



City of Sachse, Texas

Meeting Agenda

City Council

Monday, October 16, 2017

7:30 PM

Council Chambers

The Mayor and Sachse City Council request that all cell phones be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to respond or to conduct a phone conversation.

The City Council of the City of Sachse will hold a Regular Meeting on Monday, October 16, 2017, at 7:30 p.m. in the Council Chambers at Sachse City Hall, 3815 Sachse Road, Building B, Sachse, Texas to consider the following items of business:

Invocation and Pledges of Allegiance to U.S. and Texas Flags.

A. Pledge of Allegiance to the Flag of the United States of America: I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: one nation under God, indivisible, with liberty and justice for all.

B. Pledge of Allegiance to the Texas State Flag: Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

1. CONSENT AGENDA.

All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests.

[17-4018](#) Approve the minutes of the October 2, 2017 workshop meeting.

Attachments: [10.02.17 Minutes Workshop](#)

[17-4019](#) Approve the minutes of the October 2, 2017 regular meeting.

Attachments: [10.02.17 Minutes](#)

[17-4013](#) Approve the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Investment Policy ("Sachse Investment Policy").

Attachments: [Resolution](#)

[Proposed Inv Policy with markup](#)

[17-4015](#) Approve a resolution authorizing the purchase of three (3) 2018 Chevrolet 1500 Silverado 4x2 Double Cabs from Caldwell Country Chevrolet through the Houston Galveston Area Council purchasing program not to exceed the budgeted funds of sixty six thousand dollars (\$66,000.00) for the City of Sachse Development Services Department.

Attachments: [Resolution](#)

[17-4022](#) Approve a resolution authorizing the purchase of three 2017 Chevrolet

1500 4x4 Silverado Double Cab trucks from Caldwell Country Chevrolet through the Houston Galveston Area Council purchasing program not to exceed the budgeted funds of seventy eight thousand two hundred and forty six dollars (\$78,246.00) for the City of Sachse Public Works and Engineering Departments.

Attachments: [Resolution](#)

[Quote](#)

[17-4025](#)

Approve a resolution authorizing the purchase of one new Ford F550 4x4 Diesel Jet Truck through the BuyBoard purchasing program not to exceed the budgeted funds of one hundred forty thousand dollars (\$140,000.00) for the City of Sachse Public Works Utility Department.

Attachments: [Resolution](#)

[Quote](#)

[17-4027](#)

Approve a resolution authorizing the purchase of a new drum roller from Kirby Smith Machinery, Inc. not to exceed the budgeted funds of fifteen thousand five hundred and fifty three dollars (\$15,553.00) for the City of Sachse Public Works Department.

Attachments: [Resolution](#)

[Quote](#)

[17-4028](#)

Approve a resolution authorizing the City Manager to execute a contract with Canon Solutions America, Inc. ("CSA") for the four-year lease of twelve (12) copier/printer machines through the State of Texas contract.

Attachments: [Resolution](#)

[Canon Lease Agreement 2017](#)

2. MAYOR AND CITY COUNCIL ANNOUNCEMENTS REGARDING SPECIAL EVENTS, CURRENT ACTIVITIES, AND LOCAL ACHIEVEMENTS.

[17-4020](#)

Recognize the Finance Department.

Attachments: [CAFR Certificate FY2016](#)

[FY 16-17 Budget Award](#)

[Investment Policy Certification exp 02.19](#)

3. CITIZEN INPUT.

The public is invited at this time to address the Council. The Mayor will ask you to come to the microphone and state your name and address for the record. If your remarks pertain to a specific agenda item, please hold them until that item, at which time the Mayor may solicit your comments. Time limit is 3 minutes per speaker. The City Council is prohibited by state law from discussing any item not posted on the agenda according to the Texas Open Meetings Act, but may take them under advisement.

4. REGULAR AGENDA ITEMS.

[17-4016](#)

Receive presentation regarding new website design.

Attachments: [Presentation](#)

- [17-4024](#) Receive presentation from Ron Hobbs and consider approval of a Professional Services agreement between the City of Sachse, Texas and Ron Hobbs Architecture and Interior Design, LLP, for the design of the Sachse Community Center.

Attachments: [Agreement](#)

- [17-4026](#) Receive and discuss Utility Fund financial review.

Attachments: [Utility Fund Financial Update October 2017](#)

- [17-4029](#) Consider authorizing expenditures in an amount not to exceed two million two hundred fifty six thousand three hundred and seventy seven dollars (\$2,256,377.00) for purchase and installation of the City's Automated Metering Infrastructure (AMI) project through HydroPro Solutions and further authorize the City Manager to execute any necessary documents for such procurement including a Master Service Agreement.

Attachments: [HydroPro Solutions Agreement](#)

- [17-4030](#) Consider approval of a resolution approving purchase orders in the amount not to exceed six hundred twenty three thousand dollars (\$623,000.00) to McMahon Contracting, L.P., for concrete roadway improvement projects; authorizing its execution by the City Manager; and providing an effective date.

Attachments: [Exhibit A- Resolution](#)

[Exhibit B- Concrete Street Rehab Map](#)

- [17-4008](#) Consider approval of the First Amendment to the Project Specific Agreement by and between the City of Sachse and Dallas County to fund the construction of transportation improvements on Sachse Road and 5th Street.

Attachments: [Resolution and Amendment](#)

- [17-4023](#) Consider approval of a Development Agreement made by and between the City of Sachse, Texas and K. Hovnanian Homes-DFW L.L.C.

Attachments: [Presentation](#)

[Exhibit A](#)

[Exhibit B](#)

[Development Agreement](#)

5. ADJOURNMENT.

Vision Statement: Sachse is a friendly, vibrant community offering a safe and enjoyable quality of life to all who call Sachse home.

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

As authorized by Section 551.072(2) of the Texas Government Code, this meeting may be convened into closed Executive Session at any time during the City Council workshop or regular meeting for the purpose of seeking confidential legal advice from the City Attorney on any workshop or regular meeting agenda item listed herein.

Posted: October 13, 2017; 5:00 p.m.

Michelle Lewis Sirianni, City Secretary

If you plan to attend this public meeting and you have a disability that requires special arrangements, please contact Michelle Lewis Sirianni, City Secretary, at (972) 495-1212, 48 business hours prior to the scheduled meeting date.



City of Sachse, Texas

Legislation Details (With Text)

File #: 17-4018 **Version:** 1 **Name:** October 2, 2017 Council workshop minutes.
Type: Agenda Item **Status:** Agenda Ready
File created: 10/6/2017 **In control:** City Council
On agenda: 10/16/2017 **Final action:**
Title: Approve the minutes of the October 2, 2017 workshop meeting.
Sponsors:
Indexes:
Code sections:
Attachments: [10.02.17 Minutes Workshop](#)

Date	Ver.	Action By	Action	Result
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Title
October 2, 2017 workshop minutes.

Background
Minutes of the October 2, 2017 workshop meeting.

Policy Considerations
None.

Budgetary Considerations
None.

Staff Recommendations
Approve the minutes of the October 2, 2017 workshop meeting.

CITY COUNCIL OF THE CITY OF SACHSE

WORKSHOP MEETING MINUTES

OCTOBER 2, 2017

The City Council of the City of Sachse held a workshop meeting on Monday, October 2, 2017 at 6:30 p.m. at Sachse City Hall, 3815-B Sachse Road, Sachse, Texas. Those present were Mayor Mike Felix, Mayor Pro Tem Paul Watkins, Council Members Brett Franks, Charlie Ross, Bill Adams, Cullen King, and Jeff Bickerstaff. City Manager, Gina Nash; City Secretary, Michelle Lewis Sirianni; Community Development Director, Dusty McAfee; Economic Development Director, Leslyn Blake; Police Chief, Bryan Sylvester, and Fire Chief, Marty Wade.

Mayor Felix opened the meeting to order at 6:33 p.m.

EXECUTIVE SESSION: The City Council shall convene into Executive Session pursuant to Texas Government Code Section §551.087: Deliberation regarding economic development incentives for retail or commercial business projects seeking to locate or expand within the City

At 6:34 p.m. the City Council recessed into Executive Session.

At 7:30 p.m. the City Council reconvened back into the workshop meeting.

Councilman Franks made a motion to approve a resolution approving the terms and conditions of an Economic Development agreement by and between the Sachse Economic Development Corporation and Lakewood Café after amending the contract: Article I ‘Definitions’, page four (4) ‘Payment Request’ to “Capital Investment and the cost incurred and paid in full by company”.

Councilman Adams seconded that request and the motion was approved unanimously.

ADJOURNMENT:

At 7:32 p.m. Mayor Felix adjourned the meeting.

MIKE J. FELIX, MAYOR

ATTEST:

Michelle Lewis Sirianni, City Secretary



City of Sachse, Texas

Legislation Details (With Text)

File #: 17-4019 **Version:** 1 **Name:** October 2, 2017 Council minutes.
Type: Agenda Item **Status:** Agenda Ready
File created: 10/6/2017 **In control:** City Council
On agenda: 10/16/2017 **Final action:**
Title: Approve the minutes of the October 2, 2017 regular meeting.
Sponsors:
Indexes:
Code sections:
Attachments: [10.02.17 Minutes](#)

Date	Ver.	Action By	Action	Result
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Title
October 2, 2017 regular minutes.

Background
Minutes of the October 2, 2017 regular meeting.

Policy Considerations
None.

Budgetary Considerations
None.

Staff Recommendations
Approve the minutes of the October 2, 2017 regular meeting.

CITY COUNCIL OF THE CITY OF SACHSE

MEETING MINUTES

OCTOBER 2, 2017

The City Council of the City of Sachse held a regular meeting on Monday, October 2, 2017 at 7:30 p.m. at Sachse City Hall, 3815-B Sachse Road, Sachse, Texas. Those present were Mayor Mike Felix, Mayor Pro Tem Paul Watkins, Council Members Brett Franks, Charlie Ross, Bill Adams, Cullen King, and Jeff Bickerstaff. City Manager, Gina Nash; City Secretary, Michelle Lewis Sirianni; Human Resources Director, Melinda Walter; Public Works and Engineering Director, Greg Peters; Finance Director, Teresa Savage; Parks and Recreation Director, Lance Whitworth; Development Services Director, Dusty McAfee; Police Chief, Bryan Sylvester, and Fire Chief, Marty Wade.

Mayor Felix opened the meeting at 7:40 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND STATE FLAG: The invocation was offered by Councilman Franks and the pledges by Councilman King.

CONSENT AGENDA: All items listed on the Consent Agenda are considered routine and will be acted on by one motion, with no separate discussion of these items unless a Council member or citizen so requests.

17-3996 - Approve the minutes of the September 18, 2017 workshop meeting.

17-3997 - Approve the minutes of the September 18, 2017 regular meeting.

17-3985 – Approve a resolution to authorize the purchase of two (2) Ford Police Interceptor utility trucks from Sam Pack's 5 Star Ford through Texas Multiple Schedule Contract Program not to exceed budgeted funds of fifty-two thousand nine hundred ninety-two dollars and eighty cents (\$52,992.80).

17-3986 – Cancel the November 20, 2017 City Council Workshop and Meeting.

17-3994 - Approve a resolution authorizing the purchase of Toro Groundmaster 4000 Batwing Mower for the Parks and Recreation Department through the BuyBoard Cooperative Purchasing Program, via Professional Turf Products, in an amount not to exceed \$63,628.50.

17-4002 - Approve a resolution extending the depository bank agreement with American National Bank.

17-4003 - Accept the Monthly Revenue and Expenditure Report for the period ending August 31, 2017.

Councilman Bickerstaff made a motion to approve items the consent agenda items as presented. Councilman King seconded that motion and the motion was unanimously approved.

MAYOR AND CITY COUNCIL ANNOUNCEMENTS REGARDING SPECIAL EVENTS:

Councilman King reminded everyone that on Saturday, October 7, the Animal Shelter was holding their low cost shot clinic. He also encouraged that anyone wanting to adopt that they are out of space for their dogs that need homes.

Councilman Ross announced upcoming events at the Library which included on October 10 at 5:30 p.m., a painting class on canvas, on October 17 at 6:00 p.m., a face painting class, and on October 24 at 6:00 p.m., a Halloween party and costume contest. He also announced the change in hours of operation. The Library is now open Monday through Friday from 10:00 a.m. to 6:00 p.m., Tuesday and Thursday from 11:00 a.m. to 8:00 p.m., and Saturday from 10:00 a.m. to 4:00 p.m. Councilman Ross reminded everyone that the Library is also now selling earbuds for \$1.00.

Councilman Franks announced the Daddy/Daughter Dance which will be in February and the upcoming Pumpkin Prowl being held on October 21 at Salmon Park.

Mayor Felix announced several upcoming events which included:

- October 3 – National Night Out
- October 4 – Walk to School Day
- October 11 – Fire Station Open House
- October 21 – Pumpkin Prowl at Salmon Park
- October 28 – Fall Fest at Heritage Park
- November 23 – Turkey Trot at Sachse High School
- December 6 – Christmas Extravaganza with night parade at 6:00 p.m. followed by the tree lighting with many more activities.

CITIZENS INPUT:

Dennis Watkinney and Addis Gonte invited the Council to an event being held on October 22 at 2:00 p.m. at the Sachse Senior Center by the Sachse Spiritual Assembly of the Bahá'í.

REGULAR AGENDA ITEMS:

17-3991 Consider a resolution nominating candidate(s) for the Collin Central Appraisal District (CCAD) Board of Directors.

Mrs. Lewis Sirianni gave Council an overview of nominating and election process for the CCAD Board of Directors.

Councilman Bickerstaff nominated Wayne Mayo of Richardson to the board.

Councilman Franks reminded Council of what this board does and the importance they have regarding property taxes.

Mayor Pro Tem Watkins seconded that motion. The motion passes with a 6-1 vote. Mayor Felix was in opposition.

17-3995 Consider a resolution nominating a candidate(s) for the Dallas Central Appraisal District (DCAD) Board of Directors.

Mrs. Lewis Sirianni gave Council an overview of nominating and election process for the DCAD Board of Directors. Mrs. Nash added that since each board member represents an agency, they are limited to nominating either the current member or someone that meets their criteria.

Councilman Franks echoed his same comments from the previous item.

Mayor Pro Tem Watkins nominated Brett Franks. Councilman Bickerstaff that motion and the motion was unanimously approved.

17-4004 Conduct a public hearing to consider an ordinance amending Chapter 11 (Zoning Ordinances) of the Code of Ordinances by amending Exhibit 1 by amending Article 4 titled "General Provisions Applying to All or Several Districts" by amending and replacing Section 5 titled "Off-Street Automobile and Vehicle Parking and Loading" with a new Section 5 providing new parking requirements and regulations for off-street automobile and vehicle parking and loading.

Mr. McAfee presented to Council an overview of the proposed regulations which included that the regulations would have a stand-alone section within Chapter 11 of the Code of Ordinances, updating parking ratios for new development, requiring decorative paving, cross access, and bike racks, include maintenance provisions for parking lots and vehicular use areas, and allow for minor adjustments during the plan review. Example pictures were provided to illustrate how decorative paving is used at internal crosswalks, store entrances, major internal intersections, right-of-way intersections, trail crossings, ADA crosswalks, site entrances to subdivisions and kinds of bike racks. Staff is recommending approval.

Mayor Felix opened the public hearing.

Don Herzog of Herzog Development stated that he has no problem with the parking standards. His concern are the entrances along SH 78 and requests that the existing developments off the major thoroughfares be exempt from the parking requirements.

Corinne Smith, 4008 Blossom Drive, listed several concerns within the Sections of the proposed ordinance and questioned if this matched to other cities and who is being identified as the 'Director' within the ordinance.

Kathy Cobb, 3820 6th Street, asked Council what would be the appeal process.

Mrs. Nash stated that the appeal process would be the same as it is today going to Planning and Zoning then Council for final approval. Mrs. Nash clarified by stating the word “Director” means City Manager or its designee.

Councilman Bickerstaff made a motion to close the public hearing. Councilman Franks seconded that motion and the motion was unanimously approved.

Council discussed entrances along SH 78 and when it would require decorative paving. Mayor Pro Tem Watkins asked Mr. Herzog what if any burden it would cause on installing decorative paving. Mr. Herzog responded that his concern is the ambiguity and the aesthetics primarily; however, there is no cost burden.

Councilman Bickerstaff made a motion to approve an ordinance amending Chapter 11 (Zoning Ordinances) of the Code of Ordinances by amending Exhibit 1 by amending Article 4 titled "General Provisions Applying to All or Several Districts" by amending and replacing Section 5 titled "Off-Street Automobile and Vehicle Parking and Loading" with a new Section 5 providing new parking requirements and regulations for off-street automobile and vehicle parking and loading. Councilman King seconded that motion and the motion was unanimously approved.

17-4006 Conduct a public hearing to consider an ordinance to amend Chapter 10 (Utilities) of the Code of Ordinances by amending Chapter 10 titled "Utilities," by adding Section 10-9 titled "Municipal Drainage Utility System" to establish requirements for a municipal drainage utility system by providing for drainage service, billing, exemptions, drainage charges, and appeals; by adding a new Section 10-10 titled "Municipal Drainage Utility System Fee Schedule" to establish fees for the municipal drainage utility system.

Mr. Peters presented an overview of this item which included the goals and process of the study, and the public input which was received and utilized to identify areas with stormwater needs. Staff and the consultant identified 26 locations of existing drainage concerns. Each site was visited and the consultant prepared reports for the focus areas. The Steering Committee which consisted of six members reviewed the need for the stormwater utility, provided input on ranking capital drainage projects, reviewed the potential fee structures and rates for funding stormwater needs, and provided recommendations to the Council. Mr. Peters stated their recommendations included the following: establish a stormwater utility to fund general storm system maintenance activities with a single tier system for single-family residential properties, and a calculated rate per “ERU” for non-residential properties, maintain adopted rate for a minimum of five years (or longer), provide no exemptions (except as required by law), continue funding compliance activities through the General Fund, fund capital stormwater projects through the General Fund, if a future sales and use tax for park development is approved, consider incorporating drainage improvements to be funded within those development projects, and pursue available cost sharing or matching opportunities with partners. Mr. Peters discussed the eight projects and their rankings, the policy considerations, the rate considerations, and how our fee would compare to surrounding cities. Staff recommends approval.

Mayor Felix opened the public hearing.

Tom Gomer, 7010 Coral Lane, is in opposition to this item. Mr. Gomer stated the last time work was done on his property, his land shifted and caused foundation and driveway issues.

Rich Chadbourne, 7004 Coral Lane, stated that he has no objection to the fee. His concern is if any dredging the ditch on Coral Lane would occur, this will cause foundation issues on the homes.

Frank Millsap, 3904 Miles Road, stated his concerns are the increase in rates and questions how the money can go into the General Fund. It was noted that monies for a stormwater utility feed have to legally go into a separate fund.

Kathy Cobb, 3820 6th Street, stated that the citizens need to be educated ahead of time on the fee and maybe an insert in the water bill would be a good idea. Mrs. Cobb is concerned of having another fund to keep track of and if the ordinance can be changed.

Councilman Adams made a motion to close the public hearing. Councilman Franks seconded that motion and the motion was unanimously approved.

Mayor Felix asked staff what the total amount it would cost in the identified projects. Mr. Peters stated roughly 10 million in capital projects and one million in maintenance projects. Mayor Felix stated they are trying to identify the issues and address the problems the City currently has.

Councilman Adams stated that he would like to see Coral Lane done due to the number of houses it affects.

Councilman King made a motion to approve an ordinance to amend Chapter 10 (Utilities) of the Code of Ordinances by amending Chapter 10 titled "Utilities," by adding Section 10-9 titled "Municipal Drainage Utility System" to establish requirements for a municipal drainage utility system by providing for drainage service, billing, exemptions, drainage charges, and appeals; by adding a new Section 10-10 titled "Municipal Drainage Utility System Fee Schedule" to establish fees for the municipal drainage utility system. Mayor Pro Tem Watkins seconded that motion and the motion was unanimously approved.

17-4005 Conduct a public hearing to consider an ordinance to amend Chapter 3 (Building Regulations) of the Code of Ordinances by amending Article 1 (In General) by amending Section 3-15 titled "Flood Hazard Area Regulations" by amending subsection E titled "Definitions" by adding new definitions and amending subsection H titled "Provisions for Flood Hazard Reduction" to provide a new requirement for subdivision proposals; by amending Section 3-17 titled "Drainage and Stormwater Control" by amending subsection D titled "Responsibility of Owner or Developer for Storm Damage" by amending (6) and (10) to amend the responsibilities for the owner and City Engineer in developing drainage and floodwater control; by amending (2) of Section E titled "Engineering Design" to amend requirements for engineering design and computation; by amending (3) of subsection E titled "Engineering Design" to amend requirements for predicting volume of runoff.

Mr. Peters stated as part of the process for the stormwater utility study, staff and the consultant reviewed the City's existing regulations related to flood hazard, drainage, and stormwater controls. It was determined that some minor updates to the regulations were required. Mr. Peters reviewed current development requirements and proposed development regulations for the ordinance. The proposed changes would impact new development, and will not be imposed upon existing developed properties in the City, unless and until the property is redeveloped. Staff is recommending approval.

Mayor Felix opened the public hearing.

Nick Earwood, 4602 Lee Hutson, stated his concern is the flooding problem that continues to occur at his residence. There are several garages on his street that have separated from the house and the sinking of the street.

Councilman Adams closed the public hearing. Councilman Bickerstaff seconded that motion.

Councilman Franks stated for new construction, this will help stop existing issues as they will be able to address them during the development phase.

The motion was unanimously approved.

17-3998 Consider approval of an Economic Development Incentive Agreement made by and between the City of Sachse, Texas and Skorburg Retail Corporation.

Mr. Peters presented this item with a history regarding the Sable Hills Estate Subdivision, which was platted in 1961. The subdivision included public right-of-way for both Vicuna Circle and Ermine Circle. However, the developer never completed the construction of the public water, sewer, storm drainage, and paving improvements on these streets. There are 44 single family residential lots that are privately owned and not usable for the intended purpose of the land. Mr. Peters discussed infrastructure costs and based on current construction costs, staff estimates that the total cost necessary for paving, drainage, water, and sanitary sewer improvements would be \$1,100,000.00.

The City's current subdivision ordinance prohibits the recording of a final plat prior to completion of all public improvements. Until a plat is filed, individual lots may not be legally sold. Mr. Peters stated that since the lots are not accessible by a paved public street, and lack proper public utility access, the lots are of very little financial value to the landowners as well as the City since limited property tax revenues are received from the undeveloped lots. Making these lots developable is beneficial to both the property owners and the City. Mr. Peters touched on the original variance request, which would allow the Skorburg Retail Corporation to construct a non-standard street section for Ermine and Vicuna. The variance request based upon the drainage concerns and city paving standards was denied. Since that time, staff has been working with Skorburg to identify a way to move their project forward while addressing the concerns voiced by the citizens.

The proposed development would intend to have paving and drainage improvements that are to City standard and include 31' concrete streets with curb and gutter, 5' wide concrete sidewalks, underground drainage systems in Ermine and Vicuna, stormwater detention in the pipe system in Ermine and Vicuna, and grading of existing drainage ways to improve drainage along Williford and the west property lines of the development. Mr. Peters highlighted points within the incentive agreement which include: Skorburg will develop at least 25 of the 44 residential lots, the property owners of the remaining 19 lots may choose to keep their lots, develop their lots, or sell their lots, the minimum square footage of each Skorburg home will be 2,500 square feet, Skorburg agrees to construct the necessary street paving, sidewalks, underground drainage, water, and sanitary sewer public improvements to City standards, upon completion of the public improvements, the City will provide payment of \$110,000.00 toward the construction of Ermine Circle, and upon final inspection of each residential lot developed by Skorburg, the City will provide a grant in the

amount of \$6,829.79 per home, currently estimated at \$170,744.00. The proposed City contributions would come from Impact Fees, not from property tax or sales tax. Impact fees are dedicated funding sources. They may only be used to construct new roadway, water, or sewer infrastructure. Staff is recommending approval.

Mayor Felix opened the floor to take comments from the public.

Charles Schaefer, 4811 Williford Road, is in opposition to this item to the multiple drainage concerns. Mr. Schaefer expressed concerns regarding the FEMA floodplain and what would happen in a 100 year event or if happens more than once. Mr. Schaefer also questioned how the detention system would work.

Eugene Chambers, 4935 Williford Road, has major concerns regarding water runoff and the erosion, and the current flooding to his residence.

Ellis Tomlinson, 6708 Coral Lane, stated that the creek behind has always been an issue and questions how to control the water flow and could get worse with development. Mr. Tomlinson is opposed to this item.

Denise Crandall, 12080 US Hwy 175E, is a current property owner in Sable Hills Estates. Ms. Crandall is in favor of this item. Ms. Crandall expressed the long history of having this property in her family and with it having not been developed in over 51 years has made it difficult to sell. Ms. Crandall would like to see these lots developed.

Robert Corbin, 4951 Williford Road, stated his concern is the way the water flows and the current flooding at his shop.

Jackie Eichelberger, 7121 Bailey Road, stated she is for the development, but is concerned about the City putting up the money. She is against the taxpayers having to fund part of the infrastructure that the developer should be funding. Mrs. Eichelberger also asked if they would be required to set aside green space for a park or open space.

James Cron, 4912 Williford Road, asked if the City vetted the financial stability of the developer and the \$110,000 seems high, and would like to see Bailey Road repaved.

Corrine Smith, 4008 Blossom Drive, asked where the grant money was coming from and if negotiations were taking place with the property owners.

Thomas Gomer, 7010 Coral Lane, is concerned about erosion control and drainage.

Rich Chadbourne, 7004 Coral Lane, asked if there would be sidewalks the full length of the road and is concerned about the water detention.

Mrs. Nash stated that the developer today can come in by right and build just to City standards. The funding is coming from impact fees, which is paid by developers when development occurs and due to the subdivision being platted before park dedication fees were required, Skorburg would not be required to dedicate park land in this project. Mr. Peters added that the City does not financially vet developers, but the City is familiar with Skorburg.

Mr. Peters noted that the developer will conduct detailed storm water drainage design and have more specific information in the formal design and construction process.

John Arnold with Skorburg Development reiterated that they will continue to meet with staff and address citizen concerns. They are willing to do the drainage study and fix the problems by working with the residents.

Council discussed what they could do in regards to drainage with or without development in this area as well as how they prefer to work with the developer to enhance the minimum standards and make improvements to the creek, otherwise, the properties will not develop.

Councilman Bickerstaff made a motion to approve an Economic Development Incentive Agreement made by and between the City of Sachse, Texas and Skorburg Retail Corporation. Mayor Pro Tem Watkins seconded that motion. The motion passes with a 5-2 vote. Mayor Felix and Councilman King voted in opposition.

17-4000 Discussion regarding the City's newspaper of record.

Mrs. Nash introduced this item stating that the City had initially established a newspaper of record. It was removed from the Charter in 1990. It is no longer required being a Home Rule City, however, the City Attorney recommends having one.

Mayor Felix asked if the City had researched any details. Mrs. Nash stated the newspaper used must be of a wide circulation in the City, which would limit to either the Sachse News or the Dallas Morning News. Mrs. Nash stated the City currently spends \$8,000 to \$11,000 a year with the Sachse News depending on how many legal notices, etc. are published. If the Council chose to go with the Dallas Morning News with a contract rate of \$5,000 to \$10,000, the costs would be comparable or less.

Councilman Adams asked if this would extend our reach to vendors. Councilman Bickerstaff asked if the \$5,000 or \$10,000 is on an annual basis. Mayor Pro Tem Watkins asked if they would get more reach with the Dallas Morning News. Councilman King asked if we have current circulation numbers and if it was necessary to have a paper of record. Mrs. Nash stated it is a best practice so that citizens will know where to look for publications of items.

Councilman Franks asked if the contract included the online fee and if someone doesn't have a subscription, could they search online. Mrs. Nash replied the fee is included and would get a clarification on the other.

ADJOURNMENT:

Mayor Felix adjourned the meeting at 8:39 p.m.

MIKE J FELIX, MAYOR

ATTEST:

Michelle Lewis Sirianni, City Secretary



City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4013	Version:	1	Name:	Investment Policy Review
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/4/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Approve the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Investment Policy ("Sachse Investment Policy").				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Resolution Proposed Inv Policy with markup				

Date	Ver.	Action By	Action	Result
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Title

Adopt the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Investment Policy ("Sachse Investment Policy").

Background

The City's current Investment Policy was reviewed by City Council on October 3, 2016. In accordance with the Public Funds Investment Act (PFIA), the City's investment policy is to be reviewed on an annual basis, and the City Council must approve any modifications made thereto. The purpose of this agenda item is to present staff recommendations for changes to policy and to comply with the annual review provision of the PFIA whereby each entity shall adopt a resolution annually attesting to an annual review.

A summary of changes is shown below:

IX. Authorized and Suitable Investments

- add "including the Federal Home Loan Banks." (page 5)
- add decimal places "\$1.0000 for each share" page 6
- replace "created to function as a money market mutual fund" with "utilized as a cash-equivalent investment" (page 8)
- add decimal places "\$1.00 net asset value" and replace "shall" with "may" (page 8)

XXIV. Investment Policy Certification

- replace "but not limited to "investment pool, financial institution, broker/dealer" with "investment pool and discretionary investment management firm" (page 13)

Appendix A--Authorized Broker/Dealer Firms

- replace Coastal Securities with FTN Financial (page 15)

Policy Considerations

The recommended policy for adoption is in compliance with the Public Funds Investment Act (PFIA).

Budgetary Considerations

None.

Staff Recommendations

Approve the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Investment Policy ("Sachse Investment Policy").

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, ADOPTING THE CITY OF SACHSE, SACHSE ECONOMIC DEVELOPMENT CORPORATION, AND PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT FUND INVESTMENT POLICY (“SACHSE INVESTMENT POLICY”) ATTACHED HERETO AS EXHIBIT “A”; DECLARING THAT THE CITY COUNCIL HAS COMPLETED ITS REVIEW OF THE INVESTMENT POLICY AND INVESTMENT STRATEGIES OF THE CITY AND THAT EXHIBIT “A” RECORDS ANY CHANGES TO EITHER THE INVESTMENT POLICY OR INVESTMENT STRATEGIES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with the Public Funds Investment Act, Chapter 2256, TEX. GOV’T CODE, the City Council of the City of Sachse, Texas by resolution adopted an investment policy; and

WHEREAS, Section 2256.005, Tex. Gov’t Code requires the City Council to review the investment policies and investment strategies not less than annually and to adopt a resolution or order stating the review has been completed and recording any changes made to either the investment policies or investment strategies.

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

SECTION 1. The Sachse Investment Policy, attached hereto as Exhibit “A” be and the same is hereby adopted and shall govern the investment policies and investment strategies for the City, and shall define the authority of the investment official of the City from and after the effective date of this Resolution.

SECTION 2. That the City Council of the City of Sachse has completed its review of the investment policies and investment strategies and any changes made to either the investment policies or investment strategies are recorded in Exhibit “A” hereto.

SECTION 3. That all provisions of the Resolutions of the City of Sachse, Texas, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions of the Resolutions of the City not in conflict with the provisions of this resolution shall remain in full force and effect.

SECTION 4. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Resolution, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution, which shall remain in full force and effect.

SECTION 5. That this Resolution shall become effective immediately from and after its passage.

SECTION 6. 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 October, 2017.

CITY OF SACHSE, TEXAS

Mike J. Felix, Mayor

ATTEST:

Michelle Lewis-Sirianni, City Secretary

Exhibit “A”
CITY OF SACHSE
SACHSE ECONOMIC DEVELOPMENT CORPORATION
PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT
FUND
INVESTMENT POLICY

I. Policy

Throughout this Investment Policy, the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Fund shall be singularly referred to as “ENTITY” and collectively referred to as “SACHSE.”

It is the policy of SACHSE to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of SACHSE and conforming to the Public Funds Investment Act (“PFIA”), Chapter 2256 of the Texas Government Code, and all other State and local statutes governing the investment of public funds.

II. Scope

This Investment Policy applies to all funds or financial resources available for investment under SACHSE’s financial control and accounted for in the City of Sachse’s Comprehensive Annual Financial Report (CAFR) which includes the General Fund, Debt Service Fund, Special Revenue Fund, Capital Projects Fund, Water and Sewer Enterprise Fund, Sachse Economic Development Corporation Fund, President George Bush Turnpike Reinvestment Zone Tax Increment Fund, and any new fund created by SACHSE unless specifically exempt.

To maximize the effective investment of assets, all funds may pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances.

III. Prudence

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

The standard of prudence to be used by Investment Officers shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment Officers, acting in accordance with written procedures and the Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual investment’s credit risk or market price changes, provided deviation from

expectations are reported immediately upon knowledge of the deviation and appropriate action is taken to control adverse developments.

IV. Objective

The primary objectives, in priority order, of SACHSE investment activities shall be:

- A. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of SACHSE shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- B. **Liquidity:** The SACHSE investment portfolio will remain sufficiently liquid to enable SACHSE to meet all operating requirements which might be reasonably anticipated.
- C. **Public Trust:** Investment Officers shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction that might impair public confidence in SACHSE's ability to govern effectively.
- D. **Return on Investments:** SACHSE's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with SACHSE's investment risk constraints and the cash flow characteristics of the portfolio.

V. Delegation of Authority

Management responsibility for the investment program is hereby delegated to the Director of Finance and the Finance Manager of the City of Sachse (the "Investment Officers"). The Director of Finance shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Director of Finance. The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.

VI. Ethics and Conflicts of Interest

Investment Officers involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment Officers shall disclose to SACHSE any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large

personal financial/investment positions that could be related to the performance of SACHSE, particularly with regard to the time of purchases and sales.

Investment Officers involved in the investment process shall adhere to the business relationship and other disclosure requirements as described in the PFIA 2256.005(i) by filing statements with the Texas Ethics Commission and each ENTITY's governing body.

VII. Authorized Broker/Dealers

The list of authorized broker/dealers shall be annually approved by the City Council (Appendix A). These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: audited financial statements, proof of Financial Industry Regulatory Authority (FINRA) certification, trading resolution, and/or proof of State registration, as applicable.

It is at the discretion of the Investment Officer as to which authorized broker/dealer shall be used for any buy/sell transactions.

VIII. Investment Strategy

SACHSE's basic investment strategy for all financial assets is to preserve principal. In order to achieve that objective, SACHSE restricts the authorized investment instruments to those with suitable and limited credit and market risk. In order to make effective use of SACHSE's resources, all monies may be pooled into one portfolio, if practical, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, ordinances, contracts, agreements, or other policies.

The objective of liquidity stems from the need of SACHSE to maintain available cash balances sufficient to cover financial outlays. Since the timing and amount of some financial disbursements are not predictable, fund-type strategies shall adjust for the uncertainty of projected cash flows.

Investment marketability will be maintained based on the fund-type strategies to sufficiently and reasonably assure that investments could be liquidated prior to the maturity, if cash needs dictate.

Whenever practical or appropriate, it is the policy of SACHSE to diversify its investment portfolio. Assets held in the investment portfolio may be diversified to minimize the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of investment.

SACHSE funds shall seek to achieve a competitive yield appropriate for each strategy. Yield objectives shall at all times be subordinate to the objectives of safety and liquidity. Tax-exempt debt proceeds shall be invested to maximize the interest earnings retained by SACHSE, while at the same time fully complying with all applicable State laws and federal regulations, including the arbitrage rebate regulations. A competitive yield environment shall be achieved by soliciting quotes from multiple investment providers, monitoring comparable investment alternatives, and reviewing general market conditions.

The overall investment strategy of SACHSE is based on the premise that a certain amount of SACHSE's funds will be needed to pay current year expenditures or for projects that are to be complete within a specific time frame. Remaining funds are considered to be reserves and, barring any unforeseen emergencies or events beyond SACHSE's control, it is considered that these funds may be invested, within the maturity limits of this Policy, in an advantageous position on the yield curve. It is understood that investments in longer term instruments are sensitive to changes in interest rates and other market conditions; however, it is SACHSE's belief that such investments may be held to maturity if necessary.

SACHSE may maintain one portfolio in which all funds under its control are pooled for investment purposes. Within the pooled portfolio are fund components, each having an investment strategy as described below:

- A. Governmental Funds – the funds through which most governmental functions are financed and the primary operating funds of SACHSE. The investment strategy must allow for the investment of anticipated cash flows to meet the anticipated expenditures of the following funds:
 - 1. General Fund
 - 2. Debt Service Fund
 - 3. Special Revenue Fund
 - 4. Capital Projects Fund
 - 5. Sachse Economic Development Corporation Fund
 - 6. President George Bush Reinvestment Zone Tax Increment Fund

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

- B. Proprietary Funds - the funds used in SACHSE's business-type activities or Enterprise activities financed primarily by user charges and fees. The strategy for these funds is to time investment maturities to anticipated cash requirements. The projects may require investments with short to intermediate maturities.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

- C The Debt Service and Interest/Sinking Funds should consist of short-term investments, whose maturities meet the scheduled debt service payments. Reserves may be invested in longer-term investments.

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

- D. Special Revenue Fund and other Non-operating Funds investments should be in short-term instruments with maturities laddered to meet projected cash needs. Reserves are idle funds that may be invested in intermediate to long-term investments after analysis of future plans for use of the funds.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

IX. Authorized & Suitable Investments

SACHSE is empowered by statute to invest in the following:

A. Obligations of, or guaranteed by, governmental entities:

1. obligations of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;
2. direct obligations of this State or its agencies and instrumentalities;
3. other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; and
4. obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

B. Financial Institution Deposits: A financial institution deposit is an authorized investment under this Policy if the deposit is with a state or national bank, a savings and loan association, or credit union that is:

1. guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund, or its successor;

2. secured by obligations that are described in Section XII Collateralization; and
3. executed through a depository institution or broker that has its main office or a branch office in Texas and meets the requirements of the PFIA.

C. Repurchase Agreements:

1. A fully collateralized repurchase agreement is an authorized investment if the repurchase agreement:
 - (a) has a defined termination date;
 - (b) is secured by cash or obligations described by Section IX.A1;
 - (c) requires the cash or securities being purchased by SACHSE to be delivered versus payment to SACHSE, held in SACHSE's account with a third party selected and approved by SACHSE; and
 - (d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this State.
2. "Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date, obligations described by Section IX.A1 at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed.

D. Mutual Funds:

1. A no-load money market mutual fund is an authorized investment under this Policy if the mutual fund:
 - (a) is registered with and regulated by the Securities and Exchange Commission;
 - (b) provides SACHSE with a prospectus and other information as required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.);
 - (c) has a dollar-weighted average stated maturity in compliance with regulations;
 - (d) includes in its investment objectives the maintenance of a stable net asset value of \$1.0000 for each share; and

- (e) is continuously rated no lower than AAAM or at an equivalent rating by one nationally recognized rating service.
- 2. SACHSE is not authorized by this section to invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

E. Investment Pools:

- 1. SACHSE may invest its funds and funds under its control through an eligible investment pool if each ENTITY's governing body by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the PFIA 2256.016.
- 2. To be eligible to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, an investment pool must furnish to the Investment Officers or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains at a minimum, the following information:
 - (a) the types of investments in which money is allowed to be invested;
 - (b) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
 - (c) the maximum stated maturity date any investment security within the portfolio has;
 - (d) the objectives of the pool;
 - (e) the size of the pool;
 - (f) the names of the members of the advisory board of the pool and the dates their terms expire;
 - (g) the custodian bank that will safekeep the pool's assets;
 - (h) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
 - (i) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment,

such as insurance or guarantees, and a description of the secondary source of payment;

- (j) the name and address of the independent auditor of the pool;
 - (k) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and
 - (l) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.
3. To maintain eligibility to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, at a minimum an investment pool must furnish to the Investment Officer or other authorized representative of the entity:
- (a) investment transaction confirmations; and
 - (b) a monthly report that contains, as a minimum, the following information:
 - (1) the types and percentage breakdown of securities in which the pool is invested;
 - (2) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
 - (3) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - (4) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - (5) the size of the pool;
 - (6) the number of participants in the pool;
 - (7) the custodian bank that is safekeeping the assets in the pool;
 - (8) a listing of daily transaction activity of the entity participating in the pool;
 - (9) the yield and expense ratio of the pool;

- (10) the portfolio managers of the pool; and
 - (11) any changes or addenda to the offering circular.
- 4. SACHSE, by contract, may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.
- 5. Investment Pool “yield” shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission.
- 6. A public funds investment pool utilized as a cash-equivalent investment must mark its portfolio to market daily and, to the extent reasonably possible, stabilize at a \$1.00 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings may be sold as necessary to maintain the ratio between 0.995 and 1.005.
- 7. An Investment pool must have an advisory board composed:
 - (a) Equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for pools created under Chapter 791 Texas State Code and managed by a state agency; or
 - (b) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.
- 8. A public funds investment pool must be continuously rated no lower than AAA or AAAM or at an equivalent rating by one nationally recognized rating service.
- 9. If the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections (b), (c)(2), and (f) must be posted on the website.
- 10. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested.
- 11. If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include

either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

X. Unauthorized Investments

The following are not authorized investments under this section:

- A. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- B. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest; and
- C. Collateralized mortgage obligations.

Any Authorized & Suitable Investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating. SACHSE shall take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating. Additionally, SACHSE is not required to liquidate investments that were authorized at the time of purchase.

XI. Depository

In compliance with State legislation, a primary Depository shall be selected through SACHSE'S banking services procurement process, which shall include a formal request for application (RFA). In selecting a depository the Director of Finance shall conduct a review of prospective depository's credit characteristics and financial history.

No public deposit shall be made except in a qualified public depository as established by State laws.

XII. Collateralization

Collateralization will be required on two types of investments: financial institution deposits (in amounts exceeding F.D.I.C. insurance coverage) and repurchase agreements. With the exception of Letters of Credit issued for 100% of amount, the minimum collateralization level will be 102% of market value of principal and accrued interest, less F.D.I.C. insurance when applicable.

SACHSE chooses to limit collateral (including letters of credit) to the obligations of, or guaranteed by, governmental entities as outlined in the Public Funds Collateral Act.

All financial institution deposits shall be insured or collateralized in compliance with applicable State law. SACHSE reserves the right, in its sole discretion, to accept or

reject any form of insurance or collateralization pledged towards depository deposits. Financial institutions serving as depositories will be required to sign a depository agreement with SACHSE. The collateralized deposit portion of the agreement shall define SACHSE's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The agreement must be in writing;
- The agreement has to be executed by the Depository and SACHSE contemporaneously with the acquisition of the asset;
- The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to SACHSE; and
- The agreement must be part of the Depository's "official record" continuously since its execution.

Securities pledged as collateral shall be held by an independent third party with whom SACHSE has a custodial agreement. The agreement is to specify the acceptable investment securities as collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities at default, and the method of valuation of securities.

XIII. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by SACHSE shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in an account in SACHSE's name by a third party safekeeping agent/custodian designated by the Investment Officers and evidenced by safekeeping receipts.

XIV. Electronic Fund Transfer

SACHSE may use electronic means to transfer or invest all funds collected or controlled by the local government.

XV. Diversification

SACHSE will diversify its investments by types, maturity dates, and/or institutions, as appropriate.

XVI. Maximum Maturities and Weighted Average Maturity

To the extent possible, SACHSE will attempt to match its anticipated cash flow requirements with maturing investments. SACHSE will not directly invest in instruments

maturing more than 2 years from the date of purchase, with the maximum weighted average maturity for the total portfolio to not exceed twelve months. However, SACHSE may collateralize its repurchase agreements using longer-dated investments not to exceed 5 years to maturity.

Reserve funds may be invested in instruments up to and including 5 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

XVII. Internal Control

The Director of Finance shall establish an annual process of independent review by an external auditor in conjunction with the annual audit. This review will provide internal control by assuring compliance with policies and procedures.

XVIII. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. "Weighted Average Yield to Maturity" shall be the standard for calculating portfolio rate of return.

XIX. Reporting

- A. The Investment Officers shall prepare and submit quarterly a written report of investment transactions for all funds covered by this Investment Policy for the preceding reporting period.
- B. The report must include the following:
 - 1. describe in detail the investment position of SACHSE on the date of the report;
 - 2. be prepared jointly by all Investment Officers of SACHSE;
 - 3. be signed by each Investment Officer of SACHSE;
 - 4. contain a summary statement of each pooled fund group that states the:
 - (a) beginning market value for the reporting period;
 - (b) ending market value for the period; and
 - (c) fully accrued interest for the period.

5. state the book value and market value of each separately invested asset at the beginning and end of the reporting period by type of asset and fund type invested;
 6. state the maturity date of each separately invested asset that has a maturity date;
 7. state the account or fund or pooled group fund in the local government for which each individual investment was acquired; and
 8. state the compliance of the Investment Portfolio of the local government as it relates to:
 - (a) the Investment Strategy expressed in SACHSE's Investment Policy; and
 - (b) relevant provisions of the PFIA.
- C. The report shall be presented not less than quarterly to each ENTITY's governing body within a reasonable time after the end of the period.
- D. The market values and credit ratings presented in all portfolio reports shall be accurate and reliable estimates of the investment's true value and risk. Market value and credit rating sources may include, but are not limited to, rating agency reports, newspapers, financial websites, custodian reports, broker/dealer reports, and investment advisor research.

XX. Investment Policy Adoption

SACHSE's Investment Policy shall be adopted by resolution of each ENTITY's governing body. This Policy shall be reviewed annually and any modifications made thereto must be approved by each ENTITY's governing body. Each ENTITY's governing body shall adopt a written instrument attesting to each annual review.

XXI. Auditor

As part of the annual audit, the independent auditor must formally review the quarterly investment reports to comply with the PFIA and report the results of that review to each ENTITY's governing body.

XXII. Training

In order to ensure qualified and capable investment management, the Investment Officers, their designated subordinates, Treasurer, and Chief Financial Officer of SACHSE shall attend training that includes education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and PFIA

compliance. SACHSE approves the Government Finance Officers' Association, Government Finance Officers' Association of Texas, Government Treasurers' Organization of Texas, North Central Texas Council of Governments, Texas City Managers Association, Texas Municipal League, and University of North Texas as independent sources of training.

Each individual shall attend training accumulating at least 10 hours of instruction within twelve months of assuming investment-related responsibilities; and shall then receive not less than 8 hours of investment-related instruction within each subsequent two-year period aligned with SACHSE's fiscal year end.

XXIII. Donated Investments

This Policy does not apply to an investment donated to SACHSE for a particular purpose or under terms of use specified by the donor.

XXIV. Investment Policy Certification

The qualified representative of any business organization (including: investment pool and discretionary investment management firm) offering to engage in an investment transaction must execute a written instrument substantially to the effect that the business organization has received and reviewed the Investment Policy and that the business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the organization and SACHSE.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this 16th day of October, 2017.

Mike J. Felix
Mayor, City of Sachse, Texas

ATTEST:

Michelle Lewis-Sirianni
City Secretary, City of Sachse, Texas

Acknowledged by the Sachse Economic Development Corporation, Texas this _____ day of _____, 2017.

President
Sachse Economic Development Corporation

ATTEST:

Executive Director
Sachse Economic Development Corporation

Acknowledged by the President George Bush Turnpike Reinvestment Zone Tax Increment Fund, Texas this _____ day of _____, 2017.

President
President George Bush Turnpike
Reinvestment Zone Tax Increment Fund

ATTEST:

Board Secretary
President George Bush Turnpike Reinvestment Zone Tax Increment Fund

Appendix A
Authorized Broker/Dealer Firms

FTN Financial
Hilltop Securities
Oppenheimer
Raymond James
Wells Fargo

**CITY OF SACHSE
SACHSE ECONOMIC DEVELOPMENT CORPORATION
PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT FUND
INVESTMENT POLICY**

I. Policy

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- D. **Return on Investments:** SACHSE's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with SACHSE's investment risk constraints and the cash flow characteristics of the portfolio.

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It is at the discretion of the Investment Officer as to which authorized broker/dealer shall be used for any buy/sell transactions.

VIII. Investment Strategy

SACHSE's basic investment strategy for all financial assets is to preserve principal. In order to achieve that objective, SACHSE restricts the authorized investment instruments to those with suitable and limited credit and market risk. In order to make effective use of SACHSE's resources, all monies may be pooled into one portfolio, if practical, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, ordinances, contracts, agreements, or other policies.

The objective of liquidity stems from the need of SACHSE to maintain available cash balances sufficient to cover financial outlays. Since the timing and amount of some financial disbursements are not predictable, fund-type strategies shall adjust for the uncertainty of projected cash flows.

Investment marketability will be maintained based on the fund-type strategies to sufficiently and reasonably assure that investments could be liquidated prior to the maturity, if cash needs dictate.

Whenever practical or appropriate, it is the policy of SACHSE to diversity its investment portfolio. Assets held in the investment portfolio may be diversified to minimize the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of investment.

SACHSE funds shall seek to achieve a competitive yield appropriate for each strategy. Yield objectives shall at all times be subordinate to the objectives of safety and liquidity. Tax-exempt debt proceeds shall be invested to maximize the interest earnings retained by SACHSE, while at the same time fully complying with all applicable State laws and federal regulations, including the arbitrage rebate regulations. A competitive yield environment shall be achieved by soliciting quotes from multiple investment providers, monitoring comparable investment alternatives, and reviewing general market conditions.

The overall investment strategy of SACHSE is based on the premise that a certain amount of SACHSE's funds will be needed to pay current year expenditures or for projects that are to be complete within a specific time frame. Remaining funds are considered to be reserves and, barring any unforeseen emergencies or events beyond SACHSE's control, it is considered that these funds may be invested, within the maturity limits of this Policy, in an advantageous position on the yield curve. It is understood that investments in longer term instruments are sensitive to changes in interest rates and other market conditions; however, it is SACHSE's belief that such investments may be held to maturity if necessary.

SACHSE may maintain one portfolio in which all funds under its control are pooled for investment purposes. Within the pooled portfolio are fund components, each having an investment strategy as described below:

- A. Governmental Funds – the funds through which most governmental functions are financed and the primary operating funds of SACHSE. The investment strategy must allow for the investment of anticipated cash flows to meet the anticipated expenditures of the following funds:

1. General Fund
2. Debt Service Fund
3. Special Revenue Fund
4. Capital Projects Fund
5. Sachse Economic Development Corporation Fund
6. President George Bush Reinvestment Zone Tax Increment Fund

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

- B. Proprietary Funds - the funds used in SACHSE's business-type activities or Enterprise activities financed primarily by user charges and fees. The strategy for these funds is to time investment maturities to anticipated cash requirements. The projects may require investments with short to intermediate maturities.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

- C. The Debt Service and Interest/Sinking Funds should consist of short-term investments, whose maturities meet the scheduled debt service payments. Reserves may be invested in longer-term investments.

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

- D. Special Revenue Fund and other Non-operating Funds investments should be in short-term instruments with maturities laddered to meet projected cash needs. Reserves are idle funds that may be invested in intermediate to long-term investments after analysis of future plans for use of the funds.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

IX. Authorized & Suitable Investments

SACHSE is empowered by statute to invest in the following:

- A. Obligations of, or guaranteed by, governmental entities:

1. obligations of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;
2. direct obligations of this State or its agencies and instrumentalities;
3. other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; and
4. obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

B. Financial Institution Deposits: A financial institution deposit is an authorized investment under this Policy if the deposit is with a state or national bank, a savings and loan association, or credit union that is:

1. guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund, or its successor;
2. secured by obligations that are described in Section XII Collateralization; and
3. executed through a depository institution or broker that has its main office or a branch office in Texas and meets the requirements of the PFIA.

C. Repurchase Agreements:

1. A fully collateralized repurchase agreement is an authorized investment if the repurchase agreement:
 - (a) has a defined termination date;
 - (b) is secured by cash or obligations described by Section IX.A1;
 - (c) requires the cash or securities being purchased by SACHSE to be delivered versus payment to SACHSE, held in SACHSE's account with a third party selected and approved by SACHSE; and
 - (d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this State.
2. "Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date, obligations described by Section IX.A1 at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed.

D. Mutual Funds:

1. A no-load money market mutual fund is an authorized investment under this Policy if the mutual fund:
 - (a) is registered with and regulated by the Securities and Exchange Commission;
 - (b) provides SACHSE with a prospectus and other information as required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.);
 - (c) has a dollar-weighted average stated maturity in compliance with regulations;
 - (d) includes in its investment objectives the maintenance of a stable net asset value of \$1.0000 for each share; and
 - (e) is continuously rated no lower than AAAm or at an equivalent rating by one nationally recognized rating service.
2. SACHSE is not authorized by this section to invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

E. Investment Pools:

1. SACHSE may invest its funds and funds under its control through an eligible investment pool if each ENTITY's governing body by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the PFIA 2256.016.
2. To be eligible to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, an investment pool must furnish to the Investment Officers or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains at a minimum, the following information:
 - (a) the types of investments in which money is allowed to be invested;
 - (b) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
 - (c) the maximum stated maturity date any investment security within the portfolio has;
 - (d) the objectives of the pool;
 - (e) the size of the pool;

- (f) the names of the members of the advisory board of the pool and the dates their terms expire;
 - (g) the custodian bank that will safekeep the pool's assets;
 - (h) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
 - (i) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
 - (j) the name and address of the independent auditor of the pool;
 - (k) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and
 - (l) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.
3. To maintain eligibility to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, at a minimum an investment pool must furnish to the Investment Officer or other authorized representative of the entity:
- (a) investment transaction confirmations; and
 - (b) a monthly report that contains, as a minimum, the following information:
 - (1) the types and percentage breakdown of securities in which the pool is invested;
 - (2) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
 - (3) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - (4) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - (5) the size of the pool;
 - (6) the number of participants in the pool;
 - (7) the custodian bank that is safekeeping the assets in the pool;

- (8) a listing of daily transaction activity of the entity participating in the pool;
 - (9) the yield and expense ratio of the pool;
 - (10) the portfolio managers of the pool; and
 - (11) any changes or addenda to the offering circular.
- 4. SACHSE, by contract, may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.
- 5. Investment Pool "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission.
- 6. A public funds investment pool ~~utilized as a cash-equivalent investment created to function as a money market mutual fund~~ must mark its portfolio to market daily and, to the extent reasonably possible, stabilize at a \$1.00 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings ~~shall~~ may be sold as necessary to maintain the ratio between 0.995 and 1.005.
- 7. An Investment pool must have an advisory board composed:
 - (a) Equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for pools created under Chapter 791 Texas State Code and managed by a state agency; or
 - (b) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.
- 8. A public funds investment pool must be continuously rated no lower than AAA or AAAM or at an equivalent rating by one nationally recognized rating service.
- 9. If the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections (b), (c)(2), and (f) must be posted on the website.
- 10. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested.

11. If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

X. Unauthorized Investments

The following are not authorized investments under this section:

- A. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- B. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest; and
- C. Collateralized mortgage obligations.

Any Authorized & Suitable Investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating. SACHSE shall take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating. Additionally, SACHSE is not required to liquidate investments that were authorized at the time of purchase.

XI. Depository

In compliance with State legislation, a primary Depository shall be selected through SACHSE'S banking services procurement process, which shall include a formal request for application (RFA). In selecting a depository the Director of Finance shall conduct a review of prospective depository's credit characteristics and financial history.

No public deposit shall be made except in a qualified public depository as established by State laws.

XII. Collateralization

Collateralization will be required on two types of investments: financial institution deposits (in amounts exceeding F.D.I.C. insurance coverage) and repurchase agreements. With the exception of Letters of Credit issued for 100% of amount, the minimum collateralization level will be 102% of market value of principal and accrued interest, less F.D.I.C. insurance when applicable.

SACHSE chooses to limit collateral (including letters of credit) to the obligations of, or guaranteed by, governmental entities as outlined in the Public Funds Collateral Act.

All financial institution deposits shall be insured or collateralized in compliance with applicable State law. SACHSE reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Financial institutions serving as depositories will be required to sign a depository agreement with SACHSE. The

collateralized deposit portion of the agreement shall define SACHSE's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The agreement must be in writing;
- The agreement has to be executed by the Depository and SACHSE contemporaneously with the acquisition of the asset;
- The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to SACHSE; and
- The agreement must be part of the Depository's "official record" continuously since its execution.

Securities pledged as collateral shall be held by an independent third party with whom SACHSE has a custodial agreement. The agreement is to specify the acceptable investment securities as collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities at default, and the method of valuation of securities.

XIII. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by SACHSE shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in an account in SACHSE's name by a third party safekeeping agent/custodian designated by the Investment Officers and evidenced by safekeeping receipts.

XIV. Electronic Fund Transfer

SACHSE may use electronic means to transfer or invest all funds collected or controlled by the local government.

XV. Diversification

SACHSE will diversify its investments by types, maturity dates, and/or institutions, as appropriate.

XVI. Maximum Maturities and Weighted Average Maturity

To the extent possible, SACHSE will attempt to match its anticipated cash flow requirements with maturing investments. SACHSE will not directly invest in instruments maturing more than 2 years from the date of purchase, with the maximum weighted average maturity for the total portfolio to not exceed twelve months. However, SACHSE may collateralize its repurchase agreements using longer-dated investments not to exceed 5 years to maturity.

Reserve funds may be invested in instruments up to and including 5 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

XVII. Internal Control

The Director of Finance shall establish an annual process of independent review by an external auditor in conjunction with the annual audit. This review will provide internal control by assuring compliance with policies and procedures.

XVIII. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. "Weighted Average Yield to Maturity" shall be the standard for calculating portfolio rate of return.

XIX. Reporting

- A. The Investment Officers shall prepare and submit quarterly a written report of investment transactions for all funds covered by this Investment Policy for the preceding reporting period.
- B. The report must include the following:
 - 1. describe in detail the investment position of SACHSE on the date of the report;
 - 2. be prepared jointly by all Investment Officers of SACHSE;
 - 3. be signed by each Investment Officer of SACHSE;
 - 4. contain a summary statement of each pooled fund group that states the:
 - (a) beginning market value for the reporting period;
 - (b) ending market value for the period; and
 - (c) fully accrued interest for the period.
 - 5. state the book value and market value of each separately invested asset at the beginning and end of the reporting period by type of asset and fund type invested;
 - 6. state the maturity date of each separately invested asset that has a maturity date;
 - 7. state the account or fund or pooled group fund in the local government for which each individual investment was acquired; and
 - 8. state the compliance of the Investment Portfolio of the local government as it relates to:

- (a) the Investment Strategy expressed in SACHSE's Investment Policy; and
 - (b) relevant provisions of the PFIA.
- C. The report shall be presented not less than quarterly to each ENTITY's governing body within a reasonable time after the end of the period.
- D. The market values and credit ratings presented in all portfolio reports shall be accurate and reliable estimates of the investment's true value and risk. Market value and credit rating sources may include, but are not limited to, rating agency reports, newspapers, financial websites, custodian reports, broker/dealer reports, and investment advisor research.

XX. Investment Policy Adoption

SACHSE's Investment Policy shall be adopted by resolution of each ENTITY's governing body. This Policy shall be reviewed annually and any modifications made thereto must be approved by each ENTITY's governing body. Each ENTITY's governing body shall adopt a written instrument attesting to each annual review.

XXI. Auditor

As part of the annual audit, the independent auditor must formally review the quarterly investment reports to comply with the PFIA and report the results of that review to each ENTITY's governing body.

XXII. Training

In order to ensure qualified and capable investment management, the Investment Officers, their designated subordinates, Treasurer, and Chief Financial Officer of SACHSE shall attend training that includes education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and PFIA compliance. SACHSE approves the Government Finance Officers' Association, Government Finance Officers' Association of Texas, Government Treasurers' Organization of Texas, North Central Texas Council of Governments, Texas City Managers Association, Texas Municipal League, and University of North Texas as independent sources of training.

Each individual shall attend training accumulating at least 10 hours of instruction within twelve months of assuming investment-related responsibilities; and shall then receive not less than 8 hours of investment-related instruction within each subsequent two-year period aligned with SACHSE's fiscal year end.

XXIII. Donated Investments

This Policy does not apply to an investment donated to SACHSE for a particular purpose or under terms of use specified by the donor.

XXIV. Investment Policy Certification

The qualified representative of any business organization (including ~~but not limited to:~~ investment pool and discretionary investment management firm, ~~financial institution, broker/dealer~~) offering to engage in an investment transaction must execute a written instrument substantially to the effect that the business organization has received and reviewed the Investment Policy and that the business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the organization and SACHSE.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this 3rd day of October, 2016.

Mayor
City of Sachse, Texas

ATTEST:

City Secretary
City of Sachse, Texas

Acknowledged by the Sachse Economic Development Corporation, Texas this _____ day of _____, 2016.

President
Sachse Economic Development Corporation

ATTEST:

Executive Director
Sachse Economic Development Corporation

Acknowledged by the President George Bush Turnpike Reinvestment Zone Tax Increment Fund, Texas this _____ day of _____, 2016.

President
President George Bush Turnpike Reinvestment Zone

Tax Increment Fund

ATTEST:

Board Secretary
President George Bush Turnpike Reinvestment Zone Tax Increment Fund

Appendix A
Authorized Broker/Dealer Firms

~~Coastal Securities~~ FTN Financial

Hilltop Securities

Oppenheimer

Raymond James

Wells Fargo



City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4015	Version:	1	Name:	Vehicle Replacement Development Services
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/5/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Approve a resolution authorizing the purchase of three (3) 2018 Chevrolet 1500 Silverado 4x2 Double Cabs from Caldwell Country Chevrolet through the Houston Galveston Area Council purchasing program not to exceed the budgeted funds of sixty six thousand dollars (\$66,000.00) for the City of Sachse Development Services Department.				

Sponsors:

Indexes:

Code sections:

Attachments: [Resolution](#)

Date	Ver.	Action By	Action	Result
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Title

Consider a resolution of the City Council of the City of Sachse, Texas, authorizing the purchase of three (3) 2018 Chevrolet 1500 Silverado 4x2 Double Cabs from Caldwell Country Chevrolet through the Houston Galveston Area Council purchasing program not to exceed sixty-six thousand dollars (\$66,000.00) for the City of Sachse Development Services Department; and providing for an effective date.

Background

The Development Services Department has researched the available vehicles on the market and has chosen the Chevrolet 1500 Silverado 4x2 Double Cab. These vehicles are available for purchase through Texas State Contract HT06-14 through Caldwell Country Chevrolet in Caldwell, Texas. The final purchase price of the vehicles is \$20,985.00 per vehicle. The cost for the order processing charge through the Houston Galveston Area Council is \$600.00. The total final price is \$63,555.

These vehicles will replace trucks in use by the department that range from 13 to 14 years old with extensive wear and mileage. Development Services staff will use these trucks for building and property inspections throughout the City. The original funding for the three (3) vehicles was estimated at sixty-six thousand dollars (\$66,000), so an approximate 15% savings was realized.

Policy Considerations

None

Budgetary Considerations

The FY 2017-2018 Budget for the Development Services Department includes \$75,000.00 for the purchase of three (3) pickup trucks. The savings from the purchase will be returned to the Vehicle Replacement Fund (VeRF) reserve balance.

Staff Recommendations

Approve a resolution authorizing the purchase of three (3) 2018 Chevrolet 1500 Silverado 4x2 Double Cab from Caldwell Country Chevrolet through the Houston Galveston Area Council purchasing program not to exceed the budgeted funds of sixty six thousand dollars (\$66,000.00) for the City of Sachse Development Services Department; and providing for an effective date, as a Consent Agenda item.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, AUTHORIZING THE PURCHASE OF THREE (3) 2018 CHEVROLET 1500 SILVERADO 4X2 DOUBLE CAB TRUCKS FROM CALDWELL COUNTRY CHEVROLET THROUGH THE HOUSTON GALVESTON AREA COUNCIL PURCHASING PROGRAM NOT TO EXCEED SIXTY-SIX THOUSAND DOLLARS (\$66,000) FOR THE CITY OF SACHSE DEVELOPMENT SERVICES DEPARTMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse, Texas, pursuant to the authority granted by Chapter 271, Subchapter D, of the Texas Local Government Code, desires to participate in intergovernmental purchasing; and

WHEREAS, the City Council is of the opinion that participation in this program will be highly beneficial to the taxpayers of this City, through the anticipated savings to be realized through the intergovernmental purchase of products including municipal vehicles and equipment; and

WHEREAS, funding has been appropriated in the fiscal year 2017-2018 budget for the purchase of three (3) pickup trucks for the Development Services Department.

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

SECTION 1. The City Council approves the use of cooperative purchasing through the Houston Galveston Area Council from Caldwell Country Chevrolet to purchase three (3) 2018 Chevrolet 1500 Silverado 4X2 Double Cab trucks.

SECTION 2. The City Manager is hereby authorized to execute any documents necessary to complete this transaction.

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____day of October, 2018.

CITY OF SACHSE, TEXAS

Mike J. Felix, Mayor

ATTEST:

Michelle Lewis Sirianni, City Secretary



City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4022	Version:	1	Name:	Public Works & Engineering Vehicle Purchases
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/9/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Approve a resolution authorizing the purchase of three 2017 Chevrolet 1500 4x4 Silverado Double Cab trucks from Caldwell Country Chevrolet through the Houston Galveston Area Council purchasing program not to exceed the budgeted funds of seventy eight thousand two hundred and forty six dollars (\$78,246.00) for the City of Sachse Public Works and Engineering Departments.				

Sponsors:

Indexes:

Code sections:

Attachments: [Resolution](#)
[Quote](#)

Date	Ver.	Action By	Action	Result
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Title

Vehicle Purchases for the Public Works & Engineering Departments.

Background

The Public Works Department has researched the available vehicles on the market and has chosen the following vehicles to replace existing vehicles in the fleet:

2017 Chevrolet 1500 4x4 Silverado Double Cab for \$26,082 from Caldwell Country Chevrolet through contract number VE11-15. The funding for this vehicle will come from the Engineering Department VERF fund.

2017 Chevrolet 1500 4x4 Silverado Double Cab for \$26,082 from Caldwell Country Chevrolet through contract number VE11-15. The funding for this vehicle will come from the Public Works Street Department VERF fund.

2017 Chevrolet 1500 4x4 Silverado Double Cab for \$26,082 from Caldwell Country Chevrolet through contract number VE11-15. The funding for this vehicle will come from the Utility Department VERF fund.

These vehicles will replace existing vehicles in use by the departments with extensive wear and mileage. Public Works and Engineering staff will use these vehicles for water, sanitary sewer, and street maintenance projects, and for the inspection of infrastructure and private development projects throughout the City.

Policy Considerations

The proposed vehicle purchases are included in the FY 2017-2018 Budget.

Budgetary Considerations

The FY 2017-2018 Budget for the Public Works & Engineering Departments includes \$78,246.00 for the purchase of three (3) pickup trucks.

Staff Recommendations

Approve a resolution authorizing the purchase of three 2017 Chevrolet 1500 4x4 Silverado Double Cab trucks from Caldwell Country Chevrolet through the Houston Galveston Area Council purchasing program not to exceed the budgeted funds of seventy eight thousand two hundred and forty six dollars (\$78,246.00) for the City of Sachse Public Works and Engineering Departments.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, AUTHORIZING THE PURCHASE OF THREE 2017 CHEVROLET 1500 SILVERADO 4X4 DOUBLE CAB PICKUP TRUCKS FROM CALDWELL COUNTRY CHEVROLET THROUGH THE HOUSTON GALVESTON AREA COUNCIL PURCHASING PROGRAM NOT TO EXCEED THE BUDGETED FUNDS OF SEVENTY-EIGHT THOUSAND TWO HUNDRED AND FORTY-SIX DOLLARS (\$78,246) FOR THE CITY OF SACHSE PUBLIC WORKS DEPARTMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse, Texas, pursuant to the authority granted by Chapter 271, Subchapter D, of the Texas Local Government Code, desires to participate in intergovernmental purchasing; and

WHEREAS, the City Council is of the opinion that participation in this program will be highly beneficial to the taxpayers of this City, through the anticipated savings to be realized through the intergovernmental purchase of products including municipal vehicles and equipment; and

WHEREAS, funding has been appropriated in the fiscal year 2017-2018 budget for the purchase of two pickup trucks for the Public Works Department and one pickup truck for the Engineering Department.

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

SECTION 1. The City Council approves the use of cooperative purchasing through the Houston Galveston Area Council from Caldwell Country Chevrolet to purchase three 2017 Chevrolet 1500 Silverado 4X4 Double Cab.

SECTION 2. The City Manager is hereby authorized to execute any documents necessary to complete this transaction.

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

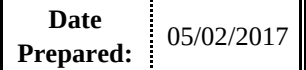
DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas,
this ____ day of October, 2017.

CITY OF SACHSE, TEXAS

Mike J. Felix, Mayor

ATTEST:

Michelle Lewis Sirianni, City Secretary





City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4025	Version:	1	Name:	Public Works Jet Truck Purchase
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/10/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Approve a resolution authorizing the purchase of one new Ford F550 4x4 Diesel Jet Truck through the BuyBoard purchasing program not to exceed the budgeted funds of one hundred forty thousand dollars (\$140,000.00) for the City of Sachse Public Works Utility Department.				

Sponsors:

Indexes:

Code sections:

Attachments: [Resolution](#)
[Quote](#)

Date	Ver.	Action By	Action	Result
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Title

Sewer Jet Truck Purchase for the Public Works Utility Department.

Background

The Public Works Department has researched the available vehicles on the market and has chosen the following vehicles to replace existing jet truck in the fleet:

2017 Ford F 550 4x4 Diesel Jet Truck from PipeHunter Inc.

Funding for the vehicle will be through the Utility Department VERF funds. The vehicle frame, chassis, water tanks and pump come to a total of \$124,550.55. Additional equipment is required for the vehicle, including hoses, nozzles and other related accessories. These items are used to perform sanitary sewer jetting, sewer system maintenance, and water system maintenance throughout the City. The total cost of required accessories will total an addition \$15,000.00.

This vehicle will replace the existing jet truck that is in use by the Utility Department. The existing truck is approximately 15 years old, and has extensive wear and mileage, which has required increasingly higher maintenance and repair over the past several years.

Policy Considerations

The proposed vehicle purchase is included in the FY 2017-2018 Budget.

Budgetary Considerations

The FY 2017-2018 Budget for the Public Works Utility Department includes \$140,000.00 for the purchase of a new jet truck.

Staff Recommendations

Approve a resolution authorizing the purchase of one new Ford F550 4x4 Diesel Jet Truck through the BuyBoard purchasing program not to exceed the budgeted funds of one hundred forty thousand dollars (\$140,000.00) for the City of Sachse Public Works Utility Department.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, AUTHORIZING THE PURCHASE OF ONE 2017 FORD F 550 4X4 DIESEL JET TRUCK FROM PIPEHUNTER INC. THROUGH THE BUYBOARD PURCHASING PROGRAM NOT TO EXCEED THE BUDGETED FUNDS OF ONE HUNDRED AND FORTY THOUSAND DOLLARS (\$140,000) FOR THE CITY OF SACHSE PUBLIC WORKS DEPARTMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse, Texas, pursuant to the authority granted by Chapter 271, Subchapter D, of the Texas Local Government Code, desires to participate in intergovernmental purchasing; and

WHEREAS, the City Council is of the opinion that participation in this program will be highly beneficial to the taxpayers of this City, through the anticipated savings to be realized through the intergovernmental purchase of products including municipal vehicles and equipment; and

WHEREAS, funding has been appropriated in the fiscal year 2017-2018 budget for the purchase of one jet trucks for the Public Works Utility Department.

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

SECTION 1. The City Council approves the use of cooperative purchasing through the Buyboard purchasing program from PipeHunter Inc. to purchase one new FORD F550 4x4 Diesel Jet Truck.

SECTION 2. The City Manager is hereby authorized to execute any documents necessary to complete this transaction.

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 16th day of October, 2017.

APPROVED:

Mike J. Felix, Mayor

ATTEST:

Michelle Lewis Sirianni, City Secretary



7944TM - 4,000 PSI @ 25 GPM

Quote Date: June 12, 2017
 Customer: City Of Sachse, TX.
 Contact: Jeremy Wiseman
 Salesman: Dale Patterson

Due Date: 90-120 A.R.O.

Dealer:

Stock #:

PO Number/ Date:

Part Number	Description	Quantity	Price	Total
WATER TANK				
700	Gallon High-Density Polyethylene 19500 GVW			
9000-0103P	Single Filler Assembly	1	Std.	Std.
9000-0032P	Main Tank Water Sight Gauge(1)Std	1	Std.	Std.
9000-0106	25' Fill Hose w Storage Rack	1	Std.	Std.
9000-0092	Dual Filler Assembly	1	Std.	Std.
3013-1257	Top Tank Strainer Basket	1	\$ 310.00	\$ 310.00
3013-0010	Hydrant Fill Strainer		\$ 75.00	-
9000-0118	2" Aux. Drain Valve- Street Side Rear		\$ 225.00	-
BAFFLEBALL	Baffle Balls	1	\$ 250.00	\$ 250.00
WATER PUMP				
9000-0057s	4,000 PSI @ 25 GPM Giant Water Pump		\$ 500.00	-
9000-4050P	Washdown System-43H with gun and 25ft hose	1	Std.	Std.
9000-0059	Air Purge	1	Std.	Std.
	Antifreeze Package	1	\$ 185.00	\$ 185.00
9000-0058	Winter recirculation (not available on Jet Eye)		\$ 895.00	-
9000-0060	Pulsation System	1	\$ 295.00	\$ 295.00
	Pump doghouse enclosure- aluminum		\$ 695.00	-
9000-0061	Multi-Flow Valve		\$ 850.00	-
9000-0026	25' Retractable Hand Gun Reel w 25' x 1/2" hose	1	\$ 295.00	\$ 295.00
9000-0142	Degreaser Injection System. 5 gallon w 12 pump		\$ 1,450.00	-
9000-0094	Spray Bar with In Cab Controls-add electric throttle		\$ 2,000.00	-
9000-0122	Webasto Heater for Pump Enclosure		\$ 1,900.00	-
ENGINE				
9000-4056	CAT Diesel 91 HP w/ Clutch		\$ 3,500.00	-
9000-0048	Safety Lanyard (1) Emergency Kill	1	Std.	Std.
	Fuel Tank Chassis	1	Std.	Std.
3007-0002	Veneer Throttle 20'	1	Std.	Std.
9000-2121	Digital Gauge Package & Tachometer Low Pressure High Temp Shutdown		Std.	Std.
9000-0045	Engine Shroud/ Belt Guard/ Aluminum	1	Std.	Std.
	John Deere 80 HP W/Clutch	1	Std.	Std.
9000-0064	Electric Throttle Upgrade		\$ 2,700.00	-
9000-0134	Full Engine Enclosure w Access Doors - Aluminum	1	\$ 862.00	\$ 862.00
9000-0027	Silent Pak (Residential Muffler)		\$ 850.00	-
			\$ 1,200.00	-
Single Jet Hose Reels				
7700-081000	800' x 1/2" Jet Hose Reel (Narrow Design)	1	Std.	Std.
	1,000' x 1/2" Jet Hose Reel		\$ 800.00	-
Articulating Reel Option				
9000-0316	Articulating Reel Option Hydraulic Powered Articulation Worm Gear	1	\$ 4,200.00	\$ 4,200.00
Hose Reel Accessories				
9000-0049	Standard Level Wind 1/2"		Std.	Std.
	Reel Free Spin Valve On 1/2"	1	\$ 295.00	\$ 295.00
	Double Roller Levelwind 45 Degree	1	\$ 295.00	-
9000-4072	Manual Footage Counter		\$ 712.00	\$ 712.00
3004-3202	Level Wind w/ Counter	1	\$ 830.00	-
	Digital Footage Counter		\$ 3,500.00	-
	Hose Reel Guard- per reel		\$ 1,500.00	-
HOSE OPTIONS (per foot) Minimum 400 foot jet hose with 10 foot leader- 400, 600,800 increments				
3009-4537P	1/2" Leader hose-per foot	10	\$ 10.00	\$ 100.00
LLGR-MM08X600	1/2" Jet Hose per foot Pirahana Only	600	\$ 2.66	\$ 1,596.00
	2" Tiger Tail(1)Std	1	Std.	Std.
PF681	Hose Mender Kit Parker/PIRAHNA		\$ 1,600.00	-
NOZZLE OPTIONS- Std. Hose Reel Nozzles				
7600-0084	Nozzle Rack(1) 1/2"	1	Std.	Std.
3007-4014254000	15 Degree Nozzle(1) 1/2"	1	Std.	Std.
3007-4013254000	30 Degree Nozzle(1) 1/2"	1	Std.	Std.
3007-9000	Nozzle Skid Assy 6"(1) 1/2"	1	Std.	Std.
ELECTRICAL OPTIONS				
9000-0087	Arrowstick w Control Box & Mounting Bracket LED	1	\$ 1,300.00	\$ 1,300.00
	Corner White Strobes (2) Front (2) Rear (in cab controls)	1	\$ 1,250.00	\$ 1,250.00
9000-0120	Light - Strobe Light LED w/Limb Guard	1	\$ 285.00	\$ 285.00
	Light - Rotating Beacon Light w/Limb Guard Mounted On Water Tank		\$ 350.00	-

PipeHunter, Inc.

1617 Garden Road, Pearland, TX 77581

www.pipehunter.com - 800.373.1318

Part Number	Description	Quantity	Price	Total
9000-0011	Light - Hand Held Spot Light		\$ 192.00	\$ -
9000-0066	Light - Hand Held Spot With Reel		\$ 260.00	\$ -
	Light - Low Water Warning		\$ 205.00	\$ 205.00
9000-0030P	Light - Low Water Warning Alarm	1	\$ 250.00	\$ -
9000-0023	Light - Panel Light		\$ 80.00	\$ 80.00
9000-0024	Light - Work Light-(Control panel) LED	1	\$ 200.00	\$ 200.00
9000-0024	Light - Work Light (Engine-Pump area)		\$ 200.00	\$ -
9000-0024	Light - Work Light Rear LED		\$ 200.00	\$ -
	Light - Work Light Magnetic LED		\$ 225.00	\$ -
	Light - Work Light (Arrowstick PS) LED	1	\$ 80.00	\$ 80.00
	Light - Work Light (Arrowstick DS) LED	1	\$ 80.00	\$ 80.00
9000-0112	L.E.D. Upgrade Marker and Tail Lights Only	1	\$ 250.00	\$ 250.00
TOOL BOX OPTIONS				
	Tool Tray, Above Frame - Aluminum 14" x 14" x 24"		\$520.00	\$ -
	Tool Tray, Above Frame - Aluminum 14" x 14" x 60" 1 STD	1	\$880.00	\$ -
	Locking, Above Frame - Aluminum 18" x 18" x 36"		\$864.00	\$ -
	Locking, Below Frame - Aluminum 18" x 18" x 24"		\$720.00	\$ -
	Locking, Above Frame - Aluminum 14" x 14" x 60"	1	\$1,060.00	\$ 1,060.00
7600-181836LB	Locking, Below Frame - Aluminum 18" x 18" x 36"	2	\$864.00	\$ 1,728.00
	Locking, Above Frame - Aluminum 15" X 33" X 40"		\$1,060.00	\$ -
	Rubber Dry Decking - Each	4	\$150.00	\$ 600.00
ACCESSORIES				
	Garden Hose Reel 100' Capacity w/ 50' garden hose		\$ 795.00	\$ -
3007-8001	Hydrant Wrench	1	\$ 25.00	\$ 25.00
3008-0511	Manhole Hook	1	\$ 35.00	\$ 35.00
9000-0127	Lateral Reel Cart200' Cap. with 150' x 1/4" jet hose,ball valve, button nozzle w mounting brkt		\$ 1,950.00	\$ -
	Manhole - Lower Shoe W (4) 6' FIBERGLASS POLE SET		\$ 675.00	\$ -
8401-1401	Manhole - Upper Roller Aluminum	1	\$ 250.00	\$ 250.00
7600-0278	Traffic Cone Rack - Deck Mount	1	\$ 125.00	\$ 125.00
7600-0278	Traffic Cone Rack - Reel Deck Mount		\$ 125.00	\$ -
9000-0095	Side Ladder w Handles- DS	1	\$ 358.00	\$ 358.00
9000-0095	Side Ladder w Handles- PS Front	1	\$ 358.00	\$ 358.00
3023-0002	PipeHunter Operator's Manual CD	1	Std.	Std.
26-OMRG33324	Engine Operator's Manual CD	1	Std.	Std.
FRAME				
	6" Frame	1	Std.	Std.
	DOT LIGHTING PACKAGE	1	Std.	Std.
9000-0131	Receiver Hitch (hitch only) w/ 7 Way Light Plug		\$ 275.00	
	Receiver with 2 5/16" Ball		\$ 75.00	
			\$ 1,800.00	\$ -
LINER OPTION				
	PipeHunter Speed Liner Frame & Reel	1	Std.	Std.

Color: **TBD**9000-0132(001) ~ 9000-0040(200) ~ 9000-0053(250) ~ 9000-0077(450)
9000-0052(600)

Quoted By: Todd B Bolin 05-2017

Total Options: \$ 17,369.00
 Base Price: \$ 59,000.00
 Sub Total: \$ 76,369.00
 ATD Total: \$ 3,818.45
 Subtotal: \$ 72,550.55

BuyBoard Contract Discount. **FRAME & CHASSIS OPTION**

2017 NEWER Ford F 550 4 x 4 Diesel - 19500 GVW	\$ 51,000.00	\$ 51,000.00
Labor - Mounting Fee	\$ 1,000.00	\$ 1,000.00
Sales Tax %	1	\$ -
Miles @ \$2.50		\$ -
Freight:		\$ -

Ship Method:

Notes:

Total: \$ 124,550.55

Signing this quote confirms that you have verified the specifications and agree with the final costs. Any specification changes made after verification may alter costs. It is the dealer/customer's responsibility to ensure that the equipment ordered meets specifications and/or quotations.

Municipal Payment Terms: 30/n

Contractor (Private) Payment Terms: Due upon acceptance of unit



City of Sachse, Texas

Legislation Details (With Text)

File #: 17-4027 **Version:** 1 **Name:** Public Works Department Drum Roller Purchase
Type: Agenda Item **Status:** Agenda Ready
File created: 10/10/2017 **In control:** City Council
On agenda: 10/16/2017 **Final action:**
Title: Approve a resolution authorizing the purchase of a new drum roller from Kirby Smith Machinery, Inc. not to exceed the budgeted funds of fifteen thousand five hundred and fifty three dollars (\$15,553.00) for the City of Sachse Public Works Department.

Sponsors:

Indexes:

Code sections:

Attachments: [Resolution](#)
[Quote](#)

Date	Ver.	Action By	Action	Result
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Title

Drum Roller Purchase

Background

The 2017-2018 Fiscal Year budget includes \$15,553.00 for the purchase of a new drum roller.

This new drum roller will allow the Public Works Street Department to adequately compact soil, gravel, concrete and asphalt during road construction and infrastructure projects.

Policy Considerations

The 2017-2018 Fiscal Year budget includes \$15,553.00 for the purchase of a new drum roller.

Budgetary Considerations

The 2017-2018 Fiscal Year budget includes \$15,553.00 for the purchase of a new drum roller.

Staff Recommendations.

Approve a resolution authorizing the purchase of a new drum roller from Kirby Smith Machinery, Inc. not to exceed the budgeted funds of fifteen thousand five hundred and fifty three dollars (\$15,553.00) for the City of Sachse Public Works Department; and providing for an effective date, as a consent agenda item.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, AUTHORIZING THE PURCHASE OF A DRUM ROLLER FROM KIRBY-SMITH MACHINERY, INC. NOT TO EXCEED THE BUDGETED FUNDS OF FIFTEEN THOUSAND AND FIVE HUNDRED AND FIFTY THREE DOLLARS (\$15,553) FOR THE CITY OF SACHSE PUBLIC WORKS DEPARTMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse, Texas, pursuant to the authority granted by Chapter 271, Subchapter D, of the Texas Local Government Code, desires to participate in intergovernmental purchasing; and

WHEREAS, the City Council is of the opinion that participation in this program will be highly beneficial to the taxpayers of this City, through the anticipated savings to be realized through the intergovernmental purchase of products including municipal vehicles and equipment; and

WHEREAS, funding has been appropriated in the fiscal year 2017-2018 budget for the purchase of a drum roller for the Public Works Department.

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

SECTION 1. The City Council approves the use of cooperative purchasing through Buyboard from Kirby Smith Machinery, Inc. to purchase a drum roller.

SECTION 2. The City Manager is hereby authorized to execute any documents necessary to complete this transaction.

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 16th day of October 2017.

APPROVED:

Mike J. Felix, Mayor

ATTEST:

Michelle Lewis Sirianni, City Secretary



The Authority in Construction,
Paving and Crane Equipment

www.kirby-smith.com

08/21/2017

Quote #: cbrown-1259

Jeremy Wiseman
City of Sachse
3815-B Sachse Rd
Sachse, TX 75048

Dear Jeremy Wiseman:

We are pleased to quote the following for your consideration:

MULTIQUIP AR14H 2017 model w/ 0 hours, Unit # N.I.S., S/N Factory Order.

The following Factory and Dealer Options are included in the package:

- **MQ AR14H Roller**

To be purchased through BuyBoard. Contract #

Contract price is \$22,218.57; less contract discount of 26% (-\$5,776.82);

Less CS discount (-\$888.75)

****Machine is subject to freight based on local availability****

New net selling price is \$15,553.00.

Price Complete:

\$15,553.00

We believe the equipment as quoted will exceed your expectations. On behalf of Kirby-Smith Machinery, Inc., thank you for the opportunity to quote MultiQuip machinery.

Sincerely,

Colin Brown
Governmental Territory Manager
214-371-7777
214-918-6847
cbrown@kirby-smith.com

Subject to all applicable taxes. 'This proposal is good for 30 days & subject to availability.'

www.kirby-smith.com | 888-861-0219

Oklahoma City * Tulsa * Dallas * Fort Worth * Abilene * Amarillo * Lubbock * Odessa * St. Louis * Kansas City



City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4028	Version:	1	Name:	Copier Lease 2017
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/10/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Approve a resolution authorizing the City Manager to execute a contract with Canon Solutions America, Inc. ("CSA") for the four-year lease of twelve (12) copier/printer machines through the State of Texas contract.				

Sponsors:

Indexes:

Code sections:

Attachments: [Resolution](#)
[Canon Lease Agreement 2017](#)

Date	Ver.	Action By	Action	Result
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Title

Consider a resolution authorizing the City Manager to execute a contract with Canon Solutions America, Inc. ("CSA") for the four-year lease of twelve (12) copier/printer machines through the State of Texas contract.

Background

In December 2011, the city entered into a lease agreement for six Canon copier/printers with Oce' Imagistics. These six machines made up half the City's fleet; the other six machines were either owned or leased under a previous agreement. At that time, it was recommended to retain the older copiers until the end of the most recent lease period and put the entire fleet on the same replacement schedule, hoping to benefit from better pricing due to "bundling" and to streamline the administration process. Those leases terminated in February 2017, along with the included maintenance, repairs and consumable supplies.

The features and reliability of the Canon copier/printers have been well received in the departments using them, and with no need to fundamentally change the level of service, it was decided to continue with Canon equipment in order to minimize disruption to staff having to learn new features and commands. The proposed list of equipment by department follows:

1. City Hall Upstairs IRADVC7565i (Color)
2. City Hall Upstairs IRADV4535i (B&W)
3. City Hall Finance IRADVC5535i (Color)
4. City Hall Development Services IRADV4535i (B&W)
5. Library IRADVC5535i (Color)
6. Senior Center IRADV4535i (B&W)
7. Fire Department IRADV4535i (B&W)
8. Police Department Patrol IRADVC5535i (Color)
9. Police Department Dispatch IRADV4535i (B&W)

- 10. Police Department Records IRADV4525 (B&W)
- 11. Animal Services IRADVC3525i (Color)
- 12. Public Works IRADV4525i (B&W)

Current usage of the existing equipment was monitored and analyzed to determine the appropriate level of volume to include in the fixed cost of the maintenance portion of the contract. The proposed lease includes pooled usage of 40,000 black and white copies per month and 6,000 color copies per month in the base lease. Overage copies will be charged at \$0.0094 cents per black and white copy and \$0.0557 per color copy. The per month payment will consist of \$1,823 for the lease and \$710.20 for maintenance for a total of \$2,533.20. Departmental budgets for copier rental and maintenance city-wide totaled \$36,950 for the 2017-2018 fiscal year, or \$3,079 per month. The proposed lease should result in savings of approximately \$6500 before any overage charges.

Policy Considerations

Canon Solutions America is an approved vendor through the state purchasing cooperative, and the lease pricing is based on Contract# DIR-TSO-3101; all competitive bidding requirements have been met.

Budgetary Considerations

The contract amount is within the 2017-2018 adopted budget.

Staff Recommendations

Approve a resolution authorizing the City Manager to execute a contract with Canon Solutions America, Inc. ("CSA") for the four-year lease of twelve (12) copier/printer machines through the State of Texas contract.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH CANON SOLUTIONS AMERICA, INC. ("CSA") FOR THE FOUR-YEAR LEASE OF TWELVE (12) COPIER/PRINTER MACHINES THROUGH THE STATE OF TEXAS CONTRACT.

WHEREAS, the City of Sachse must purchase materials and equipment for the effective flow of employee productivity; and

WHEREAS, funding has been appropriated in the fiscal year 2017-2018 budget for the lease of copier equipment; and

WHEREAS, Staff is recommending Canon Solutions America, Inc. ("CSA") copiers through the State of Texas Contract# DIR-TSO-3101, which has been competitively bid.

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

That the City Council does hereby approve the 4-year lease-rental of twelve (12) copier/printers from Canon Solutions America, Inc. ("CSA"), in the amount of \$30,398.40 per year plus the cost of overage copies at \$0.0094 for black and white and \$0.0557 for color each, through the State of Texas contract# DIR-TSO-3101 and authorizes the City Manager to execute the contract necessary to complete this transaction.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this the _____ day of _____, 2017.

CITY OF SACHSE, TEXAS

Mike J. Felix, Mayor

ATTEST:

Michelle Lewis-Sirianni, City Secretary



CANON SOLUTIONS AMERICA
Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800)-613-2228

UNIFIED LEASE AGREEMENT

#ULF S0728618.03

Salesperson: Anthony Robert Smith

Order Date: 10/10/2017

Customer ("You"): Customer Account:		Organization Information	
Company Legal Name: CITY OF SACHSE		Federal Tax Identification Number (TIN):	
Doing Business As:		☐ Corporation ☐ Limited Liability Company ☐ Partnership ☐ Limited Liability Partnership ☐ Non-Profit Corporation ☐ State or Local Government ☐ Sole Proprietorship If selected, complete Date of Birth _____	
Billing Address: 3815 SACHSE RD		Chief Executive Office and address for notices:	
City: SACHSE	County: DALLAS	Address:	
State: TX	Zip: 75048	City: _____ State: _____ Zip: _____	
Phone: 469.429.4772	Fax:		
Contact: Teresa Savage	E-Mail: tsavage@cityofsachse.com		
Lease Information			
Lease Term 48 Months	Payment * Base \$1,823.00 + Maintenance \$710.20 = Total \$2,533.20 (* Plus applicable taxes)		Amount Due at Signing # of Payments in Advance: 0 TOTAL DUE AT SIGNING * \$0.00 Check must accompany agreement
Payment Frequency ☒ Monthly ☐ Quarterly	End of Lease Term Purchase Option * ☒ Fair Market Value ☐ \$1.00 ☐ Other _____ (estimated)		Tax Exempt ☒ Yes (Attach certificate)
Equipment Description: See Schedule A			
Equipment Maintenance	Select 1 option: ☒ Included for all Equipment ☐ Included, except for Equipment excluded on Schedule A ☐ Declined ☐ Under separate agreement		
Excess Per Image Charge Billing Cycle ☒ Monthly ☐ Quarterly ☐ Other _____	Coverage Plan ☐ Per Unit ☒ Fleet If adding to existing fleet, applicable contract # _____ ☐ Aggregate If adding to an existing Aggregate, provide either a contract # or serial # under Aggregate.		
Consumables Inclusive ☒ Toner ☒ Other Staples	PO Required ☐ Yes PO# _____ ☒ No		Charges See Schedule A
Personal Guaranty			
The undersigned (whether one or more are specified, "Guarantor(s)"), in consideration of CANON SOLUTIONS AMERICA, INC. ("CSA") entering into a unified lease agreement (together with any schedules or supplements thereto, "Agreement") with the customer identified above ("Customer"), irrevocably and unconditionally, jointly and severally, guarantee to Lessor (as defined in the Agreement) and its successors and assigns, the payment when due of all amounts owed under the Agreement (whether at maturity or upon the occurrence of an event of default or otherwise) and the performance by Customer of all terms of the Agreement and any other transaction between Customer and Lessor (or CSA as assigned to Lessor) (collectively, "Liabilities"). If Customer shall fail to pay or perform any Liabilities when due, Guarantors shall, upon demand, pay any amounts which may be due from Customer and take any action required of Customer under the Agreement. This is an absolute and continuing guaranty and Guarantors' liability under this Guaranty is primary and will not be affected by any settlement, extension, renewal or modification of the Agreement or any discharge or release of Customer's obligations, whether by agreement or operation of law. If any payment applied by Lessor on the Liabilities is thereafter set aside, recovered or required to be returned for any reason (including without limitation the bankruptcy, insolvency or reorganization of Customer or any other person), the Liabilities to which such payment was applied shall for the purposes of this Guaranty be deemed to have continued in existence, notwithstanding such application, and this Guaranty shall be enforceable as to such Liabilities as fully as if such application had never been made. This Guaranty may be terminated only upon sixty (60) days' prior written notice to CSA and Lessor, and such termination shall be effective only as to Liabilities arising under schedules, supplements, or agreements entered into after the effective date of termination and shall not affect Lessor's rights under this Guaranty arising out of the Agreement or other agreements entered into prior to such date. Guarantors waive all damages, demands, presentments and notices of every kind and nature, any rights of set-off, and any defenses available to a guarantor (other than the defense of payment and performance in full) under applicable law. Guarantors further waive any (i) notice of the incurring of indebtedness by Customer and the acceptance of this Guaranty, (ii) right to require suit against Customer or any other party before enforcing this Guaranty and (iii) right of subrogation to Lessor's rights against Customer until the Liabilities are satisfied in full. Any (a) renewals and extensions of time of payment, (b) release, substitution or compromise of or realization upon the Equipment, other guaranties or any collateral security and (c) exercise of any other right under this or any other agreement between Lessor (or CSA as assigned by Lessor) and Customer or any third party, may be made, granted and effected by Lessor without notice to Guarantors and without in any manner affecting Guarantors' liability under this Guaranty. Guarantors shall pay all expenses (including attorneys' fees and legal expenses) paid or incurred by Lessor in endeavoring to collect the Liabilities or any part thereof and in enforcing the Guaranty. THIS GUARANTY SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO IN THE STATE OF NEW JERSEY. THE RIGHTS OF THE PARTIES UNDER THIS GUARANTY SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN GUARANTORS AND LESSOR SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF CAMDEN OR BURLINGTON, NEW JERSEY, OR AT LESSOR'S SOLE OPTION, IN THE STATE WHERE ANY GUARANTOR, CUSTOMER OR EQUIPMENT IS LOCATED. GUARANTORS, BY THEIR EXECUTION AND DELIVERY HEREOF, IRREVOCABLY WAIVE OBJECTIONS TO JURISDICTION OF SUCH COURTS AND OBJECTIONS TO TO VENUE AND CONVENIENCE OF FORUM. GUARANTORS, BY THEIR EXECUTION AND DELIVERY HEREOF, AND CSA AND LESSOR, BY THEIR ACCEPTANCE HEREOF, HEREBY IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS. Guarantors agree that CSA and Lessor may accept a facsimile or other electronic transmission of this Guaranty as an original, and that facsimile or electronically transmitted copies of Guarantors' signatures will be treated as an original for all purposes.			
Printed Name: _____		Signature: _____ (no title) Date: _____	
Address: _____		Phone: _____	
Printed Name: _____		Signature: _____ (no title) Date: _____	
Address: _____		Phone: _____	
BY YOUR SIGNATURE BELOW, YOU AGREE TO LEASE THE ITEMS LISTED ON SCHEDULE A OR IN ANY ADDENDUM(S) TO THIS AGREEMENT. YOU ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT, INCLUDING THE GENERAL TERMS AND CONDITIONS, WHICH ARE INCORPORATED HEREIN BY REFERENCE. The undersigned and CSA have each caused this Agreement to be executed as of the date first written below.			
Customer's Authorized Signature: _____		Date: _____	
Printed Name: _____		Title: _____	
CSA Authorized Signature: _____		Date: _____	
Printed Name: _____		Title: _____	

GENERAL TERMS AND CONDITIONS

1. LEASE OF EQUIPMENT AND SOFTWARE

1.1 Listed Items; Commencement of Lease; Lessor. CSA shall supply, for lease by you as provided below, and you shall lease the units of equipment ("Equipment") and licenses of software with separate support contracts, if applicable ("Listed Software"; and together with the Equipment and all replacements and additions thereto, "Listed Items") indicated on Schedule A. The initial lessor is Canon Financial Services, Inc. (together with any future assignees of its rights as lessor, "Lessor"). You shall keep the Listed Items at the "Ship To" location, not move them to another location without the prior written consent of Lessor (defined below), and keep them free and clear of all liens and encumbrances. This Agreement shall be effective on the date the Listed Items are delivered to you ("Lease Commencement Date"). The term of this Agreement begins on the date accepted by CSA or any later date that CSA designates ("Agreement Date"), and shall continue for an initial term of the number of months specified on page 1 (together with any renewal periods, "Lease Term"). Your execution of an acceptance certificate provided by CSA shall conclusively establish that the Listed Items have been delivered to and irrevocably accepted by you. If you have not, within 10 days after delivery of Equipment, delivered to Lessor written notice of non-acceptance of any Equipment, specifying the reasons and referencing this Agreement, you shall be deemed to have irrevocably accepted the Equipment. After acceptance, you shall have no right to cancel this Agreement or return the Listed Items prior to the end of the Lease Term for any reason whatsoever, including termination of any maintenance services that may be provided by CSA under this or any separate agreement. Title to all Listed Items shall be transferred by CSA to Lessor. CSA shall assign to Lessor all of its rights (but none of its obligations) with respect to the Listed Items, including the right to receive all Payments. Lessor does not and shall not assume any obligations under this Agreement. CSA shall remain solely liable for the performance of all maintenance, service, and warranty obligations described in this Agreement.

1.2 Payments and Costs. You shall pay to Lessor each billing period the fixed base and, if applicable, the fixed maintenance amounts and per image charges and all other amounts, as listed and specified on page 1 and Schedule A and such other amounts permitted in this Agreement as invoiced by Lessor (collectively, "Payments"; the fixed maintenance amounts and the per image charges are the "CSA Payments", and all other Payments are the "Lessor Payments"). For Equipment designated as Corporate Advantage, the meter shall record a quantity of 2 images for any image produced on media wider than 8 1/2". The Payments shall not increase during the initial term. Prepaid charges shall not be refundable except as provided in Paragraph 2.1(b). Invoices shall be due and payable upon receipt. All Payments will be applied in such order as Lessor, in its discretion, may determine. This lease is a net lease. Lessor Payments shall be made without set-off or deduction, even if the Listed Items malfunction and irrespective of any non-performance by CSA of its maintenance obligations. You authorize Lessor to adjust the Payments and the End of Term Purchase Option amount (if specified on page 1) ("Purchase Option") by up to 15% if the actual cost of the Listed Items and any related services and supplies, including any sales and use tax, exceed CSA's estimates on which such amounts were based. You shall pay a \$85 documentation fee and any applicable taxes (including personal property tax), expenses, charges and fees imposed with respect to the Listed Items, the Payments or your performance or non-performance under this Agreement, and you shall reimburse Lessor for the same plus processing fees (collectively, "Costs"). You agree that Lessor may in its sole discretion apply, but shall not be obligated to apply, any amounts paid in advance to any amount due or to become due hereunder, and in no event shall any amount paid in advance earn interest unless required by applicable law. If any Payments are late, you shall pay (a) the actual and reasonable costs and expenses of collection, including attorneys' fees, whether or not suit is brought, (b) a late charge equal to the higher of 10% of the amount due or \$25, as reasonable liquidated damages, and (c) if Lessor should bring court action, you agree that attorney fees equal to 25% of the amount sought shall be deemed reasonable, in each case not to exceed the maximum amount permitted by law.

1.3 Purchase Options; Return. (a) END OF TERM PURCHASE OPTION. To elect this option, you shall give Lessor 60 days' prior irrevocable written notice (unless the Purchase Option price is \$1.00) that you will purchase, upon the expiration of the Lease Term, all the Listed Items at the Purchase Option price plus any Costs. (b) PRIOR TO MATURITY PURCHASE. You may upon not less than 60 days' prior irrevocable written notice, purchase all the Listed Items at a price equal to the sum of all remaining Payments, plus the Fair Market Value, plus Costs. For purposes of this Agreement, "Fair Market Value" shall be Lessor's retail price at the time you notify Lessor of your intent to purchase the Equipment. (c) Listed item purchases shall be "AS-IS WHERE-IS" without warranty, except for title; purchases of licenses of Listed Software are subject to the terms thereof. (d) Unless this Agreement contains a \$1.00 Purchase Option, this Agreement shall automatically renew on a month to month basis at the same Payment amount (subject to increase of CSA Payments) and frequency unless you, at least 60 days before the end of the Lease Term, send to Lessor written notice (the "End of Term Notice") that you either (i) are purchasing all (but not less than all) of the Equipment in accordance with the terms hereof, or (ii) do not want to renew this Agreement, and at the end of the Lease Term shall return the Equipment as provided below. Unless this Agreement automatically renews or you purchase the Equipment as provided in this Agreement, you shall, at the termination of the Lease Term, return the Equipment at your sole cost and expense in good operating condition, ordinary wear and tear resulting from proper use excepted, to a location specified by Lessor. Lessor may charge you a return fee equal to the greater of one Lessor Payment or \$250 for the processing of returned Equipment. If for any reason you fail to return any Equipment to Lessor as provided in this Agreement by the last day of such Lease Term, you shall pay to Lessor upon demand one billing period's Lessor Payment for each billing period or portion thereof that such return is delayed. If you fail to provide the required End of Term Notice and return the Equipment at the end of the Lease Term, you shall pay to Lessor upon demand the 60-day equivalent of Lessor Payments to satisfy the End of Term Notice period referenced above. You shall reimburse Lessor for any costs incurred by Lessor to place the Listed Items in good operating condition.

2. MAINTENANCE. YOU SHALL RECEIVE THE MAINTENANCE DESCRIBED IN THIS PARAGRAPH 2 ("Maintenance") ONLY IF YOU HAVE ACCEPTED MAINTENANCE ON PAGE 1. Such services are subject to the exclusions hereinafter described. Maintenance provided to you under separate agreement between CSA and you shall be governed solely by the provisions thereof.

2.1 Covered Service. (a) CSA shall provide all routine preventive maintenance and emergency service necessary to keep the Equipment in good working order in accordance with this Agreement and CSA's normal practice. Such service shall be performed between 8:30 A.M. and 5:00 P.M. Monday through Friday, except holidays. (b) You shall afford CSA reasonable and safe access to the Equipment to perform on-site service. CSA may terminate its maintenance obligations as to any Equipment if you relocate it to a site outside CSA's service coverage area. If, in CSA's opinion, any Equipment cannot be maintained in good working order through CSA's routine maintenance services, CSA may, at its option, (i) substitute comparable Equipment or (ii) cancel any balance of the term of its maintenance obligations as to such Equipment and refund the unearned portion of any prepaid CSA Payments. Parts or Equipment replaced or removed by SLS-107F CFS-1209 July2017

CSA in connection with Maintenance shall become the property of Lessor and you disclaim any interest in them. (c) Installation/Implementation of Listed Software may be at an additional charge except to the extent included as a Listed Item and may be conditioned on your agreement to a separate statement of work or other document covering the scope and schedule of installation/implementation, configuration options, responsibilities of each party, and other matters, which shall solely govern as to the matters covered therein. Additional charges may apply for work beyond the initial scope described in such separate document. (d) Support for Listed Software is provided directly by the respective developers thereof and as set forth in each developer's applicable separate support contract, and is not provided by CSA under this Agreement except as expressly provided herein. Support for Listed Software may require separate purchase by you of a support contract, unless included under this Agreement as a Listed Item. The terms of support contracts for Listed Software are available from the developers, or will be provided to you by CSA upon request. Notwithstanding any provision in the support contract to the contrary, it shall automatically renew on an annual basis, subject to a price increase after the initial term. (e) CSA shall make available to you from time to time upgrades and bug fixes for the software licensed as part of the Equipment and for Listed Software, but: (i) only if such upgrades and bug fixes are provided to CSA by the developers of such Listed Software, (ii) availability of upgrades and bug fixes may be at additional charge, and (iii) installation of such upgrades and bug fixes by CSA if requested by you shall be at additional charge. You are not required to use CSA for installation of either Listed Software or for any upgrades and bug fixes, but if installation is done by anyone other than CSA, CSA shall have no responsibility for any performance or other issues that may result from such installation. (f) CSA shall also use reasonable efforts to provide Level 1 support for the Listed Software (except that for certain Listed Software, Level 1 support shall be provided only if and so long as a separate software support contract for such Listed Software from the developer thereof is in effect). Level 1 support consists of (i) providing help-line telephone assistance in operating the Listed Software and identifying service problems in the Listed Software, and attempting to troubleshoot any such problems; (ii) escalating operating problems to the applicable developer of the Listed Software as needed to rectify such problems, including facilitating contact between you and the developer of the Listed Software as necessary; and (iii) maintaining a log of such problems to assist in tracking the same.

2.2 Maintenance Term and Charges. (a) Maintenance shall start on the Lease Commencement Date and shall continue for the Lease Term. (b) Consumables Inclusive Maintenance includes replenishment of toner only (and other consumables, but only if specified on page 1). Toner is supplied for exclusive use with the Equipment. CSA may terminate the Maintenance if you use consumables in a different manner. If your toner usage exceeds by more than 10% the published manufacturer specifications for conventional office image coverage, CSA may invoice you for such excess usage. You may purchase additional toner from CSA if required. You shall bear all risk of loss, theft or damage to unused consumables, which shall remain CSA's property and shall be returned promptly upon termination of this Agreement or Maintenance. (c) If you selected the Fleet or Aggregate Coverage Plan on page 1, the Base Charge and the Covered Images Included shall apply to all of the Equipment on Schedule A unless otherwise indicated. If specified on page 1 that the Listed Items are being added to an existing fleet under a previous agreement between you and CSA, (i) the fleet shall include the listed items under the previous agreement, and all other agreements for which the add to existing fleet option was selected, and (ii) the maintenance term for all Listed Items under this Agreement shall be the same as the maintenance term for all listed items under all such previous agreements. (d) If specified on the face page that the Listed Items are being added to an existing Aggregate Coverage Plan under a previous agreement between you and CSA, the Covered Images shall apply to all of the Equipment on the schedule, unless otherwise indicated, plus the listed items under the previous agreement(s), and all other agreements for which the add to existing Aggregate Coverage Plan was selected, on an aggregated basis, for so long as the maintenance term for all such listed items continues. (e) Unless otherwise indicated on Schedule A, you authorize CSA to use networked features of the Equipment including imageWARE to receive software updates, activate features/new licenses and transmit use and service data accumulated by the Equipment over your network by means of an HTTPS protocol and to store, analyze and use such data for purposes related to servicing the Equipment, providing reports and product improvement. This feature is not capable of sending or receiving image data. (f) You shall provide meter readings to CSA in accordance with the Meter Read Method selected. If you selected the myCSA website, you, your employees or agents shall complete CSA's registration process governing access to and use of such website, and you agree to be bound by, and comply with its Terms of Use. CSA may change your meter read options from time to time upon 60 days' notice. If CSA does not receive timely meter readings from you, you shall pay invoices that reflect CSA's estimates of meter readings. CSA may verify the accuracy of any meter readings from time to time and invoice you for any shortfall in the next invoice. (g) You agree that CSA may suspend performance of Maintenance if and so long as any Payments are overdue, and that any such suspension shall not in and of itself be deemed a termination of this Agreement.

2.3 Non-Covered Service. The following services are not included within Maintenance and shall be invoiced in accordance with CSA's then current labor, parts and supply charges: (a) replacement of any consumables not provided as part of Consumable Inclusive Maintenance identified on page 1, including, without limitation, paper, toner, ink, waste containers, fuser oil, staples (, other media, print heads and puncher dies; (b) repairs necessitated by factors other than normal use including, without limitation, any willful act, negligence, abuse or misuse of the Equipment; the use of parts, supplies or software not supplied by CSA; service performed by anyone other than CSA; accident; use of Equipment with non-compatible hardware or software components; electrical power malfunction or heating, cooling or humidity ambient conditions; (c) de-installation, re-installation, or relocation of Equipment; (d) repairs to or realignment of Equipment and related training necessitated by changes made to your system configuration or network environment; (e) work requested to be performed outside of CSA's regular business hours; and (f) repair of any network/system connection devices, except when listed on page 1. If you have NOT selected Maintenance on page 1, any of the maintenance services described in Paragraph 2.1 above shall be available only upon your request, either under separate agreement with CSA or invoiced in accordance with CSA's then current labor, parts and supply charges. Installation of certain Listed Software may also require a separate agreement between you and CSA setting forth the scope of work, your responsibilities in connection with such installation, and other terms and conditions as required by CSA. Such separate agreement(s) shall solely govern, and this Agreement shall not apply to, the services described therein.

3. CSA CUSTOMER SATISFACTION POLICY. If you are not satisfied with the performance of your Canon or Océ brand product, upon your written request, CSA in its sole discretion will repair or replace the product with a like unit with equivalent capabilities. Prior to replacement, CSA shall have had the opportunity to return the product to good working order in accordance with the terms of this agreement. If a replacement unit is provided, the lease hereunder of the replaced unit shall be deemed terminated and the replacement unit shall be deemed a "Listed Item" for the lease and all other purposes of this Agreement. This policy shall apply only if you are not in default of this Agreement and Maintenance under this Agreement has not been canceled or terminated.

4. DATA. You acknowledge that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that you may store for purposes of normal operation of the Equipment ("Data"). You acknowledge that Lessor is not storing Data on behalf of you and that exposure or access to the Data by CSA or Lessor, if any, is purely incidental to the services performed by CSA or Lessor. Neither CSA nor Lessor nor any of their affiliates has an obligation to erase or overwrite Data upon your return of the Equipment to CSA or Lessor or any other disposition of the Equipment by you. You are solely responsible for: (A) your compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (B) all decisions related to erasing or overwriting Data. Without limiting the foregoing, you should, (i) enable the Hard Disk Drive (HDD) data erase functionality that is a standard feature on certain Equipment and/or (ii) prior to return or other disposition of the Equipment, utilize the HDD (or comparable) formatting function (which may be referred to as "Initialized All Data/Settings" function) if found on the Equipment to perform a one pass overwrite of Data or, if you have higher security requirements, you may purchase from CSA at current rates an appropriate option for the Equipment, which may include (a) an HDD Data Encryption Kit option which disguises information before it is written to the hard drive using encryption algorithms, (b) an HDD Data Erase Kit that can perform up to a 3-pass overwrite of Data (for Equipment not containing data erase functionality as a standard feature), or (c) a replacement hard drive (in which case you should properly destroy the replaced hard drive). You shall indemnify Lessor, CSA, their subsidiaries, directors, officers, employees and agents from and against any and all costs, expenses, liabilities, claims, damages, losses, judgments or fees (including reasonable attorneys' fees) arising or related to the storage, transmission or destruction of the Data. The terms of this section shall solely govern as to Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered into between you and CSA or Lessor applies, or could be construed to apply to Data.

5. LIMITED WARRANTY; EXCLUSIONS & LIMITATIONS; INDEMNIFICATION

5.1 Limited Warranty. Equipment is warranted only as provided in the manufacturer's warranty provided with the Equipment (for CANON brand Equipment, the manufacturer's warranty is provided by Canon U.S.A., Inc.). End user warranties, if any, for Listed Software are provided solely by the developers or suppliers of the Listed Software. So long as you are not in breach or default of this Agreement, Lessor assigns to you, solely for the purpose of making and prosecuting any such claim, the rights, if any, which Lessor may have under all such warranties for the Listed Items.

5.2 Disclaimer of Warranties. LESSOR IS NOT A MANUFACTURER, DEALER, OR SUPPLIER OF THE LISTED ITEMS. AS BETWEEN YOU AND LESSOR, THE LISTED ITEMS ARE LEASED "AS IS" AND ARE OF A SIZE, DESIGN, AND CAPACITY SELECTED BY YOU. LESSOR HAS MADE NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE LISTED ITEMS. The warranties, if any, provided for any of the Listed Items are enforceable by you only against the Canon company or third party making such warranties, not against any Lessor. CSA is not an agent or representative of Lessor and is not authorized to waive or alter any of Lessor's rights or make any representation for Lessor about the Listed Items, except to the extent set forth in this Agreement. EACH OF CSA AND LESSOR EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE RELATING TO THE USE OR PERFORMANCE OF THE LISTED ITEMS OR CSA'S SERVICES. THE FURNISHING OF MAINTENANCE UNDER THIS AGREEMENT DOES NOT ASSURE UNINTERRUPTED OPERATION OR USE OF ANY OF THE LISTED ITEMS.

5.3 Limitation of Liability. NEITHER CSA NOR LESSOR SHALL BE LIABLE FOR INJURY OR DAMAGE EXCEPT TO THE EXTENT CAUSED BY SUCH PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT. NEITHER CSA NOR LESSOR SHALL BE LIABLE FOR EXPENDITURES FOR SUBSTITUTE EQUIPMENT OR SERVICES, LOSS OF REVENUE OR PROFIT, LOSS, CORRUPTION OR RELEASE OF DATA, FAILURE TO REALIZE SAVINGS OR OTHER BENEFITS, STORAGE CHARGES; OR INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF OR IN CONNECTION WITH THIS AGREEMENT, REGARDLESS OF THE LEGAL THEORY ON WHICH THE CLAIM IS BASED AND EVEN IF CSA OR LESSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

5.4 Indemnification. You shall reimburse Lessor for and defend Lessor against any claim for losses or injury caused by the Listed Items, before and after the Lease Term ends.

6. ADDITIONAL LEASE REQUIREMENTS.

6.1 Warranty of Business Purpose; Maintenance. You warrant that the Listed Items will not be used for personal, family or household purposes. If at any time for any reason whatsoever CSA's maintenance obligations have terminated, at your sole expense you shall keep the Equipment in good working order and supply and install replacement parts and accessories when required to maintain the Equipment. Any such replacements shall be the property of Lessor and shall be deemed Equipment.

6.2 Risk of loss; Insurance. Effective upon delivery to you, you shall bear the entire risk of any loss or theft of or damage to the Equipment ("Loss"). You shall obtain and maintain during the term hereunder including all renewals and extensions, at your expense, (a) property insurance for the full replacement value of the Equipment and (b) comprehensive public liability and property damage insurance. All such insurance shall provide for a deductible not exceeding \$5,000 and be in form and amount and with companies satisfactory to Lessor. Each insurer providing such insurance shall name Lessor as additional insured and loss payee and provide Lessor 30 days' prior written notice of alteration or cancellation. You shall deliver certificates or other evidence of insurance to Lessor. You appoint Lessor as your attorney-in-fact solely to make claim for, receive payment of, and execute and endorse documents, checks, or drafts for any Loss. If within 10 days after request you fail to deliver satisfactory evidence of such insurance to Lessor, then Lessor shall have the right, but not the obligation, to obtain insurance covering Lessor's interests in the Equipment, and add the costs of maintaining such insurance and an administrative fee to the amounts due from you under this Agreement. Lessor and any of its affiliates may make a profit on the foregoing. You shall promptly (i) repair or replace any Equipment subject to a Loss or (ii) pay to Lessor the Remaining Lease Balance (defined below). No Loss shall relieve you of any obligation under this Agreement.

7. DEFAULT; REMEDIES. You shall be in default of this Agreement if: (a) you fail to make any Payments when due or perform any of your other obligations under this Agreement; (b) you fail to make payments when due of any indebtedness to Lessor; (c) you or any guarantor of your obligations ("Guarantor") cease doing business as a going concern; (d) you or any Guarantor become insolvent or make an assignment for the benefit of creditors; (e) a petition or proceeding is filed by or against you or any Guarantor under any bankruptcy or insolvency law; (f) a receiver, trustee, conservator, or liquidator is appointed for you, any Guarantor, or any of your or any Guarantor's property; (g) any statement, representation or warranty made by you or any Guarantor to CSA or Lessor is incorrect in any material respect; or (h) you or

any Guarantor who is a natural person die. If you are in default, you shall pay for Lessor's reasonable collection and other costs, and without limiting any of CSA's rights hereunder or under applicable law, Lessor may exercise (on behalf of itself and, as applicable, CSA) any one or all of the following remedies: (1) declare all unpaid Payments (other than per image charges) immediately due and payable, with Lessor retaining title to the Listed Items; (2) terminate any and all agreements with you; (3) without notice, demand or legal process, retake possession of the Listed Items (and you authorize Lessor to enter upon the premises where the Listed Items may be found) and (A) retain the Listed Items and all Payments and other sums paid, (B) re-lease the Listed Items and recover from you the amount by which the Remaining Lease Balance exceeds the value attributed to the Listed Items by Lessor for purposes of calculating the payments under the new lease agreement, or (C) sell the Listed Items and recover from you the amount by which the Remaining Lease Balance exceeds the net amount received by Lessor from such sale; or (4) pursue any other remedy permitted at law or in equity. Lessor may sell the Listed Items after preparing them or not and may disclaim warranties of title and the like. If the Listed Items are not available for sale, you shall be liable for the Remaining Lease Balance and any other amounts due. The "Remaining Lease Balance" shall be the sum of: (i) all Lessor Payments then owed by you to Lessor; (ii) the present value of all remaining Lessor Payments for the full Lease Term; (iii) the Purchase Option price of the Listed Items indicated on the face of this Agreement; plus (iv) any applicable taxes, expenses, charges, and fees. For purposes of determining present value, Lessor Payments shall be discounted at 3% per year.

8. SECURITY; WAIVER. You authorize Lessor to file any form of financing or continuation statements and amendments thereto. THE LEASE CREATED BY THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC 2A") AND LESSOR IS ENTITLED TO ALL BENEFITS, PRIVILEGES AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE, AND YOU IRREVOCABLY WAIVE ANY RIGHT OF NOTICE THEREOF. YOU WAIVE YOUR RIGHTS AS A LESSEE UNDER UCC 2A SECTIONS 508-522. If the lease is determined not to be a true lease, you grant Lessor a security interest in the Listed Items. Your exact legal name, your chief executive office address, and your jurisdiction of organization are as set forth on page 1; if you change any of them or the corporate structure, you shall provide prior written notice to Lessor 30 days before such change. Upon request, you will execute and deliver to Lessor such documents as required or appropriate.

9. GENERAL

9.1 Choice of Law and Forum. THIS AGREEMENT AND ALL CLAIMS, DISPUTES AND CAUSES OF ACTION RELATING THERETO, WHETHER SOUNDING IN CONTRACT, TORT OR STATUTE, SHALL FOR ALL PURPOSES BE GOVERNED BY THE LAWS OF NEW JERSEY WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. YOU CONSENT TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT LOCATED WITHIN CAMDEN OR BURLINGTON COUNTY, NEW JERSEY, OR AT LESSOR'S OPTION IN ANY STATE WHERE YOU OR THE EQUIPMENT ARE LOCATED. YOU WAIVE OBJECTIONS TO THE JURISDICTION OF SUCH COURTS, TO VENUE AND TO CONVENIENCE OF FORUM. ANY SUIT, OTHER THAN ONE SEEKING PAYMENT OF AMOUNTS DUE, SHALL BE COMMENCED, IF AT ALL, WITHIN 1 YEAR OF THE DATE THAT THE CLAIM ACCRUES. THE PARTIES IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUIT BETWEEN THEM.

9.2 Entire Agreement; Electronic Acceptance. This Agreement shall be binding upon you when you sign it, upon CSA when CSA has installed the Equipment, and upon Lessor when you have accepted the Listed Items. All provisions of this Agreement, including Section 4, which by their nature can be construed to survive the expiration or termination of the Agreement shall so survive. CSA or Lessor may insert missing or correct other information including the Listed Item description, serial number, and location; and corrections to your legal name; but otherwise this Agreement (together with any separate agreement entered into between you and CSA as described in Section 2.3 above) constitutes the entire agreement between the parties with respect to the subject matter hereof. Any purchase order utilized by you shall be for your administrative convenience only, and any terms therein which conflict with, vary from or supplement the provisions of this Agreement shall be deemed null and void. No representation or statement shall be binding upon Lessor or CSA as a warranty or otherwise unless it is contained in the original of this Agreement. This Agreement shall not be modified or amended except in a written amendment signed by an authorized signer of CSA and you. If a court finds any provision to be unenforceable, the remaining provisions shall remain in full force and effect. You expressly disclaim having relied upon any statement concerning the capability, condition, operation, performance or specifications of the Listed Items, except to the extent set forth in the original of this Agreement. CSA or Lessor may accept electronic images of this Agreement or any Acceptance Certificate as originals, and electronic copies of your signature will be treated as original for all purposes.

9.3 Joint and Several Liability; Assignment. If more than one entity executes this Agreement as the Customer, your obligations shall be joint and several. YOU SHALL NOT ASSIGN OR PLEDGE THIS AGREEMENT, NOR SHALL YOU SUBLET OR LEND ANY LISTED ITEMS. Each of CSA and Lessor may pledge or assign its rights under this Agreement. If a Lessor assigns its rights, the assignee will have the same rights and benefits that the Lessor had and shall not have any obligations hereunder. The rights of the assignee will not be subject to any claims, defenses, or setoffs that you may have against the Lessor.

9.4 Notices. All notices required or permitted under this Agreement shall be sufficient if delivered personally, sent via facsimile or other electronic transmission, or mailed to such party at the address set forth on page 1 or at such other address as such party may designate in writing from time to time. Notices shall be effective 3 days after deposit in the U.S. mail, duly addressed, or upon delivery via personal or express delivery, facsimile or other electronic transmission. You shall send all notices regarding lease provisions to Lessor only, and all notices regarding maintenance provisions to CSA only.

Address for notices to Canon Solutions America, Inc.:
300 Commerce Square Blvd.
Burlington, NJ 08016
Attn: Customer Service Department
Phone: (800) 613-2228
Fax: (800) 220-4002
Email: customercare@csa.canon.com

Address for notices to Canon Financial Services, Inc.:
158 Gaither Drive, Suite 200
Mount Laurel, NJ 08054
Attn: Customer Service Department
Phone: (800) 220-0330
Fax: (856) 813-5122
Email: customer@cfs.canon.com

9.5 USA PATRIOT Act; Credit information. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who enters into a lease. This means that when you enter into a lease, Lessor may ask for, among other things: (a) your federal tax identification number and (b) your date of birth, if you are a sole proprietor. Lessor may also ask to see identifying documents. You authorize your credit references, any credit reporting agency, or any third party (including Lessor) to collect any credit information and to release the same to Lessor, its affiliates, and their respective designees or assignees.



CANON SOLUTIONS AMERICA
Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800)-613-2228

Unified Lease Agreement

Schedule A

#ULF S0728618.03

Page 1 of 11

Customer Name: CITY OF SACHSE

Ship To Information

Delivery Address: 3815 SACHSE RD CITY HALL FLOOR 2			Connectivity Contact: Gary Burcalow		
City: SACHSE		County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒		Loading Dock: Yes ☐ No ☒
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017		# of Steps: 0 Hours of Operation: 9-4
E-Mail: tsavage@cityofsachse.com			Special Instructions:		

Equipment and Software ("Listed Items")

Equipment Maintenance Information

Item Code	Product Description	Qty	Serial #	Complete the following information, if Maintenance is selected on the face page. Maintenance is automatically selected herein unless you choose the option to exclude Maintenance by checking box(es) below.					
1404C001	IRADV4535I	1		☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
1428C003	DADF-AV1	1		Covered Images Included		Start Meter		Excess per Image Charge	
2299C001	CABINET TYPE-Q	1		B & W	Color	B & W	Color	B & W	Color
1423C002	INNER FINISHER-J1	1		40,000	6,000			0.009400	0.055700
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A) XG-P	1		Alternate Meter Read Method: _____					
2246V630	IMAGERUNNER ADV 4235/4225/4535i/4535i/4525i INSTA	1							
2368V120	MID VOLUME CONNECTIVITY 30+PPM UP TO 79PPM	1							
IntSupplies	Pre-Installed Supplies Installed in Machine	1							
				☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
				Covered Images Included		Start Meter		Excess per Image Charge	
				B & W	Color	B & W	Color	B & W	Color
				Alternate Meter Read Method: _____					

Key to Meter Read Method: imageWARE Remote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



Schedule A

Page 2 of 11

Customer Name: CITY OF SACHSE

Delivery Address: 6436 SACHSE RD ANIMAL SHELTER			Connectivity Contact: Gary Burcalow		
City: SACHSE		County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒	Loading Dock: Yes ☐ No ☒	
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017 # of Steps: 0 Hours of Operation: 9-4		
E-Mail: tsavage@cityofsachse.com			Special Instructions:		

Equipment Maintenance Information

[illegible]

Key to Meter Read Method: imageWARE Remote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



CANON SOLUTIONS AMERICA
Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800)-613-2228

Unified Lease Agreement

Schedule A

#ULF S0728618.03

Page 3 of 11

Customer Name: CITY OF SACHSE

Ship To Information

Delivery Address: 3815 SACHSE RD SENIOR CENTER			Connectivity Contact: Gary Burcalow		
City: SACHSE		County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒	Loading Dock: Yes ☐ No ☒	
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017 # of Steps: 0 Hours of Operation: 9-4		
E-Mail: tsavage@cityofsachse.com			Special Instructions:		

Equipment and Software ("Listed Items")

Equipment Maintenance Information

Item Code	Product Description	Qty	Serial #	Complete the following information, if Maintenance is selected on the face page. Maintenance is automatically selected herein unless you choose the option to exclude Maintenance by checking box(es) below.					
1404C001	IRADV4535I	1		☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
1428C003	DADF-AV1	1		Covered Images Included		Start Meter		Excess per Image Charge	
2299C001	CABINET TYPE-Q	1		B & W	Color	B & W	Color	B & W	Color
1423C002	INNER FINISHER-J1	1							
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A) XG-P	1		Alternate Meter Read Method: _____					
2246V630	IMAGERUNNER ADV 4235/4225/4535i/4535i/4525i INST/	1							
2368V120	MID VOLUME CONNECTIVITY 30+PPM UP TO 79PPM	1							
IntSupplies	Pre-Installed Supplies Installed in Machine	1							
				☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
				Covered Images Included		Start Meter		Excess per Image Charge	
				B & W	Color	B & W	Color	B & W	Color
				Alternate Meter Read Method: _____					

Key to Meter Read Method: imageWARE Remote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



Schedule A

Page 4 of 11

Customer Name: CITY OF SACHSE

Delivery Address: 3815 SACHSE RD FINANCE		Connectivity Contact: Gary Burcalow	
City: SACHSE	County: DALLAS	I/T Phone #: 469.429.4769	E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	
Delivery Contact: Teresa Savage	Fax #:	Elevator: Yes ☐ No ☒	Loading Dock: Yes ☐ No ☒
E-Mail: tsavage@cityofsachse.com		Earliest Delivery Date: 10/20/2017	# of Steps: 0 Hours of Operation: 9-4
		Special Instructions:	

Equipment Maintenance Information

[illegible]

Key to Meter Read Method: imageWARE Remote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



Schedule A

Page 5 of 11

Customer Name: CITY OF SACHSE

Delivery Address: 3815 SACHSE RD CITY HALL FLOOR 2 BUILDING B			Connectivity Contact: Gary Burcalow		
City: SACHSE		County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒	Loading Dock: Yes ☐ No ☒	
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017 # of Steps: 0 Hours of Operation: 9-4		
E-Mail: tsavage@cityofsachse.com			Special Instructions:		

Equipment Maintenance Information

[illegible]

Key to Meter Read Method: ImageWARE Remote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



CANON SOLUTIONS AMERICA

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Unified Lease Agreement

Schedule A

#ULF S0728618.03

Page 6 of 11

Customer Name: CITY OF SACHSE

Ship To Information

Delivery Address: 3815 SACHSE RD POLICE DEPARTMENT			Connectivity Contact: Gary Burcalow		
City: SACHSE		County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒	Loading Dock: Yes ☐ No ☒	
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017 # of Steps: 0 Hours of Operation: 9-4		
E-Mail: tsavage@cityofsachse.com			Special Instructions:		

Equipment and Software ("Listed Items")

Equipment Maintenance Information

Item Code	Product Description	Qty	Serial #	Complete the following information, if Maintenance is selected on the face page. Maintenance is automatically selected herein unless you choose the option to exclude Maintenance by checking box(es) below.					
1404C001	IRADV4535I	1		☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
1428C003	DADF-AV1	1		Covered Images Included		Start Meter		Excess per Image Charge	
2299C001	CABINET TYPE-Q	1		B & W	Color	B & W	Color	B & W	Color
1423C002	INNER FINISHER-J1	1							
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A) XG-P	1		Alternate Meter Read Method: _____					
2246V630	IMAGERUNNER ADV 4235/4225/4535i/4525i INST/	1							
2368V120	MID VOLUME CONNECTIVITY 30+PPM UP TO 79PPM	1							
IntSupplies	Pre-Installed Supplies Installed in Machine	1							
0605C003	IRADVC5535I	1		☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
1770C001	CABINET TYPE-N	1		Covered Images Included		Start Meter		Excess per Image Charge	
0615C002	INNER FINISHER-H1	1		B & W	Color	B & W	Color	B & W	Color
0618C002	INNER 2/3 HOLE PUNCHER-B1	1							
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A) XG-P	1		Alternate Meter Read Method: _____					
2368V120	MID VOLUME CONNECTIVITY 30+PPM UP TO 79PPM	1							
3088V679	INSTALL PAK C5535I & C5540I	1							
IntSupplies	Pre-Installed Supplies Installed in Machine	1							

Key to Meter Read Method: ImageWARE Remote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



CANON SOLUTIONS AMERICA
Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800)-613-2228

Unified Lease Agreement

Schedule A

#ULF S0728618.03

Page 7 of 11

Customer Name: CITY OF SACHSE

Ship To Information

Delivery Address: 6420 SACHSE RD PUBLIC WORKS		Connectivity Contact: Gary Burcalow	
City: SACHSE	County: DALLAS	I/T Phone #: 469.429.4769	E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒ Loading Dock: Yes ☐ No ☒
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017 # of Steps: 0 Hours of Operation: 9-4
E-Mail: tsavage@cityofsachse.com		Special Instructions:	

Equipment and Software ("Listed Items")

Equipment Maintenance Information

Item Code	Product Description	Qty	Serial #	Complete the following information, if Maintenance is selected on the face page. Maintenance is automatically selected herein unless you choose the option to exclude Maintenance by checking box(es) below.					
1403C001	IRADV4525I	1		☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
1428C003	DADF-AV1	1		Covered Images Included		Start Meter		Excess per Image Charge	
2299C001	CABINET TYPE-Q	1		B & W	Color	B & W	Color	B & W	Color
1423C002	INNER FINISHER-J1	1							
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A) XG-P	1		Alternate Meter Read Method: _____					
2246V630	IMAGERUNNER ADV 4235/4225/4535i/4525i INST/	1							
2368V119	LOW VOLUME CONNECTIVITY UP TO 30PPM	1							
IntSupplies	Pre-Installed Supplies Installed in Machine	1							
				☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
				Covered Images Included		Start Meter		Excess per Image Charge	
				B & W	Color	B & W	Color	B & W	Color
				Alternate Meter Read Method: _____					

Key to Meter Read Method: imageWARE Remote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



Schedule A

Page 8 of 11

Customer Name: CITY OF SACHSE

Delivery Address: 3815 SACHSE RD FIRE DEPARTMENT			Connectivity Contact: Gary Burcalow		
City: SACHSE		County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒	Loading Dock: Yes ☐ No ☒	
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017 # of Steps: 0 Hours of Operation: 9-4		
E-Mail: tsavage@cityofsachse.com			Special Instructions:		

Equipment Maintenance Information

Item Code	Product Description	Qty	Serial #	Complete the following information, if Maintenance is selected on the face page. Maintenance is automatically selected herein unless you choose the option to exclude Maintenance by checking box(es) below.					
1404C001	IRADV4535I	1		☐ Equipment excluded from Maintenance		☐ Corporate Advantage		☐ Equipment under separate MPS agreement billed by CSA	
1428C003	DADF-AV1	1		Covered Images Included		Start Meter		Excess per Image Charge	
2299C001	CABINET TYPE-Q	1		B & W Color		B & W Color		B & W Color	
1423C002	INNER FINISHER-J1	1							
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A) XG-P	1		Alternate Meter Read Method: _____					
2246V630	IMAGERUNNER ADV 4235/4225/4535i/4535i/4525i INSTA	1							
2368V120	MID VOLUME CONNECTIVITY 30+PPM UP TO 79PPM	1							
IntSupplies	Pre-Installed Supplies Installed in Machine	1							
				☐ Equipment excluded from Maintenance		☐ Corporate Advantage		☐ Equipment under separate MPS agreement billed by CSA	
				Covered Images Included		Start Meter		Excess per Image Charge	
				B & W Color		B & W Color		B & W Color	
				Alternate Meter Read Method: _____					

Key to Meter Read Method: ImageWARE Remote unless noted above (or) W = myCSA website

SLS-107F CFS-1209 July 2017

Customer Initials: _____ Date: _____



CANON SOLUTIONS AMERICA

Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800)-613-2228

Unified Lease Agreement

Schedule A

#ULF S0728618.03

Page 9 of 11

Customer Name: CITY OF SACHSE

Ship To Information

Delivery Address: 3815 SACHSE RD STE D POLICE DEPARTMENT RECORDS			Connectivity Contact: Gary Burcalow		
City: SACHSE	County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com	
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒	Loading Dock: Yes ☐ No ☒	
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017 # of Steps: 0 Hours of Operation: 9-4		
E-Mail: tsavage@cityofsachse.com			Special Instructions:		

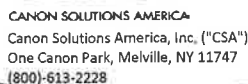
Equipment and Software ("Listed Items")

Equipment Maintenance Information

Item Code	Product Description	Qty	Serial #	Complete the following information, if Maintenance is selected on the face page. Maintenance is automatically selected herein unless you choose the option to exclude Maintenance by checking box(es) below.					
1403C001	IRADV4525i	1		☐ Equipment excluded from Maintenance	☐ Corporate Advantage	☐ Equipment under separate MPS agreement billed by CSA			
1428C003	DADF-AV1	1		Covered Images Included		Start Meter		Excess per Image Charge	
2299C001	CABINET TYPE-Q	1		B & W	Color	B & W	Color	B & W	Color
0166C007	SUPER G3 FAX BOARD-AS2	1							
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A) XG-P	1		Alternate Meter Read Method: _____					
2246V630	IMAGERUNNER ADV 4235/4225/4535i/4535i/4525i INST/	1							
2368V119	LOW VOLUME CONNECTIVITY UP TO 30PPM	1							
IntSupplies	Pre-Installed Supplies Installed in Machine	1							
				Alternate Meter Read Method: _____					
				Alternate Meter Read Method: _____					

Key to Meter Read Method: ImageWARE Remote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



Schedule A

Page 10 of 11

Customer Name: CITY OF SACHSE

Delivery Address: 3815 SACHSE RD COMMUNITY DEVELOPMENT STE B			Connectivity Contact: Gary Buralow		
City: SACHSE		County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒	Loading Dock: Yes ☐ No ☒	
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017 # of Steps: 0 Hours of Operation: 9-4		
E-Mail: tsavage@cityofsachse.com		Special Instructions:			

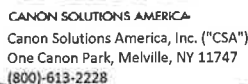
Equipment Maintenance Information

Item Code	Product Description	Qty	Serial #	Complete the following information, if Maintenance is selected on the face page. Maintenance is automatically selected herein unless you choose the option to exclude Maintenance by checking box(es) below.					
1404C001	IRADV4535I	1		☐ Equipment excluded from Maintenance		☐ Corporate Advantage		☐ Equipment under separate MPS agreement billed by CSA	
1428C003	DADF-AV1	1		Covered Images Included		Start Meter		Excess per Image Charge	
2299C001	CABINET TYPE-Q	1		B & W Color		B & W Color		B & W Color	
1423C002	INNER FINISHER-J1	1							
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A) XG-P	1		Alternate Meter Read Method: _____					
2246V630	IMAGERUNNER ADV 4235/4225/4535I/4535I/4525I INSTA	1							
2368V120	MID VOLUME CONNECTIVITY 30+PPM UP TO 79PPM	1							
IntSupplies	Pre-Installed Supplies Installed in Machine	1							
				Alternate Meter Read Method: _____					
				Alternate Meter Read Method: _____					

Key to Meter Read Method: imageWARE Remote unless noted above (or) W = myCSA website

SLS-107F CFS-1209 July 2017

Customer Initials: _____ Date: _____



Schedule A

Page 11 of 11

Customer Name: CITY OF SACHSE

Delivery Address: 3815 SACHSE RD LIBRARY STE C			Connectivity Contact: Gary Burcalow		
City: SACHSE		County: DALLAS	I/T Phone #: 469.429.4769		E-Mail: gburcalow@cityofsachse.com
State: TX	Zip: 75048	Phone #: 469-429-4772	Elevator: Yes ☐ No ☒		Loading Dock: Yes ☐ No ☒
Delivery Contact: Teresa Savage		Fax #:	Earliest Delivery Date: 10/20/2017		# of Steps: 0
E-Mail: tsavage@cityofsachse.com				Hours of Operation: 9-4	
			Special Instructions:		

Equipment Maintenance Information

[illegible]

Key to Meter Read Method: imageWARE Remnote unless noted above (or) W = myCSA website

Customer Initials: _____ Date: _____



City of Sachse, Texas

Legislation Details (With Text)

File #: 17-4020 **Version:** 1 **Name:** Finance Department Recognition
Type: Agenda Item **Status:** Agenda Ready
File created: 10/9/2017 **In control:** City Council
On agenda: 10/16/2017 **Final action:**
Title: Recognize the Finance Department.

Sponsors:

Indexes:

Code sections:

Attachments: [CAFR Certificate FY2016](#)
[FY 16-17 Budget Award](#)
[Investment Policy Certification exp 02.19](#)

Date	Ver.	Action By	Action	Result
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Title

Presentation of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting, Government Finance Officers Association Distinguished Budget Award, and the Government Treasurers Organization of Texas Investment Policy Certificate of Distinction.

Background

The Certificate of Achievement for Excellence in Financial Reporting has been awarded to the City of Sachse by the GFOA of the United States and Canada for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending September 30, 2016. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. This is the eighteenth consecutive year that the City's CAFR has received this recognition.

The GFOA of the United States and Canada has awarded a Distinguished Budget Presentation Award to the City of Sachse, Texas for its annual budget for the fiscal year beginning October 1, 2016. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide and as a communication device. The GFOA Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting, and its attainment represents significant achievement by the organization. The budget document is examined by a panel of three independent reviewers and must be rated as proficient or outstanding by two out of the three reviewers in four categories. This is the fifth consecutive year that the City's budget has received this recognition.

The City also submitted its Investment Policy for review by the Government Treasurers Organization of Texas. The GTOT Certificate Program recognizes governments that maintain a comprehensive written investment policy that meets the criteria to comply with the Texas Public Funds Investment Act. The certificate extends for a two-year period expiring February 28, 2019. This is the second

GTOT Certificate awarded to the City of Sachse.

Staff Recommendations

No action is necessary.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Sachse
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Christopher P. Morrell

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sachse
Texas**

For the Fiscal Year Beginning

October 1, 2016

Executive Director



Government Treasurers' Organization of Texas

Certification of Investment Policy

Presented to

City of Sachse

for developing an investment policy that meets the requirements of the Public Funds Investment Act and the standards for prudent public investing established by the Government Treasurers' Organization of Texas.


Government Treasurers' Organization of Texas
President


Investment Policy Review Committee
Chairperson

For the two-year period ending February 28, 2019



City of Sachse, Texas

Legislation Details (With Text)

File #: 17-4016 **Version:** 1 **Name:** Website Redesign
Type: Agenda Item **Status:** Agenda Ready
File created: 10/6/2017 **In control:** City Council
On agenda: 10/16/2017 **Final action:**
Title: Receive presentation regarding new website design.

Sponsors:

Indexes:

Code sections:

Attachments: [Presentation](#)

Date	Ver.	Action By	Action	Result
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Title

Website Redesign

Background

The City began the website redesign project in September 2016. The City's website design currently works under CivicPlus platform and has not been refreshed in many years. The City brought on SGR to help assist in making the website read with one voice, assist with content cleanup, and be our liaison between the City and CivicPlus.

The City and SGR compiled a design team and a content team comprised of City staff. SGR provided directives to staff to keep the project moving. Once the design was approved and the production site was created, staff received training from CivicPlus. Departments then met individually with SGR to help with their specific pages and to further train since for most staff this was brand new.

Staff has been making final updates to prepare the website to go live. It can take up to 48 hours for the new website to propagate, but most visitors will be able to access within a couple of hours.

Policy Considerations

None.

Budgetary Considerations

None.

Staff Recommendations

Presentation only.

Partnering with Local
Governments to Recruit,
Assess and Develop
Innovative, Collaborative,
Authentic Leaders

City of Sachse Website Redesign



Project Timeline

How Did We Get Here?

- City's website design had not been refreshed in many years
- Still operating on the older CivicPlus platform
- The City began the Website Redesign Project in September 2016
- Design Team and Content Team made up of Sachse staff members and SGR representatives was established
- Directives were given to the teams on what the redesign should accomplish
- Design was approved and production site created
- Staff received training on new website platform from CivicPlus and SGR
- Content audit and cleanup was performed



Design & Content Team – Sachse Staff

Design Team

- Dusty McAfee
- Greg Peters
- Michelle Lewis Sirianni
- Chief Bryan Sylvester
- Chief Marty Wade
- Lance Whitworth
- Celso Martinez



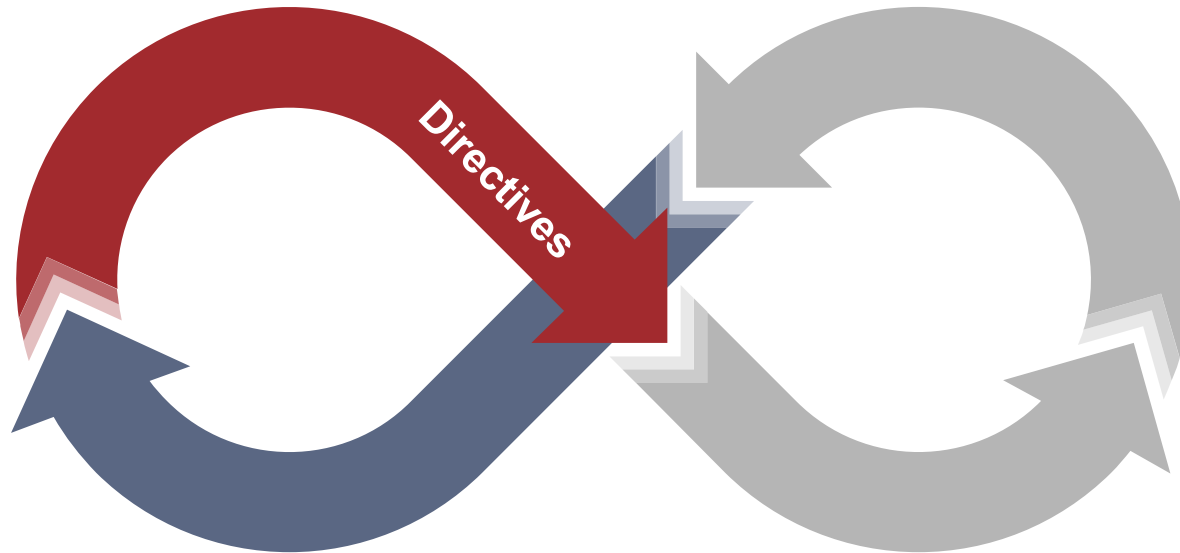
Design & Content Team – Sachse Staff

Content Team

- Jaclyn Blair
- Kelly Dennis
- Berna Fitzpatrick-Walker
- Maxine Glenn
- Mike Green
- Billy Ho
- Michael Hunter
- Michelle Lewis Sirianni
- Angelica Massey
- Mignon Morse
- Diana Navarette
- Sarah Perkins
- Michael Spencer
- Ashley Tyson
- Brooke Youngblood
- Charlotte Youngblood
- Melinda Walter
- Cynthia Wiseman



Vision



User Friendly

- Visitors can find information quickly – less than 3 clicks
- More intuitive

Fresh Design

- Responsive format for all devices: PC, laptop, smartphone
- Cleaner – less text, more photos/graphics

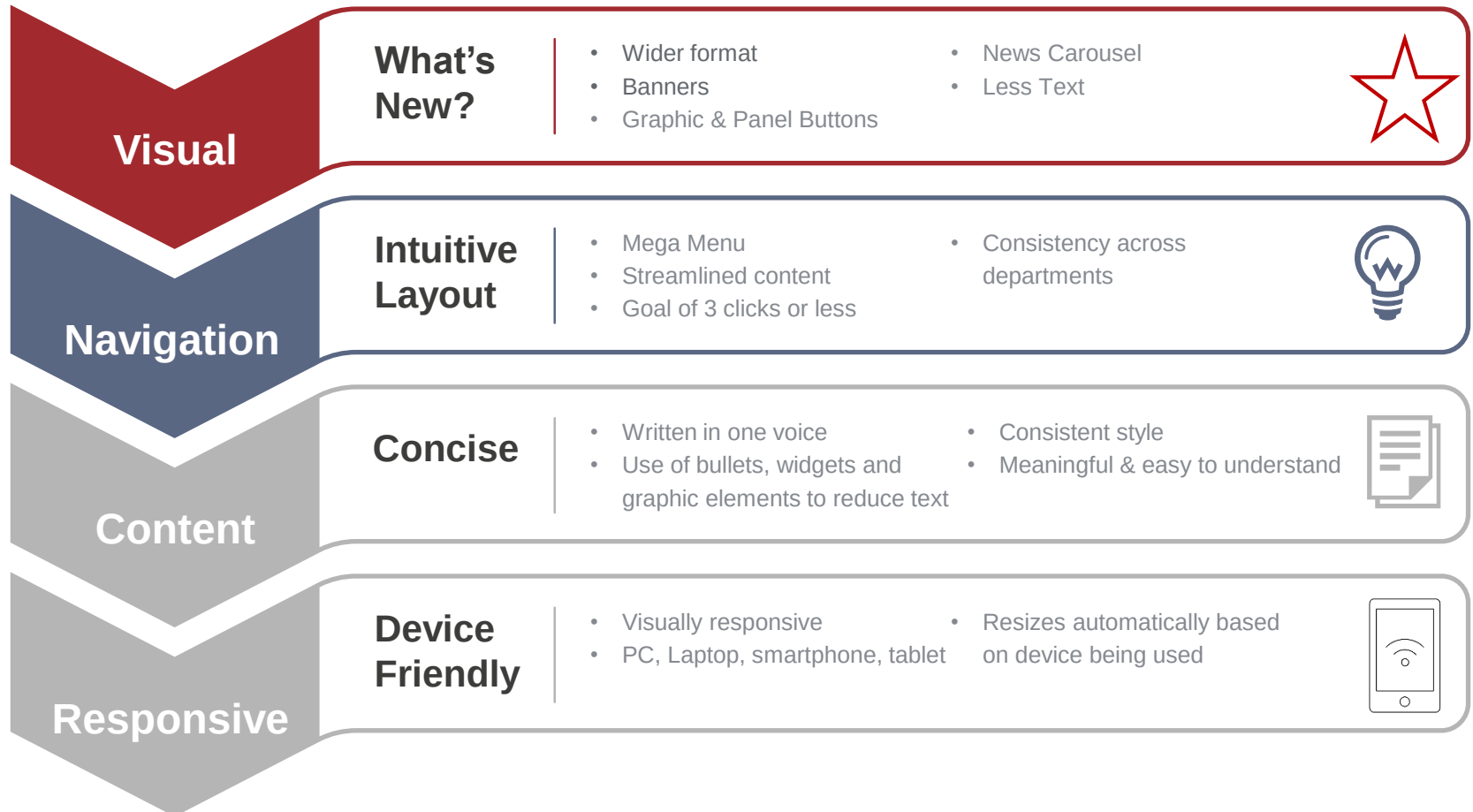
Streamlined

- Layout makes sense
- Consistency across departments
- Easier to navigate
- Most frequently visited pages highlighted

Consistent Voice

- Content is cohesive between pages
- Common look and feel

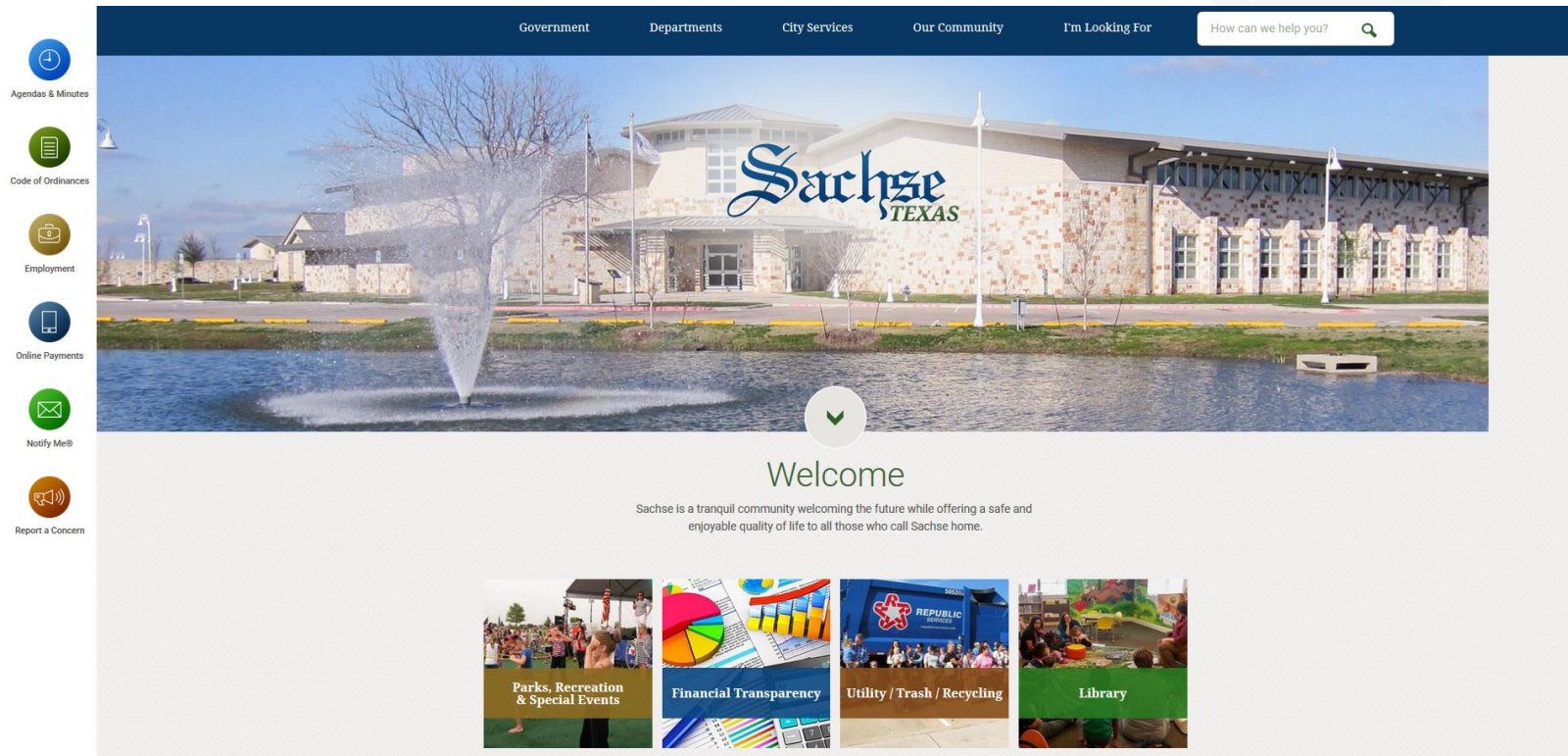
Key Improvements



New Website

Go-Live: October 26, 2017

It can take up to 48 hours for the new website to propagate, depending on the website visitors' ISP. Most visitors will access the new website within a couple of hours.



Partnering with Local
Governments to Recruit,
Assess and Develop
Innovative, Collaborative,
Authentic Leaders

THANK YOU



WWW.GOVERNMENTRESOURCE.COM



City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4024	Version:	1	Name:	Ron Hobbs Agreement
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/10/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Receive presentation from Ron Hobbs and consider approval of a Professional Services agreement between the City of Sachse, Texas and Ron Hobbs Architecture and Interior Design, LLP, for the design of the Sachse Community Center.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Agreement				

Date	Ver.	Action By	Action	Result
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Title
Sachse Community Center.

Background
On September 18, 2017, the Sachse City Council considered and approved an ordinance authorizing the issuance and sale of City of Sachse, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligations. Several projects on the Capital Improvement Plan (CIP) were discussed to use the remaining proceeds from the Series 2017A Certificates of Obligation and among those projects was the building of a Sachse Community Center.

Ron Hobbs, owner and architect at Ron Hobbs Architecture and Interior Design, LLP, is here to present the scope of services for the agreement. The project presented to the City Council involves the design of a new multi-purpose community center. The project will include meeting rooms, a reservation room, a gymnasium, various support spaces and additional parking. The exact size and types of rooms and spaces will be determined during the programming phase of work. Tonight Mr. Hobbs will be discussing preliminary ideas with the City Council. He will come back to the City Council on specific design concepts at the December 4 City Council Workshop.

Policy Considerations
No policy considerations.

Budgetary Considerations
The agreement identifies the obligations of both the City and the Architect. In total, compensation of basic architectural services shall be 7% of the total project cost with a maximum fee not to exceed \$390,000.

Staff Recommendations
Approve a Professional Services agreement between the City of Sachse, Texas and Ron Hobbs

Architecture and Interior Design, LLP, for the design of the Sachse Community Center.

STATE OF TEXAS §
 § **AGREEMENT FOR DESIGN OF NEW**
COUNTY OF DALLAS § **MULTI-PURPOSE COMMUNITY CENTER**

This Agreement for Design of New Multi-Purpose Community Center (“Agreement”) is made by and between the City of Sachse, Texas (“City”) and Ron Hobbs Architecture & Interior Design, LLP (“Professional”), (each a “Party” and collectively the “Parties”), acting by and through their authorized representatives.

RECITALS:

WHEREAS, City desires to engage the services of the Professional as an independent contractor, and not as an employee, to provide the services described in Exhibit “A” (the “Scope of Services”) to assist the City in the architectural design for the City’s new multi-purpose community center on the terms and conditions set forth in this Agreement; and

WHEREAS, Professional desires to render services for the City on 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 The Term of this Agreement shall commence on the last date of execution hereof (“Effective Date”), and shall continue until completion of the services, unless sooner terminated as provided herein.

1.2 Either Party may terminate this Agreement by giving thirty (30) days prior written notice to the other Party. In the event of such termination the Professional shall deliver to City all finished and unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs or other items prepared by the Professional in connection with this Agreement. Professional shall be entitled to compensation for any services completed to the reasonable satisfaction of the City in accordance with this Agreement prior to such termination.

Article II
Contract Documents

2.1. This Agreement consists of the following items:

(a) this Agreement; and

(b) the Scope of Services (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

3.1 Professional shall perform the services as set forth in the Scope of Services. Professional shall perform the services: (i) with the professional skill and care ordinarily provided by competent engineers or architects, as the case may be, practicing in the same or similar locality and under the same or similar circumstances and professional license; and (ii) as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer or architect, as the case may be.

3.2 City shall, prior to commencement of services, provide the Professional with the information set forth in the Scope of Services, if any.

3.3 The Parties acknowledge and agree that any and all opinions provided by the Professional in connection with the Scope of Services represent the professional judgment of the Professional, in accordance with the standard of care applicable by law to the services performed hereunder.

3.4 Upon execution of this Agreement the City has the right to use the Professional’s instruments of service, including but not limited to reports, maps, cost estimates, recommendations or other deliverables for the Project, provided that the City substantially performs its obligations, including prompt payment of all sums when due, under this Agreement. City’s employees, agents, contractors and subcontractors may reproduce applicable portions of the instruments of service for use in performing services or construction for the Project. Upon payment of all amounts due Professional hereunder, all deliverables, materials and reports prepared by the Professional in connection with this Agreement shall become the property of the City. City shall have the right to publish, disclose, distribute and otherwise use such deliverables, materials and reports only for those purposes for which they were intended. Subject to the foregoing, Professional shall, upon completion of the services, or earlier termination, provide the City with the deliverables, drawings, reports, maps, and materials prepared by Professional as set forth in the Scope of Services. Record drawings created by the Professional which reflect information from the contractor/inspector shall include all plan sheets on a compact disc in a “.dwg” format and scanned 24” x 36” black & white “Tiff” images at 400 dpi resolution.

3.5 Schematic design documents, design development documents, Contract Documents, drawings, plans, specifications and other documents, including those in electronic form, prepared by Professional and its consultants, agents, representatives, and/or employees in connection with any work performed by Professional are intended for the use and benefit of the

City. Professional and its consultants, agents, representatives, and/or employees shall be deemed the authors of their respective part of said documents. Notwithstanding, City shall own, have, keep and retain all rights, title and interest in and to all documents, including all ownership, common law, statutory, and other reserved rights, including copyrights, in and to all such documents, whether in draft form or final form, which are produced at its request and in furtherance of this Agreement or services performed thereunder. City shall have full authority to authorize Professional, subcontractors, City consultants, and material or equipment suppliers to reproduce applicable portions of the documents to and for use in their execution of the work or for any other purpose. However, unless the services of the Professional are retained to adapt the work product of the Professional to another project, such re-use of Professional's work product on a project for which the Professional has not been retained, shall be at the sole risk of the City. All materials and reports prepared by Professional in connection with this Agreement are "works for hire" and shall be the property of the City. City shall have the right to publish, disclose, distribute and otherwise use such materials and reports in accordance with the Engineering Practice Act of the State of Texas. Professional shall upon completion of the services, or earlier termination, provide the City with reproductions of all materials reports, and exhibits prepared by Professional pursuant to this Agreement, and in electronic format if requested by the City. Notwithstanding anything herein, City grants the Professional an irrevocable, transferable license to use the documents with restriction in its ongoing operations.

Article IV

Schedule of Work

Professional agrees to commence services upon written direction from the City and to complete the required services in accordance with a work schedule mutually established by the City and Professional.

Article V

Compensation and Method of Payment

5.1 City shall compensate Professional for services performed under this Agreement. In total, compensation of basic architectural services shall be 7% of the total project cost, with a maximum fee not to exceed \$390,000.

5.2 Unless otherwise set forth in Exhibit "A", Professional shall be responsible for all expenses related to the services provided pursuant to this Agreement including, but not limited to, travel, copying and facsimile charges, telephone, internet and email charges.

Article VI

Devotion of Time; Personnel; and Equipment

6.1 Professional shall devote such time as reasonably necessary for the satisfactory performance of the work under this Agreement. Should City require additional services not included under this Agreement, Professional shall make reasonable efforts to provide such additional services at mutually agreed charges or rates, and within the time schedule prescribed by City, and without decreasing the effectiveness of the performance of services required under this Agreement.

6.2 To the extent reasonably necessary for Professional to perform the services under this Agreement, Professional shall be authorized to engage the services of any agents, assistants, persons, or corporations that Professional may deem proper to aid or assist in the performance of the services under this Agreement. The cost of such personnel and assistance shall be borne exclusively by Professional.

6.3 Professional shall furnish the facilities, equipment and personnel necessary to perform the services required under this Agreement unless otherwise provided herein.

Article VII

Suspension of Work

City shall have the right to immediately suspend work by Professional if the City determines in its sole discretion that Professional has, or will fail to perform, in accordance with this Agreement. In such event, any payments due Professional shall be suspended until Professional has taken satisfactory corrective action.

Article VIII

Availability of Funds

If monies are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, this Agreement shall be canceled and Professional may only be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of services delivered under this Agreement or which are otherwise not recoverable. The cost of cancellation may be paid from any appropriations for such purposes.

Article IX

Relationship of Parties

It is understood and agreed by and between the Parties that in satisfying the conditions of this Agreement, Professional is acting independently, and that City assumes no responsibility or liabilities to any third party in connection with these actions. All services to be performed by Professional pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of City. Professional shall supervise the performance of its

services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this Agreement. As such, City shall not: train Professional, require Professional to complete regular oral or written reports, require Professional devote its full-time services to City, or dictate Professional's sequence of work or location at which Professional performs its work.

Article X Insurance

Professional 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 required by the City.

Article XI Miscellaneous

11.1 Entire Agreement. This Agreement constitutes the sole and only agreement between the Parties and supersedes any prior understandings written or oral agreements between the Parties with respect to this subject matter.

11.2 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations granted and assumed under this Agreement.

11.3 Assignment. Professional may not assign this Agreement without the prior written consent of City. In the event of an assignment by Professional to which the City has consented, the assignee shall agree in writing with the City to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement.

11.4 Successors and Assigns. Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

11.5 Governing Law. The laws of the State of Texas shall govern this Agreement without regard to any conflict of law rules; and venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

11.6 Amendments. This Agreement may be amended by the mutual written agreement of the Parties.

11.7 Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the

Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

11.8 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

11.9 Recitals. The recitals to this Agreement are incorporated herein.

11.10 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier or by confirmed telefax or facsimile to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for City:

With Copy to:

Gina Nash
City Manager
City of Sachse, Texas
3815 Sachse Road
Sachse, Texas 75048
Telephone: 972.495.1212

Joseph J. Gorfida, Jr.
Nichols, Jackson, Dillard,
Hager & Smith, LLP
1800 Ross Tower
500 North Akard
Dallas, Texas 75201
Telephone: 214.965.9900

If intended for Professional:

Ron Hobbs, AIA
Rob Hobbs Architecture & Interior Design, LLP
614 West Main, Suite 200
Garland, Texas 75040
Telephone: 972.494.0174

11.11 Counterparts. This Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

11.12 Exhibits. The exhibits attached hereto are incorporated herein and made a part hereof for all purposes.

11.13 Indemnification. **CITY SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, OR INJURY OF ANY KIND OR CHARACTER TO ANY PERSON OR PROPERTY ARISING FROM THE SERVICES OF PROFESSIONAL PURSUANT TO THIS AGREEMENT. PROFESSIONAL HEREBY WAIVES ALL CLAIMS AGAINST CITY, ITS OFFICERS, AGENTS AND EMPLOYEES (COLLECTIVELY REFERRED**

TO IN THIS SECTION AS “CITY”) FOR DAMAGE TO ANY PROPERTY OR INJURY TO, OR DEATH OF, ANY PERSON TO THE EXTENT ARISING AT ANY TIME AND FROM ANY CAUSE OTHER THAN THE NEGLIGENCE OR WILLFUL MISCONDUCT OF CITY OR BREACH OF CITY’S OBLIGATIONS HEREUNDER. PROFESSIONAL AGREES TO INDEMNIFY AND SAVE HARMLESS CITY FROM AND AGAINST LIABILITIES, DAMAGES, CLAIMS, SUITS, COSTS (INCLUDING COURT COSTS, REASONABLE ATTORNEYS’ FEES AND COSTS OF INVESTIGATION) AND ACTIONS OF ANY KIND BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY TO THE EXTENT CAUSED BY THE PROFESSIONAL’S NEGLIGENT PERFORMANCE OF SERVICES UNDER THIS AGREEMENT OR BY REASON OF ANY NEGLIGENT ACT OR OMISSION ON THE PART OF PROFESSIONAL, ITS OFFICERS, DIRECTORS, SERVANTS, EMPLOYEES, REPRESENTATIVES, CONSULTANTS, LICENSEES, SUCCESSORS OR PERMITTED ASSIGNS (EXCEPT WHEN SUCH LIABILITY, CLAIMS, SUITS, COSTS, INJURIES, DEATHS OR DAMAGES ARISE FROM OR ARE ATTRIBUTED TO NEGLIGENCE OF THE CITY, IN WHOLE OR IN PART, IN WHICH CASE PROFESSIONAL SHALL INDEMNIFY CITY ONLY TO THE EXTENT OR PROPORTION OF NEGLIGENCE ATTRIBUTED TO PROFESSIONAL AS DETERMINED BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION). THE PROFESSIONAL’S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY PROFESSIONAL UNDER THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

11.14 Audits and Records. Consultant agrees that during the term hereof the City and its representatives may, during normal business hours and as often as deemed necessary, inspect, audit, examine and reproduce any and all of Consultant’s records relating to the services provided pursuant to this Agreement for a period of one year following the date of completion of services as determined by the City or date of termination if sooner.

11.15 Conflicts of Interests. Consultant represents that no official or employee of the City has any direct or indirect pecuniary interest in this Agreement.

11.16 Compliance with Federal, State & Local Laws: Professional shall comply in performance of services under the terms of this Agreement with all applicable laws, ordinances and regulations, judicial decrees or administrative orders, ordinances, and codes of federal, state and local governments, including all applicable federal clauses.

11.17 Force Majeure. No Party will be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, riots, civil disorders, acts of terrorism or any similar cause beyond the reasonable control of such Party, provided that the non-performing Party is without fault in causing such default or delay. The

non-performing Party agrees to use commercially reasonable efforts to recommence performance as soon as possible.

11.18 Prohibition of Boycott Israel. Professional verifies that it does not Boycott Israel, and agrees that during the term of this Agreement will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.

(signature page to follow)

EXECUTED this _____ day of _____, 2017.

City of Sachse, Texas

By: _____
Gina Nash, City Manager

Approved as to form:

By: _____
Joseph J. Gorfida, Jr., City Attorney
(10-10-2017/91873)

EXECUTED this _____ day of _____, 2017.

Ron Hobbs Architecture & Interior Design, LLP

By: _____
Name: _____
Title: _____

Exhibit "A"

Scope of Services

SACHSE COMMUNITY CENTER - SACHSE, TEXAS

Scope of Services

Name of Project: SACHSE COMMUNITY CENTER
Sachse Municipal Campus
Sachse, Texas 75048

Owner: CITY OF SACHSE
3815 Sachse Road
Sachse, Texas 75048

Architect: RON HOBBS ARCHITECTURE & INTERIOR DESIGN, LLP
614 West Main Street, Suite #200
Garland, Texas 75040

Date: October 9, 2017

Description of Project: Project involves the design of a new multi-purpose community center. The project will include meeting rooms, a reservation room, a gymnasium, various support spaces and additional parking. The exact size and types of rooms and spaces will be determined during the programming phase of work and design charrettes.

Project Budget: To be determined

Owner Supplied Information & Services: Owner shall be responsible for providing the Architect with the following

- Geotech Report
- Topographic Survey
- Civil Engineering Services

The Architect will assist the Owner in obtaining proposals for the geotech report and topographic survey.

Pre-Design Services: Pre-design services will include the following:

DATA COLLECTION: The Architect will collect pertinent information relating to the proposed project and its site. Information may include drawings of the existing buildings, previous master plans, and other data related to the property. Once collected, the information will be reviewed and analyzed.

PROGRAMMING: During this Phase of the work the Architect will assist the Owner in preparing an architectural planning/design program for the Project. The process will involve identifying & defining needs; determining sizes for spaces or rooms; and establishing the relationships between various functions or spaces.

SITE ANALYSIS: During this Phase of the work the Architect inspect the site to verify project related information such as existing land use, traffic patterns, site ingress and egress, topography, drainage, utilities, sun angles, prevailing winds, trees and vegetation, adjacent neighborhoods, and any other site elements that will impact our design decisions.

Basic Architectural Services: The Architect's Basic Services consist of Schematic Design, Design Development, Construction Documents, Bidding/Negotiations, and Construction Administration. Basic Services shall also include normal structural, mechanical and electrical engineering services.

SCHEMATIC DESIGN PHASE: The Architect shall review the program with the Owner to ascertain the requirements of the Project and shall arrive at a mutual understanding of such requirements with the Owner.

The Architect shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

The Architect shall review with the Owner alternative approaches to design and construction of the Project.

Based on the mutually agreed-upon program, schedule and construction budget requirements, the Architect shall prepare, for approval by the Owner, Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

The Architect shall assist the Owner in obtaining a preliminary estimate of Construction Cost based on current area, volume or similar conceptual estimating techniques.

DESIGN DEVELOPMENT PHASE: Based on the approved preliminary Design Documents and any adjustments authorized by the Owner in the program, schedule or construction budget, the Architect shall finalize, for approval by the Owner, Design Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural and structural systems, materials and such other elements as may be appropriate.

The Architect shall assist the Owner in obtaining an updated preliminary estimate of Construction Cost.

CONSTRUCTION DOCUMENTS PHASE: Based on the approved Design Documents and any further adjustments in the scope or quality of the Project or in the construction budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and Contractor.

The Architect shall assist the Owner in obtaining updated estimates of Construction Cost indicated by changes in requirements or general market conditions.

The Architect shall assist the Owner by filing the completed documents with governmental authorities having jurisdiction over the Project.

BIDDING/NEGOTIATIONS PHASE: Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner (and, if applicable, the Owner's CM@R) in:

- Obtaining either competitive bids or negotiated proposals
- Confirming responsiveness of bids or proposals

- Determining the successful bid or proposal
- Awarding and preparing contracts for construction.

During the bidding process the Architect shall assist the Owner (and CM@R if applicable) by:

- Procuring the reproduction of Bidding Documents for distribution to prospective bidders
- Either conducting or attending a pre-bid conference for prospective bidders;
- Preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of addenda
- Considering requests for substitutions and notifying bidders accordingly
- Preparing and distributing addenda

CONSTRUCTION ADMINISTRATION PHASE: The Architect's responsibility to provide Basic Services for the Construction Phase under this Agreement commences with the award of the initial Contract for Construction and terminates at the earlier of the issuance to the Owner of the final Certificate for Payment or 60 days after the date of Substantial Completion of the Work.

The Architect shall provide administration of the Contract for Construction as set forth below and in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement, unless otherwise provided in this Agreement. Modifications made to the General Conditions, when adopted as part of the Contract Documents, shall be enforceable under this Agreement only to the extent that they are consistent with this Agreement or approved in writing by the Architect.

The Architect shall be a representative of and shall advise and consult with the Owner during the administration of the Contract for Construction. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement unless otherwise modified by written amendment.

On-Site Construction Observation: The Architect, as a representative of the Owner, shall visit the site at intervals appropriate to the stage of the Contractor's operations to become generally familiar with and to keep the Owner informed about the progress and quality of the portion of the Work completed, to endeavor to guard the Owner against defects and deficiencies in the Work, and to determine in general if the Work is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents.

The Architect shall report to the Owner known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor. However, the Architect shall not be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of and shall not be responsible for acts or omissions of the Contractor, Subcontractors, or their agents or employees, or of any other persons or entities performing portions of

the Work.

The Architect shall at all times have access to the Work wherever it is in preparation or progress.

Communications: Except as otherwise provided in this Agreement or when direct communications have been specially authorized, the Owner shall endeavor to communicate with the Contractor through the Architect about matters arising out of or relating to the Contract Documents. Communications by and with the Architect's consultants shall be through the Architect.

The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts.

Contractor's Application for Payment: The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated and that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and inspections, to correction of minor deviations from the Contract Documents prior to completion, and to specific qualifications expressed by the Architect.

The issuance of a Certificate for Payment shall not be a representation that the Architect has made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, reviewed construction means, methods, techniques, sequences or procedures, reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

Architect's Right to Reject Work: The Architect shall have authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees or other persons or entities performing portions of the Work.

Review of Shop Drawings and Submittals: The Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action shall be taken with such reasonable promptness as to cause no delay in the Work or in the activities of the Owner, Contractor or separate contractors, while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or

systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the Contractor by the Contract Documents, the Architect shall specify appropriate performance and design criteria that such services must satisfy. Shop Drawings and other submittals related to the Work designed or certified by the design professional retained by the Contractor shall bear such professional's written approval when submitted to the Architect. The Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals.

Change Orders and Construction Change Directives: The Architect shall prepare Change Orders and Construction Change Directives, with supporting documentation and data if deemed necessary by the Architect for the Owner's approval and execution in accordance with the Contract Documents, and may authorize minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are consistent with the intent of the Contract Documents.

Substantial Completion: The Architect shall conduct inspections to determine the date or dates of Substantial Completion and the date of final completion, shall receive from the Contractor and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment based upon a final inspection indicating the Work complies with the requirements of the Contract Documents.

Interpretations, Opinions, and Decisions of the Architect: The Architect shall interpret and decide matters concerning performance of the Owner and Contractor under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

Interpretations and decisions of the Architect shall be consistent with the intent of the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and initial decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions so rendered in good faith.

The Architect shall render initial decisions on claims, disputes or other matters in question between the Owner and Contractor as provided in the Contract Documents. However, the Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

The Architect's decisions on claims, disputes or other matters in question between the Owner and Contractor, except for those relating to aesthetic effect, shall be subject to mediation as provided in this Agreement and in the Contract

Documents.

Additional Services: The following items are also excluded from the Basic Services and shall be considered Additional Services:

- Budget analysis
- Platting or Surveys
- Coordination of separate Contractors or independent Consultant
- Coordination of Construction or Project Managers
- Detailed construction cost estimates
- Inventories of materials or equipment
- Preparation of measured drawings for existing conditions
- Preparation of "Record or As-built Documents"
- Preparation of additional drawings, specifications, and other materials associated with Owner generated Change Orders
- Changing or making modifications or revisions to previously approved documents.
- Providing services made necessary by the termination or default of the Construction Manager or Contractor, by major defects or deficiencies in the Work or a Contractor, or by failure of performance of either the Owner or Contractor under a Contract for Construction.
- Services of speciality engineers such as Audio/visual, acoustical, etc
- Services relating to LEED certification.
- Time spent while serving as the "Initial Decision Maker".

Supplemental Services: Supplemental Services are excluded from Basic Architectural Services. Supplemental The following services are considered Supplemental Services:

- Landscape Architecture
- Interior design services related to the design, selection, specifying, and installation of moveable furniture, equipment, fixtures, and interior specialties.

Fees for Pre-design Services: Fees for Pre-Design Services are included in the fee for Schematic Design.

Fees for Basic Architectural Services: Compensation of Basic Architectural Services shall be 7% of the construction cost with a maximum fee not to exceed \$390,000.

Compensation for each phase of the Basic Architectural Service shall be as follows:

Schematic Design Phase:	Twenty percent (20%) of total
Design Development Phase:	Fifteen percent (15%) of total
Construction Documents Phase:	Forty percent (40%) of total
Bidding/Negotiations Phase:	Five percent (5%) of total
Construction Administration Phase:	Twenty percent (20) of total

Total: One hundred percent (100%)

Monthly invoices will be sent in the amount (or percentage) of work completed.

Fees for Supplemental Services: Fees for Supplemental Services shall be fixed fees with the exact amount negotiated at the time when the exact scope of work can be defined. The maximum fee for Supplemental Services shall be as follows:

Landscape Architecture: \$10,000
Interior Design: 10% of the purchase and installation cost of moveable furniture,

fixtures, equipment, and interior accessories.

All supplemental services must be authorized by Owner prior to the service being performed.

Fees for Additional Services: Fees for Additional Services shall be based upon a negotiated fee for the additional work to be performed or shall be billed hourly. All additional services must be authorized by Owner prior to the service being performed.

Hourly Rates: The hourly rates for any Basic Services, Supplemental Services, and/or Additional Services shall be as follows:

Principal Time:	\$150.00/hour
Senior Architect:	\$125.00/hour
Interior Designer:	\$125.00/hour
Project Manager:	\$110.00/hour
Interns:	\$90.00/hour
Technical:	\$85.00/hour

For the purposes of this Agreement the Principals are Ron Hobbs and Wadona Stich.

Services for consultants will be billed at a rate of 1.1 x the amount billed to the Architect.

Reimbursable Expenses: Reimbursable expenses (TAS registrations, reviews, & inspections, printing, plotting, long distance phone charges, out-of-town travel, etc.) are in addition to the base fee and will be billed at a rate of 1.1 x the expense.

Payments to the Architect: The Architect shall submit, on or about the twenty-fifth (25th) day of each month, an invoice for Basic Services, Reimbursable Expenses, and Additional Services.

Payments shall be made to the Architect within thirty (30) days from the date of the invoice.

Payments Withheld: No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages, other sums withheld on account of the cost of changes in the Work other than those for which the Architect is held legally liable.

Architects Accounting Records: Architect's accounting records related to reimbursable expenses, hourly services, and/or additional services shall be available for review by the Owner upon request.

Termination, Suspension, or Abandonment: This Agreement can be terminated by either party upon not less than seven (7) days written notice should the other party fail substantially to perform in accordance with the terms of the Agreement through no fault of the party initiating the termination.

Upon termination of the Agreement, the Architect shall be compensated for all services performed and accepted prior to receipt of the written termination notice from the Architect of such termination.

Ownership and Use of Documents: All documents prepared by the Architect shall remain the property of the Architect.

Mediation: Upon written consent of both parties, claims, disputes, or other matters in question between the parties to this Agreement arising out of or relating to this Agreement may be subject to and decided by mediation.

Request for mediation shall be made within a reasonable time after the claim,

dispute, or matter in question has arisen. In no event shall the request be made after the date when institution of legal or equitable proceedings based on the matter in question would be barred by any applicable statutes of limitations. The award rendered by the mediator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Successors and Assigns: The Owner and the Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer any interest in this Agreement without the written consent of the other.

Miscellaneous Provisions: Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Architect.

Terms of this Agreement shall have the same meanings as those in AIA Document A201, General Conditions of the Contract for Construction, current as of the date identified in the Project Manual for the Project.



RON HOBBS ARCHITECTURE & INTERIOR DESIGN, LLP
Ron Hobbs, AIA

CITY OF SACHSE, TEXAS, Owner



City of Sachse, Texas

Legislation Details (With Text)

File #: 17-4026 **Version:** 1 **Name:** Utility Fund Update
Type: Agenda Item **Status:** Agenda Ready
File created: 10/10/2017 **In control:** City Council
On agenda: 10/16/2017 **Final action:**
Title: Receive and discuss Utility Fund financial review.
Sponsors:
Indexes:
Code sections:
Attachments: [Utility Fund Financial Update October 2017](#)

Date	Ver.	Action By	Action	Result
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Title

Utility Fund Financial Review and Analysis.

Background

In 2014, City Council approved a five-year rate program for water and wastewater charges. Three years have been completed, and the Finance Director will present a summary of fund performance and comparison to assumptions used in the rate setting process.

Staff Recommendations

No action is required.



UTILITY FUND UPDATE

**CITY COUNCIL
OCTOBER 16, 2017**

CONTENTS

1. 2014 Rate Study
2. Revenue and Expense Projected/Actual
3. Debt Service
4. Capital Projects/Equipment
5. Net Position/Fund Balance
6. Current Rates
7. NTMWD Projections
8. Summary

2014 RATE STUDY

- 25% Rate Increase in 2010; annual increases linked to CPI through 2014.
- FY 2014 Budget \$70,324 deficit.
- NTMWD estimating 10-15% wholesale rate increases annually.
- Second year of Stage 3 watering restrictions
- Adopted Scenario #2—fund 50% of capital and maintenance



REVENUE SUMMARY

Gallons Billed-Water

	ESTIMATED	ACTUAL	DIFFERENCE
2015	728,280,940	880,623,755	+152,342,815
2016	735,606,617	939,372,100	+203,765,483
2017	739,081,325	771,069,400	+31,988,075

Water Revenue

	ESTIMATED	ACTUAL	DIFFERENCE
2015	\$4,102,178	\$5,237,988	\$1,135,810
2016	\$4,803,838	\$6,006,167	\$1,202,329
2017	\$5,556,656	\$6,623,379	\$1,066,723



REVENUE SUMMARY

Gallons Billed-Sewer

	ESTIMATED	ACTUAL	DIFFERENCE
2015	538,707,192	517,374,634	-21,332,558
2016	550,905,733	542,153,380	-8,752,353
2017	556,708,822	572,066,926	+15,358,104

Sewer Revenue

	ESTIMATED	ACTUAL	DIFFERENCE
2015	\$3,712,681	\$3,660,637	-\$52,044
2016	\$4,132,115	\$4,113,004	-\$19,111
2017	\$4,355,842	\$4,484,712	+\$128,870



EXPENSE SUMMARY

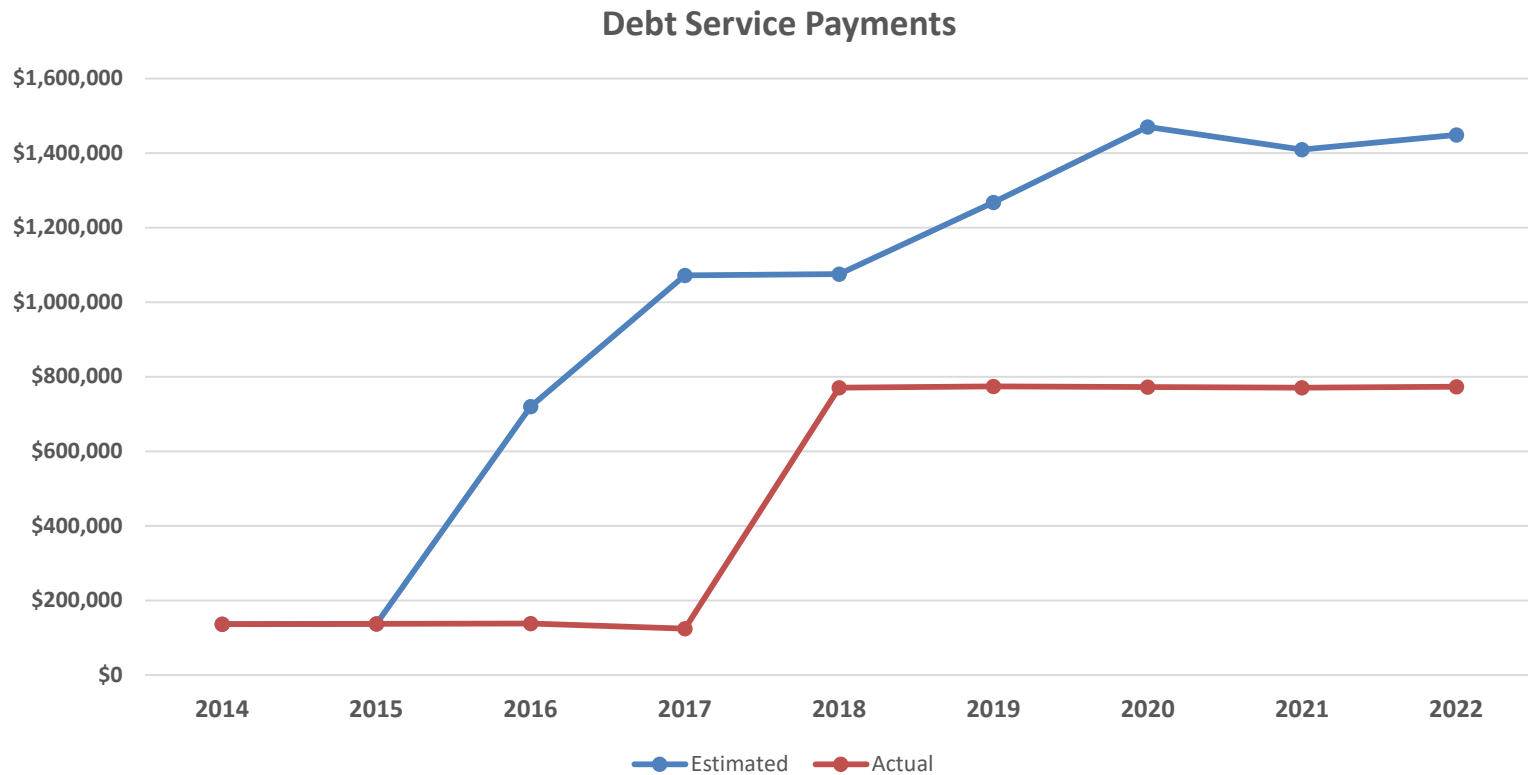
North Texas Municipal Water District

	ESTIMATED	ACTUAL	DIFFERENCE
2015	\$2,810,843	\$2,595,216	-\$215,627
2016	\$3,117,238	\$3,039,786	-\$77,452
2017	\$3,423,633	\$3,436,955	+\$13,322

City of Garland Sewer Treatment

	ESTIMATED	ACTUAL	DIFFERENCE
2015	\$2,204,938	\$2,046,275	-\$158,663
2016	\$2,297,430	\$2,047,200	-\$250,230
2017	\$2,368,059	\$1,803,268	-\$564,791

DEBT SERVICE



CAPITAL PROJECTS/EQUIPMENT

Year	Capital Projects	Equipment/ Vehicles	AMI	Total	Estimated
2014-2015	0	\$46,393	0	\$46,393	\$170,000
2015-2016	\$436,364	\$114,308	0	\$550,672	\$66,000
2016-2017	\$2,169,600	\$70,000	\$303,668	\$2,543,268	\$40,000
2017-2018	\$1,031,900	\$167,000	\$2,256,377	\$3,455,277	\$450,000
TOTAL	\$3,637,864	\$397,701	\$2,560,045	\$6,595,610	\$726,000

CHANGE IN NET POSITION

	FY 2014-2015	FY 2015-2016	<i>FY 2016-2017</i>
Operating Revenue	\$9,137,569	\$10,382,099	<i>\$10,116,998</i>
Operating Expenses	\$7,201,533	\$8,080,758	<i>\$7,975,455</i>
Non-operating (net)	-\$35,268	-\$40,940	<i>\$-132,824</i>
Contributed Capital	\$1,233,994	\$2,810,315	
Transfers (net)	-\$1,289,279	-\$146,505	<i>-\$963,393</i>
Change in Net Position	\$1,845,483	\$4,924,211	<i>\$1,045,326</i>
Beginning Net Position	\$21,189,725	\$23,035,208	<i>\$27,959,419</i>
Invested in Capital Assets	\$18,802,635	\$20,509,338	<i>\$22,131,914</i>
Unrestricted	\$4,232,573	\$7,450,081	<i>\$6,872,831</i>

NET POSITION/FUND BALANCE

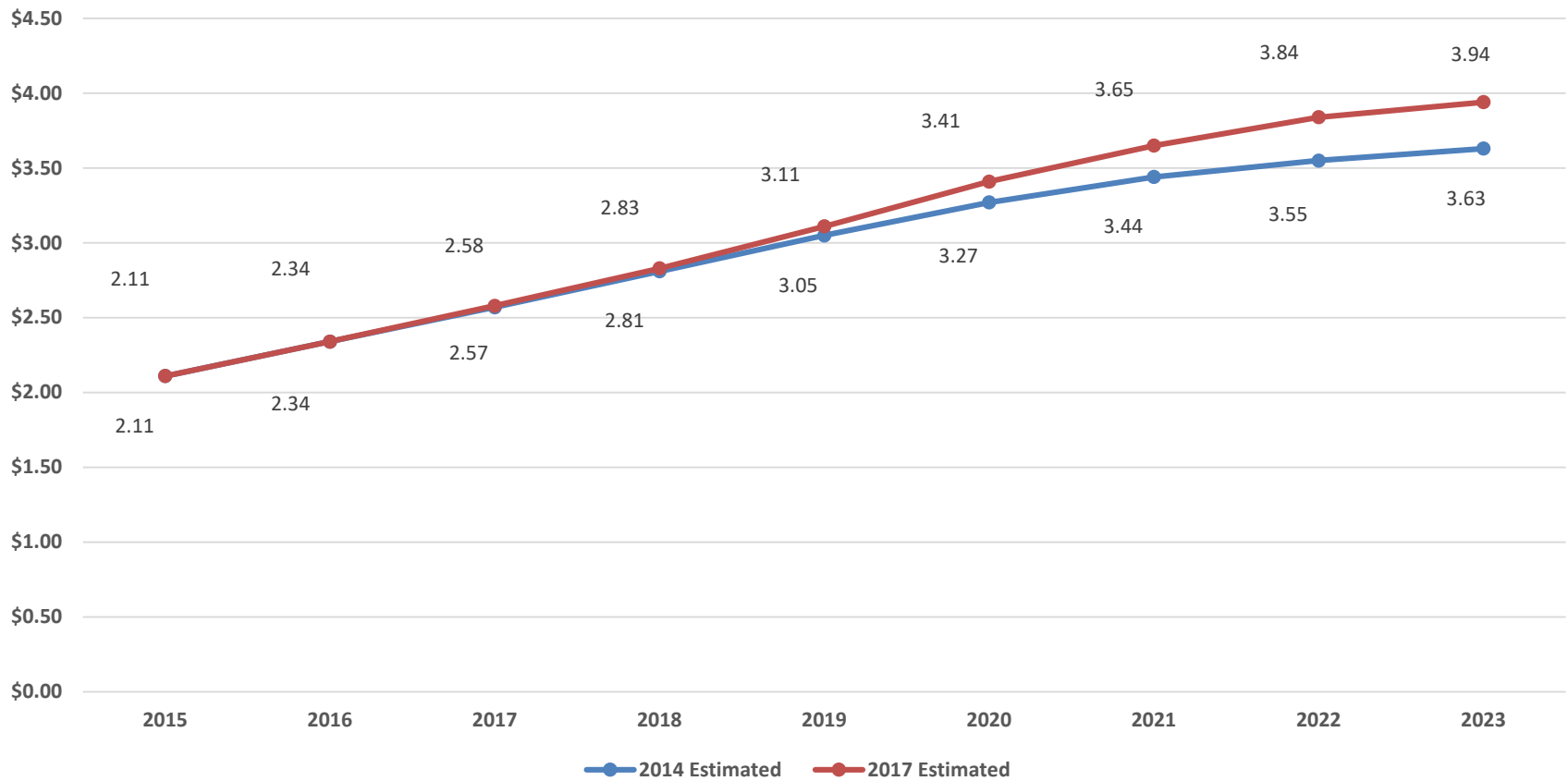
Fiscal Year	Net Position (per CAFR)	20% Operating Reserve	Unrestricted Net Position
2013-2014	\$2,726,156	\$1,297,575	\$1,428,581
2014-2015	\$4,232,573	\$1,440,307	\$2,792,266
2015-2016	\$7,450,081	\$1,616,152	\$5,833,929
<i>2016-2017</i>	<i>\$6,872,831</i>	<i>\$1,595,091</i>	<i>\$5,277,740</i>
<i>2017-2018</i>	<i>\$4,495,509</i>	<i>\$1,557,078</i>	<i>\$2,938,431</i>

CURRENT RATES

	Water	Sewer	February Customers	August Customers
Base-Residential	15.57	11.26		
0-10,000 gallons	5.38	6.27	7,086	5,002
10,001-15,000 gallons	6.71	6.27	637	1,504
15,001-20,000 gallons	8.07	6.27	130	788
20,001-30,000 gallons	9.42	6.27	63	509
30,000 gallons and up	10.77	6.27	25	201

NTMWD RATE PROJECTIONS

NTMWD Projected Rate Comparison



SUMMARY

- Loosened watering restrictions have impacted sales.
- Water revenues have exceeded projections FY 2015-2017.
- Sewer revenues have been slightly below projections.
- Strong overall budgetary performance has provided:
 - \$5.9 million in capital investment not anticipated in 2014
 - Overall reduction and delay of debt issuance
- Lower overall demand in FY 2017 is reflected in revenues.
- Continued decline in water sales (or return to Stage 3 restrictions) supports maintaining rates approved in 2014.
- FY 2018-2019 budget should include supplemental rate study.



City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4029	Version:	1	Name:	AMI Contract
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/11/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Consider authorizing expenditures in an amount not to exceed two million two hundred fifty six thousand three hundred and seventy seven dollars (\$2,256,377.00) for purchase and installation of the City's Automated Metering Infrastructure (AMI) project through HydroPro Solutions and further authorize the City Manager to execute any necessary documents for such procurement including a Master Service Agreement.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	HydroPro Solutions Agreement				

Date	Ver.	Action By	Action	Result
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Title

Authorize expenditures in an amount not to exceed \$2,256,377 for purchase and installation of the City's Automated Metering Infrastructure (AMI) project through HydroPro Solutions and further authorize the City Manager to execute any necessary documents for such procurement.

Background

In October 2016, the City of Sachse issued a Request for Proposals (RFP) for migration to AMI. The City selected HydroPro Solutions as the vendor for the project based on the ability to provide the core requirements of: 1) availability of a customer portal, 2) data usage reports for all customers, 3) leak detection, 4) billing integration with a 30-day cycle, 5) compatibility with current billing software, and 6) option of phasing in over multiple years. The approved budget for the first year of the project, 2016-2017, was \$303,000 to replace approximately 1,000 of the oldest meters in the City that were having to be read manually on a regular basis. Replacement of meters by City staff proved to be a slower process than anticipated, and less than half of the scheduled meters were replaced during FY 2017. However, all meters that have been replaced are operating in fixed base mode, and the first base station has been installed at the 5th Street water tower location.

The 2017-2018 Adopted Budget included funding to complete the project with contractor installation of the majority of the meters in the City. City staff will be responsible for replacing 1 1/2" and larger meters (approximately 125 units) and register-only swaps for meters less than 4 years old (approximately 900 meters); the remaining 5/8" and 1" meters, approximately 6,300, will be installed by the contractor beginning in December 2017 with an estimated completion date of April 2018. The Master Service Agreement included with this packet is for the installation of those meters.

City staff met with HydroPro representatives on October 3rd to coordinate scheduling and project management, resulting in the following timeline:

October 16, 2017	Approve Master Service Agreement for contract installation
October 17, 2017	Execute purchase orders for infrastructure, meters, registers, and
associated supplies	
November 2017	2nd base station installed at Public Works water tower
November 2017	Receive meter inventory
December 2017	Contractor installation begins
April 2018	Contractor installation completed
September 2018	Customer portal activated

Meter and register swaps by City personnel are on-going at this time and should be completed on schedule with the contractor installations.

Budgetary Considerations

Funding for completion of the AMI project was included in the 2017-2018 budget.

Staff Recommendations

Authorize expenditures in an amount not to exceed two million two hundred fifty six thousand three hundred and seventy seven dollars (\$2,256,377.00) for purchase and installation of the City's Automated Metering Infrastructure (AMI) project through HydroPro Solutions and further authorize the City Manager to execute any necessary documents for such procurement including a Master Service Agreement.

MASTER SERVICES AGREEMENT



40211 Industrial Park Circle
Georgetown, TX 78262

&



3815 Sachse Rd.
Sachse, TX 75048

MASTER SERVICES AGREEMENT

This Master Services Agreement (as amended, modified and supplemented, the “**Agreement**”) is made and entered into this 16th day of October, 2017, by and between **HydroPro Solutions, LLC**, a Texas limited liability company, for itself and its affiliates (collectively “**Company**”), having a place of business at 40211 Industrial Park Circle, Georgetown TX 78626, and the City of Sachse, TX (a political subdivision of the State of Texas) (“**Client**”), having a place of business at 3815 Sachse Rd., Sachse, TX 75048. Company and Client are referred to herein individually as a “**Party**” and collectively as the “**Parties**”. In consideration of the mutual promises and covenants herein contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Work.** Company may, from time to time, provide certain work or services to Client as it relates to the installation of water meters (for each such transaction, “**Work**”) as more specifically described in one or more Task Orders in the form attached hereto as Exhibit “A”, or in another mutually agreeable form, which will describe the Work and the corresponding cost for such Work (each, a “**Task Order**”). A Task Order shall be deemed part of this Agreement and incorporate the terms and conditions contained herein. This Agreement, together with the applicable Task Order, controls and governs all Work provided by Company for Client from and after the Effective Date and until such time as the Work is completed in accordance with this Agreement. Any modification, supplement or amendment of this Agreement or any Task Order (including, but not limited to any modification, supplement or amendment resulting from a change in the Work to be performed under this Agreement), must be in writing, signed by an authorized representative of each of the Parties, which expressly references this Agreement and the applicable Task Order and acknowledges and confirms the intention of the Parties to so modify, supplement, or amend the terms and provisions of this Agreement or the applicable Task Order.

2. **Term.** This Agreement is valid upon execution by an authorized person for each of Company and Client. The effective date is the later of the dates shown on the signature lines of the Parties below (“**Effective Date**”). The term of this Agreement commences on the Effective Date and automatically renews on an annual basis. Notwithstanding the foregoing, either party may terminate this Agreement and the Work described herein by giving the other party sixty (60) days prior written notice of such termination.

3. **Amount and Time of Payment.** Each Task Order shall set forth the compensation due Company and the timing of payments for Work in the applicable Task Order. Client agrees to pay all compensation due to Company consistent with the Texas Government Code 2251.02 regarding Time for Payment by a Governmental Entity. All payments by Client hereunder are payable to HydroPro Solutions, Dept 1023 PO Box 650850, Dallas, TX 75265-0850, or at such other place as Company from time to time may designate in writing and, unless otherwise stated, are due within thirty (30) days of Company’s invoice date. Client agrees that all costs and services and other charges payable by Client hereunder shall be the unconditional obligation of Client and shall be made without abatement, reduction or set off of any nature, including any thereof arising out of any present or future claim Client may have against Company or any of its assignees or the manufacturer or vendor of Company’s property, tools or equipment utilized by Company in the provision of the Work.

4. **Client Responsibilities.** Client hereby acknowledges and agrees that in order for Company to complete the Work as set forth in this Agreement, Client will use good faith efforts to cooperate with Company, promptly provide accurate information as reasonably requested by Company in connection with the Work and make timely payments in accordance with the terms of this Agreement. Client shall designate a representative who will have the authority to make decisions on behalf of Client. Client is responsible for providing Company with all information regarding legal limitations, utility locations and other information reasonably pertinent to this Agreement and the Work. Client agrees to deliver prompt written notice to Company should it become aware of any default, or event which with the passage of time would be a default,

as well as any other information which could impair Company's ability to complete the Work in accordance with this Agreement.

5. Taxes, Licenses and Fees. Client shall be responsible for all permits and related fees associated with the Work. Client will pay or have paid all taxes, licenses, and fees levied or assessed by any governmental agency and any unemployment compensation insurance, pension benefits, social security, and other taxes upon the wages of Client, its agents, employees, and representatives in connection with the transactions hereunder. Client shall pay sales, use, consumer, real estate, personal property and any similar taxes, when applicable. Client shall secure, at its sole cost and expense, any other necessary approvals, easements, assessments or required zoning changes.

6. Compliance with the Law. In performance of transactions hereunder, Company will obtain and hold all necessary permits and licenses and otherwise comply with all laws, rules, regulations and orders, federal, state or municipal, which are now or may hereafter become applicable to Company's business. If any of the terms of this Agreement conflict with any applicable federal, state or municipal rule, regulation, order or law, the applicable state, federal, or municipal regulation, order or law shall control.

7. Safety. Client shall assure that the sites controlled by it at which Company is expected to perform Work are safe sites.

8. Insurance.

(a) During the Term of this Agreement, Company shall maintain and shall assure that its subcontractors maintain insurance as follows:

- (1) workers' compensation insurance (or self-insurance) in accordance with applicable law;
- (2) Comprehensive general liability insurance in coverage amounts not less than \$1,000,000 combined single limit; and
- (3) Motor vehicle liability insurance in coverage amounts not less than \$1,000,000 combined single limit.

Such coverage may be provided under primary and excess policies. The comprehensive general liability insurance and motor vehicle liability insurance shall be endorsed to name Client as an additional insured. All policies required by this Section 8 shall be endorsed to waive subrogation against Client and to require not less than 30 days' notice to Client relating to a reduction in coverage limits or termination or cancellation of coverage, except where cancellation is the result of non-payment of premiums, in which case notice to Client shall be provided not less than ten (10) days prior to cancellation. Company shall provide and/or cause its subcontractor to provide to Client a certificate of insurance with respect to such policies showing the minimum required coverage and all required endorsements.

- (b) Client shall assume full responsibility for any risk of loss except to the extent that (1) the damages are the result of negligence, failure to act, or willful or intentional act of Company or its subcontractors as provided in Section 11(b) above, or (2) the loss is covered by the insurance contemplated by Section 14(a) above.

9. Indemnification.

(a) **Except as otherwise expressly provided in Section 9(b) below, Client assumes all liability and risk associated with the use, operation, and storage of the materials or supplies after installation and acceptance by Client in accordance with this**

Agreement, and for property damage, injuries or deaths associated with or arising out of the use and operation of the materials or supplies unless said damage, injury or death is a direct result of negligence or willful misconduct on behalf of Client, employees of Company, officers or subcontractors.

- (b) **Client shall not be liable for any loss, damage, or injury of any kind or character to any person or property arising from the services of Client pursuant to this agreement. Client hereby waives all claims against Client, its officers, agents and employees (collectively referred to in this section as “Indemnitees”) for damage to any property or injury to, or death of, any person arising at any time and from any cause other than the negligence or willful misconduct of one or more Indemnitees or breach of Client’s obligations hereunder. Client agrees to indemnify and save harmless Indemnitees from and against any and all liabilities, damages, claims, suits, costs (including court costs, attorneys’ fees and costs of investigation) and actions of any kind by reason of injury to or death of any person or damage to or loss of property to the extent caused by Client’s negligent performance of services under this Agreement or by reason of any negligent act or omission on the part of Client, its officers, directors, servants, employees, representatives, consultants, licensees, subcontractors, successors or permitted assigns (except when such liability, claims, suits, costs, injuries, deaths or damages arise from or are attributed to negligence of one or more Indemnitees, in whole or in part, in which case Client shall indemnify the Indemnitees only to the extent or proportion of negligence attributed to Client as determined by a court or other forum of competent jurisdiction). Client’s obligations under this section shall not be limited to the limits of coverage of insurance maintained or required to be maintained by Client under this Agreement. This provision shall survive the termination of this Agreement.**

10. Client Events of Default. The following events shall be considered events of default of Client: (a) the failure of Client to make payments in accordance with this Agreement and the applicable Task Order; or (b) failure of Client to comply with any of the terms of this Agreement or any Task Order. If Client fails to cure any monetary event of default within five (5) days of written notice of such default, or any non-monetary default within thirty (30) business days of written notice of such default, Company may exercise any and all remedies available to it under applicable law and this Agreement, including, but not limited to, immediately terminating this Agreement.

11. Company Events of Default. The following events shall be considered events of default of Company: failure of Company to comply with any of the terms of this Agreement or any Task Order. If Company fails to cure any event of default within thirty (30) business days of written notice of such default, Client may exercise any and all remedies available to it under applicable law and this Agreement, including, but not limited to, immediately terminating this Agreement.

12. Insolvency. In the event that either Party becomes insolvent or makes an assignment for the benefit of creditors or is adjudicated bankrupt or admits in writing that it is unable to pay its debts, or should any proceedings be instituted under any state or federal law for relief of debtors or for the appointment of a receiver, trustee, or liquidator of either Party, or should voluntary petition in bankruptcy or a reorganization or any adjudication of either party as an insolvent or a bankrupt entity be filed, or should an attachment be levied upon either party’s equipment and not removed within five (5) days therefrom, the other party shall have the right to cancel this Agreement and to terminate immediately all work hereunder without further obligation.

13. Force Majeure. Any delay in or failure to perform by a Party, other than payment of money, will not constitute a default that exposes it to liability for breach if and only to the extent the delay or failure to

perform is caused by an occurrence beyond the reasonable control of the Party, including, but not limited to, an act of God or the public enemy; expropriation or confiscation of facilities; compliance with any order or requirement or any governmental authority; act of war, rebellion or sabotage or damage resulting therefrom; fire, flood, hurricane, tornado, or explosion; riots or strikes or other concerted acts of workmen, whether direct or indirect. For avoidance of doubt, Force Majeure shall not include any of the following unless otherwise caused by Force Majeure: (a) economic hardship, (b) changes in market conditions, (c) late delivery or failure to receive materials, (d) nonperformance of subcontractors, or (e) rain, snow, ice or other adverse weather events unless unusual in nature or involving a named storm event. In the event of force majeure, the Party claiming force majeure will furnish the other Party with written notice setting forth the full particulars of the force majeure claimed, as soon as reasonably possible after the occurrence of the force majeure, and the obligations of that Party, so far as they are affected by such force majeure, will be suspended during the continuance of any inability so caused and for the minimum time thereafter reasonably necessary to commence or resume Work, but for no longer. The Party relying upon such force majeure must use due diligence and all reasonable efforts (including reasonable expenditure of money) to mitigate the effects of, and overcome, the cause of force majeure. If a force majeure event exceeds sixty (60) days, either Party may cancel this Agreement.

14. Hazardous Materials. The Work expressly excludes any Work of any nature associated or connected with the identification, abatement, cleanup, control, removal, or disposal of any materials, substances, chemicals or wastes recognized as hazardous or toxic under applicable laws, regulations, rules, ordinances or by any governmental body ("Hazardous Materials"). Client warrants and represents that there is no asbestos or other Hazardous Materials in areas that Company will be required to provide the Work or will in any way affect the Work. If Company is made aware of or suspects the presence of Hazardous Materials, Company reserves the right to stop the Work until the condition is corrected. Client shall remain responsible for any claims or damages arising of or resulting from Hazardous Materials.

15. Choice of Law. The law governing this Agreement shall be that of the State of Texas in force at the date of this Agreement, excepting any conflict of laws provisions that provide for the application of the laws of another jurisdiction. Company and Client agree that exclusive venue for any lawsuit arising from or in connection with the terms of this Agreement or the Services shall be in the courts of competent jurisdiction located in Dallas County, Texas.

16. Waiver. No waiver of any provision or condition of this Agreement is implied or imputed by reason of a Party's failure to complain or to seek remedies on account of any previous breach or violation.

17. Separability. If any provision of this Agreement is found to be invalid or unenforceable, that provision will be disregarded by the Parties and the balance of this Agreement will be enforced as the integrated written agreement of the Parties.

18. In the event of any litigation between Parties hereto arising from or with respect to this Master Services Agreement, the Parties will each bear their own attorneys' fees and costs of the action.

19. Notice. Any notice required or permitted to be delivered hereunder may be sent by certified mail with return receipt requested, hand delivery, or overnight courier to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received (i) upon delivery, if hand delivered or sent by overnight courier, or (ii) three (3) days after delivered to the United States Postal Service, if mailed.

If to Client:

Gina Nash, City Manager
City of Sachse
3815 Sachse Rd.
Sachse, TX 75048

With copy to:

Joseph J. Gorfida, Jr.
Nichols, Jackson, Dillard, Hager & Smith, LLP
500 N. Akard, Suite 1800
Dallas, Texas 75201

If to HydroPro Solutions, LLC : _____
40211 Industrial Park Circle
Georgetown Texas 78626

20. Change in Law. This Agreement is based on laws existing at the time of its execution. Any changes, including changes in governmental enforcement practices, revisions or new laws, including, without limitation, those related to taxes, permits, fees and duties, that have the effect of increasing Company's burden, including, but not limited to, cost, time-consumption and risk exposure, shall entitle Company to fair and equitable Agreement modifications, which modifications the Parties agree to work toward in good faith and in a timely fashion, failing which Company may terminate this Agreement or any Task Order(s) immediately upon written notice to Client.

21. Relationship of the Parties. Company is an independent contractor, and neither Company nor anyone employed by Company shall be deemed for any purpose to be an employee, agent, partner, servant or representative of Client. It is expressly agreed that this Agreement shall not create a partnership, joint venture, association, joint enterprise or any other relationship giving rise to joint and several liability between the Parties. This Agreement shall not impose on Company any fiduciary duty, or any greater standard of care beyond that imposed on each party to an arms-length commercial agreement between parties having no special relationship with one another. All matters pertaining to the employment, supervision, compensation, promotion and discharge of any employees of any Party hereto are the responsibility of that Party, alone, each Party is in all respects the employer of such Party's employees, and all employment arrangements are solely the concern of the relevant employer and the other Parties shall have no liability with respect thereto.

22. Entire Agreement. This Agreement and any Task Order entered into by the Parties hereunder constitute the entire agreement between the Parties relating to the performance of Work hereunder, and supersedes any previous written agreement and/or any previous or subsequent oral understandings or agreements between the Parties with respect to any such Work.

23. Counterparts; Electronic Transmission and Storage. This Agreement and any Task Order may be executed in counterparts (and by the Parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement or any Task Order by telecopy or other electronic means shall be effective as delivery of a manually executed counterpart of the same, and an electronically stored, executed version of this Agreement shall be deemed an original.

24. Prohibition of Boycotting Israel. Client verifies that it does not Boycott Israel, and agrees that during the term of this Agreement that Client will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.

(signature page will follow)

EXECUTED this _____ day of _____, 2017.

City of Sachse, Texas

By: _____
Gina Nash, City Manager

Attest:

By: _____
Michelle Lewis Sirianni
City Secretary

Approved as to form:

By: _____
Joseph J. Gorfida, Jr., City Attorney
(FINAL: 10-12-2017/92094)

EXECUTED this _____ day of _____, 2017.

HydroPro Solutions, LLC

By: _____
Name: _____
Title: _____

TASK ORDER NO. I
Water Meter Installation and Project Management Services

The work and/or equipment, goods or materials (s) described below will be provided by Company in accordance with the Master Services Agreement to Client dated effective _____.

SCOPE OF SERVICES:

HydroPro Solutions will provide Sachse Installation Services for Master Meter Fixed Network Water Meters on a like-for-like basis. This includes the labor to change out; a register, a meter from the existing meter nut to meter nut, as well as labor to change out Commercial and Industrial water meter services from meter flange to meter flange. This will be based on known and discovered quantities of needed units to complete the project.

Any abnormal installation requiring a wide variance from this Scope of Service may be subject to pricing adjustment and/or HydroPro Solutions reserves the right to skip the installation site(s). Difficult access applications (such as in locked back yards) are subject to a \$10.00 price adder. At the time of change out all new meter data will be captured, GPS coordinates will be captured, (2) Installation Pictures will be taken, and the data will be managed for a paperless input process (it is the responsibility of the City of Sachse, TX to contact the Billing Software and to make arrangements to allow a paperless input of data). Company will send agreed upon data in a form of a flat file to the Client or client's agent (Billing software company).

HydroPro Solutions shall take great care when executing a meter installation. HydroPro Solutions will be responsible for any damage resulting from the meter change. Any existing meter applications that show signs of damage, failure, abnormal application, and/or existing improper meter/meter pit installation will be addressed individually with the City of Sachse, TX. Such existing meter applications that show signs of damage, failure, abnormal application, and/or existing improper meter/meter pit installation may be the responsibility of the City of Sachse, TX and HydroPro Solutions reserves the right to skip these installation(s). HydroPro Solutions is your partner to develop any additional repair and/or replacement options for abnormal, damaged, and/or failure prone existing meter applications. HydroPro Solutions is not responsible for any existing problems for any meter applications that are present prior to the Services or experienced following the close of the Services not as a result of miss-installation.

<u>Item</u>	<u>Per Unit Install Price</u>
5/8x3/4" & 1" Meter Change Out	\$46.25
5/8" & 1" Register retrofit	\$35.00
1 1/2" MS Meter Change Out	\$250.00
2" Meter Change Out	\$345.00

**All quantities and costs are estimates provided by the City of Sachse, TX. These are subject to change based on any field discovery of unknown meter units.*

**Any abnormal installation requirements for large meter applications will be identified in a field audit and treated separate of the Master Services Agreement Scope of Service for Meter Installation Services Task Order No. I*

Additional Labor Schedule

<u>Decription</u>	<u>Unit Price</u>
Labor to Replace Existing Meter Box	\$95.00
Labor to Reset Existing Meter Box	\$32.00
Labor to Replace a malfunctioning curb stop	\$65.00

Labor to Replace pit lid	\$9.00
Re-Install Existing Meter Tail	\$1.00
Service Fee for Double Meter Sets in Single Meter Pits	\$5.50
Replumbing time per hour	\$105.00

**Additional labor costs will be pre-approved by Client before work is performed by Company.*

CLIENT RESPONSIBILITIES

Adhere to the terms and conditions of the Master Services Agreement. Following the execution of the Master Services Agreement by the City of Sachse, TX and delivery of material(s), HydroPro Solutions will make all reasonable efforts to begin installation services (Task Order No. I) based on the reading cycle taking place in the City of Sachse, TX. The City of Sachse, TX will provide prior notice for any orders, meter reading cycle changes and maintain ongoing updated information relating to past, present, and future material orders and meter change out scheduling items related to this Services.

PERIOD OF PERFORMANCE

This pricing will be held in affect through the duration of the Services execution process. The City of Sachse, TX may elect to receive additional Work from HydroPro Solutions at a mutually agreed upon price/rate in the best interest of the Parties throughout the life of the Agreement.

WARRANTY

All installation work is warranted for 1 year from the time of completion.

COST

See SCOPE OF SERVICES above. Costs are estimates and are subject to change or be modified based on actual number of meters/registers changed out. REMIT PAYMENT TO:

HydroPro Solutions
DEPT 1023, PO Box 65050
Dallas, TX 75265-0850

All invoices are due payable in NET 30 days for materials/services as received and invoiced.

Company:

HydroPro Solutions, LLC

By: _____

Name: _____

Title: _____

Dated this _____ day of _____, 201____

Client:

City of Sachse, TX

By: _____

Name: _____

Title: _____

Dated this _____ day of _____, 201____



City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4030	Version:	1	Name:	2017-2018 Concrete Street Rehabilitation Projects
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/11/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Consider approval of a resolution approving purchase orders in the amount not to exceed six hundred twenty three thousand dollars (\$623,000.00) to McMahon Contracting, L.P., for concrete roadway improvement projects; authorizing its execution by the City Manager; and providing an effective date.				

Sponsors:

Indexes:

Code sections:

Attachments: [Exhibit A- Resolution](#)
[Exhibit B- Concrete Street Rehab Map](#)

Date	Ver.	Action By	Action	Result
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Title

FY 2017-2018 concrete roadway rehabilitation projects

Background

The City of Sachse utilizes the PASER system to analyze and score streets based upon pavement condition. This information is utilized by City staff and the City Council on an annual basis to rank streets in the community and determine which streets are in need of rehabilitation.

During the 2017-2018 budget process, the following concrete streets were identified to receive funding for major rehabilitation:

- Bryan Street (\$260,000) - PASER Score of 3
- Westcreek Lane (\$205,000) - PASER Score of 3
- Tina Street (\$60,000) - PASER Score of 3
- Parkview Drive (\$58,000) - PASER Score of 4 (One significant area of failure near intersection of Parkview and Parkridge)

Due to the large scope of panel replacement, the Sachse Public Works Department is including an additional \$40,000 of funds from the department's maintenance line item to be used as contingency funds. This additional \$40,000 will be used to ensure that any additional panel replacement needs identified during construction are able to be completed. Any unused funds from the contingency will be put back into the department's maintenance budget upon completion of the project.

Policy Considerations

It is the responsibility of the City of Sachse to maintain, upgrade, and improve public roads as necessary in the City of Sachse.

Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act, and

Chapter 271.102 of the Texas Local Government Code, authorizes all local governments to contract with each other to perform governmental functions or services including administrative functions normally associated with the operation of government such as purchasing of necessary equipment, goods and services.

The City Council of the City of Sachse, Texas has approved the Master Interlocal Cooperative Purchasing Agreement with the City of Grand Prairie for the purchase of necessary equipment, goods and services (Resolution No. 3381).

Contract pricing from the City of Grand Prairie may be utilized by the City of Sachse for concrete roadway improvements.

Budgetary Considerations

The proposed projects have a total cost of \$623,000.00. The recommended funding source for construction is as shown in the 2017-2018 Fiscal Year Operating Budget:

- \$465,000 - General Fund Balance
- \$118,000 - Street Maintenance Tax funds
- \$40,000 - Street Department Maintenance Line Item (General Fund)

Staff Recommendations.

Approve a resolution for purchase orders in the amount not to exceed six hundred twenty three thousand dollars (\$623,000.00) to McMahon Contracting, L.P., for concrete roadway improvement projects; authorizing its execution by the City Manager; and providing an effective date.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING PURCHASE ORDERS IN THE AMOUNT NOT TO EXCEED SIX HUNDRED AND TWENTY THREE THOUSAND DOLLARS (\$623,000.00) TO MCMAHON CONTRACTING, L.P., FOR CONCRETE ROADWAY IMPROVEMENT PROJECTS; AUTHORIZING ITS EXECUTION BY THE CITY MANAGER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City's Capital Improvement Plan includes asphalt roadway improvements; and

WHEREAS, Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act, and Chapter 271.102 of the Texas Local Government Code authorizes all local governments to contract with each other to perform governmental functions or services including administrative functions normally associated with the operation of government such as purchasing of necessary equipment, goods and services; and

WHEREAS, the City Council of the City of Sachse, Texas has approved the Master Interlocal Cooperative Purchasing Agreement with the City of Grand Prairie for the purchase of necessary equipment, goods and services (Resolution No. 3381); and

WHEREAS, the City of Sachse desires to utilize contract pricing from the City of Grand Prairie Bid 11099 for Pavement Resurfacing Services with McMahon Contracting, L.P. for concrete roadway improvements to Bryan Street, Westcreek Lane, Tina Street, and Parkview Drive; and

WHEREAS, Purchase Orders need to be authorized by the City Council for said concrete roadway improvements and the City Manager should be authorized to execute said Purchase Orders not to exceed \$623,000.00 as the total aggregate of all Purchase Orders to be executed.

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

Section 1: That the City Council hereby approves Purchase Orders for asphalt roadway improvements and authorizes the City Manager to execute said Purchase Orders not to exceed six hundred and twenty three thousand dollars (\$623,000.00) as the total aggregate of all Purchase Orders to be executed.

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

RESOLVED this_____day of October, 2017. CITY OF SACHSE, TEXAS

Mike J. Felix, Mayor

ATTEST:

Michelle Lewis Sirianni, City Secretary

Concrete Street Rehabilitation Projects





City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4008	Version:	1	Name:	Amendment - Dallas County PSA - Sachse Road Improvements
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	9/28/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Consider approval of the First Amendment to the Project Specific Agreement by and between the City of Sachse and Dallas County to fund the construction of transportation improvements on Sachse Road and 5th Street.				

Sponsors:

Indexes:

Code sections:

Attachments: [Resolution and Amendment](#)

Date	Ver.	Action By	Action	Result
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Title

Consider approval of the First Amendment to the Project Specific Agreement by and between the City of Sachse and Dallas County to fund the construction of transportation improvements on Sachse Road and 5th Street.

Background

The City of Sachse entered into a Project Specific Agreement for the funding of the widening of Sachse Road and 5th Street on July 7, 2015. The agreement identified the responsibilities of both Dallas County and the City of Sachse. In the original agreement, the City of Sachse agreed to \$2,990,000 in funds. The Sachse Capital Improvement Plan currently shows \$3,000,000 in funds for the project.

The original funding agreement was entered into prior to final design taking place. The original PSA agreement was based on preliminary engineering, and a modest estimate of cost inflation. Since 2015, construction costs have increased significantly, particularly for concrete and concrete storm pipe and drainage structures, with year over year increases of 15% or more for both 2016 and 2017.

The project is currently at 95% Design. There are two remaining right-of-way acquisitions that are needed to move the project to bid. City staff is working with Dallas County staff to assist the County real estate staff in finalizing the acquisition of these two strips of land.

As the project is now nearing the bid phase, Dallas County has completed an updated cost estimate for the project, and have determined that additional funds for the project are required. The County and the City will split the additional funding with a 50/50 match, as per the original agreement.

Dallas County is requesting to increase the overall project budget from \$5,990,000 to \$7,980,000. In accordance with the 50/50 match, the City of Sachse will need to increase the City-portion of the

budget by \$1,000,000.

During the FY 2017-2018 budget process, staff was anticipating that there would be a need for additional project funding for the Sachse Road/5th Street project, though specific funding needs had not yet been re-calculated by the County. In order to ensure that additional funds were available, staff did not propose use of all of the roadway impact fee funds on FY 2017-2018 projects.

Policy Considerations

The project is identified in the City of Sachse Capital Improvement Plan.

Budgetary Considerations

The additional \$1,000,000 in project funding requested for the project will come from Roadway Impact Fees. The current balance of un-allocated roadway impact fees for the City of Sachse is approximately \$1,200,000.00. Staff was anticipating that additional funding would be required for the project, as construction costs have risen significantly since the original agreement in 2015.

Staff Recommendations

Staff recommends approval of a Project Specific Agreement by and between the City of Sachse and Dallas County to fund the construction of transportation and pedestrian improvements on Sachse Road.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF THE PROJECT SPECIFIC AGREEMENT TO THE MASTER AGREEMENT GOVERNING MAJOR CAPITAL TRANSPORTATION IMPROVEMENT PROJECTS BETWEEN THE CITY OF SACHSE AND DALLAS COUNTY, FOR MCIP PROJECT 22804, THE RECONSTRUCTION OF APPROXIMATELY 0.75 MILES OF AN EXISTING ROADWAY LOCATED WITHIN THE CITY OF SACHSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse, Texas, and Dallas County, Texas, entered into a Project Specific Agreement on or about July 7, 2015 (“Project Specific Agreement”), for the purpose of transportation improvements on Sachse Road and 5th Street inside Dallas County; and

WHEREAS, the City Council has been presented with a proposed First Amendment to the Project Specific Agreement (“PSA”) for MCIP Project 22804, which is reconstruction of approximately 0.75 miles of an existing roadway beginning at the intersection of 5th Street and SH 78, extending east along 5th Street to its intersection with Sachse Road, continuing eastward along Sachse Road to its intersection with Miles Road, located within the City; and

WHEREAS, upon full review and consideration of the First Amendment to the PSA and all matters related thereto, the City Council is of the opinion and finds that the terms and conditions thereof should be approved, and that the City Manager should be authorized to execute the First Amendment to the PSA on behalf of the City of Sachse, Texas;

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

SECTION 1. That the City Manager is hereby authorized to execute the First Amendment to the PSA, attached hereto as Exhibit “A”.

SECTION 2. That 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 _____ day of _____, 2017.

CITY OF SACHSE, TEXAS

Mike J. Felix, Mayor

ATTEST:

Michelle Lewis Sirianni, City Secretary

EXHIBIT “A”

First Amendment to the Project Specific Agreement for MCIP Project 22804

**FIRST AMENDMENT
TO THE PROJECT SPECIFIC AGREEMENT
DALLAS COUNTY CAPITAL IMPROVEMENT PROGRAM**

This First Amendment to the Project Specific Agreement ("First Amendment") is entered into this _____ day of _____, 2017, to amend the Project Specific Agreement ("PSA") between the City of Sachse, Texas ("City"), and the County of Dallas ("County") for the implementation of transportation improvements on the Sachse Road MCIP Project 22804 from SH-78 to Miles Road ("Project").

WHEREAS, Chapter 791 of The Texas Government Code and Texas Transportation Code Section 472.001 provide authorization for local governments to contract with each other for the performance of governmental functions and services, as well as joint funding of road construction or improvements of road or street projects; and

WHEREAS, pursuant to Dallas County Commissioners Court Order 2011-896 dated May 17, 2011, the County acting by and through the Dallas County Commissioners Court, and the City entered into a Master Agreement for the purpose of transportation improvements on roads inside Dallas County; and

WHEREAS, pursuant to Dallas County Commissioners Court Order No. 2015-1124 dated August 11, 2015, the County and the City entered into a Project Specific Agreement for the implementation of transportation improvements on the Sachse Road MCIP Project 22804 from SH-78 to Miles Road; and

NOW THEREFORE, this First Amendment is made by and entered into by the City and the County for the mutual consideration stated herein.

I. PURPOSE

City and County both mutually agree to amend said PSA in accordance with the terms of the existing Agreements, except as modified below.

II. AMENDED PROVISIONS

A. Article II. – "Incorporated Documents" of the PSA shall be amended by deleting and replacing the following:

3. Current Cost Estimates and Funding Sources, as shown in Attachment "B-1".

B. Article VI. - "Agreements, Section IV. Funding" of the PSA shall be and is hereby revised in its entirety to read as follows:

County and City mutually agree to proportionately fund the Direct Project and Program cost as follows:

1. Notwithstanding any provision in the Master Agreement, this PSA, any amendment

thereto, or any other agreement between the parties regarding this Project, the total Project cost is estimated at Seven Million, Nine Hundred Eighty Thousand Dollars and no cents (\$7,980,000.00). The County's total obligation to this Project is to provide funding in the amount not to exceed Three Million, Nine Hundred Ninety Thousand Dollars and no cents (\$3,990,000.00) reduced by the County's in-house design and delivery costs of the total Project cost, estimated to be Eight Hundred Ninety Thousand Dollars and no cents (\$890,000.00).

2. Project costs may include all County project delivery costs including but not limited to preliminary scoping and research, preliminary design services, special services, primary design services, inspection, laboratory services and construction.
3. The City agrees to provide funding for the design and construction of the Project as indicated in the amount of Three Million, Nine Hundred Ninety Thousand Dollars and no cents (\$3,990,000.00).
4. City agrees to encumber an amount adequate for total estimated project costs as determined prior to the commencement of each Project milestone as determined by County within 30 days of notification by County. The City will pay Project costs as invoiced by the County.
5. If the total Project costs excluding paving and drainage amenities or utility betterments should exceed the total Project cost, the City and County agree to amend the Project's scope to remain within the current estimated total Project cost.

III. EFFECT OF AMENDMENT

This First Amendment shall not change or waive any contractual provisions, clauses or conditions of the original PSA, unless otherwise provided for herein. In the event of any conflict between the original PSA and this First Amendment to the PSA, this First Amendment shall control. The original PSA, including any and all incorporated or referenced documents and any and all exhibits, attachments and amendments that by their terms have been incorporated into any of the foregoing documents, are collectively referred to herein as the PSA. All provisions of the PSA shall remain in full force and effect throughout the term of the PSA, as well as any duly authorized amendments or extensions, including this First Amendment.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

The County of Dallas, State of Texas, has executed this First Amendment pursuant to Commissioners Court Order Number _____ and passed on the _____ day of _____, 2017.

The City of Sachse, State of Texas, has executed this First Amendment pursuant to duly authorized City Council Resolution No. _____, and passed on the _____ day of _____ 2017.

City of Sachse

County of Dallas

By:

Clay Lewis Jenkins
Dallas County Judge

Date

Date

Approved as to Form*:

Faith Johnson
District Attorney

Jana Prigmore Ferguson
Assistant District Attorney

*By law, the District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).

ATTACHMENT “B-1”

Amendment No. 1 to the Project Specific Agreement Dallas County Capital Improvement Program

CURRENT COST ESTIMATES & FUNDING SOURCES

City of Sachse (COS) and Dallas County (DC)

**Project Name: Sachse Road from US – 78 to Miles Road
MCIP Project 22804**

Project Cost	
Expenditure	Estimated Cost
Design & Project Delivery	\$ 890,000.00
ROW, Construction & Contingency	\$ 7,090,000.00
Total Cost of Project	\$ 7,980,000.00

Funding Source	
Source	Committed Amount
Dallas County	\$ 2,990,000.00
Dallas County (Additional Funding needed)	\$ 1,000,000.00
City of Sachse	\$ 2,990,000.00
City of Sachse (Additional Funding needed)	\$ 1,000,000.00
Total	\$ 7,980,000.00



City of Sachse, Texas

Legislation Details (With Text)

File #:	17-4023	Version:	1	Name:	K. Hovnanian Development Agreement
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	10/10/2017	In control:		In control:	City Council
On agenda:	10/16/2017	Final action:		Final action:	
Title:	Consider approval of a Development Agreement made by and between the City of Sachse, Texas and K. Hovnanian Homes-DFW L.L.C.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Presentation Exhibit A Exhibit B Development Agreement				

Date	Ver.	Action By	Action	Result
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Title

Consider approval of a Development Agreement made by and between the City of Sachse, Texas (the "City") and K. Hovnanian Homes-DFW, L.L.C. (the "Developer").

Background

History

Maxwell Creek Road is shown in the City of Sachse Thoroughfare Plan as a Minor Arterial that is intended to be widened to a 4-lane, divided road. In Wylie and Murphy, this road is known as McCreary Road. Collin County has also identified the project as a need in the Collin County Mobility Plan. The City of Sachse entered into an Interlocal Agreement with Collin County for funding assistance on May 4, 2015. This agreement states that Collin County will provide \$588,000.00 in funding toward the design and construction of the road improvements.

Currently, the eastern 2 lanes of the Maxwell Creek Road have been built from the northern city limit to Ranch Road. The western two lanes have been built from Keith Lane to Ranch Road. The western two lanes from the north city limit to Keith Lane have not yet been constructed.

The Developer is seeking to develop property in the City of Murphy for a single family residential development. The property is shown in Exhibit A - Development Map. The proposed subdivision will connect to Maxwell Creek/McCreary Road.

In order to construct the unbuilt lanes of Maxwell Creek Road, the existing sanitary sewer lift station for Sachse Farms must be relocated. The current location of the lift station is in conflict with the proposed outside southbound lane. The lift station is shown in Exhibit B - Lift Station Map.

The developer has agreed to partner with the City of Sachse to remove and rebuild the sanitary sewer lift station and construct the remaining two lanes of Maxwell Creek Road from Keith Lane to the northern City Limit.

Infrastructure Costs

The City of Sachse estimates the removal and reconstruction of the Sachse Farms sewer lift station, and the construction of the new travel lanes will total approximately \$1,200,000.

Financial Considerations

Collin County has pledged \$588,000 toward the project. The City of Sachse is able to utilize the developer's contribution toward the funding match required for use of County funds. The City of Sachse does not currently have the \$612,000 estimated to be required to complete the project without developer assistance.

Proposed Development Agreement

The Developer agrees to:

- Demolish the existing sanitary sewer lift station
- Dedicate property to the City of Sachse for a new sanitary sewer lift station at no cost
- Construct a new sanitary sewer lift station on property currently owned by the developer in Murphy
- Construct the two southbound travel lanes of Maxwell Creek/McCreary Road

The City agrees to:

- Provide the developer with the engineering construction plans for the new sanitary sewer lift station
- Utilize the Collin County project funding to reimburse the developer up to \$588,000 in project costs
- Provide construction inspection of the proposed public improvements for Maxwell Creek Road and the sanitary sewer lift station

Once the project is completed, the City of Murphy will work with the City of Sachse to complete a boundary adjustment to place the new sewer lift station in the city limits of Sachse and to place the western two lanes of Maxwell Creek/McCreary Road in the City Limits of Murphy. The City of Murphy will maintain the new travel lanes.

Conclusion

The proposed agreement allows the City of Sachse to construct a very important capital project with limited City funding. The existing 4-lane to 2-lane transition of Maxwell Creek Road north of Keith Lane is not desirable, as it can be difficult to traverse at night. The City is also working on a plan to provide street lighting on Maxwell Creek Road north of Ranch Road to improve visibility. The necessary conduit for future street lighting will be included in the construction scope of this project. Staff will return to the City Council at a future time with options to install lighting.

Policy Considerations

Texas Local Government Code 212.071 authorizes municipalities to participate in the developer's costs of construction of public improvements related to the development of subdivisions.

Budgetary Considerations

The agreement identifies the obligations of both the City and the Developer. The estimated total construction cost of the public improvements is \$1,200,000.00, with the project being funded through Collin County and the developer. The City funding involved is the remaining funds from the previously allocated \$100,000.00 for preliminary engineering of the road widening. These funds are

being used to fund the design of the new sanitary sewer lift station. In partnering with a developer to construct the public improvements, the City is saving \$612,000.00 in future capital infrastructure obligations. In addition, the City will receive a brand new sanitary sewer lift station designed and constructed to City standard.

Staff Recommendations

Staff recommends approval of a Development Agreement made by and between the City of Sachse, Texas and K. Hovnanian Homes-DFW L.L.C.



Maxwell Creek Road Development Agreement with K. Hovnanian

City Council

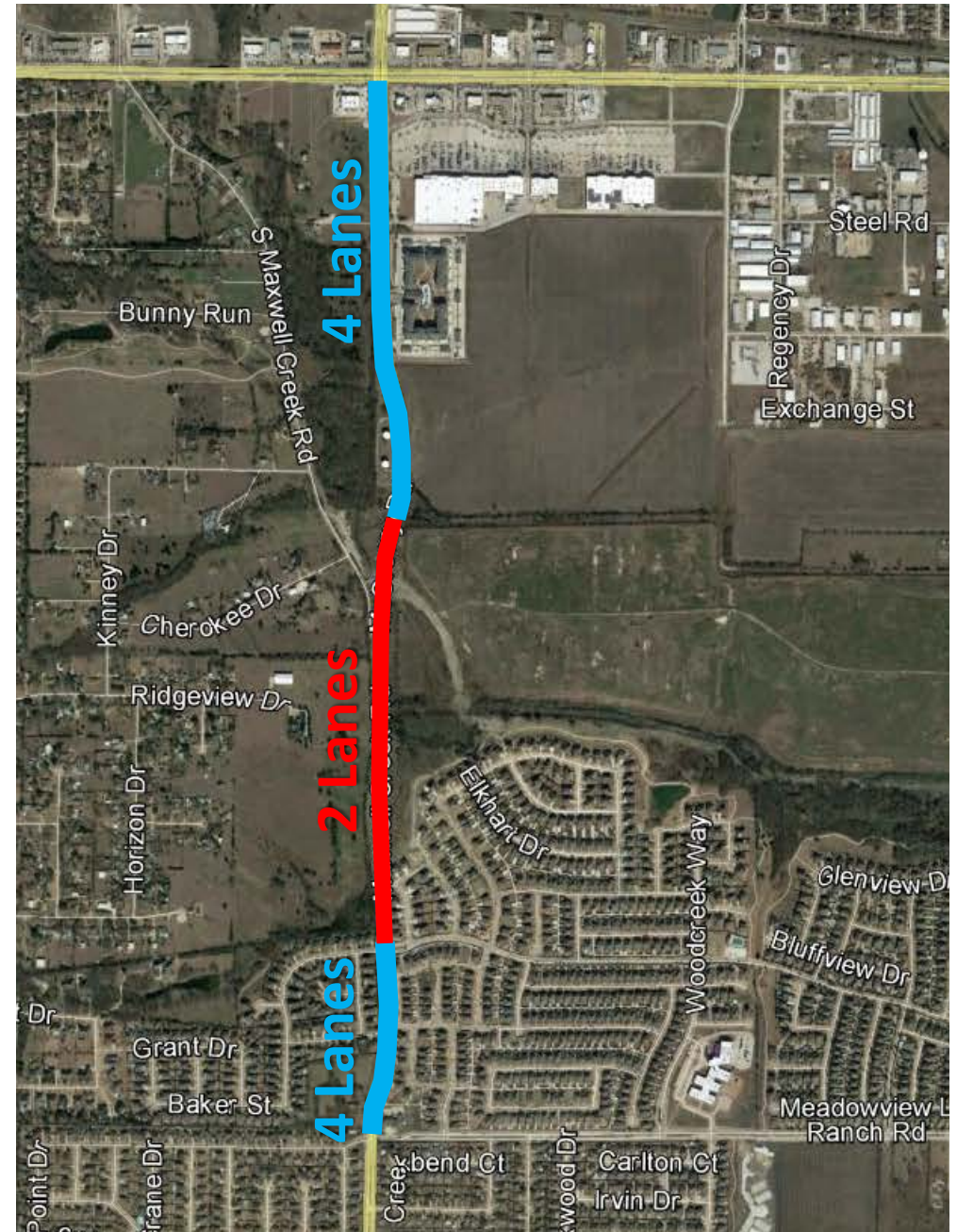
October 16, 2017

Overview

- Maxwell Creek Road
- Sachse Farms Sewer Lift Station
- Bluff Creek Estates Development in Murphy
- Proposed Agreement
- Financial and Other Considerations
- Staff Recommendations
- Next Steps

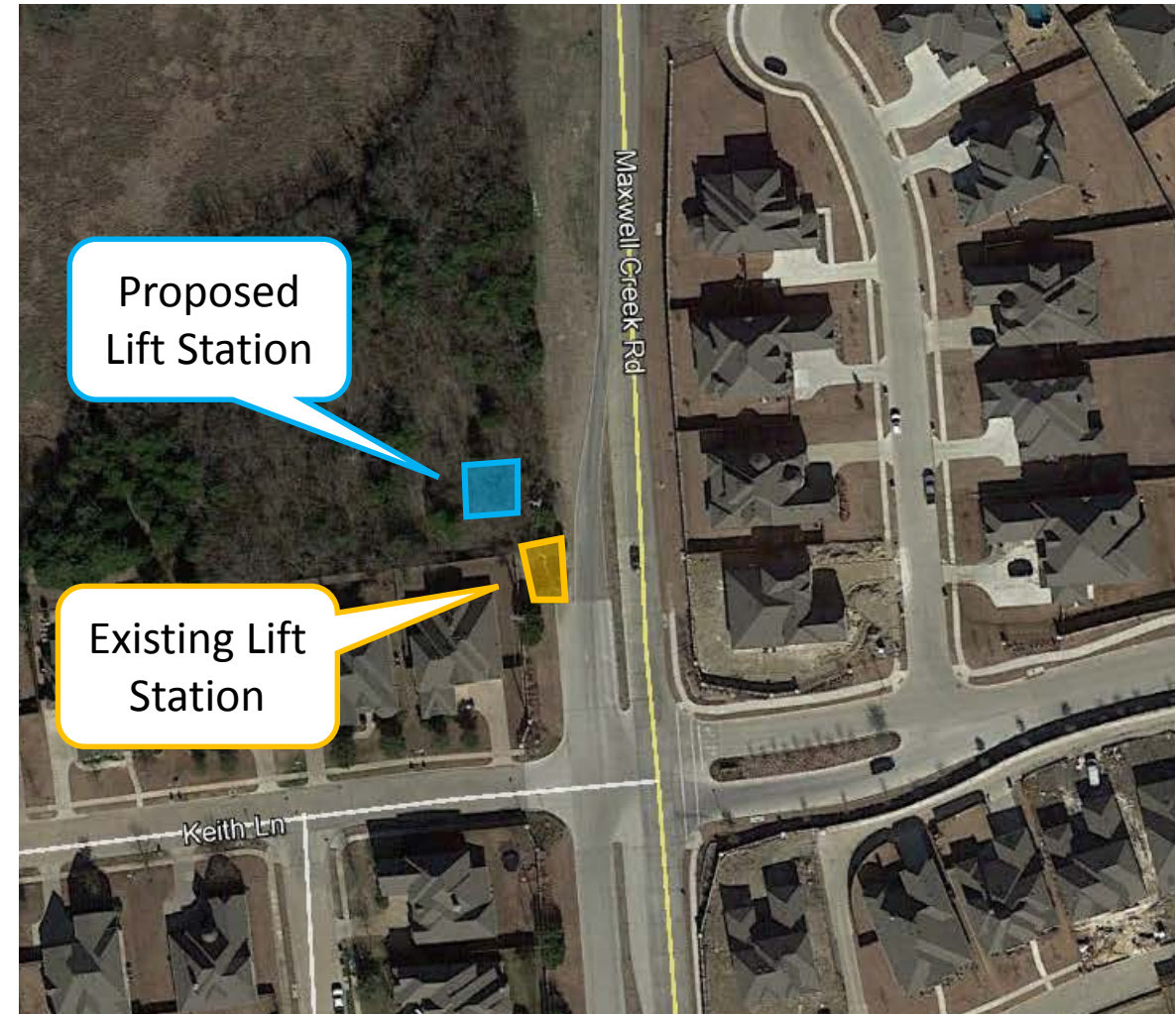
Maxwell Creek Road

- Current Configuration:
 - 4-lanes from Ranch Road to Keith Lane
 - 2-lanes from Keith Lane to the northern City Limit
 - 4-lanes from the bridge to FM 544
- Sachse CIP Program
 - Project is shown as a Capital Roadway project for the City
 - Collin County ILA (2015) provides \$588,000 in funding match
 - City completed preliminary engineering in 2016
 - City does not currently have the needed funding match to construct the project



Sachse Farms Lift Station

- The existing sanitary sewer lift station is in conflict with the future 2-lanes of road that need to be built
- The lift station will need to be removed, and re-built outside of the proposed pavement



Bluff Creek Estates (Murphy)

- Proposed Single Family Residential Subdivision in Murphy
 - 113 single family lots
 - Lots range from $\frac{1}{4}$ acre to $\frac{1}{2}$ acre
 - 10,000 SF to 20,000 SF
- Developer completing the standard development processes in the City of Murphy, including a flood study of the existing creek



Proposed Agreement

- The Developer agrees to:
 - Demolish the existing sanitary sewer lift station
 - Dedicate property to the City of Sachse for a new sanitary sewer lift station at no cost
 - Construct a new sanitary sewer lift station on property currently owned by the developer in Murphy
 - Construct the two southbound travel lanes of Maxwell Creek/McCreary Road
- The City agrees to:
 - Provide the developer with the engineering construction plans for the new sanitary sewer lift station
 - Utilize the Collin County project funding to reimburse the developer up to \$588,000 in project costs
 - Provide construction inspection of the proposed public improvements for Maxwell Creek Road and the sanitary sewer lift station to ensure construction to City standards

Financial Considerations

- Infrastructure Costs
 - The City of Sachse estimates the removal and reconstruction of the Sachse Farms sewer lift station, and the construction of the new travel lanes will total approximately \$1,200,000.
- Financial Considerations
 - Collin County has pledged \$588,000 toward the project. The City of Sachse is able to utilize the developer's contribution toward the funding match required for use of County funds. The City of Sachse does not currently have the \$612,000 estimated to be required to complete the project without developer assistance.

Other Considerations

- The proposed agreement allows the City of Sachse to construct a very important capital project with limited City funding.
- The existing 4-lane to 2-lane transition of Maxwell Creek Road north of Keith Lane is not desirable, as it can be difficult to traverse at night.
- The City is also working on a plan to provide street lighting on Maxwell Creek Road north of Ranch Road to improve visibility. The necessary conduit for future street lighting will be included in the construction scope of this project.
- Staff will return to the City Council at a future time with options to install lighting.
- Once the project is completed, the City of Murphy will work with the City of Sachse to complete a boundary adjustment to place the new sewer lift station in the City limits of Sachse, and to place the western two lanes of Maxwell Creek/McCreary Road in the City Limits of Murphy. The City of Murphy will maintain the two new travel lanes.

Staff Recommendations

- Staff finds that the proposed agreement is the most cost-effective approach for the City of Sachse to facilitate the construction of Maxwell Creek Road
- Staff finds that the proposed agreement eliminates a \$612,000 future funding obligation that would be needed for the City to complete the project as a City CIP project
- Staff recommends approval of the proposed agreement

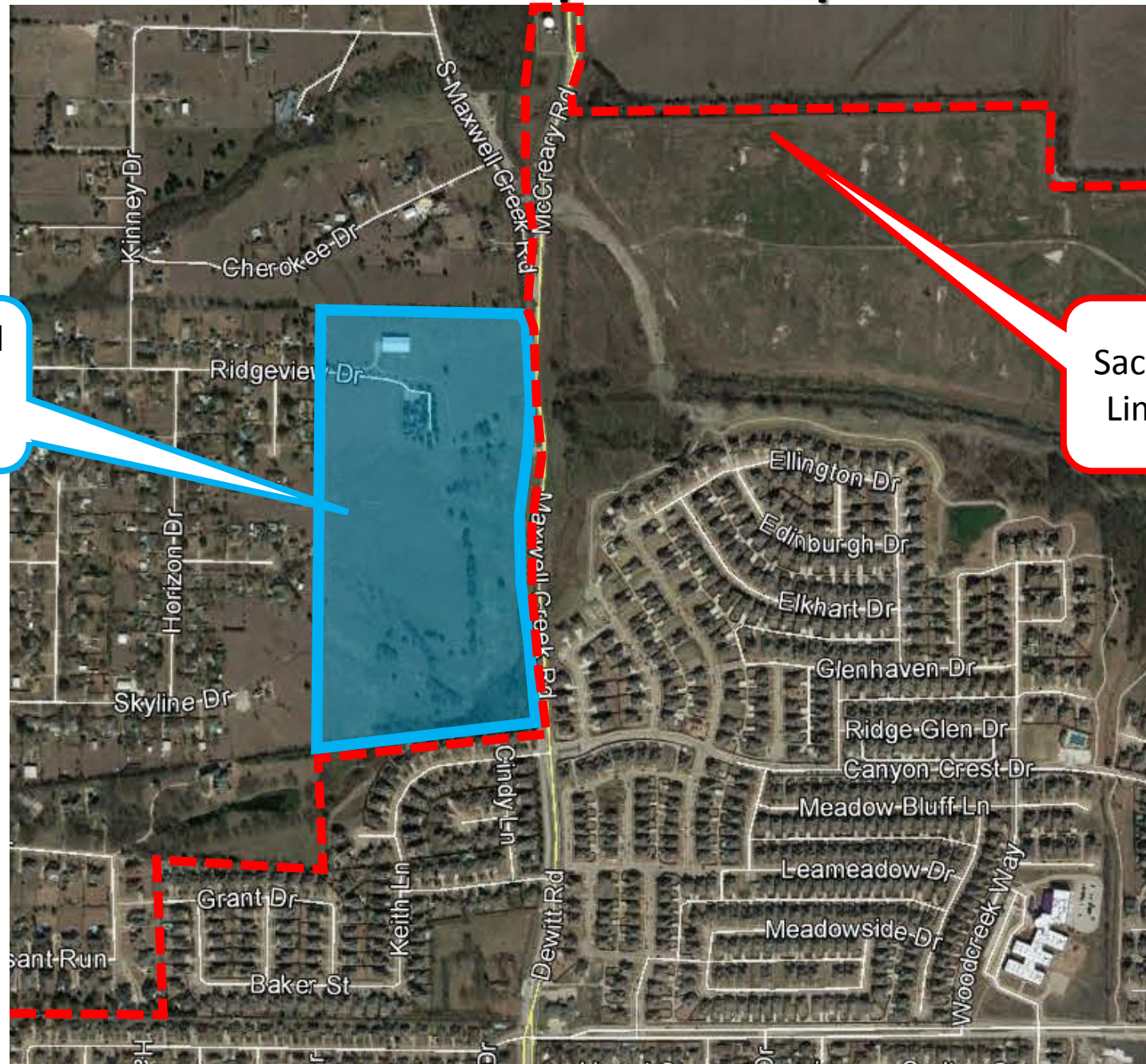
Next Steps

- Council to consider approval of the proposed development agreement
- If approved, staff will work with the developer, their engineer, and their construction team to deliver the project
- It is anticipated that construction will begin in 2018

Development Map

Proposed Residential
Subdivision in
Murphy

Sachse City
Limit Line



Lift Station Location

Proposed Sewer Lift Station

Proposed New Road

Existing Sewer Lift Station

Maxwell Creek Road

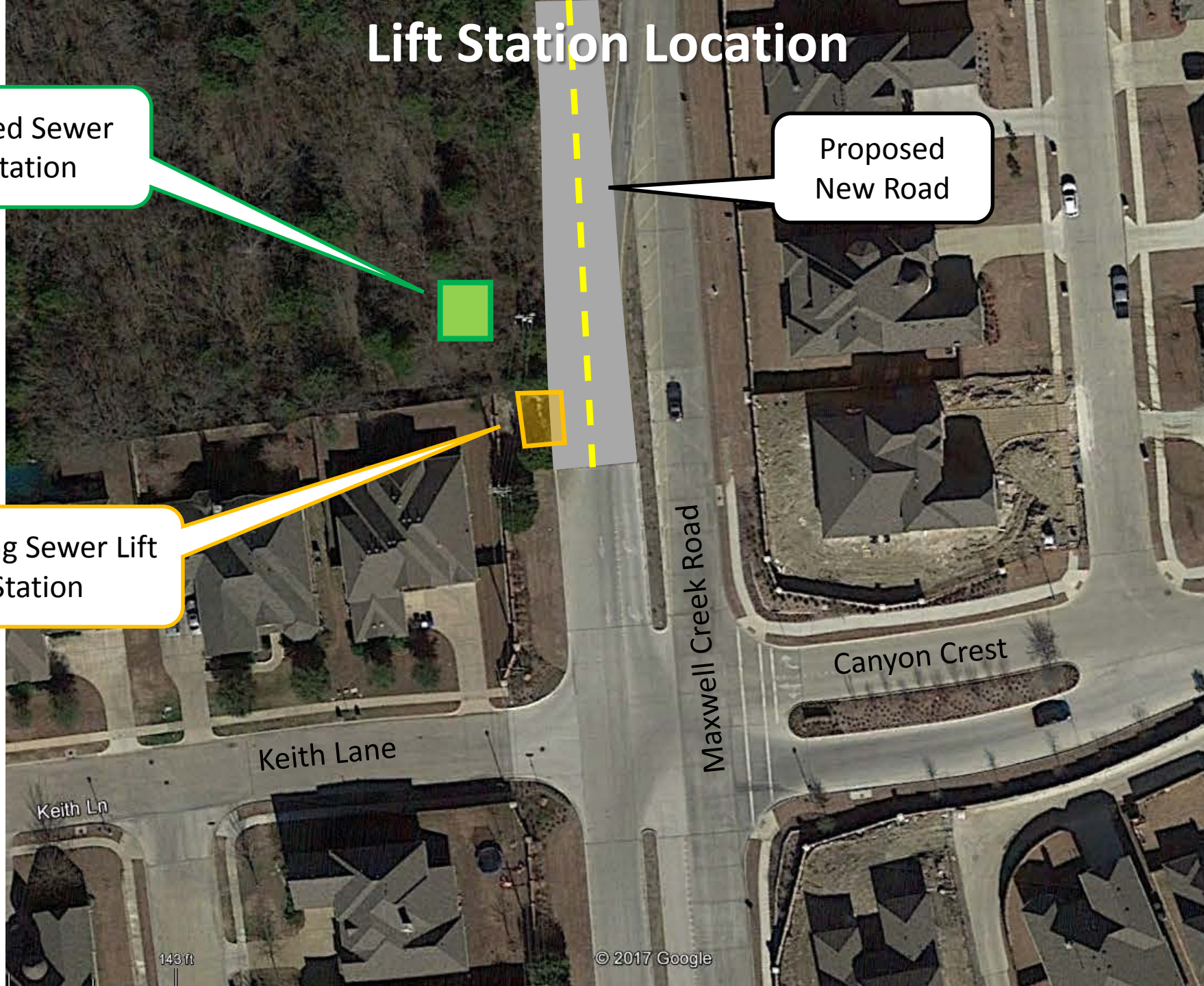
Canyon Crest

Keith Lane

Keith Ln

143 ft

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WITNESSETH:

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

Article I

Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Bankruptcy or Insolvency” shall mean the dissolution or termination of Developer’s existence, insolvency, employment of receiver for any part of Developer’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors or the commencement of any proceedings under any bankruptcy or insolvency laws by or against Developer and such proceedings are not dismissed within ninety (90) days after the filing thereof.

“City” shall mean the City of Sachse, Texas.

“City’s Thoroughfare Design Standards and Construction Requirements” shall mean the City of Sachse’s Thoroughfare Design Standards and Construction Requirements.

“Commencement of Construction” shall mean that: (i) the plans for the Roadway Improvements and Sewer Improvements (“Infrastructure Improvements”) have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the Infrastructure Improvements; (ii) all necessary permits for the construction of the Infrastructure Improvements pursuant to the respective plans have been issued by all applicable governmental authorities; and (iii) grading of the Property has commenced.

“Completion of Construction” shall mean: (i) the Infrastructure Improvements on the Property have been substantially completed; and (ii) the City has issued a letter of acceptance for the Infrastructure Improvements.

“Developer” shall mean [an affiliate of K. Hovnanian Homes – DFW, L.L.C., a Texas limited liability company].

“Effective Date” shall mean the last date of execution hereof.

“Expiration Date” shall mean the date the Parties have fully satisfied their respective obligations under this Agreement and the City has issued a letter of acceptance for the Infrastructure Improvements.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental inaction or action (unless caused by acts or omissions of such Party), fires, explosions or floods, strikes, slowdowns or work stoppages.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Developer or any property or any business owned by Developer within the City.

“Roadway Improvements” shall mean the design and construction of approximately 2,400 linear feet of the two southbound lanes of Maxwell Creek/ McCreary Road, from Canyon Crest Drive to the McCreary Road Bridge (“Roadway Improvements”) which are adjacent to the Property; as described and depicted in **Exhibit B** within the public rights-of-way or easements or in areas that are intended for public rights-of-way and easements.

“Property” shall mean the real property described in **Exhibit A**.

“Infrastructure Improvements” shall collectively mean both the Roadway and Sewer Improvements.

“Sewer Improvements” shall the construction of a sanitary lift station on the Property in accordance with the City’s design specifications as described in **Exhibit C**.

Article II

Infrastructure Improvements and Reimbursement

2.1 **Roadway Improvements.** Subject to the terms and conditions of this Agreement, the Developer at its sole cost and expense shall design, bid and construct the Roadway Improvements more particularly described in **Exhibit B** within the public rights-of-way or easements or in areas that are intended for public rights-of-way and easements. Such Roadway Improvements shall be constructed in accordance with the City’s Thoroughfare Design Standards and Construction Requirements. The City hereby grants Developer a temporary access and construction easement over the land owned by the City for purposes of completing the Roadway Improvements.

2.2 Developer represents and warrants that the total estimated cost for design and construction associated with the Roadway Improvements is ____Hundred ____ Thousand ____Hundred ____ and No/100 Dollars (\$XXX, XXX.00), as set forth in the estimated construction costs attached as **Exhibit D** (“Estimated Construction Costs”). Developer acknowledges and agrees that the City is relying on Developer’s representation and warranty that the Estimated Construction Costs are as described in **Exhibit D**.

2.3 **Sewer Improvements.** Developer shall construct on the Property at Developer’s sole cost and expense the Sewer Improvements in accordance with the design specifications provided by the City. City shall be responsible for providing the design specifications at City’s sole cost to the Developer. City shall be responsible for the relocation of all SCADA equipment and monitoring equipment for the lift station.

2.4 **City's Reimbursement.** The City shall reimburse the Developer for the construction of the Infrastructure Improvements in an amount not to exceed Five Hundred Eighty-Eight Thousand and No/100 Dollars (\$588,000.00). The City agrees to reimburse the Developer on a monthly basis for the expenditures made by Developer in connection with the construction of the Infrastructure Improvements. Developer shall submit to the City on a monthly basis a request for a reimbursement accompanied by paid invoices to date and conditional lien waivers from the Contractor for such completed work. Such monthly reimbursements shall be made by the City within ten (10) days after receipt by the City of Developer's request for reimbursement together with such supporting documentation. Such monthly reimbursements are limited to one time per month during the term of this Agreement.

2.5 **Construction Contract.** Developer shall enter into a Construction Contract ("Construction Contract") with the Contractor selected by Developer and approved by the City ("Contractor"). The City's approval shall not to be unreasonably withheld, delayed or conditioned. Developer and City shall use good faith efforts to agree upon the plans and specifications of the Infrastructure Improvements, and the City, at its expense, reserves the right to perform inspections, measurements or verifications of the estimates or work quantities as are necessary in the City's reasonable discretion.

2.6 **Books and Records.** City reserves the right upon reasonable notice, and at City's election and expense, to make a reasonable audit of all books, records, accounts and other data of Developer relating to the Infrastructure Improvements and the performance of the Contractor thereunder.

2.7 **Acceptance of Infrastructure Improvements.** Upon completion of the Infrastructure Improvements in accordance with the layouts, plans, and construction specifications reasonably approved by City, and after approval of the Infrastructure Improvements by the Director of Public Works, or designee, which approval shall not be unreasonably withheld, the Infrastructure Improvements, as described in **Exhibits B and C**, shall become the sole property and responsibility of the City. The Roadway Improvements shall be located within the public street or other right-of-way belonging to the City and the Sewer Improvements shall be located on a platted lot within the Property that will be dedicated to the City. The City shall take the Infrastructure Improvements free from any liens or encumbrances thereon upon final acceptance.

2.8 **Current Revenue.** Under no circumstances shall City's obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by Developer. None of the City's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

2.9 **Project Construction.** Developer shall, subject to events of Force Majeure, cause Commencement of Construction of the Infrastructure Improvements to occur on or before April 1, 2018, and, subject to events of Force Majeure, cause Completion of Construction of the

Infrastructure Improvements to occur on or before eighteen (18) full calendar months after the Commencement of Construction.

2.10 **Bonds**. Developer shall cause the Contractor to provide payment bonds and performance bonds for the construction of the Infrastructure Improvements to ensure completion of the Infrastructure Improvements in accordance with Chapter 2253, Texas Government Code, as amended, in forms reasonably satisfactory to City. Developer shall cause the Contractor to provide maintenance bonds (for a period of two years following completion of the respective phase of the Infrastructure Improvements) in favor of City for the Infrastructure Improvements in accordance with City requirements and regulations pertaining to maintenance bonds for public improvements.

Article III **Termination; Repayment**

3.1 **Termination**. This Agreement terminates on the Expiration Date, and may, prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the Parties in writing;
- (b) by either Party, if the other Party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof (provided that if such default or breach cannot reasonably be cured within such thirty (30) day period, such Party shall not be in default as long as such Party commences to cure such default or breach within the aforementioned thirty (30) day period and diligently pursues such cure thereafter);
- (c) upon written notice, by City, if (i) any Impositions owed to the City or the State of Texas by Developer shall have become delinquent, and (ii) such delinquency is not cured by Developer within thirty (30) days after receipt of written notice thereof from the City (provided, however, Developer retains the right to timely and properly protest and contest any such taxes or Impositions);
- (d) upon written notice, by City, if Developer suffers an event of Bankruptcy or Insolvency; or
- (e) upon written notice, by the City or Developer, respectively, if any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid or illegal.

Article IV Miscellaneous

4.1 **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties hereto.

4.2 **Limitation on Liability.** It is understood and agreed between the Parties that Developer and City, in satisfying the conditions of this Agreement, have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions.

4.3 **No Joint Venture.** It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties.

4.4 **Authorization.** Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the Parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties hereto.

4.5 **Term.** The term of this Agreement shall begin on the date of execution, and automatically end on the Expiration Date. Notwithstanding the automatic expiration of this Agreement, Developer, or its successor, may record in the real property records of Dallas County, Texas, a notice of termination of this Agreement. All obligations, liabilities, and rights which accrue prior to such time shall survive the expiration or termination of this Agreement.

4.6. **Indemnity.** DEVELOPER AGREES TO DEFEND, INDEMNIFY AND HOLD THE CITY, ITS OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM FROM WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY DEVELOPER'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT ACT OR OMISSION OF DEVELOPER, ITS OFFICERS, AGENTS, ASSOCIATES, EMPLOYEES OR SUB-CONSULTANTS, IN THE PERFORMANCE OF THIS AGREEMENT. THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH, HOWEVER, SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OF THE CITY, ITS OFFICERS, AGENTS, EMPLOYEES, OR SEPARATE CONTRACTORS. IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OF BOTH DEVELOPER AND THE CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE

PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

4.7 **Authority of Developer.** Developer represents and warrants to City that Developer is duly authorized to transact business in the State of Texas. Developer has full power, authority and legal right to execute and deliver this Agreement. This Agreement constitutes a legal, valid, and binding obligation of Developer enforceable in accordance with its terms, except as such enforceability may be affected by applicable bankruptcy laws and similar laws affecting creditors' rights or by equitable principles, whether arising in a case at law or in equity.

4.8 **Venue and Governing Law.** This Agreement is performable in Dallas County, Texas and venue of any action arising out of this Agreement shall be exclusively in Dallas County, Texas. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

4.9 **Notices.** Any notice required by this Agreement shall be deemed to be properly served if deposited in the U. S. mails by certified letter, return receipt requested, addressed to the recipient at the recipient's address shown below, subject to the right of either Party to designate a different address by notice given in the manner just described.

If intended for Developer, to:

[an affiliate K. Hovnanian Homes - DFW, L.L.C.]
c/o K. Hovnanian Homes – DFW, L.L.C.
5808 W. Plano Parkway
Plano, Texas 75093
Attn: Jimmy Brownlee
Email: jbrownlee@khov.com

With a copy to:

K. Hovnanian Homes – DFW, L.L.C.
5808 W. Plano Parkway
Plano, Texas 75093-4636
Attn: Lorena Reyna
Email: lreyna@khov.com

With a copy to:

Kevin P. McGinnis, Esq.
Liechty, McGinnis, Berryman & Bowen, LLP
11910 Greenville Avenue, Suite 400
Dallas, Texas 75243
Email: kmcginnis@lmlawyers.com

If intended for City:

Attn: City Manager
City of Sachse, Texas
3825B Sachse Rd.
Sachse, Texas 75048
Email: gnash@cityofsachse.com

With a copy to:

Joseph J. Gorfida, Jr.
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.
500 North Akard, Suite 1800
Dallas, Texas 75201
Email: jgorfida@njdhs.com

4.10 **Applicable Laws.** This Agreement is made subject to the provisions of the Charter and ordinances of the City, as amended, and all applicable State and federal laws.

4.11 **Amendment.** This Agreement may only be amended by the mutual written consent of the Parties.

4.12 **Legal Construction.** If one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then the remaining provisions hereof shall remain in effect as if such invalid, illegal, or unenforceable provision(s) had never been contained in this Agreement so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

4.13 **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever referenced is made to the same.

4.14 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

4.15 **Captions.** The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.

4.16 **Recitals.** The recitals to this Agreement are incorporated herein.

4.17 **Successors and Assigns.** Sale of the Property and an assignment of this Agreement to an Affiliate of Developer or to a “land bank” or developer type of entity that acquires the Property and contracts to sell finished lots to Developer shall not require written approval of City and shall not result in a breach of this Agreement. Developer shall notify City in writing, however,

within 30 days of such assignment. Developer's "Affiliates", as used herein, includes any parent, sister, partner, joint venturer or subsidiary entity of Developer; any entity in which Developer is a major shareholder, owns an equity interest or is a joint venturer or partner (whether general or limited).

4.18 **Entire Agreement.** This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements, between the Parties and relating to matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

4.19 **Estoppel Certificate.** The City, on behalf of itself and all taxing authorities, shall deliver an estoppel certificate within ten (10) days after receipt of a written request therefore by Developer, or any assignee of Developer, setting forth: (i) whether there are any violations or defaults of this Agreement by Developer, or any assignee of Developer; and (ii) such other items as may be reasonably requested by the requesting Party.

4.20 **Covenant Running with the Land.** This Agreement shall be a covenant running with the land and the property and shall be binding upon the Developer, its officer, directors, partners, employees, representatives, agents, successors, assignees, vendors, grantees and/or trustees, and specifically excluding third party owners of any residential lots contained within the Property for which a certificate of occupancy has been issued. In addition, the parties shall cause this Agreement to be filed in the Land Records of Dallas County, Texas. Developer represents and warrants that the filing of this Agreement as provided herein shall provide the City with a superior and priority encumbrance, lien of interest in, on the Property as to any and all other persons or entities.

4.21 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

4.22 **Employment of Undocumented Workers.** During the term of this Agreement, Developer agrees not to knowingly employ any undocumented workers for the construction of the Infrastructure Improvements, and if convicted of a violation under 8 U.S.C. Section 1324a (f), Developer shall repay the amount of funds received by Developer from the City as of the date of such violation within one hundred twenty (120) days after the date Developer is notified by the City of such conviction, plus interest at the rate of four percent (4%) compounded annually from the date of conviction until paid. Developer is not liable for a violation of this Section by a parent, subsidiary, affiliate, or franchisees of Developer or by a person with whom Developer contracts.

4.23 **DEVELOPER ACKNOWLEDGES AND AGREES THAT:**

DEVELOPER AND THE CITY AGREE TO WAIVE AND RELEASE ALL CLAIMS ONE MAY HAVE AGAINST THE OTHER RELATED TO ANY AND ALL ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION

REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN DOLAN V. CITY OF TIGARD, 512U.S.374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE PROJECTED IMPACT OF THE PUBLIC INFRASTRUCTURE.

THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

(signature page to follow)

EXECUTED this _____ day of _____, 2017.

City of Sachse, Texas

By: _____
Gina Nash, City Manager

Attest:

By: _____
Michelle Lewis Sirianni, City Secretary

Approved as to form:

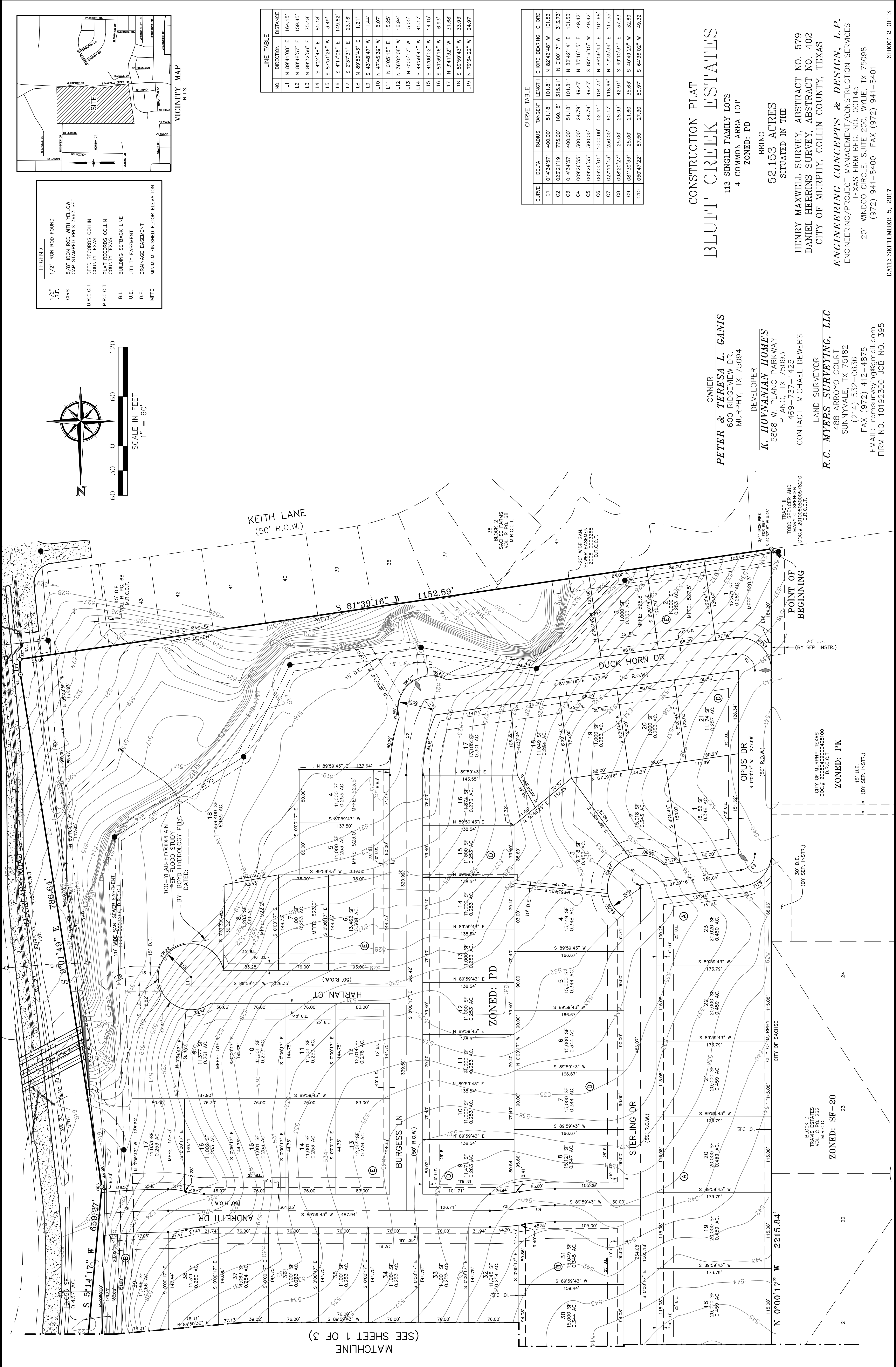
By: _____
Joseph J. Gorfida, Jr., City Attorney
(08-01-2017/88650)

EXECUTED this _____ day of _____, 2017.

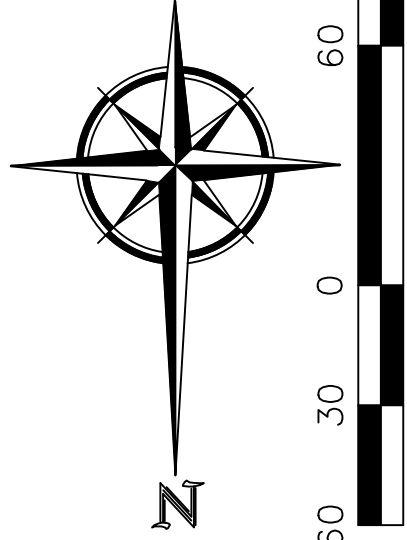
**[an affiliate of K. Hovnanian Homes – DFW, L.L.C.,
a Texas limited liability company]**

By: _____
Name: _____
Title: _____

EXHIBIT “A”
Property Description

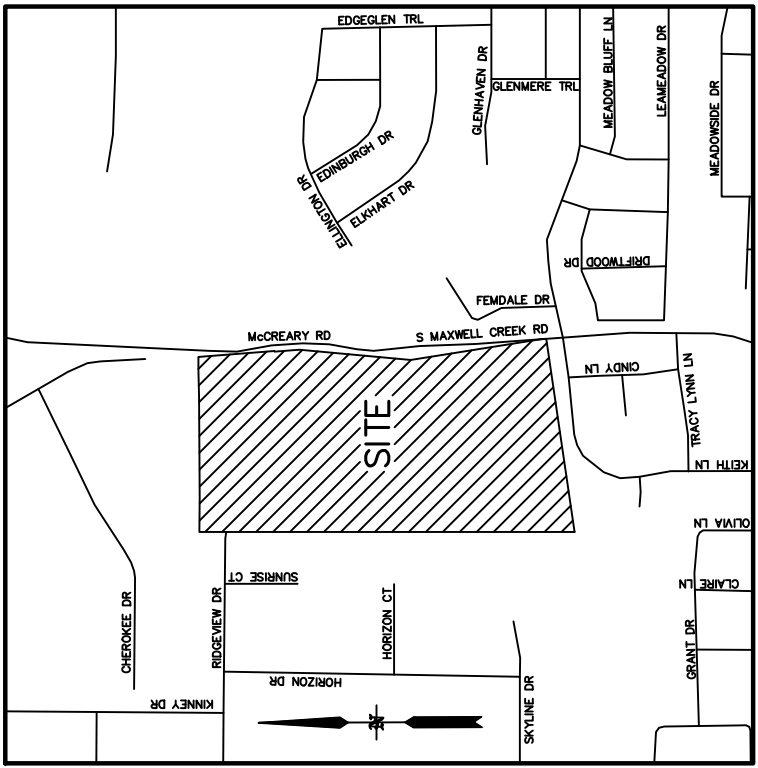


LEGEND	
1/2"	1/2" IRON ROD FOUND
CRS	5/8" IRON ROD WITH YELLOW CAP STAMPED RPLS 3983 SET
DR.C.C.T.	DEED RECORDS COLLIN COUNTY TEXAS
PR.C.C.T.	PLAT RECORDS COLLIN COUNTY TEXAS
BL	BUILDING SETBACK LINE
U.E.	UTILITY EASEMENT
D.E.	DRAINAGE EASEMENT
MFTE	MINIMUM FINISHED FLOOR ELEVATION



SCALE IN FEET
1" = 60'

VICINITY MAP
N.T.S.



LINE TABLE		
NO.	DIRECTION	DISTANCE
L1	N 89°41'08" E	164.15'
L2	N 88°48'57" E	159.45'
L3	N 89°32'56" E	75.48'
L4	S 4°24'48" E	85.18'
L5	S 87°51'26" W	3.49'
L6	S 41°7'08" E	149.62'
L7	S 2°37'31" E	23.16'
L8	N 89°59'43" E	1.21'
L9	S 43°48'47" W	11.44'
L10	N 47°45'39" W	18.07'
L11	N 0°05'15" E	15.25'
L12	N 36°02'08" W	16.94'
L13	N 0°00'17" W	5.05'
L14	S 44°59'43" W	45.17'
L15	S 45°00'02" W	14.15'
L16	S 81°39'16" W	6.93'
L17	N 3°41'32" W	31.68'
L18	S 89°59'43" W	33.93'
L19	N 79°34'22" W	24.97'

CURVE TABLE			
CURVE	DELTA	RADIUS	TANGENT LENGTH
C1	014°34'57"	400.00'	51.18'
C2	023°21'19"	775.00'	160.18'
C3	014°34'57"	400.00'	51.18'
C4	009°26'55"	300.00'	24.79'
C5	009°26'55"	300.00'	24.79'
C6	006°00'01"	1000.00'	52.41'
C7	027°11'43"	250.00'	60.47'
C8	08°20'27"	25.00'	28.93'
C9	081°39'33"	25.00'	21.60'
C10	050°47'22"	57.50'	27.30'

CONSTRUCTION PLAT
BLUFF CREEK ESTATES

113 SINGLE FAMILY LOTS
4 COMMON AREA LOT
ZONED: PD
BEING
52.153 ACRES
SITUATED IN THE

HENRY MAXWELL SURVEY, ABSTRACT NO. 579
DANIEL HERRINS SURVEY, ABSTRACT NO. 402
CITY OF MURPHY, COLLIN COUNTY, TEXAS
ENGINEERING CONCEPTS & DESIGN, L.P.
ENGINEERING/PROJECT MANAGEMENT/CONSTRUCTION SERVICES
TEXAS FIRM REG. NO. 001145
201 WINDCO CIRCLE, SUITE 200, WYLE, TX 75098
(972) 941-8400 FAX (972) 941-8401

DATE: SEPTEMBER 5, 2017

OWNER
PETER & TERESA L. GANIS
600 RIDGEVIEW DR.
MURPHY, TX 75094

DEVELOPER
K. HOVNANIAN HOMES
5808 W. PLANO PARKWAY
PLANO, TX 75093
469-7377-1425
CONTACT: MICHAEL DEMERS

LAND SURVEYOR
R.C. MYERS SURVEYING, LLC
488 ARROYO COURT
SUNNYVALE, TX 75182
(214) 532-0636
FAX (972) 412-4875
EMAIL: rcmsurveying@gmail.com
FIRM NO. 10192300 JOB NO. 395

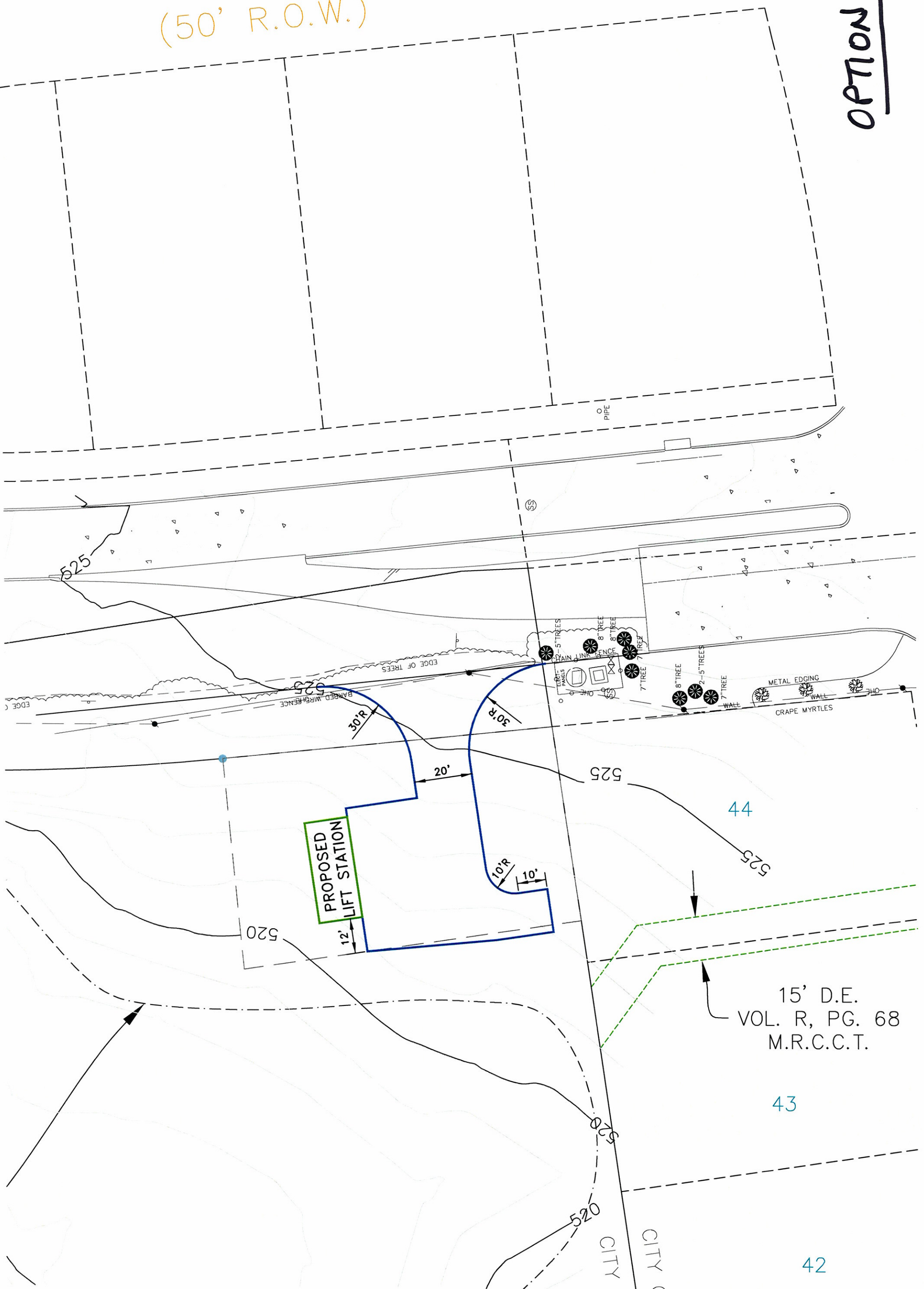
EXHIBIT “B”

Description of Roadway Improvements

EXHIBIT “C”
Description of Sewer Improvements

FEMDALE DRIVE
(50' R.O.W.)

OPTION 1



43

42

44

EXHIBIT “D”

Estimates of Roadway Costs and W/S Line Costs

Prepared by: Greg Peters, P.E.

Date: 10/11/2017

Maxwell Creek Road Widening - Cost Estimate					
Item Number	Item Name	Quantity	Unit	Unit Cost	Subtotal
1	Clearing & Grubbing	72500	SF	\$ 0.10	\$ 7,250.00
2	ROW Demolition	1	LS	\$ 25,000.00	\$ 25,000.00
3	Grading	6800	CY	\$ 9.00	\$ 61,200.00
4	Lime Stabilized Subgrade	800	CY	\$ 125.00	\$ 100,000.00
5	Reinforced Concrete Road Pavement	3450	SY	\$ 95.00	\$ 327,750.00
6	Concrete Drive Approach	180	SY	\$ 75.00	\$ 13,500.00
7	Concrete Sidewalk	11200	SF	\$ 5.00	\$ 56,000.00
8	Signage and Striping	1	LS	\$ 6,500.00	\$ 6,500.00
9	Type Y Inlet	1	EA	\$ 4,500.00	\$ 4,500.00
10	18" RCP Storm Pipe	250	LF	\$ 80.00	\$ 20,000.00
11	Curb Inlet	3	EA	\$ 6,500.00	\$ 19,500.00
12	Hydromulch	45000	SF	\$ 0.25	\$ 11,250.00
13	Curlex	11500	SF	\$ 1.00	\$ 11,500.00
14	Sewer Lift Station Demolition	1	LS	\$ 25,000.00	\$ 25,000.00
15	New Sewer Lift Station	1	LS	\$ 90,000.00	\$ 90,000.00
16	Contingency	1	LS	\$ 50,000.00	\$ 50,000.00

Construction Subtotal \$ 828,950.00

Engineering Design \$ 66,316.00

Testing & Surveying \$ 12,434.250

TOTAL \$ 907,700.250

*Note: Unit Costs shown above assume cost savings of having the work performed in conjunction with the single family residential subdivision. Actual costs will vary.