City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Bond.

City Secretary
City of Sachse, Texas

Mayor
City of Sachse, Texas

(City Seal)

(b) Form of Paying Agent/Registrar's Authentication Certificate.

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an executed Registration
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____.

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION**
Dallas, Texas
Paying Agent/Registrar

By: _____
Authorized Representative

(c) Form of Assignment.

ASSIGNMENT
(Please print or type clearly)

For value received, the undersigned hereby sells, assigns and transfers unto: _____

Transferee's Social Security or Taxpayer Identification Number: _____

Transferee's name and address, including zip code: _____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____

_____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(d) Form of Registration Certificate of the Comptroller\ of Public Accounts.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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 that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(e) Initial Bond Insertions.

- (i) The initial Bond shall be in the form set forth is paragraph (a) of this Section, except that:

A. immediately under the name of the Bond, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. _____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF SACHSE, TEXAS, in Dallas and Collin Counties, Texas (the "City"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on February 15 in each of the years, in the principal amounts and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rates</u>	<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rates</u>
2025			2035		
2026			2036		
2027			2037		
2028			2038		
2029			2039		
2030			2040		
2031			2041		
2032			2042		
2033			2043		
2034			2044		

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date specified above at the respective Interest Rate per annum specified above. Interest is payable on February 15, 2025, and semiannually on each August 15 and February 15 thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The Initial Bond shall be numbered "T-1."

F. Action Items

Subject:	2. Ordinance authorizing the issuance of City of Sachse, Texas, Tax Notes, Series 2024.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Action
Fiscal Impact	Yes
Dollar Amount	\$1,045,000
Budgeted	Yes
Budget Source	Debt Service Fund in the FY 2024-2025 budget
Recommended Action	Adopt an ordinance authorizing the issuance and sale of "City of Sachse, Texas, Tax Notes, Series 2024" and approving all other matters related thereto.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

In the Fiscal Year (FY) 2024-2025 budget process, the replacement of Police Department and Fire Department generators was prioritized for funding. Due to the substantial cost of the generators and lack of existing replacement funding, tax notes were chosen for funding. Tax Notes are limited to a seven-year amortization and may be paid off in a shorter time. Debt Service payment for principal and interest of the Series 2024 Tax Notes will be funded without increasing the Interest and Sinking (I&S) tax rate from the prior tax year.

The first responder building relies heavily on back-up power in the event of emergencies and subsequent loss of power. The existing generators have become cost prohibitive to repair and keep operational. City Council is asked to consider all matters incident and related to the issuance and sale of "City of Sachse, Texas, Tax Notes, Series 2024", including the adoption of an ordinance authorizing the issuance of such tax notes and approving all other matters related thereto.

POLICY CONSIDERATIONS

According to Section 7.14 of the City Charter, the City shall have the right and power, except as prohibited by law or this Charter, to borrow money by whatever method it may deem to be in the public interest.

RECOMMENDATION

Adopt an ordinance authorizing the issuance and sale of "City of Sachse, Texas, Tax Notes, Series 2024" and approving all other matters related thereto.

File Attachments

1. Ordinance - Sachse Tax Notes 2024

ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF SACHSE, TEXAS, TAX NOTES, SERIES 2024; PROVIDING FOR THE PAYMENT OF SAID NOTES; APPROVING THE OFFICIAL STATEMENT; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

THE STATE OF TEXAS §
COUNTIES OF DALLAS AND COLLIN §
CITY OF SACHSE §

WHEREAS, the City Council (the "Council") of the City of Sachse, Texas (the "City") hereby finds and determines that it is necessary, useful and appropriate for the City's public purposes to authorize and provide for the issuance and sale of a note of the City for the purposes hereinafter set forth, as authorized by Chapter 1431, Texas Government Code, as amended; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Texas Government Code, Chapter 551;

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

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE NOTES. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The City of Sachse, Texas, Tax Notes, Series 2024 (the "Notes") are hereby authorized to be issued and delivered in the aggregate principal amount of \$_____ for paying all or a portion of the City's contractual obligations incurred in connection with (i) the purchase of materials and equipment for the police and fire departments; (ii) paying fees for legal, fiscal, engineering, architectural and other professional services in connection with these projects (collectively, the "Projects"); and (iii) paying the costs incurred in connection with the issuance of the Notes.

Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, AND MATURITIES AND INTEREST RATES OF NOTES. Each Note issued pursuant to this Ordinance shall be designated: "CITY OF SACHSE, TEXAS, TAX NOTE, SERIES 2024," and initially there shall be issued, sold, and delivered hereunder one fully registered Note, without interest coupons, dated September 15, 2024, in the principal amount stated above and in the denominations hereinafter stated, numbered T-1, with Notes issued in replacement thereof being in the denominations and principal amounts hereinafter stated and numbered consecutively from R-1 upward, payable to the respective Registered Owners thereof (with the initial Note being made payable to the Purchaser (defined below) as described in Section 10 hereof), or to the registered assignee or assignees of said Notes or any portion or portions thereof (in each case, the "Registered Owner"), and said Notes shall mature and be payable on the Maturity Dates and in the Principal Amounts, respectively, and shall bear interest from the date set forth in the Form of Note set forth

in **Exhibit A** to this Ordinance to their respective dates of maturity at the rates per annum, as set forth in the schedule included in the Form of Note in **Exhibit A** hereto.

The Notes shall not be subject to redemption prior to maturity.

The term "Notes" as used in this Ordinance shall mean and include collectively the Notes initially issued and delivered pursuant to this Ordinance and all substitute Notes exchanged therefor, as well as all other substitute Notes and replacement Notes issued pursuant hereto, and the term "Note" shall mean any of the Notes.

Section 3. CHARACTERISTICS OF THE NOTES.

(a) Registration, Transfer, Conversion and Exchange; Authentication. The City shall keep or cause to be kept at the principal corporate trust office of U.S. Bank Trust Company, National Association, Dallas, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Notes (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided. The Paying Agent/Registrar Agreement in the form presented at the meeting at which this Ordinance is adopted is hereby approved. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Note to which payments with respect to the Notes shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Note or Notes. Registration of assignments, transfers, conversions and exchanges of Notes shall be made in the manner provided and with the effect stated in the Form of Note set forth in **Exhibit A** to this Ordinance. Each substitute Note shall bear a letter and/or number to distinguish it from each other Note.

(b) Except as provided in Section 3(d) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Note, date and manually sign said Note, and no such Note shall be deemed to be issued or outstanding unless such Note is so executed. The Paying Agent/Registrar promptly shall cancel all paid Notes and Notes surrendered for conversion and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing conversion and exchange of any Note or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Notes in the manner prescribed herein, and said Notes shall be printed or typed on paper of customary weight and strength. Pursuant to Chapter 1201, Government Code, as amended, the duty of conversion and exchange of Notes as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the

execution of said Note, the converted and exchanged Note shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Notes that initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General (the "Attorney General") of the State of Texas (the "State") and registered by the Comptroller of Public Accounts of the State (the "Comptroller").

(c) Payment of Notes and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Notes, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Notes, and of all conversions and exchanges of Notes, and all replacements of Notes, as provided in this Ordinance. However, in the event of a nonpayment 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 from the City. Notice of the past due interest 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 appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) In General. The Notes (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Notes to be payable only to the registered owners thereof, (ii) may be converted and exchanged for other Notes, (iii) may be transferred and assigned, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) the principal of and interest on the Notes shall be payable, and (vii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Notes, all as provided, and in the manner and to the effect as required or indicated, in the Form of Note set forth in **Exhibit A** to this Ordinance. The Note initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Note issued in conversion of and exchange for any Note or Notes issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the Form of Note.

(e) The City covenants with the registered owners of the Notes that at all times while the Notes are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Notes under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating

to the Notes, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Notes, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(f) Except as provided below, no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Paying Agent/Registrar's Authentication Certificate substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Paying Agent/Registrar's Authentication Certificate on all of the Notes. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the initial Note delivered on the Delivery Date (as shown in the Form of Note) shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, executed by the Comptroller or by his duly authorized agent in the manner prescribed by law, which certificate shall be evidence that the initial Note has been duly approved by the Attorney General and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(g) Book-Entry-Only System. The Notes issued in exchange for the Note initially issued to the Purchaser or its designee shall be initially issued in the form of a separate single fully registered Note for each of the maturities thereof. Upon initial issuance, the ownership of each such Note shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and except as provided in subsection (f) hereof, all of the outstanding Notes shall be registered in the name of Cede & Co., as nominee of DTC. With respect to Notes registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Notes. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Notes, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner of Notes, as shown on the Registration Books, of any notice with respect to the Notes, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner of Notes, as shown in the Registration Books of any amount with respect to principal of or interest on the Notes. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Note is registered in the Registration Books as the absolute owner of such Note for the purpose of payment of principal and interest with respect to such Note, for the purpose of registering transfers with respect to such Note, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Notes only to or upon the order of the Registered Owners, as shown in the Registration Books as provided in this Ordinance, or

their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Notes to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Note evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Registered Owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC. The previous execution and delivery of the Blanket Issuer Letter of Representations with respect to obligations of the City is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Notes.

(h) Successor Securities Depository; Transfers Outside Book-Entry-Only System. In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representations letter of the City to DTC or that it is in the best interest of the beneficial owners of the Notes that they be able to obtain certificated Notes, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Notes to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Notes and transfer one or more separate certificated Notes to DTC Participants having Notes credited to their DTC accounts. In such event, the Notes shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Notes shall designate, in accordance with the provisions of this Ordinance.

(i) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Note is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Note and all notices with respect to such Note shall be made and given, respectively, in the manner provided in the representations letter of the City to DTC.

(j) Cancellation of Initial Note. On the Delivery Date, one initial Note representing the entire principal amount of the Notes, payable in stated installments to the Purchaser or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro Tem and the City Secretary of the City, approved by the Attorney General, and registered and signed by the Comptroller in the manner prescribed by law, will be delivered to the Purchaser or its designee. Upon payment for the initial Note, the Paying Agent/Registrar shall cancel the initial Note and deliver to DTC on behalf of the Purchaser one registered definitive Note for each year of maturity of the Notes, in the aggregate principal amount of all of the Notes for such maturity.

Section 4. FORM OF NOTES. The form of the Notes, including the form of Paying Agent/Registrar's Authentication Note, the form of Assignment and the form of Registration Note of the Comptroller of Public Accounts of the State of Texas to be attached to the Notes initially

issued and delivered pursuant to this Ordinance, shall be substantially in the form provided in **Exhibit A**, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance. **Exhibit A** is incorporated in this Ordinance for all purposes.

Section 5. INTEREST AND SINKING FUND.

(a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the City as a separate fund or account and the funds therein shall be deposited into and held at an official depository bank of said City. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said City, and shall be used only for paying the interest on and principal of said Notes. Any amounts received from the sale of the Notes as accrued interest shall be deposited upon receipt to the Interest and Sinking Fund, and all ad valorem taxes levied and collected for and on account of said Notes shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Notes are outstanding and unpaid, the governing body of said City shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Notes as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Notes as such principal matures (but never less than 2% of the original amount of said Notes as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said City, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said City, for each year while any of said Notes are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Notes, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) Chapter 1208, Texas Government Code, applies to the issuance of the Notes and the pledge of the taxes and limited Surplus Revenues granted by the City under this Section, and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Notes are outstanding and unpaid, the result of such amendment being that the pledge of the taxes and limited Surplus Revenues granted by the City under this Section is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, in order to preserve to the registered owners of the Notes a security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business and Commerce Code and enable a filing of a security interest in said pledge to occur.

Section 6. DEFEASANCE OF NOTES.

(a) Any Note and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Note") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Note, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available

to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Notes shall have become due and payable. At such time as a Note shall be deemed to be a Defeased Note hereunder, as aforesaid, such Note and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged or the pledge of Surplus Revenues as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Notes and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Notes may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection 6(a)(i) or (ii). All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Notes, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to refund, retire or otherwise discharge obligations such as the Notes.

(d) Until all Defeased Notes shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Notes the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the City elects to defease less than all of the principal amount of Notes of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Notes by such random method as it deems fair and appropriate.

Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED NOTES.

(a) Replacement Notes. In the event any outstanding Note is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new Note of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Note, in replacement for such Note in the manner hereinafter provided.

(b) Application for Replacement Notes. Application for replacement of damaged, mutilated, lost, stolen or destroyed Notes shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Note, the registered owner applying for a replacement Note shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Note, the registered owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Note, as the case may be. In every case of damage or mutilation of a Note, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Note so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Note shall have matured, and no default has occurred that is then continuing in the payment of the principal of or interest on the Note, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Note) instead of issuing a replacement Note, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Notes. Prior to the issuance of any replacement Note, the Paying Agent/Registrar shall charge the registered owner of such Note with all legal, printing, and other expenses in connection therewith. Every replacement Note issued pursuant to the provisions of this Section by virtue of the fact that any Note is lost, stolen or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen or destroyed Note shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Notes duly issued under this Ordinance.

(e) Authority for Issuing Replacement Notes. In accordance with Section 1206.022 of the Texas Government Code, this Section 7 of this Ordinance shall constitute authority for the issuance of any such replacement Note without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such Notes is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Notes in the form and manner and with the effect, as provided in Section 3(a) of this Ordinance for Notes issued in conversion and exchange for other Notes.

Section 8. CUSTODY, APPROVAL, AND REGISTRATION OF NOTES; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL.

(a) The Mayor of the City is hereby authorized to have control of the Notes initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Notes pending their delivery and their investigation, examination and approval by the Attorney General and their registration by the Comptroller. Upon registration of the Notes the Comptroller (or a deputy designated in writing to act for the Comptroller) shall sign the Comptroller's Registration Certificate attached to such Notes in the manner prescribed by law, and the seal of the Comptroller shall be impressed, or placed in facsimile, on such Note. The approving legal opinion of the City's Bond Counsel and the assigned CUSIP numbers may, at the option of the City, be printed on the

Notes issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Notes. In addition, if bond insurance is obtained, the Notes may bear an appropriate legend as provided by the insurer.

(b) The obligation of the Purchaser to accept delivery of the Notes is subject to the Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the City, which opinion shall be dated as of and delivered on the Delivery Date. The engagement of such firm as bond counsel to the City in connection with the issuance, sale and delivery of the Notes is hereby approved and confirmed.

Section 9. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE NOTES.

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Notes as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Notes or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Notes, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Notes or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Notes (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Notes being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Notes being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Notes, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Notes, other than investment property acquired with B

(A) proceeds of the Notes invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148 1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Notes;

(7) to otherwise restrict the use of the proceeds of the Notes or amounts treated as proceeds of the Notes, as may be necessary, so that the Notes do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Notes or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Notes in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the Delivery Date) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Notes have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Use of Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Notes. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Notes,

the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Notes under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Notes, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Notes under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the Mayor Pro Tem, the City Manager, the Assistant City Manager, the Finance Director and the City Secretary (collectively, the "Authorized Officers") to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Notes.

(d) Allocation of, and Limitation on, Expenditures for the Projects. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the Projects on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Projects are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the Delivery Date, or (2) the date the Notes are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Notes. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of the Projects. The City covenants that the property constituting the Projects will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Notes. For purpose of the foregoing, the City may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Notes. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Reimbursement. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations. All costs to be reimbursed pursuant to this Ordinance will be capital expenditures and the Notes shall be issued within 18 months of the later of (i) the date the expenditures are paid or (ii) the date on which the property, with respect to which such expenditures were made, is placed in service; and the foregoing

notwithstanding, the Notes will not be issued pursuant to this Ordinance on a date that is more than three years after the date any expenditure which is to be reimbursed is paid.

Section 10. SALE OF NOTES AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES; APPLICATION OF PREMIUM FROM SALE OF NOTES.

(a) The Notes are hereby sold and shall be delivered to _____ (the "Purchaser") for the purchase price of \$_____ (representing the aggregate principal amount of the Notes, plus a [net] reoffering premium of \$_____, less an underwriter's discount of \$_____). The Notes shall initially be registered in the name of the Purchaser or its designee. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable.

(b) It is hereby officially found, determined and declared that the Notes have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions. It is further officially found, determined and declared that the Notes have been offered pursuant to a Preliminary Official Statement prepared and distributed in connection with the sale of the Notes. Said Preliminary Official Statement, the Official Statement, and any addenda, supplement or amendment thereto, have been and are hereby approved by the governing body of the City, and its use in the offer and sale of the Notes is hereby approved. It is further officially found, determined and declared that the statements and representations contained in said Official Statement are true and correct in all material respects, to the best knowledge and belief of the Council.

(c) The Authorized Officers, individually or jointly, shall be and they 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 under the corporate seal and on behalf of the City such documents, certificates and instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Blanket Issuer Letter of Representations, the Notes and the sale of the Notes. In addition, prior to the delivery of the Notes, the Authorized Officers 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 this Ordinance or such other document, or (ii) as requested by the Attorney General or his representative to obtain the approval of the Notes by the Attorney General. In case any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(d) The Notes have a [net] premium of \$_____ and which shall be allocated as follows:

(i) the amount of \$_____ shall be applied to pay costs of issuance of the Notes, including underwriter's discount, with any excess to be deposited into the Interest and Sinking Fund; and

(ii) the amount of \$_____ shall be deposited into the Project Fund.

Section 11. INTEREST EARNINGS ON NOTE PROCEEDS. Interest earnings derived from the investment of proceeds from the sale of the Notes shall be used along with other Note proceeds for the Projects; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on Note proceeds that are required to be rebated to the United States of America pursuant to Section 9 hereof in order to prevent the Notes from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

Section 12. PROJECT FUND; USE OF NOTE PROCEEDS.

(a) The City has previously created, and hereby agrees to maintain on the books of the City, a separate fund (the "Project Fund") for use by the City for payment of all lawful costs associated with the Projects as hereinbefore provided. Proceeds of the Notes in the amount of \$_____ shall be deposited into the Project Fund, other than amounts paid at closing for issuance costs. Upon payment of all such Project costs, any moneys remaining on deposit in the Project Fund shall be transferred to the Interest and Sinking Fund. Amounts so deposited to the Interest and Sinking Fund shall be used in the manner described herein.

(b) Proceeds from the sale of the Notes shall be disbursed in the manner described in a closing instructions letter prepared by the City's financial advisor.

(c) The City may place proceeds of the Notes (including investment earnings thereon) and amounts deposited into the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; provided, however, that the City hereby covenants that the proceeds of the sale of the Notes will be used as soon as practicable for the purposes for which the Notes are issued.

(d) All deposits authorized or required by this Ordinance shall be secured to the fullest extent required by law for the security of public funds.

Section 13. COMPLIANCE WITH RULE 15c2-12.

(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) a guarantee of the foregoing (a) and (b). The term Financial Obligation does not include any municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board 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.

(i) The City shall provide annually to the MSRB, in the electronic format prescribed by the MSRB certain updated financial information and operating data pertaining to the City, consisting of the following: (i) the City's annual financial audit report; and (ii) the information found in Tables 1 through 6 and 8 through 15 in the Official Statement for the Notes. The City will update and provide the information in the numbered tables within six months after the end of each fiscal year ending in and after 2024 and, if not submitted as part of such annual financial information, the City will provide its audited financial statements when and if available, and in any event, within 12 months after the end of each fiscal year ending in and after 2024. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B to the Official Statement or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation.

(ii) Any financial information so to be provided shall be (i) prepared in accordance with the accounting principles described in the financial statements of the City appended to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided.

(iii) If the City 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 City 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 that is available to the public on the MSRB's internet website or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Event Notices.

(i) The City shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Notes:

- (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 Notes, or other material events affecting the tax status of the Notes;
- (7) Modifications to rights of holders of the Notes, if material;
 - (8) Note calls, if material, and tender offers;
 - (9) Defeasances;
 - (10) Release, substitution, or sale of property securing repayment of the Notes, if material;
 - (11) Rating changes;
 - (12) Bankruptcy, insolvency, receivership, or similar event of the City;
 - (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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 City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, 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 City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City 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 City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the City 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 City, and (b) the City intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

In addition, the City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by subsection (b).

(d) Limitations, Disclaimers, and Amendments.

(i) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Notes within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes Notes no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the registered owners and beneficial owners of the Notes, 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 City 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 City'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 City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Notes at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY NOTE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, 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.

(iv) No default by the City in observing or performing its obligations under this Section shall comprise 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 City under federal and state securities laws.

(v) Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City hereby agrees to undertake such obligation with respect to the Notes in accordance with the Rule as amended. The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Notes in the primary offering of the Notes in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the registered owners 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 Notes consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized 1 counsel)

determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Notes. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Notes in the primary offering of the Notes.

Section 14. METHOD OF AMENDMENT. The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to wit:

(a) The City may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (v) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the City's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Notes aggregating in a majority of the principal amount of then outstanding Notes that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Notes, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Notes so as to: (i) make any change in the maturity of any of the outstanding Notes; (ii) reduce the rate of interest borne by any of the outstanding Notes; (iii) reduce the amount of the principal payable on any outstanding Notes; (iv) modify the terms of payment of principal or of interest on outstanding Notes or any of them or impose any condition with respect to such payment; or (v) change the minimum percentage of the principal amount of any series of Notes necessary for consent to such amendment:

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to each registered owner of the affected Notes a copy of the proposed amendment. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the City for inspection by all holders of such Notes.

(d) Whenever at any time within one year from the date of mailing of such notice the City shall receive an instrument or instruments executed by the Registered Owners of a majority in aggregate principal amount of all of the Notes then outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and which

shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties and obligations of the City and all holders of such affected Notes shall thereafter be determined, exercised and enforced, subject in all respects to such amendment.

(f) Any consent given by the Registered Owner of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of such consent and shall be conclusive and binding upon all future Registered Owners of the same Note during such period. Such consent may be revoked at any time after six months from the date of said consent by the Registered Owner who gave such consent, or by a successor in title, by filing notice with the City, but such revocation shall not be effective if the Registered Owners of a majority in aggregate principal amount of the affected Notes then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

(g) For the purposes of establishing ownership of the Notes, the City shall rely solely upon the registration of the ownership of such Notes on the registration books kept by the Paying Agent/Registrar.

Section 15. DEFAULT AND REMEDIES.

(a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Notes when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the registered owners of the Notes, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the City.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Notes then outstanding.

(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Notes or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Notes shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Note authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the Council.

Section 16. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

Section 17. APPROPRIATION. To pay the debt service coming due on the Notes prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

Section 18. EFFECTIVE DATE. In accordance with the provisions of Section 1201.028 of the Texas Government Code, this Ordinance shall be effective immediately upon its adoption by the Council.

Exhibit A

FORM OF NOTE

(a) Form of Note. The form of the Notes, including the form of Paying Agent/Registrar's Authentication Note, the form of Assignment and the form of Registration Note of the Comptroller of Public Accounts of the State of Texas to be attached to the Notes initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance.

NO. R-__	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF SACHSE, TEXAS TAX NOTES, SERIES 2024	PRINCIPAL AMOUNT \$ _____
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<u>INTEREST RATE</u>	<u>DELIVERY DATE</u>	<u>MATURITY DATE</u>	<u>CUSIP NO.</u>
_____%	October 17, 2024	February 15, 20__	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, the City of Sachse, in Dallas and Collin Counties, Texas (the "City"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above. The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date above at the Interest Rate per annum specified above. Interest is payable on February 15, 2025 and semiannually on each August 15 and February 15 thereafter to the Maturity Date specified above; except, if this Note is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Note or Notes, if any, for which this Note is being exchanged is due but has not been paid, then this Note shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Note are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Note shall be paid to the registered owner hereof upon presentation and surrender of this Note at maturity at the principal corporate trust office of U.S. Bank Trust Company, National Association, Dallas,

Texas, which is the "Paying Agent/Registrar" for this Note. The payment of interest on this Note shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Note (the "Note Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the last business day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 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 City. 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 business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Note appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity shall be paid to the registered owner upon presentation and surrender of this Note for payment at the principal corporate trust office of the Paying Agent/Registrar. The City covenants with the registered owner of this Note that on or before each principal payment date, interest payment date, and accrued interest payment date for this Note it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Note Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Notes, when due.

IF THE DATE for the payment of the principal of or interest on this Note shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal corporate trust 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 that 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.

THIS NOTE is one of a series of Notes dated September 15, 2024, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$_____ for paying all or a portion of the City's contractual obligations incurred in connection with (i) paying the costs of the Projects (as defined in the Note Ordinance) and (ii) paying the costs incurred in connection with the issuance of the Notes.

THE NOTES MAY NOT BE REDEEMED PRIOR TO THEIR SCHEDULED MATURITIES AT THE OPTION OF THE CITY.

ALL NOTES OF THIS SERIES are issuable solely as fully registered certificates, without interest coupons, in the principal denomination of any integral multiple of \$5,000. As provided in

the Note Ordinance, this Note may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered certificates, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Note to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Note Ordinance. Among other requirements for such assignment and transfer, this Note must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Note or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Note or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Note may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Note or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Note or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

IN THE EVENT any Paying Agent/Registrar for the Notes is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Note Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Notes.

IT IS HEREBY certified, recited and covenanted that this Note has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Note have been performed, existed and been done in accordance with law; that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Note, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said City, and have been pledged for such payment, within the limit prescribed by law, all as provided in the Note Ordinance.

THE CITY HAS RESERVED THE RIGHT to amend the Note Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Notes.

BY BECOMING the registered owner of this Note, the registered owner thereby acknowledges all of the terms and provisions of the Note Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Note Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that

the terms and provisions of this Note and the Note Ordinance constitute a contract between each registered owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Note to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Secretary of the City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Note.

(signature)
City Secretary

(signature)
Mayor

(City Seal)

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Note is not accompanied by an executed Registration
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Note has been issued under the provisions of the Note Ordinance described in the text of this Note; and that this Note has been issued in conversion or replacement of, or in exchange for, a Note, Notes, or a portion of a Note or Notes of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____.

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

By: _____
Authorized Representative

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto:

Please insert Social Security or Taxpayer Identification Number of Transferee

Please print or type name and address, including zip code of Transferee

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints:
_____, attorney, to register the transfer of the within Note
on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Note in every particular, without alteration or enlargement or any change whatsoever.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Note has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Note has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

(b) Initial Note Insertions.

(i) The initial Note shall be in the form set forth in paragraph (a) of this Section, except that:

A. immediately under the name of the Note, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. _____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF SACHSE, TEXAS, in Dallas and Collin Counties, Texas (the "City"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on February 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rates</u>
2025		
2026		

2027
2028
2029
2030
2031

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date above, at the respective Interest Rate per annum specified above. Interest is payable on February 15, 2025 and semiannually on each August 15 and February 15 thereafter to the date of payment of the principal installment specified above; except, that if this Note is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Note or Notes, if any, for which this Note is being exchanged is due but has not been paid, then this Note shall bear interest from the date to which such interest has been paid in full."

C. The Initial Note shall be numbered "T-1."

F. Action Items

Subject:	3. Consider an ordinance of the City Council of Sachse, Texas, authorizing certain budget and Capital Improvement Plan amendments pertaining to the fiscal year 2023-2024 Budget and Capital Improvement Plan; and providing an effective date.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Action, Discussion
Fiscal Impact	Budget amendment detail is included in the attached Ordinance and associated detail.
Recommended Action	Approve an ordinance authorizing certain Budget and Capital Improvement Plan amendments pertaining to the Fiscal Year 2023-2024 Budget and Capital Improvement Plan.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

The Fiscal Year 2023-2024 Budget, including the 2023-2024 Capital Improvement Plan, was adopted by Council on September 18, 2023, and amended on November 6, 2023. The Sachse Charter allows Council to amend or change the budget to provide for additional expense and this routinely occurs through-out the fiscal year. Several budget and Capital Improvement Plan amendments have been identified for the current fiscal year and shall become an attachment to the original Budget upon Council approval.

POLICY CONSIDERATIONS

According to Section 7.09 of the City Charter, "Under conditions which may arise and which could not reasonably have been foreseen in the normal process of planning the budget, the city council may, by a majority vote of the full membership, amend or change the budget to provide for any additional expense in which the general welfare of the citizenry is involved. These amendments shall be by ordinance, and shall become an attachment to the original budget."

RECOMMENDATION

Approve an ordinance authorizing certain Budget and Capital Improvement Plan amendments pertaining to the Fiscal Year 2023-2024 Budget and Capital Improvement Plan.

File Attachments

1. Presentation_Budget Amendment FY 2023-2024
2. SACHSE Ordinance Approving FY 2023-2024 Budget
3. FY 2023-2024 Capital Improvement Plan_Sept 2024 Amendment
4. FY 2023-2024 Budget Amendment Detail_September 2024

2023-2024 Budget Amendments

City Council
September 16, 2024



Agenda

- Budget Adoption and Amendment Policy
- Requested Changes by Fund
- Recommended Action

Budget Adoption and Amendment Policy

- Budget adoption – September 18, 2023
 - Budget Appropriation
 - Capital Improvement Plan (CIP)
- Council budget amendments – November 6, 2023
- Amendment Policy - City Charter, Section 7.09
 - Could not reasonably have been foreseen
 - Amendment must be by ordinance
 - Amendment shall be attachment to original budget



General Fund

- Expenditure authority for previously unbudgeted revenue

Item	CIP No.	Budget Amendment	CIP Amendment	Revenue Source
Brookview Court Pedestrian Improvements	-	\$125,460	\$-	Community Development Block Grant (CDBG)
Liberty County Flood Response	-	22,014	-	Texas Division of Emergency Management (TDEM) Reimbursement
Red, White, and Blue Blast	-	21,000	-	Event Donations
TOTAL		\$168,474	\$-	



Utility Fund

- At contract awarding, staff noted adjustment was forthcoming

Item	CIP No.	Budget Amendment	CIP Amendment	Revenue Source
Sewer Manhole Odor and Gas Remediation ¹	SS-24-19	(\$140,000)	(\$140,000)	Transfer to SS-24-21
Murphy Road Sewer Main Repair ¹	SS-24-21 (New)	140,000	140,000	Transfer from SS-24-19
TOTAL		\$-	\$-	

¹ At the August 5, 2024 Council meeting, staff stated an intention to return to Council to request a budget amendment transferring sewer funds between projects to fund a pipe bursting contract with NO-DIGTEC.



Street Maintenance Tax Fund

- Previously authorized CIP project authority (carry-forward budget) unbudgeted in current year

Item	CIP No.	Budget Amendment	CIP Amendment	Revenue Source
Miscellaneous Street Repair	R-23-03	\$200,916	\$-	Fund Balance
TOTAL		\$200,916	\$-	



Vehicle/Equipment Replacement Fund

- Request of prior year savings available due to timing of expense

Item	CIP No.	Budget Amendment	CIP Amendment	Revenue Source
Fire Apparatus – Braun Ambulance ¹	-	\$384,421	-	Prior Year Savings
Fire Apparatus – Type 3 w/ Cascade System (brush) ¹	-	510,000	-	Prior Year Savings
Expenses in Excess of Budget ²	-	175,000	-	Fund Balance
Early Replacement of Approved Supplemental Request ³	-	8,000	-	Fund Balance
TOTAL		\$1,077,421	\$-	

¹ Purchase of fire vehicles approved in FY 21-22 Supplemental Requests. Expenditure savings re-requested in FY 23-24 in attempt to match timing of actual expense.

² Purchase of vehicles, equipment, and upfit costs exceeding prior year early budget process estimates.

³ Early replacement of Library HVAC unit due to equipment failure. Equipment replacement was authorized in the FY 24-25 budget process.



Tax Increment Reinvestment Zone (TIRZ) 2

– The Station Fund

- Request of authority to spend unspent prior year funds available for current year expense.

Item	CIP No.	Budget Amendment	CIP Amendment	Revenue Source
Contribution Draws to Developer	-	\$1,025,000	-	Fund Balance
TOTAL		\$1,025,000	\$-	



Health Insurance Fund

- Request of authority for expenditures not directly allocable to other funds

Item	CIP No.	Budget Amendment	CIP Amendment	Revenue Source
Non-allocable Expenses	-	\$65,000	\$-	Fund Balance
TOTAL		\$65,000	\$-	



American Rescue Plan Act (ARPA) Fund

- Previously authorized CIP project authority (carry-forward budget) unbudgeted in current year

Item	CIP No.	Budget Amendment	CIP Amendment	Revenue Source
Maxwell Creek Pump Station	W-14-01	\$3,000,000	\$-	Fund Balance
TOTAL		\$3,000,000	\$-	



2022 Bond Construction Fund

- Previously authorized CIP project authority (carry-forward budget) unbudgeted in current year

Item	CIP No.	Budget Amendment	CIP Amendment	Revenue Source
Sachse Road Phase 2	BP-21-A01	\$200,000	\$-	Fund Balance
Streets & Roads - Bailey-Hooper Road	BP-21-B01	250,000	-	Fund Balance
Neighborhood Package	BP-21-C01	750,000	-	Fund Balance
Animal Shelter	BP-21-D01	3,500,000	-	Fund Balance
TOTAL		\$4,700,000	\$-	

Summary of Changes

- Amendments requested for budget and Capital Improvement Plan

Fund	Budget Amendment	CIP Amendment
General Fund	\$168,474	\$-
Utility Fund	-	-
Street Maintenance Tax Fund	200,916	-
Vehicle/Equipment Replacement Fund	1,077,421	-
TIRZ 2 – The Station Fund	1,025,000	-
Health Insurance	65,000	-
American Rescue Plan Act Fund	3,000,000	-
2022 Bond Construction Fund	4,700,000	-
TOTAL	\$10,236,811	\$

Recommended Action

- Approve an ordinance authorizing certain Budget and Capital Improvement Plan amendments pertaining to the Fiscal Year 2023-2024 Budget and Capital Improvement Plan

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF SACHSE, TEXAS (“CITY”),
AUTHORIZING CERTAIN BUDGET AMENDMENTS PERTAINING TO THE
FISCAL YEAR 2023-2024 BUDGET; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City is required by the City Charter to approve a budget amendment by ordinance and upon approval such amendment shall become an attachment to the original budget; and

WHEREAS, a budget amendment has been prepared for certain appropriations and expenditures in the 2023-2024 Budget and submitted to the City Council for approval and a true and correct copy is attached as Exhibit A; and

WHEREAS, the Capital Improvement Program is adopted in conjunction with the adoption of the budget; and

WHEREAS, amendments to the Capital Improvement Program are attached as Exhibit B.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. Pursuant to the City Charter requirements of the City of Sachse, Texas, in the year 2023-2024, a Budget Amendment attached as Exhibit A is hereby authorized and approved.

SECTION 2. Pursuant to the City Charter requirements of the City of Sachse, Texas, in the year 2023-2024, an amendment to the Capital Improvement Program attached as Exhibit B is hereby authorized and approved.

SECTION 3. This Ordinance shall take effect immediately from and after its passage as the law in such cases provides.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this the 16th day of September, 2024.

APPROVED:

Jeff Bickerstaff, Mayor

DULY ENROLLED:

Leah K Granger, City Secretary

APPROVED AS TO FORM:

EXHIBIT A

City of Sachse Budget Fiscal Year Ending September 30, 2024

Fund	2023-2024 Amended Budget	Budget Amendments			2023-2024 Amended Budget
		Operating Budget	Capital Budget	Total	
General Fund	\$34,522,916	\$168,474		168,474	\$34,691,390
<u>Other Governmental Funds</u>					
2022 Bond Construction Fund	-		4,700,000	4,700,000	4,700,000
American Rescue Plan Act Fund	1,166,587		3,000,000	3,000,000	4,166,587
General Capital Projects Fund	13,230,000				13,230,000
Debt Service Fund	7,032,034				7,032,034
Impact Fee Fund	2,120,000				2,120,000
Special Revenue Fund	174,000				174,000
Street Maintenance Tax Fund	1,450,000		200,916	200,916	1,650,916
Vehicle/Equipment Replacement Fund	638,872	1,077,421		1,077,421	1,716,293
<u>Internal Service Funds</u>					
Health Insurance Fund	80,000	65,000		65,000	145,000
<u>Enterprise Funds</u>					
Utility Fund	30,561,844		-		30,561,844
<u>Component Units</u>					
Economic Development Corporation	909,632				909,632
Municipal Development District	886,500				886,500
TIRZ 1 - PGBT	300,000				300,000
TIRZ 2 - The Station	800,000	1,025,000		1,025,000	1,825,000
TIRZ 3 - Highway 78	800,000				800,000
Total City Budget	\$94,672,385	\$2,335,895	\$7,900,916	\$10,236,811	\$104,909,196

4855-8191-4764, v. 1

Exhibit "B"
Amended 2023-2024 Capital Improvement Plan

2023-2024 Capital Improvement Plan	FY 23-24 Beginning Balance Estimate	23-24 Adopted Budget	23-24 Amendments	23-24 Amended Budget	FY 24-25 Estimate	FY 25-26 Estimate	FY 26-27 Estimate	FY 27-28 Estimate	FY 28-29 Estimate	5-Year Est. Total	Total Project Cost
REVENUES											
Beginning Fund Balance		57,797,000		57,797,000	43,867,000	27,197,000	27,988,250	32,308,250	21,688,250	23,709,587	
General Capital Revenues											
Notes/Bonds											
2022 General Obligation Bond Funds	17,775,000	-		-	-	-	-	-	-	-	
Grants/Reimbursements											
American Rescue Plan Act (ARPA) Funds	5,093,000	-		-	-	-	-	-	-	-	
Transfers											
General Fund (one-time)	-	7,325,000		7,325,000	-	-	-	-	-	-	
General Fund (on-going programs)	-	450,000		450,000	475,000	475,000	475,000	475,000	475,000	2,375,000	
Roadway Impact Fees	2,000,000	225,000		225,000	250,000	250,000	250,000	250,000	250,000	1,250,000	
Other											
General Capital Project Available Fund Balance	4,338,300	-		-	-	-	-	-	-	-	
Street Maintenance Sales Tax	1,328,000	725,000		725,000	725,000	750,000	750,000	775,000	775,000	3,775,000	
Municipal Development District Sales Tax	-	886,500		886,500	750,000	775,000	775,000	800,000	800,000	3,900,000	
Developer Contributions	-	-		-	-	-	-	-	-	-	
Mitigation Plan Fees	173,700	-		-	-	-	-	-	-	-	
Investment Interest	-	275,000		275,000	200,000	150,000	100,000	75,000	50,000	575,000	
Sale of Assets	-	-		-	-	-	-	-	-	-	
Miscellaneous Revenues	-	-		-	-	-	-	-	-	-	
Subtotal General Capital Revenues	30,708,000	9,886,500	-	9,886,500	2,400,000	2,400,000	2,350,000	2,375,000	2,350,000	11,875,000	
Utility Revenues											
Transfers											
Utility Fund Operations (unallocated)	17,877,000	-		-	-	-	-	-	-	-	
Utility Fund Water Operations	-	2,000,000		2,000,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000	
Utility Fund Sewer Operations	-	2,000,000		2,000,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000	
Stormwater Drainage Fee	1,200,000	230,000		230,000	235,000	240,000	245,000	250,000	250,000	1,220,000	
Water Impact Fees	4,162,000	500,000		500,000	500,000	500,000	500,000	500,000	500,000	2,500,000	
Sewer Impact Fees	3,850,000	350,000		350,000	350,000	350,000	350,000	350,000	350,000	1,750,000	
Subtotal Utility Revenues	27,089,000	5,080,000	-	5,080,000	3,585,000	3,590,000	3,595,000	3,600,000	3,600,000	17,970,000	
Total All Revenues	57,797,000	14,966,500	-	14,966,500	5,985,000	5,990,000	5,945,000	5,975,000	5,950,000	29,845,000	
Beginning Fund Balance		57,797,000	-	57,797,000	43,867,000	27,197,000	27,988,250	32,308,250	21,688,250	23,709,587	
Total Revenues		14,966,500	-	14,966,500	5,985,000	5,990,000	5,945,000	5,975,000	5,950,000	29,845,000	
Total Expenditures		28,896,500	-	28,896,500	22,655,000	5,198,750	1,625,000	16,595,000	1,525,000	47,598,750	121,183,409
Ending Fund Balance		43,867,000	-	43,867,000	27,197,000	27,988,250	32,308,250	21,688,250	26,113,250	21,688,250	

Exhibit "B"
Amended 2023-2024 Capital Improvement Plan

CIP No.	Project	Estimated Capital Project Cost	Budget Thru FY 22-23	23-24 Adopted Budget	23-24 Amendments	23-24 Amended Budget	FY 24-25 Estimate	FY 25-26 Estimate	FY 26-27 Estimate	FY 27-28 Estimate	FY 28-29 Estimate	5-Year Est. Total	Total Project Cost
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EXPENDITURES

Roadway

R-OG-01	Street and Alley Maintenance (on-going) ^(U)	2,700,000	-	450,000		450,000	450,000	450,000	450,000	450,000	450,000	2,250,000	2,700,000
R-12-13	Merritt Road Re-alignment & Widening ^(U)	6,500,000	6,000,000	500,000		500,000	-	-	-	-	-	-	6,500,000
R-13-03	Pleasant Valley Road ^(U)	300,000	300,000	-		-	-	-	-	-	-	-	300,000
IF-21-01	Impact Fee Study ^(U)	50,000	50,000	-		-	-	-	-	-	-	-	50,000
R-22-05	5th Street Project ^(U)	3,002,000	3,002,000	-		-	-	-	-	-	-	-	3,002,000
R-23-02	6th Street Alley and Street Repair ^(U)	350,000	350,000	-		-	-	-	-	-	-	-	350,000
R-23-03	Miscellaneous Concrete Street Repair ^(U)	300,000	300,000	-		-	-	-	-	-	-	-	300,000
R-24-01	Eastview Drive - Pleasant Valley to End	450,000	-	450,000		450,000	-	-	-	-	-	-	450,000
R-24-02	Hilltop Trail & Meadow Lane Rehabilitation	600,000	-	600,000		600,000	-	-	-	-	-	-	600,000
R-24-03	Woodbridge Parkway	2,600,000	-	2,600,000		2,600,000	-	-	-	-	-	-	2,600,000
R-24-04	Traffic Signal Maintenance and Upgrades	360,000	-	120,000		120,000	-	120,000	-	120,000	-	240,000	360,000
R-24-05	Dewitt Street and Sachse Street - Ben Davis to 3rd St	200,000	-	200,000		200,000	-	-	-	-	-	-	200,000
R-24-06	Highridge Alley Repairs	200,000	-	200,000		200,000	-	-	-	-	-	-	200,000
	Salmon Estates Major Rehabilitation	700,000	-	-		-	-	200,000	500,000	-	-	700,000	700,000
	Old Ben Davis - Ben Davis Road to Bunker Hill Road	1,000,000	-	-		-	-	1,000,000	-	-	-	1,000,000	1,000,000
	2025 Alley Design	1,250,000	-	-		-	-	1,250,000	-	-	-	1,250,000	1,250,000
Subtotal Streets		20,562,000	10,002,000	5,120,000	-	5,120,000	450,000	3,020,000	950,000	570,000	450,000	5,440,000	20,562,000

Parks & Trails

P-22-04	J.K. Sachse Park Construction ^(U)	4,775,000	2,804,750	836,500		836,500	700,000	433,750	-	-	-	1,133,750	4,775,000
F-24-07	Heritage Park Expansion Projects	1,700,000	-	1,700,000		1,700,000	-	-	-	-	-	-	1,700,000
P-24-08	Joe Stone Park Restroom	150,000	-	150,000		150,000	-	-	-	-	-	-	150,000
T-24-09	Joe Stone Loop Trail	90,000	-	90,000		90,000	-	-	-	-	-	-	90,000
	Multi-City Trail	3,010,000	-	-		-	3,010,000	-	-	-	-	3,010,000	3,010,000
Subtotal Parks & Trails		9,725,000	2,804,750	2,776,500	-	2,776,500	3,710,000	433,750	-	-	-	4,143,750	9,725,000

Facilities/Other

F-23-05	Outdoor Warning Sirens ^(U)	120,000	120,000	-		-	-	-	-	-	-	-	120,000
F-24-10	Opticom Traffic Signal Upgrades	200,000	-	200,000		200,000	-	-	-	-	-	-	200,000
F-24-11	City Facility Maintenance and Repairs	300,000	-	300,000		300,000	-	-	-	-	-	-	300,000
F-24-12	Public Works/Parks Facility	6,000,000	-	6,000,000		6,000,000	-	-	-	-	-	-	6,000,000
F-24-13	Comprehensive Plan Update	300,000	-	300,000		300,000	-	-	-	-	-	-	300,000
Subtotal Facilities		6,920,000	120,000	6,800,000	-	6,800,000	-	-	-	-	-	-	6,920,000

Note- Projects are not assigned a CIP number until budget is requested.

LEGEND

^(C/SC) - Project Complete, or Substantially Complete
^(U) - Project Underway
Budget Amendment

Exhibit "B"
Amended 2023-2024 Capital Improvement Plan

CIP No.	Project	Estimated Capital Project Cost	Budget Thru FY 22-23	23-24 Adopted Budget	23-24 Amendments	23-24 Amended Budget	FY 24-25 Estimate	FY 25-26 Estimate	FY 26-27 Estimate	FY 27-28 Estimate	FY 28-29 Estimate	5-Year Est. Total	Total Project Cost
Neighborhood Services													
NS-23-08	Hudson Crossing Screening Wall Replacement ^(U)	880,000	60,000	820,000		820,000	-	-	-	-	-	-	880,000
NS-OG-01	Neighborhood Programs (on-going)	125,000	-	-		-	25,000	25,000	25,000	25,000	25,000	125,000	125,000
Subtotal Facilities		1,005,000	60,000	820,000	-	820,000	25,000	25,000	25,000	25,000	25,000	125,000	1,005,000

Bond Proposition 2021

BP-21-A01	Sachse Road Phase 2	14,675,000	1,700,000	-		-	12,975,000	-	-	-	-	12,975,000	14,675,000
BP-21-A02	Sachse Road Phase 3	8,710,000	-	-		-	-	-	-	8,710,000	-	8,710,000	8,710,000
BP-21-B01	Streets & Roads - Bailey-Hooper Road ^(U)	10,660,000	10,660,000	-		-	-	-	-	-	-	-	10,660,000
BP-21-B02	Streets & Roads - West Creek	2,820,000	-	-		-	2,820,000	-	-	-	-	2,820,000	2,820,000
BP-21-B03	Streets & Roads - Williford Road	7,170,000	-	-		-	-	1,000,000	-	6,170,000	-	7,170,000	7,170,000
BP-21-C01	Neighborhood Package ^(U)	5,000,000	675,000	-		-	400,000	400,000	400,000	1,050,000	1,050,000	3,300,000	3,975,000
BP-21-D01	Animal Shelter ^(U)	5,000,000	5,000,000	-		-	-	-	-	-	-	-	5,000,000
Subtotal Bond Proposition 2021		54,035,000	18,035,000	-	-	-	16,195,000	1,400,000	400,000	15,930,000	1,050,000	34,975,000	53,010,000

Water

W-14-01	Maxwell Creek Pump Station ^(U)	5,765,000	5,765,000	-		-	-	-	-	-	-	-	5,765,000
IF-21-01	Impact Fee Study ^(U)	50,000	50,000	-		-	-	-	-	-	-	-	50,000
W-21-05	Public Works Pump Station Generator ^(U)	680,000	680,000	-		-	-	-	-	-	-	-	680,000
W-21-07	5th Street District Improvements ^(U)	450,000	450,000	-		-	-	-	-	-	-	-	450,000
W-21-08	Hilltop Trail/Meadow Lane Utility Rehab ^(U)	450,000	450,000	-		-	-	-	-	-	-	-	450,000
W-24-14	3rd Street - SH 78 to Ingram	630,000	-	130,000		130,000	500,000	-	-	-	-	500,000	630,000
W-24-15	Tank Maintenance and Cleaning	205,000	-	65,000		65,000	-	70,000	-	70,000	-	140,000	205,000
W-24-16	Public Works Pump Station - Pump Installation and Upgrades	800,000	-	800,000		800,000	-	-	-	-	-	-	800,000
W-24-17	Maxwell Creek Pump Station GST Painting	450,000	-	-		-	450,000	-	-	-	-	450,000	450,000
	Utility Master Plan Updates	125,000	-	-		-	125,000	-	-	-	-	125,000	125,000
	Sachse South Estates Water Main Replacement	-	-	-		-	-	-	-	-	-	-	-
	8-inch WL from Pecan Grove to Ponderosa	-	-	-		-	-	-	-	-	-	-	-
Subtotal Water		9,605,000	7,395,000	995,000	-	995,000	1,075,000	70,000	-	70,000	-	1,215,000	9,605,000

Note- Projects are not assigned a CIP number until budget is requested.

LEGEND

^(C/SC) - Project Complete, or Substantially Complete
^(U) - Project Underway
Budget Amendment

Exhibit "B"
Amended 2023-2024 Capital Improvement Plan

CIP No.	Project	Estimated Capital Project Cost	Budget Thru FY 22-23	23-24 Adopted Budget	23-24 Amendments	23-24 Amended Budget	FY 24-25 Estimate	FY 25-26 Estimate	FY 26-27 Estimate	FY 27-28 Estimate	FY 28-29 Estimate	5-Year Est. Total	Total Project Cost
Sewer													
SS-18-01	Ingram Road Sewer Relief ^(U)	200,000	200,000	-		-	-	-	-	-	-	-	200,000
IF-21-01	Impact Fee Study ^(U)	50,000	50,000	-		-	-	-	-	-	-	-	50,000
SS-21-10	Sable Hills Lift Station Expansion ^(U)	1,101,000	1,101,000	-		-	-	-	-	-	-	-	1,101,000
SS-21-11	Hilltop Trail/Meadow Lane Utility Rehab ^(U)	2,450,000	2,450,000	-		-	-	-	-	-	-	-	2,450,000
SS-21-12	Sewer Rehab Hwy 78 at Old City Hall	249,000	249,000	-		-	-	-	-	-	-	-	249,000
SS-24-18	Southeast Sewer Expansion: Trunk Line A from Sachse Rd to SE Lift Station ^(U)	13,065,000	-	11,865,000		11,865,000	1,200,000	-	-	-	-	1,200,000	13,065,000
SS-24-19	Sewer Manhole Odor and Gas Remediation	200,000	-	200,000	(140,000)	60,000	-	-	-	-	-	-	200,000
SS-24-21	Murphy Road Sewer Main Repair ^(U) (New)	-	-	-	140,000	140,000	-	-	-	-	-	-	-
	Manhole Lining and Rehabilitation (on-going)	500,000	-	-		-	-	250,000	250,000	-	-	500,000	500,000
	8-inch Main - Easement from Bonanza Ct. to Vicksburg Drive	-	-	-		-	-	-	-	-	-	-	-
Subtotal Sewer		17,815,000	4,050,000	12,065,000	-	12,065,000	1,200,000	250,000	250,000	-	-	1,700,000	17,815,000

Drainage													
D-17-15	Vicksburg Drainage Easement ^(U)	451,409	451,409	-		-	-	-	-	-	-	-	451,409
D-22-02	Third Garland Connection Creek Stabilization ^(U)	1,735,000	1,615,000	120,000		120,000	-	-	-	-	-	-	1,735,000
D-22-03	Sachse South Drainage Study	75,000	75,000	-		-	-	-	-	-	-	-	75,000
D-23-04	Small Drainage Projects	80,000	80,000	-		-	-	-	-	-	-	-	80,000
D-24-20	Stormwater Utility Rate Study	200,000	-	200,000		200,000	-	-	-	-	-	-	200,000
	Spring Meadows Estates Detention Pond Re-design	1,800,000	-	-		-	-	-	-	-	-	-	-
	Long Branch from Dewitt to SH78	3,500,000	-	-		-	-	-	-	-	-	-	-
Subtotal Drainage		7,841,409	2,221,409	320,000	-	320,000	-	-	-	-	-	-	2,541,409

TOTAL CAPITAL IMPROVEMENT PLAN		127,508,409	44,688,159	28,896,500	-	28,896,500	22,655,000	5,198,750	1,625,000	16,595,000	1,525,000	47,598,750	121,183,409
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Note- Projects are not assigned a CIP number until budget is requested.

LEGEND
^(C/SC) - Project Complete, or Substantially Complete
^(U) - Project Underway
Budget Amendment

City of Sachse
Budget Fiscal Year Ending September 30, 2024
Budget Amendment Detail by Fund

General Fund Budget

Fund	Revenues	Expenses	Rev over Exp
FY 2023-2024 Amended Budget	\$27,244,426	\$34,522,916	(\$7,278,490) ¹
<u>Other Governmental Funds</u>			
² Brookview Court Pedestrian Improvement Grant Revenue	125,460	125,460	-
³ Liberty County Flood Response	22,014	22,014	-
Red, White and Blue Blast	21,000	21,000	-
⁴ Donations			
Subtotal	168,474	168,474	-
FY 2023-2024 Amended Budget	\$27,412,900	\$34,691,390	(\$7,278,490) ¹

¹ The FY 23-24 amended budget includes the intention of drawing down excess General Fund balance. Council-authorized fund balance draw-down projects total \$7,120,000. Excluding these one-time, intentional draw-downs, and one-time vehicle and handheld radio replacement expenses, the effective Revenues over Expenditures is a budget surplus of \$6,697.

² Expenditure authority necessary to expend Community Development Block Grant (CDBG) funds received from the Department of Housing and Urban Development (HUB) for concrete sidewalks at Brookview Court.

³ Texas Department of Emergency Management (TDEM) reimbursement for 2024 Liberty County Flood Response deployment as reimbursement for salary, travel, and related expenses.

⁴ Red, White, and Blue Blast donations from the Economic Development Corporation (EDC) and PMB Station Developer.

City of Sachse
Budget Fiscal Year Ending September 30, 2024
Budget Amendment Detail by Fund

Utility Fund Budget

Fund	Revenues	Expenses	Rev over Exp
FY 2023-2024 Amended Budget	\$18,826,500	\$30,561,844	(\$11,735,344) ¹
<u>Other Governmental Funds</u>			
² Sewer Manhold Odor and Gas Remediation (SS-24-19)	-	(140,000)	140,000
² Murphy Road Sewer Main Repair (SS-24-21) (New)	-	140,000	(140,000)
Subtotal	-	-	-
FY 2023-2024 Amended Budget	\$18,826,500	\$30,561,844	(\$11,735,344) ¹

¹ The FY 23-24 amended budget, excluding one-time capital project funding, includes an effective Revenues over Expenditures budget surplus of \$2,278,069.

² At the August 5, 2024 Council meeting, staff stated an intention to return to Council to request a budget amendment transferring funds between projects to fund a pipe bursting contract with NO-DIGTEC.

City of Sachse
Budget Fiscal Year Ending September 30, 2024
Budget Amendment Detail by Fund

Street Maintenance Tax Fund Budget			
Fund	Revenues	Expenses	Rev over Exp
FY 2023-2024 Amended Budget	\$750,000	\$1,450,000	(\$700,000)
<u>Other Governmental Funds</u>			
¹ Miscellaneous Street Repair (R-23-03)	-	200,916	(200,916)
Subtotal	-	200,916	(200,916)
FY 2023-2024 Amended Budget	\$750,000	\$1,650,916	(\$900,916)

¹ Previously authorized CIP project authority (carry-forward budget) unbudgeted in current year

City of Sachse
Budget Fiscal Year Ending September 30, 2024
Budget Amendment Detail by Fund

Vehicle/Equipment Replacement Fund Budget

Fund	Revenues	Expenses	Rev over Exp
FY 2023-2024 Amended Budget	\$1,185,976	\$638,872	\$547,104
<u>Other Governmental Funds</u>			
¹ Fire Apparatus - Braun Ambulance	-	384,421	(384,421)
² Fire Apparatus - Type 3 w/ Cascade System (brush)	-	510,000	(510,000)
³ Expenses in Excess of Budget	-	175,000	(175,000)
Early Replacement of Approved			
⁴ Supplemental Request		8,000	(8,000)
Subtotal	-	1,077,421	(1,077,421)
FY 2023-2024 Amended Budget	\$1,185,976	\$1,716,293	(\$530,317)

- ¹ Purchase of fire vehicles approved in FY 21-22 Supplemental Requests. Expenditure savings re-requested in FY 23-24 in attempt to match timing of actual expense.
- ² Purchase of vehicles, equipment, and upfit costs exceeding prior year early budget process estimates.
- ³ Early replacement of Library HVAC unit due to equipment failure. Equipment replacement was authorized in the FY 24-25 budget process.

City of Sachse
Budget Fiscal Year Ending September 30, 2024
Budget Amendment Detail by Fund

TIRZ 2 - The Station Fund Budget

Fund	Revenues	Expenses	Rev over Exp
FY 2023-2024 Amended Budget	\$762,414	\$800,000	(\$37,586)
<u>Other Governmental Funds</u>			
¹ TIRZ Contribution Draws to Developer	-	1,025,000	(1,025,000)
Subtotal	-	1,025,000	(1,025,000)
FY 2023-2024 Amended Budget	\$762,414	\$1,825,000	(\$1,062,586)

¹ Request of authority to spend unspent prior year funds available for current year expense.

City of Sachse
Budget Fiscal Year Ending September 30, 2024
Budget Amendment Detail by Fund

Health Insurance Fund Budget			
Fund	Revenues	Expenses	Rev over Exp
FY 2023-2024 Amended Budget	\$40,000	\$80,000	(\$40,000)
<u>Other Governmental Funds</u>			
¹ Non-allocable Expenses	-	65,000	(65,000)
Subtotal	-	65,000	(65,000)
FY 2023-2024 Amended Budget	\$40,000	\$145,000	(\$105,000)

¹ Request of authority for expenditures not directly allocable to other funds

City of Sachse
Budget Fiscal Year Ending September 30, 2024
Budget Amendment Detail by Fund

American Rescue Plan Act Fund Budget			
Fund	Revenues	Expenses	Rev over Exp
FY 2023-2024 Amended Budget	\$180,000	\$1,166,587	(\$986,587)
<u>Other Governmental Funds</u>			
¹ Maxwell Creek Pump Station (W-14-01)	-	3,000,000	(3,000,000)
Subtotal	-	3,000,000	(3,000,000)
FY 2023-2024 Amended Budget	\$180,000	\$4,166,587	(\$3,986,587)

¹ Previously authorized CIP project authority (carry-forward budget) unbudgeted in current year

City of Sachse
Budget Fiscal Year Ending September 30, 2024
Budget Amendment Detail by Fund

2022 Bond Construction Fund Budget

Fund	Revenues	Expenses	Rev over Exp
FY 2023-2024 Amended Budget	\$500,000	\$0	\$500,000
<u>Other Governmental Funds</u>			
¹ Sachse Road Phase 2 (BP-21-A01)	-	200,000	(200,000)
¹ Streets & Roads - Bailey-Hooper Road (BP-21-B01)	-	250,000	(250,000)
¹ Neighborhood Package (BP-21-C01)	-	750,000	(750,000)
¹ Animal Shelter (BP-21-D01)	-	3,500,000	(3,500,000)
Subtotal	-	4,700,000	(4,700,000)
FY 2023-2024 Amended Budget	\$500,000	\$4,700,000	(\$4,200,000)

¹ Previously authorized CIP project authority (carry-forward budget) unbudgeted in current year

F. Action Items

Subject:	4. Consider an ordinance of the City of Sachse, Texas, adopting the budget for fiscal year beginning October 1, 2024 and ending September 30, 2025; providing that expenditures for said fiscal year shall be made in accordance with said budget; appropriating and setting aside the necessary funds out of the general and other revenues for said fiscal year for the maintenance and operation of the various departments and for various activities and improvements of the City; providing a repealing clause; providing a severability clause; and providing an effective date.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Action, Discussion
Fiscal Impact	The fiscal year budget sets the financial and operational direction of the City for the next year.
Recommended Action	Approve the ordinance approving and adopting the budget for the fiscal year beginning October 1, 2024 and ending September 30, 2025.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

On September 3, in accordance with Section 7.05 of the City Charter, the City held a public hearing on the proposed budget of programs and services for the ensuing year. In accordance with Section 7.06 of the City Charter, after the public hearing, the City Council shall analyze the budget, making any additions or deletions which they feel appropriate, and shall, at least ten days prior to the next fiscal year, adopt the budget by a favorable majority vote of the full membership of the City Council. Final adoption of the budget by the City Council shall constitute the official appropriations as proposed by the City Manager for the fiscal year beginning October 1, 2024, and ending September 30, 2025.

Changes since the Proposed Budget as provided on August 15 include the following:

Municipal Development District Fund

Municipal Development District expenditures are reduced to the amount necessary to fully expend, but not exceed the available fund balance. The expenditure adjustment from \$1,622,324 to \$1,471,888 provides sufficient funds to complete the current phase of J.K. Sachse Park Construction (P-22-04).

Incremental Changes:	
<u>Fund Name</u>	<u>Amount</u>
Municipal Development District Fund	(\$150,436)
Note- a corresponding change was made to project P-22-04, J.K. Sachse Park Construction.	

Impact Fee Funds

To improve transparency, the Impact Fee Fund, previously including roadway, water, and sewer impact fees, is separated to create the Roadway Impact Fee Fund, Water Impact Fee Fund, and Sewer Impact Fee Fund in

the FYI 2024-2025 budget. Expenditure authority is required in the Impact Fee Fund to appropriately transfer funds to the individual roadway, water, and sewer impact fee funds.

Incremental Changes:	
<u>Fund Name</u>	<u>Fund Amount</u>
Impact Fee Fund	\$8,300,000

Fiscal Year 2023-2024 Capital Improvement Plan Amendments

Capital Improvement Plan and the associated carry-forward budget reflects anticipated approval of fiscal year 2023-2024 amendments brought to Council on September 16, 2024.

Incremental Changes:		
<u>CIP No.</u>	<u>Project Name</u>	<u>Fund Amount</u>
SS-24-19	Sewer Manhole Odor and Gas Remediation	(\$140,000)
SS-24-21 (New)	Murphy Road Sewer Main Repair	\$140,000
Total		\$-

This item requires a record vote.

POLICY CONSIDERATIONS

The proposed tax rate is \$0.650416 per \$100 assessed value.

RECOMMENDATION

Approve the ordinance approving and adopting the budget for the fiscal year beginning October 1, 2024 and ending September 30, 2025.

File Attachments

1. Ordinance_Adopting Budget for Fiscal Year 2024-2025
2. Exhibit B 2024-2025 Capital Improvement Plan

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SACHSE, TEXAS, ADOPTING THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2024 AND ENDING SEPTEMBER 30, 2025; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF THE VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS OF THE CITY; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, an annual budget for the fiscal year beginning October 1, 2024, and ending September 30, 2025, has been duly created by the financial office of the City of Sachse, Texas, in accordance with Chapter 102.002 of the Local Government Code; and

WHEREAS, as required by Section 7.02 of the City Charter, the City Manager has prepared and submitted to the City Council a proposed budget reflecting financial policies for the year and forecasting revenues and expenditures for conducting the affairs of the City and providing a complete financial plan for the fiscal year beginning October 1, 2024, and ending September 30, 2025; and

WHEREAS, as required by Section 7.04 of the City Charter, the proposed budget has been filed with the office of the City Secretary and the proposed budget was made available for public inspection in accordance with Chapter 102.005 of the Local Government Code and Section 7.04 of the City Charter; and

WHEREAS, a public hearing was held by the City in accordance with Chapter 102.006 of the Local Government Code and Section 7.05 of the City Charter, following due publication of notice thereof, at which time all citizens and parties of interest were given the opportunity to be heard regarding the proposed budget; and

WHEREAS, after full and final consideration, it is the opinion of the Sachse City Council that the 2024-2025 fiscal year budget as hereinafter set forth should be adopted; and

WHEREAS, in conjunction with the adoption of the 2024-2025 fiscal year budget, it is the opinion of the Sachse City Council that the Capital Improvement Plan should be adopted.

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

SECTION 1. That the proposed budget of the revenue and expenditures necessary for conducting the affairs of the City of Sachse, Texas, for the fiscal year beginning October 1, 2024, and ending September 30, 2025, as submitted to the City Council by the City Manager, attached hereto as Exhibit "A", be and the same is hereby adopted as the budget of the City of Sachse for the fiscal year beginning October 1, 2024, and ending September 30, 2025.

SECTION 2. That the expenditures during the fiscal year beginning October 1, 2024, and ending September 30, 2025, shall be made in accordance with the budget approved by this ordinance unless otherwise authorized by a duly enacted ordinance of the City of Sachse, Texas.

SECTION 3. That the Capital Improvement Plan, as submitted to the City Council by the City Manager, attached hereto as Exhibit “B”, be and the same is hereby adopted as the Capital Improvement Plan of the City of Sachse, Texas.

SECTION 4. That all budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2023-2024 are hereby ratified, and the budget approval for fiscal year 2023-2024, heretofore enacted by the City Council, be and the same is hereby amended to the extent of such transfers and amendments for all purposes.

SECTION 5. That all ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed; provided, however, that all other provisions of said ordinances not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 6. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance which shall remain in full force and effect.

SECTION 7. This Ordinance shall take effect immediately from and after its passage as the law in such cases provides.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this the 16th day of September, 2024.

APPROVED:

Jeff Bickerstaff, Mayor

DULY ENROLLED:

Leah K Granger, City Secretary

APPROVED AS TO FORM:

Joseph J. Gorfida, Jr., City Attorney

City of Sachse
Budget Fiscal Year Beginning October 1, 2024
Exhibit "A"

Fund	Operating Budget	Capital Budget	2024-2025 Budget
General Fund	\$29,737,819	\$ -	\$29,737,819
<u>Other Governmental Funds</u>			
American Rescue Plan Act Fund	-	853,848	853,848
Bond Construction Fund	250,000	39,406,778	39,656,778
Capital Projects Fund	-	13,801,038	13,801,038
Debt Service Fund	7,707,088	-	7,707,088
General Vehicle/Equipment Replacement Fund	451,732	-	451,732
Hotel Occupancy Tax Fund	5,000	-	5,000
Impact Fee Fund	8,300,000	-	8,300,000
Roadway Impact Fee Fund	-	-	-
Sewer Impact Fee Fund	700,000	725,000	1,425,000
Special Revenue Fund	157,000	-	157,000
Street Maintenance Tax Fund	-	931,084	931,084
Water Impact Fee Fund	-	1,725,000	1,725,000
<u>Internal Service Funds</u>			
Health Insurance Fund	99,500	-	99,500
<u>Enterprise Funds</u>			
Utility Fund	15,443,598	15,181,393	30,624,991
Utility Vehicle/Equipment Replacement Fund	85,068	-	85,068
<u>Component Units</u>			
Economic Development Corporation	2,180,980	-	2,180,980
Municipal Development District	50,000	1,471,888	1,521,888
TIRZ 1	1,600,000	-	1,600,000
TIRZ 2	760,000	-	760,000
TIRZ 3	2,000,000	-	2,000,000
Total City Budget	\$69,527,785	\$74,096,029	\$143,623,814

Exhibit "B"
2024-2025 Capital Improvement Plan

2024-2025 Capital Improvement Plan	FY 24-25 Beginning CIP Balance <i>(thru 3Q FY 23-24)</i>	FY 24-25 Budget	FY 25-26 Estimate	FY 26-27 Estimate	FY 27-28 Estimate	FY 28-29 Estimate	FY 29-30 Estimate	5-Year Est. Total	Total Project Cost
REVENUES									
Beginning Fund Balance		50,929,550	11,328,521	10,817,521	9,780,021	28,759,171	34,223,171	11,328,521	
General Capital Revenues									
Notes/Bonds/Certificates of Obligations									
November 2021 Proposition - General Obligation Bond Funds	13,538,175	27,300,000	8,700,000	-	-	-	-	8,700,000	
Certificates of Obligation - General		-	3,666,667	-	-	-	-	3,666,667	
May 2028 Proposition - General Obligation Bond Funds		-	-	-	27,000,000	-	10,000,000	37,000,000	
Grants/Reimbursements									
American Rescue Plan Act (ARPA) Funds	2,404,133	-	-	-	-	-	-	-	
TxDot Grants	-	-	30,000,000	-	-	-	-	30,000,000	
Other Agency Grants	-	-	3,000,000	-	-	-	-	3,000,000	
Transfers									
General Fund (one-time)	4,732,975	-	-	-	-	-	-	-	
General Fund (on-going programs)	-	480,000	680,000	680,000	680,000	680,000	680,000	3,400,000	
Roadway Impact Fees	1,016,280	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000	
Other									
Economic Development Corporation	96,100	-	-	-	-	-	-	-	
General Capital Project Available Fund Balance	1,010,190	-	-	-	-	-	-	-	
Street Maintenance Sales Tax	987,158	810,000	850,000	892,000	936,000	982,000	1,031,000	4,691,000	
Municipal Development District Sales Tax	-	800,000	840,000	882,000	926,000	972,000	1,020,000	4,640,000	
Developer Contributions	-	-	-	-	-	-	-	-	
Mitigation Plan Fees	173,699	-	-	-	-	-	-	-	
Investment Interest	-	540,000	500,000	450,000	400,000	350,000	300,000	2,000,000	
Sale of Assets	-	-	-	-	-	-	-	-	
Miscellaneous Revenues	-	-	-	-	-	-	-	-	
Subtotal General Capital Revenues	23,958,710	30,180,000	48,486,667	3,154,000	30,192,000	3,234,000	13,281,000	98,347,667	
Utility Revenues									
Notes/Bonds/Certificates of Obligations									
Certificates of Obligation - Utility		-	7,333,333	-	-	-	-	7,333,333	
Transfers									
Utility Fund Operations (unallocated)	18,353,689	-	-	-	-	-	-	-	
Utility Fund Water Operations	-	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	11,250,000	
Utility Fund Sewer Operations	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	
Stormwater Drainage Fee	1,212,289	240,000	245,000	250,000	255,000	260,000	265,000	1,275,000	
Water Impact Fees	4,682,812	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000	
Sewer Impact Fees	2,722,049	325,000	350,000	350,000	350,000	350,000	350,000	1,750,000	
Subtotal Utility Revenues	26,970,839	4,315,000	11,678,333	4,350,000	4,355,000	4,360,000	4,365,000	29,108,333	
Total All Revenues	50,929,550	34,495,000	60,165,000	7,504,000	34,547,000	7,594,000	17,646,000	127,456,000	
Beginning Fund Balance		50,929,550	11,328,521	10,817,521	9,780,021	28,759,171	34,223,171	11,328,521	
Total Revenues		34,495,000	60,165,000	7,504,000	34,547,000	7,594,000	17,646,000	127,456,000	
Total Expenditures		74,096,029	60,676,000	8,541,500	15,567,850	2,130,000	4,880,000	91,795,350	185,427,986
Ending Fund Balance		11,328,521	10,817,521	9,780,021	28,759,171	34,223,171	46,989,171	46,989,171	

Exhibit "B"
2024-2025 Capital Improvement Plan

CIP No.	Project	Estimated Capital Project Cost	Project Inception-to-Date			FY 24-25 New Requests	FY 24-25 Budget <i>(New & Carry- Forward)</i>	FY 25-26 Estimate	FY 26-27 Estimate	FY 27-28 Estimate	FY 28-29 Estimate	FY 29-30 Estimate	5-Year Est. Total	Total Project Cost
			Budget	Actuals <i>(thru 3Q FY 23-24)</i>	Remaining Budget <i>(Carry-fwd)</i>									

EXPENDITURES														
Roadway														
R-OG-01	Street and Alley Maintenance (on-going) ^(U)	3,180,000	450,000	269,793	180,207	455,000	635,207	455,000	455,000	455,000	455,000	455,000	2,275,000	3,180,000
R-OG-02	Sidewalk Maintenance (on-going) ^(U)	1,200,000	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,000,000	1,200,000
R-12-13	Merritt Road Re-alignment & Widening ^(U)	36,500,000	6,500,000	4,432,341	2,067,659	-	2,067,659	30,000,000	-	-	-	-	30,000,000	36,500,000
R-13-03	Pleasant Valley Road ^(U)	300,000	300,000	54,296	245,704	-	245,704	-	-	-	-	-	-	300,000
R-23-03	Miscellaneous Street Repair ^{(U)*}	1,950,000	300,000	200,916	99,084	250,000	349,084	250,000	250,000	300,000	300,000	300,000	1,400,000	1,950,000
R-24-03	Woodbridge Parkway	2,600,000	2,600,000	-	2,600,000	-	2,600,000	-	-	-	-	-	-	2,600,000
R-24-04	Traffic Signal Maintenance and Upgrades	360,000	120,000	-	120,000	-	120,000	120,000	-	120,000	-	-	240,000	360,000
R-25-01	Asphalt Overlay - Sachse Road (Merritt to City Limits)	200,000	-	-	-	200,000	200,000	-	-	-	-	-	-	200,000
R-25-02	Old Ben Davis - Ben Davis Road to Bunker Hill Road	1,000,000	-	-	-	100,000	100,000	900,000	-	-	-	-	900,000	1,000,000
R-25-03	Mapleshade/Harvest Alley	132,000	-	-	-	132,000	132,000	-	-	-	-	-	-	132,000
R-25-04	4th Street/Sachse Street/Floyd Street Overlay	150,000	-	-	-	150,000	150,000	-	-	-	-	-	-	150,000
	Bonanza and 2nd Street Asphalt Reconstruction	496,000	-	-	-	-	-	496,000	-	-	-	-	496,000	496,000
	Cartwright/Big Valley Mill and Overlay	511,500	-	-	-	-	-	-	511,500	-	-	-	511,500	511,500
Subtotal Roadway		48,579,500	10,270,000	4,957,346	5,312,654	1,487,000	6,799,654	32,421,000	1,416,500	1,075,000	955,000	955,000	36,822,500	48,579,500

Parks & Trails														
P-22-04	J.K. Sachse Park Construction ^(U)	4,346,814	3,641,250	2,871,788	769,462	705,564	1,471,888	-	-	-	-	-	-	4,346,814
F-24-07	Heritage Park Expansion Projects ^(U)	1,700,000	1,700,000	59,732	1,640,268	-	1,640,268	-	-	-	-	-	-	1,700,000
	Murphy-Sachse-Wylie-NTMWD Trail	3,000,000	-	-	-	-	-	3,000,000	-	-	-	-	3,000,000	3,000,000
Subtotal Parks & Trails		9,046,814	5,341,250	2,931,520	2,409,730	705,564	3,112,156	3,000,000	-	-	-	-	3,000,000	9,046,814

Facilities/Other														
F-24-12	Service Center*	17,000,000	6,000,000	-	6,000,000	-	6,000,000	11,000,000	-	-	-	-	11,000,000	17,000,000
F-24-13	Comprehensive Plan Update ^(U)	300,000	300,000	32,800	267,200	-	267,200	-	-	-	-	-	-	300,000
Subtotal Facilities		17,300,000	6,300,000	32,800	6,267,200	-	6,267,200	11,000,000	-	-	-	-	11,000,000	17,300,000

Neighborhood Services														
NS-OG-01	Neighborhood Programs (on-going)	150,000	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	125,000	150,000
Subtotal Neighborhood Services		150,000	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	125,000	150,000

Bond Proposition 2021														
BP-21-A01	Sachse Road Phase 2	14,675,000	1,700,000	126,739	1,573,261	12,975,000	14,548,261	-	-	-	-	-	-	14,675,000
BP-21-A02	Sachse Road Phase 3	8,710,000	-	-	-	-	-	8,710,000	-	-	-	-	8,710,000	8,710,000
BP-21-B01	Streets & Roads - Bailey-Hooper Road ^(U)	11,860,000	10,660,000	828,995	9,831,005	1,200,000	11,031,005	-	-	-	-	-	-	11,860,000
BP-21-B02	Streets & Roads - Westcreek	2,820,000	-	-	-	2,820,000	2,820,000	-	-	-	-	-	-	2,820,000
BP-21-B03	Streets & Roads - Williford Road	7,170,000	-	-	-	7,170,000	7,170,000	-	-	-	-	-	-	7,170,000
BP-21-C01	Neighborhood Package ^(U)	4,975,000	675,000	674,994	6	4,300,000	4,300,006	-	-	-	-	-	-	4,975,000
BP-21-D01	Animal Shelter ^(C/SC)	5,000,000	5,000,000	4,262,494	737,506	-	737,506	-	-	-	-	-	-	5,000,000
Subtotal Bond Proposition 2021		55,210,000	18,035,000	5,893,222	12,141,778	28,465,000	40,606,778	8,710,000	-	-	-	-	8,710,000	55,210,000

*Project name change

Note- Projects are not assigned a CIP number until budget is requested.

LEGEND

^(C/SC) - Project Complete, or Substantially Complete
^(U) - Project Underway

Exhibit "B"
2024-2025 Capital Improvement Plan

CIP No.	Project	Estimated Capital Project Cost	Project Inception-to-Date			FY 24-25 New Requests	FY 24-25 Budget <i>(New & Carry-Forward)</i>	FY 25-26 Estimate	FY 26-27 Estimate	FY 27-28 Estimate	FY 28-29 Estimate	FY 29-30 Estimate	5-Year Est. Total	Total Project Cost
			Budget	Actuals <i>(thru 3Q FY 23-24)</i>	Remaining Budget <i>(Carry-fwd)</i>									
Water														
W-14-01	Maxwell Creek Pump Station ^(C/SC)	5,765,000	5,765,000	4,863,100	901,900	-	901,900	-	-	-	-	-	-	5,765,000
W-21-05	Public Works Pump Station Generator ^(C/SC)	680,000	680,000	552,327	127,673	-	127,673	-	-	-	-	-	-	680,000
W-24-14	3rd Street - SH 78 to Ingram	630,000	130,000	-	130,000	500,000	630,000	-	-	-	-	-	-	630,000
W-24-15	Tank Maintenance and Cleaning	205,000	65,000	28,307	36,693	-	36,693	70,000	-	70,000	-	-	140,000	205,000
W-24-16	Public Works Pump Station - Pump Installation and Upgrades ^(U)	1,300,000	800,000	9,477	790,523	500,000	1,290,523	-	-	-	-	-	-	1,300,000
W-25-05	Maxwell Creek Pump Station GST Painting	1,300,000	-	-	-	200,000	200,000	1,100,000	-	-	-	-	1,100,000	1,300,000
W-25-06	Utility Master Plan Updates	250,000	-	-	-	250,000	250,000	-	-	-	-	-	-	250,000
W-25-07	Large Water Valve Replacement Program	900,000	-	-	-	300,000	300,000	-	300,000	-	300,000	-	600,000	900,000
W-25-08	Maxwell Creek Pump Station Fence Improvements	185,000	-	-	-	185,000	185,000	-	-	-	-	-	-	185,000
	5th Street Water Tower Painting	1,200,000	-	-	-	-	-	800,000	400,000	-	-	-	1,200,000	1,200,000
	Herring Circle Water & Sewer Lines	300,000	-	-	-	-	-	300,000	-	-	-	-	300,000	300,000
	Elevated Water Storage Tower (Ingram Road)	3,000,000	-	-	-	-	-	1,000,000	2,000,000	-	-	-	3,000,000	3,000,000
	8-inch WL from Pecan Grove to Ponderosa	200,000	-	-	-	-	-	200,000	-	-	-	-	200,000	200,000
	AMI Water Meter Updates	2,000,000	-	-	-	-	-	-	1,000,000	1,000,000	-	-	2,000,000	2,000,000
	Sachse South Estates Water Main Replacement	500,000	-	-	-	-	-	-	-	500,000	-	-	500,000	500,000
Subtotal Water		18,415,000	7,440,000	5,453,211	1,986,789	1,935,000	3,921,789	3,470,000	3,700,000	1,570,000	300,000	-	9,040,000	18,415,000
Sewer														
SS-21-12	Sewer Rehab Hwy 78 at Old City Hall	249,000	249,000	-	249,000	-	249,000	-	-	-	-	-	-	249,000
SS-24-18	Southeast Sewer Expansion: Trunk Line A from Sachse Rd to SE Lift Station ^(U)	11,398,413	11,865,000	178,154	11,686,846	(466,587)	11,220,259	-	-	-	-	-	-	11,398,413
SS-24-19	Sewer Manhole Odor and Gas Remediation**	60,000	60,000	-	60,000	-	60,000	-	-	-	-	-	-	60,000
SS-24-21	Murphy Road Sewer Main Repair ^{(U)**}	140,000	140,000	-	140,000	-	140,000	-	-	-	-	-	-	140,000
SS-25-09	Ponderosa/Bonanza Sewer Main Replacement	450,000	-	-	-	450,000	450,000	-	-	-	-	-	-	450,000
	Manhole Lining and Rehabilitation (on-going)	500,000	-	-	-	-	-	250,000	-	250,000	-	-	500,000	500,000
	Natchez 8" Sewer Line (Jefferson to Cornwall)	400,000	-	-	-	-	-	400,000	-	-	-	-	400,000	400,000
	Merritt Road 16" Forcemain Replacement	600,000	-	-	-	-	-	-	150,000	450,000	-	-	600,000	600,000
	Sachse Street - Ben Davis Street to 3rd Street	150,000	-	-	-	-	-	-	150,000	-	-	-	150,000	150,000
	Oak Ridge Circle SS Repair	200,000	-	-	-	-	-	-	-	-	-	200,000	200,000	200,000
Subtotal Sewer		14,147,413	12,314,000	178,154	12,135,846	(16,587)	12,119,259	650,000	300,000	700,000	-	200,000	1,850,000	14,147,413
Drainage														
D-17-15	Vicksburg Drainage Easement ^(U)	451,409	451,409	63,519	387,890	-	387,890	-	-	-	-	-	-	451,409
D-23-04	Small Drainage Projects ^(U)	580,000	80,000	-	80,000	-	80,000	100,000	100,000	100,000	100,000	100,000	500,000	580,000
D-24-20	Stormwater Utility Rate Study ^(U)	200,000	200,000	23,697	176,303	-	176,303	-	-	-	-	-	-	200,000
D-25-10	Heritage Park Pond Maintenance	300,000	-	-	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	250,000	300,000
D-25-11	Cornwall Street Drainage Improvements	1,050,000	-	-	-	150,000	150,000	400,000	-	-	500,000	-	900,000	1,050,000
D-25-12	Sachse Road Parking Lot Detention	1,400,000	-	-	-	400,000	400,000	500,000	500,000	-	-	-	1,000,000	1,400,000
	Rowlett Creek Gabion Improvements	2,150,000	-	-	-	-	-	150,000	1,500,000	500,000	-	-	2,150,000	2,150,000
	Willow Lake Inspection and Maintenance	250,000	-	-	-	-	-	50,000	50,000	50,000	50,000	50,000	250,000	250,000
	Bunker Hill Detention Pond Maintenance	150,000	-	-	-	-	-	150,000	-	-	-	-	150,000	150,000
	SH 78 at Williford	750,000	-	-	-	-	-	-	750,000	-	-	-	750,000	750,000
	Jackson Meadows Pond Maintenance	150,000	-	-	-	-	-	-	150,000	-	-	-	150,000	150,000
	Spring Meadows Estates Detention Pond Re-design	1,800,000	-	-	-	-	-	-	-	1,800,000	-	-	1,800,000	1,800,000
	Anthony Lane Creek Maintenance	150,000	-	-	-	-	-	-	-	-	150,000	-	150,000	150,000
	Long Branch from Dewitt to SH78	3,500,000	-	-	-	-	-	-	-	-	-	3,500,000	3,500,000	3,500,000
Subtotal Drainage		12,881,409	731,409	87,216	644,193	600,000	1,244,193	1,400,000	3,100,000	2,500,000	850,000	3,700,000	11,550,000	12,881,409

** Reflects anticipated approval of FY 23-24 Amendment brought to Council on September 16, 2024

Note- Projects are not assigned a CIP number until budget is requested.

LEGEND

^(C/SC) - Project Complete, or Substantially Complete
^(U) - Project Underway

Exhibit "B"
2024-2025 Capital Improvement Plan

CIP No.	Project	Estimated Capital Project Cost	Project Inception-to-Date			FY 24-25 New Requests	FY 24-25 Budget <i>(New & Carry-Forward)</i>	FY 25-26 Estimate	FY 26-27 Estimate	FY 27-28 Estimate	FY 28-29 Estimate	FY 29-30 Estimate	5-Year Est. Total	Total Project Cost
			Budget	Actuals <i>(thru 3Q FY 23-24)</i>	Remaining Budget <i>(Carry-fwd)</i>									
Bond Proposition 2028														
	Ashwood Lane (3314-3400)	307,500	-	-	-	-	-	-	-	307,500	-	-	307,500	307,500
	Blossom Drive	612,000	-	-	-	-	-	-	-	612,000	-	-	612,000	612,000
	Brookhollow Drive	406,400	-	-	-	-	-	-	-	406,400	-	-	406,400	406,400
	Brookview Drive Alley	198,000	-	-	-	-	-	-	-	198,000	-	-	198,000	198,000
	Country Club Road at SH 78 Traffic Signal Improvements	1,000,000	-	-	-	-	-	-	-	1,000,000	-	-	1,000,000	1,000,000
	Country Club Road Extension (PW Facility)	1,000,000	-	-	-	-	-	-	-	1,000,000	-	-	1,000,000	1,000,000
	Creek Hollow Drive (3120-3132)	254,000	-	-	-	-	-	-	-	254,000	-	-	254,000	254,000
	Falcon Crest Lane	408,000	-	-	-	-	-	-	-	408,000	-	-	408,000	408,000
	Getha Lane Overlay	93,000	-	-	-	-	-	-	-	93,000	-	-	93,000	93,000
	Granite Alley	118,800	-	-	-	-	-	-	-	118,800	-	-	118,800	118,800
	Herring Circle	609,600	-	-	-	-	-	-	-	609,600	-	-	609,600	609,600
	Jewel Street (Salmon East to 7th)	355,600	-	-	-	-	-	-	-	355,600	-	-	355,600	355,600
	Jewel Street (7th East to Salmon)	609,600	-	-	-	-	-	-	-	609,600	-	-	609,600	609,600
	Pintail Drive (Sachse to Mallard)	261,750	-	-	-	-	-	-	-	261,750	-	-	261,750	261,750
	Rebecca Drive Alley	112,200	-	-	-	-	-	-	-	112,200	-	-	112,200	112,200
	Ridgeview Alley	300,000	-	-	-	-	-	-	-	300,000	-	-	300,000	300,000
	Salmon Street (78 to Jewel)	671,200	-	-	-	-	-	-	-	671,200	-	-	671,200	671,200
	Sandi Lane	105,600	-	-	-	-	-	-	-	105,600	-	-	105,600	105,600
	Scott/Creekside Alley	118,800	-	-	-	-	-	-	-	118,800	-	-	118,800	118,800
	Scott/Lance/Todd Alleys	250,800	-	-	-	-	-	-	-	250,800	-	-	250,800	250,800
	Southridge Drive (Ben Davis to Highridge)	711,200	-	-	-	-	-	-	-	711,200	-	-	711,200	711,200
	Timber Creek Circle/Meadow Creek Lane Reconstruction	406,400	-	-	-	-	-	-	-	406,400	-	-	406,400	406,400
	Widgeon Ct	228,600	-	-	-	-	-	-	-	228,600	-	-	228,600	228,600
	William Street	558,800	-	-	-	-	-	-	-	558,800	-	-	558,800	558,800
Subtotal Bond Proposition 2028		9,697,850	-	-	-	-	-	-	-	9,697,850	-	-	9,697,850	9,697,850
TOTAL CAPITAL IMPROVEMENT PLAN		185,427,986	60,431,659	19,533,469	40,898,190	33,200,977	74,096,029	60,676,000	8,541,500	15,567,850	2,130,000	4,880,000	91,795,350	185,427,986

Note- Projects are not assigned a CIP number until budget is requested.

LEGEND

(C/SC) - Project Complete, or Substantially Complete
(U) - Project Underway

Closed, Completed Projects

Roadway			Parks & Trails			Water			Drainage		
IF-21-01	Impact Fee Study		P-24-08	Joe Stone Park Restroom		IF-21-01	Impact Fee Study		D-22-02	Third Garland Connection Creek Stabilization	
R-22-01	Alley Reconstruction		T-24-09	Joe Stone Loop Trail		W-21-05	Public Works Pump Station Generator		D-22-03	Sachse South Drainage Study	
R-22-05	5th Street Project		Neighborhood Services			W-21-07	5th Street District Improvements				
R-23-02	6th Street Alley and Street Repair		NS-23-08	Hudson Crossing Screening Wall Replacement		W-21-08	Hilltop Trail/Meadow Lane Utility Rehab				
R-24-01	Eastview Drive - Pleasant Valley to End		Facilities/Other			Sewer					
R-24-02	Hilltop Trail & Meadow Lane Rehabilitation		F-23-05	Outdoor Warning Sirens		SS-18-01	Ingram Road Sewer Relief				
R-24-05	Dewitt Street and Sachse Street - Ben Davis to 3rd St		F-24-10	Opticom Traffic Signal Upgrades		IF-21-01	Impact Fee Study				
R-24-06	Highridge Alley Repairs		F-24-11	City Facility Maintenance and Repairs		SS-21-10	Sable Hills Lift Station Expansion				
						SS-21-11	Hilltop Trail/Meadow Lane Utility Rehab				

F. Action Items

Subject:	5. Consider ratifying the property tax increase in the budget for Fiscal Year 2024-2025.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Action, Discussion
Fiscal Impact	None
Recommended Action	Consider ratifying the property tax increase in the budget for Fiscal Year 2024-2025.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

According to Texas Local Government Code Section 102.007(c), "Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. A vote under the subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26 (Assessment), Tax Code, or other law."

Per the Budget Cover Page, the proposed 2024-2025 Fiscal Year Budget calls for \$2,989,038 more in property tax revenue than the previous year's budget. The associated calculation includes revenues calculated from new construction totaling \$1.07M. The \$2.99M increase over the prior year includes \$935K to Tax Increment Reinvestment Zones (TIRZ) and \$611K to the Debt Service Fund, leaving \$1.44M as an increase to the General Fund.

Although the property tax rate remains flat and is not changing, this is a statutory requirement that must be done in accordance with the Tax Code.

This item requires a record vote.

POLICY CONSIDERATIONS

This action is a required step in adoption of the Budget and Tax Rate.

RECOMMENDATION

Consider ratifying the property tax increase in the budget for Fiscal Year 2024-2025.

File Attachments

1. Presentation_Property Tax Ratification
2. Budget Cover Page

Property Tax Ratification

City Council
September 16, 2024



Property Tax Ratification

- Texas Local Government Code Section 102.007(c)
 - Adopting budget raising more revenue from property taxes than previous year requires separate vote from governing body
- Budget cover page shows budget will raise \$2.99M more revenue from property taxes
 - Calculation includes new construction (\$1.07M)
 - Increase consists of:
 - Tax Increment Reinvestment Zone (TIRZ) revenue (\$935K *increase*)
 - Debt Service Fund (\$611K increase)
 - General Fund (\$1.44M increase)



City of Sachse

Fiscal Year 2024-2025

Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of \$2,989,038 which is an 11.54 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$1,067,379.

The members of the governing body voted on the budget as follows:

FOR:

AGAINST:

PRESENT and not voting:

ABSENT:

Property Tax Rate Comparison	2024-2025	2023-2024
Property Tax Rate:	\$0.650416/100	\$0.650416/100
No-New-Revenue Tax Rate:	\$0.683919/100	\$0.626779/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.480573/100	\$0.440568/100
Voter-Approval Tax Rate:	\$0.797018/100	\$0.803834/100
Debt Rate:	\$0.194207/100	\$0.194207/100

Total debt obligation for City of Sachse secured by property taxes: \$9,336,620.



F. Action Items

Subject:	6. Consider an ordinance of the City of Sachse, Texas, levying ad valorem taxes for the year 2024 (Fiscal Year 2024-2025) at a Maintenance and Operations rate of \$0.456209 and a Debt Service rate of \$0.194207 for a total rate of \$0.650416 per one hundred dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2024, to provide revenue for the payment of current expenses; providing for an Interest and Sinking fund for all outstanding debt of the City of Sachse; providing for due and delinquent dates together with penalties and interest; providing a severability clause; providing a repealing clause; and providing an effective date.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Action, Discussion
Fiscal Impact	This ordinance levies ad valorem taxes for the year 2024 (Fiscal Year 2024-2025).
Recommended Action	Approve an ordinance of the City of Sachse, Texas, levying ad valorem taxes for the year 2024 (Fiscal Year 2024-2025) at a Maintenance and Operations rate of \$0.456209 and a Debt Service rate of \$0.194207 for a total rate of \$0.650416 per one hundred dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2024.
Goals	Be a model of financial stewardship through growth management; responsible investment; and financial transparency.

BACKGROUND

This item to adopt the 2024 tax rate to generate sufficient revenues as required in the fiscal year 2024-2025 Adopted Budget. While the tax rate of \$0.650416 reflects no change from the 2023 tax rate, the rate is \$0.033503, or 4.90% below the no-new-revenue rate. In addition, the M&O rate of \$0.456209 reflects a 5.07% decrease from the no-new-revenue M&O rate of \$0.480573.

This item requires a record vote. As this year's proposed tax rate does not exceed the no-new-revenue tax rate, a motion to adopt the ordinance setting the tax rate does not require the language about "tax increase" as stated in Texas Tax Code 26.05(b).

This item requires a record vote.

POLICY CONSIDERATIONS

Texas Tax Code 26.05 states the requirements for tax rate adoption.

RECOMMENDATION

Approve an ordinance of the City of Sachse, Texas, levying ad valorem taxes for the year 2024 (Fiscal Year 2024-2025) at a Maintenance and Operations rate of \$0.456209 and a Debt Service rate of \$0.194207 for a total rate of \$0.650416 per one hundred dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2024.

File Attachments

1. SACHSE Ordinance Levying Ad Valorem Taxes for Fiscal Year 2024-2025
2. Notice of Meeting to Vote_Tax Rate_2024

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SACHSE, TEXAS, LEVYING AD VALOREM TAXES FOR THE YEAR 2024 (FISCAL YEAR 2024-2025) AT A MAINTENANCE AND OPERATIONS RATE OF \$0.456209 AND A DEBT SERVICE RATE OF \$0.194207 FOR A TOTAL RATE OF \$0.650416 PER ONE HUNDRED DOLLARS (\$100) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF SACHSE AS OF JANUARY 1, 2024, TO PROVIDE REVENUE FOR THE PAYMENT OF CURRENT EXPENSES; PROVIDING FOR AN INTEREST AND SINKING FUND FOR ALL OUTSTANDING DEBT OF THE CITY OF SACHSE; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. There is hereby levied for the tax year 2024 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Sachse, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of \$0.650416 on each One Hundred Dollars (\$100) assessed valuation of taxable property, and shall be, apportioned and distributed as follows:

- (a) For the purpose of defraying the current expenditures of the municipal government of the City of Sachse, a tax of \$0.456209 on each and every One Hundred Dollars (\$100) assessed value on all taxable property; and
- (b) For the purpose of creating a sinking fund to pay the interest and principal maturities of all outstanding debt of the City of Sachse, not otherwise provided for, a tax of \$0.194207 on each One Hundred Dollars (\$100) assessed value of taxable property within the City of Sachse, and shall be applied to the payment of interest and maturities of all such outstanding debt of the City.

SECTION 2. The rate adopted is lower than the no-new-revenue rate and lower than the voter-approval rate as calculated according to the Truth In Taxation provisions of the Texas Tax Code, as amended, and the total levy for maintenance and operations is equal to last year's levy for same.

SECTION 3. All ad valorem taxes shall become due and payable on October 1, 2024, and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1, 2025. There shall be no discount for payment of taxes prior to February 1, 2025. A delinquent tax shall incur all penalty and interest authorized by law, to wit:

- (a) A penalty of six percent on the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.
- (b) Provided, however, a tax delinquent on July 1, 2025, incurs a total penalty of twelve percent of the amount of delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at the rate of one percent for each month or portion of a month the tax remains unpaid. Taxes for the year 2024 and taxes for all future years that become delinquent on or after February 1 but not later than May 1, that remain delinquent on July 1 of the year in which they become delinquent, incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and 33.07, as amended. Taxes assessed against tangible personal property for the year 2023 and for all future years that become delinquent on or after February 1 of a year incur an additional penalty on the later of the date the personal property taxes become subject to the delinquent tax attorney's contract, or 60 days after the date the taxes become delinquent, such penalty to be in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 33.11. Taxes for the year 2024 and taxes for all future years that remain delinquent on or after June 1 under Texas Property Tax Code Sections 26.07(f), 26.15(e), 31.03, 31.031, 31.032 or 31.04 incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and Section 33.08, as amended.

SECTION 4. The taxes are payable at the Dallas County Tax Office if the property is located in Dallas County; or, at the Collin County Tax Office if the property is located in Collin County.

SECTION 5. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 6. The tax roll as presented to the City Council, together with any supplements thereto, be and the same are hereby approved.

SECTION 7. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance which shall remain in full force and effect.

SECTION 8. All ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed; provided, however, that all other provisions of said ordinances not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 9. This ordinance shall take effect immediately from and after its passage, as the law and charter in such cases provide.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this the _____ day of _____, 2024.

APPROVED:

Jeff Bickerstaff
Mayor

DULY ENROLLED:

Leah Granger
City Secretary

APPROVED AS TO FORM:

Joseph J. Gorfida, Jr.
City Attorney
(09-10-2024: 4889-7808-5603, v. 1)

NOTICE OF MEETING TO VOTE ON TAX RATE

A tax rate of \$0.650416 per \$100 valuation has been proposed by the governing body of City of Sachse.

PROPOSED TAX RATE	\$0.650416 per \$100
NO-NEW-REVENUE TAX RATE	\$0.683919 per \$100
VOTER-APPROVAL TAX RATE	\$0.797018 per \$100

The no-new-revenue tax rate is the tax rate for the 2024 tax year that will raise the same amount of property tax revenue for City of Sachse from the same properties in both the 2023 tax year and the 2024 tax year.

The voter-approval rate is the highest tax rate that City of Sachse may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is not greater than the no-new-revenue tax rate. This means that City of Sachse is not proposing to increase property taxes for the 2024 tax year.

A PUBLIC MEETING TO VOTE ON THE PROPOSED TAX RATE WILL BE HELD ON September 16, 2024, AT 06:30 PM AT 3815-B Sachse Road, Sachse, TX 75048.

The proposed tax rate is also not greater than the voter-approval tax rate. As a result, City of Sachse is not required to hold an election to seek voter approval of the tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the Sachse City Council of City of Sachse, emails found at www.cityofsachse.com/City-Council, or by attending the public meeting mentioned above.

YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE CALCULATED
AS FOLLOWS:

Property tax amount= (tax rate) x (taxable value of your property)/100

FOR the proposal:

Mayor Jeff Bickerstaff
Mayor Pro Tem Brett Franks
Councilmember Frank Millsap

Councilmember Chance Lindsay
Councilmember Lindsay Buhler
Councilmember Matt Prestenberg

AGAINST the proposal:

PRESENT and not voting:

ABSENT:

Councilmember Michelle Howarth

Visit www.Texas.gov/PropertyTaxes to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by City of Sachse last year to the taxes proposed to be imposed on the average residence homestead by City of Sachse this year.

	2023	2024	Change
Total tax rate (per \$100 of value)	\$0.650416	\$0.650416	increase of \$0.000000, or 0%
Average homestead taxable value	\$383,350	\$420,885	increase of \$37,535, or 9.79%
Tax on average homestead	\$2,493.37	\$2,737.50	increase of \$244.13, or 9.79%
Total tax levy on all properties	\$25,892,534	\$28,881,572	increase of \$2,989,038, or 11.54%

For assistance with tax calculations, please contact the tax assessor for City of Sachse at 972.495.1212 or visit www.cityofsachse.com for more information.

F. Action Items

Subject:	7. Conduct a public hearing to consider and act on a request to amend the existing gas station Special Use Permit, SUP 23-01, to revise the boundary, site, building layout, and add two additional gas pumps, generally located north of President George Bush Turnpike and east of Merritt Road, within Sachse city limits.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Public Hearing, Action
Fiscal Impact	None
Recommended Action	The Planning and Zoning Commission recommended 5-1-0 to approve the proposed amendments to the SUP at its September 9, 2024, Regular Meeting.
Goals	

BACKGROUND

- Amendment to revise the existing Special Use Permit (SUP) request for a gas station use.
- Applicant: Urban Strategy
- Owner: Benbrook Winchester LP
- Size: Approximately 1.72 acres
- Site Attributes: Vacant
- Current Zoning: PGBT – Turnpike Mixed-Use
- An SUP is required of uses that the zoning ordinance may allow but are uses that may need to be screened and specially approved for situational suitability. The purpose of the SUP requirement is to allow the City to determine the appropriateness of a proposal.
- The subject property is currently identified as Turnpike Mixed-Use on the Future Land Use Plan, which calls for commercial, office, and residential uses.
- The applicant has stated in their request to use the property for a corner store and gas station use.
- The immediate surrounding area of this site is currently vacant, however, there are townhomes nearby to the east, with future commercial development planned for the area.
- This site is on the northeast corner of Merritt Road and PGBT. The Future Land Use plan supports the SUP request, which calls for commercial land uses.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

The Planning and Zoning Commission recommended 5-1-0 to approve the proposed amendments to the SUP at its September 9, 2024, Regular Meeting.

File Attachments

1. Staff Presentation - Special Use Permit Aria Gas Station
2. SACHSE Amended SUP 23-01 for Gas Station at Northeast Corner of George Bush Turnpike and Merritt Road (1.72 Acres)

Special Use Permit Aria Gas Station

City Council
September 16, 2024



Request

Conduct a public hearing to consider and act on a request to amend the existing gas station Special Use Permit, SUP 23-01, to revise the boundary, site, building layout, and add two additional gas pumps, generally located north of President George Bush Turnpike and east of Merritt Road, within Sachse city limits.

Project Information

- Request to amend existing gas station SUP to revise the site, building layout, and add two additional gas pumps
- Applicant: Urban Strategy
- Owner: Benbrook Winchester LP
- Size: Approximately 1.72 acres
- Site Attributes: Vacant
- Current Zoning: PGBT – Turnpike Mixed-Use

SUP Overview

- Chapter 11 of the Sachse Code of Ordinances requires auto related uses, including gas stations, to obtain a Special Use Permit (SUP) to legally operate in the PGBT - Turnpike Mixed-Use zoning district.
- An SUP is required of uses that the zoning ordinance may allow, but uses that are screened and specially approved for situational suitability. The purpose of the SUP requirement is to allow the City to determine the appropriateness of a proposal.
- A SUP was approved in June of 2023 by the City council for this use. The applicant is now requesting to amend the SUP, to revise the boundary, site, building layout and add two additional gas pumps.



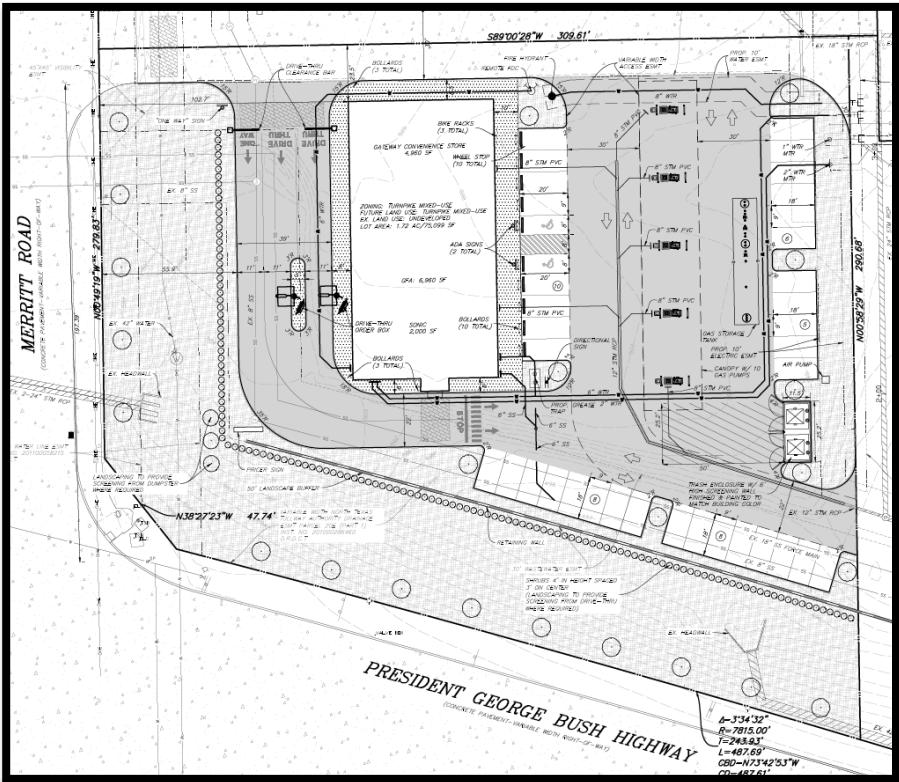
Aerial Map

The property is generally located north of President George Bush Turnpike and east of Merritt Road, within Sachse city limits.

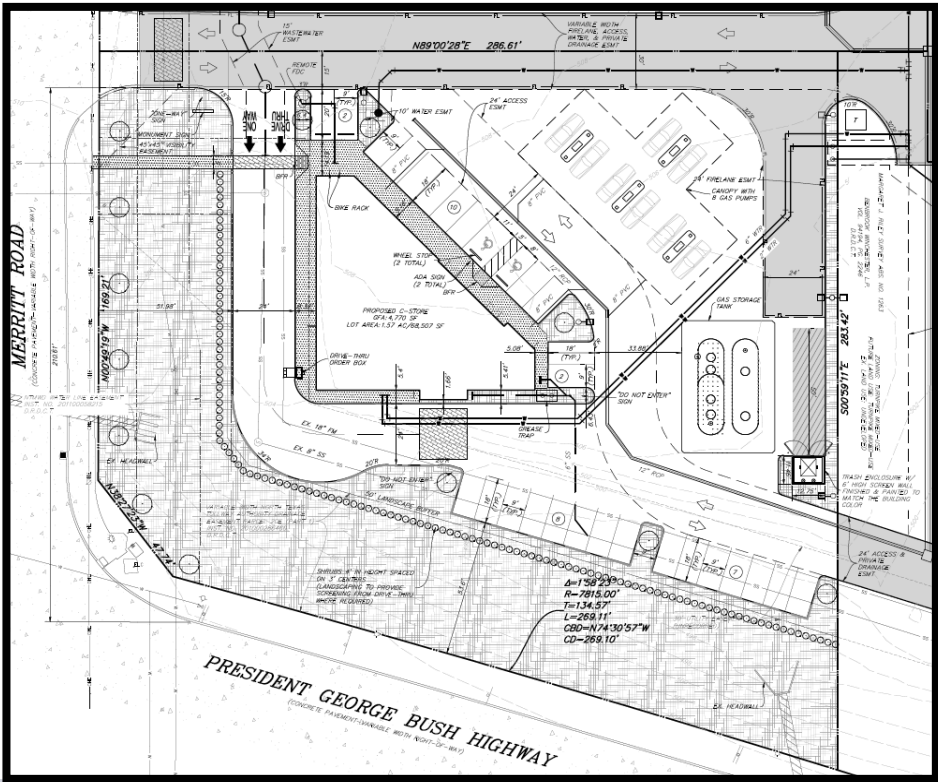


Site Layout

The amendment increases the number of pumps on site from 8 to 10 and adds a second drive-thru lane for the restaurant component.



SUP 24-01

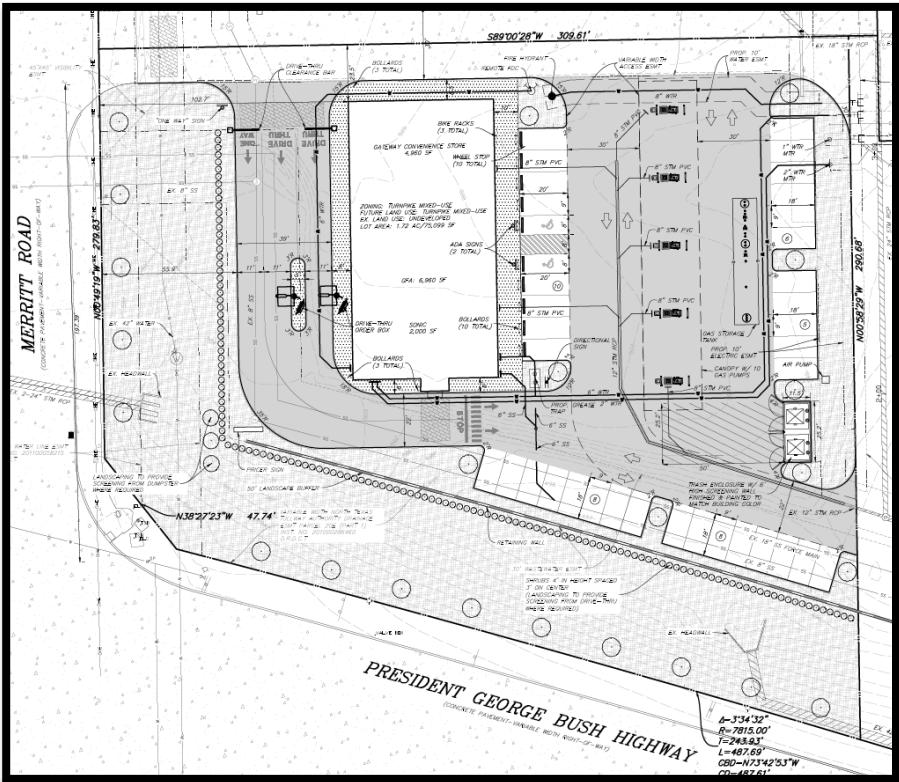


SUP 23-01

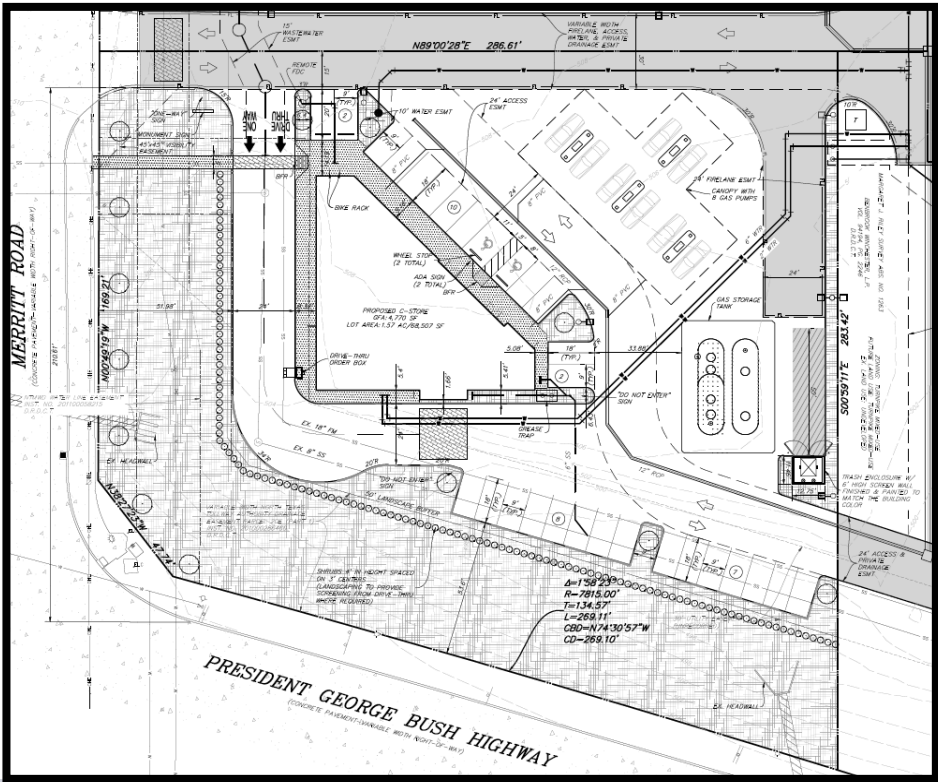


Building Layout

The amendment increases the square footage of the convenience store from a gross floor area of roughly 4,770 square feet to 6,960 square feet.



SUP 24-01

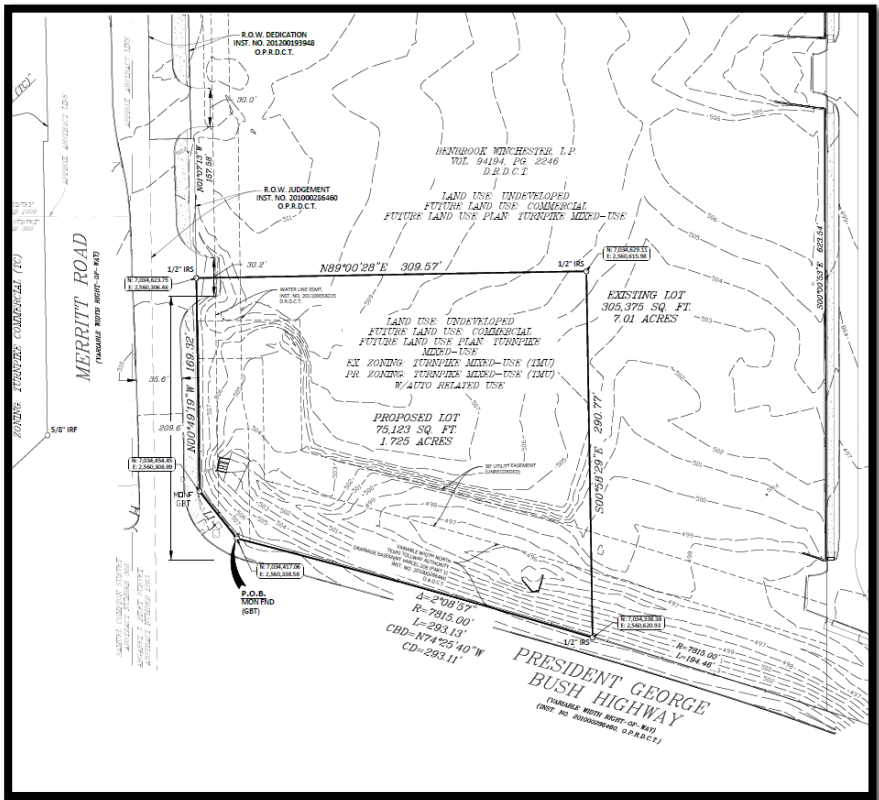


SUP 23-01

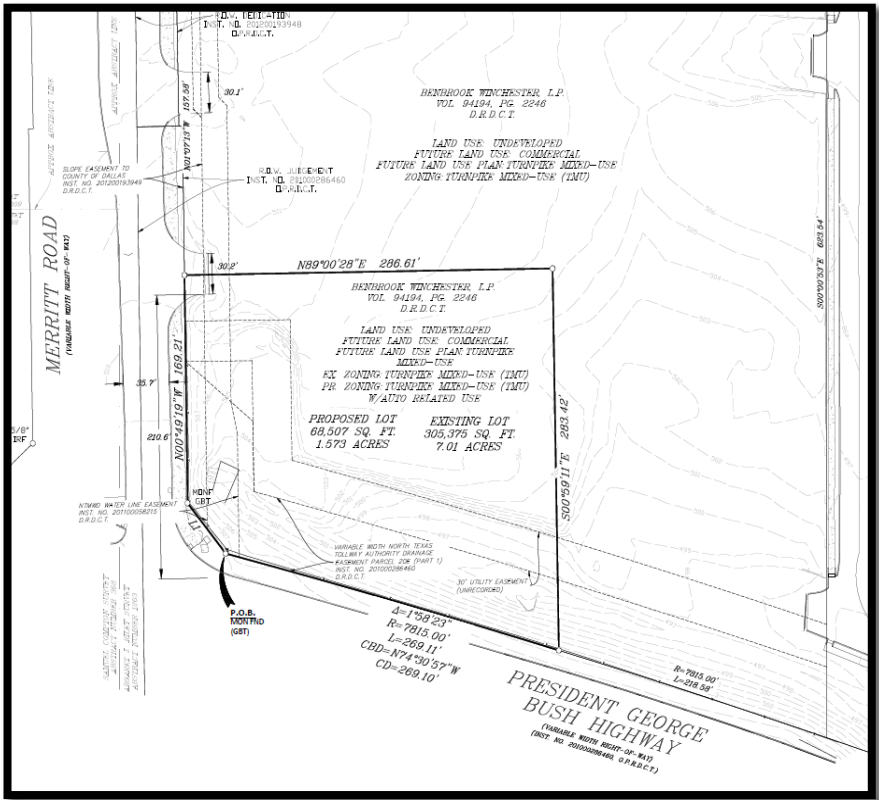


Boundary

The amendment increases the boundary of the site from 1.52 acres to 1.725 acres



SUP 24-01



SUP 23-01



Recommendation

- At their September 9th Regular Meeting, the Planning & Zoning Commission voted 5-1-0 to recommend approval of the proposed SUP amendment request.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SACHSE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP OF THE CITY OF SACHSE, AS HERETOFORE AMENDED, BY AMENDING AND RESTATING SPECIAL USE PERMIT 23-01 (“SUP 23-01”) TO ALLOW FOR THE LOCATION OF A GAS STATION ON LAND ZONED TURNPIKE MIXED-USE, ON ±1.72 ACRES, GENERALLY LOCATED AT THE NORTHEAST CORNER OF PRESIDENT GEORGE BUSH TURNPIKE AND MERRITT ROAD, CITY OF SACHSE, DALLAS COUNTY, TEXAS, AS MORE PARTICULARLY DESCRIBED AND DEPICTED IN EXHIBIT “A”; TO ALLOW FOR AN INCREASE IN BUILDING SQUARE FOOTAGE AND BUILDING LAYOUT ADJUSTMENT AS DEPICTED IN THE ZONING CONCEPT PLAN ATTACHED AS EXHIBIT “B”; AND TO ALLOW FOR AN INCREASE IN THE NUMBER OF GAS PUMPS FROM EIGHT (8) TO TEN (10); PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Sachse and the governing body of the City of Sachse, in compliance with state laws applying to amending the Comprehensive Zoning Ordinance and Map, have given the requisite notice by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally, the governing body of the City of Sachse is of the opinion that said comprehensive Zoning Ordinance and Zoning Map should be amended as provided herein;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. The Comprehensive Zoning Ordinance and Zoning Map of the City of Sachse, Texas, as heretofore amended, be and the same are hereby amended by amending and restating Special Use Permit 23-01 (“SUP 23-01”) to allow for the location of a gas station use on land zoned Turnpike Mixed-Use, consisting of ±1.72 acres, generally located at the northeast corner of President George Bush Turnpike and Merritt Road, City of Sachse, Dallas County, Texas, (the “Property”), as more particular described and depicted in Exhibit “A” (the “Property”); to allow for an increase in building square footage and building layout adjustment as depicted in the Zoning Concept Plan attached as Exhibit “B”; and, to allow for an increase in the number of pumps from eight (8) to ten (10).

SECTION 2. That the above-described Property shall be used only in the manner and for the purposes provided for by the Comprehensive Zoning Ordinance of the City of Sachse, as heretofore amended, subject to the following special conditions:

- (1) The Property shall only be for the location of a gas station use;
- (2) The Property shall be developed in accordance with the requirements of Turnpike Mixed-Use; and, the amended Exhibits “A” and “B”;
- (3) The number of gas pumps shall increase from eight (8) to ten (10); and
- (4) In the event a conflict exists between the City’s Code of Ordinances and the Zoning Concept Plan, the Code of Ordinances shall govern the development of the Property.

SECTION 3. That all provisions of the ordinances of the City of Sachse in conflict with the provisions of this ordinance be and the same are hereby repealed.

SECTION 4. Should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision hereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

SECTION 5. An offense committed before the effective date of this ordinance is governed by the prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 6. Any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Comprehensive Zoning Ordinance of the City of Sachse, as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 7. This ordinance shall take effect immediately from and after its passage.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas on the ____ day of September, 2024.

APPROVED:

Jeff Bickerstaff
Mayor

DULY ENROLLED:

Leah Granger
City Secretary

APPROVED AS TO FORM:

Joseph J. Gorfida, Jr., City Attorney
(09-05-2024: 4884-4166-1665, v. 1)

EXHIBIT "A"

Description of Property

ZONING AREA DESCRIPTION

BEING a 75,123 square foot or a 1.725 acre tract of land situated in the Margaret J. Riley Survey, Abstract No. 1263, City of Sachse, Dallas County, Texas, same being a portion of that tract of land described to Benbrook Winchester, L.P., by Warranty Deed recorded in Volume 94194. Page 2246, Deed Records, Dallas County, Texas (D.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a monument found stamped "George Bush Turnpike NTTA" at the southeast corner of a corner clip for the intersection of the North Right-of-Way (R.O.W.) line of President George Bush Highway (a variable width R.O.W., by judgment recorded in Instrument No. 201000286460, Official Public Records, Dallas County, Texas (O.P.R.D.C.T.)), and the East R.O.W. line of Merritt Road (a variable width R.O.W.);

THENCE North 38 degrees 27 minutes 23 seconds West, with said intersection, a distance of 47.74 feet to a monument found stamped "George Bush Turnpike NTTA" at the northwest corner of said corner clip;

THENCE North 00 degrees 49 minutes 19 seconds West, with the East R.O.W. line of said Merritt Road, a distance of 169.32 feet to a 1/2 inch iron rod with orange cap stamped "Urban Strategy" set for corner;

THENCE over and across said Benbrook tract, the following courses and distances:

North 89 degrees 00 minutes 28 seconds East, a distance of 309.57 feet to a 1/2 inch iron rod with orange cap stamped "Urban Strategy" set for corner;

South 00 degrees 58 minutes 29 seconds East, a distance of 290.77 feet to a 1/2 inch iron rod with orange cap stamped "Urban Strategy" set for corner in the north R.O.W. line of said President George Bush Highway, and being the beginning of a non-tangent curve to the left, having a radius of 7815.00 feet, a central angle of 02 degrees 08 minutes 57 seconds, and a chord bearing and distance of North 74 degrees 25 minutes 40 seconds West, 293.11 feet;

THENCE, with the north R.O.W. line of said President George Bush Highway, and said curve to the left, an arc length of 293.13 feet to the **POINT OF BEGINNING** and containing 75,123 square feet or 1.725 acres of land.

[illegible]

MERRITT ROAD
CONCRETE INTERLOCK-PAVEMENT 12'0" WIDE

PRESIDENT GEORGE BUSH HIGHWAY

UTILITY LEGEND

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F. Action Items

Subject:	8. Consider and approve a resolution of the City of Sachse, Dallas County, Texas, setting a date for a public hearing to discuss and review updates to the City's Land Use Assumptions, Capital Improvement Plan and Impact Fees; and to approve any amendments to the Land Use Assumptions, Capital Improvements Plan and Impact Fees; and providing an effective date.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Action
Recommended Action	Approve a resolution of the City of Sachse, Dallas County, Texas and call for a public hearing to be conducted on November 4, 2024, during the regular City Council meeting at 6:30 p.m. to discuss and consider adoption of the proposed updated Land Use Assumptions, Capital Improvements Plan and Impact Fees for Water, Wastewater, and Roadway as presented
Goals	Strategically invest in the City's existing and future infrastructure.

BACKGROUND

The City of Sachse assesses impact fees for development to help pay for water, sanitary sewer, and roadway facilities required to serve that development. State law requires municipalities to update Land Use Assumptions (LUA), Capital Improvement Plan, and Impact Fee Ordinances every five years.

The Capital Improvement Advisory Committee (CIAC) have conducted two meetings with City staff and the City's consultants – *Lee Engineering, Inc. and Birkhoff, Hendricks & Carter, LLP* -- for the purpose of amending the City's Roadway, Water, and Wastewater Impact Fee program. The periodic amendment of impact fees is required by the Chapter 395, *Financing Capital Improvements Required by New Development in Municipalities, Counties, and Certain Other Local Governments*, of the Texas Local Government Code, and is compulsory at least every five (5) years.

The CIAC reviewed the updated Land Use Assumptions, Capital Improvement Plans and calculated maximum Roadway, Water and Wastewater Impact Fees as presented by the City's consultants. The CIAC finds the updated Land Use Assumptions to be consistent with the City's current Comprehensive Plan, and the updated Roadway, Water and Wastewater Capital Improvement Plans to be consistent with the future land use plan.

After consideration and deliberation of the information provided, the CIAC recommended that the City should collect the maximum allowable rate that can be collected (*i.e. the maximum allowable impact fee is 50% the maximum of the maximum calculated impact fee per CH.395 of the TLGC*) for roadway, water and wastewater impact fees. This recommendation was reached by the CIAC after reviewing the collection rates of neighboring and comparable cities. The consensus from the committee was that the current rates should be adjusted to account for the increased costs of raw materials associated with infrastructure, and to reduce the residents' burden associated with growth. However, based on the analysis of collection rates for comparable cities, the proposed rates remain competitive.

A summary of the recommended collection rates for roadway, water, and wastewater impact fees follows:

Roadway: \$328.50 per service unit (vehicle service-mile)
Water: \$4,237.17 per service unit (5/8" water meter)
Wastewater: \$2,830.56 per service unit (5/8" water meter)

Staff recommends that a public hearing be held on November 4, 2024, to discuss and consider adoption of the proposed updated Land Use Assumptions, Capital Improvements Plan and Impact Fees for Water, Wastewater, and Roadway as presented

POLICY CONSIDERATIONS

Authority is granted under Chapter 395, *Financing Capital Improvements Required by New Development in Municipalities, Counties, and Certain Other Local Governments*, of the Texas Local Government Code (“Ch. 395 of the TLGC”) and Section 8-20, *Impact Fee*, of Chapter 8, *Subdivisions*, of the City’s Code of Ordinances

RECOMMENDATION

Approve a resolution of the City of Sachse, Dallas County, Texas and call for a public hearing to be conducted on November 4, 2024, during the regular City Council meeting at 6:30 p.m. to discuss and consider adoption of the proposed updated Land Use Assumptions, Capital Improvements Plan and Impact Fees for Water, Wastewater, and Roadway as presented

File Attachments

1. Sachse Impact Fee Update-Council Presentation 1 (09-16-24)
2. SACHSE Resolution Setting Public Hearing Re Land Use Assumptions, Capital Improvements Plan, and Impact Fees
3. DRAFT-Sachse Water, WW & Roadway Impact Fee Report (REV 09-11-24)



The City of
SACHSE

2024-2034 Update to the Water, Wastewater & Roadway Land Use Assumptions, Capital Improvement Plan & Impact Fees

September 16, 2024

City Council Presentation #1

Water & Wastewater Impact Fees



**BIRKHOFF, HENDRICKS & CARTER, LLP
PROFESSIONAL ENGINEERS
DALLAS, TEXAS**

Roadway Impact Fees



AGENDA



- Impact Fee 101
- Capital Improvement Advisory Committee (CIAC)
- 2024-2034 Study Update
 - Land Use Assumptions
 - Capital Improvement Plans (CIP)
 - Impact Fees
- Fee Benchmarking
- Next Steps/Schedule
- Questions/Discussion

IMPACT FEE 101



What are Impact Fees?

- A one-time charge assessed to new development for a ***portion of the cost*** of water, wastewater and roadway infrastructure improvements attributable to new development
- Governed by Chapter 395 of the Texas Local Government Code; Established in Texas in 1987

5-Year Update Process

- State law requires update of impact fees at least once every 5-years. The three components are:
 1. Land Use Assumptions
 2. Capital Improvement Plan
 3. Adoption of Updated Impact Fees by ordinance

IMPACT FEE 101



The P&Z Commission was appointed by City Council to act as the Capital Improvement Advisory Committee (CIAC).

Role of the CIAC

- Review Land Use Assumptions, Capital Improvement Plans (CIP) & Impact Fees & Provide Recommendation Letter to City Council prior to Public Hearing. A summary of previous CIAC Meetings follows:

CIAC Meeting #1 (08/26/24)

- Land Use Assumptions (LUA) for Impact Fees
- Impact Fee Capital Improvements Plans (CIP) & Recoupment Plans
- Utilized Project Cost and Impact Fee Calculations

CIAC Meeting #2 (09/09/24)

- Benchmarking comparison of Impact Fee's in other Cities
- Approved LUA's, CIP's, and Impact Fee's as presented

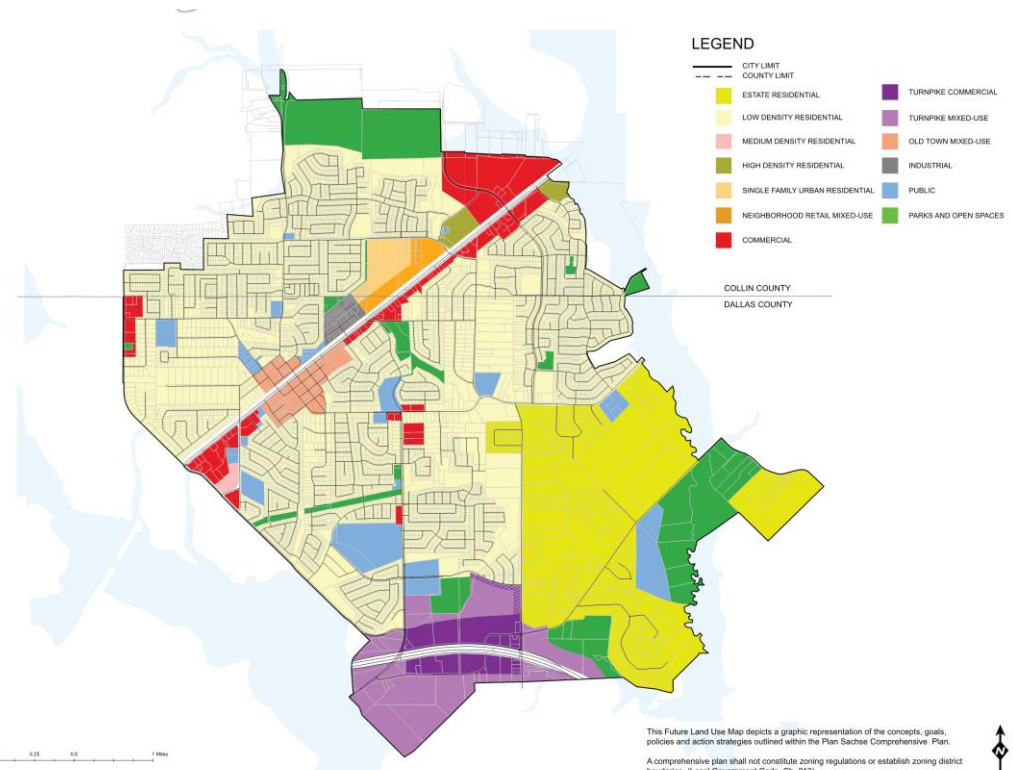
2024-2034 STUDY UPDATE

Land Use Assumptions

- 10-year growth projections
- Includes growth of residential and non-residential land uses
- Based on 2017 Comprehensive Plan, and growth rate of 1.4% (CAGR)

POPULATION SUMMARY

Year	Population
2024	29,375
2034	34,023
Buildout	34,023



2024-2034 STUDY UPDATE



CAPITAL IMPROVEMENT PLAN (CIP)

- Proposed infrastructure improvements over 10-year horizon
- Existing (e.g., Recovery) projects can also be included, if they have capacity remaining to support new growth
- Eligible Project Costs:
 - Construction
 - Right-of-Way/Easements
 - Engineering/Professional Services
 - Debt service (assumed 4% interest rate)

IMPACT FEE CALCULATIONS

- Calculated Impact Fee = Utilized CIP Cost / Projected 10-Year Growth
- Per Chapter 395 LGC, Maximum Allowable Impact Fee is 50% of the Calculated Impact Fee Amount

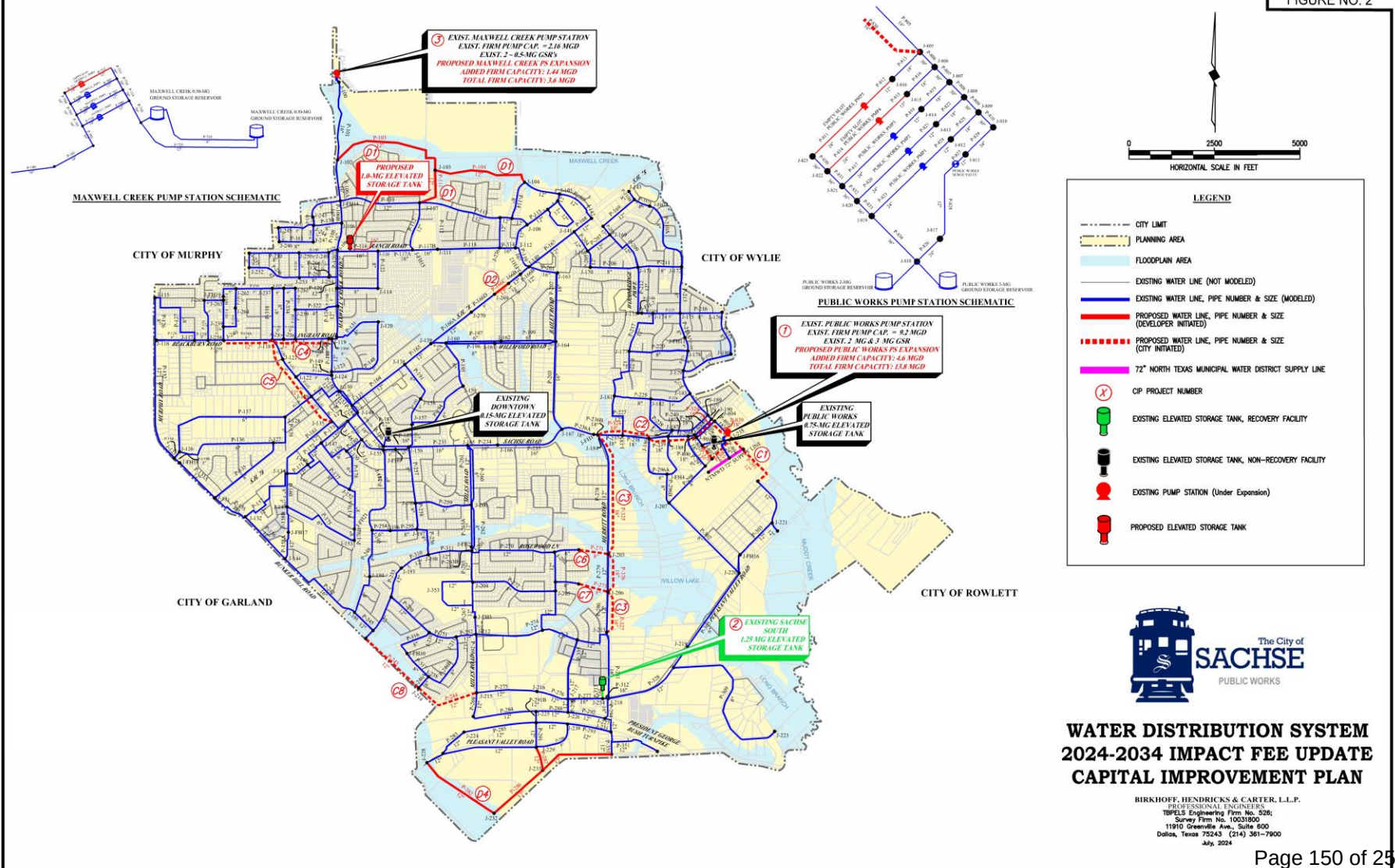
2024-2034 STUDY UPDATE

WATER DISTRIBUTION SYSTEM CIP



The City of
SACHSE

FIGURE NO. 2



2024-2034 STUDY UPDATE



WATER CIP COST SUMMARY

Water Distribution System	Total Capital Cost	Total 20-Year Project Cost	Utilized Capacity During Fee Period
Existing Water Facilities	\$ 3,549,981	\$ 5,040,973	\$ 504,097
Existing Water System Subtotal:	\$ 3,549,981	\$ 5,040,973	\$ 504,097
Proposed Water Lines	\$ 7,211,358	\$ 10,240,128	\$ 5,972,314
Proposed Water Facilities	\$ 11,101,700	\$ 15,764,414	\$ 9,479,007
Impact Fee Expenses	\$ 18,687	\$ 18,687	\$ 18,687
Proposed Water System Subtotal:	\$ 18,331,745	\$ 26,023,229	\$ 15,470,008
TOTAL:	\$ 21,881,726	\$ 31,064,202	\$ 15,974,105

2024-2034 STUDY UPDATE



WATER IMPACT FEE CALCULATION

Maximum Water Impact Fee =	Eligible Existing Utilized Cost + Eligible Proposed Utilized Cost		
	Number of New Living Unit Equivalent over the Next 10 Years		
	=	$\frac{504,097}{1,885} + \frac{15,470,008}{1,885}$	$\frac{\$15,974,105}{1,885}$

Maximum Calculated Impact Fee = \$ 8,474.33

Allowable Maximum Water Impact Fee: (Max Impact Fee x 50%)* = \$4,237.17

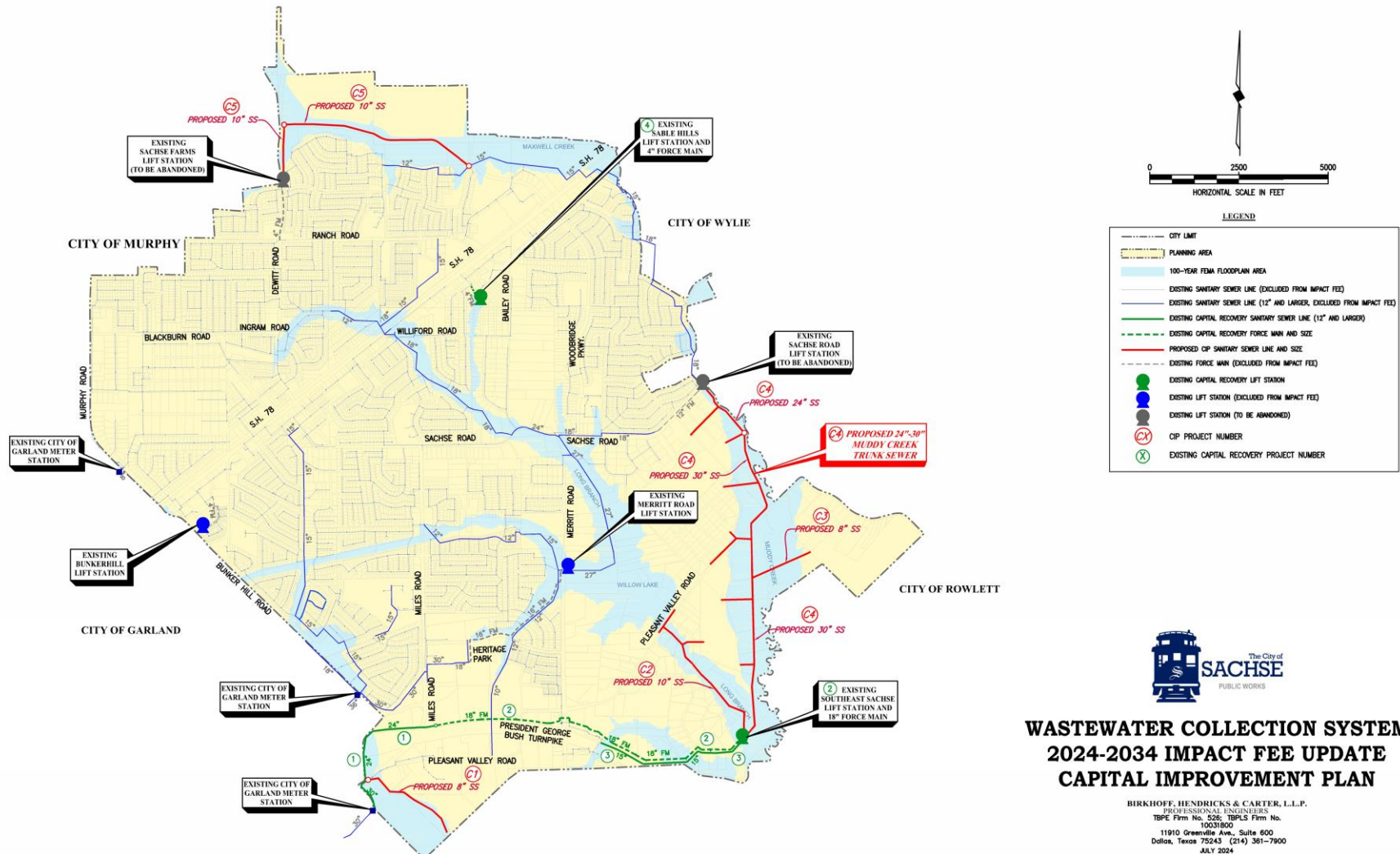
** - Maximum allowable impact fee is 50% of the maximum calculated impact fee per Chapter 395 LGC*

2024-2034 STUDY UPDATE

WASTEWATER COLLECTION SYSTEM CIP



FIGURE NO. 4



2024-2034 STUDY UPDATE



WASTEWATER CIP COST SUMMARY

Wastewater System	Total 20-Year Project Cost	Utilized Capacity Cost During Fee Period
Existing Wastewater Collection Lines	\$3,463,687	\$1,872,999
Existing Wastewater Facilities: Lift Stations	\$8,943,135	\$2,626,251
Existing Wastewater System Planning Expenses	\$18,687	\$18,687
Subtotal: Existing Wastewater System	\$12,425,509	\$4,517,937
Proposed Wastewater Collection Lines	\$9,341,686	\$6,153,260
Subtotal: Proposed Wastewater System	\$9,341,686	\$6,153,260
TOTAL:	\$21,767,195	\$10,671,197

2024-2034 STUDY UPDATE



WASTEWATER IMPACT FEE CALCULATION

$$\begin{aligned} \text{Maximum Wastewater Impact Fee} &= \frac{\text{Eligible Existing Utilized Cost} + \text{Eligible Proposed Utilized Cost}}{\text{Number of New Living Unit Equivalent over the Next 10 Years}} \\ &= \frac{\$4,517,937}{1,885} + \frac{\$6,153,260}{1,885} = \frac{\$10,671,197}{1,885} \end{aligned}$$

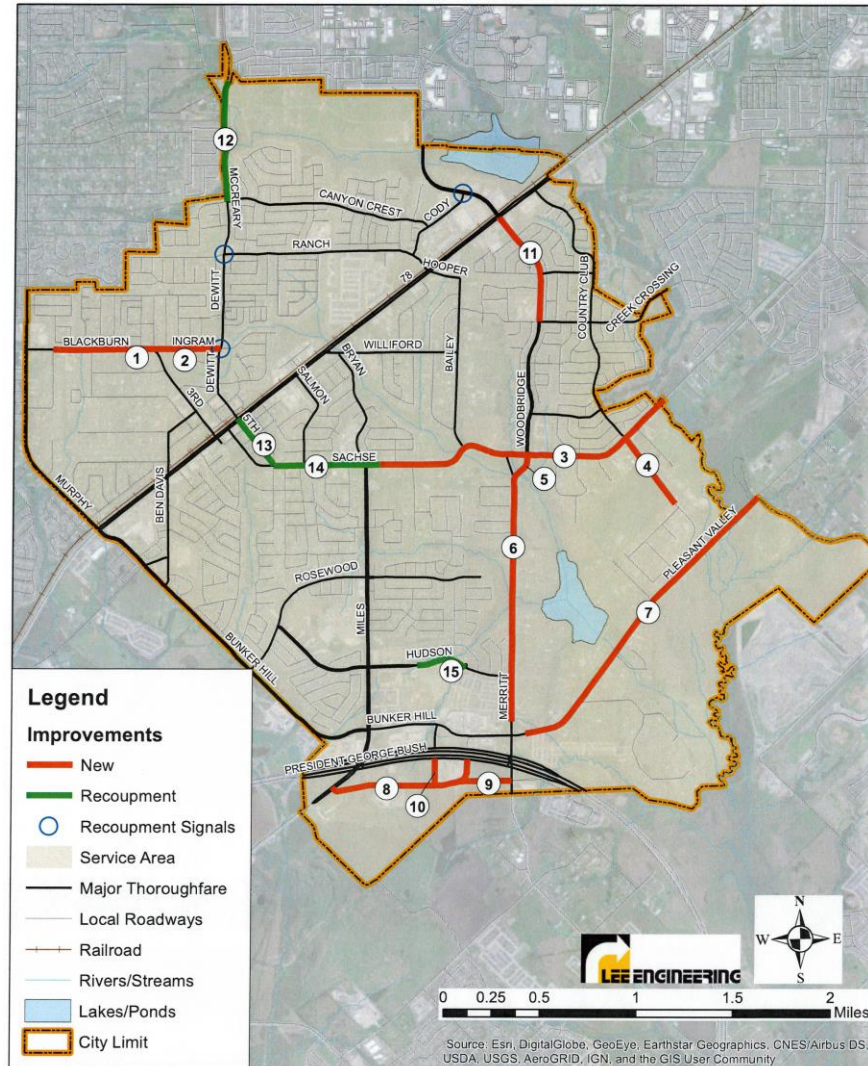
$$\text{Maximum Calculated Impact Fee} = \underline{\underline{\$ 5,661.11}}$$

$$\text{Allowable Maximum Wastewater Impact Fee: (Max Impact Fee x 50%)}^* = \underline{\underline{\$2,830.56}}$$

* - Maximum allowable impact fee is 50% of the maximum calculated impact fee per Chapter 395 LGC

2024-2034 STUDY UPDATE

ROADWAY SYSTEM CIP



2024-2034 STUDY UPDATE



ROADWAY CIP COST SUMMARY

ARTERIAL	PROJECT	PROJECT	TOTAL COST	COST OF	TOTAL PROJECT
	NUMBER	DESCRIPTION	W/O INTEREST	INTEREST	COST
Blackburn Road	1	Build a 4-lane divided section	\$ 3,880,000	\$ 1,629,600	\$ 5,509,600.00
Ingram Road	2	Build a 4-lane divided section	\$ 2,610,000	\$ 1,096,200	\$ 3,706,200.00
Sachse Road	3	Build a 4-lane divided section	\$ 12,170,000	\$ 5,111,400	\$ 17,281,400.00
Proposed Country Club Drive	4	Build a 3-lane undivided section	\$ 2,650,000	\$ 1,113,000	\$ 3,763,000.00
Proposed Merritt Road	5	Build a 4-lane divided section	\$ 1,520,000	\$ 638,400	\$ 2,158,400.00
Merritt Road	6	Build a 4-lane divided section	\$ 10,190,000	\$ 4,279,800	\$ 14,469,800.00
Pleasant Valley Road	7	Build a 4-lane divided section	\$ 14,180,000	\$ 5,955,600	\$ 20,135,600.00
Pleasant Valley Road	8	Build 3-lane undivided section	\$ 4,790,000	\$ 2,011,800	\$ 6,801,800.00
Proposed Minor Collector	9	Build a 3-lane undivided section	\$ 1,750,000	\$ 735,000	\$ 2,485,000.00
Nash Boulevard	10	Build a 3-lane undivided section	\$ 910,000	\$ 382,200	\$ 1,292,200.00
Woodbridge Parkway	11	Traffic control improvements	\$ 2,600,000	\$ 1,092,000	\$ 3,692,000.00
Grand Total:			\$ 57,250,000	\$ 24,045,000	\$ 81,295,000

2024-2034 STUDY UPDATE



ROADWAY RECOUPMENT COST SUMMARY (PREVIOUS CIP PROJECTS WHICH HAVE BEEN COMPLETED)

ARTERIAL	PROJECT	PROJECT	TOTAL PROJECT
	NUMBER	DESCRIPTION	COST
Maxwell Creek Road	12	Built 2-lanes of 4-lane divided	\$ 639,234
5th Street	13	Built a 4-lane undivided section	\$ 3,100,000
Sachse Road	14	Built a 4-lane divided section and roundabout at W Creek Ln	\$ 6,518,633
Hudson Drive	15	Built 2-lanes of 4-lane undivided	\$ 2,113,483
	16	3 Traffic Signals Constructed (Ingram/Dewitt, Ranch/Dewitt, Cody/Woodbridge)	\$ 1,062,343
Grand Total:			\$ 12,371,350

2024-2034 STUDY UPDATE



10-YEAR LAND USE ASSUMPTIONS

Service Area		Land Use	Residential	Office	Retail	Industrial	Public/ Institutional	Parks/ Open Space
		Unit	Dwelling Units	1,000 SF	1,000 SF	Acres	Acres	Acres
1	Year	2024	9,691	1,037	1,563	12	239	677
		2034	11,918	2,617	3,941	27	265	677
		Ultimate	11,918	2,617	3,941	27	265	677

2024-2034 STUDY UPDATE



SERVICE UNIT

- PM Peak Hour Vehicle-Mile
 - ITE *Trip Generation Manual*, 11th Edition
 - Workplace Travel Survey
- Service Units
 - Developed for each land use identified in “Land Use Assumptions for Impact Fees”

	Variable	PM Peak Trips (vehicles)	Trip Length (miles)	Vehicle-Miles
Residential	Dwelling Unit	0.94	3.0	2.82
Office	1,000 ft ²	1.44	3.0	4.32
Commercial / Retail	1,000 ft ²	3.71	3.0	11.13
Industrial	1,000 ft ²	0.99	3.0	2.97
Public / Institutional	1,000 ft ²	1.21	3.0	3.63
Parks / Open Space	Acre	13.08	3.0	39.24

2024-2034 STUDY UPDATE



PORTION OF CIP TO SERVE 10-YEAR GROWTH

Service Area	Existing		Year 2024 – 2034			Year 2034 - Ultimate	
	Vehicle - Miles 2024	Portion of Ultimate Vehicle – Miles	2034 Total Vehicle Miles	Vehicle - Miles Added 2024 – 2034	Portion of Ultimate Vehicle - Miles	Ultimate Vehicle - Miles	Vehicle - Miles Added 2034 - Ultimate
1	90,697	63.8%	142,248	51,551	36.2%	142,248	0
Total	90,697	63.8%	142,248	51,551	36.2%	142,248	0

Service Area	Service Area CIP	Portion of Capacity of Thoroughfare Attributed to Growth (2024-2034)	Cost of Thoroughfare Attributed to Growth (2024- 2034)
1	\$93,666,349.75	36.2%	\$33,907,218.61
Totals	\$93,666,349.75		\$33,907,218.61

2024-2034 STUDY UPDATE



MAXIMUM ROADWAY IMPACT FEE BY SERVICE AREA

Service Area 1

Calculated Roadway Impact Fee	=	$\frac{\text{Eligible Thoroughfare Cost Attributed Growth}}{\text{Total Growth in Equivalent Service Units}}$			
	=	$\frac{\$33,907,218.61}{51,551}$			
	=	\$657.74	Use:	\$657	
Maximum Roadway Impact Fee Allowed:		\$657	x	50%	= \$328.50

2024-2034 STUDY UPDATE



SAMPLE FEE BY LAND USE

SINGLE-FAMILY DWELLING UNIT

Vehicle-miles per Single-Family Dwelling Unit (0.94 Vehicles) x (3.0 Miles)	=	2.82	Vehicle-Miles
Maximum Roadway Impact Fee	=	\$328.50	/Vehicle-Mile
(2.82 vehicle miles) x (\$328.50/vehicle-mile)	=	<u>\$926.37</u>	Per Dwelling Unit

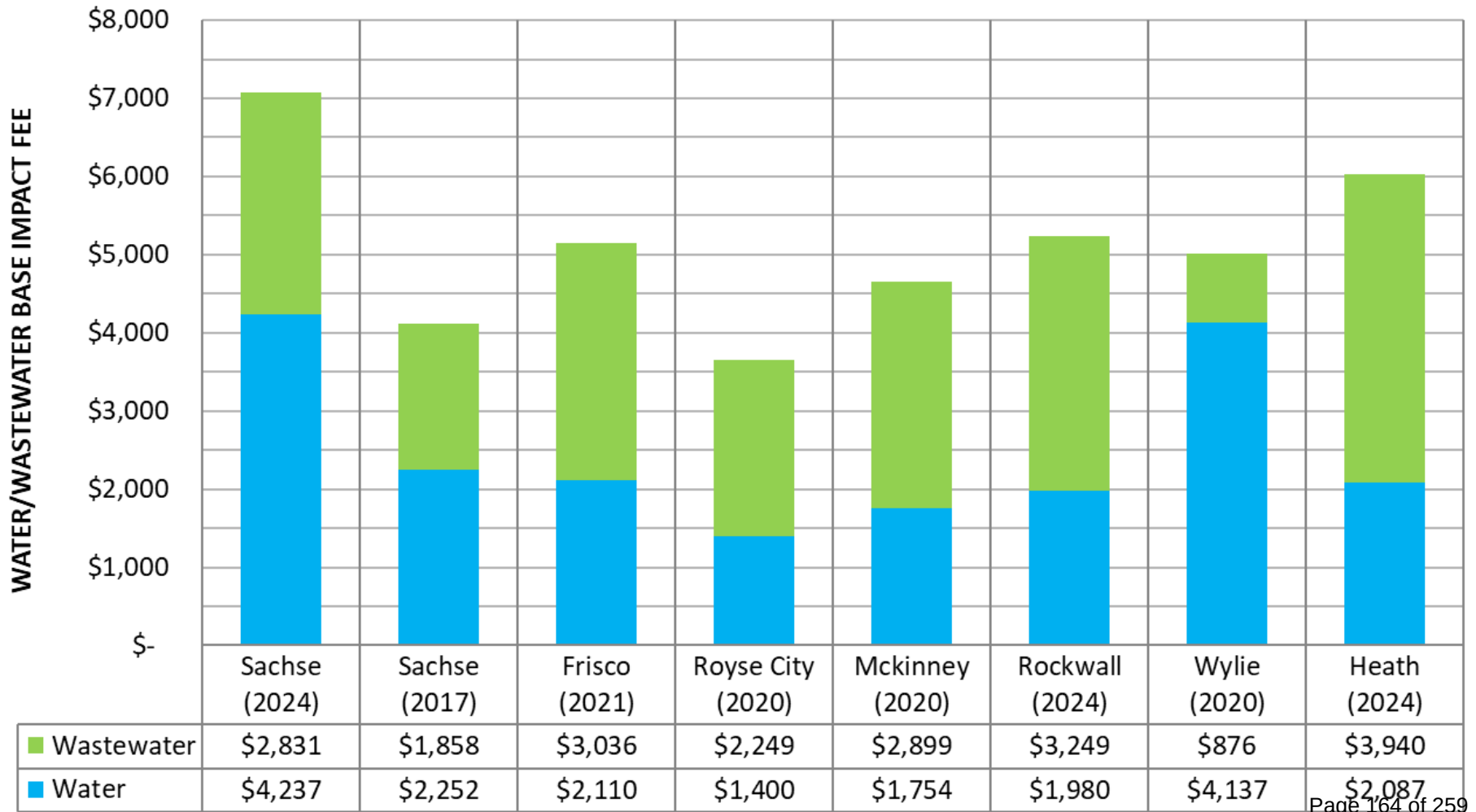
SHOPPING CENTER (>150 SF)

Vehicle-miles per 1,000 SF for Shopping Center (3.40 Vehicles) x (3.0 Miles) x (0.71 Non-Pass-by Rate)	=	7.24	Vehicle-Miles
Maximum Roadway Impact Fee	=	\$328.50	/Vehicle-Mile
(7.24 vehicle miles) x (\$328.50/vehicle-mile)	=	<u>\$2,378.34</u>	Per 1,000 SF

BENCHMARKING



SACHSE 2024 WATER & WASTEWATER IMPACT FEE UPDATE BENCHMARK COMPARISON OF CALCULATED IMPACT FEE RATES



BENCHMARKING



ROADWAY IMPACT FEES

City	Single Family	Restaurant w/ Drive Through**	Medical Office**	Shopping Center**
Sachse - Proposed	\$926.37	\$35,152.80	\$108,405.00	\$306,819.00
Allen*	\$1,147.91	\$34,471.94	\$136,705.10	\$360,991.00
Colleyville*	\$7,106.50	\$247,963.50	\$745,080.00	\$1,263,300.00
Fairview	\$2,525.00	\$76,717.26	\$319,023.90	\$344,223.00
Flower Mound*	\$12,330.32	\$351,299.62	\$1,299,640.80	\$1,789,802.67
Frisco*	\$2,760.75	\$112,374.75	\$415,740.00	\$572,550.00
Lucas	\$1,421.28	\$53,933.04	\$178,264.80	\$364,896.00
McKinney*	\$2,733.92	\$17,090.31	\$117,150.00	\$274,923.08
Prosper*	\$5,321.00	\$130,026.00	\$314,085.00	\$436,200.00
Southlake*	\$1,966.00	\$43,339.50	\$157,916.25	\$290,850.00
Wylie	\$1,345.41	\$53,272.80	\$141,064.20	\$341,562.00

*Note: Where a city has multiple services areas, the average fee of all areas was used

**Assumptions: 3,000 SF Fast Food Restaurant; 30,000 SF Medical Office; 100,000 SF Shopping Center

NEXT STEPS



SCHEDULE OF MEETINGS AND ACTIONS

CIAC Meeting	City Council Meeting	Meeting/Action	Agenda and/or Action Required
Monday Aug. 26, 2024		CIAC Meeting #1	Impact Fee 101 & 1 st Review of LUA, CIP & Water, Wastewater & Roadway Impact Fees
Monday September 9, 2024		CIAC Meeting #2	2 nd Review of LUA, CIP & Water, Wastewater & Roadway Impact Fees
	Monday Sept. 16, 2024	City Council	I. Resolution Establishing: Date of Nov. 4, 2024, for Public Hearing on LUA, CIP & Amendment of Impact Fees
	Monday Nov. 4, 2024	City Council Public Hearing	I. Public Hearing: LUA, CIP, & Amendment of Water, Wastewater & Roadway Impact Fees II. Resolution Adopting:¹ Approval of Amended Water, Wastewater & Roadway Impact Fees, or table until no later than December 2, 2024

Notes:

1. Amendment to Impact Fee must be approved or disapproved within 30 days of Public Hearing.



The City of
SACHSE

2024-2034 Water, Wastewater & Roadway Impact Fee Update

QUESTIONS AND DISCUSSION



BIRKHOFF, HENDRICKS & CARTER, L.L.P.
PROFESSIONAL ENGINEERS
DALLAS, TEXAS



September 16, 2024

**City Council
Presentation #1**

Page 167 of 259

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, DALLAS COUNTY, TEXAS, SETTING A DATE FOR A PUBLIC HEARING TO DISCUSS AND REVIEW UPDATES TO THE CITY'S LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS PLAN, AND IMPACT FEES; AND TO APPROVE ANY AMENDMENTS TO THE LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENT PLAN AND IMPACT FEES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Sachse previously adopted land use assumptions and capital improvements plan and imposes impact fees based on said assumptions and plan, in accordance with Chapter 395 of the Texas Local Government Code, as amended; and,

WHEREAS, Texas Local Government Code §395.052 requires that a city imposing an impact fee update its land use assumptions and capital improvement plan at least every five years; and,

WHEREAS, the City Council has received at update of the land use assumptions and the capital improvement plan and desires to establish and set November 4, 2024, at 6:30 p.m. as the date and time for a public hearing to discuss and review the proposed updates to the land use assumptions and the capital improvement plan for impact fees and the amount of any proposed amended impact fee per service unit, as well as the approval of any amendments to the land use assumptions, capital improvement plan, and impact fees per service unit; and,

WHEREAS, the City Council finds that the date established for the public hearing to discuss and review the proposed updates to the land use assumptions and capital improvement plan for impact fees, as well as the amount of any proposed amended impact fee per service unit, is within 60 days after the City Council received such updates.

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

SECTION 1. The City Council finds that the recitals set forth above are true and correct and are hereby incorporated herein.

SECTION 2. Pursuant to Texas Local Government Code §395.053, as amended, the City Council hereby (i) calls and sets November 4, 2024, at 6:30 p.m. as the date for the public hearing to discuss and review the updates to the land use assumptions and capital improvement plan, as well as proposed amendments to the impact fee per service unit, and to approve any amendments to the land use assumptions, capital improvement plan, and impact fees per service unit, and (ii) hereby ratifies and affirms prior actions of the City Manager and staff regarding the publication of notice of said public hearing prior to the date of this resolution as if such acts and the hearing date and time set forth herein had been approved prior to the date of publication of said notice.

SECTION 3. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse Texas, this the 16th day of September, 2024.

CITY OF SACHSE, TEXAS

Jeff Bickerstaff, Mayor

ATTEST:

Leah Granger, City Secretary
(09-10-2024: 4870-4549-3987, v. 1)

ENGINEERING EVALUATION REPORT FOR THE

WATER, WASTEWATER & ROADWAY 2024 - 2034 IMPACT FEE UPDATE

Submitted To:



Submitted By:

BIRKHOFF, HENDRICKS & CARTER, L.L.P.
*SPECIALIZING IN CIVIL ENGINEERING FOR
MUNICIPALITIES AND GOVERNMENTAL AGENCIES*
WATER & WASTEWATER IMPACT FEES
TBPE Firm No. 526

In Association With:

LEE ENGINEERING, L.L.C.
TRAFFIC ENGINEERS
ROADWAY IMPACT FEES
TBPE Firm No. 450

July 2024



CITY OF SACHSE, TEXAS
ENGINEERING EVALUATION FOR THE
WATER, WASTEWATER, & ROADWAY
2024 - 2034 IMPACT FEE UPDATE

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APPENDIX "A": WATER SYSTEM - UTILIZED CAPACITY TABLES

- (1) Existing Water Facilities
- (2) Existing Water Distribution Lines
- (3) Proposed CIP Water Lines
- (4) Proposed CIP Water Facilities

APPENDIX "B": WASTEWATER SYSTEM - UTILIZED CAPACITY TABLES

- (1) Existing Wastewater Facilities
- (2) Existing Wastewater Collection Lines
- (3) Proposed Wastewater Collection Line

CITY OF SACHSE 2024 REVIEW AND UPDATE OF THE WATER AND WASTEWATER IMPACT FEES

SECTION 1 - WATER & WASTEWATER IMPACT FEES

A. INTRODUCTION

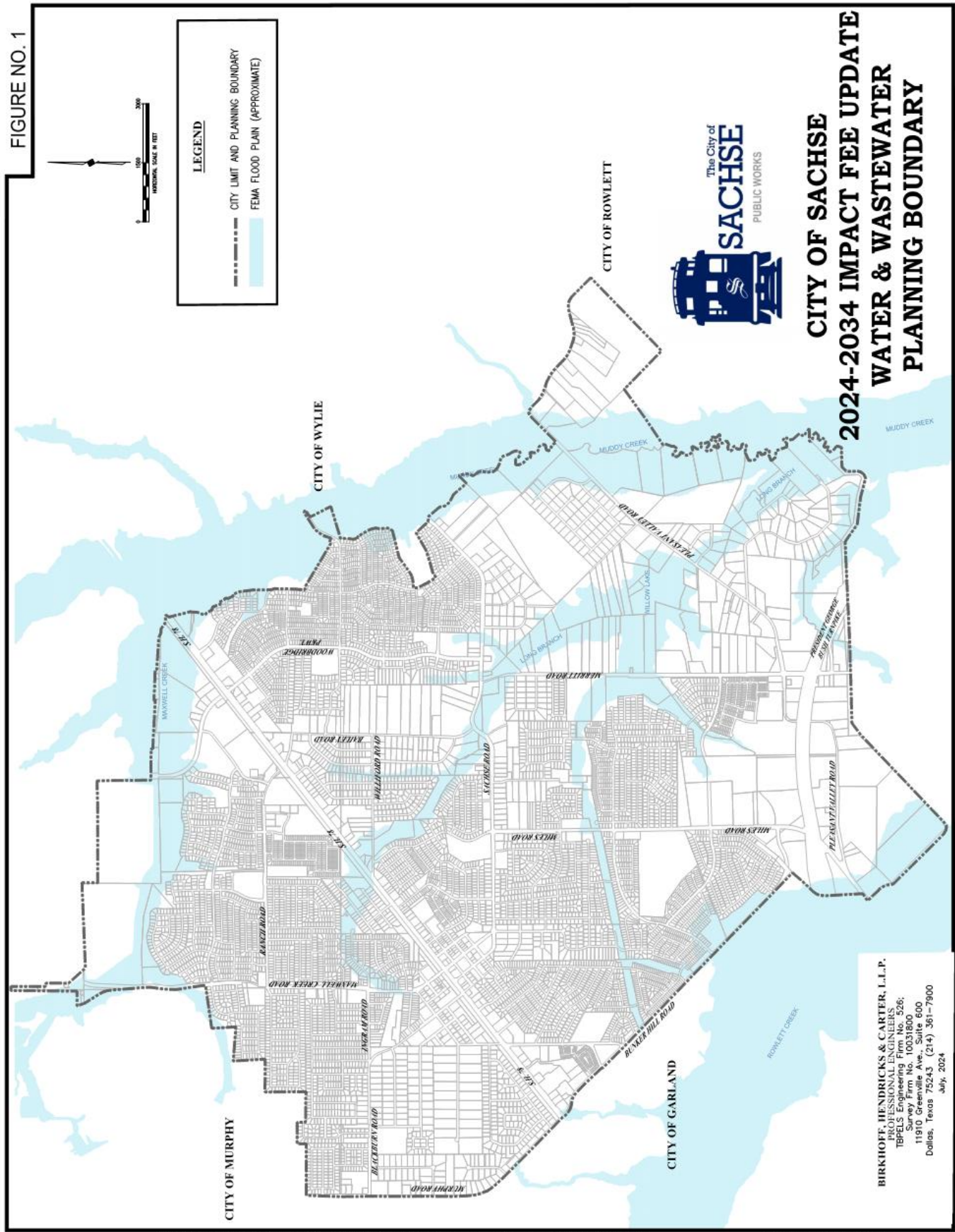
In accordance with the requirements of Chapter 395.052 of the Local Government Code, this report establishes the City of Sachse Capital Improvement Plan for water and wastewater impact fees and calculates the maximum allowable fee for each. Chapter 395.052, of the Local Government Code is an act that provides guidelines for financing capital improvements required by new development in municipalities, counties, and certain other local governments. Under Chapter 395, political subdivisions receive authorization to enact or impose impact fees on land that is located within their political subdivision's corporate boundaries or extraterritorial jurisdictions. No governmental entity or political subdivision can enact or impose an impact fee unless they receive specific authorization by state law or by Chapter 395.

An "Impact Fee" is a charge or assessment imposed by a political subdivision for new development within its service area in order to generate revenue for funding or recouping the costs of capital improvements of facility expansions necessitated by and attributable to the new development.¹ The City of Sachse Water and Wastewater Service Area (planning boundary) for Impact Fees includes all land within the current city limits. The planning boundary for Water and Wastewater Impact Fees are shown in Figure 1. The first step in determining an impact fee is preparation of land use and growth assumptions for the service area for the next ten years. That step has been completed as part of the City of Sachse water and wastewater master plan updates. Next, a Capital Improvements Plan must be created to describe the water and wastewater infrastructure that will be necessary to serve the anticipated land uses and growth. The following items can be included in the impact fee calculation:

- 1) A portion of the cost of the new infrastructure that is to be paid by the City, including engineering, property acquisition and construction cost.
- 2) Existing excess capacity in lines and facilities that will serve future growth, and which were paid for in whole by the City or in part by the City with or without Developer participation.
- 3) Interest and other finance charges on bonds issued by the City to cover its portion of the project cost. A bond interest rate of 4% is assumed for this analysis.

¹ P. 831, Texas Local Government Code, West's Texas Statutes and Codes, 1998 Edition.

Figure 1 – Planning Boundary



These items are summed, and the utilized capacity is calculated over the impact fee period. The maximum allowable impact fee per service unit may not exceed fifty percent of the calculated maximum amount of the total utilized capital improvement cost divided by the total number of new standard service units. This maximum allowable impact fee recovers a portion of the City's costs to construct facilities to serve the new developments and growth. However, the City may recover the maximum fee by crediting the portion of utility service revenue generated by new service units during the 10-year program period.

The City of Sachse originally adopted water and wastewater impact fees in 2012. The subsequent review and analysis of water and wastewater impact fees completed in 2017 resulted in no changes to the originally adopted impact fee amounts. The current imposed water and wastewater impact fees are summarized below:

	Impact Fees Imposed Per Service Unit (5/8" Meter Size)
Water	\$2,521.69
Wastewater	\$1,857.68

Chapter 395 requires that an update of the land use assumptions, capital improvement plan, and impact fees be performed every five years, unless it is determined by the political subdivision after a review that such an update is not necessary.

This document constitutes the 2024 update of the City's water and wastewater Capital Improvements Plans (CIP), and the resulting revision of the maximum allowable impact fees. As required by state law, the study period is a ten-year period with 2024 as the base year. The engineering analysis of the water and wastewater systems is based on established land use in year 2024 and on projected land uses in the year 2034 and at Buildout. Those land uses determine the utilization of the existing and proposed infrastructure. The engineering analysis portion of the City of Sachse, 2024 Impact Fee Update determines utilized capacity cost of the water distribution and wastewater collection systems between the year 2024 and 2034.

B. WATER & WASTEWATER IMPACT FEE GLOSSARY

1. Advisory Committee means the capital improvements advisory committee established by the City for purposes of reviewing and making recommendations to the City Council on adoption of the City's impact fee program.
2. Area-Related Facility means a capital improvement or facility expansion which is designated in the impact fee capital improvements plan and which is not a site-related facility. Area-Related Facility may include capital improvements that are located off-site, or within or on the perimeter of the development site.
3. Assessment means the determination of the amount of the maximum impact fee per service unit that can be imposed on new development.
4. Capital Improvement means either a water facility or a wastewater facility with a life expectancy of three or more years, to be owned and operated by or on behalf of the City.
5. City means the City of Sachse, Texas.
6. Credit means the amount of the reduction of an impact fee due, determined under this ordinance or pursuant to administrative guidelines that is equal to the value of area-related facilities provided by a property owner pursuant to the City's subdivision or zoning regulations or requirements, for the same type of facility.
7. Debt Service means the 20-year financing costs of projects applied to all eligible existing and proposed water and wastewater facilities.
8. Facility Expansion means either a water facility expansion or a sewer facility expansion.
9. Impact Fee means either a fee for water facilities or a fee for wastewater facilities, imposed on new development by the City pursuant to Chapter 395 of the Texas Local Government Code in order to generate revenue to fund or recoup the costs of capital improvements or facility expansion necessitated by and attributable to such new development. Impact fees do not include the dedication of rights-of-way or easements for such facilities, or the construction of such improvements, imposed pursuant to the City's zoning or subdivision regulations.

10. Impact Fee Capital Improvements Plan means either a water capital improvements plan or a wastewater capital improvement plan adopted or revised pursuant to the impact fee regulations.
11. Land Use Assumptions means the projections of population and growth, and associated changes in land uses, densities and intensities over at least a ten-year period, as adopted by the City and as may be amended from time to time, upon which the capital improvements plans are based.
12. Land Use Equivalency Table means a table converting the demands for capital improvements generated by various land uses to numbers of service units, as may be amended from time to time.
13. New Development means the subdivision of land; the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure; or any use or extension of the use of land; any of which increases the number of service units.
14. Recoupment means the imposition of an impact fee to reimburse the City for capital improvements that the City had previously oversized to serve new development.
15. Service Area means either a water service area or wastewater service area which impact fees for capital improvements or facility expansion will be collected for new development occurring within such area, and within which fees so collected will be expended for those types of improvements or expansions identified in the type of capital improvements plan applicable to the service area.
16. Service Unit means the applicable standard units of measure shown on the land use equivalency table in the Impact Fees Capital Improvements Plan that can be converted to water meter equivalents, for water or for wastewater facilities, which serves as the standardized measure of consumption, use or generation attributable to the new unit of development.
17. Site-Related Facility means an improvement or facility which is for the primary use or benefit of a new development, and/or which is for the primary purpose of safe and adequate provision

of water or wastewater facilities to serve the new development, and which is not included in the impact fees capital improvements plan and for which the property owner is solely responsible under subdivision or other applicable development regulations.

18. Utility Connection means installation of a water meter for connecting a new development to the City's water system, or connection to the City's wastewater system.
19. Wastewater Facility means a wastewater interceptor or main, lift station or other facility included within and comprising an integral component of the City's collection system for wastewater. Wastewater facility includes land, easements or structure associated with such facilities. Wastewater facility excludes site-related facilities.
20. Wastewater Facility Expansion means the expansion of the capacity of any existing wastewater improvement for the purpose of serving new development, but does not include the repair, maintenance, modernization, or expansion of an existing sewer facility to serve existing development.
21. Wastewater Capital Improvements Plan means the adopted plan, as may be amended from time to time, which identifies the wastewater facilities or wastewater expansions and their associated costs which are necessitated by and which are attributable to new development, for a period not to exceed 10 years.
22. Water Facility means a water main, pump station, storage tank or other facility included within and comprising an integral component of the City's water storage or distribution system. Water facility includes CCN acquisition, land, easements or structures associated with such facilities. Water facility excludes site-related facilities.
23. Water Facility Expansion means the expansion of the capacity of any existing water facility for the purpose of serving new development, but does not include the repair, maintenance, modernization, or expansion of an existing water improvement to serve existing development.
24. Water Capital Improvements Plan means the adopted plan, as may be amended from time to time, which identifies the water facilities or water expansions and their associated costs which are necessitated by and which are attributable to new development, for a period not to exceed 10 years.

25. Water Meter means a device for measuring the flow of water to a development, whether for domestic or for irrigation purposes.

C. LAND USE ASSUMPTIONS SUMMARY

Under Chapter 395, of the Local Government Code, “Land Use Assumptions” includes a description of service area and projections of changes in land uses, densities, intensities, and population in the service area for a minimum of a 10-year period.

The Land Use Assumptions used in this update were prepared based on the City's future land use plan, with modifications applied where applicable based on input provided by City Staff. The Land Use Assumptions for the 2024 Impact Fee Update were utilized to establish the Land Use Summary for the water and wastewater systems in Table 1. The 10-Year growth projection was calculated using a compounded average annual growth rate of approximately 1.4% and it is assumed that ultimate population (Buildout) will occur by the end of the 10-year planning period (year 2034).

TABLE NO. 1
LAND USE SUMMARY

Year	Population
2024	29,375
2034	34,023
Buildout	34,023

D. DEFINITION OF A SERVICE UNIT – WATER AND WASTEWATER

Chapter 395 of the Local Government Code requires that impact fees be based on a defined service unit. A “service unit” means a standardized measure of consumption, use generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards. This impact fee defines a water and wastewater service unit to be a 5/8-inch water meter and has referred to this service unit as a Single Family Living Unit Equivalent (SFLUE). The SFLUE is based on the continuous duty capacity of a 5/8-inch water meter. This is the City of Sachse’s typical meter used for a single family detached dwelling, and therefore is considered to be equivalent to one “living unit”. Other meter sizes can be compared to the 5/8-inch meter through a ratio of water flows as published by the American Water Works Association as shown in Table No. 2 below. This same ratio is then used to determine the proportional water and wastewater impact fee amount for each water meter size.

TABLE NO. 2
LIVING UNIT EQUIVALENCIES
FOR VARIOUS TYPES AND SIZES OF WATER METERS

Meter Type	Meter Size	LUE (Ratio to 5/8" x 3/4" Meter)
Simple	5/8" x 3/4"	1
Simple	3/4"	1.5
Simple	1"	2.5
Simple	1-1/2"	5
Simple	2"	8
Compound	2"	8
Turbine	2"	16
Compound	3"	16
Turbine	3"	35
Compound	4"	25
Turbine	4"	65
Compound	6"	50
Turbine	6"	140
Compound	8"	80
Turbine	8"	240
Compound	10"	115
Turbine	10"	350
Turbine	12"	440

Source: AWWA Standard C700 (2002) - C702 (2001)

E. CALCULATION OF WATER & WASTEWATER – LIVING UNIT EQUIVALENTS

The City provided a table of existing water meters categorized by size. Based on the information provided, there are 10,123 water meters serving the City's existing population of 29,375 residents and businesses in the City's service area. Table No. 3 shows the number of existing water meters, the factor for living units per meter size, and the new living unit equivalents (LUE's) calculated for each water meter size in the 10-year period based on projected population growth.

TABLE NO. 3
WATER AND WASTEWATER LIVING UNIT EQUIVALENTS BY METER SIZE

Meter Size	2024			2034			New Living Units During Impact Fee Period
	Meter Count	Living Units per Meter	Total Living Units	Meter Count	Living Units per Meter	Total Living Units	
5/8" x 3/4"	9,468	1.00	9,468	10,824	1.00	10,823	1,355
1"	340	2.50	850	389	2.50	971	121
1½"	85	5.00	425	97	5.00	485	60
2"	183	8.00	1,464	209	8.00	1,673	209
3"	34	16.00	544	39	16.00	621	77
4"	8	25.00	200	9	25.00	228	28
6"	5	50.00	250	6	50.00	285	35
8"	0	80.00	0	0	80.00	0	0
10"	0	350.00	0	0	350.00	0	0
Totals:	10,123		13,201	11,572		15,086	1,885

F. WATER DISTRIBUTION SYSTEM

Hydraulic models of the City's water system were updated to reflect recently constructed projects and future projects associated with buildout development conditions. The models were loaded based on residential population projections shown in Table 1, and the future non-residential land use growth as shown by the City's future land use plan. Model loads were assigned for employment projections in a similar manner. These modeled facilities include major distribution lines, pump stations, ground storage reservoirs and elevated storage tanks.

The models were run for a 72-hour Extended Period Simulation to ensure proper sizing of the distribution lines and facilities to meet peak demand periods.

1) Existing Pump Stations, Ground Storage Reservoirs & Elevated Storage Tanks

The existing water distribution system includes the facilities as shown below:

TABLE NO. 4
EXISTING PUMP STATIONS & GROUND STORAGE

Pump Station	Number of Pumps	Firm Capacity (Largest Pump on Standby) (MGD)	Number of Ground Storage Reservoirs	Total Ground Storage Available (MG)
Maxwell Creek Pump Station	3	2.16	2	1.0
Public Works Pump Station	3	9.20	2	5.0
Total:	6	11.36	4	6.0

TABLE NO. 5
WATER DISTRIBUTION SYSTEM -- EXISTING ELEVATED STORAGE

Elevated Storage Tanks	Capacity (MG)
Sachse South Elevated Storage Tank	1.25
Downtown Elevated Storage Tank	0.15
Public Works Elevated Storage Tank	0.75
Total:	2.15

The pump stations and ground storage facilities were analyzed based on the maximum daily water demand, while elevated storage tanks act dynamically and were therefore analyzed utilizing the difference between the maximum hourly demand and the maximum daily demand.

2) Water Distribution Lines

The water distribution lines consist of all lines within the service area planning boundary supplying water to customers in the City of Sachse. Water lines vary in size from 3/4-inch service lines to 18-inch and larger transmission lines. Unless a smaller diameter water line is expected to be constructed by the City, only those water lines larger than 8-inches in diameter were considered in the Impact Fee calculations. The capital cost of water distribution lines includes construction cost, appurtenances (water valves, fire hydrants, taps, etc.), utility relocations, purchase of easements and engineering costs. Actual costs were used for those existing projects where records were available and provided by the City. Financing cost is included for each project assuming a bond rate of 4.0% over a 20-year term.

City initiated water lines include the full cost of the proposed facility. Developer initiated water line projects which are 12-inches or less in diameter are not included in this Impact Fee analysis, as the cost for these size lines are the responsibility of the developer.

3) Existing Treated Water Supply

The City of Sachse currently receives treated water from the North Texas Municipal Water District (NTMWD). The cost of treated water supply is excluded from the impact fee calculations.

4) Capital Improvement Plan

The additions to the 2024 Water Distribution System, which are included in the Impact Fee study period, are shown in Figure 2 on the following page.

In order to meet the demands of the anticipated residential and non-residential growth over the next 10-years, certain water distribution system improvements are required. The Water System Capital Improvement Plan provided in Figure 2 shows the recommended water system improvements. Table No. 6 itemizes each project and the project cost.

Actual capital cost, including construction, engineering, and easements of the various elements of the existing water distribution was utilized where the information was known. The existing cost of facilities was determined from records provided by the City of Sachse. For proposed projects, an average unit cost in 2024 dollars has been estimated based on a limited survey of recently bid projects, plus an estimated cost for engineering and easements. These recommended improvements form the basis for the Water System Capital Improvement Plan and totals \$20,531,726. Adding the cost of financing brings the total Water System Capital Improvement Plan cost to \$29,147,202.

Figure 2: 2024-2034 Water Distribution System Improvements

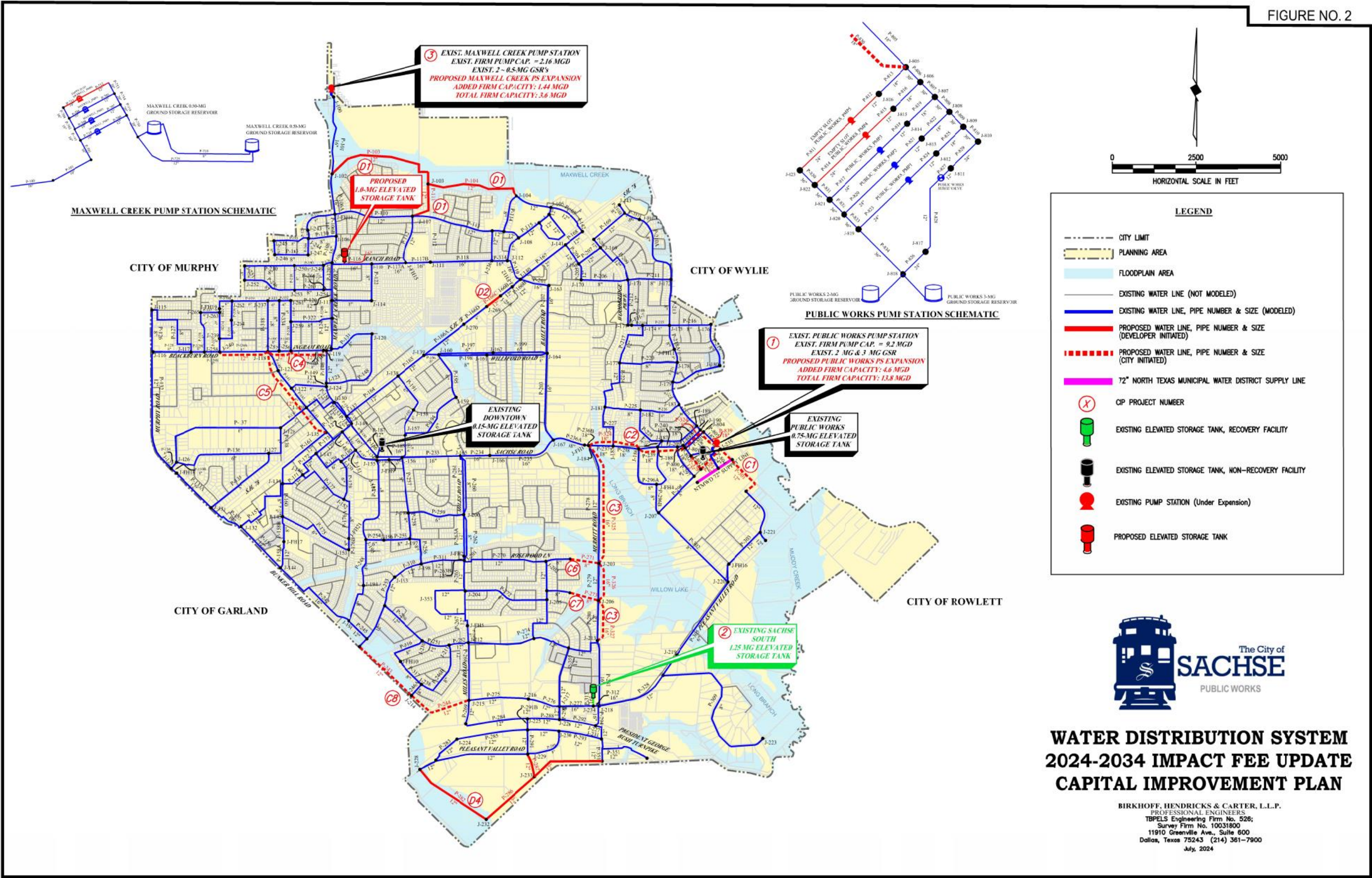


TABLE NO. 6
IMPACT FEE CAPITAL IMPROVEMENT PLAN

PROPOSED WATER LINES

Project No.	Project	Size	Opinion of Project Cost ⁽¹⁾	Debt Service ⁽²⁾	Total Project Cost
C1	Country Club Dr to Public Works 0.75MG EST 12-inch Water Line	12"	\$ 1,063,412	\$ 446,633	\$ 1,510,045
C2	Sachse Rd 18-inch Water Line (from Public Works Pump Station to Merrit Rd)	18"	\$ 1,540,153	\$ 646,864	\$ 2,187,017
C3	Merrit Road 16-inch Water Line (from Sachse Rd to Hudson Rd)	16"	\$ 1,445,368	\$ 607,055	\$ 2,052,423
C4	Blackburn Rd/ Ingram Rd 12-inch Water Line (from Oaklawn Dr to Dewitt Rd)	12"	\$ 983,197	\$ 412,943	\$ 1,396,139
C5	3rd Street 12-inch Water Line	12"	\$ 772,728	\$ 324,546	\$ 1,097,274
C6	Rosewood Lane to Merrit Road 8-inch Water Line	8"	\$ 175,000	\$ 73,500	\$ 248,500
C7	Kerley Lane to Merrit Road 8-inch Water Line	8"	\$ 179,000	\$ 75,180	\$ 254,180
C8	Bunker Hill Road 12-inch Water Line (from Concord Dr to Miles Rd)	12"	\$ 1,052,500	\$ 442,050	\$ 1,494,550
Subtotal: Proposed Water Lines			\$ 7,211,358	\$ 3,028,770	\$ 10,240,128

PROPOSED WATER FACILITIES

Project No.	Project	Added Capacity	Opinion of Project Cost ⁽¹⁾	Debt Service ⁽²⁾	Total Project Cost
9	Maxwell Creek Pump Station Expansion	3.6 MGD	\$ 5,101,700	\$ 2,142,714	\$ 7,244,414
10	Public Works Pump Station - Add New 4.6 MGD Pump	4.6 MGD	\$ 500,000	\$ 210,000	\$ 710,000
11	Proposed 1.0-MG Elevated Storage Tank	1.0 MG	\$ 5,500,000	\$ 2,310,000	\$ 7,810,000
Subtotal: Proposed Facilities			\$ 11,101,700	\$ 4,662,714	\$ 5,764,414

PLANNING EXPENSES

Project No.	Project	Opinion of Cost (1)(b)	Debt Service ⁽²⁾	Total Project Cost
	Water Impact Fee Update	\$ 18,687	\$ -	\$ 18,687
Subtotal, Planning Expenses:		\$ 18,687	\$ -	\$ 18,687
Water Distribution System CIP Grand Total:		\$ 18,331,745	\$ 7,691,484	\$ 26,023,229

Notes:

- (1) Opinion of Project Cost includes:
 - a) Engineer's Opinion of Construction Cost
 - b) Professional Services Fees (Survey, Engineering, Testing, Legal)
 - c) Cost of Easement or Land Acquisitions
- (2) Debt Service based on 20-year simple interest bonds at 4%

Utilized Capacity

Utilized capacity for the water distribution system was calculated based on the size of water line required for each model year (2024, 2034 and Buildout). The models of the water distribution system are based on the 72-hour extended period simulation (EPS). The raw water pump stations, the water treatment plants, and pump stations capacities are generally based on the average or maximum daily system demand, while transmission and distribution facilities are sized based on either the maximum hourly demand or the minimum hourly demand, whichever demand is greater for a particular water line. Often, the capacity of a water line is determined by the flows generated by the minimum hourly demand. The minimum hourly flows are usually higher in those lines which are used to refill elevated storage. Table No. 7 below shows the unit flow assumptions used for analysis of each element of the distribution system:

TABLE NO. 7
WATER DISTRIBUTION SYSTEM ANALYSIS
BASIS OF DEMAND CALCULATION

Type of Facilities	Demand Type	Impact Fee Per Capita Use
Pumping	Maximum Day	350 gallons/day per person
Distribution System	Maximum Hour	665 gallons/day per person
Ground Storage	Maximum Day x 6 Hours / 24 Hours / Day	
Elevated Storage	Maximum Hour (Distribution) –Maximum Day (Pumping) x 6 Hours / 24 Hours / Day	

For each line segment in the water distribution model, the Buildout flow rate in any given line was compared to the flow rate in the same line for the 2024 and the 2034 models. The utilized capacity was then calculated for each year based on the Buildout being 100 percent capacity. The utilized capacity during the Impact Fee period is the difference between the year 2024 percent utilized and the year 2034 percent utilized. The utilized capacity for each water distribution facility, both existing and proposed, is presented by the Impact Fee Capacity Calculation Tables provided in Appendix A. Table No. 8 summarizes the cost and the utilized capacity of the proposed water lines, pump stations, ground storage reservoirs and elevated storage facilities included, and the capital recovered in the impact fee period of 2024-2034. Table No. 8 also summarizes the cost and the utilized capacity for existing water facilities included in the capital recovery period.

TABLE NO. 8
SUMMARY OF ELIGIBLE CAPITAL COST & UTILIZED CAPACITY COST

Water System	Total Capital Cost (\$)	Total 20-Year Project Cost (\$)	Utilized Capacity During Fee Period (\$)
Existing Water Facilities	\$ 3,549,981	\$ 5,040,973	\$ 2,110,175
Existing Water System Subtotal:	\$ 3,549,981	\$ 5,040,973	\$ 2,110,175
Proposed Water Lines	\$ 7,211,358	\$ 10,240,128	\$ 6,540,959
Proposed Water Facilities	\$ 11,101,700	\$ 15,764,414	\$ 10,565,669
Impact Fee Expenses	\$ 18,687	\$ 18,687	\$ 18,687
Proposed Water System Subtotal:	\$ 18,331,745	\$ 26,023,229	\$ 17,125,315
TOTAL:	\$ 21,881,726	\$ 31,064,202	\$ 19,235,490

G. WASTEWATER COLLECTION SYSTEM

1) General

The wastewater collection system components in the impact fee analysis include existing and proposed trunk sewer lines, wastewater lift stations, and force mains. The City's wastewater is conveyed to and treated by the wastewater facilities at the City of Garland through metering stations. The wastewater treatment facilities are excluded from this impact fee update.

2) Wastewater Sub-Basins

A total of six (6) wastewater sub-basins were delineated within the wastewater planning area. These areas are typically defined by the natural topography, the existing wastewater collection system, major roads, and land uses. Figure 3 illustrates that general study area boundary and identifies the major wastewater collection sub-basins. Flows generated from these sub-basins reach the City of Garland's Rowlett Creek Wastewater Treatment Plant through three different meter stations located along the City's western planning boundary as shown by Figure 4 presented later in this report.

3) Collection Lines

The wastewater collection system analysis covered existing and proposed lift stations, force main, and collection lines 12-inches and larger in diameter. Generally, sanitary sewer line sizes 12-inches in diameter and smaller were omitted from the calculation of maximum impact fee, unless identified as a City-initiated and funded capital improvement project.

The wastewater project cost includes necessary appurtenances (manholes, aerial crossings, and the like), purchase of easements, utility relocation, pavement removal and replacement, and engineering costs. For existing Impact Fee projects, actual costs were utilized where known and provided by the City. Future project cost estimates were based on 2024 average unit cost per linear feet and includes engineering, easements, and construction cost. Financing cost is included for each project assuming a bond rate of 4.0% over a 20-year term.

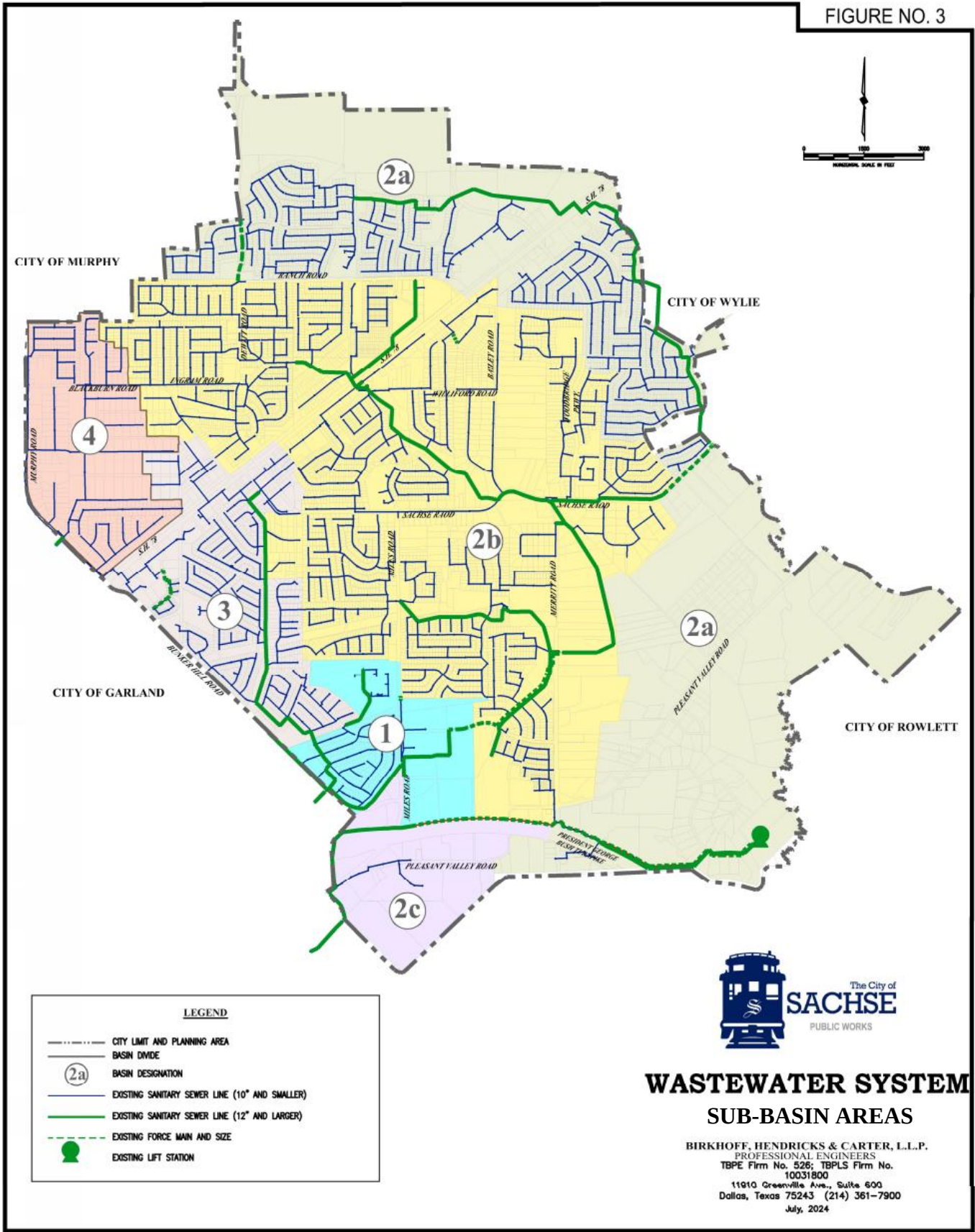
Unit cost for proposed sanitary sewer lines larger than 12-inches in diameter, are anticipated to be constructed by the City. City-initiated sanitary sewer lines include the full cost of the proposed improvements and are included in this Impact Fee analysis.

All eligible existing sanitary sewer lines within the study area that were paid for by the City and have capacity available were included in the Impact Fee Study. The eligible existing and proposed wastewater lines and facilities are shown on Figure 4.

4) Treatment

Wastewater collected and conveyed through the City of Sachse collection system is discharged through three City of Garland meter stations, where wastewater is further transported to the City of Garland's Rowlett Creek Wastewater Treatment Facility. The cost of wastewater treatment is excluded from the Impact Fee Study.

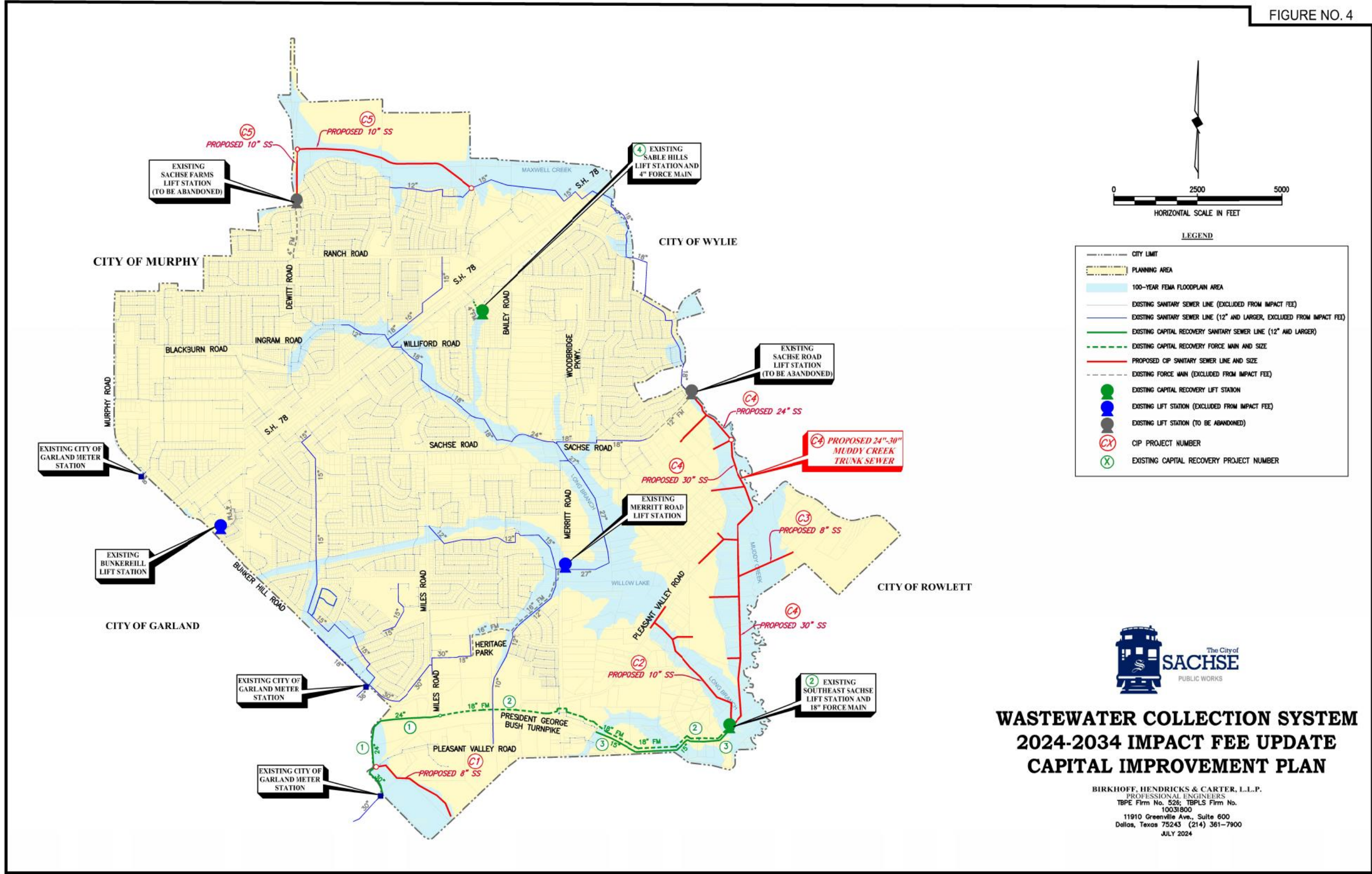
Figure 3 – Wastewater Collection Sub-Basins



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Figure 4: 2024-2034 Wastewater Collection System Capital Improvement Plan



REVISED: 7/16/24 - NPandey

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PLOT SCALE: 1:1

PLOT STYLE: ———

PLOTTED BY: Nabin Pandey ON 7/16/2024

TABLE NO. 9A
10-YEAR IMPACT FEE CAPITAL RECOVERY PLAN

Project I.D.	Project	Total Capital Cost ⁽¹⁾	Debt Service ⁽²⁾	Total 20-Year Project Cost
EXISTING WASTEWATER LIFT STATIONS				
2	Southeast Sachse Lift Station and 18" Force Main	\$5,161,583	\$2,434,383	\$7,595,966
4	Sable Hills Lift Station and 4" Force Main	\$915,423	\$431,746	\$1,347,169
	SUBTOTAL:	\$6,077,006	\$2,866,129	\$8,943,135
EXISTING WASTEWATER COLLECTION LINES				
1	Southeast Sachse Lift Station and 24"-30" Gravity Outfall	\$1,406,069	\$663,151	\$2,069,220
3	Eastview Drive - PGBT 15" Sanitary Sewer to Southeast Lift Station	\$947,563	\$446,904	\$1,394,467
	SUBTOTAL:	\$2,353,632	\$1,110,055	\$3,463,687
EXISTING WASTEWATER SYSTEM PLANNING EXPENSES				
	Wastewater System Impact Fee Update	\$18,687	\$0	\$18,687
	SUBTOTAL:	\$18,687	\$0	\$18,687
EXISTING WASTEWATER SYSTEM TOTAL:		\$8,449,325	\$3,976,184	\$12,425,509

TABLE NO. 9B
10-YEAR IMPACT FEE CAPITAL IMPROVEMENT PLAN

Project I.D.	Project	Total Capital Cost ⁽¹⁾	Debt Service ⁽²⁾	Total 20-Year Project Cost
PROPOSED WASTEWATER COLLECTION LINES				
C1	Miles Road Sanitary Sewer	\$378,200	\$178,372	\$556,572
C2	Southeast Willow Lake Sanitary Sewer lines	\$614,450	\$289,796	\$904,246
C3	Elm Grove Sanitary Sewer Extension	\$232,697	\$109,748	\$342,445
C4	Lower Muddy Creek 24-30" Trunk Sewer and Extensions	\$4,061,343	\$1,915,471	\$5,976,814
C5	Sachse Farm Lift Station Relief Sewer	\$1,061,139	\$500,470	\$1,561,609
	SUBTOTAL:	\$6,347,829	\$2,993,857	\$9,341,686
PROPOSED WASTEWATER SYSTEM TOTAL:		\$6,347,829	\$2,993,857	\$9,341,686

Notes:

1. Opinion of Cost includes:
 - a. Engineer's Opinion of Construction Cost
 - b. Professional Services Fees (Survey, Engineering, Testing, Legal)
 - c. Cost of Easement or Land Acquisitions
2. Debt Service based on 20-year simple interest bonds at 4.0%

5) Utilized Capacity

The utilized capacities for the wastewater collection system were calculated based on land absorption from the residential and non-residential population growth projections in accordance with the City's future land use plan. The land uses within each wastewater basins were assessed, and average daily flow rates were derived based on the design assumptions summarized in Table No. 10.

TABLE NO. 10
RESIDENTIAL AND NON-RESIDENTIAL DESIGN ASSUMPTIONS

Non-Residential Land Use	Average Daily Flow (gpad)	Residential Land Use	Dwelling Density (Units/Ac)	Population Density (People/Unit)	Average Daily flow per Capita (Gallons)
Comm/Retail	1,200	Low Density Residential	4.00	3.20	100
Turnpike Commercial	1,400	Estate Residential	0.80	3.40	100
Turnpike Mixed-Use	1,600	Turnpike Mixed-Use	8.00	1.50	80
Neighborhood Retail Mixed-Use	1,000	Neighborhood Retail Mixed-Use	4.00	1.70	80
Old Town Mixed-Use	1,200	Old Town Mixed-Use	4.00	1.50	80
Public	900	Medium Density Residential	7.00	2.50	80
Industrial	800	Single Family Urban Residential	4.00	2.00	80
		High Density Residential	20.00	2.00	80

Population for the years 2023, 2022 and 2021 were taken from population projections established by the North Central Texas Council of Governments (NCTCOG) and for year 2020 and 2010 population data was taken from Census data. For 2024 population calculations, lot counts were calculated based on units per acre in different Land Use Assumption areas and multiplied with the calculated population per unit value based on existing data to get the projected population. The growth rates were used to calculate 2034 and Buildout design flows for the boundary region.

Table No. 14 below summarizes the project cost and utilized cost over the impact fee period of 2024 – 2034 for each element of the wastewater system. The utilized capacity for each existing and proposed wastewater facility and collection line is presented in detail in the Wastewater Impact Fee Utilized Capacity Tables provided in Appendix “B”.

TABLE NO. 11
SUMMARY OF ELIGIBLE CAPITAL COST & UTILIZED CAPACITY COST

Wastewater System	Total 20-Year Project Cost	Utilized Capacity Cost During Fee Period
Existing Wastewater Collection Lines	\$3,463,687	\$1,872,999
Existing Wastewater Facilities: Lift Stations	\$8,943,135	\$2,626,251
Existing Wastewater System Planning Expenses	\$18,687	\$18,687
Subtotal: Existing Wastewater System	\$12,425,509	\$4,517,937
Proposed Wastewater Collection Lines	\$9,341,686	\$6,153,260
Subtotal: Proposed Wastewater System	\$9,341,686	\$6,153,260
TOTAL:	\$21,767,195	\$10,671,197

H. CALCULATION OF MAXIMUM IMPACT FEES - WATER & WASTEWATER SYSTEM

The maximum impact fees for the water and wastewater systems are calculated separately by dividing the cost of the capital improvements or facility expansions necessitated and attributable to new development in the service area within the ten-year period by the number of living units anticipated to be added to City within the ten year period as shown on Table No. 3. The calculations are shown below:

Maximum Water Impact Fee =	$\frac{\text{Eligible Existing Utilized Cost} + \text{Eligible Proposed Utilized Cost}}{\text{Number of New Living Unit Equivalent over the Next 10 Years}}$
	$= \frac{\$2,110,175}{1,885} + \frac{\$17,125,315}{1,885} = \frac{\$19,235,490}{1,885}$
Maximum Calculated Impact Fee =	<u>\$ 10,204.50</u>
Allowable Maximum Water Impact Fee: (Max Impact Fee x 50%)* =	<u>\$5,102.25</u>
* - Maximum allowable impact fee is 50% of the maximum calculated impact fee per Chapter 395 LGC	

Maximum Wastewater Impact Fee =	$\frac{\text{Eligible Existing Utilized Cost} + \text{Eligible Proposed Utilized Cost}}{\text{Number of New Living Unit Equivalent over the Next 10 Years}}$
	$= \frac{\$4,517,937}{1,885} + \frac{\$6,153,260}{1,885} = \frac{\$10,671,197}{1,885}$
Maximum Calculated Impact Fee =	<u>\$ 5,661.11</u>
Allowable Maximum Wastewater Impact Fee: (Max Impact Fee x 50%)* =	<u>\$2,830.56</u>
* - Maximum allowable impact fee is 50% of the maximum calculated impact fee per Chapter 395 LGC	

Based on the Maximum Impact Fee Calculation for Water and Wastewater, Table No. 12 calculates the maximum impact fee for the various sizes of water meters.

TABLE NO. 12
ALLOWABLE MAXIMUM IMPACT FEE PER
METER SIZE

Meter Type	Meter Size	LUE	Maximum Impact Fee		Total
			Water	Wastewater	
Simple	5/8" x 3/4"	1	\$5,102.25	\$2,830.56	\$7,932.81
Simple	3/4"	1.5	\$7,653.38	\$4,245.83	\$11,899.21
Simple	1"	2.5	\$12,755.63	\$7,076.39	\$19,832.01
Simple	1-1/2"	5	\$25,511.25	\$14,152.78	\$39,664.03
Simple	2"	8	\$40,818.00	\$22,644.44	\$63,462.44
Compound	2"	8	\$40,818.00	\$22,644.44	\$63,462.44
Turbine	2"	16	\$81,636.00	\$45,288.88	\$126,924.88
Compound	3"	16	\$81,636.00	\$45,288.88	\$126,924.88
Turbine	3"	35	\$178,578.75	\$99,069.43	\$277,648.18
Compound	4"	25	\$127,556.25	\$70,763.88	\$198,320.13
Turbine	4"	65	\$331,646.25	\$183,986.08	\$515,632.33
Compound	6"	50	\$255,112.50	\$141,527.75	\$396,640.25
Turbine	6"	140	\$714,315.00	\$396,277.70	\$1,110,592.70
Compound	8"	80	\$408,180.00	\$226,444.40	\$634,624.40
Turbine	8"	240	\$1,224,540.00	\$679,333.20	\$1,903,873.20
Compound	10"	115	\$586,758.75	\$325,513.83	\$912,272.58
Turbine	10"	350	\$1,785,787.50	\$990,694.25	\$2,776,481.75
Turbine	12"	440	\$2,244,990.00	\$1,245,444.20	\$3,490,434.20

CITY OF SACHSE

THOROUGHFARE CAPITAL IMPROVEMENT PLAN

ROADWAY IMPACT FEES

The first step in the development impact fee process is the development of a 10-year Capital Improvement Plan (CIP). This capital improvement plan includes projects intended for construction by the City of Sachse in the next 10 years to serve existing and future development.

Existing Facilities

The City of Sachse arterial and major collector street system is partially developed at this time. Several roadways in developed areas are partially built to current thoroughfare plan standards. Many existing streets are two-lane asphalt roadways with open surface drainage.

The existing Principal/Major Thoroughfares within the City include President George Bush Turnpike, State Highway 78 (SH 78), Woodbridge Parkway, Merritt Road, Sachse Road, Miles Road, Pleasant Valley Road, Bunker Hill Road, Murphy Road, Dewitt Road, Ranch Road, and Ingram Road/Blackburn Road. SH 78 is under the operation and maintenance jurisdiction of the Texas Department of Transportation (TxDOT). The President George Bush Turnpike is under the operation and maintenance jurisdiction of the North Texas Toll Authority (NTTA).

Proposed Facilities

The City of Sachse adopted an updated thoroughfare plan in 2017 that is the basis for development of the future street system. The thoroughfare system is a conventional network conforming to a hierarchical, functional classification system developed to support the forecast traffic demands of future land use.

The highest classification of roadway is the Principal Thoroughfare type facility, followed by the Minor Thoroughfare facilities. These roadways are generally multiple lanes – 4 lanes for Minor or 6 lanes for Principal Thoroughfares. These roadways also generally include medians that serve the function of controlling access, separating opposing traffic movements and providing an area for the storage of left turning vehicles. The lower classifications are the Collector facilities that are developed to serve the adjoining development. The character of the developments served should determine the sizes and alignments of collector roadways.

Capital Improvement Plan for Roadway Impact Fees

The thoroughfare facilities determined for inclusion in the Capital Improvement Plan of this study are tabulated in **Table 1A** and graphically illustrated in **Figure 1**. Each listed project includes a description of the planned improvements, the approximate project length, and an engineer's opinion of probable cost to the City. In addition, under existing State Statute, a municipalities' cost associated with TxDOT facilities can be financed with impact fees. All roadways included in the 2024 CIP are identified in the City of Sachse Thoroughfare Plan. **Table 1B** shows recoupment costs for projects completed as part of the previous CIPs with debt not retired. These recoupment projects are also illustrated in **Figure 1**.

The engineer's opinions of probable construction cost were prepared without the benefit of a detailed preliminary engineering study for each project. The costs are based on data provided by the City of Sachse and on recent roadway project construction bids. Financing costs for the projects in the thoroughfare CIP were also included in the total estimated cost and the interest rate of 5% was provided by the City of Sachse.

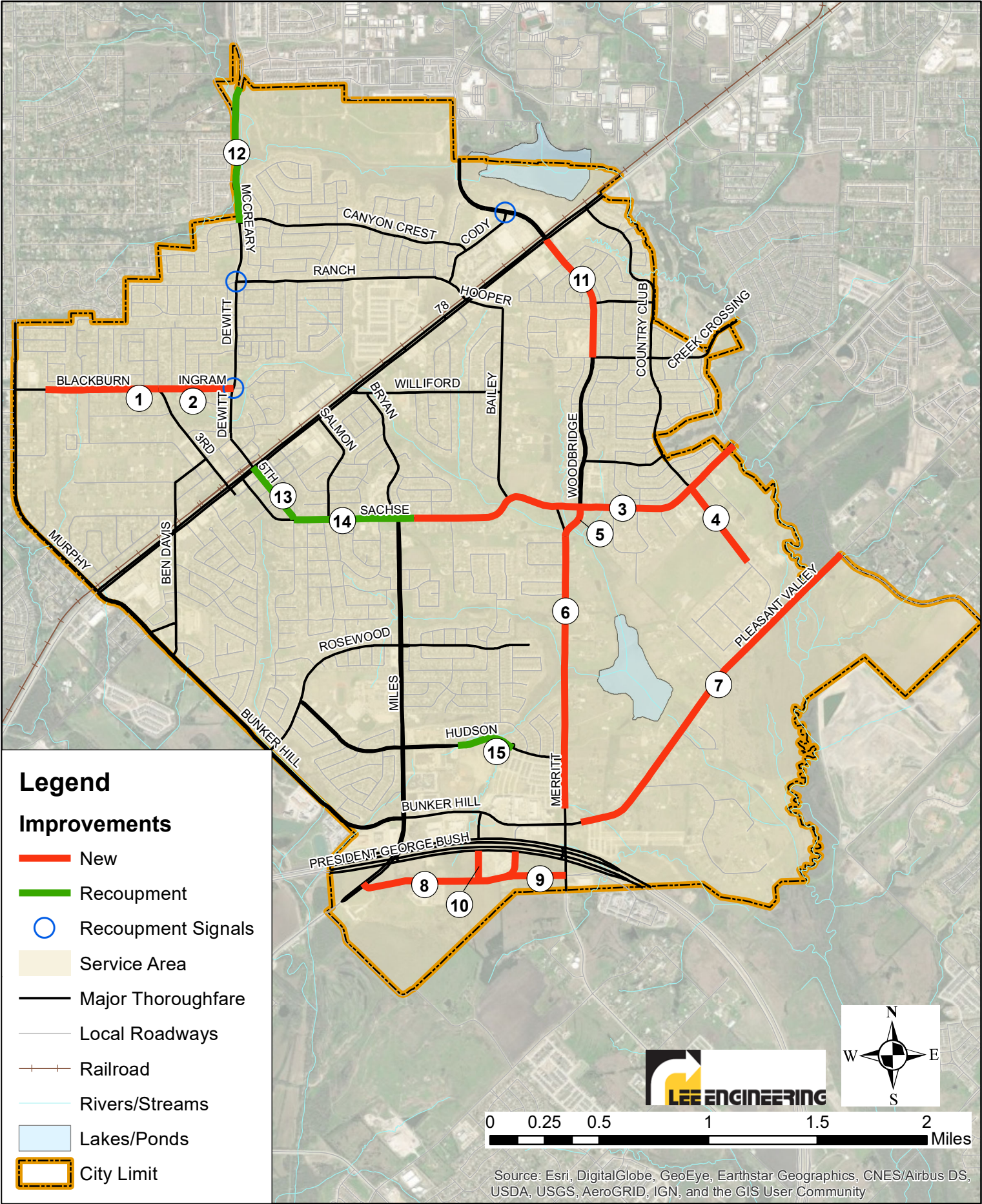
**Table 1A - Thoroughfare Capital Improvement Plan
City of Sachse 2024 Impact Fee Update**

ARTERIAL	PROJECT NUMBER	BOUNDARY		FUNCTIONAL CLASSIFICATION	EXISTING CROSS SECTION	PROJECT DESCRIPTION	LENGTH (ft)	TOTAL COST W/O INTEREST	COST OF INTEREST	TOTAL PROJECT COST
		FROM	TO							
Blackburn Road	1	Hilltop Trail	3rd Street	Minor Arterial	2 lanes undivided	Build a 4-lane divided section	2,700	\$ 3,880,000	\$ 1,629,600	\$ 5,509,600.00
Ingram Road	2	3rd Street	Dewitt Road	Minor Arterial	2 lanes undivided	Build a 4-lane divided section	1,800	\$ 2,610,000	\$ 1,096,200	\$ 3,706,200.00
Sachse Road	3	400 feet east of Bryan Street/Miles Road	East City Limit	Minor Arterial	2 lanes undivided	Build a 4-lane divided section	8,600	\$ 12,170,000	\$ 5,111,400	\$ 17,281,400.00
Proposed Country Club Drive	4	Sachse Road	Aldridge Drive	Collector	-	Build a 3-lane undivided section	2,300	\$ 2,650,000	\$ 1,113,000	\$ 3,763,000.00
Proposed Merritt Road	5	Sachse Road	Merritt Road	Minor Arterial	-	Build a 4-lane divided section	900	\$ 1,520,000	\$ 638,400	\$ 2,158,400.00
Merritt Road	6	Proposed Merritt Road	550 feet north of Pleasant Valley Road	Minor Arterial	2 lanes undivided	Build a 4-lane divided section	6,600	\$ 10,190,000	\$ 4,279,800	\$ 14,469,800.00
Pleasant Valley Road	7	400 feet east of Merritt Road	Northeast City Limit	Minor Arterial	2 lanes undivided	Build a 4-lane divided section	9,200	\$ 14,180,000	\$ 5,955,600	\$ 20,135,600.00
Pleasant Valley Road	8	Miles Road	PGBT	Collector	2 lanes undivided	Build 3-lane undivided section	4,300	\$ 4,790,000	\$ 2,011,800	\$ 6,801,800.00
Proposed Minor Collector	9	Pleasant Valley Road	Merritt Road	Collector	-	Build a 3-lane undivided section	1,500	\$ 1,750,000	\$ 735,000	\$ 2,485,000.00
Nash Boulevard	10	PGBT	Proposed Minor Collector/ Pleasant Valley Road	Collector	-	Build a 3-lane undivided section	750	\$ 910,000	\$ 382,200	\$ 1,292,200.00
Woodbridge Parkway	11	SH 78	Creek Crossing Lane	Minor Arterial	4 lanes divided	Traffic control improvements	3,300	\$ 2,600,000	\$ 1,092,000	\$ 3,692,000.00
Grand Total:								\$ 57,250,000	\$ 24,045,000	\$ 81,295,000

**Table 1B - Recoupment Projects Completed with Previous CIP
City of Sachse 2024 Impact Fee Update**

ARTERIAL	PROJECT	BOUNDARY		FUNCTIONAL	PREVIOUS	EXISTING	PROJECT	LENGTH	TOTAL PROJECT
	NUMBER	FROM	TO	CLASSIFICATION	CROSS SECTION	CROSS SECTION	DESCRIPTION	(ft)	COST
Maxwell Creek Road	12	North City Limit	Canyon Crest Drive	Minor Arterial	2 lanes undivided, concrete	4 lanes divided, concrete	Built 2-lanes of 4-lane divided	3,200	\$ 639,234
5th Street	13	SH 78	Sachse Road	Minor Arterial	2 lanes undivided, asphalt	4 lanes undivided, concrete	Built a 4-lane undivided section	1,600	\$ 3,100,000
Sachse Road	14	5th Street	400 feet west of Bryan Street	Minor Arterial	2 lanes undivided, asphalt	4 lanes divided, concrete	Built a 4-lane divided section and roundabout at W Creek Ln	2,900	\$ 6,518,633
Hudson Drive	15	Eastern School Driveway	Hudson Court	Collector	2 lanes undivided, concrete	4 lanes undivided, concrete	Built 2-lanes of 4-lane undivided	1,600	\$ 2,113,483
	16	3 Traffic Signals Constructed (Ingram/Dewitt, Ranch/Dewitt, Cody/Woodbridge)							\$ 1,062,343
Grand Total:									CIP PROJECT TOTALS : \$ 12,371,350

Figure 1:
CITY OF SACHSE
Roadway Impact Fee Eligible Capital Improvements



IMPACT FEE CALCULATION

I. INTRODUCTION

The next step of the Development Impact Fee process is the determination of the maximum fee per service unit that can be charged by the City for new developments. The fee is calculated by dividing the costs of the capital improvements identified as necessary to serve growth forecast to occur during the 10-year planning period by the number of service units of growth forecast to occur. The specific steps, as described in following paragraphs of this section include:

1. Determination of a standard service unit;
2. Identification of service areas for the City;
3. Identification of that portion of the total capital improvements necessary to serve the projected growth over the next 10-year period;
4. Analysis of the total capacity, level of current usage, and commitment for usage of capacity of existing improvements;
5. Determination of the “standard service unit” and equivalency tables establishing the ratio of a service unit to the types of land use forecast for growth.

II. SERVICE UNIT

To determine the impact fee rate applied to thoroughfare facilities the standard service unit selected was “**PM Peak Hour Vehicle-Miles.**” This service unit can be obtained by multiplying the number of trips generated by a specific land use type during the PM peak hour (vehicles) by the average trip length (miles) for that land use. The PM peak hour was chosen because it is usually considered the critical time for roadway analyses. The trip generation data were directly obtained or derived for each defined land use type from “*Trip Generation Manual, 11th Edition*” of the Institute of Transportation Engineers, which is the standard data reference to determine vehicle trip generation characteristics of particular land use types and densities. Trip length information for each land use specified was based on data developed by the Federal Highway Administration (FHWA) in the 2022 and 2017 *National Household Travel Surveys*. The trip length was set at a maximum of three (3) miles for any land use, as this trip length was assumed to be the maximum average distance a trip would travel on roadways within each service area in the City of Sachse. **Table 2** shows the typical service units for each land use type.

Table 2 - Service Unit Calculation by Land Use Type
City of Sachse 2024 Roadway Impact Fee Study Update

	Variable	PM Peak Trips ¹ (vehicles)	Trip Length ² (miles)	Vehicle-Miles
Residential	Dwelling Unit	0.94	3.0	2.82
Office	1,000 ft ²	1.44	3.0	4.32
Commercial / Retail	1,000 ft ²	3.71	3.0	11.13
Industrial	1,000 ft ²	0.99	3.0	2.97
Public and Institutional	1,000 ft ²	1.21	3.0	3.63
Parks and Recreational	Acre	13.08	3.0	39.24

¹ Based on *ITE Trip Generation, 11th Edition*

² Based on FHWA *National Household Travel Survey, 2022 and 2017*

SERVICE AREAS

The State Statute governing the imposition of development impact fees require that collection and expenditure of fees imposed for street facilities “...is limited to an area within the corporate boundaries of the political subdivision and shall not exceed six miles.” To comply with this State Law, one (1) service area was established for the City of Sachse to ensure that funds are spent within six miles of where they are collected. The service area includes most of the developable land within the city limits of Sachse. Within Sachse, the growth and intensities of growth for the ultimate development of the City and that portion of the service area expected to occur during the 10-year period, 2024-2034, is forecast. The service area is shown in **Figure 1**.

III. ASSUMPTIONS AND EVALUATION CRITERIA

Determination of the eligible costs of capital improvements to serve the forecast growth over the 10-year period from 2024 to 2034 was based on data provided by the City of Sachse. The basic criteria and assumptions made for this study include the following:

1. Costs of existing facilities constructed to serve new development have been included, and City of Sachse staff identified projects of this type.
2. Bond interest costs are included.
3. Street facility improvements, although necessary for additional capacity by new growth, will logically serve all existing and future growth by improved safety and drainage characteristics. Therefore, the 10-year eligible costs have been proportioned as the ratio of the 10-year growth to the total number of service units determined for the build-out.

Table 3 shows the portion of ultimate build-out service units that will be attributable to growth within the next 10 years and is used to pro-rate the identified costs in the service area.

In order to maintain the equity of impact fee assessment, the cost for streets included in the 10-year Capital Improvement Plan will include the total cost of the street facilities, not reduced by any expected participation. Rather, construction by a developer of an arterial facility within or off-site should be treated as a credit to the impact fee assessment.

**Table 3 - Summary of Vehicle-Mileage Distribution by Development Period
City of Sachse 2024 Roadway Impact Fee Study Update**

	Existing		2024 - 2034		Year 2034 - Ultimate		
Service Area	Vehicle-Miles 2024	Portion of Ultimate Vehicle-Miles	Vehicle-Miles Added 2024 - 2034	Portion of Ultimate Vehicle-Miles	Vehicle-Miles Added 2034 - Ultimate	Portion of Ultimate Vehicle-Miles	Ultimate Vehicle-Miles
1	90,697	0.638	51,551	0.362	0	0.000	142,248
Total	90,697		51,551		0		142,248

ELIGIBLE COSTS

Table 4 presents a summary of the roadway capital improvement costs for the service area. The 10-year portion of the total costs was calculated using the data from **Table 3**. Costs of these projects included only those costs that will be paid for by the City of Sachse.

IV. DETERMINATION OF STANDARD SERVICE UNIT AND EQUIVALENCY

The determination of growth of service units and resulting impact fee rates were then made. **Table 5** presents the derivation of service unit equivalents for each of the six defined land use types. The service unit equivalents are referenced to and based on the residential land use.

Table 6 presents a summary of the calculations and resulting eligible costs per service unit. Under current State law, municipalities are required to administer a detailed financial analysis to support the use of an impact fee higher than 50 percent of the eligible costs. As an alternative to performing the financial analysis, the impact fee can be set at or below 50 percent of the total eligible costs. The total eligible costs per service unit are shown in **Table 6**. The City will use either a detailed financial analysis to adjust for tax credits or will use 50 percent of these eligible costs.

V. IMPACT FEE CALCULATION METHODOLOGY

The methodology for calculating the maximum *allowable* impact fee for roadway facilities can be summarized in the following three steps. First, determine the cost of the roadway facilities (existing roadways eligible for recuperation of construction cost and proposed roadways) that can be attributed to new growth over the 10-year period. This calculation is summarized on page 14.

**Table 4 - Summary of Capital Improvement Cost
City of Sachse 2024 Roadway Impact Fee Study Update**

Service Area	Zone Cost of Thoroughfare	Portion of Capacity of Thoroughfare Attributed to Growth (2024 - 2034)	Cost of Thoroughfare Attributed to Growth (2024 - 2034)
1	\$93,666,349.75	0.362	\$33,907,218.61
Totals	\$93,666,349.75		\$33,907,218.61

Table 5 - Thoroughfare Land Use Equivalency
City of Sachse 2024 Roadway Impact Fee Study Update

Land Use	Development Unit	Veh-Miles / Development Unit (1)	SU Equivalency (2)
Residential	Dwelling Unit	2.82	1.00
Office	1,000 ft ²	4.32	1.53
Commercial / Retail	1,000 ft ²	11.13	3.95
Industrial	1,000 ft ²	2.97	1.05
Public and Institutional	1,000 ft ²	3.63	1.29
Parks and Recreational	Acre	39.24	13.91

Notes:

(1) Based on data from the ITE *Trip Generation Manual*, 11th Edition and the FHWA *National Household Travel Survey* (2022 and 2017) (see Table 2)

(2) Ratio of each land use to service unit of Residential

**Table 6 - Impact Fee Calculation for Thoroughfare
City of Sachse 2024 Roadway Impact Fee Study Update**

Service Area	Cost of Thoroughfare Attributed to Growth (2024 - 2034)	Number of New Service Units (2024 - 2034)	Cost Per Service Unit	Cost Per Service Unit (Rounded)
1	\$33,907,218.61	51,551	\$657.74	\$657
Totals	\$33,907,218.61	51,551		

Calculation for Service Area 1

Cost of Roadway Facilities (Tables 1A and 1B) = \$93,666,349.75
Proportion of Capacity Attributable to New Growth (Table 3) = 0.362
Cost of Roadway Facilities Attributable to Growth (2024-2034):
$$\$93,666,349.75 \times 0.362 = \$33,907,218.61$$

The second step is to determine the maximum *calculated* impact fee. The maximum *calculated* impact fee is the ratio of the total cost for roadway facilities attributable to growth in the next ten years (2024-2034) divided by the total growth in equivalent service units (ESU). The maximum calculated impact fee is:

Maximum Roadway Impact Fee =
$$\frac{\text{Eligible Thoroughfare Cost Attributed to Growth (Table 4)}}{\text{Total Growth in Equivalent Service Units (Table 3)}}$$
$$= \frac{\$33,907,218.61}{51,551 \text{ ESU}}$$
$$= \$657.74 / \text{ESU} = \$657 / \text{ESU (Rounded)}$$

This amount represents the maximum *calculated* impact fee for roadway facilities. For the final step, the current impact fee legislation requires the City to produce a financial analysis to support a fee greater than 50 percent of the eligible costs or to reduce the maximum calculated impact fee by 50 percent. If the City chooses to use a maximum *allowable* impact fee of 50 percent of the maximum calculated fee the amount would be $\$657 \times 50\% = \328.50 .

Impact Fee Calculation Example

The land use equivalency table is provided in **Table 7**. This table identifies the total service units generated by specific uses within each land use category. To obtain the impact fee to be charged for a particular land use, the impact fee per service unit adopted by the City and the service units per development unit generated for that particular land use from **Table 7** are used. Examples for calculating the impact fee for both a single-family dwelling unit and a 50,000 ft² shopping center (commercial / retail facility) assuming an impact fee of \$328.50 per service unit are shown on page 16.

Table 7 - Land Use Equivalency
City of Sachse 2024 Roadway Impact Fee Study Update

CATEGORY	LAND USE	DEVELOPMENT UNITS ¹	ITE TRIP RATE ²	TRIP LENGTH ³	PASS-BY TRAFFIC ⁴	SERVICE UNITS ⁵	MAX ALLOWABLE IMPACT FEE / DEVELOPMENT UNIT ⁶
RESIDENTIAL							
	Single-Family Detached	Dwelling Unit	0.94	3.0	0	2.82	\$926.37
	Single-Family Attached	Dwelling Unit	0.57	3.0	0	1.71	\$561.74
	Multifamily Housing (Low-Rise, 2-3 Floors)	Dwelling Unit	0.51	3.0	0	1.53	\$502.61
	Multifamily Housing (Mid-Rise, 4-10 Floors)	Dwelling Unit	0.39	3.0	0	1.17	\$384.35
	Multifamily Housing (High-Rise, >10 Floors)	Dwelling Unit	0.32	3.0	0	0.96	\$315.36
	Mobile Home	Dwelling Unit	0.58	3.0	0	1.74	\$571.59
	Congregate Care Facility	Dwelling Unit	0.18	3.0	0	0.54	\$177.39
	Assisted Living	Beds	0.24	3.0	0	0.72	\$236.52
OFFICE							
	Office Building	1,000 ft ² GFA	1.44	3.0	0	4.32	\$1,419.12
	Business Park	1,000 ft ² GFA	1.22	3.0	0	3.66	\$1,202.31
	Medical Office	1,000 ft ² GFA	3.93	2.8	0	11.00	\$3,613.50
COMMERCIAL							
	Automobile Care Center	1,000 ft ² GFA	3.11	3.0	0.28	6.72	\$2,207.52
	Automobile Sales	1,000 ft ² GFA	2.42	2.5	0	6.05	\$1,987.43
	Building Materials/Lumber	1,000 ft ² GFA	2.25	3.0	0	6.75	\$2,217.38
	Drive-In Bank	1,000 ft ² GFA	21.01	2.4	0.35	32.78	\$10,768.23
	Fast Casual Restaurant	1,000 ft ² GFA	12.55	2.0	0.40	15.06	\$4,947.21
	Fast Food Restaurant	1,000 ft ² GFA	33.03	2.4	0.55	35.67	\$11,717.60
	Free-Standing Discount Store	1,000 ft ² GFA	4.86	3.0	0.20	11.66	\$3,830.31
	Garden Center/Nursery	1,000 ft ² GFA	6.94	3.0	0	20.82	\$6,839.37
	Hardware/Paint Store	1,000 ft ² GFA	2.98	2.8	0.26	6.17	\$2,026.85
	Home Improvement Store	1,000 ft ² GFA	2.29	3.0	0.42	3.98	\$1,307.43
	Hotel	Rooms	0.59	3.0	0	1.77	\$581.45
	Pharmacy/Drugstore	1,000 ft ² GFA	10.25	2.8	0.49	14.64	\$4,809.24
	Convenience Store/Gas Station (4-5.5k SF)	Fueling Positions	22.76	2.4	0.75	13.66	\$4,487.31
	Sit-Down Restaurant	1,000 ft ² GFA	9.05	2.8	0.43	14.44	\$4,743.54
	Shopping Center (>150 SF)	1,000 ft ² GFA	3.40	3.0	0.29	7.24	\$2,378.34
	Shopping Plaza (40-150k SF)	1,000 ft ² GFA	5.19	3.0	0.40	9.34	\$3,068.19
	Strip Retail Plaza (<40k SF)	1,000 ft ² GFA	6.59	3.0	0.40	11.86	\$3,896.01
	Supermarket	1,000 ft ² GFA	8.95	2.8	0.24	19.05	\$6,257.93
INDUSTRIAL							
	Light Industrial	1,000 ft ² GFA	0.65	3.0	0	1.95	\$640.58
	Heavy Industrial	1,000 ft ² GFA	0.74	3.0	0	2.22	\$729.27
	Industrial Park	1,000 ft ² GFA	0.34	3.0	0	1.02	\$335.07
	Mini-Warehouse	1,000 ft ² GFA	0.15	3.0	0	0.45	\$147.83
	Warehouse	1,000 ft ² GFA	0.18	3.0	0	0.54	\$177.39
INSTITUTIONAL							
	School	Students	0.16	3.0	0	0.48	\$157.68
	Day Care Center	Students	0.79	3.0	0.44	1.33	\$436.91
	Nursing Home	1,000 ft ² GFA	0.59	3.0	0	1.77	\$581.45
	Hospital	1,000 ft ² GFA	0.86	3.0	0	2.58	\$847.53
	Veterinary Clinic	1,000 ft ² GFA	3.53	3.0	0	10.59	\$3,478.82

¹ GFA = Gross Floor Area

² (Vehicles); Based on *ITE Trip Generation Manual, 11th Edition*

³ (Miles); Based on FHWA *National Household Travel Survey* (2022, 2017, and 2009); or a maximum of 3 miles

⁴ Percentage of traffic already passing by site - land use is an intermediate destination

⁵ (Vehicle-Miles)

⁶ Based on 50% of maximum calculated impact fee for each service area

* The land uses and trip generation characteristics listed in this chart are intended as examples. The complete table of land uses and trip generation characteristics is contained in the Institute of Transportation Engineers *Trip Generation Manual, 11th Edition*, which is incorporated herein by reference.

Service Area 1 – Example Calculations

SINGLE-FAMILY DWELLING

- Vehicle-Miles per Development Unit for Single-Family Dwelling Unit
 $(1 \text{ Dwelling Unit}) \times (2.82 \text{ Vehicle-Miles} / \text{Dwelling Unit}) = 2.82 \text{ Vehicle-Miles}$
- Assumed Roadway Impact Fee = \$328.50 / Service Unit:
 $(2.82 \text{ Vehicle-Miles}) \times (\$328.50 / \text{Vehicle-Miles}) = \$ 926.37$

50,000 ft² SHOPPING CENTER

- Vehicle-Miles per Development Unit for Shopping Plaza
 $(50,000 \text{ ft}^2) \times (9.34 \text{ Vehicle-Miles} / 1,000 \text{ ft}^2) = 467.00 \text{ Vehicle-Miles}$
- Assumed Roadway Impact Fee = \$328.50 / Service Unit:
 $(467.00 \text{ Vehicle-Miles}) \times (\$328.50 / \text{Vehicle-Miles}) = \$ 153,409.50$



The City of
SACHSE

**WATER AND WASTEWATER
2024-2034 IMPACT FEE UPDATE**

APPENDIX “A”

**WATER SYSTEM
IMPACT FEE DATA**

**PUMP STATIONS
ELEVATED STORAGE TANKS
TRANSMISSION LINES
DISTRIBUTION LINES**

**TABLE NO. A-1
CITY OF SACHSE, TEXAS
WATER DISTRIBUTION IMPACT FEE STUDY
EXISTING WATER FACILITIES**

			Cost (\$)				Capacity Utilized (%)			Capacity Utilized (\$)			
	Year Const.	Total Capacity	+ Const.	Engineering, Testing and Property Acquisition	Debt Service Interest Rate %	20 Year Debt Service Utilizing Simple Interest	Total 20 Yr. Project Cost \$	2024	2034	During Impact Fee Period	2024	2034	In The CRF Period
Pump Station Improvements													
Existing Elevated Storage Tanks													
	2019	1.25-MG	3,549,981.14	\$0	4%	\$1,490,992	\$5,040,973	58%	100%	42%	\$2,930,798	\$5,040,973	\$2,110,175
Existing Facility Total			\$3,549,981			\$1,490,992	\$5,040,973				\$2,930,798	\$5,040,973	\$2,110,175

TABLE NO. A-2
CITY OF SACHSE, TEXAS
WATER SYSTEM IMPACT FEE STUDY
PROPOSED CIP - WATER LINES

+ Average Unit costs are based in '2024' dollars unless otherwise indicated and includes engineering and easements.

Pipe Number	Length (Ft.)	Diameter (Inches)	+ Avg. Unit Cost (\$/Ft.)	Total Capital Cost (\$)	Debt Service Interest Rate %	20 Year Debt Service Utilizing Simple Interest	Total 20 Year Project Cost (\$)	Utilized Capacity			Utilized Capacity		
								2024	2034	During Fee Period	2024	2034	During Fee Period
C1. Country Club Dr to Public Works 0.75MG EST 12-inch Water Line													
2 301	818.804	12	\$250.00	\$204,701		\$85,974	\$290,675	0%	68%	68%	\$0	\$196,414	\$196,414
300	2,942.97	12	\$250.00	\$735,742		\$309,012	\$1,044,754	0%	74%	74%	\$0	\$769,387	\$769,387
329	491.874	12	\$250.00	\$122,969		\$51,647	\$174,615	0%	68%	68%	\$0	\$118,988	\$118,988
Subtotal:	4,254			\$1,063,412	4.0%	\$446,633	\$1,510,045				\$0	\$1,084,789	\$1,084,789
C2. Sachse Rd 12-inch Water Line (from Public Works Pump Station to Merritt Rd)													
2 325	3,471.97	12	\$250.00	\$867,993		\$364,557	\$1,232,550	0%	100%	100%	\$0	\$1,232,550	\$1,232,550
326	1,144.07	12	\$250.00	\$286,018		\$120,127	\$406,145	0%	100%	100%	\$0	\$406,145	\$406,145
327	1,544.57	12	\$250.00	\$386,142		\$162,180	\$548,322	0%	100%	100%	\$0	\$548,322	\$548,322
Subtotal:	6,161			\$1,540,153	4.0%	\$646,864	\$2,187,017				\$0	\$2,187,017	\$2,187,017
C3. Merritt Road 16-inch Water Line (from Sachse Rd to Hudson Rd)													
2 839	557.165	16	\$350.00	\$195,008		\$81,903	\$276,911	0%	86%	86%	\$0	\$238,305	\$238,305
801	717.399	16	\$350.00	\$251,090		\$105,458	\$356,547	0%	90%	90%	\$0	\$321,883	\$321,883
324	2,855.06	16	\$350.00	\$999,271		\$419,694	\$1,418,964	0%	74%	74%	\$0	\$1,046,768	\$1,046,768
Subtotal:	4,130			\$1,445,368	4.0%	\$607,055	\$2,052,423				\$0	\$1,606,956	\$1,606,956
C4. Blackburn Rd/ Ingram Rd 12-inch Water Line (from Oaklawn Dr to Dewitt Rd)													
2 343	312.138	12	\$250.00	\$78,035		\$32,774	\$110,809	0%	20%	20%	\$0	\$22,320	\$22,320
344	1,145.38	12	\$250.00	\$286,344		\$120,264	\$406,608	0%	23%	23%	\$0	\$93,810	\$93,810
345	463.767	12	\$250.00	\$115,942		\$48,696	\$164,637	0%	38%	38%	\$0	\$62,562	\$62,562
346	519.096	12	\$250.00	\$129,774		\$54,505	\$184,279	0%	32%	32%	\$0	\$58,969	\$58,969
347	1,492.41	12	\$250.00	\$373,103		\$156,703	\$529,806	0%	24%	24%	\$0	\$126,775	\$126,775
Subtotal:	3,933			\$983,197	4.0%	\$412,943	\$1,396,139				\$0	\$364,436	\$364,436
C5. 3rd Street 12-inch Water Line													
2 P-358	964.145	12	\$250.00	\$241,036		\$101,235	\$342,271	0%	24%	24%	\$0	\$81,901	\$81,901
P-359	749.931	12	\$250.00	\$187,483		\$78,743	\$266,226	0%	20%	20%	\$0	\$54,196	\$54,196
P-360	681.547	12	\$250.00	\$170,387		\$71,562	\$241,949	0%	23%	23%	\$0	\$56,685	\$56,685
P-361	695.29	12	\$250.00	\$173,823		\$73,005	\$246,828	0%	20%	20%	\$0	\$48,484	\$48,484
Subtotal:	3,091			\$772,728	4.0%	\$324,546	\$1,097,274				\$0	\$241,266	\$241,266
C6. Rosewood Lane to Merritt Road 8-inch Water Line													
2 271	875	8	\$200.00	\$175,000		\$73,500	\$248,500	0%	100%	100%	\$0	\$248,500	\$248,500
Subtotal:	875			\$175,000	4.0%	\$73,500	\$248,500				\$0	\$248,500	\$248,500
C7. Kerley Lane to Merritt Road 8-inch Water Line													
2 273	895	8	\$200.00	\$179,000		\$75,180	\$254,180	0%	58%	58%	\$0	\$146,883	\$146,883
Subtotal:	895			\$179,000	4.0%	\$75,180	\$254,180				\$0	\$146,883	\$146,883

CITY OF SACHSE, TEXAS
WATER SYSTEM IMPACT FEE STUDY
PROPOSED CIP - WATER LINES

+ Average Unit costs are based in '2024' dollars unless otherwise indicated and includes engineering and easements.

Pipe Number	Length (Ft.)	Diameter (Inches)	+ Avg. Unit Cost (\$/Ft.)	Total Capital Cost (\$)	Debt Service Interest Rate %	20 Year Debt Service Utilizing Simple Interest	Total 20 Year Project Cost (\$)	Utilized Capacity (%)		Utilized Capacity (\$)		During Fee Period
								2024	2034	2024	2034	
C8. Bunker Hill Road 12-inch Water Line (from Concord Dr to Miles Rd)												
2	2340	12	\$250.00	\$585,000		\$245,700	\$830,700	0%	39%	\$0	\$321,600	\$321,600
244	1,870.00	12	\$250.00	\$467,500		\$196,350	\$663,850	0%	51%	\$0	\$339,512	\$339,512
Subtotal:	4,210			\$1,052,500	4.0%	\$442,050	\$1,494,550			\$0	\$661,112	\$661,112
PROPOSED TOTAL:	4,254			\$7,211,358		\$3,028,770	\$10,240,128			\$0	\$6,540,959	\$6,540,959

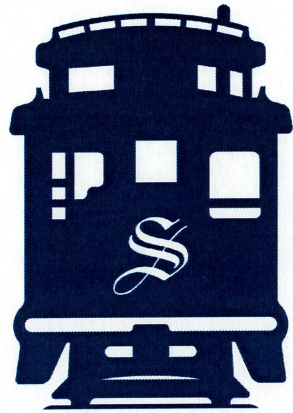
1 - City Participates in Cost Oversize

2 - City Initiates and Funds

TABLE NO. A-3
CITY OF SACHSE, TEXAS
WATER DISTRIBUTION IMPACT FEE STUDY
PROPOSED WATER FACILITIES

+ Average Unit costs are based in '2024' dollars unless otherwise indicated and includes engineering and easements.

	Added Capacity	Cost (\$)				Capacity Utilized (%)			Capacity Utilized (\$)		
		+ Const.	Debt Service Interest Rate %	20 Year Debt Service Utilizing Simple Interest	Total 20 Yr. Project Cost \$	2024	2034	During Impact Fee Period	2024	2034	In The CRF Period
Pump Station Improvements											
Proposed Pump Station Improvements											
Maxwell Creek Pump Station Expansion	3.6 MGD	\$5,101,700	4%	\$2,142,714	\$7,244,414	60%	100%	40%	\$4,346,648	\$7,244,414	\$2,897,766
Public Works Pump Station - Add New 4.6 MGD Pump	4.6 MGD	\$500,000	4%	\$210,000	\$710,000	0%	93%	93%	\$0	\$660,300	\$660,300
Storage Improvements											
Proposed 1.0-MG Elevated Storage Tank	1.0 MG	\$5,500,000	4%	\$2,310,000	\$7,810,000	0%	90%	90%	\$0	\$7,007,603	\$7,007,603
Proposed Facility Total		\$11,101,700		\$4,662,714	\$15,764,414				\$4,346,648	\$14,912,317	\$10,565,669



The City of
SACHSE

**WATER AND WASTEWATER
2024-2034 IMPACT FEE UPDATE**

APPENDIX “B”

**WASTEWATER SYSTEM
IMPACT FEE DATA**

**LIFT STATIONS
FORCE MAINS
COLLECTION LINES**

TABLE NO. B-1
CITY OF SACHSE, TEXAS
WASTEWATER SYSTEM IMPACT FEE UPDATE
IMPACT FEE CAPITAL IMPROVEMENT PLAN
EXISTING Wastewater System Recovery

Project I.D.	Project	Total Capital Cost ⁽¹⁾	Debt Service ⁽²⁾	Total 20-Year Project Cost	10-Year Utilized Capacity Cost
EXISTING WASTEWATER LIFT STATIONS & TREATMENT					
2	Southeast Sachse Lift Station and 18" Force Main	\$5,161,583	\$2,434,383	\$7,595,966	\$2,102,352
4	Sable Hills Lift Station and 4" Force Main	\$915,423	\$431,746	\$1,347,169	\$523,899
	SUBTOTAL:	\$6,077,006	\$2,866,129	\$8,943,135	\$2,626,251
EXISTING WASTEWATER COLLECTION LINES					
1	Southeast Sachse Lift Station and 24"-30" Gravity Outfall	\$1,406,069	\$663,151	\$2,069,220	\$638,570
3	Eastview Drive - PGBT 15" Sanitary Sewer to Southeast Lift Station	\$947,563	\$446,904	\$1,394,467	\$1,234,429
	SUBTOTAL:	\$2,353,632	\$1,110,055	\$3,463,687	\$1,872,999
EXISTING WASTEWATER SYSTEM PLANNING EXPENSES					
	Wastewater System Impact Fee Update	\$18,687	\$0	\$18,687	\$18,687
	SUBTOTAL:	\$18,687	\$0	\$18,687	\$18,687
	EXISTING WASTEWATER SYSTEM TOTAL:	\$8,449,325	\$3,976,184	\$12,425,509	\$4,517,937

TABLE NO. B-2
CITY OF SACHSE, TEXAS
WASTEWATER SYSTEM IMPACT FEE UPDATE
IMPACT FEE CAPITAL IMPROVEMENT PLAN
PROPOSED Wastewater System Capital Improvement Program (C.I.P.)

Project I.D.	Project	Total Capital Cost ⁽¹⁾	Debt Service ⁽²⁾	Total 20-Year Project Cost	10-Year Utilized Capacity Cost
PROPOSED WASTEWATER COLLECTION LINES					
C1	Miles Road Sanitary Sewer	\$378,200	\$178,372	\$556,572	\$415,417
C2	Southeast Willow Lake Sanitary Sewer lines	\$614,450	\$289,796	\$904,246	\$216,263
C3	Elm Grove Sanitary Sewer Extension	\$232,697	\$109,748	\$342,445	\$281,183
C4	Lower Muddy Creek 24-30" Trunk Sewer and Extensions	\$4,061,343	\$1,915,471	\$5,976,814	\$5,240,397
C5	Sachse Farm Lift Station Relief Sewer	\$1,061,139	\$500,470	\$1,561,609	\$0
	SUBTOTAL:	\$6,347,829	\$2,993,857	\$9,341,686	\$6,153,260
	PROPOSED WASTEWATER SYSTEM TOTAL:	\$6,347,829	\$2,993,857	\$9,341,686	\$6,153,260

F. Action Items

Subject: 9. Consider authorizing the City Manager to execute a professional services agreement for the design of the City of Sachse Service Center between the City of Sachse and Ron Hobbs Architects in the amount of Nine Hundred Seventy-Three Thousand One Hundred Dollars and No/100 Dollars (\$937,100.00).

Meeting September 16, 2024 - City Council Meeting

Access Public

Type Action

Project design will be funded from General Fund transfers that were previously allocated towards this project.

Recommended Action Authorize the City Manager to execute a professional services agreement for the design of the City of Sachse Service Center between the City of Sachse and Ron Hobbs Architects in the amount of Nine Hundred Seventy-Three Thousand One Hundred Dollars and No/100 Dollars (\$937,100.00).

Goals Provide excellent government services to Sachse citizens.
Strategically invest in the City's existing and future infrastructure.

BACKGROUND

The existing Public Works facility has failed plumbing (one bathroom), septic tank blockage and overflow, flooding, cracking of interior and exterior walls, animals burrowing under the building, potential security risk for SCADA and critical infrastructure technology.

The existing Parks facility has only one bathroom with regular plumbing issues, cracking of interior and exterior walls, continuous HVAC problems, no separate office or kitchen area, and security risk for all the outdoor storage of equipment.

Ron Hobbs Architects will provide an architectural design and construction plans to construct a new facility that provides for:

- Adequate and safe working conditions for employees
- Protection and storage for equipment and vehicles
- Protection and safe storage of materials (fuel, chemicals, fertilizer)
- Proper security and monitoring
- Workspace, offices, storage, shower and locker room, assembly and training space, and IT equipment
- Facilities maintenance, storage, and personnel relocation from City Hall administrative offices
- Fueling station and emergency generator

Upon completion of the design and construction plans and specifications, City staff and Ron Hobbs Architects will prepare a proposal for a Construction Manager at Risk (CMAR) for the construction of the Service Center. Ron Hobbs Architects will monitor and assist City staff with the project throughout the entire construction process.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Authorize the City Manager to execute a professional services agreement for the design of the City of Sachse

Service Center between the City of Sachse and Ron Hobbs Architects in the amount of Nine Hundred Seventy-Three Thousand One Hundred Dollars and No/100 Dollars (\$937,100.00).

File Attachments

1. Presentation_Service Center

Sachse Service Center

City Council

September 16, 2024



Overview

- Service Center Plan
- Ron Hobbs References
- Service Center Needs
- Current Construction Climate
- Other Considerations to Manage Costs
- Funding Plan Reminders
- Design Potential Timeline
- Examples of Area Service Centers
- Next Steps



Service Center Plan

- Council consensus at the August 19 City Council meeting was to engage with Ron Hobbs Architects to begin design and project scope
- Tonight's item is to consider a Professional Services Agreement for the design of the Service Center facility that combines the Public Works and Parks functions into one space
- Upon completion of the design and construction plans specifications, City staff will work with Ron Hobbs to develop a proposal for a Construction Manager at Risk (CMAR)—the same process that was recently completed for the forthcoming Sachse Animal Shelter project



Ron Hobbs References

- Ron Hobbs Architects has been in business for 48 years and provides a complete range of services including architectural, interior design, master planning services to municipal and other government clients
- Ron Hobbs has worked with 70 other cities on over 300 projects with 31 of them being public works service centers
- In addition to the service center projects, Ron Hobbs' work includes city halls, police & court facilities, civic centers, fire stations, recreation/community centers, conference centers, animal shelters, pavilions & park buildings, amphitheaters, libraries, and aquatic facilities
- They have completed projects ranging from \$50,000 to \$26,000,000



Typical Service Center Needs

- Administration offices
- Conference/meeting rooms
- Breakroom
- SCADA
- Storage space (chemical, small, equipment, parts, signs, etc.)
- Toilets/locker rooms/shower
- Mud room
- Lunch room
- Mezzanine
- Equipment service bays
- Controlled site access
- Climate controlled areas for certain pieces of equipment



Sachse Service Center Needs

- Staff and the Ron Hobbs team have met to discuss preliminary needs for the facility including:
 - Adequate and safe working conditions for employees
 - Protection and storage for equipment and vehicles
 - Protection and safe storage of materials (fuel, chemicals, fertilizer)
 - Proper security and monitoring
 - Workspace, offices, storage, shower and locker room, assembly and training space, and IT equipment
 - Facilities maintenance, storage, and personnel relocation from City Hall administrative offices
 - Fueling station and emergency generator
- Goal: to provide a safe work environment that meets the needs of the crews but remains cost-efficient for the City



Current Construction Climate

- Cost of materials/products is increasing by roughly a half percent per month, plus or minus
- Material availability changes constantly due to shortages and delays
- These delays, in turn, can extend construction time as projects wait for materials
- Staff and the Ron Hobbs team are mindful of these issues and will keep them in mind during the design process
- Staff and the Ron Hobbs team feel comfortable with the Construction Manager at Risk (CMAR) methodology that was utilized with the Animal Shelter facility as a way to help control costs



Other Considerations to Manage Costs

- Incorporate shared spaces and functions, wherever possible
- Match the design to the building system selected
- Avoid forcing a space to do something it is not intended to do
- Design simple building shapes
- Value engineer during the early phases of work
- Use durable materials that reduce maintenance expenses
- Minimize the number of different materials used
- Include bid alternates in the construction documents to provide flexibility and options
- Project phasing



Project Phasing Options

- Programming Phases
 - Determines the types, number, & sizes of spaces
 - Preliminary cost estimate is prepared (based on \$/sf)
- Schematic Design Phase
 - Develop floor plans, elevations, 3D renderings, & site plans
 - Prepare the first cost estimate
- Design Development Phase
 - Develop the design in more detail
 - Prepare preliminary engineering drawings
 - Update the cost estimate (more detailed)
- Construction Documents Phase
 - Prepare all drawings & specifications needed to bid, permit, & construct the project
 - Update and refine in more detail the cost estimate
- Bidding Phase
- Construction Phase



Funding Plan Reminders

- At the July 29, 2024, Budget Workshop, staff told Council it would do the following relative to funding for the Service Center Facility:
 1. Come to the City Council with a design proposal for the facility using existing funds (unreserved fund balance) ✓
 2. Continue to work with the City's Financial Advisor to plan for future debt issuance ✓
 3. Return to Council for building options and potential debt issuance



Design Potential Timeline

- Design (12 months)
 - Staff design consultation meetings with architects
 - Architectural and civil programming (phasing)
 - Develop construction cost estimates
- Development of plans and construction documents (3 months)
 - Phasing and sequences
 - Cost breakdown
- Bidding (3-6 months)
- Construction (12-18 months)



Examples of Service Centers



Recent Service Center Examples

- Burleson Parks Service Center (9,360 sf - \$432/sf)



Recent Service Center Examples

- Burleson Parks Service Center (9,360 sf - \$432/sf)



Recent Service Center Examples

- Burleson Parks Service Center (9,360 sf - \$432/sf)



Recent Service Center Examples

- Burleson Parks Service Center (9,360 sf - \$432/sf)



Recent Service Center Examples

- Burleson Parks Service Center (9,360 sf - \$432/sf)



Recent Service Center Examples

- Mansfield Service Center (33,000 sf - \$450/sf)



Recent Service Center Examples

- Chandler Service Center (8,900 sf - \$386/sf)



Recent Service Center Examples

- Chandler Service Center (8,900 sf - \$386/sf)



Next Steps

- Staff recommends that the Council authorize the City Manager to execute a professional services agreement for the design of the City of Sachse Service Center between the City of Sachse and Ron Hobbs Architects in the amount of Nine Hundred Seventy-Three Thousand One Hundred Dollars and No/100 Dollars (\$937,100.00)
- Once approved, design work will commence, and staff will provide periodic updates to the Council



Next Steps

- Kick-Off Meeting & Pre-Design: Fall 2024
- Schematic Design: Winter 2024/2025
- Design Development: Spring 2025
- Construction Documents: Summer through early Fall 2025
- Bidding: Late Fall 2025 through early Winter 2026
- Construction: Commence construction in early Winter 2026
- Staff will present updates to the City Council periodically throughout each of the aforementioned phases to seek feedback and direction on items including potential project phasing

F. Action Items

Subject:	10. Consider a resolution nominating a candidate to be a member of the Board of Directors of the Dallas Central Appraisal District.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Discussion, Action
Fiscal Impact	None
Recommended Action	Approve a resolution nominating a candidate(s) to the Board of Directors of the Dallas Central Appraisal District.
Goals	

BACKGROUND

Section 6.0301 of the Texas Property Tax Code provides that an appraisal district in a populous county shall be governed by a board of nine (9) directors composed of both appointed and elected directors. Five (5) of the directors are to be appointed by the taxing units that participate in the district in the manner as previously prescribed by Section 6.03 of the Tax Code (the "levy method"), and three (3) directors are to be elected by majority vote at the general election for state and county officers by the voters of the county in which the district is established. The County tax assessor-collector serves as a voting ex office member.

The five directors appointed by the taxing units serve staggered four-year terms beginning on January 1st of every other even-numbered year. To provide for the transition for the staggered terms, two (2) directors must be appointed to serve a term of one year, and three (3) directors shall be appointed to serve a term of three years. Thereafter, all appointed directors serve four-year terms. Following the election the Chief Appraiser in conjunction with the elected directors will draw lots to determine which two (2) directors serve a term of one year.

Sachse may nominate up to five (5) members to serve on the Board and will have the opportunity to cast its 10 designated votes once the Chief Appraiser returns to the entities with a ballot for voting. Tonight's action is the first step in the process for the City of Sachse.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Approve a resolution nominating a candidate(s) to the Board of Directors of the Dallas Central Appraisal District.

File Attachments

1. Resolution_Dallas CAD Board Nomination
2. Dallas CAD Board Election Appointment Emails

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE
NOMINATING CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS
OF DALLAS CENTRAL APPRAISAL DISTRICT; AND PROVIDING FOR AN
EFFECTIVE DATE.**

WHEREAS, the Chief Appraiser of the Dallas Central Appraisal District has been charged with the responsibility of conducting the election process to determine the membership of the Board of Directors of the Dallas Central Appraisal District, according to the Property Tax Code of Texas; and

WHEREAS, Texas Property Tax Code Sections 6.03(e) and 6.03(g) provides that each taxing unit entitled to vote may nominate by resolution up to five (5) candidates to become a member of the Board of Directors to be submitted to the Chief Appraiser before October 15, 2024;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE:

SECTION 1. That the City Council of the City of Sachse, does hereby nominates the following persons as a candidate for election to the Board of Directors of the Dallas Central Appraisal District:

- 1.
- 2.
- 3.
- 4.
- 5.

SECTION 2. That this Resolution shall become effective immediately from and after its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, on this the ____ day of _____, 2024.

CITY OF SACHSE

Jeff Bickerstaff, Mayor

ATTEST:

Leah K Granger, City Secretary



**Dallas Central
Appraisal District**

Date: August 23, 2024

To: Jeff Bickerstaff, Mayor, City of Sachse | jbickerstaff@cityofsachse.com
Sent Via Email

From: Shane Docherty, Executive Director/Chief Appraiser

Re: Election/Appointment of Members to Board of Directors of the Dallas Central Appraisal District
Number of Votes Allocated To: Sachse is 10

Senate Bill 2 (or “SB 2”), enacted by the 88th Texas Legislature during its Second Called Session, amended several sections of the Texas Property Tax Code regarding the composition of the board of directors for appraisal districts in counties with a population of 75,000 or more (a “populous county”). Dallas County is a ‘populous county’. Specifically, Article V, Section 5.03 of SB 2 added Section 6.0301 to the Tax Code that sets forth the amendments relating to the composition and method of selection of appraisal district boards of directors in populous counties. Article V of SB 2 will become effective July 1, 2024, and Sections 5.04 and 5.13 of SB 2 became effective on October 12, 2023.

Section 6.0301 of the Texas Property Tax Code provides that an appraisal district in a populous county shall be governed by a board of nine (9) directors composed of both appointed and elected directors. Five (5) of the directors are to be appointed by the taxing units that participate in the district in the manner as previously prescribed by Section 6.03 of the Tax Code (the “levy method”), and three (3) directors are to be elected by majority vote at the general election for state and county officers by the voters of the county in which the district is established. The County tax assessor-collector serves as a voting ex officio member.

SB 2 required the first election for elected directors for districts within populous counties be held on the uniform election date in May 2024. The three (3) additional Board members were elected as a result of the May 4, 2024 election, became a part of the Dallas CAD Board of Directors and the Dallas County Tax Assessor/Collector became a voting ex officio member effective July 1, 2024.

Prior to 2024 and pursuant to the provisions of the Texas Property Tax Code in 1979, the agencies of Greater Dallas County agreed to change the manner in which board representatives were chosen. *By special provision of the Property Tax Code, it was decided that the City of Dallas, Dallas ISD and Dallas County would each appoint one (1) member each and the remaining two (2) candidates would be elected by all Suburban Cities (excluding Dallas) and all Suburban School Districts (excluding Dallas ISD). Each group, Suburban Cities and Suburban Schools, could nominate one candidate for their respective group and vote from among the nominations to elect by majority vote (one vote per entity) one (1) member to represent the Suburban Cities and one (1) member to represent the Suburban School Districts.* This method of appointment and election of the Board members no longer applies with the passage of Senate Bill 2.

Effective January 1, 2025, the five (5) appointed board of directors will be elected according to Tax Code Section 6.03, or the “Levy Method”. The voting entitlement of a taxing unit that is entitled to vote for directors is determined by dividing the total dollar amount of property taxes imposed in the district by the taxing unit for the preceding tax year by the sum of the total dollar amount of property taxes imposed in the district for that year by each taxing unit that is entitled to vote, by multiplying the quotient by 1,000, and by rounding the product to the nearest whole number. That number is multiplied by the number of directorships to be filled. There are 5,000 total votes to be allocated based on each taxing unit’s tax levy as compared to the total levy for all taxing units. Each taxing unit eligible to vote and participate in the appointment process may nominate up to five candidates for the Dallas CAD Board of Directors.

The five directors appointed by the taxing units serve staggered four-year terms beginning on January 1st of every other even-numbered year. To provide for the transition for the staggered terms, two (2) directors must be appointed to serve a term of one year, and three (3) directors shall be appointed to serve a term of three years. Thereafter, all appointed directors serve four-year terms. Following the election the Chief Appraiser in conjunction with the elected directors will draw lots to determine which two (2) directors serve a term of one year.

The first step in this process is for the Chief Appraiser to calculate the voting entitlement of each taxing unit that is entitled to vote and notify the county judge and each county commissioner, the presiding officer of each city/town, city manager or city secretary, the presiding officer of each school district and the school district superintendent, the presiding officer of the college district, the college president, chancellor or other chief executive officer of the college district. In addition to your taxing unit’s votes being provided in the Subject line of this memo, I have included an attachment showing the number of votes for each county, city, school district and college district that is entitled to vote.

The **next step** is the nomination of the candidates. A taxing unit is not required to submit nominations, but if it chooses to do so, **the nomination may be made only by a resolution** adopted by the governing body and submitted to the Chief Appraiser **before October 15, 2024**. For your convenience, a sample resolution for nomination is included with this notification. Please include the full name and address of each candidate nominated in the resolution.

You may provide each individual you are considering for nomination with a copy of the attached Nominee Information Questionnaire for them to complete. The Questionnaire will provide information to the taxing unit and help ensure the nominees meet the eligibility requirements for a Board of Director position. The nominated candidate needs to submit a biography or resume to be used by the other taxing entities in determining and casting their votes on the ballot.

The Chief Appraiser will, before October 30, prepare and submit a ballot of the timely submitted nominees to each taxing unit that is eligible to vote. The governing body of each taxing unit entitled to vote shall submit a resolution casting its votes to the Chief Appraiser before December 15 (since December 15 is a Sunday the due date is extended to the next day that is not a Saturday, Sunday or holiday) The governing body of the taxing unit entitled to vote may cast all of its votes for one candidate or distribute them among the candidates for any number of the director positions. The Chief Appraiser will then count the votes and declare the five candidates who received the largest cumulative votes as elected and submit the results before December 31, 2024 to each of the taxing unit and to the candidates.

Below is the calendar for the appointment process as prescribed by Texas Property Tax Code Section 6.03.

Before October 1: In accordance with Texas Property Tax Code Section 6.03(d) and (e), the chief appraiser shall calculate the number of votes to which each taxing unit other than a conservation and

reclamation district [i.e. special district] is entitled and shall deliver written notice to each of those units of its voting entitlement before October 1, 2024 (normally of each odd-number year).

Before October 15: In accordance the Texas Property Tax Code Section 6.03 (g) each taxing unit entitled to vote shall submit a resolution for the nominees for the board positions.

Before October 30: In accordance with Texas Property Tax Code Section 6.03 (j) the Chief Appraiser shall prepare a ballot listing the nominated candidates and deliver the ballot to the taxing units eligible to vote.

Before December 15 (since December 15 is a Sunday this due date is the next day that is not Saturday, Sunday or a holiday): In accordance with Texas Property Tax Code Section 6.03 (k) each taxing unit that is entitled to vote shall determine its vote by resolution and submit the same to the Chief Appraiser.

Before December 31: In accordance with Texas Property Tax Code Section 6.03 (k) the Chief Appraiser will count the votes, declare the five candidates who received the largest cumulative vote totals elected, and submit the results to each taxing unit in the District and to the candidates.

For your convenience the qualifications to be an appointed member are resident of Dallas County and shall have resided in Dallas County for at least two years prior to the date such person takes office (January 1, 2025) and must satisfy the following:

Section 6.035 of the Tax Code provides that an individual is ineligible to serve on an appraisal district board of directors and is disqualified from employment as chief appraiser if the individual is related within the second degree by consanguinity (blood) or affinity (marriage), as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district.

Similarly, an individual is ineligible to serve on an appraisal district board of directors and is disqualified from employment as chief appraiser if the individual owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless: (A) the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02 of the Tax Code; or (B) a suit to collect the delinquent taxes is deferred or abated under Sections 33.06 or 33.065 of the Tax Code.

Per Section 6.035 of the Tax Code, an individual is also ineligible to serve on the board of directors of an appraisal district if the individual:

- (1) has served as a member of the board of directors for all or part of five terms, unless:
 - (A) the individual was the county assessor-collector at the time the individual served as a board member; or
 - (B) the appraisal district is established in a county with a population of less than 120,000;
- (2) has engaged in the business of appraising property for compensation for use in proceedings under this title at any time during the preceding three years;
- (3) has engaged in the business of representing property owners for compensation in proceedings under this title in the appraisal district at any time during the preceding three years; or
- (4) has been an employee of the appraisal district at any time during the preceding three years.

An individual who is otherwise eligible to serve on the board is not ineligible because of membership on the governing body of a taxing unit. An employee of a taxing unit that participates in the district is not eligible to serve on the board unless the individual is also a member of the governing body or an elected official of a taxing unit that participates in the district. (Section 6.0301, Tax Code).

An individual is not eligible to be a candidate for, to be appointed to, or to serve on the board of directors of an appraisal district if the individual or a business entity in which the individual has a substantial interest is a party to a contract with 1) the appraisal district; or 2) a taxing unit that participates in the appraisal district, if the contract relates to the performance of an activity governed by Title 1 of the Tax Code. (Section 6.036(a), Tax Code, effective July 1, 2024.)

If you have any questions about this process, please contact Deputy Chief Appraiser, Cheryl Jordan, her direct line, 214-819-2312, or the District's main number, 214-631-0520.

Enclosure/Attachment: Sample Nomination Resolution; Nominee Questionnaire; Voting Entitlement List

RESOLUTION NO. ____

A RESOLUTION OF THE {insert governing body e.g., city council, school board, commissioners} OF THE {insert name of jurisdiction} NOMINATING CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS OF DALLAS CENTRAL APPRAISAL DISTRICT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Chief Appraiser of the Dallas Central Appraisal District has been charged with the responsibility of conducting the election process to determine the membership of the Board of Directors of the Dallas Central Appraisal District, according to the Property Tax Code of Texas; and

WHEREAS, Texas Property Tax Code Sections 6.03(e) and 6.03(g) provides that each taxing unit entitled to vote may nominate by resolution up to five (5) candidates to become a member of the Board of Directors to be submitted to the Chief Appraiser before October 15, 2024;

NOW, THEREFORE, BE IT RESOLVED BY THE {insert governing body e.g., city council, school board, commissioner} OF THE {insert name of jurisdiction}:

SECTION 1. That the {insert governing body e.g., city council, school board, commissioner} of {inset name of the jurisdiction}, does hereby nominates the following persons as a candidate for election to the Board of Directors of the Dallas Central Appraisal District:

- 1.
- 2.
- 3.
- 4.
- 5.

SECTION 2. That this Resolution shall become effective immediately from and after its passage.

DULY RESOLVED AND ADOPTED by the {insert the name of the governing body} of the {insert the name of the jurisdiction}, on this the ____ day of ____, 2024.

NAME OF JURISDICTION

MAYOR/PRESIDENT/COUNTY JUDGE

ATTEST:

Nominee Information Questionnaire Dallas Central Appraisal District Board of Directors

Your name has been submitted by a Dallas Central Appraisal District Taxing Unit as a candidate for the Dallas CAD Board of Directors. Please provide the following information and feel free to attach any additional information. **The form must be returned by October 15, 2024.**

Name

Home Address/City/Zip

Cell Phone

E-mail

- | | | |
|----|--|---------------|
| 1. | Are you a resident of Dallas County? | Yes/No |
| | a. If yes, have you resided in Dallas County for at least two years immediately preceding the beginning of this term (January 1, 2025)? | |
| 2. | Are you an elected official or member of a governing body of a taxing unit in Dallas County? | Yes/No |
| | a. If yes, which taxing unit? _____ | |
| 3. | Are you, or have you ever been, an employee of a taxing unit (County, City, School, Special District) in Dallas County? | Yes/No |
| | a. If yes, which taxing unit? _____ | |
| | b. When? _____ | |
| 4. | Are you related to an individual who is engaged in the business of appraising property for compensation for use in proceedings under the Texas Property Tax Code? | Yes/No |
| | a. If yes, please list the degree of relation. _____ | |
| 5. | Do you currently own property on which delinquent taxes have been owed to a taxing unit for more than 60 days or are part of a suit to collect the delinquent taxes that have been deferred or abated? | Yes/No |
| 6. | Are you currently, or have you ever served as a voting member of the Dallas CAD Board of Directors? | Yes/No |
| | If yes, what years have you served? _____ | |
| 7. | Have you engaged in the business of appraising property for compensation for use in proceedings under the Property Tax Code during the last three years? | Yes/No |
| 8. | Have you ever been engaged in the business of representing property owners for compensation in the | Yes/No |

proceedings under the Property Tax Code in Dallas County in the last three years?

9. Are you, or have you ever been an employee of Dallas CAD? **Yes/No**
a. If yes, year(s) you were employed? _____

10. Do you directly or through a business entity have substantial interest in a contract with Dallas CAD or a taxing unit that participates in the District? **Yes/No**
a. If yes, please list: _____

11. Please give a brief statement on why you would be interested in serving on the Dallas Central Appraisal District Board of Directors.

12. Please list any additional information you believe would be beneficial for the Dallas County Taxing Units to know about you.

Return to: Your Nominating Taxing Unit or
Cheryl Jordan - Dallas Central Appraisal District
2949 N. Stemmons Freeway
Dallas, TX 75247
DcadElections@dcad.org

Dallas Central Appraisal District 2024 Calculation of Taxing Unit Votes for Board of Directors Per Texas Property Tax Code Section 6.03(d)

SUPPLEMENTAL #09-2023 EVR DATED 09/13/2023 FOR TAX YEAR 2023 FOR ALL ENTITIES

ENTITY	2023 Taxable Value As of 09-2023 Supplemental	2023 Tax Rate	2023 Estimated Taxes Imposed	Taxing Unit Percentage of Total Taxes Imposed	1,000 Multiplier	Round	Multiply by Number of Directors (5)	2024 Taxing Unit Voting Entitlement	Taxing Unit Percentage of Total Votes (Yellow Highlight ≥ 5%) TPTC 6.03(k-1)
COUNTYWISE ENTITIES									
Dallas County	\$379,938,404,211	0.215718	\$819,595,527	10.68843%	106.88432	107	535	535	11%
Dallas College	390,920,370,020	0.110028	\$430,121,865	5.60926%	56.09265	56	280	280	6%
GRAND TOTAL OF COUNTYWISE	\$770,858,774,231		\$1,249,717,392	16.29770%	162.97696	163	815	815	
CITIES									
Addison	\$6,166,137,691	0.609822	\$37,602,464	0.49038%	4.90378	5	25	25	1%
Balch Springs	1,875,435,619	0.794629	\$14,902,755	0.19435%	1.94348	2	10	10	0%
Carrollton	9,346,277,268	0.553750	\$51,755,010	0.67494%	6.74943	7	35	35	1%
Cedar Hill	5,855,397,117	0.646525	\$37,856,606	0.49369%	4.93692	5	25	25	1%
Cockrell Hill	209,369,894	0.772596	\$1,617,583	0.02110%	0.21095	0	0	0	0%
Combine	26,022,434	0.350000	\$91,079	0.00119%	0.01188	0	0	0	0%
Coppell	10,298,701,897	0.491818	\$50,650,870	0.66054%	6.60543	7	35	35	1%
Dallas	188,701,821,976	0.735700	\$1,388,279,304	18.10470%	181.04697	181	905	905	18%
DeSoto	7,189,656,103	0.685092	\$49,255,759	0.64235%	6.42350	6	30	30	1%
Duncanville	3,634,349,125	0.646034	\$23,479,131	0.30619%	3.06194	3	15	15	0%
Farmers Branch	9,407,424,339	0.569000	\$53,528,244	0.69807%	6.98067	7	35	35	1%
Ferris	27,391,876	0.494700	\$135,508	0.00177%	0.01767	0	0	0	0%
Garland	23,933,703,437	0.689746	\$165,081,762	2.15285%	21.52849	22	110	110	2%
Glenn Heights	914,831,427	0.564729	\$5,166,318	0.06737%	0.67375	1	5	5	0%
Grand Prairie	12,943,039,011	0.660000	\$85,424,057	1.11402%	11.14024	11	55	55	1%
Grapevine	395,708,326	0.250560	\$991,487	0.01293%	0.12930	0	0	0	0%
Highland Park	8,441,265,923	0.220530	\$18,615,524	0.24277%	2.42767	2	10	10	0%
Hutchins	1,242,023,438	0.630082	\$7,825,766	0.10206%	1.02057	1	5	5	0%
Irving	39,058,006,723	0.589100	\$230,090,718	3.00064%	30.00637	30	150	150	3%
Lancaster	5,374,997,280	0.639004	\$34,346,448	0.44792%	4.47916	4	20	20	0%
Lewisville	120,213,029	0.419079	\$503,788	0.00657%	0.06570	0	0	0	0%
Mesquite	13,534,098,469	0.690000	\$93,385,279	1.21785%	12.17847	12	60	60	1%
Ovilla	46,950,260	0.626213	\$294,009	0.00383%	0.03834	0	0	0	0%
Richardson	14,077,745,835	0.560950	\$78,969,115	1.02984%	10.29845	10	50	50	1%
Rowlett	7,278,645,314	0.710400	\$51,707,496	0.67432%	6.74323	7	35	35	1%
Sachse	2,570,038,721	0.650416	\$16,715,943	0.21799%	2.17994	2	10	10	0%
Seagoville	1,294,165,708	0.728004	\$9,421,578	0.12287%	1.22868	1	5	5	0%
Sunnyvale	1,883,883,190	0.453000	\$8,533,991	0.11129%	1.11293	1	5	5	0%
University Park	10,666,870,235	0.236226	\$25,197,921	0.32861%	3.28609	3	15	15	0%
Wilmer	1,774,995,820	0.439130	\$7,794,539	0.10165%	1.01649	1	5	5	0%
Wylie	204,246,408	0.538882	\$1,100,647	0.01435%	0.14354	0	0	0	0%
GRAND TOTAL OF CITIES	\$388,493,413,893		\$2,550,320,700	33.25900%	332.59002	333	1655	1655	
SCHOOL DISTRICTS									
Carrollton-FB ISD	\$25,342,800,795	0.983600	\$249,271,789	3.25078%	32.50780	33	165	165	3%
Cedar Hill ISD	5,386,737,208	1.132600	\$61,010,186	0.79564%	7.95640	8	40	40	1%
Coppell ISD	16,965,761,428	1.053500	\$178,734,297	2.33089%	23.30893	23	115	115	2%
Dallas ISD	177,911,793,431	1.013835	\$1,803,732,031	23.52266%	235.22660	235	1175	1175	24%
DeSoto ISD	4,721,801,802	1.072800	\$50,655,490	0.66060%	6.60604	7	35	35	1%
Duncanville ISD	6,575,027,245	1.082800	\$71,194,395	0.92845%	9.28454	9	45	45	1%
Ferris ISD	48,594,774	1.143100	\$555,487	0.00724%	0.07244	0	0	0	0%
Garland ISD	29,273,671,591	1.053200	\$308,310,309	4.02071%	40.20707	40	200	200	4%
Grand Prairie ISD	12,437,698,152	1.095050	\$136,199,014	1.77619%	17.76186	18	90	90	2%
Grapevine-Colleyville ISD	436,706,741	0.924700	\$4,038,227	0.05266%	0.52663	1	5	5	0%
Highland Park ISD	21,078,412,024	0.892700	\$188,166,984	2.45391%	24.53906	25	125	125	3%
Irving ISD	20,526,676,400	1.028100	\$211,034,760	2.75213%	27.52127	28	140	140	3%
Lancaster ISD	4,950,056,032	1.226700	\$60,722,337	0.79189%	7.91886	8	40	40	1%
Mesquite ISD	13,175,640,868	1.099200	\$144,826,644	1.88870%	18.88700	19	95	95	2%
Richardson ISD	32,914,760,066	1.143100	\$376,248,622	4.90670%	49.06698	49	245	245	5%
Sunnyvale ISD	1,961,222,245	1.189200	\$23,322,855	0.30416%	3.04156	3	15	15	0%
GRAND TOTAL OF ISD'S	\$373,707,360,802		\$3,868,023,427	50.44330%	504.43302	504	2530	2530	
GRAND TOTAL			\$7,668,061,518	100.00000%	1,000.00000	1000	5000	5000	100%

Per TPTC 6.03 (k-1) TU with 5% or greater:
6.03(k-1) This subsection applies only to an appraisal district established in a county with a population of 120,000 or more. The governing body of each taxing unit entitled to cast at least five percent of the total votes must determine its vote by resolution adopted at the first or second open meeting of the governing body that is held after the date the chief appraiser delivers the ballot to the presiding officer of the governing body. The governing body must submit its vote to the chief appraiser not later than the third day following the date the resolution is adopted.

F. Action Items

Subject: 11. Consider a resolution nominating candidate(s) to the Board of Directors of the Collin Central Appraisal District.

Meeting September 16, 2024 - City Council Meeting

Access Public

Type Discussion, Action

Fiscal Impact None

Recommended Action Approve a resolution nominating a candidate(s) to the Board of Directors of the Collin Central Appraisal District.

Goals

BACKGROUND

The Collin Central Appraisal District Board of Directors has a total of nine directors. Each taxing unit may nominate one to five board candidates. Appointed directors will begin four-year terms on January 1st of even-numbered years, and elected directors will begin four-year terms on January 1st of odd-numbered years.

The process for electing the District's Board of Directors is outlined in the Texas Property Tax Code (TPTC) § 6.03. The deadline dates for the election are statutory and controlled by TPTC § 6.03. To be eligible to serve on the board, an individual must be a resident of the district and must have resided in the district for at least two years immediately preceding the date they take office.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Approve a resolution nominating a candidate(s) to the Board of Directors of the Collin Central Appraisal District.

File Attachments

1. Resolution_Collin County Appraisal District Board Nomination

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SACHSE, TEXAS NOMINATING _____

**AS
CANDIDATE(S) TO THE BOARD OF DIRECTORS OF THE COLLIN CENTRAL
APPRAISAL DISTRICT.**

WHEREAS, the Chief Appraiser of the Collin Central Appraisal District has been charged with the responsibility of conducting the election process to determine the membership of the Board of Directors of the Collin Central Appraisal District, according to the Texas Property Tax Code (TPTC) § 6.03; and

WHEREAS, each taxing unit, may nominate by an official resolution one to five board candidates as a member of the Board of Directors; and

WHEREAS, the said taxing units, from among the nominations received, cast their allocated number of votes by resolution to declare the five candidates who receive the largest cumulative vote totals to a four-year term on the Board of Directors.

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

SECTION 1. That the Council of the City of Sachse, Texas does hereby nominate _____, who resides at _____ as a candidate to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 1a. That the Council of the City of Sachse, Texas does hereby nominate _____, who resides at _____ as a candidate to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 1b. That the Council of the City of Sachse, Texas does hereby nominate _____, who resides at _____ as a candidate to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 1c. That the Council of the City of Sachse, Texas does hereby nominate _____, who resides at _____ as a candidate to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 1d. That the Council of the City of Sachse, Texas does hereby nominate _____, who resides at _____ as a candidate to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 2. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this 16th day of September 2024.

APPROVED:

Jeff Bickerstaff, Mayor

ATTEST:

Leah K Granger, City Secretary

G. Executive Session

Subject: 1. The City Council will convene into executive session pursuant to Section 551.071(2) of the Texas Government Code for the purpose of seeking legal consultation with the City Attorney regarding Section 363.112(a) of the Texas Health and Safety Code and City Ordinance No. 3980 prohibiting the processing or disposal of solid waste.

Meeting September 16, 2024 - City Council Meeting

Access Executive Session

Type Closed Session

**Recommended
Action**

Goals

BACKGROUND

POLICY CONSIDERATIONS

RECOMMENDATION

File Attachments None

H. Action Resulting from Executive Session

Subject:	1. Take any action as a result of Executive Session regarding Section 363.112(a) of the Texas Health and Safety Code and City Ordinance No. 3980 prohibiting the processing or disposal of solid waste.
Meeting	September 16, 2024 - City Council Meeting
Access	Public
Type	Action, Discussion
Fiscal Impact	None
Recommended Action	Take any action as a result of Executive Session regarding Section 363.112(a) of the Texas Health and Safety Code and City Ordinance No. 3980 prohibiting the processing or disposal of solid waste.
Goals	

BACKGROUND

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Take any action as a result of Executive Session regarding Section 363.112(a) of the Texas Health and Safety Code and City Ordinance No. 3980 prohibiting the processing or disposal of solid waste.

File Attachments None
