



**Monday, September 16, 2019
Regular Combined City Council Meeting**

**Council Chambers
3815 Sachse Road, Building B
6:30 p.m.**

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

As authorized by Section 551.071(2) of the Texas Government Code, these meetings may be convened into closed Executive Session at any time during the 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.

A. 6:30 PM WORKSHOP MEETING

1. Call to Order: The City Council of the City of Sachse will hold a Workshop Meeting on Monday, September 16, 2019 at 6:30 p.m. in the Council Chambers at Sachse City Hall, 3815 Sachse Road, Building B, Sachse, Texas to consider the following items of business:
2. Receive an update on the Sachse Community Center construction progress.
3. Unveil the "History in the Rotunda" project that was accomplished in collaboration with the Sachse Historical Society.
4. The City Council shall convene into Executive Session pursuant to Texas Government Code §551.071(1)(A): Consultation with City Attorney regarding the following pending litigation: (1) Randy Cole, Karen Cole, Ryan Cole v. Carl Carson, No. 14-10228 in the U.S. Court of Appeals for the Fifth Circuit, and (2) Randy Cole, Karen Cole, Ryan Cole v. Michael Hunter, Martin Cassidy, No. 15-10045 in the United States Court of Appeals for the Fifth Circuit.
5. Discussion of City Council meeting agenda items.
6. Adjournment.

B. 7:30 PM REGULAR MEETING

1. Call to Order: The City Council of the City of Sachse will hold a Regular Meeting on Monday, September 16, 2019 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:
2. Invocation and Pledges of Allegiance.

C. Special Announcements

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

D. Citizen Input

1. Citizen Input: The public is invited at this time to address the Council. Please 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. Issues raised may be referred to City Staff for research and possible future action.

E. 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 Councilmember or citizen so requests.

1. Approve the minutes of the September 3, 2019, combined meeting.
2. Approve a resolution amending the Master Fee Schedule by amending library fees and providing an effective date.
3. Approve an ordinance repealing ordinance 3920 in its entirety and amending the Code of Ordinances by amending Chapter 10 titled "Utilities" by amending Article 1 titled "in general" by amending Section 10-7 titled "Water Conservation and Drought Contingency and Water Emergency Response Plan" by renaming Section 10-7 "Water Conservation Plan" and by adopting the "2019 Model Water Conservation Plan for North Texas Municipal Water District Member Cities and Customers."
4. Approve the Consent Agenda Items as presented.

F. Regular Agenda Items

1. Discuss and consider a recommendation from the Parks & Recreation Board to the City Council on the naming of the Sachse Community Center as the Michael J. Felix Community Center.
2. Consider an ordinance approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2019 Rate Review Mechanism filings.
3. Consider a resolution nominating candidate(s) for the Collin Central Appraisal District (CCAD) Board of Directors.
4. Consider a resolution nominating candidate(s) for the Dallas Central Appraisal District (DCAD) Board of Directors.
5. Consider an ordinance authorizing certain budget amendments pertaining to the Fiscal Year 2018-2019 Budget.
6. Consider an ordinance approving and adopting the budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020.
7. Ratify the property tax increase in the budget for Fiscal Year 2019-2020.
8. Consider an ordinance levying ad valorem taxes for the year 2019 (Fiscal Year 2019-2020) at a rate of \$0.72 per one hundred dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2019.
9. Consider an ordinance authorizing the issuance and sale of City of Sachse, Texas Limited Tax Note, Series 2019, levying an annual ad valorem tax and providing for the security for and payment of said note; engaging bond consultants, including engaging bond counsel on a contingency fee basis; providing an effective date; and enacting other provisions relating to the subject.
10. Consider an ordinance providing for the defeasance and redemption of a portion of the outstanding City of Sachse, Texas General Obligation Refunding and Improvement Bonds, Series 2009; and enacting other provisions relating to the subject.

G. Executive Session

1. Take any action as a result of Executive Session.

H. Regular Meeting Closing

1. Adjournment.

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

Michelle Lewis Sirianni, City Secretary

Accommodation requests for persons with disabilities should be made at least 48 hours prior to the meeting by contacting Lauren Rose, ADA Coordinator, via phone at 972.429.4770, via email at lrose@cityofsachse.com, or by appointment at 3815 Sachse Road, Building B, Sachse, Texas 75048.

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	A. 6:30 PM WORKSHOP MEETING
Subject	2. Receive an update on the Sachse Community Center construction progress.
Access	Public
Type	Discussion, Information
Goals	Provide a high quality of life environment for families, individuals, businesses, and other organizations in Sachse.

Public Content**BACKGROUND**

The City Council awarded the construction of the Community Center to Ratcliff Constructors on December 3, 2018, in the amount of \$5,701,000.00. Ratcliff Constructors began site grading in January 2019 and the groundbreaking ceremony was held on January 26, 2019.

City staff and representatives from Ron Hobbs Architecture and Interior Design meet with Ratcliff Constructors bi-weekly to receive updates and discuss the progress of the construction of the Community Center. Ron Hobbs updated the Council on the project at the June 17, 2019, City Council Meeting. Ron Hobbs will continue to update the Council every three to four months, as scheduled, until the project is completed.

OVERVIEW

Architect Ron Hobbs will present to the City Council on the construction progress for the Sachse Community Center.

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	A. 6:30 PM WORKSHOP MEETING
Subject	3. Unveil the "History in the Rotunda" project that was accomplished in collaboration with the Sachse Historical Society.
Access	Public
Type	Information

Public Content**BACKGROUND**

The City Hall rotunda is decorated with images depicting parts of Sachse's history. The City and the Sachse Historical Society wished to tell more of the stories that are depicted in the rotunda. Together, they developed the "History in the Rotunda" plaque, which provides greater detail on the photos that line the rotunda walls.

OVERVIEW

The Sachse Historical Society worked hard to provide the details corresponding to each photo. The rotunda includes the following images:

1. Wm. Sachse's first home;
2. Sachse's Business District;
3. The Train Depot;
4. First Water Tower;
5. JK Sachse and wife Mollie Herring Sachse's Home;
6. Iona Herring in front of the school;
7. Sachse's Third City Hall.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Unveil the "History in the Rotunda" plaque with representatives from the Sachse Historical Society.

History in the Rotunda.pdf (434 KB)

History in the Rotunda

#1 Wm. Sachse's Home

William Sachse's second home where he lived in retirement until he died on December 23, 1899. The house was located on what was known as Railroad Street, lots 12 and 13 in block 19, directly across from the train depot. The house was demolished in the early 1960s and today it would sit slightly south of the Sachse Caboose.

#2 Sachse's Business District, 1927

The unpaved road is Highway 78 between Third and Fifth Streets. The building on the far right would become the City's first Fire Department building in 1962. The building on the left is the Gulf, Colorado, and Santa Fe train depot.

#3 The Train Depot

The train depot was located on the north side of the tracks between Third and Fifth Streets. At one time, there was a sign on the building that read "Saxie", which was later corrected.

#4 First Water Tower

This 150,000 gallon elevated water storage tank was constructed in 1972. During the construction, Mr. Bryan Salmon's nearby barn burned to the ground and it was suspected either a welding spark or a cigarette was the cause of the fire. The small building adjacent to the tower served as Sachse's first City Hall until 1966.

#5 JK Sachse and wife Mollie Herring Sachse's Home

JK and Mollie lived in a Victorian house at Second and DeWitt Road along with Mollie's youngest sister, Iona Herring. They raised her as their own child from a very early age. JK, Mollie, and Iona are pictured here in their 1910 Maxwell Touring Car, circa 1910.

#6 Iona Herring in front of the School

Iona Herring sitting in front of the town's three-story school built in the early 1900s on the northeast corner of Third Street and DeWitt Road. The school had a distinctive cupola housing the school bell. In the 1920s, the wooden structure was replaced with a red brick building. The Works Projects Administration (WPA) replaced the red brick building with a tan brick building in the 1930s.

#7 Sachse's Third City Hall

The First Christian Church parsonage was first purchased as a Community Center and Library in 1967. The Library was moved to Brookview Shopping Center and the parsonage was used as the Sachse City Hall from 1967 to 1994.

Information courtesy of the Sachse Historical Society

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	A. 6:30 PM WORKSHOP MEETING
Subject	4. The City Council shall convene into Executive Session pursuant to Texas Government Code §551.071(1)(A): Consultation with City Attorney regarding the following pending litigation: (1) Randy Cole, Karen Cole, Ryan Cole v. Carl Carson, No. 14-10228 in the U.S. Court of Appeals for the Fifth Circuit, and (2) Randy Cole, Karen Cole, Ryan Cole v. Michael Hunter, Martin Cassidy, No. 15-10045 in the United States Court of Appeals for the Fifth Circuit.
Access	Public
Type	Information, Closed Session

Public Content

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	E. 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 Councilmember or citizen so requests.
Subject	1. Approve the minutes of the September 3, 2019, combined meeting.
Access	Public
Type	Action (Consent), Minutes
Recommended Action	Approve the minutes of the September 3, 2019, combined meeting.
Minutes	View Minutes for Sep 3, 2019 - Regular Combined City Council Meeting

Public Content**BACKGROUND**

Minutes of the September 3, 2019, combined meeting.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Approve the minutes of the September 3, 2019, combined meeting.

09.03.19 Combined Minutes.pdf (172 KB)

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 Councilmember or citizen so requests.

CITY COUNCIL OF THE CITY OF SACHSE
MEETING MINUTES
SEPTEMBER 3, 2019

The City Council of the City of Sachse held a workshop and regular meeting on Tuesday, September 3, 2019 at 6:30 p.m. at the City Council Chambers, 3815 Sachse Road, Sachse, Texas. Those present were Mayor Mike Felix, Mayor Pro Tem Bill Adams, Councilmembers Brett Franks, Michelle Howarth, Paul Watkins, Cullen King, and Jeff Bickerstaff; City Manager, Gina Nash; City Secretary, Michelle Lewis Sirianni; Strategic Services Manager, Lauren Rose; Economic Development CEO, Leslyn Blake; Finance Director, Teresa Savage; IT Manager, Danny Wheeler; Parks and Recreation Director, Lance Whitworth; Development Services Director, Matt Robinson; Human Resources Director; Melinda Walter; Fire Chief, Marty Wade, Police Chief, Bryan Sylvester; Assistant Police Chief, Steven Baxter; and Police Lieutenant, Marty Cassidy.

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

EXECUTIVE SESSION:

The City Council shall convene into Executive Session pursuant to Texas Government Code Section §551.087 Economic Development Deliberations: Discussion of a Development Agreement between the City of Sachse and PMB Acquisitions LLC and/or its affiliates to provide incentives related to the development of approximately 119 acres of land within the PGBT Area Zoning District.

The City Council shall convene into Executive Session pursuant to Texas Government Code Section §551.087 Economic Development Deliberations: Deliberate the offer of a financial or other incentive relating to the development of Project Trinity.

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

At 7:37 p.m., the City Council reconvened back into the workshop meeting.

ADJOURNMENT:

Mayor Felix adjourned the workshop at 7:38 p.m.

Mayor Felix opened the regular meeting at 7:38 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND STATE FLAG:

Councilman King offered the invocation and Mayor Pro Tem Adams led the pledges.

MAYOR AND CITY COUNCIL ANNOUNCEMENTS REGARDING SPECIAL EVENTS:

Councilman King announced the 15th anniversary celebration at North Point Church on September 14, and the fundraiser being done by 5 Loaves Food Pantry in coordination with North Texas Giving Day.

Councilwoman Howarth announced upcoming Library events.

Mayor Felix announced upcoming events including Public Safety Day on September 14, the Sachse Homecoming parade on September 25, the X-treme Green event on September 28, and the first responder's cookout on October 15 at Charles Smith Funeral Home.

Presentation of Texas Police Chief's Best Practices Recognition certificate.

Mayor Felix introduced the item.

Mike Sullivan, Police Chief for the City of Farmersville, provided history and background information on the Best Practices Program and the requirements set forth that must be met. Chief Sullivan indicated that the City of Sachse has been recognized for the past eight years, which is commendable. Chief Sullivan presented the Sachse Police Department with a certificate of re-recognition.

Chief Sylvester presented Lieutenant Cassidy a Chief's Coin in honor of his dedication, continual work, and for overseeing the department's re-certification for the Best Practices Program.

CITIZENS INPUT:

Drew Shubzda, 3331 Meadow Bluff, invited the City Council and the citizens to the upcoming Sachse Lions Club golf fundraiser.

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 City Councilmember or citizen so requests.

- 1. Approve the minutes of the August 19, 2019, joint workshop meeting.**
- 2. Approve the minutes of the August 19, 2019, regular meeting**
- 3. Accept the monthly revenue and expenditure reports for the period ending July 31, 2019.**

4. Approve an agreement for the terms and conditions by and between Dallas County and the City of Sachse for fire protection services.

5. Approve an agreement for the terms and conditions by and between Dallas County and the City of Sachse for ambulance services.

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

REGULAR AGENDA ITEMS:

Receive an update on the Sachse Road/5th Street widening project with Dallas County and consider a resolution affirming the City's ability to fund Dallas County MCIP Project #22804 in the amount of six million, three-hundred thousand dollars for the reconstruction of 0.75 miles of Sachse Road.

Mrs. Nash gave an update of the Sachse Road and 5th Street widening project, which included a description and background. The project was bid by Dallas County in March 2019. The bids were opened in May 2019. Dallas County Public Works staff has requested confirmation that the City has its share of the project's funding identified prior to taking the contract to the Commissioner's Court for approval and award. Mrs. Nash reviewed the project funding. The project has been delayed several times, resulting in an \$800,000 funding gap. The City can cover that gap by using \$600,000 of Dallas County Road and Bridge District #2 funds offered by Commissioner Koch and by pulling \$200,000 from the General Fund. The \$600,000 from Dallas County will be distributed throughout three fiscal years on a reimbursement basis. Staff will also continue to work with the City's partners for other cost saving alternatives. Staff recommends the City Council approve the funding strategy for the Sachse Road project and adopt a resolution affirming the City's ability to fund its share of the project.

Councilman Franks questioned why the project has taken so long. Mrs. Nash replied that part of the delay stemmed from new procurement rules and the re-design efforts by staff. John Mears with Dallas County also indicated that it took time for right-of-way acquisition and utility relocation.

The City Council expressed their readiness to begin the project.

Councilman Watkins made a motion to approve the funding strategy as proposed and a resolution affirming the City's ability to fund Dallas County MCIP Project #22804 in the amount of six million, three-hundred thousand dollars for the reconstruction of 0.75 miles of Sachse Road. Councilman Bickerstaff seconded that motion and the motion was unanimously approved.

Conduct the second public hearing on the proposed tax rate for the 2019-2020 fiscal year.

Mrs. Savage stated this is the second of two mandated public hearings on the tax rate due to the proposed tax rate exceeding the Effective Tax Rate.

Mayor Felix opened the public hearing.

No comments were made.

Mayor Felix closed the public hearing.

No further comments were made.

Conduct a public hearing on the proposed 2019-2020 fiscal year budget.

Mrs. Savage stated there have been no changes on the operation side since the last presentation. She presented an overview of the General Fund, Utility Fund, departmental summaries, and General and Utility Fund supplementals. She also reviewed the proposed capital projects and funding sources.

Mayor Felix opened the public hearing.

Kirk Wood, 6322 Falcon Crest, stated he is disappointed with the half million-dollar change that has occurred halfway through the budget process.

Mayor Felix closed the public hearing.

No further comments were made.

Discuss and consider eliminating fines for overdue Library items, waiving outstanding overdue fine balances, and waiving outstanding fines for older lost and damaged library materials.

Mr. Laney, Library Manager, presented information about why libraries are eliminating fines. Mr. Laney reviewed the City's current overdue fines fee structure, lending policies, and fines collected from FY 2012 to projected in FY 2019. A one-week overdue fine study was conducted by the Library. The data showed that they had 28 fine interactions, which reflects \$78.95 in fine revenue resulting in an average payment per patron of \$2.82. One to two employees processed the interactions, resulting in an estimated labor costs of \$54.44 (69%). Mr. Laney also stated other libraries in the DFW area have eliminated fines and reviewed their experiences. At the August 12 Library Board meeting, the Board recommended to remove overdue fines, suspend borrowing privileges once items are overdue, declare unreturned items 'lost' after 30 days overdue, and update the Library Circulation Policy to reflect these changes. Staff is recommending to eliminate fines for overdue items, waive outstanding fine balances, and waive outstanding fines for older lost and damaged items.

Councilman King asked how much inventory would they be writing off and what was a normal year write off. Mr. Laney responded the existing total to write off is \$39,522.52.

Councilman Bickerstaff expressed concern regarding the incentive to return items and access to other materials if they have an overdue item. He believes there needs to be accountability. Councilman Bickerstaff asked how long are items typically kept. Mr. Laney stated that in March,

8% of items were considered overdue. Of that 8%, 6.87 % were returned in 30 days, 0.5% were returned within 30-120 days, and 0.63% were considered 'lost'.

Councilwoman Howarth shared comments from the Library Board meeting and shared the same concerns as Councilman Bickerstaff. She indicated that her mind was changed after hearing comments about potentially preventing patrons from visiting the Library due to being embarrassed by the fines and with the policy change of lost items declared going from 120 days to 30 days.

Mayor Pro Tem Adams stated it is worth trying the new policy for a year and that they may also revisit the item if necessary.

Councilman Franks stated the email notifications work in his household to remind them to return an item. Mr. Laney noted that the notifications have proven to be most effective.

Mayor Felix stated that if they keep the fines, they should be increasing them.

Councilman King agreed with Mayor Pro Tem Adams about revisiting the item in a year before budget.

Kirk Wood, 6322 Falcon Crest, stated a fine of \$5.00 will not encourage someone to bring back an item. He agreed the emails are very effective method.

Councilman Franks made a motion to approve eliminating fines for overdue Library items, waiving outstanding overdue fine balances, and waiving outstanding fines for older lost and damaged library materials. Councilman Watkins seconded that motion.

Councilman Bickerstaff stated for clarification, he supports the waiving of the fines, but not the policy regarding the lost items.

The motion passed with a 6-1 vote. Councilman Bickerstaff voted no.

EXECUTIVE SESSION:

The City Council shall convene into Executive Session pursuant to Texas Government Code Section §551.074: Personnel - regarding the annual review of the City Secretary.

At 8:59 p.m., the City Council recessed into Executive Session.

At 9:47 p.m., the City Council reconvened back into the regular meeting.

Mayor Pro Tem Adams made a motion to approve workshop item A2 as presented, the first amendment to the development agreement and consent to assignment between the City of Sachse and PMB, The Station Developer, LLC relating to The Station development. Councilwoman Howarth seconded that motion and the motion was unanimously approved.

No action taken on workshop item A3 (Project Trinity).

Councilman Bickerstaff made a motion to increase the City Secretary's annual salary by 3%. Councilman King seconded that motion and the motion was unanimously approved.

ADJOURNMENT:

Mayor Felix adjourned the regular meeting at 9:51 p.m.

ATTEST:

MIKE J. FELIX, MAYOR

Michelle Lewis Sirianni, City Secretary

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	E. 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 Councilmember or citizen so requests.
Subject	2. Approve a resolution amending the Master Fee Schedule by amending library fees and providing an effective date.
Access	Public
Type	Action (Consent)
Preferred Date	Sep 16, 2019
Fiscal Impact	No
Recommended Action	Approve a resolution amending the Master Fee Schedule by amending library fees and providing an effective date.
Goals	Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content**BACKGROUND**

The Master Fee Schedule is a convenient tool for citizens and customers to use to acquaint themselves with various charges for City services. The schedule can be updated periodically for necessary changes without amending the associated ordinances.

OVERVIEW

The only changes to the current Master Fee Schedule are related to library overdue items and waiving replacement cost of lost items prior to 2013. These changes were approved by City Council on September 3, 2019, and have been included in the proposed schedule; therefore, this action has been included as a consent agenda item. There are no other changes to the proposed schedule. Of note, there are no requested changes to water, sewer or refuse charges at this time, which typically occur annually.

RECOMMENDATION

Approve a resolution amending the Master Fee Schedule by amending library fees and providing an effective date.

[Master Fee Schedule FY20.pdf \(158 KB\)](#)[Resolution Amending Master Fee Schedule 2019.pdf \(72 KB\)](#)

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 Councilmember or citizen so requests.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS,
AMENDING THE MASTER FEE SCHEDULE ADOPTED BY RESOLUTION 3433 BY
AMENDING LIBRARY SERVICES AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, The City Council desires to amend the Master Fee Schedule adopted by Resolution 3433, as provided herein.

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

SECTION 1. The Master Fee Schedule adopted by Resolution 3433 is hereby amended, as set forth in the attached Exhibit "A".

SECTION 2. This Resolution shall take effect immediately from and after its passage, and it is so accordingly resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this the 16th day of September, 2019.

CITY OF SACHSE, TEXAS

Mike Felix, Mayor

ATTEST:

Michelle Lewis Sirianni, City Secretary

APPENDIX A

MASTER FEE SCHEDULE FY2020



MASTER FEE SCHEDULE

I. PUBLIC SAFETY FEES

A. Alarm monitoring

		\$10 initial and renewal Valid 2 years from date of issuance
1.	Residential alarm permit fee	
2.	Nonvalid burglar alarms responded to during a 12-month period	
a.	Five (5) or less	No charge
b.	Six (6)	\$25.00
c.	Seven (7)	\$50.00
d.	Eight (8)	\$100.00 plus permit suspension
3.	Nonvalid fire alarms responded to during a 12-month period	
a.	Two (2) or less	No charge
b.	Three (3) or more	\$100.00
4.	Nonvalid robbery alarms responded to during a 12-month period	
a.	Two (2) or less	No charge
b.	Three (3) or more	\$100.00
5.	Nonvalid emergency medical assistance responded to during a 12-month period	
a.	Five (5) or less	No charge
b.	Six (6) or more	\$100.00
		\$30.00 plus \$10.00 per additional person
B.	Solicitation Registration Fee (not to exceed 90 days)	

C. Animal control

1.	Adoption fee with sterilization	
a.	Cats/kittens/dogs/puppies receive sterilization/combo vaccine/rabies vaccine/microchip	\$80.00
2.	Adoption fee without sterilization	
a.	Cats/kittens/dogs/puppies already sterilized receive combo vaccine/rabies vaccine/microchip	\$25.00
3.	Dangerous dog annual registration	\$100.00
4.	Annual permits	
a.	Pot-bellied pig (per animal)	\$20.00
b.	Pigeon (fancy or racing loft/per animal)	\$5.00
c.	Dog/Cat	
	1) Application fee w/o sterilization proof	\$7.00
	2) Application fee w sterilization proof	\$2.00
5.	Replacement tag (w proof of original registration)	\$1.00
6.	Impoundment (registration additional if animal currently not on file)	



MASTER FEE SCHEDULE

a.	1st pickup of animal	\$25.00 plus \$5 boarding fee
b.	2nd pickup of animal	\$50.00 plus \$5 boarding fee
c.	3rd pickup of animal	\$75.00 plus \$5 boarding fee
d.	4th pickup of animal	\$100.00 plus \$5 boarding fee
D. Fire Services		
1.	Installation/replacement/re-model of fire protection systems	
a.	Plan review fee	\$100.00
b.	Fire sprinkler installation permit (per building)	
	1) 1 to 100 sprinklers	\$275.00
	2) 101 to 200 sprinklers	\$325.00
	3) 201 to 300 sprinklers	\$350.00
	4) 301 to 400 sprinklers	\$375.00
	5) 401 to 500 sprinklers	\$425.00
		\$500.00 plus \$.33 per sprinkler over 500
	6) Over 500 sprinklers	
c.	Fire alarm installation permit (per building)	
	1) Ten (10) or less devices	\$50.00
	2) Eleven (11) to twenty-five (25) devices	\$75.00
	3) Twenty-six (26) to 100 devices	\$150.00
	4) 101 to 200 devices	\$200.00
	5) 201 or more devices	\$400.00
d.	Fire alarm panel replacement only	\$100.00
e.	Hydro & flush (per system)	\$50.00
f.	Fire pump (per system)	\$50.00
g.	Hydrant flow test (2 hydrants)	\$50.00
h.	Vent/hood/booth extinguishing system (per system)	\$50.00
i.	Work started without a permit	\$100.00 plus required fee
j.	Replacement	
	1) Fire department permit replacement	\$10.00
	2) Job site plan re-stamp	\$15.00
k.	Re-inspection fee	
	1) Two (2) or more	\$50.00 per re-inspection
2.	Inspection/occupancy permits	
a.	Carnivals and fairs	\$50.00
b.	Exhibits and trade shows	\$50.00
c.	Temporary structures, tents or canopies (used for permits not included in community development permit fee)	\$50.00
d.	In-home day care certificate of occupancy	\$50.00
e.	Multi-family certificate of occupancy	\$50.00
f.	Foster care/adoption home inspection	\$25.00
g.	Dangerous building abatement admin fee	\$250.00



MASTER FEE SCHEDULE

h.	After hour inspection fee	\$50.00/hour min 2 hr/\$100.0
3.	Fire permits	
a.	Outdoor/open burning	\$150.00
b.	Pyrotechnic special effects	\$100.00
		\$400.00/hr each engine plus \$200.00/hr each ambulance plus supplies
c.	Hazardous material response reimbursement	
d.	Fire watch/stand-by	\$50.00/hr each fire employee
E.	Ambulance services	
1.	Resident	
a.	ALS (Waive co-pay and deductible)	\$850.00
b.	ALS2 (Waive co-pay and deductible)	\$1,000.00
c.	BLS (Waive co-pay and deductible)	\$750.00
d.	SCT	No charge
2.	Non-resident	
a.	ALS	\$850.00
b.	ALS2	\$1,000.00
c.	BLS	\$750.00
d.	SCT	No charge
3.	Mileage	\$15.00
4.	Supplies	
a.	Oxygen	\$125.00
b.	BLS supplies	\$350.00
c.	ALS supplies	\$400.00
d.	Extra attendant	\$75.00
5.	Extrication	\$500.00
6.	Technology fee	\$0.00
7.	No transport	\$150.00

II. ENGINEERING, HEALTH AND SANITATION

A.	Engineering permits	
1.	Traffic calming application	\$50.00
2.	Floodplain	\$100.00
3.	Grading	\$150.00
		Fee shall equal one-half of the state fee for each permit 4.5% of cost of public improvements
B.	Engineering inspections and review fees	
1.	Engineering inspection fee	
2.	Construction plan review	\$300.00



MASTER FEE SCHEDULE

		Hourly fee based on current hourly wage of City maint.
C.	Care of public trees in street or right of way	Workers
D.	Health and Sanitation permits	
1.	Health	\$225.00
2.	Temporary food sales (must be obtained from Dallas County Health department. Applies to all applicants providing food products.	\$50.00
3.	Public swimming pool	\$100.00
4.	Alcohol	Fee shall equal one-half of the state fee for each permit
5.	Liquid waste transport	\$25.00 per vehicle

III. FACILITY ROOM RENTAL DEPOSIT/FEES

A.	Library meeting room	
1.	Deposit	
a.	Without food served	\$25.00
b.	With food served	\$50.00
c.	VGA/audio cable	\$15.00
2.	Room rental	
a.	Non-profits	No charge
b.	All other groups	\$25.00
B.	Senior activity center multi-purpose room A	
1.	Deposit	\$100.00
2.	Room rental	\$25.00 per hour

IV. LIBRARY

A.	Library card	
1.	Initial library card request	No charge
2.	Replacement	\$1.00
B.	Ear Buds available	\$1.00
C.	Pin-back button materials available	\$0.25
D.	Texshare card	No charge
E.	Lost and/or Damaged Items	
1.	Lost or damaged beyond repair	Replacement cost plus \$5.00 processing fee
2.	Replacement item in lieu of fee	Replacement item plus \$5.00 processing fee



MASTER FEE SCHEDULE

3.	Damaged item but not requiring replacement	\$5.00 processing fee
4.	Damaged case or container	Replacement fee
F.	Interlibrary loan	
1.	Pickup materials	
a.	Timely pickup	No charge
b.	Within seven (7) days	No charge
c.	Eight (8) days or more	\$5.00 per item
G.	Copy services	
1.	Black/white copy	\$0.20
2.	Color copy	\$0.50
3.	Computer print out	\$0.25
4.	3D printer	.15 per gram/\$1.50 minimum

V. MUNICIPAL COURT FINES/FEES

A.	Set by state statute	
1.	Building security fund	\$3.00
2.	Technology fund	\$4.00
B.	Dismissal	
1.	Granting defensive driving course	Not to exceed \$10.00 \$10 or \$20 depending on offense type
2.	Dismissal fee for certain traffic cases	
C.	Warrant Fee	\$50.00

VI. PARK FACILITY RENTAL FEES

A.	Ball field reservations/deposits	
1.	Reservation fee	
a.	Four (4) hours or less	\$25.00 per field
b.	Five (5) hours or more	\$10.00 per field per hour
2.	Deposits	
a.	Light key	\$25.00
b.	Clean-up deposit for tournaments and/or concession stand use	\$50.00
B.	Covered picnic facilities (based on daily rates)	
1.	Reservation fee	
a.	Four (4) hours or less	\$25.00 per facility
b.	Five (5) hours or more	\$10.00 per facility per hour



MASTER FEE SCHEDULE

2.	Deposit	
a.	Light key	No charge
C.	City complex amphitheater (based on daily rates)	
1.	Reservation fee	
a.	Four (4) hours or less	\$25.00 per facility
b.	Five (5) hours or more	\$10.00 per facility per hour
c.	Restroom during amphitheater rental	\$25.00/hour
2.	Deposit	
a.	Light key	No charge

VII. LAURIE SCHWENK SENIOR ACTIVITY CENTER

A.	Annual membership	
1.	Resident	\$6.00
2.	Non-resident	\$12.00
B.	Daily pick-up/drop-off within the City limits only	
		\$.50/one way or \$1.00 roundtrip
1.	Resident	
2.	Non-resident	Not available

VIII. SACHSE COMMUNITY CENTER Under construction.

VIX. BUILDING PERMITS AND DEVELOPMENT SERVICES FEES

A.	Building permit fee schedule	
1.	Total valuation	
a.	\$1.00 to \$500	\$50.00
b.	\$501 to \$2,000	\$50.00 for the first \$500 plus \$3.05 for each additional \$100
c.	\$2,001 to \$25,000	\$95.75 for the first \$2,000 plus \$14 for each additional \$1,000



MASTER FEE SCHEDULE

		417.75 for the first \$25,000 plus \$10 for each additional \$1,000
d.	\$25,001 to \$50,000	
e.	\$50,001 to \$100,000	\$667.75 for the first \$50,000 + \$7 for each additional \$1,000
f.	\$100,001 to \$500,000	\$1017.75 for the first \$100,000 + \$5.60 for each additional \$1,000
g.	\$501,000 to \$1,000,000	\$3,257.75 for the first \$500,000 + \$4.75 for each additional \$1,000
h.	\$1,000,001 and up	\$5,632.75 for the first \$1,000,000 + \$3.65 for each additional \$1,000
B.	Residential home construction	
		30% of total building permit fee (based on Building Permit Fee Schedule)
1.	Plan Review fee (New single-family homes)	Declared Valuation [minimum \$100.00 per sq ft (including garages, porches, and/or patios)]
2.	New home construction, additions and remodels	\$250.00
3.	Additional plan review (required by changes, additions or revisions to plans after permit approval)	
C.	Commercial construction	
		30% of total building permit fee (based on Building Permit Fee Schedule)
1.	Plan review (new construction and remodel)	Declared Valuation (minimum \$95.00 per sq ft)
2.	Remodels	Declared Valuation (minimum \$150.00 per sq ft)
3.	New construction	\$250.00
4.	Additional plan review (required by changes, additions or revisions to plans after permit approval)	
D.	Certificate of Occupancy	\$75.00
E.	Inspections	
1.	Outside of normal business hours	\$100.00
2.	Re-inspection fee after permit approval	\$75.00 per inspection
F.	Licenses and contractor registration	Annual
1.	Plumber - Master	State Law \$0.00
2.	Electrician - Master, Journeyman, or Residential	State Law \$0.00
3.	Mechanical - License Holder	\$100.00
4.	Backflow Specialist - Testers	\$100.00
5.	Irrigation - License Holder	\$100.00



MASTER FEE SCHEDULE

6.	General Contractor	\$100.00
7.	Contractors (other than listed above)	\$100.00
G. Permits		
1.	Electrical	
a.	Residential	\$75.00
b.	Non-residential	\$100.00
2.	Mechanical permits	
a.	Initial fee for issuance	\$50.00
b.	New Installations (includes but not limited to heating, ventilating, ductwork, air-conditioning, exhaust, venting, combustion air, pressure, vessel, solar, fuel oil and refrigeration systems and appliance installation)	\$15.00 for the first \$1,000.00 valuation plus \$5.00 for each additional \$1,000.00 or fraction thereof
c.	Repair (includes but not limited to repairs, alterations and additions to an existing system)	\$10.00 for the first \$1,000.00 valuation plus \$3.00 for each additional \$1,000.00 or fraction thereof
d.	Boiler	\$100.00
e.	Residential (minimum)	\$75.00
d.	Non-Residential (minimum)	\$100.00
3.	Plumbing	
a.	Residential	\$75.00
b.	Non-residential	\$100.00
4.	Antenna permit - private	\$50.00
5.	Demolition	
a.	Residential structure	\$100.00
b.	Non-Residential structure	\$200.00
6.	Fence/screen wall/retaining wall	
a.	Residential - Fence	\$50.00
b.	Residential - Screen wall	\$250.00
c.	Residential - Retaining wall	\$50.00
d.	Commercial (fence, retaining wall and screen wall)	\$250.00
7.	Lawn irrigation	\$100.00
8.	Miscellaneous	
a.	Flatwork (patios, driveways, pads, sidewalks)	Based on valuation of construction materials only-see section VIII. A. Building permit fee schedule
b.	Accessory - Residential (buildings greater than 120 square feet)	Based on valuation of construction materials only-see section VIII. A. Building permit fee schedule



MASTER FEE SCHEDULE

Based on valuation of labor and materials-see section VIII. A. Building permit fee schedule

c.	Accessory - Non-Residential	
d.	All other Residential permits (includes but not limited to foundation repair, flag poles, roofing, re-brick)	\$50.00
d.	Use of outside consultants for plan checking and/or inspections	Actual costs plus 15% administrative fee
e.	Taxicab and limousine	\$200.00 per vehicle per year
f.	Massage establishment	\$400.00 per year
g.	Sexually-oriented business license (initial and renewal)	\$500.00
9.	Sign	
a.	Permanent (attached or freestanding)	\$125 per sign
b.	Temporary	\$25 per sign
c.	Repair	\$10 per sign
d.	Sign variance application fee	\$25.00
e.	Sign variance	\$300.00
H.	Park land dedication by developers	
1.	Single-family residential	\$1,100 per lot
2.	Multi-family	\$600 per unit
I.	Swimming Pools	
1.	Storable Swimming Pool	\$50.00
2.	Above Ground	\$200.00
3.	In-Ground	\$500.00
4.	Spa/Hot Tub	\$200.00
J.	Temporary Retail and seasonal sales	
1.	Temporary seasonal sales	
a.	Church/school/civic/City-sponsored events	No charge
b.	All other	\$200.00
2.	Temporary retail sales (five (5) consecutive days, at six (6) month intervals by the same merchant holding certificate of occupancy.)	\$50.00
3.	Temporary food sales	See Section II. D-2
K.	Board of adjustment or appeals	
1.	Variance request	\$300.00
L.	Plat applications	
1.	Preliminary plat	\$400.00 per plat plus \$15.00 per acre
2.	Final plat, (includes replats and minor plats)	\$450.00 per plat plus \$15.00 per acre
3.	Conveyance plat	\$350.00 per plat plus \$15.00 per acre



MASTER FEE SCHEDULE

		\$350.00 per plat plus \$15.00
4.	Amending plat	per acre
		\$350.00 per plat plus \$15.00
5.	Vacating plat	per acre
M.	Water System	
1.	Water meter installation fee when tap is present (single family and/or multi-family)	
a.	5/8" X 3/4"	\$225.00
b.	1"	\$300.00
c.	1 1/2"	\$520.00
d.	2"	\$675.00
		\$675.00 City installation. Developer installs vault/bears cost.
e.	3" (including Octave)	
		\$800.00 Developer installs vault/bears cost.
f.	4" and above (including Octave)	
2.	Water meter installation fee when tap is not present (single family and/or multi-family)	
a.	5/8" X 3/4"	\$225.00
b.	1"	\$300.00
c.	1 1/2"	\$520.00
d.	2"	\$675.00
		\$675.00 City installation. Developer installs vault/bears cost.
e.	3" (including Octave)	
		\$800.00 Developer installs vault/bears cost.
f.	4" and above (including Octave)	
3.	Water system tap charges	
a.	5/8" X 3/4"	\$300.00
b.	1"	\$300.00
c.	1 1/2"	\$322.00
d.	2"	\$345.00
		\$675.00 City installation. Developer installs vault/bears cost.
e.	3" (including Octave)	
		\$800.00 Developer installs vault/bears cost.
f.	4" and above (including Octave)	
4.	Water system bore charges	
a.	5/8" X 3/4"	\$450.00
b.	1"	\$500.00
c.	1 1/2"	\$500.00
d.	2"	\$500.00
		\$675.00 City installation. Developer installs vault/bears cost.
e.	3" (including Octave)	



MASTER FEE SCHEDULE

		\$800.00 Developer installs vault/bears cost.
f.	4" and above (including Octave)	
5.	Water Meter Cost	
a.	5/8" X 3/4"	\$255.00
b.	1"	\$351.54
c.	1 1/2"	\$600.17
d.	2"	\$777.49
e.	3" (including Octave)	\$2,450.44
f.	4" and above (including Octave)	\$3,143.53
g.	6"	\$4,585.20
h.	8"	\$5,493.37
N.	Zoning	
		\$400.00 per request plus \$15.00 per acre
1.	Standard	
2.	Special use permit	\$650.00
		\$750.00 per request plus \$15.00 per acre
3.	Planned development zoning request	
4.	Zoning verification letter	\$150.00

X. NETWORK PROVIDER FEES (Resolution 3846, adopted January 2018)

A.	Small Cell Application Fees:	
1.	One - Five network nodes	\$500.00
2.	More than 5 nodes	\$250.00
3.	Per Pole	\$1,000.00
B.	Small Cell User Fees	
1.	Annual fee for each network node	\$250.00
2.	Annual City pole attachment fee	\$20.00
C.	Transport Facility Monthly user fee	\$28.00 multiplied by the #of network provider's network

XI. IMPACT FEE (State requires update every 5 years. Last revision 12/3/12. Reviewed 2017)

A.	Roadway impact fee (land use category)	
1.	Port and Terminal	
a.	Truck Terminal (acre)	\$15,880.78
B.	Industrial	
1.	General Light Industrial (1,000 SF GFA)	\$2,356.57
2.	General Heavy Industrial (1,000 SF GFA)	\$458.80



MASTER FEE SCHEDULE

3.	Industrial Park (1,000 SF GFA)	\$2,085.46
4.	Warehousing (1,000 SF GFA)	\$771.62
5.	Mini-Warehouse (1,000 SF GFA)	\$625.64
C. Residential		
1.	Single-Family Detached Housing (Dwelling Unit)	\$2,450.42
2.	Apartment / MultiFamily (Dwelling Unit)	\$1,501.53
3.	Residential Condominium/ Townhome (Dwelling Unit)	\$1,261.70
4.	Mobile Home Park / Manufactured Housing (Dwelling Unit)	\$1,428.54
5.	Senior Adult Housing-Detached (Dwelling Unit)	\$656.92
6.	Senior Adult Housing-Attached (Dwelling Unit)	\$385.81
7.	Assisted Living (Beds)	\$531.79
D. Lodging		
1.	Hotel (Room)	\$761.55
2.	Motel / Other Lodging Facilities (Room)	\$761.51
E. Recreational		
1.	Golf Driving Range (Tee)	\$3,034.34
2.	Golf Course (acre)	\$729.91
3.	Recreational Community Center (1,000 SF GFA)	\$2,063.42
4.	Ice Skating Rink (Seats)	\$291.96
5.	Miniature Golf Course (Hole)	\$802.90
6.	Multiplex Movie Theater (Screens)	\$16,076.19
7.	Racquet / Tennis Club (Court)	\$8,122.87
F. Institutional		
1.	Church (1,000 SF GFA)	\$0.00
2.	Day Care Center (1,000 SF GFA)	\$2,537.90
3.	Primary / Middle School (1-8) (Students)	\$385.81
4.	High School (Students)	\$312.82
5.	Junior / Community College (Students)	\$291.96
6.	University / College (Students)	\$510.94
G. Medical		
1.	Clinic (1,000 SF GFA)	\$6,277.74
2.	Hospital (Beds)	\$2,200.15
3.	Nursing Home (Beds)	\$531.79
4.	Animal Hospital / Veterinary Clinic (1,000 SF GFA)	\$4,577.59
H. Office		
1.	Corporate Headquarters Building (1,000 SF GFA)	\$2,549.48
2.	General Office Building (1,000 SF GFA)	\$2,705.89
3.	Medical-Dental Office Building (1,000 SF GFA)	\$6,287.66
4.	Single Tenant Office Building (1,000 SF GFA)	\$3,143.83
5.	Office Park (1,000 SF GFA)	\$2,690.24



MASTER FEE SCHEDULE

I. Commercial – Automobile Related		
1.	Automobile Care Center (1,000 SF Occ. GFA)	\$4,921.69
2.	Automobile Parts Sales (1,000 SF GFA)	\$8,258.42
3.	Gasoline / Service Station (Vehicle Fueling Position)	\$19,373.92
4.	Gasoline / Service Station w Conv Market (Vehicle Fueling Position)	\$14,274.97
5.	Gasoline / Service Station w/ Conv Market and Car Wash (Vehicle Fueling Position)	\$14,869.33
6.	New Car Sales (1,000 SF GFA)	\$5,025.96
7.	Quick Lubrication Vehicle Shop (Servicing Bays)	\$6,287.66
8.	Self-Service Car Wash (Stall)	\$6,715.18
9.	Tire Store (1,000 SF GFA)	\$7,246.97
J. Commercial – Dining		
1.	Fast Food Restaurant with Drive-Thru Window (1,000 SF GFA)	\$12,057.22
2.	Fast Food Restaurant without Drive-Thru Window (1,000 SF GFA)	\$4,441.03
3.	High Turnover (SitDown) Restaurant (1,000 SF GFA)	\$1,903.33
4.	Quality Restaurant (1,000 SF GFA)	\$1,268.79
5.	Coffee / Donut Shop with Drive-Thru Window (1,000 SF GFA)	\$10,788.44
K. Commercial – Other Retail		
1.	Free-Standing Retail Store (1,000 SF GFA)	\$4,363.83
2.	Nursery (Garden Center) (1,000 SF GFA)	\$3,686.05
3.	Home Improvement Superstore (1,000 SF GFA)	\$1,496.32
4.	Pharmacy / Drugstore without Drive-Thru Window (1,000 SF GFA)	\$4,796.56
5.	Pharmacy / Drugstore with Drive-Thru Window (1,000 SF GFA)	\$6,397.15
6.	Shopping Center (1,000 SF GFA)	\$2,982.21
7.	Supermarket (1,000 SF GFA)	\$8,143.72
8.	Toy / Children's Superstore (1,000 SF GFA)	\$4,233.49
9.	Department Store (1,000 SF GFA)	\$1,511.96
10.	Video Rental Store (1,000 SF GFA)	\$16,485.56
L. Services		
1.	Walk-In Bank (1,000 SF GFA)	\$17,642.99
2.	Drive-In Bank (Drive-In Lanes)	\$33,179.67
3.	Hair Salon (1,000 SF GFA)	\$2,815.37
M. Water impact fee		
1.	Simple	
a.	5/8" X 3/4"	\$2,521.69
b.	Residential 3/4"	\$2,521.69
c.	Commercial 3/4"	\$3,782.54
d.	1"	\$6,304.24
e.	1 1/2"	\$12,608.48
f.	2"	\$20,173.57
2.	Compound	



MASTER FEE SCHEDULE

	a.	2"	\$20,173.57
	b.	3"	\$40,347.13
	c.	4"	\$63,042.39
	d.	6"	\$126,084.78
	e.	8"	\$201,735.65
	f.	10"	\$289,995.00
3.	Turbine		
	a.	2"	\$25,216.95
	b.	3"	\$60,520.70
	c.	4"	\$105,911.22
	d.	6"	\$231,996.00
	e.	8"	\$403,471.30
	f.	10"	\$630,423.91
	g.	12"	\$832,159.56
N.	Wastewater impact fee (meter equivalent)		
	Simple		
	a.	5/8" X 3/4"	\$1,857.68
	b.	Residential 3/4"	\$1,857.68
	c.	Commercial 3/4"	\$2,786.53
	d.	1"	\$4,644.21
	e.	1 1/2"	\$9,288.42
	f.	2"	\$14,861.47
	Compound		
	a.	2"	\$14,861.47
	b.	3"	\$29,722.94
	c.	4"	\$46,442.09
	d.	6"	\$92,884.17
	e.	8"	\$148,614.68
	f.	10"	\$213,633.60
	Turbine		
	a.	2"	\$18,576.83
	b.	3"	\$44,584.40
	c.	4"	\$78,022.71
	d.	6"	\$170,906.88
	e.	8"	\$297,229.36
	f.	10"	\$464,420.87
	g.	12"	\$613,035.55



MASTER FEE SCHEDULE

XII. REFUSE SERVICES FEES Current contract expires April 2024.

A. Residential		
1.	Trash Collection	\$7.34
2.	Recycle Collection	\$4.77
3.	Bulk Collection	\$3.02
4.	Residential Franchise Fees	\$1.21
5.	Administrative Fee	\$0.26
6.	Additional Solid Waste Polycart	\$7.25
7.	Additional Recycle Polycart	\$3.25
8.	Polycart replacement Fee	\$75.00
9.	Excess Individual Bulk collection (Billed direct to customer)	\$12 per yard
B. Small Commercial Container Service (95 gallon cart) Does not include franchise fees, billing fees or taxes)		
1.	Monthly per unit charge	\$17.00
2.	Additional Polycart	\$15.50
3.	Commercial Franchise Fees	3%

XIII. WATER RATE SCHEDULE (Rate Study conducted 2019 by New GenStrategies concludes 09/30/23)

A. Residential		
1.	Base Rate by meter size	
a.	5/8" X 3/4"	\$16.50
b.	1"	\$16.50
c.	1 1/2"	\$16.50
d.	2"	\$16.50
2.	Tier Rate usage per 000's gallons	
a.	0-10,000	\$4.90
b.	10,001-20,000	\$6.55
c.	20,001-30,000	\$8.50
d.	Over 30,000	\$10.00
B. Non-Residential		
1.	Base Rate by meter size	
a.	5/8" X 3/4"	\$16.50
b.	1"	\$26.10
c.	1 1/2"	\$42.16
d.	2"	\$61.39
e.	3"	\$85.60
f.	4"	\$114.10



MASTER FEE SCHEDULE

g.	6" and above	\$285.30
2.	Tier Rate usage per 000's gallons	
a.	0-10,000	\$4.90
b.	10,001-20,000	\$6.55
c.	20,001-30,000	\$8.50
d.	Over 30,000	\$10.00
C.	Irrigation	
1.	Base Rate by meter size	
a.	5/8" X 3/4"	\$16.50
b.	1"	\$26.10
c.	1 1/2"	\$42.16
d.	2"	\$61.39
e.	3"	\$85.60
f.	4"	\$114.10
g.	6" and above	\$285.30
2.	Tier Rate usage per 000's gallons	
a.	0-10,000	\$4.90
b.	10,001-20,000	\$6.55
c.	20,001-30,000	\$8.50
d.	Over 30,000	\$10.00

XIV. WATER SERVICE CONNECTION FEES

A.	Deposit by meter size	
1.	5/8" X 3/4"	\$150.00
2.	1"	\$150.00
3.	1 1/2"	\$175.00
4.	2"	\$200.00
5.	3"	\$300.00
6.	4"	\$400.00
7.	6" and above	\$600.00
B.	Multi-family unit deposit	\$100.00
C.	Real Estate properties deposit (per 5 units)	\$150.00
D.	Fire Hydrant Meter	
1.	Deposit (refundable)	\$875.00
2.	Connection fee	\$25.00
3.	Minimum monthly billing	\$25.00
		10%. Not to exceed \$50 per statement
E.	Late charge	
F.	Disconnection service fee	



MASTER FEE SCHEDULE

1.	Monday-Friday, 8:00 a.m. - 5:00 p.m.	\$35.00
G.	Personnel onsite meter review - after two trips in a 12-month period	See K. Trip fee charge
H.	Reconnection service fee	
1.	After hours	\$40.00
I.	Returned check fee	\$35.00
J.	Same day connect fee for all new services	\$40.00
K.	Transfer fee	\$10.00
L.	Trip charge	\$50.00
M.	Meter-related	
		Reimburse the City actual costs of meter testing plus shipping and handling
1.	Meter Testing	
2.	Meter box replacement	\$75.00
3.	Meter lid replacement	\$25.00
4.	Meter locking device replacement	\$30.00
5.	Meter register replacement	\$212.00
6.	Octave encoder & Allegro module with antenna replacement	\$497.79
7.	Obstruction charge	\$50.00
8.	Usage report requested in-house versus mywateradvisor.com	\$5.00
		\$250.00 minimum plus the actual costs of any damage to City property
9.	Tampering fee	

XV. WASTE WATER RATE SCHEDULE

A.	Residential	
1.	Meter	\$12.30
2.	Volume charge per 1,000 gallons	\$6.85
B.	Non-Residential	
1.	Per meter size	
a.	5/8" X 3/4"	\$22.00
b.	1"	\$35.00
c.	1 1/2"	\$50.00
d.	2"	\$67.00
e.	4"	\$70.00
f.	6"	\$70.00
g.	8"	\$90.00
2.	Volume charge per 1,000 gallons	\$7.04



MASTER FEE SCHEDULE

XVI. MUNICIPAL DRAINAGE UTILITY SYSTEM FEE effective January 1, 2018

Based on Equivalent Residential Unit (ERU) of impervious surface area on the property. The impervious area (IA) on the property is measured and divided by 4,300 sq ft to determine the number of billing units for non-residential properties.

Single family residential properties equal 1 ERU.

A. Single Family Residential (1 ERU)	\$1.66 monthly per household
B. Non-Residential	
1. Based on Equivalent Residential Unit (ERU)	\$1.66 monthly per 4,300 sq ft of impervious surface area
C. Undeveloped Properties	In accordance with State Law



Agenda Item Details

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	E. 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 Councilmember or citizen so requests.
Subject	3. Approve an ordinance repealing ordinance 3920 in its entirety and amending the Code of Ordinances by amending Chapter 10 titled "Utilities" by amending Article 1 titled "in general" by amending Section 10-7 titled "Water Conservation and Drought Contingency and Water Emergency Response Plan" by renaming Section 10-7 "Water Conservation Plan" and by adopting the "2019 Model Water Conservation Plan for North Texas Municipal Water District Member Cities and Customers."
Access	Public
Type	Action (Consent)
Preferred Date	Sep 16, 2019
Absolute Date	Sep 16, 2019
Fiscal Impact	No
Budgeted	No
Recommended Action	Approve as presented.
Goals	Provide excellent government services to Sachse citizens. Provide a high quality of life environment for families, individuals, businesses, and other organizations in Sachse.

Public Content

BACKGROUND

Sachse purchases wholesale treated water from the North Texas Municipal Water District and supplies it to customers via the public water system. As part of being a public water provider, the City of Sachse is responsible for adopting a water conservation plan every five years in accordance with the Texas Commission on Environmental Quality (TCEQ) and the Texas Water Development Board (TWDB) requirements.

OVERVIEW

This item is to repeal Ordinance 3920 in its entirety and approve the North Texas Municipal Water District's 2019 Model Water Conservation Plan for the City of Sachse.

POLICY CONSIDERATIONS

As a public water system, the City of Sachse is required to adopt a Water Conservation Plan every five years in accordance with state law.

RECOMMENDATION

Repeal Ordinance 3920 in its entirety and approve an ordinance amending the Code of Ordinances by amending Chapter 10 titled "Utilities" by amending Article 1 titled "in general" by amending Section 10-7 titled "Water Conservation and Drought Contingency and Water Emergency Response Plan" by renaming Section 10-7 "Water Conservation Plan" and by adopting the "2019 Water Conservation Plan for North Texas Municipal Water District Member Cities and Customers."

Final Model Water Conservation Plan- Sachse.pdf (1,738 KB)

Ordinance Repeal and Amend Water Conservation Plan.pdf (122 KB)

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 Councilmember or citizen so requests.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SACHSE, TEXAS, REPEALING ORDINANCE NO. 3920 PASSED MAY 6, 2019, IN ITS ENTIRETY AND AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 10 TITLED "UTILITIES" BY AMENDING ARTICLE 1 TITLED "IN GENERAL" BY AMENDING SECTION 10-7 TITLED "WATER CONSERVATION AND DROUGHT CONTINGENCY AND WATER EMERGENCY RESPONSE PLAN" BY RENAMING SECTION 10-7 "WATER CONSERVATION PLAN" TO ADOPT THE "2019 CITY OF SACHSE WATER CONSERVATION PLAN"; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse passed Ordinance No. 3920 on May 6, 2019, amending Chapter 10 titled "Utilities" by amending Section 10-7 to adopt the "2019 Model Water Conservation Plan for North Texas Municipal Water District Member Cities and Customers"; and

WHEREAS, the City of Sachse is now repealing Ordinance 3920 in its entirety and amending Chapter 10 titled "Utilities" by amending Section 10-7 to adopt the "2019 City of Sachse Water Conservation Plan; and

WHEREAS, the City of Sachse, Texas (the "City"), recognizes that the amount of water available to its water customers is limited; and

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental Quality (the "Commission") require that the City adopt a Water Conservation Plan; and

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt the 2019 City of Sachse Water Conservation Plan"; and

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources; and

WHEREAS, the City Council desires to amend the Code of Ordinances by adopting the "2019 City of Sachse Water Conservation Plan" attached hereto as Exhibit "A," incorporated herein by reference and made a part hereof, as official City policy;

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

SECTION 1. That the City of Sachse Code of Ordinances is amended by amending Chapter 10 titled “Utilities” by amending Article 1 titled “In General” by amending Section 10-7, amended to read as follows:

“Chapter 10

UTILITIES

....

ARTICLE I. IN GENERAL

...

Sec. 10-7. Water conservation plan.

A. 2019 City water conservation plan. The 2019 city water conservation plan (the “plan”), attached hereto as Addendum A, as if recited verbatim herein. The city commits to implement the requirements and procedures set forth in the adopted plan.

Addendum “A” is hereby adopted by reference for the city and made part hereof for all purposes, the same as if fully copied herein.

B. Penalty.

- (1) It is unlawful for any person to violate the provisions of the city's water conservation plan and water resource management plan.
- (2) For a first violation of any provision of the water conservation plan and/or the water resource management plan or this article, the city shall issue a letter and provide educational materials on water conservation, including a copy of the relevant provisions of this article to the water user violating the provisions of this article. The city shall give the water user a reasonable time to correct the violation.
- (3) For a second violation of any provision of the water conservation plan and/or the water resource management plan or this article, the city shall issue the water user a citation and upon conviction shall be subject to a fine not to exceed the sum of two thousand dollar (\$2,000.00).
- (d) The city's current five-tier level conservation rate structure is in effect year round to encourage ongoing water conservation. Additional rate surcharges may be established when it is required to meet the reduction goal in each respective stage of this article.

...”

SECTION 2. That all provisions of the Ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the Ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

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

SECTION 5. That any person violating any of the provisions or terms of this Ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Sachse as heretofore amended and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense.

SECTION 6. This ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such cases provides.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas on the _____ day of _____, 2019.

APPROVED:

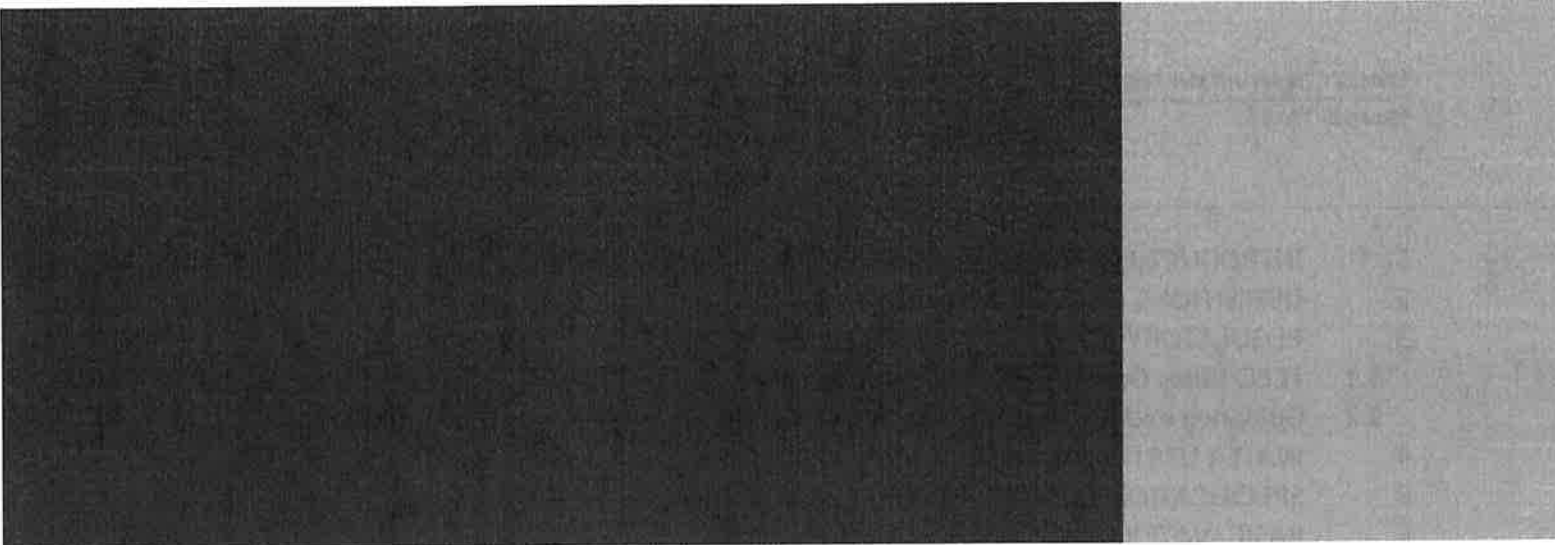
Mike J. Felix
Mayor

DULY ENROLLED:

Michelle Lewis-Sirianni
City Secretary

APPROVED AS TO FORM:

Joseph J. Gorfida, Jr.
City Attorney
(09-09-2019:TM107711)



WATER CONSERVATION PLAN FOR CITY OF SACHSE

SEPTEMBER 2019

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APPENDICES

APPENDIX A List of References

APPENDIX B Texas Commission on Environmental Quality Rules on Water Conservation Plans for Municipal Uses by Public Water Suppliers

- Texas Administrative Code Title 30, Chapter 288, Subchapter A, Section 288.1 – Definitions (Page B-1)
- Texas Administrative Code Title 30, Chapter 288, Subchapter A, Rule Section 288.2 – Water Conservation Plans for Municipal Uses by Public Water Suppliers (Page B-4)

APPENDIX C Water Utility Profile

APPENDIX D NTMWD Member City and Customer Annual Water Conservation Report

APPENDIX E Landscape Water Management Regulations

APPENDIX F Letters to Region C and Region D Water Planning Groups

APPENDIX G Adoption of Water Conservation Plan

- Municipal Ordinance Adopting Water Conservation Plan

1. INTRODUCTION AND OBJECTIVES

Water supply has always been a key issue in the development of Texas. In recent years, the increasing population and economic development of North Central Texas have led to growing demands for water supplies. At the same time, local and less expensive sources of water supply are largely already developed. Additional supplies to meet future demands will be expensive and difficult to secure. Severe drought conditions in recent years have highlighted the importance of efficient use of our existing supplies to make them last as long as possible. This will delay the need for new supplies, minimize the environmental impacts associated with developing new supplies, and delay the high cost of additional water supply development.

Recognizing the need for efficient use of existing water supplies, the TCEQ has developed guidelines and requirements governing the development of water conservation and drought contingency plans for municipal uses by public water suppliers.² The TCEQ guidelines and requirements for wholesale suppliers are included in Appendix B. The North Texas Municipal Water District ("NTMWD or District") has developed this Model Water Conservation Plan to be consistent with TCEQ guidelines and requirements. The best management practices established by the Water Conservation Implementation Task Force³ were also considered in the development of the water conservation measures.

The City purchases treated water from the North Texas Municipal Water District (NTMWD). NTMWD is a regional wholesale supplier for 13 Member Cities and numerous other customers in Collin, Dallas, Denton, Rockwall, Kaufman, Hunt, Hopkins, Fannin, and Rains Counties in North Central Texas. The NTMWD currently provides water for over 1.7 million people. The City does not wholesale any of this purchased water from NTMWD to other customers. . All of the City's wastewater is treated by the City of Garland.

The objectives of this water conservation plan are as follows:

- To reduce water consumption from the levels that would prevail without conservation efforts.
- To reduce the loss and waste of water.
- To improve efficiency in the use of water.
- Encourage efficient outdoor water use.
- To maximize the level of recycling and reuse in the water supply.
- To extend the life of current water supplies by reducing the rate of growth in demand.

In order to adopt this plan, the City of Sachse will need to do the following:

- Complete the water utility profile (provided in Appendix C).
- Set five-year and ten-year goals for per capita water use.
- Adopt ordinance(s) or regulation(s) approving the model plan.
- Complete the annual water conservation implementation report.

Final adopted versions will be provided to NTMWD, as well as TCEQ. This plan includes all of the elements required by TCEQ. Some elements of this plan go beyond TCEQ requirements.

2. DEFINITIONS AND ABBREVIATIONS

1. **ATHLETIC FIELD** means a public sports competition field, the essential feature of which is turf grass, used primarily for organized sports practice, competition or exhibition events for schools; professional sports and league play sanctioned by the utility providing retail water supply.
2. **COOL SEASON GRASSES** are varieties of turf grass that grow best in cool climates primarily in northern and central regions of the U.S. Cool season grasses include perennial and annual rye grass, Kentucky blue grass and fescues.
3. **CUSTOMERS** include those entities to whom NTMWD provides wholesale water that are not members of NTMWD.
4. **DRIP IRRIGATION** is a type of micro-irrigation system that operates at low pressure and delivers water in slow, small drips to individual plants or groups of plants through a network of plastic conduits and emitters; also called trickle irrigation.
5. **EVAPOTRANSPIRATION (ET)** represents the amount of water lost from plant material to evaporation and transpiration. The amount of ET can be estimated based on the temperature, wind, and relative humidity.
6. **ET/SMART CONTROLLERS** are irrigation controllers that adjust their schedule and run times based on weather (ET) data. These controllers are designed to replace the amount of water lost to evapotranspiration.
7. **IRRIGATION SYSTEM** means a permanently installed, custom-made, site-specific system of delivering water generally for landscape irrigation via a system of pipes or other conduits installed below ground.
8. **LANDSCAPE** means any plant material on a property, including any tree, shrub, vine, herb, flower, succulent, ground cover, grass or turf species, that is growing or has been planted out of doors.
9. **MEMBER CITIES** include the cities of Allen, Farmersville, Forney, Frisco, Garland, McKinney, Mesquite, Plano, Princeton, Richardson, Rockwall, Royse City, and Wylie, Texas, which are members of NTMWD.

10. MUNICIPAL USE means the use of potable water provided by a public water supplier as well as the use of treated wastewater effluent for residential, commercial, industrial, agricultural, institutional, and wholesale uses.
11. REGULATED IRRIGATION PROPERTY means any (customer class, i.e. commercial) property that uses (over a certain amount) of water or more for irrigation purposes in a single calendar year or is greater than (certain size).
12. RESIDENTIAL GALLONS PER CAPITA PER DAY means (Residential GPCD) the total gallons sold for residential use by a public water supplier divided by the residential population served and then divided by the number of days in the year.
13. RETAIL CUSTOMERS include those customers to whom the utility provides retail water from a water meter.
14. TOTAL GALLONS PER CAPITA PER DAY (Total GPCD) means the total amount of water diverted and/or pumped for potable use divided by the total permanent population divided by the days of the year. Diversion volumes of reuse as defined in TAC 288.1 shall be credited against total diversion volumes for the purposes of calculating GPCD for targets and goals.
15. WATER CONSERVATION PLAN means the Member City or Customer water conservation plan approved and adopted by the utility.

Abbreviations

Abbreviation	Full Nomenclature
BMP	Best Management Practices
NTMWD or District	North Texas Municipal Water District
TCEQ	Texas Commission on Environmental Quality
TWDB	Texas Water Development Board
WCAC	Water Conservation Advisory Council
WCP	Water Conservation Plan

3. REGULATORY BASIS FOR WATER CONSERVATION PLAN

3.1 TCEQ Rules Governing Conservation Plans

The TCEQ rules governing development of water conservation plans for municipal uses by public water suppliers are contained in Title 30, Chapter 288, Subchapter A, Section 288.2 of the Texas Administrative Code, which is included in Appendix B. For the purpose of these rules, a water conservation plan is defined as “[a] strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water.”² The water conservation plan elements required by the TCEQ water conservation rules that are covered in this water conservation plan are listed below.

Minimum Conservation Plan Requirements

The minimum requirements in the Texas Administrative Code for Water Conservation Plans for Municipal Uses by Public Water Suppliers are covered in this water conservation plan as follows:

- 288.2(a)(1)(A) – Utility Profile – Section 4 and Appendix C
- 288.2(a)(1)(B) – Record Management System – Section 6.1.5
- 288.2(a)(1)(C) – Specific, Quantified Goals – Section 5
- 288.2(a)(1)(D) – Accurate Metering – Section 6.1.1
- 288.2(a)(1)(E) – Universal Metering – Section 6.1.2
- 288.2(a)(1)(F) – Determination and Control of Water Loss – Sections 6.1.3 and 6.1.4
- 288.2(a)(1)(G) – Public Education and Information Program – Section 6.2
- 288.2(a)(1)(H) – Non-Promotional Water Rate Structure – Section 6.6
- 288.2(a)(1)(I) – Reservoir System Operation Plan – Section 6.3
- 288.2(a)(1)(J) – Means of Implementation and Enforcement – Section 8
- 288.2(a)(1)(K) – Coordination with Regional Water Planning Group – Section 6.4 and Appendix F
- 288.2(c) – Review and Update of Plan – Section 9

Conservation Additional Requirements (Population over 5,000)

- The Texas Administrative Code includes additional requirements for water conservation plans for drinking water supplies serving a population over 5,000
- 288.2(a)(2)(A) – Leak Detection, Repair, and Water Loss Accounting – Sections 6.1.4
- 288.2(a)(2)(B) – Requirement for Water Conservation Plans by Wholesale Customers – Section 6.5

Additional Conservation Strategies

The TCEQ requires that a water conservation implementation report be completed and submitted on an annual basis. The template for this report is included in Appendix J.

In addition to the TCEQ required elements of a water conservation plan, NTMWD also requires the following water conservation strategies to be included in the Member City and Customer water conservation plans:

- 288.2(a)(3)(A) – Conservation Oriented Water Rates – Section 6.6
- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 7.4 and Appendix E

TCEQ rules also include options of, conservation measures that may be adopted by public water suppliers but are not required. NTMWD recommends that the following strategies be included in Member City and Customer water conservation plans:

- 288.2(a)(3)(B) – Ordinances, Plumbing Codes or Rules on Water-Conserving Fixtures – Section 7.1
- 288.2(a)(3)(C) – Replacement or Retrofit of Water-Conserving Plumbing Fixtures – Section 7.5
- 288.2(a)(3)(D) – Reuse and Recycling of Wastewater – Section 7.2
- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 7.3, 7.4
- 288.2(a)(3)(G) – Monitoring Method – Section 7.6
- 288.2(a)(3)(H) – Additional Conservation Practices – Section 7.5

3.2 Guidance and Methodology for Reporting on Water Conservation and Water Use

In addition to TCEQ rules regarding water conservation, this plan also incorporates elements of the Guidance and Methodology for Reporting on Water Conservation and Water Use developed by TWDB and TCEQ⁵, in consultation with the WCAC (the “Guidance”). The Guidance was developed in response to a charge by the 82nd Texas Legislature to develop water use and calculation methodology and guidance for preparation of water use reports and water conservation plans in accordance with TCEQ rules.

4. WATER UTILITY PROFILE

Appendix C to this Water Conservation Plan is a water utility profile based on the format recommended by the TCEQ. In adopting this water conservation plan, The City of Sachse will provide a current water utility profile to NTMWD.

5. SPECIFICATION OF WATER CONSERVATION GOALS

TCEQ rules require the adoption of specific water conservation goals for a water conservation plan. As part of plan adoption, the City of Sachse must develop 5-year and 10-year goals for water savings, including goals for per capita municipal use and for water loss programs. The goals for this water conservation plan include the following:

- Maintain the total and residential per capita water use below the specified amount in gallons per capita per day in a dry year, as shown in the completed Table 5-1. NTMWD will publish the amount of reuse to be is calculating the credit for reuse.
- Maintain the water loss percentage in the system below 12 percent annually in 2018 and subsequent years, as discussed in Section 6.1.3.
- Implement and maintain a program of universal metering and meter replacement and repair, as discussed in Section 6.1.2.
- Increase efficient water usage through a water conservation ordinance, order or resolution.
- Raise public awareness of water conservation and encourage responsible public behavior by a public education and information program, as discussed in Section 6.2.
- Develop a system specific strategy to conserve water during peak demands, thereby reducing the peak use.

Table 5-1 Five-Year and Ten-Year Per Capita Water Use Goals (GPCD)

Description	Current Average (GPCD)	5-Year Goal (GPCD)	10-Year Goal (GPCD)
Current 5-Year Average Total Per Capita Use with Credit for Reuse	113	108	105
Current 5-Year Average Residential Per Capita Use	86	85	83
Water Loss (GPCD) ¹	12	10	8
Water Loss (Percentage) ²	10	12	12
Water Conservation Goals (with credit for reuse)	113	108	105

1. Water Loss GPCD = (Total Water Loss ÷ Permanent Population) ÷ 365

2. Water Loss Percentage = (Total Water Loss ÷ Total Gallons in System) x 100; or (Water Loss GPCD ÷ Total GPCD) x 100

6. BASIC WATER CONSERVATION STRATEGIES

6.1 Metering, Water Use Records, Control of Water Loss, and Leak Detection and Repair

One of the key elements of water conservation is tracking water use and controlling losses through illegal diversions and leaks. It is important to carefully meter water use, detect and repair leaks in the distribution system and provide regular monitoring of real losses.

6.1.1 Accurate Metering of Treated Water Deliveries from NTMWD

Water deliveries from NTMWD are metered by NTMWD using meters with accuracy of $\pm 2\%$. These meters are calibrated on an annual basis by NTMWD to maintain the required accuracy.

6.1.2 Metering of Customer and Public Uses and Meter Testing, Repair, and Replacement

The provision of water to all customers, including public and governmental users, shall be metered. All customer meters should be replaced on a minimum of a 15-year cycle.

6.1.3 Determination and Control of Water Loss

Total water loss is the difference between the water delivered to the City of Sachse from NTMWD and the metered water sales to customers plus water authorized for use but not sold. (Authorized for use but not sold would include use for fire fighting, releases for flushing of lines, uses associated with new construction, etc.) Total water loss includes two categories:

- **Apparent Losses** – Includes inaccuracies in customer meters (customer meters tend to run more slowly as they age and under-report actual use); Losses due to illegal connections and theft. (included in Appendix H); accounts that are being used but have not yet been added to the billing system.
- **Real Losses** – Includes physical losses from the system or mains, reported breaks and leaks, storage overflow and unreported losses.

Measures to control water loss should be part of the routine operations of the City of Sachse. Maintenance crews and personnel should look for and report evidence of leaks in the water distribution system. A leak detection and repair program is described in

Section 6.1.4 below. Meter readers should watch for and report signs of illegal connections so that they can be quickly addressed.

Total water loss should be calculated in accordance with TCEQ standards. With the measures described in this plan, the City of Sachse should maintain a water loss percentage below 12 percent in 2019 and the subsequent years. . If total water loss exceeds this goal, the City of Sachse should implement a more intensive audit to determine the source(s) of loss and to reduce the water loss. The annual conservation report described below is the primary tool that should be used to monitor water loss.

6.1.4 Leak Detection and Repair

As described above, water utility crews and personnel should look for and report evidence of leaks in the water distribution system. Areas of the water distribution system in which numerous leaks and line breaks occur should be targeted for replacement as funds are available.

6.1.5 Record Management System

As required by TAC Title 30, Chapter 288, Section 288.2(a) (1) (B), a record management system should allow for the separation of water sales and uses into residential, commercial, public/institutional, and industrial categories. This information should be included in an annual water conservation report, as described in Section 7.6 below. The City of Sachse separates monthly water sales into each category to assist with tracking and reporting.

6.2 Continuing Public Education and Information Campaign

The continuing public education and information campaign on water conservation includes the following elements:

- Utilize the “Water IQ: Know Your Water” and other public education materials produced by NTMWD.
- Utilize the “Water4Otter” campaign for students.
- Insert water conservation information with water bills. Inserts will include material developed City of Sachse staff and material obtained from the TWDB, TCEQ, and other sources.

- Encourage local media coverage of water conservation issues and the importance of water conservation.
- Notify local organizations, schools, and civic groups that City of Sachse and staff of NTMWD are available to make presentations on the importance of water conservation and ways to save water.
- Promote the *Texas Smartscape* web site (www.txsmartscape.com) and provide water conservation brochures and other water conservation materials available to the public at City Hall and other public places.
- Make information on water conservation available on the City of Sachse's website and include links to the "Water IQ: Know Your Water" website, *Texas Smartscape* website and to information on water conservation on the TWDB and TCEQ web sites and other resources.
- NTMWD is an EPA Water Sense Partner and participates in the EPA Water Sense sponsored "Fix a Leak Week." NTMWD encourages all member cities and customers to become EPA Water Sense Partners.
- Utilize the Water My Yard website and encourage customers to sign-up to receive weekly watering advice.

6.3 NTMWD Reservoir System Operation Plan

Member Cities and Customers of NTMWD purchase treated water from NTMWD and do not have surface water supplies for which to implement a reservoir system operations plan. NTMWD operates multiple sources of water supply as a system. The operation of the reservoir system is intended to optimize the use of the District's sources (within the constraints of existing water rights) while minimizing energy use cost for pumping, maintaining water quality, minimizing potential impacts on recreational users of the reservoirs and fish and wildlife.

6.4 Coordination with Regional Water Planning Group and NTMWD

The adopted ordinance(s) or regulation(s) and the adopted water utility profile will be sent to the Chair of the appropriate Water Planning Group and to NTMWD.

6.5 Requirement for Water Conservation Plans by Wholesale Customers

The City of Sachse currently does not have any wholesale customers. If the City of Sachse enters into a wholesale contract then it will be required that the wholesale customer and any wholesale customers of that wholesale customer develop and implement a water conservation plan meeting the requirements of Title 30, Chapter 288, of the Texas Administrative Code. This requirement extends to each successive wholesale customer in the resale of the water.

6.6 Increasing Block Water Rate Structure

The City of Sachse will continue to bill customers using an increasing block rate water structure that is intended to encourage water conservation and to discourage excessive use and waste of water upon completion its next rate study or within five years.

See City of Sachse current Code of Ordinances establishing an increasing block rate structure and minimum charge and base charges for all tiers for residential and commercial/industrial water rates.

The City water rate structures are as follows:

- 5/8" meters - \$16.50 plus tier rate
- 1" meters - \$26.10 plus tier rate
- 1.5" meters - \$42.16 plus tier rate
- 2" meters - \$61.39 plus tier rate
- 3" meters - \$85.60 plus tier rate
- 4" meters - \$114.10 plus tier rate
- 6" and above - \$285.30 plus tier rate

Water Tiers

Tier	Water Usage (Gallons)	Fee (Per 1000 Gallons)
Tier 1	0 - 10,000	\$4.90
Tier 2	10,001 - 20,000	\$6.55
Tier 3	20,001 - 30,000	\$8.50
Tier 4	30,001 and up	\$10.00

7. ENHANCED WATER CONSERVATION STRATEGIES

7.1 Ordinances, Plumbing Codes, or Rules on Water-Conserving Fixtures

The state has required water-conserving fixtures in new construction and renovations since 1992. The state standards call for flows of no more than 2.5 gallons per minute (gpm) for faucets, 2.5 gpm for showerheads. As of January 1, 2014, the state requires maximum average flow rates of 1.28 gallons per flush (gpf) for toilets and 0.5 gpf for urinals. Similar standards are now required under federal law. These state and federal standards assure that all new construction and renovations will use water-conserving fixtures. Rebate programs to encourage replacement of older fixtures with water conservation programs are discussed in Section 7.5.

7.2 Reuse and Recycling of Wastewater

The City does not own and operate a wastewater treatment plant. Wastewater is treated by the City of Garland.

7.3 Interactive Weather Stations / “Water My Yard” Program

NTMWD has developed the Water My Yard program to install weather stations throughout its service area in order to provide consumers with a weekly e-mail and information through the “Water My Yard” website to assist consumers in determining an adequate amount of supplemental water to maintain healthy grass in a specific location. This service represents the largest network of weather stations providing ET-based irrigation recommendations in the State of Texas, and provides the public advanced information regarding outdoor irrigation needs, thereby reducing water use. Through a series of selections on the type of irrigation system a consumer has, a weekly email is provided that will determine how long (in minutes) an irrigation system needs to run based on the past seven days of weather. This recommendation provides the actual amount of supplemental water that is required for a healthy lawn based on research of the Texas A&M Agrilife Extension Service and proven technologies. This innovative program has been available to those within the NTMWD service area since May 2013. The City of Sachse will encourage customers to subscribe to weekly watering updates through Water My Yard or other similar program in an effort to reduce outdoor water consumption.

7.4 Compulsory Landscape and Water Management Measures

The following measures represent minimum measures required by the City of Sachse in order to irrigate landscape appropriately and are to remain in effect on a permanent basis unless water resource management stages are declared.

1. Landscape Water Management Measures

- Limit landscape watering with sprinklers or irrigation systems at each service address to no more than two days per week (April 1 – October 31), with education that less than twice per week is usually adequate. (Additional watering of landscape may be provided by hand-held hose with shutoff nozzle, use of dedicated irrigation drip zones. An exception is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the installation of new landscape features.

Residential with irrigation or sprinkler systems watering schedule:

Even-numbered home address: Thursday and/or Sunday

Odd-numbered home address: Wednesday and/or Saturday

HOA and Commercial watering schedule: All addresses: Tuesday and/or Friday

- Limit landscape watering with sprinklers or irrigation systems at each service address to no more than one day per week beginning November 1 and ending March 31 of each year, with education that less than once per week is usually adequate.
- Prohibit lawn irrigation watering from 10 AM to 6 PM (April 1 – October 31).
- Prohibit the use of irrigation systems that water impervious surfaces. (Wind-driven water drift will be taken into consideration.)
- Prohibit outdoor watering during precipitation or freeze events.
- Prohibit use of poorly maintained sprinkler systems that waste water.
- Prohibit excess water runoff or other obvious waste.
- Require rain and freeze sensors and/or ET or Smart controllers on all new irrigation systems. Rain and freeze sensors and/or ET or Smart controllers must be maintained to function properly.

- Prohibit overseeding, sodding, sprigging, broadcasting or plugging with cool season grasses or watering cool season grasses, except for golf courses and athletic fields.
- Require that irrigation systems be inspected at the same time as initial backflow preventer inspection.
- Requirement that all new irrigation systems be in compliance with state design and installation regulations (Texas Administrative Code Title 30, Chapter 344).
- Require the owner of a regulated irrigation property to obtain an evaluation of any permanently installed irrigation system on a periodic basis. The irrigation evaluation shall be conducted by an licensed irrigator in the State of Texas and be submitted to the local water provider (i.e., city, water supply corporation).

2. Additional Water Management Measures

- Prohibit the use of potable water to fill or refill residential, amenity, and any other natural or manmade ponds. A pond is considered to be a still body of water with a surface area of 500 square feet or more.
- Non-commercial car washing can be done only when using a water hose with a shut-off nozzle.
- Hotels and motels shall offer a linen reuse water conservation option to customers.
- Restaurants, bars, and other commercial food or beverage establishments may not provide drinking water to customers unless a specific request is made by the customer for drinking water.

7.5 Monitoring of Effectiveness and Efficiency - NTMWD Annual Water Conservation Report

Appendix D is a form that shall be used in the development of an annual water conservation report by the City of Sachse. This form should be completed by March 31 of the following year and used to monitor the effectiveness and efficiency of the water conservation program and to plan conservation-related activities for the next year. The form records the water use by category, per capita municipal use, and total water loss for the current year and compares them to historical values. As part of the development of Appendix D, Member Cities and Customers will complete the tracking tool by March 31 of the following year and submit them to NTWMD. The annual water conservation report should be sent to NTMWD, which will monitor NTMWD Member Cities' and Customers' water conservation trends.

7.6 Water Conservation Implementation Report

Appendix H includes the TCEQ-required water conservation implementation report. The report is due to the TCEQ by May 1 of every year. This report lists the various water conservation strategies that have been implemented, including the date the strategy was implemented. The report also calls for the five-year and ten-year per capita water use goals from the previous water conservation plan. The reporting entity must answer whether or not these goals have been met and if not, why not. The amount of water saved is also requested.

8. IMPLEMENTATION AND ENFORCEMENT OF THE WATER CONSERVATION PLAN

Appendix G contains an ordinance, adopted by the City Council which adopts this water conservation plan. The ordinance designates responsible officials to implement and enforce the water conservation plan. Appendix _____, the considerations for landscape water management regulations, also includes information about enforcement. Appendix _____ includes a copy of an ordinance, order, or resolution that may be adopted related to illegal connections and water theft.

9. REVIEW AND UPDATE OF WATER CONSERVATION PLAN

TCEQ requires that the water conservation plans be updated every five years. The plan will be updated as required and as appropriate based on new or updated information.

APPENDIX A

LIST OF REFERENCES

APPENDIX A

LIST OF REFERENCES

1. Texas Commission on Environmental Quality Water Conservation Implementation Report.
<https://www.tceq.texas.gov/assets/public/permitting/forms/20645.pdf>
2. Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rules 288.1 and 288.5, and Subchapter B, Rule 288.22, downloaded from
[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=4&ti=30&pt=1&ch=288](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=30&pt=1&ch=288),
November 2019.
3. Water Conservation Implementation Task Force: “Texas Water Development Board Report 362, Water Conservation Best Management Practices Guide,” prepared for the Texas Water Development Board, Austin, November 2004.
4. Texas Water Development Board, Texas Commission on Environmental Quality, Water Conservation Advisory Council: Guidance and Methodology for Reporting on Water Conservation and Water Use, December 2012
5. Freese and Nichols, Inc.: Model Water Conservation Plan for NTMWD Members Cities and Customers, prepared for the North Texas Municipal Water District, Fort Worth, January 2019.
6. Freese and Nichols, Inc.: Model Water Resource and Emergency Management Plan for NTMWD Members Cities and Customers, prepared for the North Texas Municipal Water District, Fort Worth, January 2019.
7. Freese and Nichols Inc, Alan Plummer Associates, Inc., CP & Y Inc., Cooksey Communications.
“2016 Region C Water Plan”

APPENDIX B

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES ON MUNICIPAL WATER CONSERVATION

APPENDIX B

TEXAS COMMISSION OF ENVIRONMENTAL QUALITY RULES ON MUNICIPAL WATER CONSERVATION AND DROUGHT CONTINGENCY PLANS FOR WHOLESALE WATER SUPPLIERS

TITLE 30 ENVIRONMENTAL QUALITY

PART 1 TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

CHAPTER 288 WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS,
GUIDELINES AND REQUIREMENTS

SUBCHAPTER A WATER CONSERVATION PLANS

RULE §288.1 **Definitions**

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Agricultural or Agriculture--Any of the following activities:

(A) cultivating the soil to produce crops for human food, animal feed, or planting seed or for the production of fibers;

(B) the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or non-soil media by a nursery grower;

(C) raising, feeding, or keeping animals for breeding purposes or for the production of food or fiber, leather, pelts, or other tangible products having a commercial value;

(D) raising or keeping equine animals;

(E) wildlife management; and

(F) planting cover crops, including cover crops cultivated for transplantation, or leaving land idle for the purpose of participating in any governmental program or normal crop or livestock rotation procedure.

(2) Agricultural use--Any use or activity involving agriculture, including irrigation.

(3) Best management practices--Voluntary efficiency measures that save a quantifiable amount of water, either directly or indirectly, and that can be implemented within a specific time frame.

(4) Conservation--Those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse of water so that a water supply is made available for future or alternative uses.

(5) Commercial use--The use of water by a place of business, such as a hotel, restaurant, or office building. This does not include multi-family residences or agricultural, industrial, or institutional users.

(6) Drought contingency plan--A strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies. A drought contingency plan may be a separate document identified as such or may be contained within another water management document(s).

(7) Industrial use--The use of water in processes designed to convert materials of a lower order of value into forms having greater usability and commercial value, and the development of power by means other than hydroelectric, but does not include agricultural use.

(8) Institutional use--The use of water by an establishment dedicated to public service, such as a school, university, church, hospital, nursing home, prison or government facility. All facilities dedicated to public service are considered institutional regardless of ownership.

(9) Irrigation--The agricultural use of water for the irrigation of crops, trees, and pastureland, including, but not limited to, golf courses and parks which do not receive water from a public water supplier.

(10) Irrigation water use efficiency--The percentage of that amount of irrigation water which is beneficially used by agriculture crops or other vegetation relative to the amount of water diverted from the source(s) of supply. Beneficial uses of water for irrigation purposes include, but are not limited to, evapotranspiration needs for vegetative maintenance and growth, salinity management, and leaching requirements associated with irrigation.

(11) Mining use--The use of water for mining processes including hydraulic use, drilling, washing sand and gravel, and oil field re-pressuring.

(12) Municipal use--The use of potable water provided by a public water supplier as well as the use of sewage effluent for residential, commercial, industrial, agricultural, institutional, and wholesale uses.

(13) Nursery grower--A person engaged in the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or nonsoil media, who grows more than 50% of the products that the person either sells or leases, regardless of the variety sold, leased, or grown. For the purpose of this definition, grow means the actual cultivation or propagation of the product beyond the mere holding or maintaining of the item prior to sale or lease, and typically includes activities associated with the production or multiplying of stock such as the development of new plants from cuttings, grafts, plugs, or seedlings.

(14) Pollution--The alteration of the physical, thermal, chemical, or biological quality of, or the contamination of, any water in the state that renders the water harmful, detrimental, or injurious to humans, animal life, vegetation, or property, or to the public health, safety, or welfare, or impairs the usefulness or the public enjoyment of the water for any lawful or reasonable purpose.

(15) Public water supplier--An individual or entity that supplies water to the public for human consumption.

(16) Regional water planning group--A group established by the Texas Water Development Board to prepare a regional water plan under Texas Water Code, §16.053.

(17) Residential gallons per capita per day--The total gallons sold for residential use by a public water supplier divided by the residential population served and then divided by the number of days in the year.

(18) Residential use--The use of water that is billed to single and multi-family residences, which applies to indoor and outdoor uses.

(19) Retail public water supplier--An individual or entity that for compensation supplies water to the public for human consumption. The term does not include an individual or entity that supplies water to itself or its employees or tenants when that water is not resold to or used by others.

(20) Reuse--The authorized use for one or more beneficial purposes of use of water that remains unconsumed after the water is used for the original purpose of use and before that water is either disposed of or discharged or otherwise allowed to flow into a watercourse, lake, or other body of state-owned water.

(21) Total use--The volume of raw or potable water provided by a public water supplier to billed customer sectors or nonrevenue uses and the volume lost during conveyance, treatment, or transmission of that water.

(22) Total gallons per capita per day (GPCD)--The total amount of water diverted and/or pumped for potable use divided by the total permanent population divided by the days of the year. Diversion volumes of reuse as defined in this chapter shall be credited against total diversion volumes for the purposes of calculating GPCD for targets and goals.

(23) Water conservation coordinator--The person designated by a retail public water supplier that is responsible for implementing a water conservation plan.

(24) Water conservation plan--A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water. A water conservation plan may be a separate document identified as such or may be contained within another water management document(s).

(25) Wholesale public water supplier--An individual or entity that for compensation supplies water to another for resale to the public for human consumption. The term does not include an individual or entity that supplies water to itself or its employees or tenants as an incident of that employee service or tenancy when that water is not resold to or used by others, or an individual or entity that conveys water to another individual or entity, but does not own the right to the water which is conveyed, whether or not for a delivery fee.

(26) Wholesale use--Water sold from one entity or public water supplier to other retail water purveyors for resale to individual customers.

Texas Administrative Code

TITLE 30 PART I

ENVIRONMENTAL QUALITY

CHAPTER 288

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS,
GUIDELINES AND REQUIREMENTS

SUBCHAPTER A

WATER CONSERVATION PLANS

RULE §288.2

**Water Conservation Plans for Municipal Uses by Public Water
Suppliers**

(a) A water conservation plan for municipal water use by public water suppliers must provide information in response to the following. If the plan does not provide information for each requirement, the public water supplier shall include in the plan an explanation of why the requirement is not applicable.

(1) Minimum requirements. All water conservation plans for municipal uses by public water suppliers must include the following elements:

(A) a utility profile in accordance with the Texas Water Use Methodology, including, but not limited to, information regarding population and customer data, water use data (including total gallons per capita per day (GPCD) and residential GPCD), water supply system data, and wastewater system data;

(B) a record management system which allows for the classification of water sales and uses into the most detailed level of water use data currently available to it, including, if possible, the sectors listed in clauses (i) - (vi) of this subparagraph. Any new billing system purchased by a public water supplier must be capable of reporting detailed water use data as described in clauses (i) - (vi) of this subparagraph:

(i) residential;

(I) single family;

(II) multi-family;

(ii) commercial;

(iii) institutional;

(iv) industrial;

(v) agricultural; and,

(vi) wholesale.

(C) specific, quantified five-year and ten-year targets for water savings to include goals for water loss programs and goals for municipal use in total GPCD and residential GPCD. The goals established by a public water supplier under this subparagraph are not enforceable;

(D) metering device(s), within an accuracy of plus or minus 5.0% in order to measure and account for the amount of water diverted from the source of supply;

(E) a program for universal metering of both customer and public uses of water, for meter testing and repair, and for periodic meter replacement;

(F) measures to determine and control water loss (for example, periodic visual inspections along distribution lines; annual or monthly audit of the water system to determine illegal connections; abandoned services; etc.);

(G) a program of continuing public education and information regarding water conservation;

(H) a water rate structure which is not "promotional," i.e., a rate structure which is cost-based and which does not encourage the excessive use of water;

(I) a reservoir systems operations plan, if applicable, providing for the coordinated operation of reservoirs owned by the applicant within a common watershed or river basin in order to optimize available water supplies; and

(J) a means of implementation and enforcement which shall be evidenced by:

(i) a copy of the ordinance, resolution, or tariff indicating official adoption of the water conservation plan by the water supplier; and

(ii) a description of the authority by which the water supplier will implement and enforce the conservation plan; and

(K) documentation of coordination with the regional water planning groups for the service area of the public water supplier in order to ensure consistency with the appropriate approved regional water plans.

(2) Additional content requirements. Water conservation plans for municipal uses by public drinking water suppliers serving a current population of 5,000 or more and/or a projected population of 5,000 or more within the next ten years subsequent to the effective date of the plan must include the following elements:

(A) a program of leak detection, repair, and water loss accounting for the water transmission, delivery, and distribution system;

(B) a requirement in every wholesale water supply contract entered into or renewed after official adoption of the plan (by either ordinance, resolution, or tariff), and including any contract extension, that each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements in this chapter. If the customer intends to resell the water, the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures in accordance with the provisions of this chapter.

(3) Additional conservation strategies. Any combination of the following strategies shall be selected by the water supplier, in addition to the minimum requirements in paragraphs (1) and (2) of this subsection, if they are necessary to achieve the stated water conservation goals of the plan. The commission may require that any of the following strategies be implemented by the water supplier if the commission determines that the strategy is necessary to achieve the goals of the water conservation plan:

(A) conservation-oriented water rates and water rate structures such as uniform or increasing block rate schedules, and/or seasonal rates, but not flat rate or decreasing block rates;

(B) adoption of ordinances, plumbing codes, and/or rules requiring water-conserving plumbing fixtures to be installed in new structures and existing structures undergoing substantial modification or addition;

(C) a program for the replacement or retrofit of water-conserving plumbing fixtures in existing structures;

(D) reuse and/or recycling of wastewater and/or graywater;

(E) a program for pressure control and/or reduction in the distribution system and/or for customer connections;

(F) a program and/or ordinance(s) for landscape water management;

(G) a method for monitoring the effectiveness and efficiency of the water conservation plan; and

(H) any other water conservation practice, method, or technique which the water supplier shows to be appropriate for achieving the stated goal or goals of the water conservation plan.

(b) A water conservation plan prepared in accordance with 31 TAC §363.15 (relating to Required Water Conservation Plan) of the Texas Water Development Board and

substantially meeting the requirements of this section and other applicable commission rules may be submitted to meet application requirements in accordance with a memorandum of understanding between the commission and the Texas Water Development Board.

(c) A public water supplier for municipal use shall review and update its water conservation plan, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. The public water supplier for municipal use shall review and update the next revision of its water conservation plan every five years to coincide with the regional water planning group.

Source Note: The provisions of this §288.2 adopted to be effective May 3, 1993, 18 TexReg 2558; amended to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective October 7, 2004, 29 TexReg 9384; amended to be effective December 6, 2012, 37 TexReg 9515

APPENDIX C

WATER UTILITY PROFILE

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

CONTACT INFORMATION

Name of Utility: City of Sachse

Public Water Supply Identification Number (PWS ID): TX0570057

Certificate of Convenience and Necessity (CCN) Number: 10096

Surface Water Right ID Number:

Wastewater ID Number: 20037

Contact: First Name: Jeremy Last Name: Wiseman
 Title: Superintendent

Address: 3815-B SACHSE ROAD City: SACHSE State: TX
 Zip Code: 75048 Zip+4: Email: jwiseman@cityofsachse.com
 Telephone Number: 4694299833 Date:

Is this person the designated Conservation Coordinator? ☐ Yes ☒ No

Coordinator: First Name: Sarah Last Name: Perkins
 Title: Public Works Coordinator

Address: 3815-B SACHSE ROAD City: SACHSE Zip Code: 75048
 Email: sperkins@cityofsachse.com Telephone Number: 972-495-7600

Regional Water Planning Group: C

Groundwater Conservation District:

Our records indicate that you:

- ☐ Received financial assistance of \$500,000 or more from TWDB
- ☒ Have 3,300 or more retail connections
- ☐ Have a surface water right with TCEQ

A. Population and Service Area Data

1. Current service area size in square miles: 10

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

Attached file(s):

File Name	File Description
Sachse Map.jpg	

2. Historical service area population for the previous five years, starting with the most current year.

Year	Historical Population Served By Retail Water Service	Historical Population Served By Wholesale Water Service	Historical Population Served By Wastewater Water Service
2018	27,360	0	0
2017	25,039	0	0
2016	24,554	0	0
2015	23,681	0	0
2014	22,026	0	0

3. Projected service area population for the following decades.

Year	Projected Population Served By Retail Water Service	Projected Population Served By Wholesale Water Service	Projected Population Served By Wastewater Water Service
2020	29,000	0	0
2030	29,000	0	0
2040	29,000	0	0
2050	29,000	0	0
2060	29,000	0	0

4. Described source(s)/method(s) for estimating current and projected populations.

2017 Comprehensive Plan, 2010 Census, NCTCOG data

Attached file(s):

File Name	File Description
Sachse Comp Plan 2017.pdf	2017 Comprehensive Plan

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

B. System Input

System input data for the previous five years.

Total System Input = Self-supplied + Imported – Exported

Year	Water Produced in Gallons	Purchased/Imported Water in Gallons	Exported Water in Gallons	Total System Input	Total
2018	0	1,027,090,000	0	1,027,090,000	
2017	0	1,016,126,000	0	1,016,126,000	
2016	0	1,019,378,000	0	1,019,378,000	
2015	0	1,083,650,000	0	1,083,650,000	
2014	0	916,099,000	0	916,099,000	
Historic Average	0	1,012,468,600	0	1,012,468,600	

C. Water Supply System

1. Designed daily capacity of system in gallons 4,000,000

2. Storage Capacity

2a. Elevated storage in gallons: 2,150,000

2b. Ground storage in gallons: 6,000,000

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

D. Projected Demands

1. The estimated water supply requirements for the next ten years using population trends, historical water use, economic growth, etc.

Year	Population	Water Demand (gallons)
2020	28,000	1,080,000,000
2021	28,500	1,085,000,000
2022	29,000	1,090,000,000
2023	29,000	1,090,000,000
2024	29,000	1,090,000,000
2025	29,000	1,090,000,000
2026	29,000	1,090,000,000
2027	29,000	1,090,000,000
2028	29,000	1,090,000,000
2029	29,000	1,090,000,000

2. Description of source data and how projected water demands were determined.

2017 Comprehensive Plan

Attached file(s):

File Name	File Description
Sachse Comp Plan 2017.pdf	2017 Comprehensive Plan

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

E. High Volume Customers

1. The annual water use for the five highest volume
RETAIL customers.

Customer	Water Use Category	Annual Water Use	Treated or Raw
Olympus Woodbridge	Residential	11,777,800	Treated
Sachse High School Irrigation	Institutional	9,187,000	Treated
Garland ISD Hudson Drive	Institutional	4,452,000	Treated
Garland ISD High School	Institutional	4,367,300	Treated
City of Sachse Hudson Park	Institutional	3,953,400	Treated

2. The annual water use for the five highest volume
WHOLESALE customers.

Customer	Water Use Category	Annual Water Use	Treated or Raw
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F. Utility Data Comment Section

Additional comments about utility data.

Beginning Fall 2018 using 4G smart meters for better tracking of water use.

Section II: System Data

A. Retail Water Supplier Connections

1. List of active retail connections by major water use category.

Water Use Category Type	Total Retail Connections (Active + Inactive)	Percent of Total Connections
Residential - Single Family	8,147	87.77 %
Residential - Multi-Family	752	8.10 %
Industrial	0	0.00 %
Commercial	294	3.17 %
Institutional	89	0.96 %
Agricultural	0	0.00 %
Total	9,282	100.00 %

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

2. Net number of new retail connections by water use category for the previous five years.

	Net Number of New Retail Connections						
Year	Residential - Single Family	Residential - Multi-Family	Industrial	Commercial	Institutional	Agricultural	Total
2018	232	76	0	14	0	0	322
2017	92	129	0	10	3	0	234
2016	220	38	0	43	7	0	308
2015	290	226	0	1	0	0	517
2014			0			0	0

B. Accounting Data

The previous five years' gallons of RETAIL water provided in each major water use category.

Year	Residential - Single Family	Residential - Multi-Family	Industrial	Commercial	Institutional	Agricultural	
2018	802,954,200	30,394,600	0	77,172,300	55,525,900	0	
2017	729,909,900	34,131,400	0	82,317,600	51,629,800	0	
2016	728,333,000	31,740,000	0	80,697,000	51,166,000	0	
2015	771,101,000	25,956,000	0	89,587,000	55,303,000	0	
2014	656,389,000	30,254,000	0	46,458,000	60,037,000	0	

C. Residential Water Use

The previous five years residential GPCD for single family and multi-family units.

Year	Residential - Single Family	Residential - Multi-Family	Total Residential
2018	88	75	83
2017	90	76	84
2016	91	76	85
2015	96	70	92
2014	92	68	85
Historic Average	91	73	86

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

D. Annual and Seasonal Water Use

1. The previous five years' gallons of treated water provided to RETAIL customers.

Month	Total Gallons of Treated Water				
	2018	2017	2016	2015	2014
January	55,900,000	50,585,000	56,270,000	5,600,800	5,900,100
February	54,387,000	51,106,000	55,965,000	48,698,000	54,681,000
March	64,387,000	68,354,000	61,654,000	52,065,000	57,133,000
April	72,414,000	74,675,000	72,193,000	57,753,000	70,203,000
May	110,696,000	96,094,000	69,657,000	57,238,000	88,891,000
June	117,273,000	93,402,000	101,605,000	86,874,000	84,500,000
July	152,220,000	111,622,000	144,878,000	143,990,000	94,961,000
August	149,764,000	110,728,000	133,601,000	198,190,000	107,979,000
September	64,358,000	120,292,000	100,384,000	149,190,000	102,954,000
October	64,505,000	99,538,000	94,174,000	124,774,000	79,817,000
November	63,683,000	75,725,000	66,252,000	57,321,000	63,379,000
December	57,287,000	64,005,000	62,745,000	50,950,000	52,600,000
Total	1,026,874,000	1,016,126,000	1,019,378,000	1,032,643,800	862,998,100

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

2. The previous five years' gallons of raw water provided to RETAIL customers.

Month	Total Gallons of Raw Water				
	2018	2017	2016	2015	2014
January	0	0	0	0	0
February	0	0	0	0	0
March	0	0	0	0	0
April	0	0	0	0	0
May	0	0	0	0	0
June	0	0	0	0	0
July	0	0	0	0	0
August	0	0	0	0	0
September	0	0	0	0	0
October	0	0	0	0	0
November	0	0	0	0	0
December	0	0	0	0	0
Total	0	0	0	0	0

3. Summary of seasonal and annual water use.

	Summer RETAIL (Treated + Raw)	Total RETAIL (Treated + Raw)
2018	419,257,000	1,026,874,000
2017	315,752,000	1,016,126,000
2016	380,084,000	1,019,378,000
2015	429,054,000	1,032,643,800
2014	287,440,000	862,998,100
Average in Gallons	366,317,400.00	991,603,980.00

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

E. Water Loss

Water Loss data for the previous five years.

Year	Total Water Loss in Gallons	Water Loss in GPCD	Water Loss as a Percentage
2018	47,043,000	5	4.58 %
2017	104,137,300	11	10.25 %
2016	113,442,000	13	11.13 %
2015	127,703,000	15	11.78 %
2014	108,961,000	14	11.89 %
Average	100,257,260	12	9.93 %

F. Peak Day Use

Average Daily Water Use and Peak Day Water Use for the previous five years.

Year	Average Daily Use (gal)	Peak Day Use (gal)	Ratio (peak/avg)
2018	2,813,353	4557141	1.6198
2017	2,783,906	3432086	1.2328
2016	2,792,816	4131347	1.4793
2015	2,829,161	4663630	1.6484
2014	2,364,378	3124347	1.3214

G. Summary of Historic Water Use

Water Use Category	Historic Average	Percent of Connections	Percent of Water Use
Residential - Single Family	737,737,420	87.77 %	82.13 %
Residential - Multi-Family	30,495,200	8.10 %	3.40 %
Industrial	0	0.00 %	0.00 %
Commercial	75,246,380	3.17 %	8.38 %
Institutional	54,732,340	0.96 %	6.09 %
Agricultural	0	0.00 %	0.00 %

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

H. System Data Comment Section

Section III: Wastewater System Data

A. Wastewater System Data

1. Design capacity of wastewater treatment plant(s) in gallons per day:

0

2. List of active wastewater connections by major water use category.

Water Use Category	Metered	Unmetered	Total Connections	Percent of Total Connections
Municipal			0	0.00 %
Industrial			0	0.00 %
Commercial			0	0.00 %
Institutional			0	0.00 %
Agricultural			0	0.00 %
Total			0	100.00 %

3. Percentage of water serviced by the wastewater system:

99.00 %

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

4. Number of gallons of wastewater that was treated by the utility for the previous five years.

Month	Total Gallons of Treated Water				
	2018	2017	2016	2015	2014
January	0	0	0	0	0
February	0	0	0	0	0
March	0	0	0	0	0
April	0	0	0	0	0
May	0	0	0	0	0
June	0	0	0	0	0
July	0	0	0	0	0
August	0	0	0	0	0
September	0	0	0	0	0
October	0	0	0	0	0
November	0	0	0	0	0
December	0	0	0	0	0
Total	0	0	0	0	0

5. Could treated wastewater be substituted for potable water?

☐

Yes

☒

No

B. Reuse Data

1. Data by type of recycling and reuse activities implemented during the current reporting period.

Type of Reuse	Total Annual Volume (in gallons)
On-site Irrigation	
Plant wash down	
Chlorination/de-chlorination	
Industrial	
Landscape irrigation (park,golf courses)	0
Agricultural	
Discharge to surface water	0
Evaporation Pond	0
Other	
Total	0

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

C. Wastewater System Data Comment

Additional comments and files to support or explain wastewater system data listed below.

The city of Sachse does not operate a wastewater treatment facility. City of Garland treats all of the City of Sachse's wastewater.

APPENDIX D
NTMWD MEMBER CITY AND CUSTOMER ANNUAL WATER CONSERVATION
REPORT

APPENDIX D
NTMWD MEMBER CITY AND CUSTOMER WATER CONSERVATION REPORT
Due: March 31 of every year

Water Utility Reporting:	<u>Sachse</u>
Filled Out By:	<u>Sarah Perkins</u>
Phone Number:	<u>(972) 495-7600</u>
Email:	<u>sperkins@cityofsachse.com</u>
Date Completed:	<u></u>
Year Covered:	<u>2018</u>
# of Connections	<u>9,120</u>
Estimated Population	<u>27,360</u>
Source:	<u>TCEQ number based on retail population</u>
# of Irrigation Systems	<u>5,531</u>

Recorded Deliveries and Sales by Month (in Million Gallons):

Month	Deliveries from NTMWD	Other Supplies	Sales by Category							
			Residential	Commercial	Public/ Institutional	Industrial	Metered Irrigation	Wholesale	Other	Total
January	55.900		46.741	2.999	1.216					50.956
February	54.387		43.710	3.302	2.294					49.306
March	64.603		38.890	2.629	1.817					43.337
April	72.414		50.633	4.061	2.764					57.458
May	110.696		70.348	6.069	5.288					81.704
June	117.273		103.632	9.627	8.914					122.172
July	152.220		119.499	11.539	10.628					141.666
August	149.764		121.136	12.731	9.386					143.253
September	64.358		91.977	10.038	7.994					110.009
October	64.505		53.301	5.563	5.563					64.428
November	63.683		47.946	4.414	4.414					56.773
December	57.287		45.536	4.200	4.200					53.937
TOTAL	1,027.090		833.349	77.172	64.478					975.000

Peak Day Usage

Peak Day (MG)	7.152
Average Day (MG)	2.814
Peak/Average Day Ratio	2.542

Authorized Consumption and Water Loss

Total System Input Volume:	1,027.090
Billed Metered:	975.000
Billed Unmetered:	
Unbilled Metered:	
Unbilled Unmetered:	14.000
Total Authorized Consumption:	989.000
Water Losses:	38.091
Total Loss Percent:	3.71%
Goal for Total Loss Percent:	12.00%

Per Capita Use (Gallons per person per day)

Municipal Use (MG)	1,027
Residential Use (MG)	833.349
Total Per Capita Use (gpcd)	103
Municipal Per Capita Use (gpcd)	103
Residential Per Capita Use (gpcd)	83
5-year Per Capita Goal	142
10-year Per Capita Goal	137

Recorded Wholesale Sales by Month (in Million Gallons):

Month	Sales to...	Sales to...	Sales to...	Sales to...	Sales to...	Sales to...	Sales to...	Sales to...	Total Wholesale Sales
January									
February									
March									
April									
May									
June									
July									
August									
September									
October									
November									
December									
TOTAL									

Information on Wholesale Customers:

Customer	Estimated Total Population
----------	----------------------------

Unusual Circumstances (use additional sheets if necessary):

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Progress in Implementation of Conservation Plan (use additional sheets if necessary):

The city continues to educate the public in the importance of water conservation. In 2018, the City held it's third annual H2O XPO, to increase awareness of the need for water conservation in our region. Flyers, brochures, and utility bills provide residents water conservation tips. City staff attends monthly meetings with NTMWD to discuss regional programs, initiatives, and ideas related to water conservation. The city will continue to follow water restrictions recommended by NTMWD during periods of drought.

Conservation measures planned for next year (use additional sheets if necessary):

The City will be holding our third annual H2O XPO on April 6th of 2019. This event provides water conservation tips to citizens and encourages signing up for the water-my-yard program with a bill credit for all homes that sign up.

Assistance requested from North Texas Municipal Water District (use additional sheets if necessary):

The City would like to continue to see NTMWD get involved at the City level with residents and City staff in regards to water conservation, education, and promotion of smart water use.

Other (use additional sheets if necessary):

Historical Water Use Data for Sachse

Year	Connections	Estimated Population	Deliveries from NTMWD (MG)	Other Supplies (MG)	Metered Sales by Category (Million Gallons)							
					Residential	Commercial	Public/ Institutional	Industrial	Metered Irrigation	Wholesale	Other	Total
1990	0	5,346	0	0	0	0	0	0	0	0	0	0
1991	0	5,400	0	0	0	0	0	0	0	0	0	0
1992	0	5,550	0	0	0	0	0	0	0	0	0	0
1993	0	5,850	0	0	0	0	0	0	0	0	0	0
1994	0	6,600	0	0	0	0	0	0	0	0	0	0
1995	0	7,000	0	0	0	0	0	0	0	0	0	0
1996	2,477	7,250	321	0	0	0	0	0	0	0	0	0
1997	2,566	7,570	351	0	0	0	0	0	0	0	0	0
1998	2,798	7,840	492	0	0	0	0	0	0	0	0	0
1999	3,379	9,514	539	0	0	0	0	0	0	0	0	0
2000	3,952	9,751	659	0	0	0	0	0	0	0	0	0
2001	4,496	10,975	633	0	0	0	0	0	0	0	0	0
2002	4,742	12,195	768	0	0	0	0	0	0	0	0	0
2003	5,191	13,029	1,019	0	640	39	0	0	0	0	102	781
2004	5,682	15,210	932	0	646	55	0	0	0	0	62	762
2005	5,938	16,335	1,091	0	818	53	0	0	0	0	101	972
2006	6,200	16,518	1,087	0	877	55	0	0	0	0	68	1,000
2007	6,426	17,650	831	0	642	50	0	0	0	0	47	738
2008	6,707	18,717	1,158	0	801	67	0	0	0	0	76	944
2009	6,731	19,840	1,036	0	721	66	0	0	0	0	67	854
2010	7,536	20,329	1,088	0	845	73	0	0	0	0	89	1,007
2011	7,612	20,570	1,295	0	950	67	0	0	0	0	114	1,131
2012	7,666	20,800	1,076	0	802	59	0	0	0	0	75	936
2013	7,826	21,596	1,090	0	788	41	33	0	0	0	0	862
2014	8,343	22,026	916	0	687	46	60	0	0	0	0	793
2015	8,651	23,681	1,084	0	797	90	55	0	0	0	0	942
2016	8,952	24,554	1,019	0	760	81	51	0	0	0	0	892
2017	9,050	25,039	1,016	0	764	82	52	0	0	0	0	898
2018	9,120	27,360	1,027	0	833	77	64	0	0	0	0	975

Historical Per Capita Use Data and Water Loss for Sachse

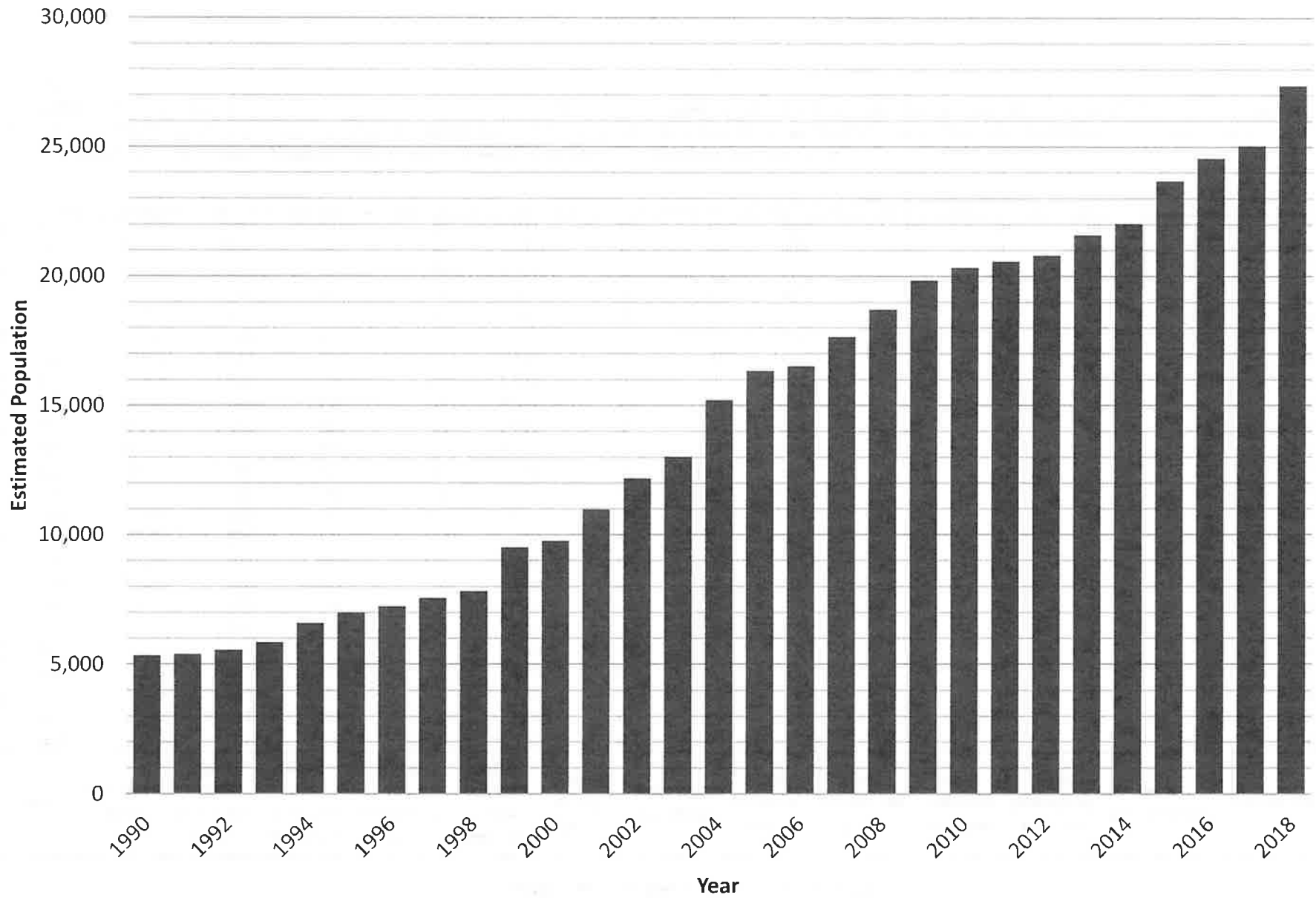
Year	Estimated Population	In-City Municipal Use (MG)	Per Capita Municipal Use (gpcd)	Per Capita Residential Use (gpcd)	Deliveries from NTMWD (MG)	Other Supplies (MG)	Wholesale Sales (MG)	Billed Metered (MG)	Billed Unmetered (MG)	Unbilled Metered (MG)	Unbilled Unmetered (MG)	Water Losses (MG)	% Water Loss
1995	7,000	0	0	0	0	0	0	0		0	0	0	0.00%
1996	7,250	321	121	0	321	0	0	0		0	0	0	0.00%
1997	7,570	351	127	0	351	0	0	0		0	0	0	0.00%
1998	7,840	492	172	0	492	0	0	0		0	0	0	0.00%
1999	9,514	539	155	0	539	0	0	0		0	0	0	0.00%
2000	9,751	659	185	0	659	0	0	0		0	0	0	0.00%
2001	10,975	633	158	0	633	0	0	0		0	0	0	0.00%
2002	12,195	768	172	0	768	0	0	0		0	0	0	0.00%
2003	13,029	917	193	134	1,019	0	0	781		0	0	238	23.33%
2004	15,210	869	157	116	932	0	0	762		0	0	169	18.15%
2005	16,335	990	166	137	1,091	0	0	972		0	0	119	10.90%
2006	16,518	1,019	169	145	1,087	0	0	1,000		0	0	87	8.01%
2007	17,650	784	122	99	831	0	0	738		0	0	93	11.19%
2008	18,717	1,082	158	117	1,158	0	0	944		1	1	212	18.31%
2009	19,840	969	134	99	1,036	0	0	854		9	18	155	14.94%
2010	20,329	999	135	114	1,088	0	0	1,007		2	12	67	6.15%
2011	20,570	1,181	157	126	1,295	0	0	1,131		2	12	150	11.59%
2012	20,800	1,002	132	105	1,076	0	0	936		1	11	128	11.93%
2013	21,596	1,090	138	100	1,090	0	0	862		2	18	208	19.07%
2014	22,026	916	114	85	916	0	0	793		2	12	109	11.89%
2015	23,681	1,084	125	92	1,084	0	0	942		2	12	128	11.78%
2016	24,554	1,019	114	85	1,019	0	0	892		2	12	113	11.13%
2017	25,039	1,016	111	84	1,016	0	0	898	0	0	14	104	10.25%
2018	27,360	1,027	103	83	1,027	0	0	975	0	0	14	38	3.71%

Note:

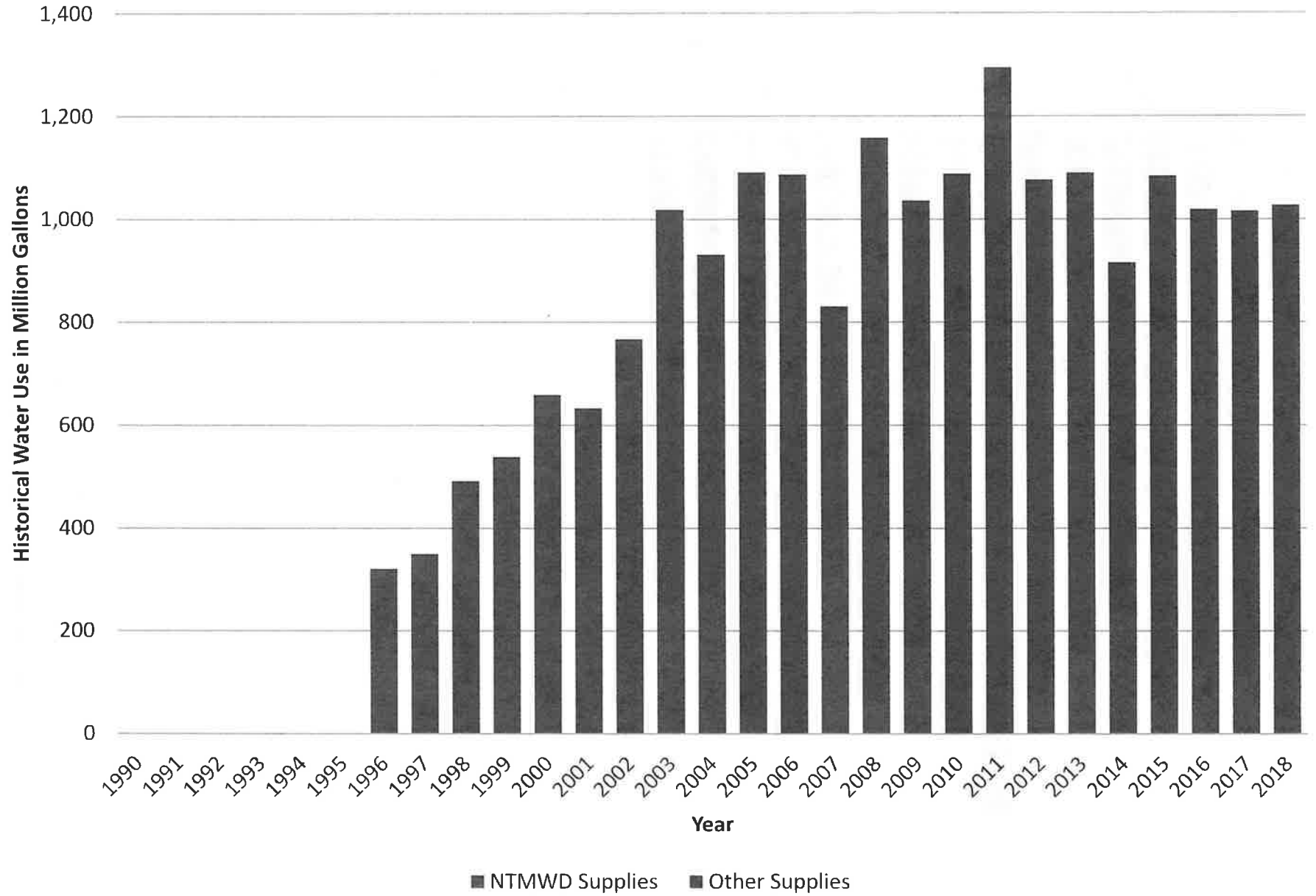
In-city municipal use = total water supplied less sales to industry, metered irrigation, wholesale sales and other sales.

After 2017 - Unaccounted Water has been removed and replaced with Water Losses (per TWDB definition). This category is inclusive of real and apparent losses. Categories for authorized consumption were also added; Unbilled metered replaced estimated fire use, unbilled unmetered replaced estimated line flushing, and a new category for billed unmetered sales was added.

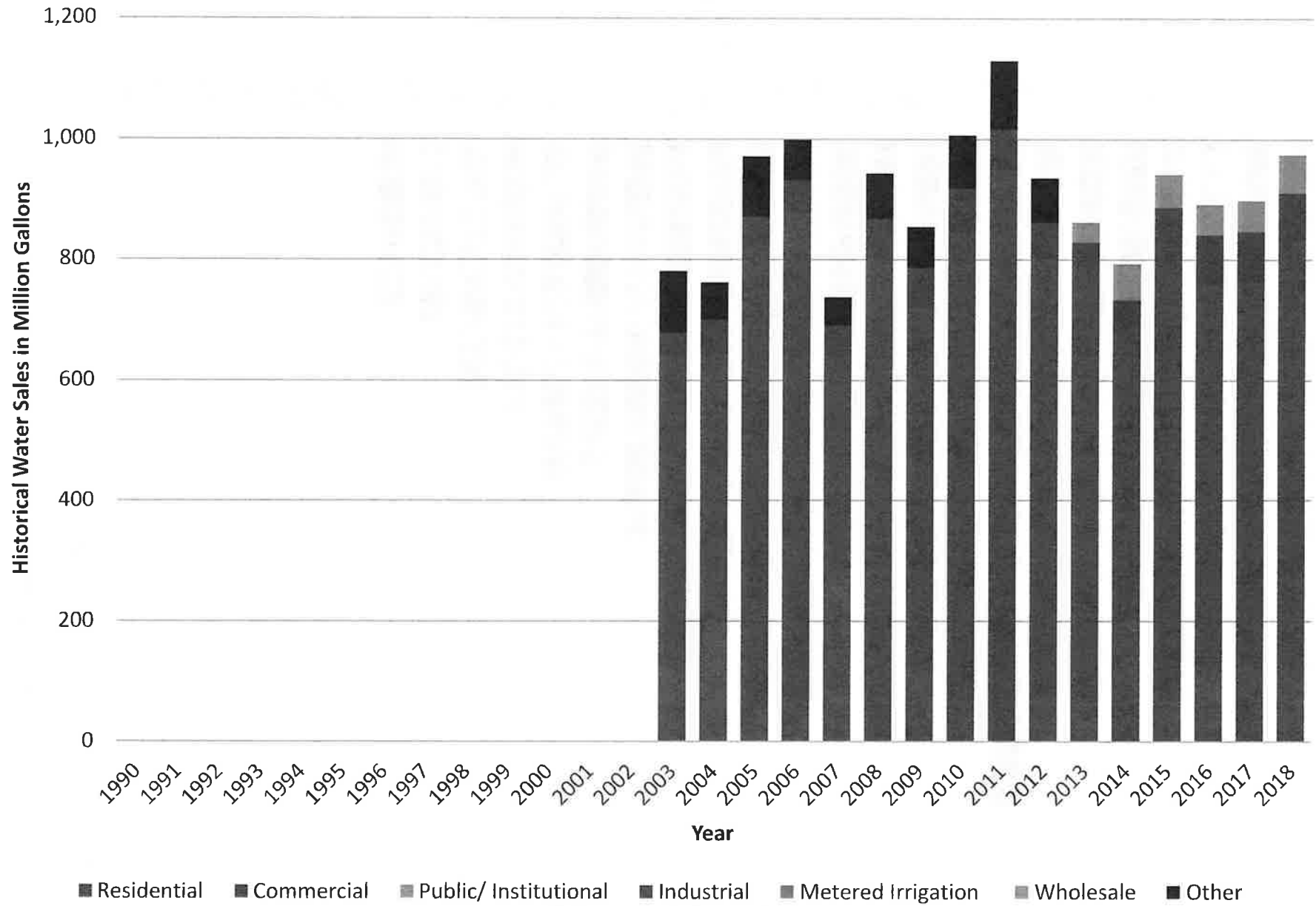
Estimated Historical Population



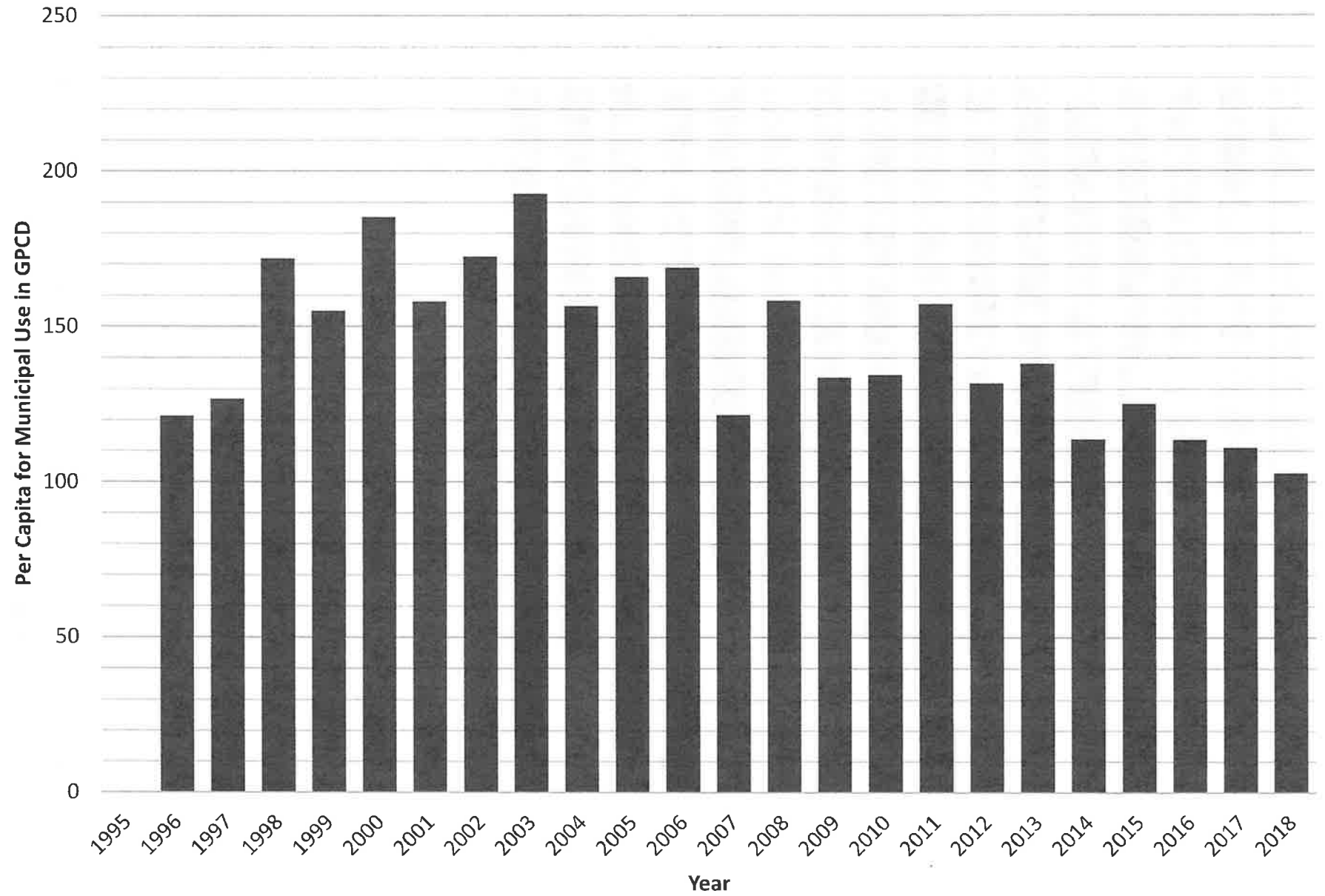
Historical Water Use



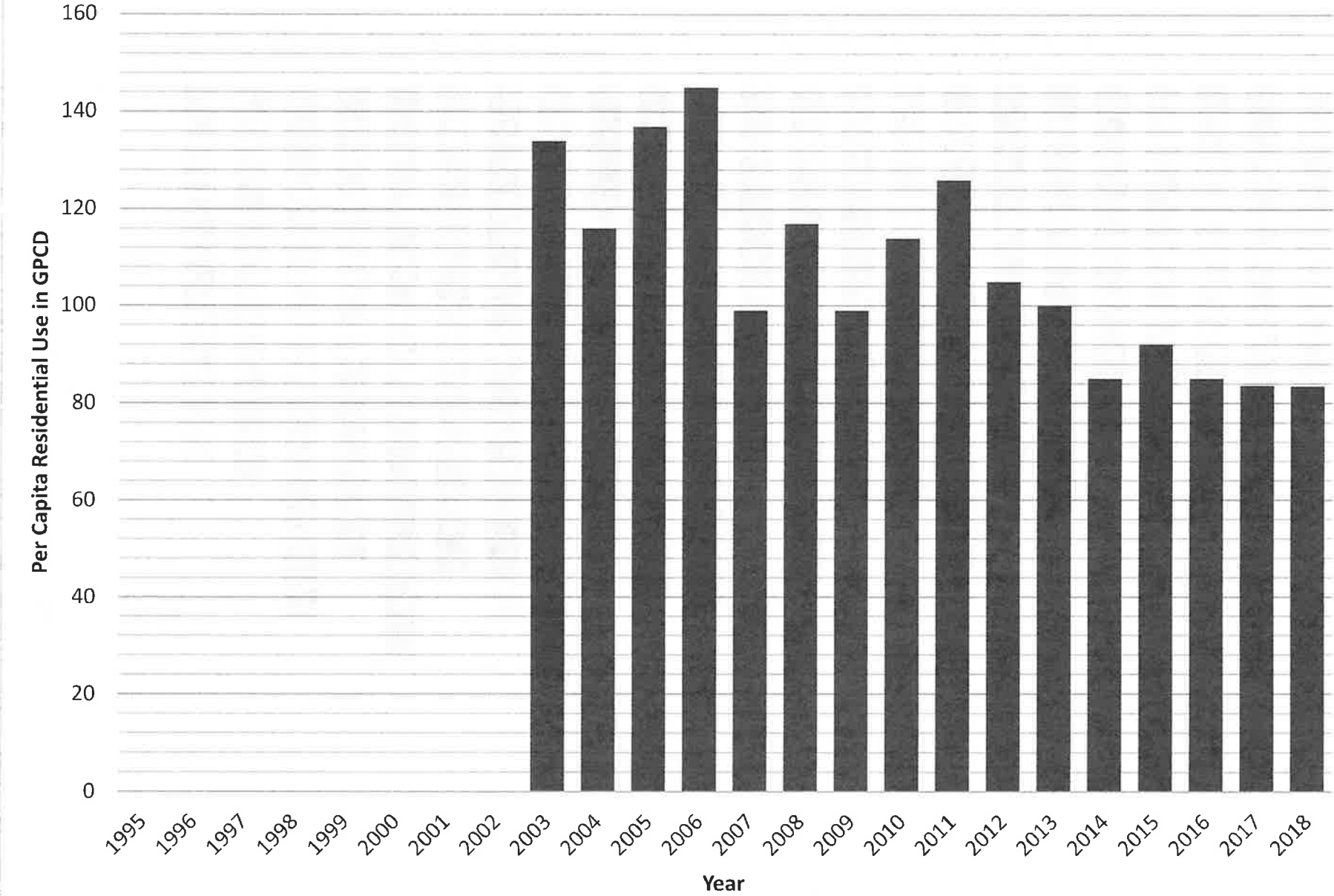
Historical Water Sales by Classification



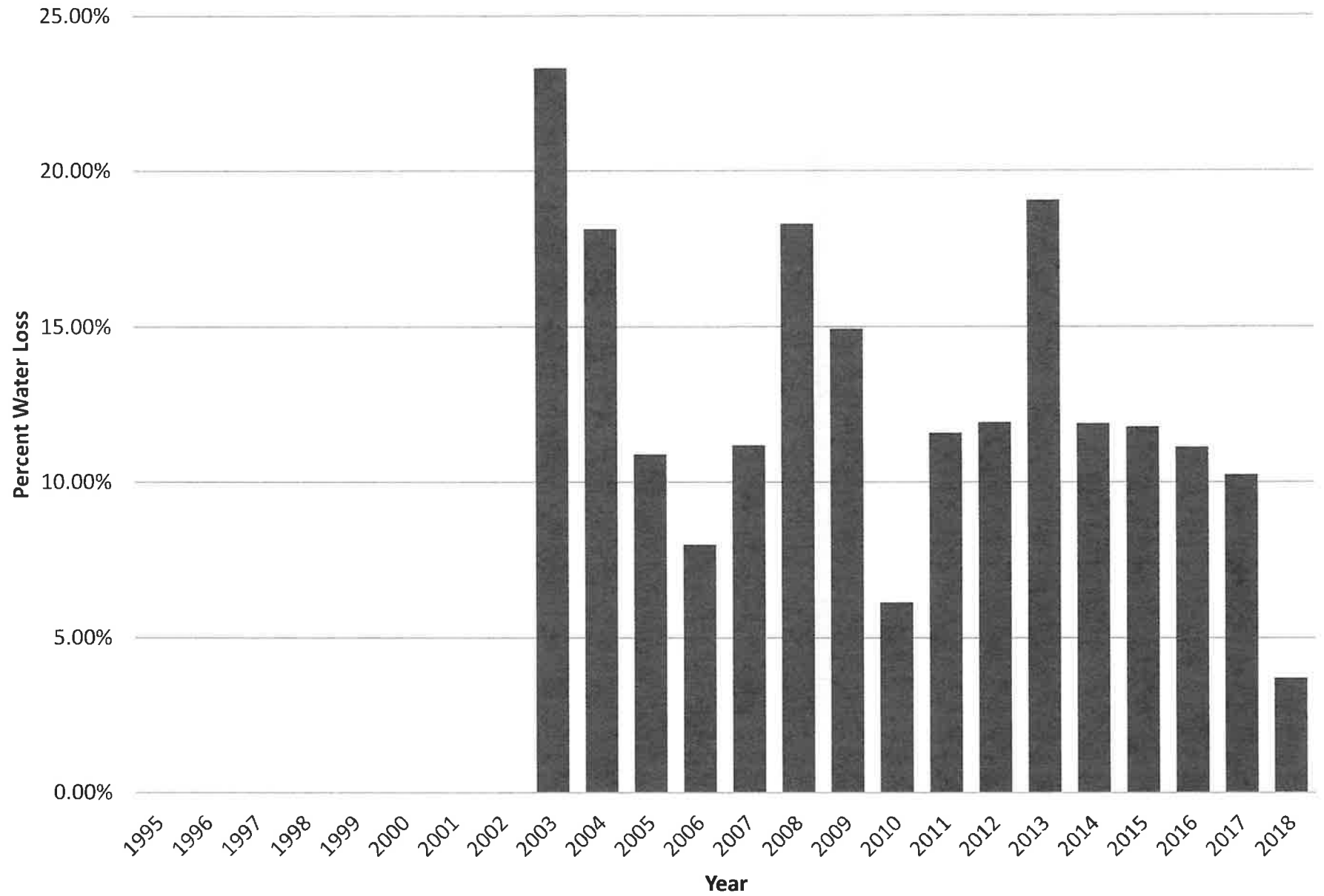
Historical Per Capita for Municipal Use



Historical Per Capita for Residential Use



Historical Percent Water Loss



APPENDIX E

LANDSCAPE WATER MANAGEMENT REGULATIONS

APPENDIX E

CONSIDERATIONS FOR LANDSCAPE WATER MANAGEMENT REGULATIONS

A. Purpose

The purpose of these landscape water management regulations is to provide a consistent mechanism for preventing the waste of water resources. To enact these provisions, entities must verify legal authority to adopt such provisions, and must promulgate valid rules, orders, or ordinances.

B. Required Measures

The following landscape water conservation measures are required to be included in the landscape management regulations adopted and enforced in this plan.

1. Lawn and Landscape Irrigation Restrictions

- a. A person commits an offense if the person irrigates, waters, or knowingly or recklessly causes or allows the irrigation or watering of any lawn or landscape located on any property owned, leased, or managed by the person between the hours of 10:00 a.m. and 6:00 p.m. from April 1 through October 31 of any year.
- b. A person commits an offense if the person knowingly or recklessly irrigates, waters, or causes or allows the irrigation or watering of lawn or landscape located on any property owned, leased, or managed by that person in such a manner that causes:
 - 1) over-watering lawn or landscape, such that a constant stream of water overflows from the lawn or landscape onto a street or other drainage area; or
 - 2) irrigating lawn or landscape during any form of precipitation or freezing conditions. This restriction applies to all forms of irrigation, including automatic sprinkler systems; or
 - 3) the irrigation of impervious surfaces or other non-irrigated areas, wind driven water drift taken into consideration.

- c. A person commits an offense if the person knowingly or recklessly allows the irrigation or watering of any lawn or landscape located on any property owned, leased, or managed by the person more than two days per week.

2. Rain and Freeze Sensors and/or ET or Smart Controllers

Any new irrigation system installed on or after November 4, 2004, must be equipped with rain and freeze sensing devices and/or ET or Smart controllers in compliance with state design and installation regulations. A person commits an offense on property owned, leased, or managed if the person knowingly or recklessly installs or allows the installation of new irrigations systems or operates or allows the operation of an irrigation system that does not comply with this section.

3. Filling or Refilling of Ponds

A person commits an offense if the person knowingly or recklessly fills or refills any natural or manmade pond located on any property owned, leased, or managed by the person by introducing any treated water to fill or refill the pond. This does not restrict the filling or maintenance of pond levels by the effect of natural water runoff or the introduction of well water into the pond. A pond is considered to be a still body of water with a surface area of 500 square feet or more.

4. Washing of Vehicles

A person commits an offense if the person knowingly or recklessly washes a vehicle without using a water hose with a shut-off nozzle on any property owned, leased, or managed by the person.

5. Enforcement

With the adoption of this water conservation plan the City of Sachse will have implemented water penalty provisions.

It is unlawful for any person to violate the provisions of the city's water conservation plan and water resource management plan.

For a first violation of any provision of the water conservation plan and/or the water resource management plan or this article, the city shall issue a letter and provide educational materials on water conservation, including a copy of the relevant

provisions of this article to the water user violating the provisions of this article. The city shall give the water user a reasonable time to correct the violation.

For a second violation of any provision of the water conservation plan and/or the water resource management plan or this article, the city shall issue the water user a citation and upon conviction shall be subject to a fine not to exceed the sum of two thousand dollar (\$2,000.00).

C. Variances

1. In special cases, variances may be granted to persons demonstrating extreme hardship or need. Variances may be granted under the following circumstances:
 - a. the applicant must sign a compliance agreement agreeing to irrigate or water the lawn and/or landscape only in the amount and manner permitted by the variance; and
 - b. the variance must not cause an immediate significant reduction to the water supply; and
 - c. the extreme hardship or need requiring the variance must relate to the health, safety, or welfare of the person making the request; and
 - d. the health, safety, and welfare of the public and the person making the request must not be adversely affected by the requested variance.
2. A variance will be revoked upon a finding that:
 - a. the applicant can no longer demonstrate extreme hardship or need; or
 - b. the terms of the compliance agreement are violated; or
 - c. the health, safety, or welfare of the public or other persons requires revocation.

APPENDIX F

LETTERS TO REGION C AND REGION D WATER PLANNING GROUPS

APPENDIX F
LETTERS TO REGION C AND REGION D WATER PLANNING GROUPS

Date

Region C Water Planning Group
c/o Trinity River Authority
P.O. Box 60
Arlington, TX 76004

Dear Sir:

Enclosed please find a copy of the Water Conservation Plan for the City of Sachse. I am submitting a copy of this plan to the Region C Water Planning Group in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality rules. The City of Sachse adopted the updated plan on ____ __, 2019.

Sincerely,

Insert Entity Contact Name
City of Sachse

Date

Mr. Richard LeTourneau
Chair, Region D Water Planning Group
P.O. Box 12071
Longview, TX

Dear Mr. LeTourneau:

Enclosed please find a copy of the recently updated Water Conservation Plan for the City of Sachse. I am submitting a copy of this plan to the Region D Water Planning Group in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality rules. The Board of the North Texas Municipal Water District adopted the updated plan on _____, 2019.

Sincerely,

Insert Entity Contact Name
City of Sachse

APPENDIX G
ADOPTION OF WATER CONSERVATION PLAN

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SACHSE, TEXAS, REPEALING ORDINANCE NO. 3920 PASSED MAY 6, 2019, IN ITS ENTIRETY AND AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 10 TITLED "UTILITIES" BY AMENDING ARTICLE 1 TITLED "IN GENERAL" BY AMENDING SECTION 10-7 TITLED "WATER CONSERVATION AND DROUGHT CONTINGENCY AND WATER EMERGENCY RESPONSE PLAN" BY RENAMING SECTION 10-7 "WATER CONSERVATION PLAN" TO ADOPT THE "2019 CITY OF SACHSE WATER CONSERVATION PLAN"; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse passed Ordinance No. 3920 on May 6, 2019, amending Chapter 10 titled "Utilities" by amending Section 10-7 to adopt the "2019 Model Water Conservation Plan for North Texas Municipal Water District Member Cities and Customers"; and

WHEREAS, the City of Sachse is now repealing Ordinance 3920 in its entirety and amending Chapter 10 titled "Utilities" by amending Section 10-7 to adopt the "2019 City of Sachse Water Conservation Plan; and

WHEREAS, the City of Sachse, Texas (the "City"), recognizes that the amount of water available to its water customers is limited; and

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental Quality (the "Commission") require that the City adopt a Water Conservation Plan; and

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt the 2019 City of Sachse Water Conservation Plan"; and

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources; and

WHEREAS, the City Council desires to amend the Code of Ordinances by adopting the "2019 City of Sachse Water Conservation Plan" attached hereto as Exhibit "A," incorporated herein by reference and made a part hereof, as official City policy;

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

SECTION 1. That the City of Sachse Code of Ordinances is amended by amending Chapter 10 titled “Utilities” by amending Article 1 titled “In General” by amending Section 10-7, amended to read as follows:

“Chapter 10

UTILITIES

....

ARTICLE I. IN GENERAL

...

Sec. 10-7. Water conservation plan.

A. 2019 City water conservation plan. The 2019 city water conservation plan (the “plan”), attached hereto as Addendum A, as if recited verbatim herein. The city commits to implement the requirements and procedures set forth in the adopted plan.

Addendum “A” is hereby adopted by reference for the city and made part hereof for all purposes, the same as if fully copied herein.

B. Penalty.

- (1) It is unlawful for any person to violate the provisions of the city's water conservation plan and water resource management plan.
- (2) For a first violation of any provision of the water conservation plan and/or the water resource management plan or this article, the city shall issue a letter and provide educational materials on water conservation, including a copy of the relevant provisions of this article to the water user violating the provisions of this article. The city shall give the water user a reasonable time to correct the violation.
- (3) For a second violation of any provision of the water conservation plan and/or the water resource management plan or this article, the city shall issue the water user a citation and upon conviction shall be subject to a fine not to exceed the sum of two thousand dollar (\$2,000.00).
- (d) The city's current five-tier level conservation rate structure is in effect year round to encourage ongoing water conservation. Additional rate surcharges may be established when it is required to meet the reduction goal in each respective stage of this article.

...”

SECTION 2. That all provisions of the Ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the Ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

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

SECTION 5. That any person violating any of the provisions or terms of this Ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Sachse as heretofore amended and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense.

SECTION 6. This ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such cases provides.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas on the _____ day of _____, 2019.

APPROVED:

Mike Felix
Mayor

DULY ENROLLED:

Michelle Lewis-Sirianni
City Secretary

APPROVED AS TO FORM:

Joseph J. Gorfida, Jr.
City Attorney
(09-09-2019:TM107711)

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	1. Discuss and consider a recommendation from the Parks & Recreation Board to the City Council on the naming of the Sachse Community Center as the Michael J. Felix Community Center.
Access	Public
Type	Action, Discussion
Recommended Action	Make a recommendation to name the Sachse Community Center.

Public Content**BACKGROUND**

Staff received a citizen request from Bill Adams to name the community center the Michael J. Felix Community Center after the current Mayor of Sachse. The Park Board discussed this item at the August 8, 2019, and the September 12, 2019 meetings. At the latter meeting, with five Park Board members in attendance, the Park Board made a recommendation, with a 3-2 vote, that the City Council name the community center the Michael J. Felix Community Center.

RECOMMENDATION

According to the City of Sachse Naming of Public Facilities policy, if the Park Board approves the proposed name, the recommendation is forwarded by staff to the Sachse City Council with the recommendation of the Parks and Recreation Board. As stated previously, the Park Board recommended approval of the naming of the community center as the Michael J. Felix Community Center.

[Community Center Naming Request.pdf \(80 KB\)](#)[Namingofpublicfacilities.pdf \(112 KB\)](#)

If there is one name that is synonymous with Sachse, it is Mike Felix. Sachse is not just a place or a city to Mike; it is his home. Mike has spent more than 30 years, nearly half of his life, completely dedicated to Sachse.

Mike and Kelley Felix moved to Sachse in 1985 to raise their young family. Mike quickly got involved with serving his community by taking on leadership roles with the Lion's Club, the Parent-Teacher Associations at both Sewell Elementary and Hudson Middle School, the Sachse Fallfest event, and the City Council. During his tenure as a Councilmember and Mayor, Mike was instrumental in countless projects that would put Sachse on the map. Among these accomplishments are the widening of State Highway 78, the development of Woodbridge, the establishment of the Sachse Economic Development Corporation, the development of the Kroger shopping center, significant enhancements to public safety, and the passage of the 2006 bond, which led to the construction of the City Hall Complex. He has certainly played a vital role in shaping this community's future.

Above all, it is Mike's love and support of the parks programming that is truly remarkable. He embraced this passion both personally and professionally. On the Council, Mike helped usher in major components of Sachse's park system including Heritage Park, Joe and Patricia Stone Park, Dave Sanford Park, and Firefighters Park. Additionally, Mike served as the founder of Sachse's signature Red, White, and Blue Blast, the Sachse High School Turkey Trot, and the Christmas Parade. He also was an early supporter of Sachse's Municipal Development District. When he was not busy with City projects, you could find Mike out on the ball field, where he served as a longtime coach with the Sachse Sports Association.

As someone who was instrumental in the formation of parks and recreation programming in Sachse, Mike knew that, despite all of the City's accomplishments, it still needed something more. Sachse lacked a common space where residents could come together. Sachse needed a community center. Sachse needed a place where families could bring their kids to practice indoors, away from the summer heat; a place where friends could meet-up in the morning to get in a good jog on a walking trail; a place where a Girl Scouts troop could plan their next project.

Mike understands that while police, fire, and public works are critical public services; the parks and recreation programming is what truly elevates the quality of life in a community. The forthcoming Sachse Community Center is a quality of life enhancer for Sachse. It gives our residents a safe place to play and to convene. It is exactly the place this community needs.

Mike Felix has left an indelible mark on Sachse. I can think of no better way to recognize all of his contributions to Sachse by naming the Community Center after him. It is my honor to submit this nomination for Mayor Michael J. Felix.

Sincerely,

Bill Adams

CITY OF SACHSE NAMING OF PUBLIC FACILITIES

Purpose:

This policy serves as a guide for the naming of park and recreation facilities and other properties managed by the Parks and Recreation Department. It is intended to guide the Parks and Recreation Board in their preparation of a name for consideration by the Sachse City Council. The Parks and Recreation Board will follow these guidelines in order to bring consistency to their evaluation of names. City Council has the final decision on naming of parks and recreation facilities and can overrule any name recommended by the Board.

Guidelines:

- I. Parks and recreation facilities and other properties operated by the Parks and Recreation Department shall be named under the following guidelines:
 - A. For geographical or physical features;
 - B. For historical features/events; or,
 - C. For individuals or organizations who have made significant contributions of property, money, or services to the Parks and Recreation Department or other city departments.
- II. Geographical and physical features will include those naturally occurring, such as creeks and forested areas.
- III. Historical features will include names attached to early residents and events that were of significance to the area's development.
- IV. Significant contributions by individuals will be those that constitute more than 50% (or a major portion) of the total cost of a project, or that consist of outstanding public service of great duration and/or diligence to the community, in particular, the development of the parks and recreation system, and where City Council so approves. Contributions by individuals that do not meet the criteria established above, but that are nevertheless of major proportions will be recognized in a manner suitable to the particular facility and recommended by City Council.
- V. Naming of parks after a person(s) can be made posthumously or after a living person. If named after a living person, a background check shall be conducted to insure no improprieties have been committed.

Rescinding Name:

The Board may recommend to the Sachse City Council the rescinding of a name granted to a park if:

- I. The park is named after an individual who has been found guilty for any criminal act that discredits the name of the individual or organization or imposes an unfavorable image on the City.
- II. The name of a park is found to be offensive in anyway to a class of citizens or an organization.

Procedure:

Person or persons requesting the naming of a park or recreation facility shall do so in writing to the Parks and Recreation Director. The Parks and Recreation Director will review the recommendation as to the merits of this policy. The applicant's recommendation and the director's review will be placed on the next available Parks and Recreation Board agenda. The Board will have the right to ask for any follow-up research or support of the proposal. All follow-up information will be prepared by a staff report to the Board. The Board will vote on the proposal with majority rule.

Action:

If the Board approves the proposed name, the recommendation will be forwarded by staff to the Sachse City Council with the recommendation of the Parks and Recreation Board. If the Board denies the proposal, the proponent may appeal the decision of the Board by requesting that the proposal be placed on the next available City Council agenda. In this case, the proposal will be forwarded to the City Council with recommendation from the Board for denial.

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	2. Consider an ordinance approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2019 Rate Review Mechanism filings.
Access	Public
Type	Action (Consent)
Preferred Date	Sep 16, 2019
Recommended Action	Approve an ordinance approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2019 Rate Review Mechanism filings.
Goals	Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content**BACKGROUND**

Sachse, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division ("the Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). In March 2018, the City Council approved a new Rate Review Mechanism ("RRM"). The RRM process allows a longer review period and includes other features favorable to the Cities. On or about April 1, 2019, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The company claimed that its cost-of-service in a test year ending December 31, 2018, entitled it to additional system-wide revenues of \$70 million. Application of the standards set forth in ACSC's RRM Tariff required Atmos to reduce its request to \$54 million, \$39.3 million of which would be applicable to ACSC members. ACSC's consultants concluded that the system-wide deficiency under the RRM regime should be \$38.7 million instead of the claimed \$54 million. The amount of the \$38.7 million deficiency applicable to ACSC members would be \$28.2 million. After the Company reviewed ACSC's consultants' report, ACSC's Executive Committee and the company negotiated a settlement whereby the Company would receive an increase of \$35.4 million from ACSC Cities.

The Executive Committee recommends a settlement at this amount. The effective date for new rates is October 1, 2019. ACSC members should take action approving the Ordinance before the end of September.

OVERVIEW

The impact of the settlement on average residential rates is an increase of \$2.05 on a monthly basis, or 3.7 percent. The increase for average commercial usage will be \$6.18 or 2.31 percent.

POLICY CONSIDERATIONS

The governing body of a municipality has exclusive original jurisdiction over the rates, operations, and services of a gas utility within the municipality.

RECOMMENDATION

Approve an ordinance approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2019 Rate Review Mechanism filings.

2019.09.16 Atmos Staff Report Attachments.pdf (161 KB)

Atmos Staff Report Attachments.pdf (161 KB)

Ordinance Settlement Between ACSC and Atmos Energy Mid-Tex.pdf (118 KB)

2019.09.16 Atmos Ordinance Attachments.pdf (543 KB)

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 Councilmember or citizen so requests.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2019 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

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

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

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

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2019, Atmos Mid-Tex filed its 2019 RRM rate request with ACSC Cities based on a test year ending December 31, 2018; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2019 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$35.4 million applicable to ACSC Cities; and

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

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

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

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

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

SECTION 1. That the findings set forth in this Ordinance are hereby in all things approved.

SECTION 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of \$35.4 million for ACSC Cities represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2019 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

SECTION 3. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$35.4 million from customers in ACSC Cities, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

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

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

SECTION 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2019 RRM filing.

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

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

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

SECTION 10. That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2019.

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

PASSED AND APPROVED this _____ day of _____, 2019.

APPROVED:

Mike J. Felix
Mayor

APPROVED AS TO FORM:

Joe Gorfida
City Attorney

DULY ENROLLED:

Michelle Lewis Sirianni
City Secretary

Exhibit A

Rate Tariffs Effective October 1, 2019

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 19.55 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 19.60 per month
Commodity Charge – All <u>Ccf</u>	\$0.17423 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2019.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 46.50 per month
Rider CEE Surcharge	\$ 0.02 per month ²
Total Customer Charge	\$ 46.52 per month
Commodity Charge – All Ccf	\$ 0.09924 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2019.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 845.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3572 per MMBtu
Next 3,500 MMBtu	\$ 0.2616 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0561 per MMBtu

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

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

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

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

Curtailment Overpull Fee

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

Replacement Index

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Agreement

An Agreement for Gas Service may be required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 845.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3572 per MMBtu
Next 3,500 MMBtu	\$ 0.2616 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0561 per MMBtu

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

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

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

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

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

Imbalance Fees

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

Monthly Imbalance Fees

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

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Curtailment Overpull Fee

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

Replacement Index

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

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2019	PAGE:

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

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

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

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

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

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

ADD = billing cycle actual heating degree days.

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

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

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

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

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2019	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	9.77	0.1487	88.49	0.7036
Austin	9.04	0.1537	201.48	1.0000
Dallas	13.07	0.2202	184.64	1.1385
Waco	8.77	0.1470	135.70	0.7744
Wichita Falls	11.40	0.1468	117.90	0.5943

Weather Normalization Adjustment (WNA) Report

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

Exhibit B

2019 Benchmark for Pensions and Retiree Medical Benefits

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2018

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Supplemental Executive Benefit Plan	Post-Employment Benefit Plan	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Benefits Benchmark - Fiscal Year 2019 Willis Towers Watson Report as adjusted (1) (2) (3)	\$ 2,744,088	\$ 2,267,927	\$ 4,724,119	\$ 193,211	\$ 2,621,842	
2	Allocation to Mid-Tex	43.48%	43.48%	73.88%	100.00%	73.88%	
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	\$ 1,193,029	\$ 986,012	\$ 3,490,241	\$ 193,211	\$ 1,937,051	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4) (3)	\$ 1,193,029	\$ 986,012	\$ 3,490,241	\$ 193,211	\$ 1,937,051	\$ 7,799,544
6							
7							
8	Summary of Costs to Approve (1):						
9							
10	O&M Expense Factor (WP_F-2.3, Ln 2)	81.35%	81.35%	38.28%	16.24%	38.28%	
11							
12							
13	Total Pension Account Plan	\$ 970,514		\$ 1,336,038			\$ 2,306,553
14	Total Post-Employment Benefit Plan		\$ 802,108			\$ 741,489	1,543,597
15	Total Supplemental Executive Benefit Plan				\$ 31,377		31,377
16	Total (Ln 13 + Ln 14 + Ln 15)	\$ 970,514	\$ 802,108	\$ 1,336,038	\$ 31,377	\$ 741,489	\$ 3,881,527
17							
18	Notes:						
19	1. Studies not applicable to Mid-Tex or Shared Services are omitted.						
20	2. The Company is requesting that the benchmark amount approved by the RRM Cities for future periods include only the expense amount.						
21	The amount attributable to capital would continue to be recorded to utility plant through the overhead process as described in the CAM.						
22	3. SSU amounts exclude cost centers which do not allocate to Mid-Tex for rate making purposes.						

Exhibit C

2019 Amortization Schedule for Regulatory Liability

ATMOS ENERGY CORP., MID-TEX DIVISION
RATE BASE ADJUSTMENTS
TEST YEAR ENDING DECEMBER 31, 2018
AMORTIZATION OF REGULATORY LIABILITY

Line No.	Year Ended Dec. 31	Beginning of Year		End of Year	
		Rate Base Adjustment Amount (1)	Annual Amortization (2)	Rate Base Adjustment Amount	
	(a)	(b)	(c)	(d)	
1	2018	\$ 290,043,948	\$ -	290,043,948	
2	2019	290,043,948	12,085,165	277,958,784	
3	2020	277,958,784	12,085,165	265,873,619	
4	2021	265,873,619	12,085,165	253,788,455	
5	2022	253,788,455	12,085,165	241,703,290	
6	2023	241,703,290	12,085,165	229,618,126	
7	2024	229,618,126	12,085,165	217,532,961	
8	2025	217,532,961	12,085,165	205,447,797	
9	2026	205,447,797	12,085,165	193,362,632	
10	2027	193,362,632	12,085,165	181,277,468	
11	2028	181,277,468	12,085,165	169,192,303	
12	2029	169,192,303	12,085,165	157,107,139	
13	2030	157,107,139	12,085,165	145,021,974	
14	2031	145,021,974	12,085,165	132,936,810	
15	2032	132,936,810	12,085,165	120,851,645	
16	2033	120,851,645	12,085,165	108,766,481	
17	2034	108,766,481	12,085,165	96,681,316	
18	2035	96,681,316	12,085,165	84,596,152	
19	2036	84,596,152	12,085,165	72,510,987	
20	2037	72,510,987	12,085,165	60,425,823	
21	2038	60,425,823	12,085,165	48,340,658	
22	2039	48,340,658	12,085,165	36,255,494	
23	2040	36,255,494	12,085,165	24,170,329	
24	2041	24,170,329	12,085,165	12,085,165	

25 2042 12,085,165 12,085,165 (0)

27
28
29 Revenue Related Tax Factor 6.71% See WP_F-5.1
30 Revenue Related Taxes on Annual Amortization * Tax
31 Amortization (see WP_B-6.3) \$ 810,653 Factor
32 Related Taxes (see WP_B-6.3) \$ 12,905,421 Amortization + Taxes

33 Notes:

- 34 1. The beginning 2018 balance is the September, 2018 balance. The regulatory
35 liability for excess deferred taxes is an estimate. This estimate will be
36 finalized when the Company files its federal tax return in July, 2019. To the
37 extent that this estimate changes with the filing of the Company's tax return,
38 the Company will 'true-up' the amount in the 2020 RRM filing.
39 2. The annual amortization of a 24 year recovery period is based on the
40 Reverse South Georgia Method.
41 3. The Regulatory Liability is recorded to FERC Account 253, Sub Account 27909.

ATMOS STAFF REPORT

BACKGROUND AND SUMMARY

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

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2019, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2018, entitled it to additional system-wide revenues of \$70 million. Application of the standards set forth in ACSC’s RRM Tariff required Atmos to reduce its request to \$54 million, \$39.3 million of which would be applicable to ACSC members. ACSC’s consultants concluded that the system-wide deficiency under the RRM regime should be \$38.7 million instead of the claimed \$54 million. The amount of the \$38.7 million deficiency applicable to ACSC members would be \$28.2 million.

After the Company reviewed ACSC’s consultants’ report, ACSC’s Executive Committee and the Company negotiated a settlement whereby the Company would receive an increase of \$35.4 million from ACSC Cities.

The Executive Committee recommends a settlement at this amount. The Effective Date for new rates is October 1, 2019. ACSC members should take action approving the Ordinance before the end of September.

PROOF OF REVENUES

Atmos generated proof that the rate tariffs attached to the Ordinance will generate \$35.4 million in additional revenues from ACSC Cities. That proof is attached as Attachment 1 to this Staff Report. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

BILL IMPACT

The impact of the settlement on average residential rates is an increase of \$2.05 on a monthly basis, or 3.7 percent. The increase for average commercial usage will be \$6.18 or 2.31 percent. A bill impact comparison is attached as Attachment 2.

SUMMARY OF ACSC'S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

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

RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM. Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When new rates become effective on October 1, 2019, ACSC residents will have a slight economic monthly advantage over comparable GRIP and comparable DARR rates (see Attachment 3).

EXPLANATION OF “BE IT ORDAINED” PARAGRAPHS:

1. This section approves all findings in the Ordinance.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$35.4 million from ACSC Cities.
4. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
5. This section approves an exhibit to be used in future rate cases or RRM filings regarding recovery of regulatory liabilities, such as excess deferred income taxes.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Ordinance approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Ordinance.
8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage.
11. This section directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$70 million in additional system-wide revenues, or \$54 million from ACSC Cities, the RRM settlement at \$35.4 million for ACSC Cities reflects substantial savings to ACSC Cities in the amount of \$18.6 million. ACSC's consultants produced a report indicating that Atmos had justified increased revenues for ACSC Cities of at least \$32.7 million. Settlement at \$35.4 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Ordinance before September 30, 2019. New rates become effective October 1, 2019.

Attachment 1
Proof of Revenues

**ATMOS ENERGY CORP., MID-TEX DIVISION
RRM CITIES RATE REVIEW MECHANISM
PROOF OF REVENUES - SYSTEMWIDE
TEST YEAR ENDING DECEMBER 31, 2018**

Line No.	Customer Class	Current	Proposed	Bills	Ccf/MmBtu
	(a)	(b)	(c)	(d)	(e)
1	Residential				
2	Customer Charge	\$ 18.85	\$ 19.55	18,572,400	
3	Consumption Charge	0.14846	0.17423		876,575,629
4	Revenue Related Taxes				
5	Total Class Revenue				
6					
7	Commercial				
8	Customer Charge	\$ 43.50	\$ 46.50	1,492,740	
9	Consumption Charge	0.09165	0.09924		576,758,305
10	Revenue Related Taxes				
11	Total Class Revenue				
12					
13	Industrial & Transportation				
14	Customer Charge	\$ 784.00	\$ 845.50	9,804	
15	Consumption Charge Tier 1	\$ 0.3312	\$ 0.3572		10,724,328
16	Consumption Charge Tier 2	\$ 0.2425	\$ 0.2616		12,346,302
17	Consumption Charge Tier 3	\$ 0.0520	\$ 0.0561		22,335,700
18	Revenue Related Taxes				
19	Total Class Revenue				
20					
21	Total Excluding Other Revenue				
22					
23					
24	Revenue Related Tax Factor	6.7078%			

Current Revenues	Proposed Revenues	Increase
(f)	(g)	(h)
\$ 350,089,740	\$ 363,090,420	
130,136,418	152,725,772	
32,212,790	34,600,111	
<u>\$ 512,438,948</u>	<u>\$ 550,416,303</u>	<u>\$ 37,977,356</u>
\$ 64,934,190	\$ 69,412,410	
52,859,899	57,237,494	
7,901,436	8,495,470	
<u>\$ 125,695,525</u>	<u>\$ 135,145,374</u>	<u>\$ 9,449,849</u>
\$ 7,686,336	\$ 8,289,282	
3,551,897	3,830,730	
2,993,978	3,229,793	
1,161,456	1,253,033	
1,032,582	1,113,691	
<u>\$ 16,426,250</u>	<u>\$ 17,716,529</u>	<u>\$ 1,290,278</u>
<u>\$ 654,560,722</u>	<u>\$ 703,278,206</u>	<u>\$ 48,717,483</u>

Attachment 2

Bill Impact

**ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2018**

Line						CURRENT	PROPOSED	CHANGE
1	Rate R @ 47.5 Ccf							
2	Customer charge					\$ 18.85		
3	Consumption charge	47.5	CCF	X \$ 0.14846	=	7.05		
4	Rider GCR Part A	47.5	CCF	X \$ 0.27375	=	13.00		
5	Rider GCR Part B	47.5	CCF	X \$ 0.27485	=	13.06		
6	Subtotal					\$ 51.96		
7	Rider FF & Rider TAX					3.49		
8	Total					\$ 55.45		
9								
10	Customer charge						\$ 19.55	
11	Consumption charge	47.5	CCF	X \$ 0.17423	=	8.28		
12	Rider GCR Part A	47.5	CCF	X \$ 0.27375	=	13.00		
13	Rider GCR Part B	47.5	CCF	X \$ 0.27485	=	13.06		
14	Subtotal					\$ 53.89		
15	Rider FF & Rider TAX					3.61		
16	Total					\$ 57.50	\$ 2.05	
17								3.70%
18								
19	Rate C @ 367.6 Ccf							
20	Customer charge					\$ 43.50		
21	Consumption charge	367.6	CCF	X \$ 0.09165	=	33.69		
22	Rider GCR Part A	367.6	CCF	X \$ 0.27375	=	100.62		
23	Rider GCR Part B	367.6	CCF	X \$ 0.19927	=	73.25		
24	Subtotal					\$ 251.06		
25	Rider FF & Rider TAX					16.84		
26	Total					\$ 267.90		
27								
28	Customer charge						\$ 46.50	
29	Consumption charge	367.6	CCF	X \$ 0.09924	=	36.48		
30	Rider GCR Part A	367.6	CCF	X \$ 0.27375	=	100.62		
31	Rider GCR Part B	367.6	CCF	X \$ 0.19927	=	73.25		
32	Subtotal					\$ 256.85		
33	Rider FF & Rider TAX					17.23		
34	Total					\$ 274.08	\$ 6.18	
35								2.31%

ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2018

Line							CURRENT	PROPOSED	CHANGE
36	Rate I @ 4066 MMBTU								
37	Customer charge						\$ 784.00		
38	Consumption charge	1,500	MMBTU	X \$ 0.3312	=		496.80		
39	Consumption charge	2,566	MMBTU	X \$ 0.2425	=		622.14		
40	Consumption charge	0	MMBTU	X \$ 0.0520	=		-		
41	Rider GCR Part A	4,066	MMBTU	X \$ 2.6733	=		10,868.51		
42	Rider GCR Part B	4,066	MMBTU	X \$ 0.4491	=		1,825.85		
43	Subtotal						\$ 14,597.30		
44	Rider FF & Rider TAX			X 0.06708	=		979.16		
45	Total						\$ 15,576.46		
46									
47	Customer charge							\$ 845.50	
48	Consumption charge	1,500	MMBTU	X \$ 0.3572	=			535.80	
49	Consumption charge	2,566	MMBTU	X \$ 0.2616	=			671.14	
50	Consumption charge	0	MMBTU	X \$ 0.0561	=			-	
51	Rider GCR Part A	4,066	MMBTU	X \$ 2.6733	=			10,868.51	
52	Rider GCR Part B	4,066	MMBTU	X \$ 0.4491	=			1,825.85	
53	Subtotal							\$ 14,746.80	
54	Rider FF & Rider TAX			X 0.06708	=			989.19	
55	Total							\$ 15,735.99	\$ 159.53
56									1.02%
57	Rate I @ 4066 MMBTU								
58	Customer charge						\$ 784.00		
59	Consumption charge	1,500	MMBTU	X \$ 0.3312	=		496.80		
60	Consumption charge	2,566	MMBTU	X \$ 0.2425	=		622.14		
61	Consumption charge	0	MMBTU	X \$ 0.0520	=		-		
62	Rider GCR Part B	4,066	MMBTU	X \$ 0.4491	=		1,825.85		
63	Subtotal						\$ 3,728.79		
64	Rider FF & Rider TAX			X 0.06708	=		250.12		
65	Total						\$ 3,978.91		
66									
67	Customer charge							\$ 845.50	
68	Consumption charge	1,500	MMBTU	X \$ 0.3572	=			535.80	
69	Consumption charge	2,566	MMBTU	X \$ 0.2616	=			671.14	
70	Consumption charge	0	MMBTU	X \$ 0.0561	=			-	
71	Rider GCR Part B	4,066	MMBTU	X \$ 0.4491	=			1,825.85	
72	Subtotal							\$ 3,878.29	
73	Rider FF & Rider TAX			X 0.06708	=			260.15	
74	Total							\$ 4,138.44	\$ 159.53
75									4.01%

Attachment 3

RRM Monthly Savings Over GRIP and DARR Rates

ACSC Margin Advantage Over GRIP and DARR Residential Customers Effective October 1, 2019

<u>Group</u>	<u>Average Monthly Consumption</u>	<u>Customer Charge</u>	<u>Consumption Charge</u>	<u>Average Bill</u>	<u>Average Monthly Savings</u>
ACSC/RRM	47.5 CCF	\$19.55	\$0.17423	\$27.83	X
Environs GRIP	47.5 CCF	\$19.84	\$0.18653	\$28.70	\$0.87
ATM GRIP	47.5 CCF	\$21.69	\$0.14846	\$28.74	\$0.92
DARR	47.5 CCF	\$21.25	\$0.14924	\$28.34	\$0.51

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	3. Consider a resolution nominating candidate(s) for the Collin Central Appraisal District (CCAD) Board of Directors.
Access	Public
Type	Action, Discussion, Information
Recommended Action	Consider nominating _____ for the Collin Central Appraisal District (CCAD) Board of Directors.

Public Content**BACKGROUND**

In accordance with the Texas Property Tax Code, Section 6.03, the five directors of the Collin Central Appraisal District are to be appointed by the taxing units that participate in the District. Each taxing unit may nominate one to five board candidates. To be eligible to serve on the board, an individual must be a resident of the district, and must have resided in the district for at least two years immediately preceding the date they take office. If a taxing unit has zero votes to cast in the election, they are still entitled to nominate candidates for the Board. The City will receive notification in late September that provides the number of votes the City Council will be able to cast.

OVERVIEW

The City Council has the option to nominate an existing Board member(s) or an individual that meets the director qualifications. In 2017, the City Council nominated and voted for L. Wayne Mayo of Richardson. In 2015, the City Council did not nominate any candidates for the Board, however, voted for L. Wayne Mayo of Richardson. The nominating process deadline is October 14, 2019 with this item returning to the City Council in November to cast its official vote.

The current Board of Directors are:

- Ernest R. Brooke - served since 2016. Resides in Plano.
- Ron Carlisle - served since 1994. Resides in Frisco.
- L. Wayne Mayo - served since 1998. Resides in Richardson.
- Michael Pirek - served since 2014. Resides in Plano.
- Gary Rodenbaugh - serves since 2001. Resides in Allen.
- Ken Maun

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Approve a resolution nominating candidate(s) for the Collin Central Appraisal District (CCAD) Board of Directors.

[CCAD Letter.pdf \(108 KB\)](#)[Collin County Appraisal District Nomination Resolution.pdf \(10 KB\)](#)



Collin Central Appraisal District

August 15, 2019

RECEIVED AUG 19 2019

Michelle Lewis Sirianni, City Secretary
City of Sachse
3815 B Sachse Rd.
Sachse, TX 75048

RE: Election of Collin Central Appraisal District Board of Directors

Dear Ms. Sirianni:

In accordance with the Texas Property Tax Code, the Appraisal District's five directors are to be elected by the taxing units that participate in the Appraisal District. Each taxing unit may nominate one to five board candidates. The District's Board of Directors serve two-year terms, with the next term beginning January 1, 2020.

Step 1: Nominations

A taxing unit's nominations must be made in an open meeting and a written resolution from the presiding officer of your governing body must be submitted to the Chief Appraiser by October 14, 2019. The resolution should include the name and address of each candidate nominated. To be eligible to serve on the board, an individual must be a resident of the district and must have resided in the district for at least two years immediately preceding the date they take office.

Step 2: Allocation of Votes

In late September, each taxing unit will be sent a letter that provides their number of votes. In accordance with the Tax Code, there are 5,000 total votes to be distributed based on tax levy. Each taxing unit's vote allocation is based on their tax levy compared to the grand total levy for all taxing units. Example: If a taxing unit's tax levy calculates to be 10% of the grand total levy for all taxing units, the taxing unit would be allocated 500 votes.

Step 3: Delivery of Ballots

In late October, after the nominating process ends, I will send each voting entity, with at least one vote to cast, an official ballot with voting instructions.

Step 4: Taxing Units Cast Their Votes

The governing body of each taxing unit entitled to vote shall determine its vote by resolution. A copy of the written resolution, adopted in an open meeting of the taxing unit, must be submitted to the Chief Appraiser by December 14, 2019.

Step 5: Election Results

I will count the votes and submit the results of the election to each taxing unit, and all candidates, by December 30, 2019.

Notes:

The October 14th and December 14th deadlines are by the end of the calendar day.

Nominations, outlined in Step 1 above, can be submitted any time prior to the October 14, 2019 nominating deadline.

Voting and submission of votes, outlined in Step 4 above, must be after I deliver the ballots to the taxing units in late October and by the December 14th deadline.

The process for electing the District's Board of Directors is outlined in the Texas Property Tax Code, § 6.03.

Sincerely,



Bo Daffin
Chief Appraiser

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SACHSE, TEXAS NOMINATING
_____ AS A CANDIDATE TO BE A MEMBER OF THE
BOARD OF DIRECTORS OF THE COLLIN CENTRAL APPRAISAL DISTRICT.**

WHEREAS, the Chief Appraiser of the Collin Central Appraisal District has been charged with the responsibility of conducting the election process to determine the membership of the Board of Directors of the Collin Central Appraisal District, according to the Property Tax Code of Texas; and

WHEREAS, each of the incorporated cities and towns, shall have the right to nominate by an official resolution one (1) candidate as a member of the Board of Directors; and

WHEREAS, the said cities and towns shall, from among the nominations received, elect by a majority vote, with each city and town casting their allocated number of votes to the Board of Directors.

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

SECTION 1. THAT the Council of the City of Sachse, Texas does hereby nominate _____ as a candidate to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 2. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this 16th day of September, 2019.

APPROVED:

MIKE J. FELIX, MAYOR

ATTEST:

Michelle Lewis Sirianni, City Secretary

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	4. Consider a resolution nominating candidate(s) for the Dallas Central Appraisal District (DCAD) Board of Directors.
Access	Public
Type	Action, Discussion, Information
Recommended Action	Consider nominating _____ for the Dallas Central Appraisal District (DCAD) Board of Directors.

Public Content**BACKGROUND**

In accordance with the Texas Property Tax Code, Section 6.03, requires that an election or appointment of members to the Board of Directors of an appraisal district be conducted in odd numbered years. The term of office for an elected or appointed member(s) is two years, beginning in even numbered years.

The Property Tax Code specifies the qualifications for membership to the Board of Directors which includes that the member must be a resident within the DCAD for at least two years, may be an elected official of an agency represented by the DCAD, cannot be an employee of any agency represented by the DCAD, cannot be related within the second degree by consanguinity or affinity, and cannot own property on which delinquent taxes have been owed to a taxing unit for more than 60 days. A member is considered ineligible if the individual has engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district at any time during the preceding five years.

Each of the incorporated cities and towns, except the City of Dallas, shall have the right to nominate by official resolution one (1) candidate as the fourth member to the Board. The said cities and towns shall, from among the nominations received, elect by a majority vote, with each city and town being entitled to one (1) vote, a member to the Board of Directors.

OVERVIEW

The City Council has the option to nominate an existing Board member(s) or an individual that meets the qualifications. In 2017, the City Council nominated and voted for Brett Franks of Sachse. In 2015, the City Council nominated Michael Hurtt for the Board. The nominating process deadline is October 15, 2019 with this item returning to the City Council in November to cast its official vote.

The current Board of Directors are:

- John Threadgill, Chairman - City of Dallas
- Steve Pryor, Vice Chairman - Suburban School Districts
- Dr. Lew Blackburn - Dallas ISD
- John Warren, Director - Dallas County
- Michael Hurtt, Director - Suburban Cities
- John R. Ames, Ex Officio Director - Dallas County Tax Assessor-Collector

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

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

[DCAD Letter.pdf \(131 KB\)](#)[Dallas County Appraisal District Nomination Resolution.docx.pdf \(10 KB\)](#)



RECEIVED AUG 19 2019

**Dallas Central
Appraisal District**

Date: August 15, 2019

To: Mike Felix, Mayor, City of Sachse

From: W. Kenneth Nolan, Executive Director/Chief Appraiser

Re: Election/Appointment of Members to Board of Directors of the Dallas Central Appraisal District

The Property Tax Code, Section 6.03, requires that an election or appointment of members to the Board of Directors of an appraisal district be conducted in odd numbered years. The term of office for elected or appointed members is two years, beginning in even numbered years.

The Property Tax Code specifies the qualifications for membership to the Board of Directors in Section 6.03 of the Code. These qualifications are:

1. Must be a resident of the Dallas CAD (DCAD) for at least two years prior to the election.
2. May be an elected official of an agency represented by the DCAD.
3. Cannot be an employee of any agency represented by the DCAD.
4. Cannot be related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district.
5. Cannot own property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless:
 - (A) the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02; or
 - (B) a suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065.
6. An individual is ineligible to serve on an appraisal district board of directors if the individual has engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district at any time during the preceding five years.

Pursuant to the provisions of the Property Tax Code in 1979, the agencies of Greater Dallas County elected to amend the manner in which representatives were chosen. By special provision of the Property Tax Code, it was decided that the following procedure would be adopted for the election or appointment of members.

Appointments

- A. The City of Dallas will be entitled to appoint one (1) member to the Board.
- B. The Dallas Independent School District will be entitled to appoint one (1) member to the Board.

- C. The Dallas County Commissioners Court may appoint one (1) member to the Board. The member appointed by the Commissioners Court may not be a resident of either the City of Dallas or the Dallas Independent School District.

Elections

- D. **Each of the incorporated cities and towns, except the City of Dallas, shall have the right to nominate by official resolution one (1) candidate as the fourth member to the Board. The said cities and towns shall, from among the nominations received, elect by a majority vote, with each city and town being entitled to one (1) vote, a member to the Board of Directors.**
- E. Each of the Independent School Districts, except the Dallas Independent School District, shall have the right to nominate by official resolution one (1) candidate as the fifth member to the Board. The said Independent School Districts shall, from among the nominations received, elect by a majority vote, with each Independent School District being entitled to one (1) vote, a member to the Board of Directors.

The votes required for appointment of the Board of Directors as prescribed by the Texas Property Tax Code, in Subsections d and e, hereof, shall be by a majority of those authorized to vote in Subsections d and e, respectively, and not by a majority of the quorum. In accordance with the procedures described in the Property Tax Code, the schedule for election/appointment is as follows:

- | | |
|-----------------|---|
| By October 15: | Nominees for each entity described in Subsections d and e hereto shall be submitted to the Chief Appraiser. |
| By October 30: | The Chief Appraiser shall prepare a resolution ballot for those entities described in Subsections d and e hereto and submit the ballot accordingly. |
| By December 16: | Each agency entitled to vote will do so by official resolution ballot and return same to the Chief Appraiser as soon thereafter as practical. |
| By January 1: | Results of the election will be affirmed. |

The County of Dallas, the City of Dallas and the Dallas Independent School District should advise the Chief Appraiser of their appointments no later than November 15, if possible. These appointments should also be by official resolution. The term of office for each member is two years beginning on January 1, 2020.

At the conclusion of the process, every agency will be advised of the final appointments or election results. For the convenience of the entities, a sample resolution is included for the purpose of nominations from the suburban cities and school districts. If you have any questions about this process, please contact me or Cheryl Jordan at 214/631-0520.

Enclosure (Sample Resolution)

cc: Gina Nash, City Manager
Michelle Lewis Sirianni, City Secretary
Teresa Savage, Finance Director

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SACHSE, TEXAS NOMINATING
_____ AS A CANDIDATE TO BE A MEMBER OF THE
BOARD OF DIRECTORS OF THE DALLAS CENTRAL APPRAISAL DISTRICT.**

WHEREAS, the Chief Appraiser of the Dallas Central Appraisal District has been charged with the responsibility of conducting the election process to determine the membership of the Board of Directors of the Dallas Central Appraisal District, according to the Property Tax Code of Texas; and

WHEREAS, each of the incorporated cities and towns, except for City of Dallas, shall have the right to nominate by an official resolution one (1) candidate as a member of the Board of Directors; and

WHEREAS, the said cities and towns shall, from among the nominations received, elect by a majority vote, with each city and town being entitled to one (1) vote, a member of the Board of Directors.

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

SECTION 1. THAT the Council of the City of Sachse, Texas does hereby nominate _____ as a candidate to be a member of the Board of Directors of the Dallas County Central Appraisal District.

SECTION 2. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this 16th day of September, 2019.

APPROVED:

MIKE J. FELIX, MAYOR

ATTEST:

Michelle Lewis Sirianni, City Secretary

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	5. Consider an ordinance authorizing certain budget amendments pertaining to the Fiscal Year 2018-2019 Budget.
Access	Public
Type	Action
Preferred Date	Sep 16, 2019
Budget Source	Street Maintenance Tax and Roadway Impact Fees
Recommended Action	Approve an ordinance authorizing certain budget amendments pertaining to the Fiscal Year 2018-2019 Budget.
Goals	Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content**BACKGROUND**

The approved 2018-2019 budget included funding for several street maintenance projects with funding from multiple sources. The various asphalt projects and concrete projects were bid as a single project to achieve the most favorable unit pricing; however, the budgeted funding was not properly considered in allocating the purchase order to the correct fund. In addition, the projects bid included Tina Street, which had been budgeted but not completed in FY 2017-2018. The end result is that the completed projects in the Street Maintenance Tax Fund exceeded the current year budget and require an additional appropriation. Funding is available in that fund with no adverse effect on the completion of projects in the upcoming budget year, and all projects were qualified as SMT projects.

POLICY CONSIDERATIONS

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

RECOMMENDATION

Approve an ordinance of the City Council of Sachse, Texas ("City"), authorizing certain budget amendments pertaining to the Fiscal Year 2018-2019 Budget; and providing an effective date.

[Ordinance Amending 2018-2019 Budget.pdf \(112 KB\)](#)

[Presentation - Budget Amendment FY 2018-2019.pdf \(234 KB\)](#)

BUDGET AMENDMENT FY 2018-2019

CITY COUNCIL

SEPTEMBER 16, 2019



PROCESS

- *Section 7.09 of the City Charter*
- *Must be approved by City Council prior to end of fiscal year*
- *Amendment must be by ordinance and shall become attachment to original budget*
- *Ratification of all amendments included in subsequent year budget ordinance*

STREET MAINTENANCE TAX

Project	Budgeted	Dallas County	Actual	Shortfall
<i>Sachse Rd-Oakridge to Muddy Creek</i>	<i>100,000</i>	<i>100,000</i>		
<i>Sachse Rd-Hwy 78 to 5th St.</i>	<i><u>0</u></i>	<i><u>75,000</u></i>		
Combined Total	100,000	175,000	355,782	(80,782)
Tina Street(60k budgeted in FY2018)	0	-	152,357	(152,357)
Sable/Pecan Grove	288,000	0	200,528	87,472
Woodbridge Pkwy(budgeted in GF)	<u>0</u>	<u>-</u>	<u>61,511</u>	<u>(61,511)</u>
TOTAL	\$388,000	\$175,000	\$770,178	(\$207,178)

SMT-AVAILABLE FUNDS

SMT Balance Forward 10/1/2018	\$317,993.01
FY 2019 YTD Revenue	388,266.61
Due from Dallas County	175,000.00
FY 2019 Expenditures	(770,177.04)
Estimated Balance 9/30/2019	111,082.58
Budgeted Revenue FY 2020	388,500.00
Budgeted Expenditures FY 2020	(305,000.00)
Estimated Balance 9/30/2020	\$194,582.58

ROADWAY IMPACT FEES

- Original Budget--\$750,000
 - Sachse Road Widening-Muddy Creek Bridge Design--\$250,000
 - Pleasant Valley Road-Merritt to City Limit Design--\$250,000
 - Ingram/Dewitt Intersection Improvements--\$250,000
- Unbudgeted Expenditure
 - Economic Development Incentive-Ermine Roadway--\$110,000

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF SACHSE, TEXAS ("CITY"),
AUTHORIZING CERTAIN BUDGET AMENDMENTS PERTAINING TO THE FISCAL
YEAR 2018-2019 BUDGET; AND PROVIDING AN EFFECTIVE DATE.**

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

WHEREAS, a budget amendment has been prepared for certain appropriations and expenditures in the 2018-2019 Budget and submitted to the City council for approval and a true and correct copy is attached as Exhibit "A".

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

SECTION 1. Pursuant to the City Charter requirements of the City of Sachse, Texas, in the year 2018-2019, a Budget Amendment attached as Exhibit "A" is hereby authorized and approved.

SECTION 2. This Ordinance shall take effect immediately from and after its passage as the law in such cases provides.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this 16th day of September, 2019.

APPROVED:

Mike J. Felix
Mayor

DULY ENROLLED:

Michelle Lewis Sirianni
City Secretary

APPROVED AS TO FORM:

Peter G. Smith
City Attorney
(PGS/05-13-13/61122)

EXHIBIT "A"

Impact Fee Fund:

Expenditures:

10-020-54252	Economic Dev-Ermine Roadway Project	Street \$ 110,000.00
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Street Maintenance Tax Fund:

Expenditures:

11-020-54740	Street Maintenance	Street \$ 208,000.00
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Agenda Item Details

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	6. Consider an ordinance approving and adopting the budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020.
Access	Public
Type	Action
Preferred Date	Sep 16, 2019
Absolute Date	Sep 16, 2019
Budgeted	No
Recommended Action	Approve an ordinance approving and adopting the budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020.
Goals	Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content

BACKGROUND

In accordance with Section 7.15 of the City Charter, the City held a public hearing on the proposed budget of programs and services for the ensuing fiscal year on September 3, 2019. The required "Notice of Public Hearing" was published. In accordance with Section 7.02 of the City Charter, the City Council shall, prior to the beginning of the next fiscal year, adopt the budget by a favorable majority of the full membership of the City Council. Final adoption of the budget by the City shall constitute the official appropriations as proposed by the City Manager for the fiscal year beginning October 1, 2019 and ending September 30, 2020. Additionally, the General Fund budget of programs and services shall constitute the basis of the official levy of the property tax as the amount of tax to be assessed and collected for the corresponding tax year.

POLICY CONSIDERATIONS

This document sets the financial and operational direction of the City for the next year.

The proposed tax rate is \$0.72 per \$100 assessed value. The proposed 19-20 Budgeted Expenditures are as follows:

General Fund	\$19,563,143
Utility Fund	13,020,957
Debt Service Fund	4,816,070
Capital Projects Fund	2,466,108
Special Revenue Fund	47,000
Impact Fee Fund	1,810,108
Street Maintenance Tax Fund	305,000
Health Insurance Fund	1,624,280
Vehicle/Equipment Replacement Fund	424,054
Municipal Development District	80,000
Sachse Economic Development Corporation	<u>808,350</u>

Total **\$44,965,067**

The total amount includes \$6,880,498 in inter-fund transfers.

RECOMMENDATION

Approve an ordinance approving and adopting the budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020; providing that expenditures for said year shall be made in accordance with said budget; appropriating and setting aside the necessary funds out of the general and other revenues for said fiscal year for the maintenance and operation of the various departments and for various activities and improvements of the City; providing a repealing clause; providing a severability clause; and providing an effective date.

[Budget Cover Page.pdf \(26 KB\)](#)[Ordinance Adopting Budget for Fiscal Year 2019-2020.pdf \(170 KB\)](#)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SACHSE, TEXAS, ADOPTING THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF THE VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS OF THE CITY; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, an annual budget for the fiscal year beginning October 1, 2019, and ending September 30, 2020, has been duly created by the financial office of the City of Sachse, Texas, in accordance with Chapter 102.002 of the Local Government Code; and

WHEREAS, as required by Section 7.02 of the City Charter, the City Manager has prepared and submitted to the City Council a proposed budget reflecting financial policies for the year and forecasting revenues and expenditures for conducting the affairs of the City and providing a complete financial plan for the fiscal year beginning October 1, 2019, and ending September 30, 2020; and

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

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

WHEREAS, after full and final consideration, it is the opinion of the Sachse City Council that the 2019-2020 fiscal year budget as hereinafter set forth should be adopted.

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

SECTION 1. That the proposed budget of the revenue and expenditures necessary for conducting the affairs of the City of Sachse, Texas for the fiscal year beginning October 1, 2019, and ending September 30, 2020, as submitted to the City Council by the City Manager, attached hereto as Exhibit "A", be and the same is hereby adopted as the budget of the City of Sachse for the fiscal year beginning October 1, 2019 and ending September 30, 2020.

SECTION 2. That the expenditures during the fiscal year beginning October 1, 2019, and ending September 30, 2020, shall be made in accordance with the budget approved by this resolution unless otherwise authorized by a duly enacted resolution of the City of Sachse, Texas.

SECTION 3. That all budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2018-2019 are hereby ratified, and the budget approval for fiscal year 2018-2019, heretofore enacted by the City Council, be and the same is hereby amended to the extent of such transfers and amendments for all purposes.

SECTION 4. All ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed; provided, however, that all other provisions of said ordinances not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 5. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance which shall remain in full force and effect.

SECTION 6. This Ordinance shall take effect immediately from and after its passage as the law in such cases provides.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this the _____ day of _____, 2019.

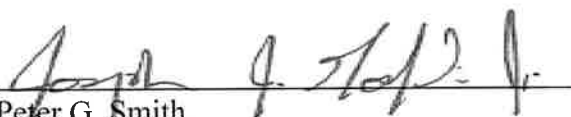
APPROVED:

Mike J. Felix
Mayor

DULY ENROLLED:

Michelle Lewis Sirianni
City Secretary

APPROVED AS TO FORM:


Peter G. Smith
City Attorney

City of Sachse
Budget Fiscal Year Beginning October 1, 2019
Exhibit "A"

	Operating Budget	Capital Budget	Proposed Budget
Funds			
General	18,661,537	901,603	19,563,140
Utility	11,063,457	1,957,500	13,020,957
Debt Service	4,816,070		4,816,070
Capital Projects Fund		2,466,108	2,466,108
Special Revenue	47,000		47,000
Impact Fee Fund		1,810,108	1,810,108
Street Maintenance Tax Fund		305,000	305,000
Health Insurance Fund	1,624,280		1,624,280
Vehicle/Equipment Replacement Fund		424,054	424,054
Municipal Development District		80,000	80,000
Economic Development Corporation	808,350		808,350
Total	\$ 37,020,694	\$ 7,944,373	\$ 44,965,067

City of Sachse

Fiscal Year 2019–2020

Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of \$1,032,966, which is a 6.75 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$318,508.

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

FOR:

AGAINST:

PRESENT and not voting:

ABSENT:

Property Tax Rate Comparison

	2019-2020	2018-2019
Property Tax Rate:	\$0.720000/100	\$0.720000/100
Effective Tax Rate:	\$0.682051/100	\$0.705010/100
Effective Maintenance & Operations Tax Rate:	\$0.496875/100	\$0.521789/100
Rollback Tax Rate:	\$0.748935/100	\$0.773924/100
Debt Rate:	\$0.194207/100	\$0.194207/100

Total debt obligation for City of Sachse secured by property taxes: \$4,815,570

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	7. Ratify the property tax increase in the budget for Fiscal Year 2019-2020.
Access	Public
Type	Action
Preferred Date	Sep 16, 2019
Absolute Date	Sep 16, 2019
Recommended Action	Approve a motion to ratify the property tax increase in the budget for Fiscal Year 2019-2020.
Goals	Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content**BACKGROUND**

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

The proposed 2019-2020 Fiscal Year Budget calls for \$1,032,966 more in property tax revenues than the previous year's budget.

POLICY CONSIDERATIONS

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

RECOMMENDATION

Approve a motion to ratify the property tax increase in the budget for Fiscal Year 2019-2020.

Budget Cover Page.pdf (26 KB)



Agenda Item Details

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	8. Consider an ordinance levying ad valorem taxes for the year 2019 (Fiscal Year 2019-2020) at a rate of \$0.72 per one hundred dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2019.
Access	Public
Type	Action
Preferred Date	Sep 16, 2019
Absolute Date	Sep 16, 2019
Recommended Action	Approve an ordinance levying ad valorem taxes for the year 2019 (Fiscal Year 2019-2020) at a rate of \$0.72 per one hundred dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2019.
Goals	Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content

BACKGROUND

Two public hearings have been conducted on the proposed Fiscal Year 2019-2020 tax rate in "good faith" to comply with Chapter 26 of the State Property Tax Code. The public hearings were advertised and held on August 19 and September 3. The purpose of this agenda item is for City Council to consider adopting a Tax Rate Ordinance assessing a levy against all taxable properties in the City of Sachse for the purpose of raising revenue to provide payment of current operational expenses and current debt obligations. The tax rate is comprised of two components as follows:

<u>FY 2018-2019</u>	<u>2019-2020</u>
Debt Service (I&S) \$0.194207	\$0.194207
Maintenance & Operations (M&O) \$0.525793	\$0.525793
TOTAL \$0.720000	\$0.720000

The proposed tax rate exceeds the calculated effective tax rate for 2019 and requires specific language in the adoption of the rate which identifies the rate as an *effective* tax increase.

RECOMMENDATION

Approve an ordinance levying ad valorem taxes for the year 2019 (Fiscal Year 2019-2020) at a rate of \$0.72 per one hundred dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2019, to provide revenue for the payment of current expenses; providing for an interest and sinking fund for all outstanding debts of the City of Sachse; providing for due and delinquent dates together with penalties and interest; providing a severability clause; providing a repealing clause; and providing an effective date.

Ordinance Ad Valorem Taxes for Fiscal Year 2019-2020.pdf (112 KB)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SACHSE, TEXAS, LEVYING AD VALOREM TAXES FOR THE YEAR 2019 (FISCAL YEAR 2019-2020) AT A RATE OF \$0.72 PER ONE HUNDRED DOLLARS (\$100) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF SACHSE AS OF JANUARY 1, 2019, TO PROVIDE REVENUE FOR THE PAYMENT OF CURRENT EXPENSES; PROVIDING FOR AN INTEREST AND SINKING FUND FOR ALL OUTSTANDING DEBT OF THE CITY OF SACHSE; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. There is hereby levied for the tax year 2019 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Sachse, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of \$0.72 on each One Hundred Dollars (\$100) assessed valuation of taxable property, and shall be, apportioned and distributed as follows:

- (a) For the purpose of defraying the current expenditures of the municipal government of the City of Sachse, a tax of \$0.525793 on each and every One Hundred Dollars (\$100) assessed value on all taxable property; and
- (b) For the purpose of creating a sinking fund to pay the interest and principal maturities of all outstanding debt of the City of Sachse, not otherwise provided for, a tax of \$0.194207 on each One Hundred Dollars (\$100) assessed value of taxable property within the City of Sachse, and shall be applied to the payment of interest and maturities of all such outstanding debt of the City.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 5.82 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.00.

SECTION 2. All ad valorem taxes shall become due and payable on October 1, 2019, and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1,

2020. There shall be no discount for payment of taxes prior to February 1, 2020. A delinquent tax shall incur all penalty and interest authorized by law, to wit:

- (a) A penalty of six percent on the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.
- (b) Provided, however, a tax delinquent on July 1, 2020, incurs a total penalty of twelve percent of the amount of delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at the rate of one percent for each month or portion of a month the tax remains unpaid. Taxes for the year 2019 and taxes for all future years that become delinquent on or after February 1 but not later than May 1, that remain delinquent on July 1 of the year in which they become delinquent, incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and 33.07, as amended. Taxes assessed against tangible personal property for the year 2019 and for all future years that become delinquent on or after February 1 of a year incur an additional penalty on the later of the date the personal property taxes become subject to the delinquent tax attorney's contract, or 60 days after the date the taxes become delinquent, such penalty to be in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 33.11. Taxes for the year 2019 and taxes for all future years that remain delinquent on or after June 1 under Texas Property Tax Code Sections 26.07(f), 26.15(e), 31.03, 31.031, 31.032 or 31.04 incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and Section 33.08, as amended.

SECTION 3. The taxes are payable at the Dallas County Tax Office if the property is located in Dallas County; or, at the Collin County Tax Office if the property is located in Collin County.

SECTION 4. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 5. The tax roll as presented to the City Council, together with any supplements thereto, be and the same are hereby approved.

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

SECTION 7. All ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed; provided, however, that all other

provisions of said ordinances not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 8. This ordinance shall take effect immediately from and after its passage, as the law and charter in such cases provide.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this the _____ day of _____, 2019.

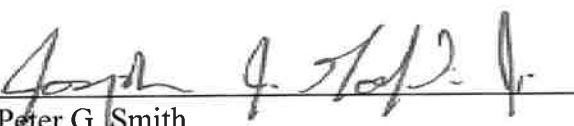
APPROVED:

Mike J. Felix
Mayor

DULY ENROLLED:

Michelle Lewis Sirianni
City Secretary

APPROVED AS TO FORM:



Peter G. Smith
City Attorney

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	9. Consider an ordinance authorizing the issuance and sale of City of Sachse, Texas Limited Tax Note, Series 2019, levying an annual ad valorem tax and providing for the security for and payment of said note; engaging bond consultants, including engaging bond counsel on a contingency fee basis; providing an effective date; and enacting other provisions relating to the subject.
Access	Public
Type	Action
Preferred Date	Sep 16, 2019
Recommended Action	Approve an ordinance authorizing the issuance and sale of City of Sachse, Texas Limited Tax Note, Series 2019; levying an annual ad valorem tax and providing for the security for and payment of said note; engaging bond consultants, including engaging bond counsel on a contingency fee basis; providing an effective date; and enacting other provisions relating to the subject.
Goals	Strategically invest in the City's existing and future infrastructure. Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content**BACKGROUND**

The City of Sachse has entered into a development agreement with PMB Station Land, LP in support of development of a high-quality, mixed-use project within the City's corporate limits. According to the terms of the development agreement, the City has agreed to participate in limited shared funding for construction of roadway, drainage, water, and sewer infrastructure and improvements to Heritage Park. Proceeds from these Series 2019 Tax Notes will be used to finance Phase 1 of these project costs.

OVERVIEW

Tax Notes are limited to a seven-year amortization and may be paid off in a shorter time. Debt Service payments for principal and interest of the Series 2019 Tax Notes will be funded without increasing the Interest and Sinking (I&S) tax rate.

POLICY CONSIDERATIONS

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

RECOMMENDATION

Approve an ordinance authorizing the issuance and sale of City of Sachse, Texas Limited Tax Note, Series 2019; levying an annual ad valorem tax and providing for the security for and payment of said note; engaging bond consultants, including engaging bond counsel on a contingency fee basis; providing an effective date; and enacting other provisions relating to the subject.

[Ordinance Sachse Tax Note Series 2019.pdf \(181 KB\)](#)

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF SACHSE, TEXAS LIMITED TAX NOTE, SERIES 2019; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID NOTE; ENGAGING BOND CONSULTANTS, INCLUDING ENGAGING BOND COUNSEL ON A CONTINGENCY FEE BASIS; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

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

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

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. ch. 551; Now, Therefore

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

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE NOTE. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The note of the City of Sachse, Texas (the "Issuer") is hereby authorized to be issued and delivered in the aggregate principal amount of \$2,070,000 for the public purpose of constructing and improving streets and roads, including related utility relocation, intersection improvements, sidewalks, drainage, signalization, landscaping, lighting and signage, and construction and installation of water, sewer and stormwater drainage improvements in connection with such street and road improvements; constructing, installing, acquiring and equipping municipal park and recreational improvements; and constructing and equipping municipal drainage improvements (the "Projects"), and to pay the costs incurred in connection with the issuance of the Note.

Section 2. DESIGNATION, DATE, DENOMINATION, NUMBER, MATURITY AND INTEREST RATE OF NOTE. Each note issued pursuant to this Ordinance shall be designated: "CITY OF SACHSE, TEXAS, LIMITED TAX NOTE SERIES 2019," and there shall be issued, sold, and delivered hereunder one fully registered note, without interest coupons, dated September 16, 2019, in the denomination and principal amount of \$2,070,000, numbered R-1, with any note issued in replacement thereof being in the denomination of the full principal amount of the series of which the note is issued and numbered consecutively from R-2 upward, payable in installments to the registered owner thereof, or to the registered assignee of said note (in each case, the "Registered Owner"). Principal of said Note shall mature and be payable in installments on the dates and in the amounts stated in the FORM OF NOTE set forth in this Ordinance. The Note shall bear interest on the unpaid balance of the principal amount thereof, from the date of delivery to the scheduled due date of the principal installments of the Note or the date of maturity prior to redemption, at the rate of interest stated in the FORM OF NOTE set forth in this Ordinance. Said interest shall be payable in the manner provided and on the dates stated in the FORM OF NOTE set forth in this Ordinance.

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

Section 3. CHARACTERISTICS OF THE NOTE.

(a) Appointment of Paying Agent/Registrar. The Issuer hereby appoints First National Bank Texas, Killeen, Texas, to serve as paying agent and registrar for the Note (the "Paying Agent/Registrar"). The Mayor or City Manager is authorized and directed to execute and deliver in the name and on behalf of the Issuer a Paying Agent/Registrar Agreement with the Paying Agent/Registrar in substantially the form presented at this meeting.

(b) Registration. The Issuer shall keep or cause to be kept at the corporate trust office of the Paying Agent/Registrar books or records for the registration of the transfer and exchange of the Note (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Note to which payments with respect to the Note shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Note. Registration of assignments, transfers and exchanges of a Note shall be made in the manner provided and with the effect stated in the FORM OF NOTE set forth in this Ordinance. Each substitute Note shall bear a letter and/or number to distinguish it from each other Note.

(c) Transfer and Exchange. Except as provided in Section 3(g) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Note, date and manually sign said Note, and no such Note shall be deemed to be issued or outstanding unless such Note is so executed. The Paying Agent/Registrar promptly shall cancel any Note surrendered for exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing transfer and exchange of any Note, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of a substitute Note in the manner prescribed herein. Pursuant to Chapter 1201, Government Code, as amended, the duty of transfer of a Note as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Note, the exchanged Note shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Note that initially was issued and delivered pursuant to this Ordinance, approved by the Attorney General and registered by the Comptroller of Public Accounts. The Note may be transferred and registered in the name of the new registered owner in whole but not in part.

(d) Payment of Note and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Note, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Note, shall properly and accurately record all payments on the Note on the Registration Books, and shall keep proper records of all exchanges of Notes, and all

replacements of Notes, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the past due interest shall be sent at least 5 business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of the Registered Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(e) In General. The Note (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Note to be payable only to the Registered Owner thereof, (ii) may and shall be prepaid or redeemed prior to its scheduled maturity (iii) may be exchanged for another Note, (iv) may be transferred and assigned, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Note shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Note, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF NOTE set forth in this Ordinance. The Note initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Note issued in exchange for any Note issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF NOTE.

(f) Paying Agent/Registrar. The Issuer covenants with the Registered Owner of the Note that at all times while the Note is outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Note under this Ordinance, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 20 days written notice to the Paying Agent/Registrar, to be effective not later than 15 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Note, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to the Registered Owner of the Note, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(g) Authentication. Except as provided below, no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on the Note. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Note delivered on the closing date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his or her duly authorized agent, which certificate shall be evidence

that the Initial Note has been duly approved by the Attorney General of the State of Texas and therefore is a valid and binding obligation of the Issuer, and has been registered by the Comptroller.

(g) Delivery of Initial Note. On the closing date, one initial Note representing the entire principal amount of the Note, payable in stated installments to the Purchaser designated in Section 10 or its designee, executed by manual or facsimile signature of the Mayor and City Secretary of the Issuer, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, and with the date of delivery inserted thereon by the Paying Agent/Registrar, will be delivered to such Purchaser or its designee.

Section 4. FORM OF NOTE. The form of the Note, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Note initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance.

(a) Form of Note.

NO. R-	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF SACHSE, TEXAS LIMITED TAX NOTE SERIES 2019	PRINCIPAL AMOUNT \$2,070,000
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<u>Interest Rate</u> As Shown Below	<u>Delivery Date</u>
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REGISTERED OWNER: FIRST NATIONAL BANK TEXAS

PRINCIPAL AMOUNT: TWO MILLION SEVENTY THOUSAND DOLLARS

The City of Sachse, in Dallas and Collin Counties, Texas (the "Issuer"), being a political subdivision of the State of Texas, for value received, promises to pay, from the sources described herein, to the registered owner specified above, or registered assigns (the "Registered Owner"), the principal amount specified above, and to pay interest thereon, from the Delivery Date set forth above, on the balance of said principal amount from time to time remaining unpaid, at the rates per annum for each principal installment as set forth in the table below, calculated on the basis of a 360-day year of twelve 30-day months. The unpaid principal of this Note shall mature and shall be payable in installments on the dates and in the amounts set forth in the table below:

Payment Date	Principal Installment	Interest Rate
February 15, 2020	\$ 1,315,000	1.710%
February 15, 2021	145,000	1.710%
February 15, 2022	150,000	1.710%
February 15, 2023	150,000	1.710%
February 15, 2024	155,000	1.710%
February 15, 2025	155,000	1.710%

THE PRINCIPAL OF AND INTEREST ON THIS NOTE are payable in lawful money of the United States of America, without exchange or collection charges. The Issuer shall pay interest on this Note on February 15, 2020, and on each August 15 and February 15 thereafter to the date of maturity or the date of redemption prior to maturity. The last principal installment of this Note shall be paid to the registered owner hereof upon presentation and surrender of this Note at maturity, or upon the date for its redemption prior to maturity, at the principal trust office of First National Bank Texas, Killeen, Texas, which is the "Paying Agent/Registrar" for this Note. The payment of all other principal installments of and interest on this Note shall be made by the Paying Agent/Registrar to the registered owner hereof on each principal and interest payment date by check or draft, dated as of such principal and interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of this Note (the "Note Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the last business day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. If any Record Date shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such Record Date shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close. In addition, principal and interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner.

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

IF THE DATE for the payment of the principal of or interest on this Note shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS NOTE is dated September 16, 2019, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$2,070,000 for the public purpose of constructing and improving streets and roads, including related utility relocation, intersection improvements, sidewalks, drainage, signalization, landscaping, lighting and signage, and construction and installation of water, sewer and stormwater drainage improvements in connection with such street and road improvements; constructing, installing, acquiring and equipping municipal park and recreational improvements; and constructing and equipping municipal drainage improvements and to pay costs of issuance of the Note.

ON FEBRUARY 15, 2021, or any date thereafter, the unpaid principal installments of the Note may be redeemed in whole or in part prior to their scheduled due dates, at the option of the Issuer, with funds derived from any available and lawful source, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

AT LEAST 30 days prior to the date fixed for any optional redemption of the Note or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the Registered Owner of the Note at its address as it appeared on the Registration Books on the day such notice of redemption is mailed; provided, however, that the failure of the Registered Owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of this Note. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Note or portions thereof which are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Note or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for redemption, and shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment.

UPON THE PAYMENT OR PARTIAL REDEMPTION of the outstanding principal balance of this Note, the Paying Agent/Registrar, shall note in the Payment Record appearing on this Note the amount of such payment or partial redemption, the date said payment was made and the remaining unpaid principal balance of this Note and shall then have said entry signed by an authorized official of the Paying Agent/Registrar. The Paying Agent/Registrar shall also record such information in the Note Registration Books, and the Paying Agent/Registrar shall also record in the Note Registration Books all payments of principal installments on such Note when made on their respective due dates.

THIS NOTE is issuable in the form of one fully-registered Note without coupons in the denomination of \$2,070,000. This Note may be transferred or exchanged as provided in the Note Ordinance, only upon the registration books kept for that purpose at the above-mentioned office of the Paying Agent/Registrar upon surrender of this Note together with a written instrument of transfer or authorization for exchange satisfactory to the Paying Agent/Registrar and duly executed by the registered owner or his duly authorized attorney, and thereupon a new Note of the same maturity and in the same aggregate principal amount shall be issued by the Paying Agent/Registrar to the transferee in exchange therefor as provided in the Note Ordinance, and upon payment of the charges therein prescribed. The Issuer and the Paying Agent/Registrar may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal and interest due hereon and for all other purposes. The Paying Agent/Registrar shall not be required to make any such transfer or exchange during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

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

THIS NOTE shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Note Ordinance until the Certificate of Authentication shall have been executed by

the Paying Agent/Registrar or the Comptroller's Registration Certificate hereon shall have been executed by the Texas Comptroller of Public Accounts.

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

THE ISSUER HAS RESERVED THE RIGHT to amend the Note Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owner of the Note.

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

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed with the manual or facsimile signature of the Mayor of the Issuer (or in the Mayor's absence, the Mayor Pro Tem) and countersigned with the manual or facsimile signature of the City Secretary of said Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Note.

(signature)
City Secretary

(signature)
Mayor

(SEAL)

(b) Form of Payment Record.

PAYMENT RECORD

<u>Date of Payment</u>	<u>Principal Payment (amount and installment(s) to which payment is applied)</u>	<u>Remaining Principal Balance</u>	<u>Name and Title of Authorized Officer making Entry</u>	<u>Signature of Authorized Officer</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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

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

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

Dated: _____.

First National Bank Texas
Killeen, Texas
Paying Agent/Registrar

By: _____
Authorized Representative

(d) Form of Assignment.

ASSIGNMENT
(Please type or print clearly)

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

Transferee's Social Security or Taxpayer Identification Number: _____

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

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

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

Dated: _____.

Signature Guaranteed:

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

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

(e) Form of Registration Certificate of the Comptroller of Public Accounts.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that there is on file and of record in my office a true and correct copy of the opinion of the Attorney General of the State of Texas approving this Note and that this Note has been registered this day by me.

Witness my signature and seal this _____.

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

Section 5. INTEREST AND SINKING FUND.

(a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the Issuer as a separate fund or account and the funds therein shall be deposited into and held in an account at an official depository bank of said Issuer. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said Issuer, and shall be used only for paying the interest on and principal of said Note. All ad valorem taxes levied and collected for and on account of said Note shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Note is outstanding and unpaid, the governing body of said Issuer shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Note as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Note as such principal matures (but never less than 2% of the original amount of said Note as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said Issuer, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said Issuer, for each year while said Note is outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Note, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. If lawfully available moneys of the Issuer are on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to this Section may be reduced to the extent and by the amount of the lawfully available funds then on deposit in the Interest and Sinking Fund. At least one business day prior to March 15 and September 15, the Issuer shall transfer from the Interest and Sinking Fund to the Paying Agent the amount due for such succeeding payment.

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

Section 6. DEFEASANCE OF NOTE.

(a) Any Note and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Note") within the meaning of this Ordinance, except to the extent provided in

subsection (d) of this Section, when payment of the principal of such Note, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until the Defeased Note shall have become due and payable. At such time as a Note shall be deemed to be a Defeased Note hereunder, as aforesaid, such Note and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities, and thereafter the Issuer will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such Defeased Note or portion thereof defeased, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem a Defeased Note that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Note for redemption; (2) gives notice of the reservation of that right to the Registered Owner of the Defeased Note immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

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

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

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

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

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

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

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

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

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

Section 8. CUSTODY, APPROVAL, AND REGISTRATION OF NOTE; BOND COUNSEL'S OPINION AND ENGAGEMENT OF BOND COUNSEL PURSUANT TO A CONTINGENT FEE CONTRACT, AND ENGAGEMENT OF PLACEMENT AGENT.

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

this Ordinance, but shall not have any legal effect, and shall be solely for the convenience and information of the Registered Owner of the Note.

(b) The obligation of the Purchaser to accept delivery of the Note is subject to the Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the Issuer, which opinion shall be dated as of and delivered on the date of initial delivery of the Note to the Purchaser.

(c) The Issuer hereby confirms that it provided written notice of its intent to enter into the contingent fee contract with bond counsel in accordance with the provisions of Section 2254.1036(a), Texas Government Code. Pursuant to Section 2254.1036(b), Texas Government Code, the Issuer finds as follows: (i) there is a substantial need for the legal services of bond counsel; (ii) the legal services cannot be adequately performed by the attorneys and supporting personnel of the Issuer; and (iii) the legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which the services will be obtained. The engagement of such firm as bond counsel to the Issuer in connection with issuance, sale and delivery of the Note is hereby approved and confirmed. The execution and delivery of an engagement letter between the Issuer and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor, and the Mayor is hereby authorized to execute such engagement letter.

(d) The execution of an engagement letter between the Issuer and FTN Financial Capital Markets ("FFCM"), whereby FFCM shall provide certain services necessary to obtain financing including for the Note, including the distribution of the private placement term sheet and bid form, is hereby approved and the City Manager or the Finance Director are authorized to execute such agreement.

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

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

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

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

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

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

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

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

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

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

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

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

(8) to refrain from using the proceeds of the Note or the proceeds of any prior obligations to pay debt service on another issue more than ninety (90) days after the issuance of the Note in contravention of section 149(d) of the Code (relating to advance refunding);

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

(10) to assure that the proceeds of the Note will be used solely for new money projects.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (a)(9), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the Registered Owner. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Use of Proceeds. The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations (hereinafter defined). It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto (the "Treasury Regulations"). In the event that regulations or rulings are hereafter promulgated that modify or expand provisions of the Code, as applicable to the Note, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest

on the Note under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the Note, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Note under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Mayor, the City Manager and the Finance Director to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, that may be permitted by the Code as are consistent with the purpose for the issuance of the Note.

(d) Allocation of, and Limitation on, Expenditures for the Projects. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the construction and acquisition of the Projects financed with the proceeds of the Note on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Projects are completed. The foregoing notwithstanding, the Issuer shall not expend proceeds of the sale of the Note or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Note, or (2) the date the Note is retired, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such expenditure will not adversely affect the status, for federal income tax purposes, of the Note or the interest thereon. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

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

(f) Designation as a Qualified Tax-Exempt Obligation. The Issuer hereby designates the Note as a "qualified tax-exempt obligation" as defined in section 265(b)(3) of the Code. In furtherance of such designation, the Issuer represents, covenants and warrants the following: (a) that during the calendar year in which the Note is issued, the Issuer (including any subordinate entities) has not designated nor will designate tax-exempt obligations, which when aggregated with the Note, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; (b) that the Issuer reasonably anticipates that the amount of tax-exempt obligations issued, during the calendar year in which the Note is issued, by the Issuer (or any subordinate entities) will not exceed \$10,000,000; and, (c) that the Issuer will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, in order that the Note will not be considered "private activity bonds" within the meaning of section 141 of the Code.

Section 10. SALE OF NOTE. The Note is hereby initially sold and shall be delivered to First National Bank Texas, Killeen, Texas (the "Purchaser") for cash for the par value thereof, pursuant to the purchase agreement dated the date of the final passage of this Ordinance which the Mayor is hereby authorized to execute and deliver. The Note shall initially be registered in the name of the Purchaser. It is hereby officially found, determined, and declared that the terms of this sale are the most advantageous reasonably obtainable.

Section 11. FURTHER PROCEDURES. The Mayor, Mayor Pro Tem, City Manager and City Secretary shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name of and on behalf of the Issuer all such documents and, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Note and the sale of the Note. In case any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 12. NO RULE 15c2-12 UNDERTAKING. The Issuer has not made an undertaking in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The Issuer is not, therefore, obligated pursuant to the Rule to provide any on-going disclosure relating to the Issuer or the Note.

Section 13. DEFAULT AND REMEDIES.

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

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

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

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

(c) Remedies Not Exclusive.

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

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

(iii) By accepting the delivery of a Note authorized under this Ordinance, such registered owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or

pecuniary liability or charge against the officers, employees or trustees of the Issuer or the City Council.

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

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

(b) Except as provided in paragraph (a) above, the Registered Owner shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the Issuer; provided, however, that without the consent of the Registered Owner, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in the Note so as to:

- (1) Make any change in the maturity of the Note;
- (2) Reduce the rate of interest borne by the Note;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on the Note;
- (4) Modify the terms of payment of principal or of interest or redemption premium, if any, on the Note or impose any condition with respect to such payment; or
- (5) Change the requirement with respect to Registered Owner consent to such amendment.

(c) If at any time the Issuer shall desire to amend this Ordinance under this Section, the Issuer shall send by U.S. mail to the Registered Owner of the Note a copy of the proposed amendment.

(d) Whenever at any time within one year from the date of mailing of such notice the Issuer shall receive an instrument or instruments executed by the Registered Owner of the Note, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the Issuer may adopt the amendment in substantially the same form.

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

(f) Any consent given by the Registered Owner of the Note pursuant to the provisions of this Section shall be irrevocable for a period of 6 months from the date of the mailing of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Note during

such period. Such consent may be revoked at any time after 6 months from the date of the mailing of said notice by the Registered Owner, or by a successor in title, by filing notice with the Issuer.

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

Section 15. PROJECT FUND.

(a) The Issuer hereby creates and establishes and shall maintain on the books of the Issuer a separate fund or account to be entitled the "Series 2019 Note Project Fund" for use by the Issuer for payment of all lawful costs associated with the Projects as hereinbefore provided, and to pay the costs of issuance of the Note. Upon payment of all such costs, any moneys remaining on deposit in said fund shall be transferred to the Interest and Sinking Fund. Amounts so deposited to the Interest and Sinking Fund shall be used in the manner described in Section 5 of this Ordinance.

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

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

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

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

(Execution Page Follows)

PASSED AND APPROVED by the City Council of the City of Sachse, Texas on the 16th day of September, 2019.

APPROVED:

Mike J. Felix
Mayor

DULY ENROLLED:

Michelle Lewis Sirianni
City Secretary

[City Seal]

**Agenda Item Details**

Meeting	Sep 16, 2019 - Regular Combined City Council Meeting
Category	F. Regular Agenda Items
Subject	10. Consider an ordinance providing for the defeasance and redemption of a portion of the outstanding City of Sachse, Texas General Obligation Refunding and Improvement Bonds, Series 2009; and enacting other provisions relating to the subject.
Access	Public
Type	Action
Preferred Date	Sep 16, 2019
Budgeted	Yes
Budget Source	Debt Service Funds
Recommended Action	Approve an ordinance providing for the defeasance and redemption of a portion of the outstanding City of Sachse, Texas General Obligation Refunding and Improvement Bonds, Series 2009; and enacting other provisions relating to the subject.
Goals	Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content**BACKGROUND**

The 2018-2019 Budget included defeasing approximately \$1 million of principal of the outstanding Series 2009 General Obligation Refunding and Improvement Bonds. Fiscal Year 2018-2019 ending fund balance will include funds sufficient to redeem the aggregate principal amount of \$1,010,000.

POLICY CONSIDERATIONS

Fund Balance in the Debt Service Fund is restricted to the purpose of payment of principal and interest on outstanding debt obligations.

RECOMMENDATION

Approve an ordinance providing for the defeasance and redemption of a portion of the outstanding City of Sachse, Texas General Obligation Refunding and Improvement Bonds, Series 2009; and enacting other provisions relating to the subject.

[Ordinance 2019 Defeasance.pdf \(107 KB\)](#)

ORDINANCE NO. _____

**ORDINANCE PROVIDING FOR THE DEFEASANCE AND
REDEMPTION OF A PORTION OF THE OUTSTANDING CITY OF
SACHSE, TEXAS GENERAL OBLIGATION REFUNDING AND
IMPROVEMENT BONDS, SERIES 2009; AND ENACTING OTHER
PROVISIONS RELATING TO THE SUBJECT**

WHEREAS, the City of Sachse, Texas (the "City") has previously issued and there are currently outstanding, the City's General Obligation Refunding and Improvement Bonds, Series 2009 maturing on February 15 in each of the years 2020 through 2034, in the outstanding aggregate principal amount of \$2,650,000 (the A2009 Bonds@); and

WHEREAS, the ordinance that authorized the issuance of the 2009 Bonds (the "2009 Bond Ordinance") and Chapter 1207, Texas Government Code ("Chapter 1207"), authorize the City to deposit available funds with the Paying Agent/Registrar for the 2009 Bonds, and such deposit, if made in sufficient amounts, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the 2009 Bonds;

WHEREAS, in the 2009 Bond Ordinance, the City reserved the option to redeem the 2009 Bonds, in whole or in part, on February 15, 2019, or any date thereafter, at a price equal to the principal amount of the 2009 Bonds so called for redemption plus accrued interest to the redemption date;

WHEREAS, the City hereby exercises its option to redeem a portion of the 2009 Bonds on October 22, 2019 (the ARedemption Date@), in the aggregate principal amount of \$1,010,000 (the ARedeemed Bonds@), to be applied to the following:

<u>Original Maturity Date</u>	<u>Principal Amount Outstanding</u>	<u>Principal Amount Being Redeemed</u>
February 15, 2021	\$1,295,000	\$ 895,000
February 15, 2022	5,000	5,000
February 15, 2023	5,000	5,000
February 15, 2024	5,000	5,000
February 15, 2025	10,000	10,000
February 15, 2026	10,000	10,000
February 15, 2027	10,000	10,000
February 15, 2028	10,000	10,000
February 15, 2029	10,000	10,000
February 15, 2031	20,000*	20,000
February 15, 2034	30,000*	30,000

* Term Bonds.

WHEREAS, the City finds and determines that it is necessary and in the best interests of

the City to provide for the defeasance and redemption of the Redeemed Bonds with funds available for such purpose; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code. Now, therefore

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

SECTION 1. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

SECTION 2. Redemption of 2009 Bonds.

The Redeemed Bonds are hereby called for redemption on October 22, 2019 (the "Redemption Date"), at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption. Interest on the Redeemed Bonds shall cease to accrue on the Redemption Date.

SECTION 3. Deposit of Funds.

On or before October 22, 2019, the City shall deposit with or make available to Regions Bank, the Paying Agent/Registrar for the 2009 Bonds, an amount of legally available funds of the City sufficient to pay the redemption price of the Redeemed Bonds. Such legally available funds of the City are hereby authorized and appropriated in the amounts necessary for such purpose.

SECTION 4. Notices.

The appropriate notices of redemption and defeasance for the Redeemed Bonds are hereby directed to be given as specified by the 2009 Bond Ordinance and appropriate arrangements shall be made as specified by the 2009 Bond Ordinance and in accordance with State law so that the Redeemed Bonds may be redeemed on their Redemption Date. The Redeemed Bonds shall be presented for redemption at the paying agent/registrar therefore, and shall not bear interest after the date fixed for redemption

SECTION 5. Approval of Escrow Agreement and Transfer of Funds.

The Mayor or City Manager of the City are hereby authorized to execute and deliver an escrow or similar agreement with Regions Bank as necessary to secure the funds provided to pay the redemption price of the Redeemed Bonds. The Mayor, City Manager and Finance Director are hereby authorized to execute such contributions and investments as may be necessary for the Escrow Fund.

SECTION 6. Authorization of Actions.

The officers and employees of the City are hereby authorized and directed to take such actions and to execute and deliver such documents, certificates and receipts, including without limitation notice of redemption and material events notices with respect to the Redeemed Bonds, as necessary or appropriate to consummate the transactions authorized by this Ordinance and to redeem the Redeemed Bonds in accordance with the provisions and requirements of the 2009 Bond Ordinance.

SECTION 7. Effective Date.

This Ordinance shall be effective immediately upon its adoption by the City Council.

(Execution Page Follows)

PASSED AND APPROVED by the City Council of the City of Sachse, Texas, this 16th day of September, 2019.

APPROVED:

Mike J. Felix, Mayor

DULY ENROLLED:

Michelle Lewis Sirianni, City Secretary