



City Council Meeting Agenda

Our Vision: A well-planned lakeside community of quality neighborhoods, distinctive amenities, diverse employment, and cultural charm. Rowlett: THE place to live, work and play.

Tuesday, September 15, 2026

7:00 PM

Municipal Building – 4000 Main

Pursuant to Texas Government Code Section 551.127, on a regular, non-emergency basis, members may attend and participate in the meeting remotely by video conference. Should that occur, a quorum of the members, including the presiding officer, will be physically present at the location noted above on this Agenda.

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.

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

Process for Public Input: If you are not able to attend in person, you may complete the [Public Input Form](#) on the City's website by 3:30 p.m. the day of the meeting. All forms will be forwarded to the City Council prior to the start of the meeting.

For in-person comments, request to speak forms/instructions are available inside the door of the City Council Chambers.

Invocation

Pledges of Allegiance

1. Call to Order

2. Presentations

2.A. Presentation of Winners of the Annual Photography Contest Sponsored by the Arts and Humanities Commission.

2.B. Presentation of Proclamation for Constitution Week the week of September 17-23, 2026.

2.C. Presentation of Proclamation for National CERT Week the week of September 20-26, 2026.

2.D. Update from the City Council and Management: Financial Position, Major Projects, Operational Issues, Upcoming Dates of Interest and Items of Community Interest.

3. Citizens' Input

At this time, comments will be taken from the audience on any topic. No action can be taken by the Council during Citizens' Input.

4. Consent Agenda

The following may be acted upon in one motion. A City Councilmember or a citizen may request items be removed from the Consent Agenda for individual consideration.

4.A. Consider action approving the minutes.

Consider action to approve minutes from the following City Council meeting(s): August 31, 2026, City Council Work Session, and September 1, 2026, City Council Meeting.

4.B. Consider action to approve amending the Master Fee Schedule.

Consider action to adopt a resolution amending the Master Fee Schedule for rate and fee changes to the following sections: Utilities, Emergency Services, Fire Prevention and Protection, and Miscellaneous.

4.C. Consider action to approve a negotiated settlement between the Atmos Cities Steering Committee (ACSC) and Atmos Energy Corp., Mid-Tex Division.

Consider action to adopt a Resolution approving a negotiated settlement between the Atmos Cities Steering Committee (ACSC) and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2026 Rate Review Mechanism (RRM) Filing, declaring existing rates unreasonable, and adopting new tariffs effective October 1, 2026.

4.D. Consider action to authorize the purchase of two (2) Kenworth Traffic Blocking Trucks.

Consider action to adopt a resolution authorizing the purchase of two (2) Kenworth Traffic Blocking Trucks from Texas Kenworth Co, LLC, doing business as MHC Kenworth - Fort Worth, an authorized dealer for Kenworth Truck Company, through a Sourcewell cooperative purchasing contract, for a price not to exceed \$396,100.00; authorizing the Interim City Manager or his designee to execute all necessary documents to effectuate said purchase; and providing an effective date.

4.E. Consider action to authorize a Memorandum of Understanding (MOU) with North Central Texas Trauma Regional Advisory Council.

Consider action to adopt a resolution authorizing a Memorandum of Understanding (MOU) between North Central Texas Trauma Regional Advisory Council and the City of Rowlett acting through the City of Rowlett Fire Department for participation in the Texas Department of State Health Services whole blood administration program.

4.F. Consider action to approve Amendment No. 4 to an Interlocal Agreement (ILA) with Dallas County.

Consider action to adopt a resolution approving Amendment No. 4 to the Household Hazardous Waste Interlocal Agreement (ILA) with Dallas County for the purpose of providing household hazardous waste disposal services to Rowlett residents for FY27.

4.G. Consider action to approve the FY2027 Economic Development Funding and Lease Agreement with Rowlett Chamber of Commerce.

Consider action to adopt a resolution approving the FY2027 Economic Development Funding and Lease Agreement between the City of Rowlett and the Rowlett Chamber of Commerce in the amount of \$100,000 for economic development services, and the lease of the building space located at 4418 Main Street for an annual rent of \$1.00; authorizing the Interim City Manager to execute the Agreement; and providing an effective date.

4.H. Consider action to approve a Municipal Prosecution Services Engagement Letter.

Consider action to adopt a resolution appointing the law firm of Nichols, Jackson, Dillard, Hager & Smith, LLP d/b/a NICHOLS | JACKSON to provide municipal prosecutorial services for the City of Rowlett Municipal Court, authorizing the Interim City Manager to execute a Municipal Prosecution Services Engagement Letter; and providing an effective date.

4.I. Consider action to authorize a Professional Services Contract with CORE Location Advisors, LLC.

Consider action to adopt a resolution authorizing a Professional Services Contract with Core Location Advisors, LLC, for real estate advisory and acquisition services to evaluate and acquire potential locations for Public Safety and City Hall facilities, in an amount not to exceed \$46,980.00; authorizing the Interim City Manager or his designee to execute the Contract and all necessary and related documents; and providing an effective date.

5. Individual Consideration

- 5.A.** Consider action to adopt a resolution authorizing the award of a contract for Invitation to Bid No. 2026-98-B, Lake Bend Estates Screening Wall Project (Re-Bid), for an amount not to exceed \$993,703.70 (\$903,367.00 plus a ten percent (10%) contingency of \$90,336.70); authorize the Mayor or his designee to execute the contract and all necessary documents to effectuate said purchase; and provide an effective date.
- 5.B.** Conduct a public hearing on the Proposed Budget for Fiscal Year 2027 (www.rowlett.com).
- 5.C.** Consider action to postpone the vote to approve the Proposed Budget for Fiscal Year 2027 to September 16, 2026, and announce the date, time, and location of the vote to approve the Budget for Fiscal Year 2027.
- 5.D.** Conduct a public hearing on the ad valorem tax rate for Fiscal Year 2027.
- 5.E.** Announce the date, time, and location of the vote to approve the ad valorem tax rate for Fiscal Year 2027.
- 5.F.** Consider action to adopt a resolution appointing members to the Downtown Advisory Board.
- 5.G.** Consider action to adopt a resolution authorizing Amendment No. 4 to the Professional Services Agreement with Hoefer Welker, LLC, for design services for the Animal Services Building, in an amount not to exceed \$550,000: \$540,000 for Schematic Design (25%), Design development (25%), Construction Documents (30%), Bidding and Negotiation (2%), and Construction Administration (18%), and up to \$10,000 for Civil Engineering Reimbursable Expenses; authorizing the Interim City Manager or his designee to execute Amendment No. 4 and all necessary and related documents to effectuate said purchase; and providing an effective date.
- 5.H.** Consider action to adopt a resolution approving and authorizing the Interim City Manager to execute a Chapter 380 Economic Development Agreement with La Casita Coffee Rowlett LLC for Project "Decaf."
- 5.I.** Conduct a public hearing and consider action to adopt an ordinance annexing approximately 14.87 acres of land located at 3805 Troy Road, situated in the Madison Price Survey, Abstract No. 257, Rockwall County, Texas into the City of Rowlett, Texas and approving an annexation service plan therefor.

Members of the City Council may request topics to be placed on an agenda for a subsequent meeting. Any deliberation or decision shall be limited to a proposal to place topic on the agenda for a subsequent meeting.

6. Adjournment

Deborah Sorensen

Deborah Sorensen, TRMC, MMC, City Secretary

I certify that the above notice of meeting was posted on the bulletin boards located inside and outside the doors of the Municipal Center, 4000 Main Street, Rowlett, Texas, as well as on the [City's website](#) on September 9, 2026, by 5:30 p.m.

City of Rowlett City Council meetings are available to all persons regardless of disability. If you require special assistance, contact the City Secretary at 972-412-6109 or write 4000 Main St., Rowlett, Texas, 75088, at least 48 hours in advance of meeting.

City of Rowlett ~ 4000 Main Street, Rowlett TX 75088 ~ www.rowlett.com

**CITY OF ROWLETT
TAXPAYER IMPACT STATEMENT**

House Bill 1522, passed by the Texas Legislature in 2025, amends section 551.043 of the Texas Government Code to require that the notice of a meeting required to be posted under section 551.043(a) of the Texas Open Meetings Act, at which a governmental body will discuss or adopt a budget for the governmental body, must include a taxpayer impact statement showing, for the median-valued homestead property, a comparison of the property tax bill in dollars pertaining to the property for the current fiscal year to an estimate of the property tax bill in dollars for the same property for the upcoming fiscal year.

The City of Rowlett has proposed a budget for the City's 2026-2027 fiscal year. The City intends to adopt its budget on or before September 30, 2026.

- **Value of Median-Valued Homestead Property in the City:** \$388,179
- **Property Tax Bill for the Current Fiscal Year (\$0.807891):** \$3,136
- **Estimated Property Tax Bill for the Upcoming Fiscal Year if the City Adopts the Proposed Budget and Tax Rate (\$0.807891):** \$3,136
- **Estimated Property Tax Bill for the Upcoming Fiscal Year if the City Adopts the Published Proposed Tax Rate (\$0.867875):** \$3,369
- **Estimated Property Tax Bill for the Upcoming Fiscal Year if the City Adopts a Balanced Budget Funded at the No-New-Revenue Tax Rate (\$0.81101, includes debt rate of \$0.269050):** \$3,148

The estimates in this Impact Statement are valid only for the proposed budget and proposed tax rate that the City Council will discuss at its meeting on **September 15, 2026**. The proposed budget and the proposed tax rate may each be amended by City Council at any time before their final adoption. If the City Council intends to discuss the proposed budget at a subsequent meeting, the City will include a Taxpayer Impact Statement in the notice for that meeting which will include updated estimates based on any amendments to the proposed budget and proposed tax rate.

I hereby certify that the foregoing Taxpayer Impact Statement was included in the public notice for the City Council meeting to be held on **September 15, 2026**.

 9-9-26
Name: Kristoff Bauer Date
Title: Interim City Manager

Meeting Date: 9/15/2026

Agenda Item: 2.A.

Title

Presentation of Winners of the Annual Photography Contest Sponsored by the Arts and Humanities Commission.

Staff Representative

Laura Tschoerner, Library Director

Executive Summary

The purpose of this item is to announce winners of this year's Photography Contest sponsored by the Arts and Humanities Commission.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 ENHANCE QUALITY OF LIFE	4.4 Create spaces, activities, and events for the arts, cultural enrichment, and community celebrations.

Background Information

Sponsored annually by the Rowlett Arts and Humanities Commission, the Photography Contest is open to everyone in the Garland and Rockwall Independent School District. The competition features three categories: People, Places, and Things with photographs taken within the Rowlett city limits. Only one entry is allowed per participant per category, and all works are presented anonymously for judging.

Discussion

This year's contest theme was *Shared Stories, Shared Spaces*. The Commission received 42 entries, all of which are on display at Rowlett Public Library until October 9, 2026.

Winner of the Best of Show award receives a \$200 prize. First Place award winners in each of the three categories receive a \$150 prize, and Second Place award winners in each of the three categories receive a \$50 prize.

Third Place and Honorable Mention winners of the 2026 Rowlett Arts and Humanities Commission Photography Contest, who have received prize ribbons include:

Honorable Mention, Things Category: Zaniyah Howard

Honorable Mention, Places Category: Aurora Richardson

Honorable Mention, Places Category: April Bohmer

Honorable Mention, Places Category: Linda Olmstead
Honorable Mention, People Category: April Bohmer
Third Place, Things Category: Rebecca Henry
Third Place, Places Category: Neslie Fudge
Third Place, People Category: Cherelle Jordan

First Place, Second Place and Best of Show winners of the 2026 Rowlett Arts and Humanities Commission Photography Contest, who will be presented cash awards are:
Second Place, Things Category: Analiese Martinez
Second Place, Places Category: Rebecca Henry
Second Place, People Category: De'Ari Stewart
First Place, Things Category: Christina Pluviose
First Place, Places Category: Stephen Ritchey
First Place, People Category: Ann Tilger
Best of Show: Neslie Fudge

Financial/Budget Implications

Budget Account Number and/or Project Code	Account or Project Title	FY2026 Budget	Available Funding	Utilized Amount	Remaining Balance
1015530-6696	Boards & Commission	\$27,436	\$9,846	\$1,000	\$8,846
Total		\$27,436	\$9,846	\$1,000	\$8,846

Recommended Action

Present awards to contest winners.

Attachments

None

Meeting Date: 9/15/2026

Agenda Item: 2.B.

Title

Presentation of Proclamation for Constitution Week the week of September 17-23, 2026.

Staff Representative

Jeff Winget, Mayor

Executive Summary

We will be celebrating the 239th anniversary of the American Constitution the week of September 17 – 23. The United States Constitution, America’s most important document, stands as a testament to the tenacity of Americans throughout history to maintain their liberties, freedoms and inalienable rights. Constitution Week is celebrated annually during this week to commemorate its history, importance, and bring attention to how it still serves today.

This celebration of the Constitution was started by the Daughters of the American Revolution (DAR). In 1955, DAR petitioned Congress to set aside this week annually and the resolution was later adopted by the US Congress and signed into public law on August 2, 1956, by President Dwight D. Eisenhower.

We hope you find a special way to celebrate Constitution Week in your homes, at school or throughout our community during the week of September 17 – 23. God Bless America!

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.8 Provide accurate and timely information to policy-makers and the public.

Background Information

N/A

Discussion

N/A

Financial/Budget Implications

N/A

Recommended Action

N/A

Attachments

1. Proclamation - Constitution Week



Proclamation

WHEREAS, the Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law; and

WHEREAS, September 17, 2026, marks the two hundred and thirty-ninth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, it is fitting and proper to accord official recognition to the magnificent document of the Constitution of the United States and its memorable anniversary; and to the patriotic celebrations which will commemorate the occasion; and

WHEREAS, the tradition of celebrating the Constitution was started by The Daughters of the American Revolution by petitioning Congress to set aside September 17th – 23rd annually to be dedicated for the observance of Constitution Week; and

WHEREAS, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America proclaiming the week beginning September 17 and ending September 23 of each year as Constitution Week and asks our citizens to reaffirm the ideals of the Framers of the constitution.

NOW, THEREFORE, I, Jeff Winget, Mayor of the City of Rowlett, Texas, and on behalf of the City Council, do hereby proclaim September 17 - 23, 2026 as Constitution Week in the City of Rowlett.

*In official recognition thereof, I hereby affix my signature
this 15th day of September 2026.*

Jeff Winget, Mayor, City of Rowlett

Meeting Date: 9/15/2026

Agenda Item: 2.C.

Title

Presentation of Proclamation for National CERT Week the week of September 20-26, 2026.

Staff Representative

Jeff Winget, Mayor

Executive Summary

National Community Emergency Response Team (CERT) Week recognizes the valuable contributions of trained volunteers who assist their communities before, during, and after emergencies. Through specialized training in disaster preparedness, fire safety, light search and rescue, disaster medical operations, and team organization, CERT members enhance the community's ability to respond when emergencies occur.

The Rowlett CERT program is comprised of dedicated volunteers who support the Fire Department through emergency preparedness education, public outreach, special events, and assistance during incidents when requested. Their commitment to serving others helps build a more resilient and prepared community while fostering partnerships between residents and first responders.

Recognizing National CERT Week provides an opportunity for the City of Rowlett to express its appreciation for the volunteers who generously donate their time, talents, and skills to help protect the community and promote emergency preparedness.

Strategic Priority and Goal(s)

Background Information

N/A

Discussion

N/A

Financial/Budget Implications

N/A

Recommended Action

N/A

Attachments

1. Proclamation - National CERT Week



Proclamation

WHEREAS, Community Emergency Response Teams (CERT) play a vital role in helping communities prepare for, respond to, and recover from disasters and emergencies by providing trained volunteers who are ready to assist when needed; and

WHEREAS, CERT members receive valuable training in disaster preparedness, fire safety, light search and rescue, disaster medical operations, team organization, and other emergency response skills that enable them to support professional first responders and assist their neighbors during times of crisis; and

WHEREAS, the dedication and service of CERT volunteers strengthen the resilience of our community by promoting preparedness, encouraging personal responsibility, and providing additional resources during emergencies and large-scale incidents; and

WHEREAS, CERT volunteers generously give their time, talents, and energy to participate in ongoing training, community outreach, emergency preparedness activities, and public safety events, demonstrating an unwavering commitment to the safety and well-being of others; and

WHEREAS, National CERT Week, observed September 20 through September 26, 2026, provides an opportunity to recognize the important contributions of CERT programs and volunteers across the nation and to encourage citizens to become better prepared for emergencies that may affect their families, neighborhoods, and communities; and

WHEREAS, the City of Rowlett is proud to recognize and thank the dedicated CERT volunteers who support our community and work alongside emergency management and public safety personnel to help make Rowlett a safer, stronger, and more resilient city.

NOW, THEREFORE, I, Jeff Winget, Mayor of the City of Rowlett, on behalf of the City Council, do hereby proclaim the week of September 20-26, 2026, as:

NATIONAL CERT WEEK

in the City of Rowlett and encourage all residents to recognize the valuable service of CERT volunteers, learn more about emergency preparedness, and take steps to ensure that their families and neighborhoods are prepared for emergencies.

*In official recognition thereof, I hereby affix my signature
this 15th day of September 2026.*

Jeff Winget, Mayor, City of Rowlett

Meeting Date: 9/15/2026

Agenda Item: 4.A.

Title

Consider action approving the minutes.

Consider action to approve minutes from the following City Council meeting(s): August 31, 2026, City Council Work Session, and September 1, 2026, City Council Meeting.

Staff Representative

Deborah Sorensen, City Secretary

Executive Summary

Section 551.021 of the Government Code provides as follows:

- (a) A governmental body shall prepare and keep minutes or make a tape recording of each open meeting of the body.
- (b) The minutes must:
 - (1) state the subject of each deliberation; and
 - (2) indicate each vote, order, decision or other action taken.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.8 Provide accurate and timely information to policy-makers and the public.

Background Information

N/A

Discussion

In compliance with State Law and to provide access to citizens of the business conducted by the City, minutes are generated for each public meeting of the City Council. Once approved, these minutes are then published to the website, the City's electronic document storage system and kept on permanent file in the Office of the City Secretary.

Financial/Budget Implications

N/A

Recommended Action

Move to approve minutes from the following City Council meeting(s): August 31, 2026, City Council Work Session, and September 1, 2026, City Council Meeting.

Attachments

1. 08.31.26 City Council Work Session Minutes
2. 09.01.26 City Council Meeting Minutes

CITY COUNCIL WORK SESSION MINUTES

Our Vision: A well-planned lakeside community of quality neighborhoods, distinctive amenities, diverse employment, and cultural charm. Rowlett: THE place to live, work and play.

Monday, August 31, 2026

6:00 P.M.

Municipal Building – 4000 Main

Present: Mayor Jeff Winget, Mayor Pro Tem Mike Britton, Deputy Mayor Pro Tem John Bowers III, Councilmember Chris Kizziar, Councilmember Marvin Gibbs, Councilmember Byron Fassett, and Councilmember Carter Holston

1. CALL TO ORDER

Mayor Winget called the meeting to order at 6:01 p.m.

2. CITIZENS INPUT

1. Dave Holl, Rowlett – Spoke regarding a parking problem at Paddle Point Park. Requested to have no parking along 6811 Miller and 6809 Chardonnay Drive.

3. WORK SESSION

3A. Conduct interviews and discuss appointments to the 75th Anniversary Task Force Ad Hoc Committee.

Each applicant was introduced to City Council and spent approximately 15 minutes in the interview process. There were 11 interviewees. All interviewees gave a brief background and why they want to serve on the Task Force. 2 applicants were unable to attend due to prior obligations.

After a question-and-answer session, Mayor Winget suggested appointing all 13 applicants to the 75th Anniversary Task Force. Councilmember Gibbs agreed to appoint all applicants. Deputy Mayor Pro Tem Bowers III stated he is looking forward to serving alongside the Task Force. Councilmember Kizziar stated he agreed to the appointments and is excited to see what they come up with. Mayor Pro Tem Britton thanked everyone for volunteering for this Task Force. Councilmember Holston thanked everyone for their commitment to Rowlett. Everything matters, everything you do matters, and everything you don't do matters. Mayor Winget stated that appointments will be made at tomorrow night's City Council meeting. He thanked everyone for volunteering.

3B. Receive a presentation regarding SH66 Force Main and Wastewater Master Plan projects.

Mayor Winget recessed the meeting at 6:35 pm.

Mayor Winget reconvened the meeting at 6:44 pm.

Gary Enna, Interim Public Works Director, introduced Chris Robinson and Molly Pierson, both with LJB. Molly Pierson presented this item. The SH 66 36" Force Main replacement and wastewater model update was discussed. The history of the SH 66 36" Force Main replacement was reviewed.

The proposal was prepared on a fast-track basis per the City's request, 24-hour turnaround. The topographic survey was performed of 5,800' corridor. The preliminary alignment considerations for full pipe replacement were congested corridor with City and franchise utilities, easement required from every property owner, and the Wastewater Model update will be required to determine the ultimate pipe size. The existing condition assessment was considered. Staff obtained proposal for Smartball and PipeDiver pipe inspection. After City staff changes, the decision was made not to move forward with inspection. The pipe failures have happened at system high points. The line was constructed in 1995 of concrete-lined ductile iron pipe. Ductile iron is susceptible to corrosion from gases typically found in sewer lines. Gas accumulation at high points in the line is a contributing factor to corrosion and failures. Pipe that remains full of liquid at all times is not exposed to gases that cause corrosion.

The 36" Force Main failure in front of McDonald's occurred at high point with non-functioning air-release valve (ARV). The long flat slope preceding high point probably extended failure limits. The contractor extended replacement until solid pipe was found to connect to new pipe to. The City reported smell complaints at McDonald's. The 36" Force Main failure just east of outfall manhole near Walmart was probably exacerbated by trapped air from gravity outfall manhole. No ARV was referenced in plans. The 30" Force Main failure east of PG&T near Quick Trip was due to franchise utility contractor damage.

City staff requested assessment of cured-in-place pipe (CIPP) rehabilitation for the SH 66 36" Force Main. This was not selected as the preferred construction method for several reasons; higher construction costs, past emergency repairs with varying unknown pipe types would require removal and replacement before CIPP could be installed and installing CIPP liner on low points in line poses dewatering challenges and would result in lining good pipe. High Point removal and replacement is the fastest path forward to restore the force main to reliable service. It only replaces deteriorated pipes, minimizes required easement acquisition, and meets City's current needs for existing flows. Regarding the future parallel force main, future ultimate development flows will require a parallel force main and possible upgrades to the Westside Lift Station. Final requirements will be determined through the wastewater model update.

The last ultimate wastewater model update was 2015. The new future development assumptions must be developed and incorporated into the model. The model update will reassess system deficiencies. Current calibration is based on the 2010 flow monitoring data.

There are significant areas left to develop in the Northshore area of the City. This area is served by the Westside Lift Station and downstream force mains. Future development will impact the required ultimate lift station and force main sizing. Development in Northshore since 2015 has included more multi-family than accounted for in the model. Gravity line downstream of force main will also require size increase.

Staff recommends proceeding with targeted replacement of deteriorated high-point segments, complete the wastewater model update, confirm ultimate sizing requirements of Westside Lift Station, force main, and downstream gravity line, and develop long-term capital improvement plan for the City's wastewater system.

Mayor Winget asked how much development is required to update the model. Ms. Pierson stated it is based on how much you have available for development. Councilmember Kizzia stated if you don't know what you have, that is a problem. We need to plan for the future but need to know what we have now. We need to keep track of everything we have. Mayor Winget stated that GIS should

have the location of everything we have. Mayor Winget also confirmed that the model only includes flow, not any pipe inspections.

- 3C.** Receive a presentation regarding Section 77-811 [Minor Modifications] of the Rowlett Development Code.

Mayor Winget recessed the meeting at 7:42 pm.

Mayor Winget reconvened the meeting at 7:47 pm.

Allisen Ducay, Planning Manager, presented this item. The purpose is to repeal Section 77-811 [Minor Modifications] of the Rowlett Development Code. This would eliminate ambiguity within the Development Code. It would improve consistency and predictability in development review. I would also continue processing requests through existing review and approval procedures.

Staff reviewed Section 77-811 as part of ongoing ordinance maintenance. The current section lacks objective standards for what qualifies as a minor modification. Approval authority between Planning & Zoning Commission and City Council is not clearly defined. These deficiencies create uncertainty for applicants, staff, and decision-makers. The current challenges are no objective standards; the code does not define what constitutes a minor modification. Approval authority is unclear, the code references both the Planning & Zoning Commission and City Council without identifying when each body has jurisdiction. There is subjective interpretation; limited guidance can lead to inconsistent application. It is administrative inefficiency, creates unnecessary confusion regarding the appropriate review process.

The proposed amendment is to repeal Section 77-811 (Minor Modifications). This will eliminate a process that lacks clear standards. Utilize existing administrative, development review, and amendment procedures already established in the Development Code. I would also remove duplication while maintaining appropriate oversight. The proposed repeal will eliminate ambiguous review standards, clarify approval authority, improve consistency and predictability, reduce conflicting interpretations, promote transparent and defensible decision-making, and ensure development requests follow established review procedures.

The Planning & Zoning Commission discussed this item during its Work Session held on July 28, 2026. Staff recommends approval of the proposed repeal of Section 77-811. The amendment will improve clarity within the Development Code, eliminate language that is difficult to administer consistently, and continue utilizing established review and approval mechanisms for development requests.

Councilmember Fassett asked if this had anything to do with the Warwick situation. Ms. Ducay stated that this has nothing to do with the Warwick situation. Councilmember Holston asked if this has been benchmarked against other cities. It has and we are using usual and customary practices. Mayor Winget asked if anyone reviewed the original ordinance to see why this section was added. Ms. Ducay stated that she has not been able to research that far back. She confirmed that this section has been used 3 times in the past 3 years. Victoria Thomas, City Attorney, stated that this is to clean up a messy process. No one opposed bringing this back. The consensus was to move forward.

4. EXECUTIVE SESSION

- 4A.** The City Council shall convene into closed, executive session pursuant to Texas Government Code, §551.074 (Personnel Matters) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: Interim City Manager.

Mayor Winget adjourned the meeting into Executive Session at 8:06 pm.

- 5. RECONVENE INTO OPEN SESSION AND TAKE ANY NECESSARY OR APPROPRIATE ACTION ON CLOSED/EXECUTIVE SESSION MATTERS**

Mayor Winget reconvened the meeting at 10:08 pm.

Mayor Winget stated the City Council has concluded its executive session with no action taken.

- 6. DISCUSS CONSENT AGENDA ITEMS FOR SEPTEMBER 1, 2026, CITY COUNCIL MEETING**

Councilmember Holston stated that he wants an executive session item for agenda item 5B. Kristoff Bauer, Interim City Manager, stated agenda item 4H and 4I are being withdrawn. Councilmember Fassett requested to have agenda item 4F pulled for individual consideration with a presentation.

- 7. ADJOURNMENT**

Mayor Winget adjourned the meeting at 10:08 pm.

CITY COUNCIL MEETING MINUTES

Our Vision: A well-planned lakeside community of quality neighborhoods, distinctive amenities, diverse employment, and cultural charm. Rowlett: THE place to live, work and play.

Tuesday, September 1, 2026

7:00 P.M.

Municipal Building – 4000 Main

Present: Mayor Jeff Winget, Mayor Pro Tem Mike Britton, Deputy Mayor Pro Tem John Bowers III, Councilmember Chris Kizziar, Councilmember Marvin Gibbs, Councilmember Byron Fassett, and Councilmember Carter Holston

INVOCATION

The invocation was led by Pastor Brian Hiatt, of Cornerstone Church.

PLEDGES OF ALLEGIANCE

The Pledges of Allegiance were led by the City Council.

1. CALL TO ORDER

Mayor Winget called the meeting to order at 7:03 p.m.

2. PRESENTATIONS

2A. Presentation of Proclamation Declaring September as Library Card Sign-Up Month.

Deputy Mayor Pro Tem Bowers III presented the Proclamation Declaring September as Library Card Sign-Up Month.

2B. Update from the City Council and Management: Financial Position, Major Projects, Operational Issues, Upcoming Dates of Interest and Items of Community Interest.

Mayor Pro Tem Britton provided the following announcements:

COMMUNICATIONS AND COMMUNITY ENGAGEMENT - The City of Rowlett is inviting residents to help shape our community's future as we begin the process of developing the City's next Strategic Plan. Two Community Conversations will be held at the Rowlett Community Centre: **Wednesday, September 2, at 7 p.m.** and **Thursday, September 3, at 8:30 a.m.** These conversations are an opportunity for residents to share what they believe Rowlett should focus on in the years ahead. Community input will help inform the priorities that guide the City's future decisions, investments and services. We hope to see you there.

A little friendly competition is underway between Rowlett and our neighbors in Sachse — all for a great cause! Throughout September, the two cities are going head-to-head as part of the North Texas Food Bank's annual Peanut Butter Drive to see which community can collect the most. You can help Team Rowlett by donating jars of peanut butter at City Hall, the Rowlett Public Library,

Rowlett Community Centre, Fire Station 2 or Utility Billing. You can also donate online through Rowlett's virtual drive. We'll share updates throughout the month as we work to support North Texas families and, of course, beat Sachse! Visit Rowlett.com for donation details.

Downtown Rowlett is about to become your favorite fall hangout. Our **'Live on Main'** series returns in September with four unforgettable evenings of live music, local vendors, and all-around good vibes. You can join the fun from 6-9 p.m. on September 5, 12, 19 and 25. More details at Rowlett.com.

LIBRARY - The Library currently offers three distinct book clubs to suit different interests and schedules. Senior Book Club meets the first Wednesday of each month at 1:00 pm and the Second Saturday Book Club meets the second Saturday of each month at 2:00 pm. Cults, Crimes, & Conspiracies is a new group launching September 19 at 2:00 pm, where participants explore true crime cases, examining the psychology and theories behind each topic. Find out more about each book club at Rowlett.com/Library

After school library programs are a fun way to supplement your child's learning and further develop a love of literacy. For ages 5 to 8, the Elementals programs are on Wednesdays at 4 pm. For ages 9-13, LEGO Robotics programs are on Thursdays at 6 pm. Find the full program calendar at Rowlett.com/Library.

POLICE - Join us for **National Night Out on Tuesday, October 6, 2026**, as neighborhoods across Rowlett come together to strengthen relationships between residents, local law enforcement, first responders, and community leaders. National Night Out is more than a night of fun—it's an opportunity to build safer, stronger, and more connected neighborhoods. Consider hosting a block party, neighborhood gathering, cookout, or other community event and invite your local police officers, firefighters, and other city representatives to join you. The Rowlett Police Department currently has 16 neighborhoods registered for National Night Out 2026. Make sure your neighborhood does not miss out by contacting Officer Eric Mitchell at emitchell@rowlett.com.

FIRE - Please join us in congratulating Firefighter/Paramedic Adam Shelton on being selected as the Firefighter of the Year by the Rowlett Chamber of Commerce!

Firefighter Shelton was nominated for this honor by his Captain, Colton Onstot, who recognized Adam for his outstanding leadership within his crew and throughout the department.

Captain Onstot specifically highlighted Firefighter Shelton's commitment to training, mentorship, and professional development, as well as his willingness to assist and develop those around him. His dedication to helping others grow and succeed is a true reflection of the leadership and service we strive for at the Rowlett Fire Department.

Congratulations, Adam, on this well-deserved recognition, and thank you for your continued dedication to your crew, our department, and the citizens of Rowlett!

On Monday, August 31, the Rowlett Fire Department placed two new Horton ambulances into service—one at Fire Station #1 and one at Fire Station #4. These new units will help ensure our department continues to maintain its high level of readiness and provide the highest level of service to our citizens when they need us most. We would like to sincerely thank the citizens of Rowlett, the City Council, the City Manager Office (CMO), and the Finance Department for their continued investment in the Rowlett Fire Department and for entrusting us with the responsibility of serving our community.

PARKS & RECREATION - The Wet Zone Waterpark is still open on weekends now until Labor Day. Beat the heat and enjoy a day of fun with your family at the Wet Zone Waterpark. For more information visit wetzonewaterpark.com

The Senior Resource Fair will take place at the Rowlett Community Centre on Tuesday September 8th from 9am to 12pm. The Rowlett Senior Resource Fair is a free annual event hosted by the Rowlett Senior Advisory Board. It connects older adults, families, and caregivers with local organizations offering healthcare, financial guidance, insurance options, community service and other resources for seniors.

Toddler Tuesdays at the Rowlett Community Centre - Let your little ones play, explore, and make new friends at Toddler Tuesdays! This fun, unstructured playtime gives children ages 2–5 yrs. the opportunity to burn off energy, develop social skills, and enjoy age-appropriate activities in a safe and welcoming environment.

Children can explore a variety of toys, games, and play equipment while parents and caregivers connect with other families. Open play encourages creativity, independence, movement, and positive social interaction—all while having fun! Parents/caregivers must remain with their children and are responsible for supervision. Come play, make friends, and make Tuesdays your favorite day of the week!

Toddler Tuesdays will be held every Tuesday starting on September 22nd, from 9:00am to 10:30am and is \$3 per child.

Councilmember Fassett introduced the Featured Pet, Tommy Pickles, this 5-6-month-old came to the shelter severely emaciated and looking for someone to love him. Even though the beginning of his life hasn't been the easiest, he still shows love to those he meets. Everyone who meets him says the same thing, he is the sweetest, gentlest, and most loving dog who deserves a safe loving home. Tommy needs a rescue, foster, or adopter who will give him the love, care and nutrition he needs to get healthy and finally know that it feels like to be loved. He survived neglect, now he just needs someone to give him a second chance. To meet Tommy Pickles or one of his companions, please contact Animal Services at 972-412-6219 or come by the Shelter at 4402 Industrial St. from 10 am to 5 pm, Tuesday through Saturday. Happy Tails Update – He-Man has found his forever home and a playmate! You too can make a difference, even if adoption isn't an option, fostering is a powerful way to help a shelter dog in need.

3. CITIZENS INPUT

1. Dave Holl, Rowlett – Spoke regarding issues at Paddle Point Park and the railroad behind the park.
2. Alan Hogan, Rowlett – Spoke regarding Lake Bend Estates Screening Wall, the medians on SH 66, the maintenance of Coyle House, and Tattoo Parlors not being needed.
3. Denise Eljoohi, Rowlett – Spoke regarding zoning exceptions and the accessory building on Warwick.
4. Hasan Eljoohi, Rowlett – Spoke regarding the accessory building on Warwick.
5. Laura Khalil, Rowlett – Spoke regarding corruption regarding her police case of theft of cash. She requested an independent investigation.
6. Patrick Bandle, Rowlett – Spoke regarding Lake Bend Estates Screening Wall and the easements for the Screening Wall.
7. Brooke Allen, Rowlett – Spoke regarding the history of Herfurth Park and Coyle family.

8. Dan Houpt, Rowlett – Spoke against the ordinance on agenda item 5B. Please fix the downtown lights.
9. Traci Houpt, Rowlett – Spoke against the ordinance on agenda item 5B.
10. Alison Houpt Felderhoff, Rowlett – Spoke against agenda item 5B.
11. Kathy Kirk, Rowlett – Spoke regarding errors and red flags in city documents, the accessory building on Warwick, Lake Bend Estates Screening Wall, Coyle House, and accountability.
12. Pam Spector, Rowlett – Spoke regarding her proposed tattoo parlor and is in favor of agenda item 5B.

4. CONSENT AGENDA

Consent Agenda items 4H and 4I were withdrawn from the agenda. Consent Agenda items 4F and 4J were removed for individual consideration.

4A. Consider action approving the minutes.

Consider action to approve minutes from the following City Council meeting(s): August 10, 2026, City Council Special Meeting, August 17, 2026, City Council Work Session, and August 18, 2026, City Council Meeting.

This item was approved on the Consent Agenda.

4B. Consider action to approve a Task Authorization for the SH66 West Force Main.

Consider action to adopt a resolution authorizing a Task Authorization #FY26-LJB-01 for the design of high point repairs along SH66 West Force Main with LJB Inc., in the amount not to exceed \$235,735; authorize the Interim City Manager or his designee to execute the Task Authorization and all necessary documents to effectuate said purchase; and providing an effective date.

This item was approved on the Consent Agenda as RES-26-09-84R.

4C. Consider action to approve a Task Authorization for the Wastewater Master Plan.

Consider action to adopt a resolution authorizing a Task Authorization #FY26-LJB-02 for the Wastewater Master Plan update with LJB Inc. in the amount not to exceed \$315,415; authorize the Interim City Manager or his designee to execute the Task Authorization and all necessary documents to effectuate said purchase; and providing an effective date.

This item was approved on the Consent Agenda as RES-26-09-85R.

4D. Consider action to approve a Funding Agreement with Friends of Rescue Animals (FRAs).

Consider action to adopt a resolution approving the FY2027 Funding Agreement between the City of Rowlett and Friends of Rescue Animals (FRAs) in an amount not to exceed \$25,000; authorizing the Interim City Manager to execute the Agreement; and providing an effective date.

This item was approved on the Consent Agenda as RES-26-09-86R.

4E. Consider action to authorize the acceptance of a Justice Assistance Grant.

Consider action to adopt a resolution authorizing the City Manager to accept the FY25 Edward Byrne Memorial Justice Assistance Grant (JAG) in the amount of \$7,359.56 under the DJ23 Justice Assistance Grant Program.

This item was approved on the Consent Agenda as RES-26-09-87R.

4F. Consider action to authorize the purchase of one 2025 Ford E450 Camera Van.

Consider action to adopt a resolution authorizing the purchase of one (1) 2025 Ford E450 Camera Van, from Industrial Disposal Supply Company, LLC, an authorized Texas dealer for RapidView, LLC, through a Sourcewell cooperative purchasing contract, for a total price not to exceed \$306,953.00; authorizing the Interim City Manager or his designee to execute all necessary documents to effectuate said purchase; and providing an effective date.

Mike Lasby, Manager of Assets/Fleet, presented this item. The City continues to prioritize investments in transportation and infrastructure to ensure the delivery of high-quality, sustainable utility systems. Maintaining a reliable and efficient wastewater collection system is a key component of supporting that priority. Staff is requesting authorization to purchase one (1) 2025 Ford E450 Camera Van for the Utility Division of the Public Works Department. This vehicle will support Utility staff in keeping sewer lines clear of obstructions and in identifying blockages or breaks within the system. Approval of this item will authorize the purchase from Industrial Disposal Supply Company, LLC in the amount of \$306,953.00 through a cooperative purchasing agreement (Sourcewell Contract # 080525-RVL).

The Utility Division of the Public Works Department operates several programs designed to keep the City's wastewater system functional, reliable, and efficient. Each program depends on specialized equipment, including a camera van, which allows staff to visually inspect sewer lines for blockages, obstructions, and breaks, and to ensure lines remain clear for proper flow. The current Camera Van is a 2016 Ford T350, and is up for replacement this year. This vehicle is currently on a 10-year replacement cycle. The Current Camera Van has been down for maintenance frequently, and a more reliable vehicle is needed. The proposed Ford E450 Camera Van is a demo model with full warranties and will save the City \$22K from a new model. The demo model has been thoroughly tested, and the bugs typically found in new models have been worked out.

Currently, the Utility team is focused on addressing inflow and infiltration (I&I) in the wastewater system. The addition of a 2025 Ford E450 Camera Van will significantly enhance the team's ability to identify and correct sources of I&I. This vehicle will allow staff to keep sewer lines clear, identify breaks and intrusion points, and perform thorough internal inspections of the wastewater collection system. These capabilities are critical to mitigating I&I and maintaining system integrity.

Once breaks are identified using the Camera Van, staff will have the option to repair some breaks and issues using a proprietary Trenchless Wastewater Point Repair System. A trenchless point repair system allows crews to repair isolated sections of damaged sewer main without excavation. A resin-saturated fiberglass liner is positioned at the damaged area through an existing manhole

and cured in place, creating a new structural repair inside the existing pipe. Some repairs will still require excavation. This method can be used to address cracks, separated joints, root intrusion, and other localized defects identified through CCTV inspections. Performing these repairs in-house allows the City to address defects before they become larger failures, reduce inflow and infiltration, and extend the life of existing sewer infrastructure. Because the repair is completed through existing manholes, it also reduces the time, cost, pavement damage, traffic impacts, and restoration associated with traditional excavation.

Councilmember Fassett stated he requested this item be an individual consideration because he wanted citizens to know about the work our Public Works Department is doing that the public is not aware of.

A motion was made by Councilmember Fassett, seconded by Councilmember Holston, to approve as presented. **Motion passed 7-0.**

This item was approved as RES-26-09-88R.

4G. Consider action to support the Rowlett Housing Finance Corporation's Application for Reservation with the Texas Bond Review Board.

Consider action to adopt a resolution supporting the Rowlett Housing Finance Corporation's Application for Reservation with the Texas Bond Review Board for a private activity bond volume cap reservation of up to \$4,000,000 of qualified mortgage revenue bonds and assign those bonds to the Texas Department of Housing and Community Affairs.

This item was approved on the Consent Agenda as RES-26-09-89R.

4H. Consider action to adopt a resolution authorizing the Mayor to execute a Letter of Credit Agreement between the City of Rowlett, Texas, and 2799 BP SINGLETON LLC.

Consider action to adopt a resolution authorizing the Mayor to execute a Letter of Credit Agreement between the City of Rowlett, Texas, and 2799 BP SINGLETON LLC in the amount of \$477,268.84 as financial guaranty to secure the installation of public improvements to serve Bleecker Industrial, a 38,500 square foot industrial building located at 2799 Singleton Street.

This item was withdrawn for consideration.

4I. Consider action to approve the 2026 Rider annual rate adjustment of Atmos Pipeline - Texas.

Consider action to adopt a resolution approving the 2026 Rider REV annual rate adjustment of Atmos Pipeline - Texas (APT), Case No. 00032632, resulting in an annual rate decrease of (\$164.01 million) system-wide and reduced monthly capacity charges.

This item was withdrawn for consideration.

4J. Consider action to appoint members to the 75th Anniversary Task Force.

Consider action to adopt a resolution to appoint members to the 75th Anniversary Task Force.

Mayor Winget displayed an old Rowlett flag and a brass Key to the City that he found at City Hall. He didn't that there was a Key to the City.

Mayor Winget read the list of members to be appointed to the 75th Anniversary Task Force.

A motion was made by Mayor Pro Tem Britton, seconded by Councilmember Gibbs, to appoint Lonnie Blaydes, Daniel Cabuya, Betsy Chapman-White, Shelby Coleman, Alyssa Dequeant, Michael Gallops, Larry Glick, Steven A. Pruitt, Jr., Becky Sebastian, Zoya Tanveer, Michelle Watson, Andrea Tagliaferro, and Chance Jobe to the 75th Anniversary Task Force. **Motion passed 7-0.**

This item was approved as RES-26-09-90R.

A motion was made by Mayor Pro Tem Britton, seconded by Deputy Mayor Pro Tem Bowers III, to approve the Consent Agenda as read. **Motion passed 7-0.**

5. INDIVIDUAL CONSIDERATION

- 5A.** Consider action to adopt a resolution accepting a voluntary annexation petition submitted by Trail Creek Partners, Ltd. for approximately 14.87 acres located at 3805 Troy Road and being more specifically described in the annexation petition and setting the date, time, and place for a public hearing on the contemplated annexation.

Munal Mauladad, Interim Assistant City Manager, presented this item. This is a voluntary annexation request for approximately 14.87 acres at 3805 Troy Road by Trail Creek Partners, Ltd. The property is currently located within the City of Rowlett ETJ. The property is contiguous to existing City limits. The applicant is requesting voluntary annexation into the City of Rowlett. The proposed is for a future single-family residential development. The purpose of action to be taken at this meeting is to accept the voluntary annexation petition submitted by Trail Creek Partners, Ltd., and establish the date, time, and place for the required public hearing. Acceptance of the petition does not annex the property. Final consideration of the annexation will occur at a subsequent City Council meeting following required notice and public hearing procedures.

The property has approximately 685 feet of frontage along Troy Road. Troy Road is currently a Rockwall County Road. Upon annexation, the adjacent portion of Troy Road to the centerline will become the City's maintenance responsibility. Future amendment to the City's Master Thoroughfare Plan will be required. The Developer remains responsible for internal infrastructure. The site must be designed to prevent adverse drainage impacts on Troy Road. Applicable requirements will be incorporated into the associated PD conditions. City Council approved a Development Agreement for the property on July 21, 2026. The agreement establishes the framework for future development. The property is proposed for a single-family residential subdivision. The initial zoning will be established through an associated Planned Development district.

Staff recommends approval of the resolution to accept the voluntary annexation petition for approximately 14.87 acres at 3805 Troy Road and set the date, time, and place for the required public hearing on the contemplated annexation. The public hearing is proposed to be held on September 15, 2026, at 7 pm, at City Hall.

A motion was made by Councilmember Holston, seconded by Councilmember Gibbs, to adopt the resolution as written. **Motion passed 7-0.**

This item was approved as RES-26-09-91.

- 5B.** Consider an ordinance rescinding the City Council action denying Item 5D from the August 18, 2026 meeting agenda regarding a proposed ordinance granting a change in zoning for a property located at 5321 Lakeview Parkway, Suite 104, and being more particularly described as being out of the Thomas Lumley Survey, Abstract No. 789, Rowlett, Dallas County, Texas, from General Commercial/Retail (C-2) to General Commercial/Retail with a Special Use Permit to allow Tattoo Parlor use (C-2-SUP); and providing an effective date.

Mayor Winget adjourned the meeting into Executive Session pursuant to Texas Government Code, §551.071 (Consultation with City Attorney) at 8:17 pm.

Mayor Winget reconvened the meeting at 9:01 pm, with no action taken from Executive Session.

Mayor Winget gave points of consideration pertaining to this agenda item. Following the original item being heard on July 14 by the Planning & Zoning Commission, public notice was issued to hear the item before the City Council on August 4. That notice was issued erroneously and stated that location of the meeting in paragraph 2, except it listed the "Planning and Zoning Commission" and not City Council. As a result of this error, which was observed and reported to the City Attorney by Mayor Winget, the item was rescheduled and re-noticed for August 18. Had the city not made an error in noticing the item, the full City Council would've had the opportunity to hear the item on August 4.

Generally zoning cases are heard with a specific cadence. The order of this item was slightly modified, which in the mayor's opinion, put the applicant at a disadvantage. The applicant was unable to respond to any questions because she spoke during the Public Hearing rather than make a separate presentation. Although she did ask if there were any questions, City Council was unable to engage because another speaker was queued up to speak. To recap, staff made a presentation, City Council had questions of staff, the applicant presented, but it was during the public hearing, City Council questions to the applicant did not take place, the public hearing was conducted, follow-up questions by City Council pertaining to public hearing did not take place, there was a motion and second, a discussion following the motion did not take place, then the vote was taken.

The City Council has been advised that all motions should be in the affirmative. This is based on the assumption that the answer to every question is yes or no, with the example given being that *if a motion to deny were to fail, does that failure assume passage of the item?* Mayor Winget stated that he does not agree with this interpretation, as he believes a motion is putting forth a possible decision. The words "I move that we...." is akin to saying "I put forth the following decision for consideration....".

In Mayor Winget's opinion, the objective of the governing body should be to find a motion that can be approved by a majority of the members present. In other words, if a motion (motion, not item) fails by any measure, another motion should be made to arrive at a clear decision, whether that's to approve, approve with conditions, or deny.

As a result, was the City Council provided the option to consider conditions under which approval might be sought? Sometimes the answer is no, under any condition. But if there are concerns about a zoning case that might change the decision, such as when considering a SUP or Planned Development, questions for the applicant and/or staff might help to inform the options under which the case might be considered for approval. Some examples of SUP/Planned Development requirements that might be considered are operation hours, parking, lighting, delivery/service hours, occupancy limitations, security requirements, noise limitations, and others.

As a result, denying the item because the motion to approve as-read failed forgoes the opportunity for a subsequent motion that might address concerns by adding or subtracting limitations into the SUP or Planned Development request. Even if a motion is denied, a subsequent motion to postpone consideration of the item may still be contemplated by the City Council. Mayor Winget reiterated, just because a motion fails, the item should not automatically be denied, in his opinion. Mayor Winget stated that decisions like this are tough and he feels like he put City Council in a tough position and he apologized for that. He just wants to be fair and just with all applicants and residents.

Councilmember Fassett stated that he doesn't think that it is unfair to put City Council in this position. It is an amazing opportunity; it has allowed us to have some very candid discussions, and we have learned a lot from them. Good governance comes from having discussions like this and good governance has come from disagreements too. To him this comes down to equity. Are we being equitable to everybody? Does everybody get an equal opportunity? He would argue that our rules and regulations, the rule of law, and the rule of process that we have provide that equity. Equity doesn't guarantee outcome. You are provided with the opportunity, and he thinks that as we look through the whole process, there were no errors. Everything was done correctly. The applicant was afforded those opportunities. This is not about a tattoo parlor; this is about protecting the integrity of the process and integrity of the system. In the proposed ordinance, it states the City Council believes it is equitable and in the best interests of the City and applicant to rescind the prior formal action. In his mind, this implies that harm was done, that the process was not equitable. There was no error, equity was there. He feels that statement in the ordinance is not an accurate statement. Not only does it imply that an error occurred, but it also takes away the vote. He thinks that it disenfranchises the citizens. Just because a rule or law states that you can do something, it doesn't mean it's always a good idea to do it. We do have our process, and they exist to ensure fairness, consistency, and trust in the decision making. These principles protect both City Council and the community. It is important to respect the process and validity of the August 18 vote. That process proves that it was fair, impartial and provided equity. Good equitable government is not only about the final vote, who won or lost, it relies entirely on the integrity of the process and the steps taken to get there.

Mayor Winget stated he appreciates the fact that this is not about a tattoo shop. It is definitely about the process. He saw some inconsistencies and that is what made him want to pause and if nothing else, just look at that process and make sure that we are comfortable about how that was conducted so that we don't have questions in the future about whether we did the right thing, the wrong thing, or anywhere in between.

Deputy Mayor Pro Tem Bowers III stated that he respects the mayor's position and bringing this to City Council. He has sat by the mayor for over a year and has made some very tough decisions. This is another tough decision. On August 18, we could have taken a position to reconsider this

action, and that was not taken. We consciously made a decision not to move this forward two times ultimately. Having the vote, and nobody made a motion to reconsider this action because we saw it as being finalized. The opportunity to rescind has been presented. Does his vote matter? Is a quorum powerful. Does four people on the dais doing work matter? Mayor Pro Tem Britton did a great job running the meeting. Different people run meetings differently. Within the Mayor's absence, that is why we have the Charter and a Mayor Pro Tem and a Deputy Mayor Pro Tem to continue meetings and moving them forward. On the matter, citizens come to us with their dreams all the time. He does not take that lightly. He understands the presentation and he understands that this is not about a tattoo parlor and his position on it, but why it is a tough decision to make. The ultimate thing here is what are we setting for the future of the City and what are we setting for the future City Councils when we are no longer here. If he was absent or another councilmember was absent and didn't like the something, could he make a motion to rescind? Would that have to go forth? We would never get any work done because we would be rehearsing items all the time. He understands the mayor's position, but he will have to agree to disagree on this item.

Councilmember Gibbs stated that he was on the side that did not prevail, and he was very disappointed because during his lifetime, he was against tattoos until he began to see the different side. There's over 80% of our police officers have tattoos and over 80% of our firefighters have tattoos. His son, who is a cancer survivor, got a tattoo for that. Many folks have children that have passed and they get tattoos in remembrance. Tattoos go for many things and many reasons. He was okay with the item, and he wanted it to prevail, but it did not. He is very cautious in rescinding the action. He will not be able to support this item.

Mayor Pro Tem Britton stated that he was one of the three that voted to affirm the item. He thought it was the right thing to do. Not that he has a tattoo, in fact, he is probably one of the few that spent 20 years in the Marines and did not have a tattoo, but that is just personal choice. He looked at where the tattoo parlor was to be located and based on the applicant's presentation, he thought yes, he could support it. It is a tall order for him to approve rescinding this, because of the process. He feels that this would be setting a pretty dangerous precedent if this was approved.

Councilmember Holston thanked City Council for their integrity on this matter. He really thinks that we as a City, always get ourselves in tremendous trouble when we don't follow a process. He thinks that good governance dictates that we always follow the process. There were no errors made, there was nothing that would cause this action to occur, in his opinion. He feels that this is a slippery slope if this is opened to be reconsidered. He considers three votes on each side, and what this measure would do if we took another vote. He doesn't think that is good governance. He doesn't think that this particular matter brings to the point of unequal treatment. There isn't any justification for this, so he will strongly not support this item.

Mayor Winget asked for a motion if there was one to be made. He also stated that as Mayor he has the ability to make a motion, however, he will not be making a motion on this item. He doesn't feel that it is appropriate since he was not at the meeting. **No motions were made.**

MEMBERS OF THE CITY COUNCIL MAY REQUEST TOPICS TO BE PLACED ON AN AGENDA FOR A SUBSEQUENT MEETING. ANY DELIBERATION OR DECISION SHALL BE LIMITED TO A PROPOSAL TO PLACE TOPIC ON THE AGENDA FOR A SUBSEQUENT MEETING.

No topics were discussed.

6. ADJOURNMENT

Mayor Winget adjourned the meeting at 9:26 pm.

DRAFT

Meeting Date: 9/15/2026

Agenda Item: 4.B.

Title

Consider action to approve amending the Master Fee Schedule.

Consider action to adopt a resolution amending the Master Fee Schedule for rate and fee changes to the following sections: Utilities, Emergency Services, Fire Prevention and Protection, and Miscellaneous.

Staff Representative

Wendy Badgett, Director of Finance
 Mitchell Randles, Interim Fire Chief
 Laura Tschoerner, Library Director

Executive Summary

The Master Fee Schedule is reviewed and updated each year as part of the City's annual budget process to ensure that fees and rates appropriately reflect the cost of providing City services and to incorporate other operational changes as needed. On August 10, 2026, City Council approved amendments to the Master Fee Schedule associated with the FY2027 Proposed Budget. This item provides for additional amendments to certain fees and charges within the Utilities, Emergency Services, Fire Prevention and Protection, and Miscellaneous sections of the Master Fee Schedule, effective October 1, 2026.

The fee updates included in this Council item for the Utilities, Fire Prevention and Protection, and Miscellaneous sections are reflected in the revenue projections contained within the FY2027 Proposed Budget to be adopted on September 16, 2026. The fee updates to the Emergency Services section would increase the revenues proposed in the FY2027 Proposed Budget.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 Govern Transparently & Inclusivity	1.5 Maintain equitable and competitive tax rates, fees, and service charges.

Background Information

The City of Rowlett Master Fee Schedule provides a schedule of fees and rates for various City services. The schedule is reviewed and updated each year as part of the City's annual

budget process to fund the cost of services, and as otherwise needed throughout the year to accommodate changes in operations, ordinances, or state law.

As part of the FY2027 budget process, City Council discussed proposed changes to various fees and rates during the June 29 and July 17, 2026, Budget Strategy Sessions. Council subsequently approved amendments to the Master Fee Schedule on August 10, 2026.

Staff is presenting additional amendments at this time to ensure the Master Fee Schedule accurately reflects the FY2027 commercial wastewater rate structure discussed during the budget process, as well as certain Emergency Services ambulance fees, Fire Prevention and Protection rental of the training field, and Miscellaneous Library fees and charges as proposed.

Discussion

Four sections within the Master Fee schedule are proposed to be adjusted: Utilities, Emergency Services, Fire Prevention and Protection, and Miscellaneous. Each of the four sections are discussed below. The fee updates proposed for Utilities, Fire Prevention and Protection, and Miscellaneous are included in the revenue projections contained within the FY2027 Proposed Budget to be adopted on September 16, 2026. The fee updates to the Emergency Services section would increase the revenues proposed in the FY2027 Proposed Budget.

UTILITIES

The proposed amendment to the **Utilities** section is limited to the commercial wastewater base rates.

During the July 17, 2026, Budget Strategy Session, Council discussed transitioning the commercial wastewater base rate from a flat fee to a tiered structure based on meter size for FY2027. The tiered structure is intended to more appropriately allocate the increased cost of wastewater service among commercial customers based on meter capacity and shift a portion of the increased cost of service burden away from residential customers.

The commercial wastewater base rates included in the Master Fee Schedule approved on August 10, 2026, continued to reflect a flat fee and did not incorporate the tiered-by-meter-size structure discussed and supported during the July 17 Budget Strategy Session.

This amendment will replace the flat commercial wastewater base rate with the tiered-by-meter-size structure for FY2027, effective October 1, 2026. **All other water and wastewater rates approved by Council on August 10, 2026, will remain unchanged.**

Monthly sewer rate charges

Applicable Code; Ordinance or Resolution	Description	FY27 Adopted 8/10/26	FY27 Amended
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25;	Base Rate, Commercial <1 inch	\$34.53	\$34.53

RES-26-08-73R			
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	Base Rate, Commercial 1 inch	\$34.53	\$57.67
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	Base Rate, Commercial 1 1/2 inch	\$34.53	\$81.61
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	Base Rate, Commercial 2 inch	\$34.53	\$119.01
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	3 inch	\$34.53	\$223.15
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	4 inch	\$34.53	\$371.91
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	6 inch	\$34.53	\$743.82
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	8 inch	\$34.53	\$1,190.11

Emergency Services

The proposed amendment to the **Emergency Services** section is limited to Ambulance fees.

Ambulance

The proposed amendments to the Ambulance section of the Master Fee Schedule include adjustments to certain existing fees and the addition of three new fees. These changes are intended to provide cost recovery for increasing supply and equipment costs, expanded Department medical capabilities, and an increase in services requiring a Fire or EMS crew to be taken out of service.

Fee adjustments are proposed to address the continued increase in the cost of supplies and equipment. Fees were last adjusted in 2014. Even with these adjustments, Rowlett remains one of the lowest-cost ALS (Advanced Life Support) transport services in the DFW metroplex.

Rowlett Fire is also expanding its medical treatment capabilities through two new treatment

protocols: the administration of whole blood and the use of an automatic ventilator. These expanded capabilities will provide additional treatment options for patients and are reflected in the proposed ambulance fees.

Additionally, a new fee is proposed for lift assist responses at commercial care facilities due to an increase in the frequency of these calls. These responses require a Fire or EMS crew to be taken out of service. The proposed fee is intended to provide cost recovery for the resources utilized.

Collectively, these fee adjustments and new fees are projected to increase General Fund revenues by approximately \$68,000 in FY2027.

Ambulance fees:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
RES-072-08; RES-040-14	Resident Transport Fee - BLS	\$700.00	\$725.00
RES-040-14	Resident Transport Fee - ALS1	\$750.00	\$775.00
RES-040-14	Resident Transport Fee - ALS2	\$800.00	\$825.00
RES-072-08; RES-040-14	Non-Resident Transport Fee - BLS	\$800.00	\$900.00
RES-040-14	Non-Resident Transport Fee - ALS1	\$850.00	\$1,000.00
RES-040-14	Non-Resident Transport Fee - ALS2	\$900.00	\$1,100.00
RES-072-08; RES-040-14	Mileage (per mile)	\$15.00	\$18.00
n/a	Whole blood administration	n/a	\$720.00
n/a	Use of Automatic Ventilator	n/a	\$100.00
n/a	Lift assist at commercial care facilities	n/a	\$150.00

Fire Prevention and Protection

The proposed amendment to the **Fire Prevention and Protection** section includes the addition of fees currently being charged for rental of the training field but not reflected in the Master Fee Schedule.

Rental of the Training Field

Fire staff identified fees currently charged for the rental of the training field that are not included in the Master Fee Schedule. These fees are to cover the pay and benefits of the staff required by NFPA (National Fire Protection Association) for the type of evolutions planned as well as the expendable supplies that are to be utilized.

Rental of the Training Field:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
n/a	Tier 1: 4 hours. Burning 2 rooms, 6 personnel	n/a	\$1,500.00
n/a	Tier 2: 4 hours. Burning 1 room,	n/a	\$1,000.00

	4 personnel		
n/a	Tier 3: 4 hours. No burning, 1 personnel	n/a	\$600.00

MISCELLANEOUS

The proposed amendment to the **Miscellaneous** section is limited to Library fees and charges.

Library

The proposed amendments to the Library section of the Master Fee Schedule include clarification of fee descriptions, removal of fees that are no longer applicable, revisions to existing printing and photocopying fees, and the addition of two fees currently charged by the Library but not reflected in the Master Fee Schedule.

The Library no longer collects fines on hotspots or rents meeting rooms to the public. Therefore, the proposed amendments remove the \$1 hotspot fine, as well as the \$25 hourly meeting room rental fee and \$50 meeting room deposit, from the Master Fee Schedule.

The Master Fee Schedule currently includes three separate charges for printing and photocopying. Staff recommends consolidating these charges into two categories: black-and-white printing and photocopying at \$0.15 per page and color printing and photocopying at \$0.50 per page. These rates are consistent with those charged by other area municipalities and are not expected to have a material impact on the FY2027 budget.

Library staff also identified two fees currently charged by the Library that are not included in the Master Fee Schedule: flash drives and earbuds. These items are sold to patrons at cost as a convenience. The funding source for these items is the Library Equipment and Acquisition Fund (LEAF), which is funded through donations from citizens and the Friends of the Library. Proceeds from the sale of flash drives and earbuds are deposited back into the LEAF Fund to support future Library equipment and acquisition needs.

Library Fees:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
RES-102-22	Overdue Wi-Fi Hotspot	\$1.00 per day	(delete from schedule)

Library Charges:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
RES-144-07	Photocopy, per page	\$0.15	(delete from schedule)
RES-144-07	Printing from computers Photocopy and printing – black and white only, per page	\$0.15	\$0.15
RES-144-07; RES-103-23	Printing from computers- Color/black and white Photocopy and printing –	\$.50	\$0.50

	color only, per page		
n/a	Flash drives	n/a	Actual cost
n/a	Earbuds	n/a	Actual cost

Meeting Room Rental:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
RES-144-07	Refundable deposit, plus	\$50.00	(delete from schedule)
RES-144-07; RES-110-09	Per hour	-\$25.00	(delete from schedule)

Financial/Budget Implications

The anticipated collection of the Utilities, Fire Prevention and Protection, and Miscellaneous fees, as proposed, is submitted as revenue in the FY2027 Proposed Budget.

The anticipated collection of the Emergency Services fees, as proposed, would increase the revenues proposed in the FY2027 Proposed Budget by \$68,000.

The proposed rates will go into effect beginning October 1, 2026.

Recommended Action

Adopt a resolution amending the Master Fee Schedule for rate and fee changes to Emergency Services, Fire Prevention and Protection, Miscellaneous and Utility sections.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, AMENDING THE MASTER FEE SCHEDULE FOR THE CITY OF ROWLETT BY AMENDING THE FEES SET FORTH IN THE EMERGENCY SERVICES, FIRE PREVENTION AND PROTECTION, MISCELLANEOUS, AND UTILITY SECTIONS OF THE MASTER FEE SCHEDULE; PROVIDING THAT OTHER FEES NOT LISTED BUT NOW CHARGED PURSUANT TO OTHER ORDINANCES AND RESOLUTIONS SHALL REMAIN IN EFFECT UNTIL TRANSFERRED TO THE MASTER FEE SCHEDULE BY AMENDMENT; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Rowlett has heretofore adopted a Master Fee Schedule for the purpose of setting forth the comprehensive fees assessed and collected by the City for a range of applications, permits, licenses, services and activities; and

WHEREAS, the City Council desires to amend the said Fee Schedule to revise existing or add new fees and does so by this Resolution; and

WHEREAS, in the event there is a conflict between a fee listed in the Master Fee Schedule and the provisions of any other City ordinance or resolution, the provisions of the

Master Fee Schedule shall prevail; and

WHEREAS, although the purpose of this resolution is to amend the Master Fee Schedule, this resolution is not intended to amend, abolish or change any fee heretofore established that is not listed in the Master Fee Schedule.

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

SECTION 1: From and after the effective date of this Resolution the fees and charges set out in the Master Fee Schedule attached hereto as **Exhibit "A"** shall be collected on behalf of the City for Emergency Services, Fire Prevention and Protection, Miscellaneous, and Utilities, as shown in **Exhibit "A,"** attached hereto and incorporated herein by this reference. Other sections, fees or charges not referenced in **Exhibit "A"** shall remain unaffected by this Resolution.

SECTION 2: In the event of a conflict between a fee set out in the Master Fee Schedule and the provisions of any other City ordinance or resolution, the provisions of the Master Fee Schedule shall prevail; however, this resolution shall not amend, abolish or change any fee heretofore established that is not listed in the Master Fee Schedule and such fees shall continue in effect for all purposes until amended by ordinance or resolution or transferred to the Master Fee Schedule.

SECTION 3: All provisions of the ordinances and resolutions of the City of Rowlett in conflict with the provisions of this resolution be and the same are hereby repealed and all other provisions of the ordinances and resolutions of the City of Rowlett not in conflict with the provisions hereof shall remain in full force and effect.

SECTION 4: If any section, sentence, clause, or phrase of this resolution is for any reason held to be unconstitutional or otherwise invalid or unenforceable by a court of competent jurisdiction, such decision shall not affect the validity of the remaining sections, sentences, clauses, or phrases of this resolution, it being the legislative intent that the provisions of this resolution are severable and that the resolution shall continue in effect notwithstanding the invalidity of such section, sentence, clause, or phrase.

SECTION 5: The fees provided for in Section 1 of this Resolution relative to the various proposed rates and fees shall become effective on the 1st day of October 2026.

Attachments

1. Exhibit A - Amend Master Fee Schedule
2. Attachment 1 - Ambulance Fee Survey

EXHIBIT A

EMERGENCY SERVICES

Ambulance fees:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
RES-072-08; RES-040-14	Resident Transport Fee - BLS	\$700.00	\$725.00
RES-040-14	Resident Transport Fee - ALS1	\$750.00	\$775.00
RES-040-14	Resident Transport Fee - ALS2	\$800.00	\$825.00
RES-072-08; RES-040-14	Non-Resident Transport Fee - BLS	\$800.00	\$900.00
RES-040-14	Non-Resident Transport Fee - ALS1	\$850.00	\$1,000.00
RES-040-14	Non-Resident Transport Fee - ALS2	\$900.00	\$1,100.00
RES-072-08; RES-040-14	Mileage (per mile)	\$15.00	\$18.00
n/a	Whole blood administration	n/a	\$720.00
n/a	Use of Automatic Ventilator	n/a	\$100.00
n/a	Lift assist at commercial care facilities	n/a	\$150.00

FIRE PREVENTION AND PROTECTION

Rental of the Training Field:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
n/a	Tier 1: 4 hours. Burning 2 rooms, 6 personnel	n/a	\$1,500.00
n/a	Tier 2: 4 hours. Burning 1 room, 4 personnel	n/a	\$1,000.00
n/a	Tier 3: 4 hours. No burning, 1 personnel	n/a	\$600.00

MISCELLANEOUS

Library Fees:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
RES-102-22	Overdue Wi-Fi Hotspot	\$1.00 per day	(delete from schedule)

EXHIBIT A

Library Charges:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
RES-144-07	Photocopy, per page	\$0.15	(delete from schedule)
RES-144-07	Printing from computers Photocopy and printing – black and white only, per page	\$0.15	\$0.15
RES-144-07; RES-103-23	Printing from computers- Color/black and white Photocopy and printing – color only, per page	\$.50	\$0.50
n/a	Flash drives	n/a	Actual cost
n/a	Earbuds	n/a	Actual cost

Meeting Room Rental:

Applicable Code; Ordinance or Resolution	Description	FY26	FY27
RES-144-07	Refundable deposit, plus	\$50.00	(delete from schedule)
RES-144-07; RES-110-09	Per hour	-\$25.00	(delete from schedule)

UTILITIES

Monthly sewer rate charges

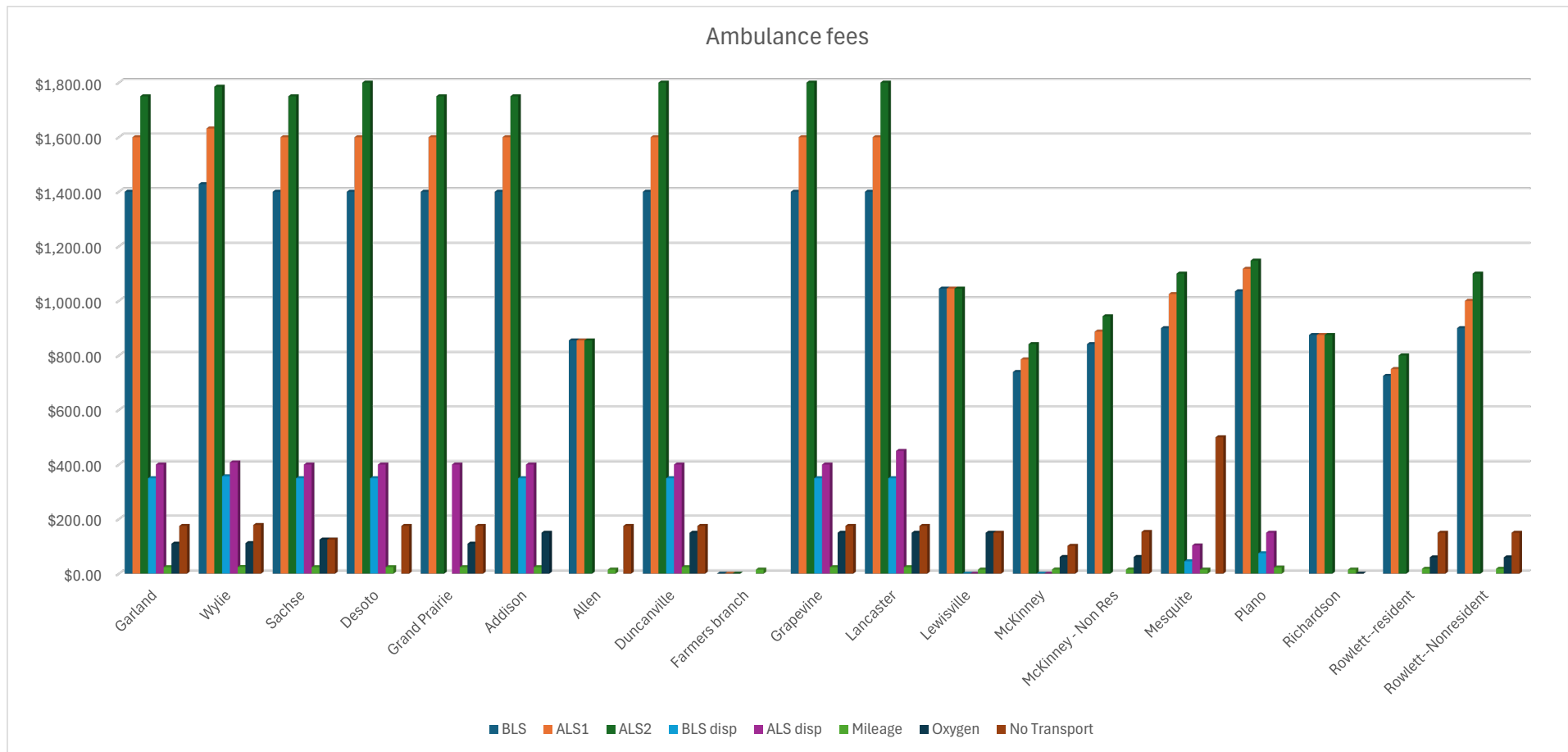
Applicable Code; Ordinance or Resolution	Description	FY27 Adopted 8/10/26	FY27 Amended
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	Base Rate, Commercial <1 inch	\$34.53	\$34.53
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	Base Rate, Commercial 1 inch	\$34.53	\$57.67
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	Base Rate, Commercial 1 1/2 inch	\$34.53	\$81.61
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	Base Rate, Commercial 2 inch	\$34.53	\$119.01

EXHIBIT A

RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	3 inch	\$34.53	\$223.15
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	4 inch	\$34.53	\$371.91
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	6 inch	\$34.53	\$743.82
RES-144-07; RES-090-12; RES-081-13; RES-078-14; RES-105-15; RES-102-17; RES-080-18; RES-108-19; RES-099-21; RES-103-23; RES-072-24; RES-100-25; RES-26-08-73R	8 inch	\$34.53	\$1,190.11

AMBULANCE FEES COMPARISON

	BLS	ALS1	ALS2	BLS disp	ALS disp	Mileage	Oxygen	No Transport
Garland	\$1,400.00	\$1,600.00	\$1,750.00	\$350.00	\$400.00	\$24.00	\$110.00	\$175.00
Wylie	\$1,428.00	\$1,632.00	\$1,785.00	\$357.00	\$408.00	\$24.48	\$112.00	\$178.50
Sachse	\$1,400.00	\$1,600.00	\$1,750.00	\$350.00	\$400.00	\$24.00	\$125.00	\$125.00
Desoto	\$1,400.00	\$1,600.00	\$1,800.00	\$350.00	\$400.00	\$24.00		\$175.00
Grand Prairie	\$1,400.00	\$1,600.00	\$1,750.00		\$400.00	\$24.00	\$110.00	\$175.00
Addison	\$1,400.00	\$1,600.00	\$1,750.00	\$350.00	\$400.00	\$24.00	\$150.00	
Allen	\$855.00	\$855.00	\$855.00			\$15.00		\$175.00
Duncanville	\$1,400.00	\$1,600.00	\$1,800.00	\$350.00	\$400.00	\$24.00	\$150.00	\$175.00
Farmers branch	650/725	650/725	800/875			\$15.00		
Grapevine	\$1,400.00	\$1,600.00	\$1,800.00	\$350.00	\$400.00	\$24.00	\$150.00	\$175.00
Lancaster	\$1,400.00	\$1,600.00	\$1,800.00	\$350.00	\$450.00	\$24.00	\$150.00	\$175.00
Lewisville	\$1,045.00	\$1,045.00	\$1,045.00	Cost +50%	Cost +50%	\$15.00	\$150.00	\$150.00
McKinney	\$739.50	\$785.40	\$841.50	n/a	n/a	\$15.30	\$61.20	\$102.00
McKinney - Non Res	\$841.50	\$887.40	\$943.50			\$15.30	\$61.20	\$153.00
Mesquite	\$900.00	\$1,025.00	\$1,100.00	\$45.33	\$103.51	\$15.00		\$500.00
Plano	\$1,035.00	\$1,117.50	\$1,147.50	\$75.00	\$150.00	\$22.50		
Richardson	\$875.00	\$875.00	\$875.00			\$15.00	Cost + 20%	
Rowlett--resident	\$725.00	\$750.00	\$800.00			\$18.00	\$60.00	\$150.00
Rowlett--Nonresident	\$900.00	\$1,000.00	\$1,100.00			\$18.00	\$60.00	\$150.00



Meeting Date: 9/15/2026

Agenda Item: 4.C.

Title

Consider action to approve a negotiated settlement between the Atmos Cities Steering Committee (ACSC) and Atmos Energy Corp., Mid-Tex Division.

Consider action to adopt a Resolution approving a negotiated settlement between the Atmos Cities Steering Committee (ACSC) and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2026 Rate Review Mechanism (RRM) Filing, declaring existing rates unreasonable, and adopting new tariffs effective October 1, 2026.

Staff Representative

Kristoff Bauer, Interim City Manager

Executive Summary

The City of Rowlett, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (Atmos Mid-Tex or the 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 the Rate Review Mechanism (RRM), which substitutes for future filings under the GRIP statute.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.8 Provide accurate and timely information to policy-makers and the public.

Background Information

Council last acted to approve Rate Review Mechanism ("RRM") in August of 2025. This is an annual process and Council is being asked to consider the 2026 RRM outcome.

The current RRM Tariff was adopted by the City of Rowlett in 2018. On or about April 1, 2026, the Company filed a rate request pursuant to this tariff. The Company claimed that its system cost-of-service in a historic test year ending December 31, 2025, entitled it to additional system-wide revenues of \$291.1 million. Application of the standards set

forth in ACSC's RRM Tariff reduced the Company's request to \$273.6 million. Following an exhaustive review of the filing and conducting extensive discovery, ACSC's consultants concluded that the justified system-wide revenue deficiency should be \$253.4 million.

Following several collaborative settlement negotiations, the parties have agreed to settle the rate request for a system-wide increase of \$260.5 million. This settled amount represents a reduction of \$30.6 million from the Company's initial request of \$291.1 million. This comprehensive settlement includes the full reimbursement of ACSC's ratemaking expenses. The proposed effective date for the new tariffs is October 1, 2026. Rowlett and other ACSC member cities are asked to take action to approve the Resolution before October 1, 2026, to ensure the negotiated rates go into effect as scheduled.

Discussion

Under the terms of the settlement, Atmos Mid-Tex will implement tariffs designed to collect an additional \$260.5 million system-wide. While base rates will increase, the negotiated settlement represents a substantial savings of over \$30 million relative to the Company's original filing. To assess the true cost to customers, ACSC consultants evaluated the impact of the settlement on average utility bills. The monthly bill impact includes adjustments to the base customer charge, consumption commodity charges, and regulatory tax and franchise fee adjustments.

Filing Stage / Evaluation	System-Wide Deficiency Amount	Variance from Initial Claim
Company's Initial Requested Deficiency	\$291.1 million	—
ACSC RRM Tariff Standards Reduction	\$273.6 million	-\$17.5 million
ACSC Consultants' Concluded Deficiency	\$253.4 million	-\$37.7 million
Negotiated Settlement Agreement	\$260.5 million	-\$30.6 million
Total Savings Secured for ACSC Consumers	—	\$30.6 million

Table 1: Summary of system-wide rate request evaluations and final settlement figures.

For an average residential customer using 40.7 Ccf per month, the settlement will increase the average monthly bill from \$94.48 to \$107.85, which represents an increase of \$13.37 per month (or 14.15%). This is driven by an increase in the base Customer Charge from \$23.65 to \$24.35 (plus an increase in the Rider CEE Conservation surcharge from \$0.03 to \$0.05, totaling \$24.40) and a base commodity charge increase from \$0.74748 to \$1.03839 per Ccf. The total base rate portion of the monthly bill increases by \$12.55 (23.20%), while taxes and franchise fees add \$0.82 of monthly impact.

For a typical commercial customer using 372.6 Ccf per month, the average monthly bill will increase from \$452.93 to \$497.75, representing an increase of \$44.82 per month (or 9.90%). This is composed of a Customer Charge increase from \$94.00 to \$115.50 and a commodity charge increase from \$0.22261 to \$0.27784 per Ccf, representing a base rate increase of \$42.08 (23.78%) and tax/franchise adjustment of \$2.74. Industrial sales customers (Rate I) using 1,263 MMBtu will see an average bill increase of \$741.58 (9.54%), and Transportation customers (Rate T) using 4,935 MMBtu will see an average bill increase of \$1,299.96 (12.97%).

Customer Class	Average Vol / Month	Current Average Bill	Proposed Average Bill	Amount Change	Percent Change	Base Rate Increase
Residential (Rate R)	40.7 Ccf	\$94.48	\$107.85	\$13.37	14.15%	\$12.55 (23.20%)
Commercial (Rate C)	372.6 Ccf	\$452.93	\$497.75	\$44.82	9.90%	\$42.08 (23.78%)
Industrial (Rate I)	1,263 MMBtu	\$7,772.42	\$8,514.00	\$741.58	9.54%	\$696.26 (24.70%)
Transportation (Rate T)	4,935 MMBtu	\$10,026.07	\$11,326.02	\$1,299.96	12.97%	\$1,220.51 (24.75%)

Table 2: Breakdown of average class bills and bill impact analysis under negotiated rates.

RATE COMPARISON AND RRM SAVINGS ADVANTAGE

ACSC strongly opposes the statutory Gas Reliability Infrastructure Program (GRIP) process because it constitutes piecemeal ratemaking—capturing capital investment increases while ignoring declining expenses or increasing revenues, without allowing cities to participate or recover ratemaking expenses. By contrast, the RRM process provides a balanced, comprehensive rate review of all revenues, expenses, and capital investments on an annual basis.

Even with the approved rate adjustment, ACSC cities maintain competitive and equitable rates compared to other Atmos service areas that operate under GRIP, Dallas's DARR mechanism, or Atmos unincorporated environs. A comparison of average monthly residential bills across Mid-Tex illustrates that ACSC's RRM process delivers competitive rates:

Jurisdiction / Rate Type	Average Residential Bill	RRM Cities Monthly Advantage / (Disadvantage)
ACSC RRM Cities (Settled)	\$66.18	—
Dallas RRM Variation (DARR)	\$66.07	(\$0.11)
Atmos Municipal GRIP Cities (ATM Cities - As Filed)	\$67.02	\$0.84
Unincorporated Environs (GRIP - As Filed)	\$66.07	(\$0.11)

Table 3: Comparison of average monthly residential bills across Mid-Tex jurisdictions.

STRATEGIC PRIORITY AND GOAL ALIGNMENT

The City of Rowlett's participation in the Atmos Cities Steering Committee and adoption of this negotiated rate settlement directly aligns with the City's Strategic Goal 1.5 to **Govern Transparently & Inclusively: Maintain equitable and competitive tax rates, fees, and service charges**. Through professional consulting and legal advocacy funded collectively by ACSC member cities, Rowlett ensures that local natural gas rates remain justified, just, and reasonable, preventing the unilateral piecemeal rate hikes allowed under the state GRIP legislation.

Financial/Budget Implications

There is no direct impact to the City of Rowlett's municipal operating budget. The costs associated with review, legal representation, and expert consulting of the RRM rate filing are fully reimbursed by Atmos Energy Corporation as mandated under the RRM Tariff. The financial impact of the settlement is borne directly by local utility gas customers, who will see rate adjustments on utility bills rendered on or after October 1, 2026, as detailed in Table 2.

Recommended Action

Staff recommends that the City Council approve the Resolution authorizing the negotiated settlement of the 2026 RRM rate filing with Atmos Energy Corp., Mid-Tex Division, thereby adopting the lower negotiated tariffs, validating the pension and retiree

medical benchmarks, and securing the reimbursement of all ratemaking expenses.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2026 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

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

WHEREAS, the 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 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, 2026, Atmos Mid-Tex filed its 2026 RRM rate request with ACSC Cities based on a test year ending December 31, 2025; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2026 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 \$260.5 million on a system-wide basis with an Effective Date of October 1, 2026; and

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

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

WHEREAS, the attached tariffs (Attachment 1) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); and

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

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

SECTION 1: The findings set forth in this Resolution are hereby in all things approved.

SECTION 2: 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 \$260.5 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2026 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: Despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

SECTION 4: The existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as **Attachment 1**, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$260.5 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION 5: The ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on **Attachment 2**, attached hereto and incorporated herein.

SECTION 6: Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2026 RRM filing.

SECTION 7: To the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Resolution, it is hereby repealed.

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

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

SECTION 10: Consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2026.

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

Attachments

1. ATTACHMENT 1 & ATTACHMENT 2

ATTACHMENT 1**CY25 MTX RRM TARIFFS (EFFECTIVE OCTOBER 1, 2026)****RATE SCHEDULE R – RESIDENTIAL SALES**

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter. Surcharge billing for Rider CEE (Conservation and Energy Efficiency) is effective July 1, 2026, GUD 19196.

Charge Component	Settled Tariff Rate
Base Customer Charge	\$24.35 per month
Rider CEE Surcharge	\$0.05 per month
Total Monthly Customer Charge	\$24.40 per month
Commodity Charge (All Ccf)	\$1.03839 per Ccf

RATE SCHEDULE C – COMMERCIAL SALES

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.

Charge Component	Settled Tariff Rate
Base Customer Charge	\$115.50 per month
Rider CEE Surcharge	\$0.00 per month
Total Monthly Customer Charge	\$115.50 per month
Commodity Charge (All Ccf)	\$0.27784 per Ccf

RATE SCHEDULE I (INDUSTRIAL) & RATE SCHEDULE T (TRANSPORTATION)

Rate Schedule I applies to Industrial Customers with maximum daily usage of less than 200 MMBtu/day. Rate Schedule T applies to Customers who supply their own gas and have entered into a Transportation Agreement. Both schedules utilize the same Customer and MMBtu base charges.

Charge Component	Settled Tariff Rate
Customer Charge (per meter/month)	\$2,304.50 per month
Consumption Charge Block 1 (First 1,500 MMBtu)	\$0.9582 per MMBtu
Consumption Charge Block 2 (Next 3,500 MMBtu)	\$0.7018 per MMBtu
Consumption Charge Block 3 (All MMBtu over 5,000 MMBtu)	\$0.1505 per MMBtu

RIDER SUR – SURCHARGES BREAKDOWN

Rider SUR provides for specific, approved refunds and cost-recovery surcharges to be applied to Residential, Commercial, Industrial, and Transportation customers on monthly bills as authorized under the negotiated settlement.

Rate Schedule	FASB ASC 740-10 Refund (12-Mo)	Unprotected EDIT Refund (One-Month)	MAOP Hydrostatic testing Surcharge (12-Mo)
Rate R – Residential Sales	\$(0.14) / month	\$(4.45) / bill	\$0.30 / month
Rate C – Commercial Sales	\$(0.49) / month	\$(14.80) / bill	\$0.98 / month

Rate I – Industrial Sales	\$(10.47) / month	\$(319.02) / bill	\$21.17 / month
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Rate T – Transportation	\$(10.47) / month	\$(319.02) / bill	\$21.17 / month
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ATTACHMENT 2**PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2025**

The table below establishes the O&M pension and post-employment benefits benchmark costs to approve for ACSC cities, based on the Willis Towers Watson actuarial valuation for Fiscal Year 2026. These benchmarks are to be applied to the test year ending December 31, 2025, and will guide cost-recovery in future RRM rate filings.

Line No. & Description	Shared Services Pension Account Plan	Shared Services Post-Employment Plan	Mid-Tex Direct Pension Account Plan	Mid-Tex Direct Post-Employment Plan	Supplemental Executive Plan	Benchmark Total
1. Proposed Benefits Benchmark - Willis Towers WT as adj.	\$200,382	\$(490,197)	\$951,536	\$(3,288,240)	\$72,926	—
2. Allocation Factor	46.66%	46.66%	87.00%	87.00%	100.00%	—
3. Benefits Benchmark Costs Allocated to Mid-Tex (Ln1xLn2)	\$93,490	\$(228,707)	\$827,882	\$(2,860,928)	\$72,926	—
4. O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	—
5. Proposed Benefits Benchmark Costs to Approve (Ln3xLn4)	\$93,490	\$(228,707)	\$827,882	\$(2,860,928)	\$72,926	\$(2,095,337)
6.	—	—	—	—	—	—
7. O&M Expense Factor	80.27%	80.27%	36.19%	36.19%	8.73%	—

8.	—	—	—	—	—	—
9. Summary of O&M Costs to Approve (1):	—	—	—	—	—	—
10. Total Pension Account Plan (O&M)	\$75,047	—	\$299,646	—	—	\$374,693
11. Total Post-Employment Benefit Plan (O&M)	—	\$(183,588)	—	\$(1,035,492)	—	\$(1,219,080)
12. Total Supplemental Executive Benefit Plan (O&M)	—	—	—	—	\$6,367	\$6,367
13. Total O&M Costs to Approve (Ln10+Ln11+Ln12)	\$75,047	\$(183,588)	\$299,646	\$(1,035,492)	\$6,367	\$(838,020)

Table 4: Actuarial Willis Towers Watson benefits benchmark allocation, O&M portion breakdown, and final approved benchmark costs for cities.



City of Rowlett City Council Agenda Item

Meeting Date: 9/15/2026

Agenda Item: 4.D.

Title

Consider action to authorize the purchase of two (2) Kenworth Traffic Blocking Trucks.

Consider action to adopt a resolution authorizing the purchase of two (2) Kenworth Traffic Blocking Trucks from Texas Kenworth Co, LLC, doing business as MHC Kenworth - Fort Worth, an authorized dealer for Kenworth Truck Company, through a Sourcewell cooperative purchasing contract, for a price not to exceed \$396,100.00; authorizing the Interim City Manager or his designee to execute all necessary documents to effectuate said purchase; and providing an effective date.

Staff Representative

Mitchell Randles, Interim Fire Chief

Executive Summary

Staff is requesting authorization for the purchase of two (2) Kenworth Traffic Blocking trucks for the Fire Department from MHC Kenworth Ft. Worth through a Sourcewell cooperative purchasing contract, for a price not to exceed \$396,100.00

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
	Ensure a Safe Environment 2.1 Emphasize planning, preparedness, and prevention in emergency management. 2.3 Deliver exceptional first-responder coverage and response times.

Background Information

The Rowlett Fire and Police Departments regularly respond to incidents along high-speed roadways, creating risks to emergency personnel, citizens, and City equipment from secondary collisions.

To enhance responder safety, the Rowlett Fire Department uses a reserve fire engine as a protective vehicle to block traffic lanes and establish a safety buffer around emergency personnel and equipment. This practice helps reduce the risk of secondary collisions and protects critical emergency resources.

Discussion

Rowlett Fire and Police personnel routinely respond to emergencies on the City's high-speed roadways, where responders, citizens, and emergency equipment are exposed to the significant risk of secondary collisions. Emergency personnel frequently operate within feet of moving traffic, creating an ongoing safety hazard during roadway incidents.

The proposed purchase of two purpose-built blocking trucks will significantly enhance the Rowlett Fire Department's ability to protect personnel, citizens, and emergency equipment. These vehicles will provide a dedicated physical barrier between emergency operations and moving traffic, allowing crews to establish safer work areas and reduce exposure to passing motorists.

The Department has proactively addressed this risk by using a reserve fire engine as a blocking vehicle. While this approach has provided an effective safety benefit, it utilizes frontline-capable equipment for a purpose for which it was not specifically designed. The proposed blocking trucks will expand and strengthen this existing program with dedicated vehicles designed specifically to provide roadway protection.

This investment will improve responder safety, reduce the likelihood and potential severity of secondary collisions, and help protect critical emergency resources. More importantly, it represents a proactive approach to addressing a known and preventable hazard before a serious incident occurs.

The purchase supports the City's commitment to protecting its employees and citizens while ensuring the Rowlett Fire Department has the appropriate equipment to safely and effectively respond to emergencies throughout the community.

Financial/Budget Implications

CIP Project Budget Financial Table

Project Code	Project Title	Available Budget	Proposed Amount	Remaining Balance
CE1000	Fire Vehicles & Equipment	\$396,102	\$396,100	\$2
TOTAL		\$396,102	\$396,100	\$2

Recommended Action

Move to adopt a resolution authorizing the purchase of two (2) Kenworth Traffic blocking trucks, from Texas Kenworth Co, LLC, doing business as MHC Kenworth - Fort Worth, an authorized dealer for Kenworth Truck Company, through a Sourcewell cooperative

purchasing contract, for a price not to exceed \$396,100.00; authorize the Interim City Manager or his designee to execute all necessary documents to effectuate said purchase; and provide an effective date.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS APPROVING THE PURCHASE OF TWO KENWORTH TRAFFIC BLOCKING TRUCKS FROM MHC KENWORTH FT. WORTH UTILIZING A SOURCEWELL COOPERATIVE PURCHASING CONTRACT FOR A TOTAL PURCHASE PRICE NOT TO EXCEED \$396,100.00; AUTHORIZING THE INTERIM CITY MANAGER TO SIGN ALL NECESSARY AND RELATED DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Rowlett Fire and Police Departments regularly respond to incidents along high-speed roadways, creating risks to emergency personnel, citizens, and City equipment from secondary collisions; and

WHEREAS, to enhance responder safety, the Rowlett Fire Department uses a reserve fire engine as a protective vehicle to block traffic lanes and establish a safety buffer around emergency personnel and equipment; and

WHEREAS, City staff has requested authorization for the purchase of two Kenworth Traffic Blocking trucks for use by the Fire Department from MHC Kenworth Ft. Worth through a Sourcewell cooperative purchasing contract, for a total price not to exceed \$396,100.00; and it is necessary to purchase an excavator for use in the City's in-house concrete panel replacement and asphalt rehabilitation services; and

WHEREAS, the City Council finds it to be in the best interests of the citizens of the City of Rowlett to approve the purchase of the two traffic blocking trucks;

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

SECTION 1: The City Council of the City of Rowlett approves the purchase of two (2) Traffic Blocking Trucks from MHC Kenworth Ft. Worth, utilizing a Sourcewell Cooperative Purchasing Contract, for a total purchase price not to exceed \$396,100.000 and in accordance with the price quote attached hereto and incorporated herein by this reference as **Exhibit "A"**.

SECTION 2: The Interim City Manager or his designee is hereby authorized to execute any and all necessary and related documents for the purchase authorized by this resolution.

SECTION 3: This resolution shall become effective immediately upon its passage.

Attachments

1. Attachment A - T280 TMA - Sourcewell Quote



TEXAS KENWORTH CO, LLC ("Dealer")

doing business as: MHC KENWORTH - FORT WORTH

NEW TRUCK ORDER

FORT WORTH, TX 76111
2520 BERNER
1-817-740-2300

PURCHASER			ADDRESS				
City of Rowlett			4701 Rowlett Rd Street				
BUSINESS PHONE	OTHER PHONE		CITY	STATE	ZIP CODE	COUNTY	DATE
			Rowlett	TX	75088		09/02/2026
QUANTITY	YEAR	MAKE	MODEL	BODY TYPE		SALESPERSON	
2	2027	KW	T280	TRUCK/TMA		ANTHONY HEDRICK	
STOCK NUMBER		COLOR	TO BE DELIVERED ON OR ABOUT		FINANCIAL SOURCE		
See Attached		RED	10/15/2026		Cash		
SERIAL NUMBERS		See Attached					
PRICE OF VEHICLE(s) INCLUDING FET						\$396,100.00	
- PRICE INCLUDES BODY. - KENWORTH SOURCEWELL AWARD CONTRACT 032824-KTC. - SOURCEWELL DISCOUNT T280 FACTOR 15.0%. - CITY OF ROWLETT SOURCEWELL CONTRACT NUMBER 19737.							

TRADE TERMS AGREEMENT APPLICABLE ☒ YES

NOTE: If vehicle(s) are not funded within 15 days of truck receipt date at the dealer, customer will be charged a per diem amount per unit until units are fully funded. Customer has 60 days from delivery date of the truck to return and have any add-ons listed on the sales order completed.

DESCRIPTION OF TRADE-IN OR TRADE ATTACHMENT				
YEAR	MAKE	MODEL	SUBTOTAL	\$396,100.00
			BUSINESS TAX	
SERIAL NUMBER	MILEAGE		SALES TAX	
			VIT TAX	
BALANCE OWED TO	TRADE DIFFERENCE		DOCUMENTATION FEE	
			REGISTRATION FEES	
A DOCUMENTARY FEE IS NOT AN OFFICIAL FEE. A DOCUMENTARY FEE IS NOT REQUIRED BY LAW, BUT MAY BE CHARGED TO BUYERS FOR HANDLING DOCUMENTS AND PERFORMING SERVICES RELATING TO THE CLOSING OF A SALE. A DOCUMENTARY FEE MAY NOT EXCEED \$50 (FOR A MOTOR VEHICLE CONTRACT OR A REASONABLE AMOUNT AGREED TO BY PARTIES FOR A HEAVY COMMERCIAL VEHICLE CONTRACT). THIS NOTICE IS REQUIRED BY LAW.			TOTAL DELIVERED PRICE	\$396,100.00
			LESS: TRADE-IN ALLOWANCE	
			LESS: BALANCE OWED ON TRADE-IN	
			TRADE-IN EQUITY	
			LESS: CASH DEPOSIT SUBMITTED WITH ORDER	
PURCHASER'S CERTIFICATION Purchaser and the person signing this Order on behalf of Purchaser hereby certify that: 1. Purchaser and the person signing this Order on behalf of Purchaser have carefully reviewed the terms and conditions printed on the front and reverse side hereof, and agree to be bound thereby. The terms and conditions printed on the front and reverse side hereof represent the entire and integrated agreement between the parties relating to the purchase and sale of the Vehicle and cancels and supersedes prior negotiations, representations or agreements, either written or oral. 2. Purchaser and the person signing this Order on behalf of Purchaser have Carefully reviewed this Order and fully understand that the Vehicle listed above will be equipped only with the optional equipment specifically listed on the face of this Order plus all standard equipment as designated by the manufacturer at the time of delivery. 3. The person signing this Order on behalf of Purchaser is of legal age to execute binding contracts in this State. The person signing this Order on behalf of Purchaser has the authority and has been duly authorized to sign this Order on behalf of the Purchaser.			CASH DUE ON DELIVERY (Includes above Taxes, but may not be inclusive of all Applicable Taxes)	
			UNPAID BALANCE (Amount to be Separately Financed by Purchaser) Due in Cash on Delivery	\$396,100.00
			READ ALL PAGES OF THIS ORDER	
			THE TERMS AND CONDITIONS ON PAGE 2 HEREOF ARE PART OF THIS ORDER.	
			THIS ORDER IS NOT VALID UNLESS SIGNED BY AND ACCEPTED BY AN AUTHORIZED MANAGER OF DEALER.	
			THE PRICE OF THIS VEHICLE DOES NOT INCLUDE ANY APPLICABLE TAXES, WHICH ARE THE RESPONSIBILITY OF PURCHASER AS SET FORTH ON ALL PAGES HEREOF.	
			ANY TAXES DISPLAYED ON THIS TRUCK ORDER ARE ESTIMATED. ACTUAL TAXES, AS APPLICABLE, WILL BE INVOICED TO THE PURCHASER AT THE PREVAILING TAX RATES AVAILABLE AT TIME OF VEHICLE INVOICE.	
			ANY DELIVERY DATES INDICATED ON THIS ORDER ARE ESTIMATES AND SUBJECT TO THE MANUFACTURERS' PRODUCTION SCHEDULE AND FINAL APPROVAL.	

**THIS ORDER CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES
TERMS AND CONDITIONS ON PAGE 2 HEREOF ARE PART OF THIS AGREEMENT**

SIGNED (AUTHORIZED REPRESENTATIVE OF PURCHASER) :	DATE	ACCEPTED BY DEALER	DATE
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This Truck Order ("Order"), including the front of this Order and these terms and conditions, constitutes a contract for the purchase of the vehicle(s) or chassis ("Vehicle") listed and described on the front side hereof, between dealer identified on the front side hereof ("Dealer"), and the purchaser identified on the front side hereof ("Purchaser"). This Order is binding upon Dealer and Purchaser upon each party's execution on the front side hereof.

1. PRICE REVISION: The manufacturer of any new Vehicle ordered hereunder by Purchaser may change the price to dealer of such Vehicle after the date of this Order. In the event of any such price change, prior to the delivery of any new vehicle to Purchaser, the Dealer shall have the right to change the price of the Vehicle described on the front side hereof by providing notice of such change to Purchaser. If Purchaser does not agree to pay the changed price of the Vehicle, Purchaser shall cancel this Order by providing Dealer with written notice of such cancellation within two (2) days of notice from Dealer of the change in the price of the Vehicle. If Purchaser fails to timely provide Dealer with such written notice, Purchaser shall be bound to pay the changed cash price of the Vehicle. In the event Purchaser cancels this Order pursuant to this Paragraph 1 and has traded a used vehicle as part of the consideration for a new Vehicle purchased by Purchaser, such traded-in vehicle shall be returned to Purchaser upon payment of a reasonable charge for storage and repairs (if any) or, if such traded-in vehicle has been previously sold by Dealer, the amount received therefore less a selling commission of 15% and any expense for storing, insuring, conditioning, or advertising such vehicle for sale shall be returned to Purchaser.

2. DEALER NOT AGENT OF MANUFACTURER: It is understood that there is no relationship of principal and agent between the Dealer and the manufacturer of the Vehicle and that the Dealer is not authorized to act, or attempt to act, or represent itself, directly or by implication, as agent of the manufacturer, or in any manner assume or create, or attempt to assume or create, any obligation on behalf of or in the name of the manufacturer. It is further understood that neither Dealer nor anyone acting on its behalf has made, or adopted from the manufacturer, any guarantee, representation or warranty regarding the residual, trade-in, repurchase or buyback value of the Vehicle (a "Repurchase Obligation"), and that any Repurchase Obligation is the sole and exclusive responsibility of the manufacturer. Purchaser hereby acknowledges, agrees, represents and warrants that Purchaser shall look solely to the manufacturer to perform or satisfy any Repurchase Obligation.

3. DISCLAIMER OF WARRANTY: General: References to a "new Vehicle" herein shall mean a motor vehicle that has not been previously registered in any state of the United States of America. References to a "used Vehicle" herein shall mean a motor vehicle which has been previously registered or which should have been registered in a state of the United States of America. **PURCHASER HEREBY ACKNOWLEDGES THAT DEALER NOR ANYONE ACTING ON ITS BEHALF HAS MADE ANY AFFIRMATION OF FACT, REPRESENTATION OR PROMISE RELATING TO THE VEHICLE THAT HAS BECOME A BASIS OF THIS TRANSACTION OR WHICH CREATES AN EXPRESS WARRANTY. NO SAMPLE OR MODEL HAS BECOME A BASIS OF THIS TRANSACTION OR WHICH CREATES AN EXPRESS WARRANTY. TO THE FULLEST EXTENT PERMITTED BY LAW, DEALER DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, INFRINGEMENT, AND THOSE ARISING OUT OF COURSE OF PERFORMANCE OR DEALING OR USAGE OF TRADE OR ANY OTHER IMPLIED WARRANTY WITH RESPECT TO THE VEHICLE.**

New Vehicles: There are **NO WARRANTIES**, express or implied, made by Dealer or the manufacturer, on any new vehicle described on the front of this Order, except for the manufacturer's warranty applicable to such new Vehicle contained in the separate manufacturer's warranty which will be furnished to Purchaser upon delivery of the new vehicle. Such separate manufacturer's warranty shall be expressly IN LIEU OF any other express or implied warranty, condition or guarantee on the new Vehicle or any part thereof. Purchaser hereby acknowledges and agrees that Dealer has not in any manner adopted the manufacturer's warranty as a warranty of the Dealer and Purchaser acknowledges, agrees, represents and warrants that Purchaser shall look solely to the manufacturer to perform or satisfy any obligation under the manufacturer's warranty.

Used Vehicles: Dealer sells any used vehicle **AS IS** with all faults and defects, and the Dealer disclaims all warranties with respect to the Dealer in connection with the sale of any used Vehicle. If the Purchaser is assigned the remaining term of any manufacturer's warranty, Purchaser hereby acknowledges, agrees, represents and warrants that Dealer has not in any manner adopted the manufacturer's warranty as a warranty of Dealer, and Purchaser acknowledges, agrees, represents and warrants that Purchaser shall look solely to the manufacturer to perform or satisfy any obligation under the manufacturer's warranty. As between Purchaser and Dealer, the entire risk as to the quality and performance of any used Vehicle is assumed by Purchaser. As between Purchaser and Dealer, the Purchaser assumes the entire cost of service and repair and loss with respect to any used Vehicle found to be defective.

4. LIMITATION OF LIABILITY: DEALER WILL NOT BE LIABLE TO PURCHASER OR ANY OTHER PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER INDIRECT DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOST USE, LOST PROFITS, LOST SAVINGS OR OTHER COMMERCIAL OR ECONOMIC LOSS, EVEN IF DEALER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR THEY ARE FORESEEABLE OR FOR CLAIMS MADE BY A THIRD PARTY. IN NO EVENT SHALL DEALER'S TOTAL AGGREGATE LIABILITY TO PURCHASER OR ANY OTHER PARTY RELATING TO OR RESULTING FROM THE SALE, LICENSE OR USE OF A VEHICLE SUBJECT TO THIS ORDER OR THESE TERMS AND CONDITIONS EXCEED THE PURCHASE PRICE PAID FOR SUCH VEHICLE. THESE LIMITATIONS APPLY WHETHER THE LIABILITY IS BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER THEORY AND WHETHER THE ALLEGED BREACH OR DEFAULT IS A BREACH OF A FUNDAMENTAL CONDITION OR TERM, OR A FUNDAMENTAL BREACH. THESE LIMITATIONS APPLY TO THE FULLEST EXTENT PERMITTED BY LAW.

5. TRADE-IN VEHICLE: If a vehicle has been traded in as a part of the consideration for the Vehicle ordered by Purchaser hereunder and such traded in vehicle is not delivered to Dealer until delivery to Purchaser of the Vehicle, such trade-in vehicle shall be reappraised as directed by Dealer and such reappraisal value shall determine the allowance made for such vehicle. If such reappraised value is lower than the original allowance therefore shown on the face of this Order, Purchaser may, cancel this Order by providing Dealer with written notice of such cancellation within two (2) days after the reappraisal or prior to delivery of the Vehicle ordered hereunder to Purchaser whichever is earlier. If Purchaser fails to timely provide said written notice of such cancellation, Purchaser shall be bound to the amount of the reappraisal and shall pay the changed cash portion of the price of the Vehicle. The condition of any trade-in vehicle shall strictly comply with and Purchaser shall strictly comply with any Trade/Purchase Terms and Conditions Agreement signed by Purchaser ("Trade Terms Agreement"). If the condition of any trade-in vehicle is not strictly in compliance with, or if Purchaser has not strictly complied with the Trade Terms Agreement, Dealer shall not be obligated to accept the trade-in vehicle and the allowance shown on the front side hereof shall be deleted and Purchaser shall not be entitled to such allowance and Purchaser shall pay the amount of the deleted allowance to Dealer in cash upon delivery of the Vehicle.

6. PURCHASER'S REPRESENTATIONS AND WARRANTIES: Purchaser hereby represents and warrants that: (a) the trade-in vehicle shall be delivered free and clear from any security interest or other lien or encumbrance of any third person (except as otherwise noted on the title and agreed to in writing by Dealer at the time of the execution of this Order); (b) Purchaser shall promptly deliver to Dealer a valid certificate of title to the trade-in vehicle; (c) Purchaser has full power, right and lawful authority to dispose of the trade-in

vehicle; (d) the trade-in vehicle does not have a cracked or defective head, block, power train, or frame (including supportive portion of the anybody); (e) the engine and transmission have not been changed from the manufacturer's original equipment specifications; and (f) while owned by Purchaser, the odometer of the trade-in vehicle has not been replaced, tampered with or otherwise altered in any way and Purchaser has no reason to believe the trade-in vehicle's current odometer reading, as represented on the front side hereof, does not reflect its actual mileage. Purchaser further represents and warrants that Purchaser will use the Vehicle exclusively for a commercial use.

7. FAILURE OR REFUSAL TO ACCEPT DELIVERY: Except as provided in Paragraphs 1 and 5 of this Order, Purchaser may not cancel this Order. In the event that Purchaser fails or refuses to complete the purchase of the Vehicle, Purchaser shall pay Dealer, as liquidated damages and not as a penalty, the greater of the following: (a) twenty-five percent (25%) of the Total Delivered Price of the Vehicle, or (b) the cash deposit set forth on the front of this Order ("Liquidated Damages"). Dealer may apply any cash deposit made by Purchaser towards the Liquidated Damages. Further, in the event Purchaser has delivered to Dealer a trade-in vehicle as part of the consideration for the Vehicle, Dealer is authorized to sell such trade-in vehicle and Dealer may retain the proceeds thereof to satisfy the Liquidated Damages. Purchaser acknowledges that the Liquidated Damages are reasonable in light of the anticipated or actual harm caused by Purchaser's failure to complete the purchase. Purchaser further acknowledges that the Liquidated Damages do not constitute a penalty, but instead represent the parties' best estimate of the resulting damages given that the precise damages of Dealer are difficult to calculate.

8. TAXES: Unless otherwise agreed to in a writing signed by Purchaser and Dealer, Purchaser shall be solely responsible for the payment of all sales, use, consumer and other taxes arising out of this Order mandated by any applicable federal, state and local laws, codes, ordinances, rules and regulations, whether currently in effect, scheduled to go in effect, or subsequently enacted, including but not limited to, any increases in such taxes taking effect after the date of this Order. Purchaser shall be solely responsible for the cost and fees for all licenses, registrations and titles associated with the sale of the Vehicle.

9. FAILURE OR DELAY OF DELIVERY; FORCE MAJEURE: Dealer shall not be liable for failure to deliver or delay in delivery of the Vehicle where such failure to deliver or delay is due, in whole or in part, to any cause other than the gross negligence of Dealer. Further, Dealer will not have any liability for any breach caused by extreme weather or other act of God, strike or other labor shortage or disturbance, fire, accident, war, terrorist act or civil disturbance, delay of carriers, failure of normal sources of supply, act of government or any other cause beyond the reasonable control of Dealer.

10. NOTICES: It shall be a condition precedent to any liability of Dealer, whether in contract, tort, or otherwise, arising out of this Order or any other dealings between the parties that Purchaser provide written notice to Dealer of any claim, controversy, or alleged breach of this Order within ten (10) days of the event or occurrence giving rise to such claim, controversy or alleged breach and that Purchaser provide Dealer within a reasonable opportunity to cure the problems or issues giving rise to such claim, controversy or alleged breach of this Order. Notwithstanding the foregoing, Purchaser must provide Dealer with notice of any claim, controversy, or alleged breach of this Order and demand for arbitration within twelve months of discovery or accrual of the same, whichever occurs first. It is understood and agreed by the parties that the foregoing provision is both a condition precedent to the right to take such action, and a contractual modification to the statute of limitations for all actions, whether in contract, tort or otherwise, and failure to comply with this condition precedent and contractual statute of limitations shall be an absolute bar to recovery for any problems, issues, rights, claims or causes of action not specifically pled within the twelve month period. Whenever this Order requires that notice be provided to the other party, notice shall be deemed to have been validly given (i) if delivered in person to the party entitled to receive such notice, (ii) two (2) days after being sent by registered or certified mail, postage prepaid to the address indicated on the front side of this Order, or (iii) one (1) day after being sent via overnight mail through a respectable overnight delivery company.

11. ARBITRATION: Any controversy or claim arising out of or relating to this Order shall be decided by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, subject to the limitations and restrictions set forth in this Paragraph 11. A demand for arbitration shall be made within a reasonable time after a controversy or claim has arisen and in no event shall be made after the date when institution of legal or equitable proceedings based upon such claim or controversy would be barred by the applicable statute of limitations, subject to the restriction set forth in Paragraph 10. The arbitrator(s) shall have no authority to award punitive or other damages not measured by the prevailing party's actual damages. The parties acknowledge and agree that this Order evidences a transaction involving interstate commerce. Accordingly, the United States Arbitration Act (Title 9 of the United States Code) shall govern the interpretation, enforcement and proceedings pursuant to the arbitration provisions of this Order. The place of arbitration shall be the American Arbitration Association's office closest to the location of Dealer designated on the front side hereof. The parties shall be entitled to discover all documents and information reasonably necessary for a full understanding of any relevant issue raised in the arbitration. Regardless of any term or provision herein to the contrary, claims for contribution or indemnity filed by a party in any lawsuit or action filed or asserted by a third party on account of personal injury or death of any person or damage to property shall not be subject to the terms and provisions of this Paragraph 11. The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

12. EXPENSES AND COSTS: Should Dealer be required to institute any action, including any arbitration proceeding, to enforce any of its rights set forth in this Order, then Dealer shall be entitled to reimbursement from Purchaser for all expenses, including but not limited to, reasonable attorneys' and experts' fees, and costs incurred by Dealer in connection with such action. In the event Purchaser institutes any action, including any arbitration proceeding, against Dealer and in the further event Dealer prevails in such action, Purchaser shall pay Dealer the amount of all expenses, including but not limited to reasonable attorneys' and experts' fees, and costs incurred by Dealer in connection with such action.

13. MISCELLANEOUS: This Order may not be changed, altered or amended in any way except in writing signed by a corporate officer or authorized manager of Dealer and an agent of Purchaser. Purchaser acknowledges and agrees that Purchaser has had an adequate opportunity to review and revise this Order and the Order shall not be construed against or in favor of Purchaser or Dealer. No waiver by either party of a breach or default hereunder will be deemed a waiver by such party of a subsequent breach or default of a like or similar nature. No waiver of any of these terms and conditions or any of the terms and conditions will be effective against Dealer unless it is in writing signed by a corporate officer or authorized manager of Dealer. No course of dealing or performance, usage of trade or failure to enforce any term or condition will be used to modify this Order. If any of these terms or conditions is unenforceable, such term or condition will be limited only to the extent necessary to make it enforceable, and all other terms and conditions will remain in full force and effect. This Order is deemed to have been entered into in the state of the location of Dealer designated on the front side hereof and will be governed by the laws of the state of the location of Dealer designated on the front side hereof, without giving effect to the choice of laws provisions thereof. The remedies expressly provided for in these conditions will be in addition to any other remedies that Dealer may have under the Uniform Commercial Code or other applicable law. Purchaser may not assign this Order without the prior written consent of Dealer. These terms and conditions are for the exclusive benefit of Dealer and Purchaser and no other person will have rights hereunder.



TRUCK ORDER

Truck Order Attachment A - Purchase Information

See Related Truck Order for Full Terms and Conditions of Sale

(582189)

Stock #	Serial Number	Qty	Year	Make	Model	Per Diem Per Unit	To Be Delivered	Financial Source
0625534	1NK3HM6XXVJ256115	1	2027	KW	T280		10/15/2026	Cash
		Body Type	Color		Sale Price Per Unit	FET Per Unit	Unit Sale Price w/FET	Subtotal Sale Price w/FET
		TRUCK/TMA	RED		\$198,050.00		\$198,050.00	\$198,050.00

(582213)

Stock #	Serial Number	Qty	Year	Make	Model	Per Diem Per Unit	To Be Delivered	Financial Source
0625782	1NK3HM6X1VJ256116	1	2027	KW	T280		10/15/2026	Cash
		Body Type	Color		Sale Price Per Unit	FET Per Unit	Unit Sale Price w/FET	Subtotal Sale Price w/FET
		TRUCK/TMA	RED		\$198,050.00		\$198,050.00	\$198,050.00

Subtotal	\$396,100.00
Taxes & Fees	
Total Delivered Price	\$396,100.00

Customer Initials _____

Meeting Date: 9/15/2026

Agenda Item: 4.E.

Title

Consider action to authorize a Memorandum of Understanding (MOU) with North Central Texas Trauma Regional Advisory Council.

Consider action to adopt a resolution authorizing a Memorandum of Understanding (MOU) between North Central Texas Trauma Regional Advisory Council and the City of Rowlett acting through the City of Rowlett Fire Department for participation in the Texas Department of State Health Services whole blood administration program.

Staff Representative

Mitchell Randles, Interim Fire Chief

Executive Summary

The Rowlett Fire Department is seeking authorization to participate in the Texas Department of State Health Services (DSHS) Prehospital Whole Blood (PHWB) Pilot Program administered through the North Central Texas Trauma Regional Advisory Council (NCTTRAC).

The statewide program is designed to improve survival for patients experiencing life-threatening blood loss by allowing participating EMS providers to administer whole blood in the pre-hospital setting. Early blood administration can begin resuscitation at the scene while the patient is transported to an appropriate receiving hospital.

Participation will provide the Rowlett Fire Department with access to the resources, training, and program support necessary to implement pre-hospital whole-blood administration in accordance with applicable state regulations and program requirements. The program applies to qualifying trauma, maternal hemorrhage, and other significant medical emergencies involving severe blood loss.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 Ensure a Safe Environment	2.2 Provide proactive, community-based police services. 2.3 Deliver exceptional first-responder coverage and response times. 2.5 Strengthen public safety, public outreach, education, and communication.

Background Information

The Texas Department of State Health Services (DSHS), in collaboration with the Governor's EMS and Trauma Advisory Council (GETAC), Regional Advisory Councils (RACs), blood providers, EMS providers, and participating hospitals, established the Prehospital Whole Blood (PHWB) Pilot Program to expand access to whole-blood resuscitation for critically ill and injured patients.

The North Central Texas Trauma Regional Advisory Council (NCTTRAC) has been designated as the contractor by DSHS to administer and implement the program within Trauma Service Area E (TSA-E), which includes Rockwall County and 18 surrounding North Texas counties. The program is supported by \$10 million in state funding appropriated by the Texas Legislature and authorized by Governor Greg Abbott.

Discussion

The Texas Department of State Health Services (DSHS), in partnership with the Governor's EMS and Trauma Advisory Council (GETAC), Regional Advisory Councils, blood providers, EMS agencies, and participating hospitals, has established a statewide Prehospital Whole Blood (PHWB) Pilot Program to improve outcomes for patients experiencing life-threatening blood loss.

The North Central Texas Trauma Regional Advisory Council (NCTTRAC) has been designated by DSHS as the contractor responsible for implementing the program within Trauma Service Area E (TSA-E), which includes Rockwall and Dallas Counties and surrounding North Texas counties. The program is supported by \$10 million in state funding and is intended to expand the ability of EMS providers to administer whole blood in the pre-hospital environment.

Participation in the program will allow the Rowlett Fire Department to administer whole blood to eligible patients suffering from severe hemorrhage resulting from traumatic injury, maternal hemorrhage, or other significant medical conditions. Providing whole blood before arrival at a hospital can initiate life-saving resuscitation at the patient's location while the EMS crew transports the patient to an appropriate receiving facility.

Through the Memorandum of Understanding with NCTTRAC, the Rowlett Fire Department will participate as a Participating Entity and comply with applicable program requirements, including state EMS regulations, program standards, and NCTTRAC policies and procedures.

Participation in the PHWB Pilot Program will enhance the Department's ability to provide advanced life-saving care during the critical minutes following severe blood loss and represents an important advancement in the City's emergency medical response capabilities.

Financial/Budget Implications

All costs for the whole blood program are covered by grant funding from the Texas Department of State Health services through the North Central Texas Trauma Advisory Council, except for the cost of an unused unit of blood. If a unit of blood is not used, the cost of that unit will be split evenly between the City of Rowlett and the partner hospital. Currently, that cost is \$620.00 with the City's share expected to be \$310.00. The estimated unused unit of blood is three to four per year.

Recommended Action

Staff recommends that the City Council authorize the Interim City Manager to execute the Prehospital Whole Blood (PHWB) Pilot Program Memorandum of Understanding with the North Central Texas Trauma Regional Advisory Council (NCTTRAC), allowing the Rowlett Fire Department to participate in the Texas Department of State Health Services (DSHS) Prehospital Whole Blood Pilot Program and administer whole blood in the Prehospital setting in accordance with applicable state regulations and program requirements.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AND AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE NORTH CENTRAL TEXAS TRAUMA REGIONAL ADVISORY COUNCIL FOR ROWLETT FIRE DEPARTMENT PARTICIPATION IN THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES PREHOSPITAL WHOLE BLOOD PILOT PROGRAM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, THE Texas Department of State Health Services (DSHS), in collaboration with the Governor's EMS and Trauma Advisory Council, Regional Advisory Councils, blood providers, EMS providers, and participating hospitals, has established the Prehospital Whole Blood Pilot Program ((PHWB) to expand access to whole blood resuscitation for critically ill and injured patients; and

WHEREAS, the North Central Texas Trauma Regional Advisory Council (NCTTRAC) has been designated by DSHS as the contractor responsible for implementing the PHWB program in the Trauma Service Area that includes Rockwall County and surrounding North Texas counties; and

WHEREAS, participation in the program will allow the Rowlett Fire Department to administer whole blood to eligible patients suffering from severe hemorrhage before arrival at a hospital; and

WHEREAS, by executing a Memorandum of Understanding with NCTTRAC, the City, acting through the Rowlett Fire Department, will be a participating entity in the PHWB program, which will enhance the Department's ability to provide advanced life-saving care during the critical minutes following severe blood loss; and

WHEREAS, the City Council finds that entering into this Memorandum of Understanding serves

the health, safety, and general welfare of the citizens of the City;

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

SECTION 1. The City Council hereby approves and authorizes the Interim City Manager to execute the Prehospital Whole Blood Pilot Program Memorandum of Understanding with the North Central Texas Trauma Regional Advisory Council on behalf of the City of Rowlett, acting through the Rowlett Fire Department, in substantially the form of that attached hereto and incorporated herein by this reference as **Exhibit “A.”**

SECTION 2. This resolution shall take effect immediately upon its passage.

Attachments

1. Exhibit A - NCTTRAC Prehospital Whole Blood MOU



Prehospital Whole Blood Pilot Program

Memorandum of Understanding – Participating Entities

As part of the Texas Department of State Health Services Prehospital Whole Blood Pilot Program, the North Central Texas Trauma Regional Advisory Council (NCTTRAC) has been designated the Contractor under a contractual agreement with the Texas Department of State Health Services (DSHS), effective February 17, 2026 (the “Program,” which include and incorporate the parties’ contractual agreement).

By entering into this *Prehospital Whole Blood (PHWB) Pilot Program Memorandum of Understanding – Participating Entities* (the “MOU”) with NCTTRAC, the Participating Entities / Subrecipient affirms, understands, and agrees, without exception, to comply with the following terms through the life of the MOU. This MOU is effective upon the final signatory date.

Purpose

To establish a regional PHWB program to support Emergency Medical Services (EMS) providers administering whole blood to patients in the field suffering from extreme blood loss due to trauma, maternal hemorrhage, or other significant medical conditions. The goal is to begin resuscitation at the patient’s location and ensure timely transport to the appropriate receiving hospital for continued treatment.

Background

The Texas EMS/Trauma Systems Section, in collaboration with the Governor’s EMS and Trauma Advisory Council (GETAC), Regional Advisory Councils (RACs), blood providers, EMS providers, and participating hospitals, is implementing the statewide Program.

This initiative builds on evidence from trauma systems, military medicine, and prior Department of State Health Services (DSHS) programs demonstrating improved outcomes through early whole-blood administration. This Program is supported by \$10 million in funding appropriated by the State of Texas and authorized by Governor Greg Abbott.

This Program shall:

- Apply to licensed EMS Providers, participating hospitals, regional advisory councils (RACs), and blood providers (“Participating Entities”);
- Support compliance with Texas Administrative Code Title 25, Part 1, Chapter 157, Rule 157.11 and Title 22, Part 9, Chapter 169; and
- Align with national best practices and state trauma system goals.

NCTTRAC, as the Contractor (in the agreement with DSHS), has been awarded funds to develop and implement the Program to increase survival rates for patients suffering severe hemorrhage by enabling EMS providers to administer whole blood in the prehospital setting in

trauma service area - E (TSA-E) which is comprised of the following counties: Collin, Cooke, Dallas, Denton, Ellis, Erath, Fannin, Grayson, Hood, Hunt, Johnson, Kaufman, Navarro, Palo Pinto, Parker, Rockwall, Somervell, Tarrant, and Wise.

NCTTRAC is vested with discretion and is responsible for decision-making regarding the allocation of Program funds, Program implementation, and coordination with Participating Entities. NCTTRAC will provide administrative support for the distribution and expenditure of Program funding within TSA-E as set forth in the Bylaws, Standard Operating Procedures (SOPs), and/or other administrative guidance of NCTTRAC. Referenced documents in this MOU will be made available through NCTTRAC upon request.

Defined Participating Entities:

- 1. NCTTRAC** – Regional Program Administrator
- 2. Participating EMS Providers** – Licensed EMS agencies authorized to store and administer whole blood
- 3. Participating Hospitals** – Hospitals receiving patients who have been administered prehospital whole blood
- 4. Participating Blood Providers** – Licensed blood centers supplying whole blood to partners within the Program

In consideration of the agreements set forth below, NCTTRAC and the Participating Entities agree as follows:

A. Shared Program Standards Applicable to All Entities

I. Regulatory Compliance

1. Comply with all applicable transfusion safety standards according to the Food & Drug Administration (FDA) and the Association for the Advancement of Blood & Biotherapies (AABB).
2. Follow applicable provisions of the DSHS PHWB contract requirements as stated herein.

II. Patient Safety & Transfusion Oversight

1. Promptly report, within 24 hours, any and all suspected or confirmed transfusion reactions or product deviations in compliance with program requirements to NCTTRAC.
2. Participate in regional system performance improvement (SPI) as required.
3. Support and utilize standardized patient identification, traceability, and documentation (e.g., Pulsara, Wristbands, BloodCOMM, etc.).

III. Data Reporting & Performance Improvement

1. Submit timely and accurate data via designated reporting platforms.
2. Conduct internal PHWB system performance improvement (SPI) activities.
3. Use shared data exclusively for patient safety, quality improvement, and system evaluation.
4. Maintain confidentiality consistent with HIPAA and SPI review protections.

IV. Communication & System Collaboration

1. Maintain transparent communication among Participating Entities.
2. Designate and maintain points of contact for Program coordination.
3. Support regional collaboration to promote best practices and system alignment.
4. Develop system processes and blood rotation systems to ensure minimal blood wastage at or below the established national wastage level.

B. Obligations of NCTTRAC

NCTTRAC shall agree to the following:

1. Allocate Program funds in accordance with DSHS PHWB contract requirements.
2. Distribute approved Program funds and/or equipment to Participating Entities as resources remain available.
3. Reimburse EMS and Hospitals in accordance with the contract parameters. (dependent upon available Program funding).
4. Monitor Participating Entities to ensure compliance with all Program requirements.
5. Maintain all documentation submitted by Participating Entities.
6. Provide administrative support for the PHWB/Prehospital Transfusion Program (PTP) Workgroup.
7. Facilitate protected, closed-session reviews of transfusion-related incidents.
8. Use the DSHS-designated statewide PHWB data steward methods for data collection and reporting.
9. Purchase and distribute equipment meeting FDA and AABB standards.
10. Provide copies of manufacturers' manuals and warranty statements as available.

C. Obligations of EMS Providers

EMS Providers shall agree to the following:

1. Be a NCTTRAC member in good standing and meet active participation requirements.
2. Develop, implement, and maintain a prehospital whole blood program.
3. Establish written policies, procedures, clinical guidelines, and training programs, including, but not limited to;
 - i. Administration criteria
 - ii. Exclusion criteria
 - iii. Obtaining consent

- iv. Special populations criteria
 - v. Managing transfusion reactions
- 4. Maintain ongoing SPI processes that must include the level of harm, opportunities for improvement, and corrective actions that are developed and tracked. The SPI processes must specifically address the following:
 - i. Patients meeting criteria who received whole blood
 - ii. Patients meeting criteria who did not receive whole blood
 - iii. Patients not meeting criteria who received whole blood
 - iv. Suspected or confirmed transfusion reactions
 - v. Referral compliance for females of childbearing potential or future potential.
 - vi. Support investigations of transfusion reactions by collaborating with hospitals.
- 5. Participate in the PHWB regional centralized temperature monitoring system, to include a documented escalation process in the event of an alert notification.
- 6. Maintain documented validation of temperature controls in the BloodCOMM data platform.
- 7. Utilize equipment in compliance with FDA, AABB, and blood provider standards.
- 8. Maintain equipment in an operational readiness condition and/or replace damaged or malfunctioning equipment at the EMS providers' expense
- 9. Notify NCTTRAC within 24 hours if provided equipment becomes inoperable or is removed from service.
- 10. Maintain a formal agreement with a licensed blood provider to ensure continuity of supply. This agreement must include a documented contingency plan to secure an alternate source of whole blood if the primary blood provider is unable to meet the agency's needs.
- 11. Notify NCTTRAC if the EMS provider is unable to secure whole blood or blood products within 24 hours.
- 12. Notify NCTTRAC within 24 hours if there is a breach in the agreement between the EMS provider and the blood provider, resulting in a loss or suspension of whole blood or blood products.
- 13. Submit all required proof of payment documentation as requested by NCTTRAC.
- 14. Plasma may be reimbursed **only for the following scenarios:**
 - i. EMS providers and level IV facilities that are 60 miles or greater from other EMS providers and/or higher-level designated facilities
 - ii. Females of childbearing potential or future potential to decrease the risk of alloimmunization in Rh-females.
- 15. Collaborate with your contracted blood provider and NCTTRAC to support and promote donor recruitment.
- 16. Document transfusions and submit data using established collection and reporting methods.
- 17. Document the Texas EMS wristband number in the patient care report (PCR).
- 18. Attend a minimum of 75% of the PHWB/PTP work group meetings.

19. Develop system processes and blood rotation systems to ensure minimal blood wastage at a level at or lower than the national wastage.
20. Support local, regional, and state response needs and requests as they relate to the Program and upon initiation of such requests by local partners, NCTTRAC, or State Mission Assignment.
21. Launch the PHWB program within 10 days of being approved by your blood provider, unless otherwise approved by NCTTRAC.
22. Comply with all other requests submitted or required by NCTTRAC or under the THHS' Terms and Conditions, which can be supplied upon request.

D. Obligations of Participating Hospitals

Hospitals shall agree to the following:

1. Be a NCTTRAC member in good standing and meet active participation requirements.
2. Facilities receiving female patients of childbearing age or childbearing potential must additionally perform a blood type and screen with antigen testing. Ensure appropriate consultation with referral to Blood Bank/Transfusion Medicine (blood pathologist) and Maternal-Fetal Medicine services, as clinically indicated.
3. Provide transfusion and outcome data to NCTTRAC and EMS providers.
4. Collaborate with and assist NCTTRAC and EMS providers to support blood drives and donor recruitment.
5. Attend a minimum of 75% of the PHWB/Prehospital Transfusion Program Workgroup meetings.
6. Develop system processes and blood rotation systems to ensure minimal blood wastage at a level at or lower than the national wastage
7. Perform an EMS hand-off, document the wristband number in the electronic medical record (EMR), and provide EMS feedback and specific data requested for patients who receive prehospital whole blood or plasma.
8. Support investigations of transfusion reactions by collaborating with EMS providers.
9. Comply with all other requests submitted or required by NCTTRAC or under DSHS' Terms and Conditions, which can be supplied upon request.

E. Terms and Termination

1. The Term of this MOU will commence on the signatory date and continue in full force unless terminated as provided herein.
2. If the participating entity fails to comply with any of the requirements as stated in this MOU, NCTTRAC reserves the right to terminate this MOU.
3. Either Party may terminate this MOU upon providing 30 days' prior written notice of the intended date of termination.
4. Termination of the MOU by any of the Participating Entities prior to fulfilling the Program requirements will result in the timely return of Program-funded assets.

5. Participating Entities that cease operations, including business closure and/or bankruptcy proceedings prior to fulfilling the Program requirements, shall notify NCTTRAC and arrange for the return of Program-funded assets.
6. Participating Entities that cease operations, as stated above, shall notify NCTTRAC and identify the name(s) and contact information for individuals and/or agencies to coordinate the return of Program-funded assets.
7. Participating Entities that experience a change in ownership or similar circumstances, which invalidate the previous commitment as agreed herein, shall notify NCTTRAC of this change in status. Participating Entities may continue to participate in the Program by submission of this agreement, under a new signature, to NCTTRAC. Failure to submit a new MOU in a timely manner shall be considered as a termination indicated above.

F. Miscellaneous

1. Participating Entities represent and warrant that all statements and information provided to NCTTRAC are current, complete, and accurate. This includes all statements and information in this MOU. Persons who knowingly submit erroneous or fraudulent information will be subject to actions by the Texas Department of State Health Services (DSHS) as appropriate.
2. Costs incurred by NCTTRAC, including all legal costs, in the recovery of funds or Program-funded assets, as required above, will be paid by the defaulting Participating Entities.
3. Participating Entities will defend and indemnify the NCTTRAC, its directors, employees, agents, and representatives (the "NCTTRAC Indemnitees") and hold the NCTTRAC Indemnitees harmless against any damage, claims, suits, actions, liabilities, loss, penalties, costs, and expenses, including, without limitation, reasonable attorneys' fees arising out of:
 - i. A breach of any of the representations, warranties, or obligations of this MOU by the Participating Entities.
 - ii. Negligent acts or omissions or dishonesty of Participating Entities or any employees, agents, or representatives in their performance of the Participating Entities' obligations under this MOU or the Program.
4. Participating Entities hereby warrant and represent that they are not currently excluded, debarred, suspended, in default, or otherwise ineligible to participate in any federal, state, or NCTTRAC Programs. Nor are they in imminent danger of such exclusion, debarment, suspension, or other ineligibility from receiving such a Grant. Participating Entities agree that the foregoing representation and warranty shall remain true and correct throughout the duration of this Agreement.
5. Any required or optional notice under this agreement is considered given when one of the following happens first:
 - i. It is delivered by hand, courier, or electronically, to the recipient;
 - or

- ii. Three business days after it is mailed through U.S. certified or registered mail with prepaid postage and a return receipt, to the listed address or another address provided in writing
6. This MOU contains or references the entire agreement of the parties and supersedes all prior agreements, contracts, and understandings, whether written or otherwise, between the parties relating to the subject matter herein.
7. This MOU shall be governed by the laws of the State of Texas. Venue for such disputes shall be in a state court in Tarrant County, Texas.

NCTTRAC

North Central Texas Trauma Regional Advisory Council

Signature

Printed Name

Title

Date

EMS Provider or Hospital

EMS Provider or Hospital Name

Signature

Printed Name

Title

Date

Meeting Date: 9/15/2026

Agenda Item: 4.F.

Title

Consider action to approve Amendment No. 4 to an Interlocal Agreement (ILA) with Dallas County.

Consider action to adopt a resolution approving Amendment No. 4 to the Household Hazardous Waste Interlocal Agreement (ILA) with Dallas County for the purpose of providing household hazardous waste disposal services to Rowlett residents for FY27.

Staff Representative

Alejandro Perea, Admin Services Mgr

Executive Summary

The purpose of this item is to continue to provide household hazardous waste disposal services for paint, automotive fluids, small electronics, computers, batteries, aerosol sprays, and other household chemicals. The current agreement will expire on September 30, 2026.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 Promote Operational Excellence	7.1 Provide responsive, reliable, and cost-efficient public services.

Background Information

On September 16, 2025, the City Council adopted resolution 103-25 approving an agreement with Dallas County for Household Hazardous Waste for fiscal year 2026, expiring on September 30, 2026.

The City of Rowlett has been a member of the Dallas County Household Hazardous Waste network since 1994. A disposal site is operated by Dallas County and is funded by member cities, which include Addison, Dallas, DeSoto, Duncanville, Farmers Branch, Garland, Highland Park, Irving, Mesquite, Richardson, Rowlett, Sachse, Seagoville, Sunnyvale, and University Park.

The collection facility is located at 11234 Plano Road in Dallas, and the hours of operation are Tuesday from 9:00 a.m. to 7:30 p.m., Wednesday and Thursday from

8:30 a.m. to 5:00p.m. and the second and fourth Saturdays of the month from 9:00 a.m. to 3:00 p.m.

The number of households utilizing the hazardous waste collection center is reflected in Figure 1 below.

Year	Number of Households Utilizing HHW	% of Household Utilizing HHW
2022	873	4.6%
2023	787	4.1%
2024	746	3.9%
2025	814	4.3%
2026	701 (Through July)	3.7%

Figure 1: Number of households utilizing the household hazardous waste collection center.

Discussion

As one of the fifteen member cities of the Dallas County Household Hazardous Waste Network, Rowlett residents have access to the collection center for disposal of household hazardous waste such as pesticides, paint, oil, household chemicals and other materials not allowed in normal garbage collection. The benefits of remaining a network city extend beyond the free disposal of hazardous household waste for the residents of Rowlett. In addition to providing a physical drop-off location and professional handling of hazardous materials, Dallas County organizes an annual special collections' event where the public can dispose of the previously listed materials. By remaining in the network, Rowlett benefits from economies of scale as it would not be responsible for the full cost of operating a municipal hazardous household waste collection facility. Instead, Rowlett would only be responsible for a fraction of the program's total cost, which consists of two components:

1. An annual share of the Operational and Capital Budget, which is \$62,511.00
2. A monthly rate, which is determined by the number of products dropped off and the waste profile of those products.

Operational and Capital budget shares are determined by multiplying each city's percentage of the Service Area times the net total of those two budgets. City shares are billed quarterly in advance and may be proportionately adjusted in the event city participation changes (Shown in Figure 2).

City	Service Area Based on Single Family Households as per Current NCTCOG Estimates**	Percent of Service Area	FY26 Annual Share of Operational and Capital Budgets*	FY27 Annual Share of Operational and Capital Budgets*	FY27 Quarterly Share of Operational and Capital Budgets*
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Addison	1,794	0.36%	\$ 4,748	\$ 5,881.00	\$ 1,470.25
Dallas	238,164	48.21%	\$ 636,714	\$ 784,959.00	\$ 196,239.75
De Soto	16,034	3.25%	\$ 42,916	\$ 52,905.00	\$ 13,226.25
Duncanville	11,436	2.32%	\$ 30,637	\$ 37,762.00	\$ 9,440.50
Farmers Branch	8,852	1.79%	\$ 23,635	\$ 29,132.00	\$ 7,283.00
Garland	62,807	12.71%	\$ 167,853	\$ 206,936.00	\$ 51,734.00
Highland Park	3,078	0.62%	\$ 8,141	\$ 10,082.00	\$ 2,520.50
Irving	42,602	8.62%	\$ 113,839	\$ 140,341.00	\$ 35,085.25
Mesquite	37,001	7.49%	\$ 98,917	\$ 121,942.00	\$ 30,485.50
Richardson	31,564	6.39%	\$ 84,385	\$ 104,031.00	\$ 26,007.75
Rowlett	18,957	3.84%	\$ 50,702	\$ 62,511.00	\$ 15,627.75
Sachse	7,638	1.55%	\$ 20,464	\$ 25,225.00	\$ 6,306.25
Seagoville	3,908	0.79%	\$ 10,437	\$ 12,850.00	\$ 3,212.50
Sunnyvale	2,667	0.54%	\$ 7,125	\$ 8,779.00	\$ 2,194.75
University Park	7,568	1.53%	\$ 20,199	\$ 24,899.00	\$ 6,224.75
TOTAL	494,070	100%	\$1,320,712	\$1,628,235	\$ 407,058.75

Figure 2. Proportional Shares of FY2027 Operational and Capital Budget

Disposal costs are paid in addition to Operational and Capital costs and are based on actual usage. The three most recent fiscal years combined operational, capital, and usage cost for the City of Rowlett are shown below in figure 3 under the Actual column. It should be taken into consideration that although FY26 cost is under the actuals from the previous years, the billing cycle for the final quarter of FY26 will occur after October 1, 2026.

Fiscal Year	Original Budget	Actual
FY24	\$85,000	\$80,180.97
FY25	\$85,000	\$81,407.47
FY26	\$85,000	\$65,220.75 (YTD)

Figure 3. Budget vs. Actual Cost

Should the City Council be amenable to approving a resolution to enter into an Interlocal Agreement with Dallas County, the new term will commence on October 1, 2026, and terminate on September 30, 2026.

Financial/Budget Implications

The program cost includes fixed annual operational and capital budget costs which are paid quarterly, and variable monthly costs determined by the number of products dropped off and the waste profile of those products.

Budget Account Number and/or Project Code	Account or Project Title	FY27 Budget Amount	FY27 Available Amount	FY27 Proposed Amount
6017060-6409	Haz-Mat Services	\$85,000.00	\$85,000.00	\$85,000.00
Total		\$85,000.00	\$85,000.00	\$85,000.00

Recommended Action

Consider an action to adopt a resolution approving and authorizing the City Manager to execute Amendment No. 4 to the Household Hazardous Waste Interlocal Agreement with Dallas County for the purpose of providing household hazardous waste disposal services to Rowlett residents for FY27.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AMENDMENT NO. 4 TO THE HOUSEHOLD HAZARDOUS WASTE INTERLOCAL AGREEMENT WITH DALLAS COUNTY FOR CONTINUED PARTICIPATION IN THE HOUSEHOLD HAZARDOUS WASTE NETWORK FOR FISCAL YEAR 2027; AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE THE AMENDMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Rowlett has determined that Household Hazardous Waste disposal services are necessary in the City of Rowlett; and

WHEREAS, the City has previously participated in the Household Hazardous Waste Network sponsored by Dallas County for provision of those services; and

WHEREAS, the City Council finds that it serves the health, safety and general welfare and is in the best interest of the citizens of Rowlett to provide these services by entering into the proposed Amendment No. 4 to the City's Household Hazardous Waste Interlocal Agreement with Dallas County.

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

SECTION 1: The City Council of the City of Rowlett hereby approves Amendment No. 4 to the Household Hazardous Waste Interlocal Agreement with Dallas County for participation in the Household Hazardous Waste Network for fiscal year 2027, a copy of which is attached hereto and incorporated herein by this reference as **Exhibit "A,"** and authorizes the Interim City Manager to execute the Amendment in substantially the form of **Exhibit "A"** along with any other necessary and related documents.

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

Attachments

1. Exhibit A - Amendment No. 4 to HHW Interlocal Agreement FY27
2. FY2027 HHW PROGRAM BUDGET SUMMARY & PROPORTIONAL SHARES

STATE OF TEXAS §
 §
 COUNTY OF DALLAS §

AMENDMENT NO. 4
TO THE HOUSEHOLD HAZARDOUS WASTE INTERLOCAL AGREEMENT
 (The "Agreement")
BETWEEN
DALLAS COUNTY
AND
CITY OF THE CITY OF ROWLETT
 (The "City")
A MEMBER CITY OF
THE DALLAS AREA HOUSEHOLD HAZARDOUS WASTE NETWORK

WHEREAS, on, _____, the Dallas County Commissioners Court was briefed on a request from the cities of the Dallas Area Household Hazardous Waste Network to renew and revise the effective term and specify new fiscal year budgets for the Household Hazardous Waste Program Interlocal Agreement ("Agreement") that permits four additional one-year renewals for a five-year total contract term and was authorized by Court Order 2022-0661; and

WHEREAS, the proposed Amendment No.4, along with the attachment C2027, will serve to continue the Household Hazardous Waste Program through fiscal year 2027, while updating overall program budget amounts and individual city budget limits for the new fiscal year; and

WHEREAS, proposed Amendment No. 4 contains no other changes in the basic terms and conditions of the Agreement and incurs no cost to Dallas County.

NOW THEREFORE, by execution of this Amendment No. 4, the Agreement is amended hereby with respect to the items and features described in the Articles below.

I.
PURPOSE

The purpose of this Amendment is to amend the effective term and fiscal year budget of the Agreement without change to the basic terms and provisions. No other sections, provisions, clauses or conditions of the Agreement are waived, deleted or changed hereby, and they shall remain in full force and effect throughout the term of the Agreement and any duly authorized amendments.

II.
AMENDED PROVISIONS

- A. The new term of the Agreement shall be October 1, 2026, through September 30, 2027.
- B. The language contained in Paragraph 1, *Section IV. City Responsibilities* shall be deleted in its entirety and replaced with the following language:
 - 1. "An estimated amount of \$85,000.00 for disposal, setup, operational, capital, and transportation costs for HHW collection for residents of the City during the period from

October 1, 2026 through September 30, 2027. This figure is based on the program's annual budget contained in **Exhibit C2027**, which is incorporated herein for all purposes.

- a. Collection, setup, and disposal costs will be paid after-the-fact, based on actual usage by the City at events and at the collection center.
 - b. Operational and capital costs shall be paid quarterly in advance.
 - c. In the event of early withdrawal, the operational and capital costs will not be pro-rated for partial quarter participation, but will become immediately due and payable in full.”
- C. Exhibit C2026 of the Agreement entitled *FY2026 HHW Program Budget Summary* shall be deleted and replaced with the attached Exhibit C2027 entitled *FY2027 HHW Program Budget Summary*.

IN WITNESS WHEREOF, by their signatures below, the duly authorized representatives of Dallas County and City of Rowlett, a member city of the Dallas Area Household Hazardous Waste Network, do hereby agree and append this Amendment No. 4 to the Agreement.

EXECUTED THIS _____ day of _____, 2026.

DALLAS COUNTY:

CITY OF ROWLETT:

BY: Clay Lewis Jenkins
 County Judge

BY: Kristoff Bauer
 Interim City Manager

APPROVED AS TO FORM:*

John Creuzot
 District Attorney

ATTESTED TO:

BY: _____

APPROVED AS TO FORM: BY:

BY: Stephen Sibley

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

Exhibit C2027**FY2027 HHW PROGRAM BUDGET SUMMARY**

This exhibit summarizes the total program funding for FY2027 as approved by the Dallas Area Household Hazardous Waste Network at its regular meeting on May 7, 2026, and replaces the language contained in Exhibit C2026 of the Household Hazardous Waste Program Interlocal Agreement that was authorized by Court Order 2022-0661 and renewed and amended by Court Order 2025-0849.

- Fixed Costs include personnel expense, operating costs, and capital budget, which are shared by the Network cities based on single-family household projections published by North Central Texas Council of Governments.
- Personnel Expense includes all HHW staff salaries and fringe.
- Operating Expense includes supplies, equipment, advertising, public education, volunteer support, staff development, printing, postage, facility maintenance, utilities, and all other direct programming costs.
- Capital Expense includes building repairs, equipment repair or replacement, mechanical upgrades, and expansion projects.
- Variable costs include estimated direct costs for collection and disposal of hazardous household wastes, which vary according to actual usage and are indicated in the budget summary for planning purposes only. ***Funding for actual collection, contract labor, and disposal costs will be collected from the cities after the fact, on an as-used basis.***
- Collection/Mobilization/Disposal Budget includes estimated costs for staging of events, recycling services, waste containers, waste transportation, and disposal.
- Contract Labor Expense is for part-time, seasonal labor provided by the disposal vendor.

Budget adjustments made to the Operational Budget during the term of the Agreement shall not result in a City Funding amount that exceeds the approved budget total shown herein. The County may make line-item transfers within the operating budget when these transfers do not exceed \$5,000. Budget adjustments in excess of \$5,000 must be approved by the HHW Network.

BUDGET SECTION	CITY FUNDING
FIXED COSTS (OPERATIONAL BUDGET)	
Personnel Costs	\$ 1,002,660
Operating Costs	\$ 425,375
Capital Expense	\$ 200,000
Sub-Total	\$ 1,628,235
ESTIMATED VARIABLE COSTS (COLLECTION / LABOR / DISPOSAL BUDGET)	\$ 1,881,000
TOTAL PROGRAM BUDGET	\$3,509,235

DALLAS COUNTY HOUSEHOLD HAZARDOUS WASTE PROGRAM
FY27 HHW BUDGET
Proposed by the HHW Network Cities on May 7, 2026

Line #	Budget Item	FY26	FY27	Increases
1	OPERATIONAL AND CAPITAL BUDGETS			
2	PERSONNEL EXPENSE			
3	Salary, Manager.	\$125,600	\$108,725	-13%
4	Fringe, Manager	\$30,000	\$29,452	-2%
5	Salary, Asst.Mgr.	\$92,500	\$90,765	-2%
6	Fringe, Asst. Mgr.	\$29,816	\$26,307	-12%
7	Salary, Facility Supervisor	\$79,440	\$78,078	-2%
8	Fringe, Facility Supervisor	\$24,505	\$24,048	-2%
9	Salary, Haz. Waste Specialist - A	\$73,600	\$70,849	-4%
10	Fringe, Haz. Waste Specialist	\$25,303	\$22,762	-10%
11	Salary, Haz. Waste Specialist - B	\$73,600	\$70,849	-4%
12	Fringe, Haz. Waste Specialist	\$25,303	\$22,762	-10%
13	Salary, Haz. Waste Specialist - C	\$73,600	\$70,849	-4%
14	Fringe, Haz. Waste Specialist	\$25,303	\$22,762	-10%
15	Salary, Haz. Waste Specialist - D	\$73,600	\$70,849	-4%
16	Fringe, Haz. Waste Specialist	\$25,303	\$22,762	-10%
17	Salary, Haz. Waste Specialist - E	\$0	\$70,849	100%
18	Fringe, Haz. Waste Specialist	\$0	\$22,762	100%
19	Salary, HHW Operations Analyst - A	\$66,789	\$66,693	0%
20	Fringe, HHW Operations Analyst	\$23,175	\$22,022	-5%
21	Salary, HHW Operations Analyst - B	\$0	\$66,693	100%
22	Fringe, HHW Operations Analyst	\$0	\$22,022	100%
23	PERSONNEL BUDGET SUB-TOTAL	\$867,437	\$1,002,860	16%
24	PROGRAM OPERATING EXPENSE			
25	Books & Supplements	\$ 175	\$ 175	0%
26	Collection Supplies & Tools	\$ 70,000	\$ 85,000	21%
27	Communications (Cell Phones, Pagers)	\$ 7,000	\$ 10,000	43%
28	Computer Expense (Hardware, Software, Etc.)	\$ 6,000	\$ 10,000	67%
29	Dues/Subscriptions	\$ 1,000	\$ 2,000	100%
30	Equipment Rental	\$ 1,200	\$ 1,600	33%
31	Equipment Repair	\$ 7,000	\$ 10,000	43%
32	Fuel	\$ 9,600	\$ 10,500	9%
33	Laundry Service	\$ 3,000	\$ 2,800	-7%
34	Medical Surveillance	\$ 2,400	\$ 2,400	0%
35	Mileage/Parking for Routine Business	\$ 1,500	\$ 1,500	0%
36	Office Equipment Purchase/Rentals	\$ 3,500	\$ 3,500	0%
37	Office furnishings	\$ 1,500	\$ 2,200	47%
38	Office Supplies	\$ 3,500	\$ 5,000	43%
39	Personal Safety Equipment/Devices	\$ 70,000	\$ 70,000	0%
40	Postage/Freight/Courier	\$ 1,200	\$ 1,200	0%
41	Printing/Signage	\$ 1,000	\$ 1,000	0%
42	Public Education Materials	\$ 1,000	\$ 1,000	0%
43	Staff Development/Training Fees & Supplies	\$ 10,000	\$ 14,000	40%
44	Travel for Staff Development & Special Business	\$ 1,200	\$ 1,500	25%
45	Uniforms	\$ 9,000	\$ 12,500	39%
46	Utilities/Maintenance Expense for HC3	\$ 105,000	\$ 170,000	62%
47	Vehicle Maintenance	\$ 7,500	\$ 7,500	0%
48	TOTAL OPERATING EXPENSE BUDGET	\$ 323,275	\$ 425,375	32%
49	¹ COMBINED PERSONNEL AND OPERATING EXPENSE	\$1,190,712	\$1,428,235	20%
50	² OPERATIONS OFFSET FROM CARRYOVER	\$ -	\$ -	0%
51	³ NET OPERATING & PERSONNEL COST TO CITIES	\$ 1,190,712	\$ 1,428,235	20%
52	CAPITAL EXPENSE			
53	Capital Expense for Equipment and Repairs	\$ 130,000	\$ 200,000	54%
54	Capital Offset from Carryover	\$ 0	\$ 0	0%
55	NET CAPITAL EXPENSE COST TO CITIES	\$ 130,000	\$ 200,000	54%
56	³ NET OPERATING, PERSONNEL, AND CAPITAL COST TO CITIES	\$ 1,320,712	\$ 1,628,235	23%
57	COLLECTION/DISPOSAL BUDGET			
58	⁴ Collection/Mobilization/Disposal	\$ 1,192,000	\$ 1,411,000	18%
59	⁴ Contractual Labor/Temp Labor	\$ 356,000	\$ 470,000	32%
60	⁴ ESTIMATED TOTAL COLLECTION/DISPOSAL COST	\$ 1,548,000	\$ 1,881,000	22%
61	² LABOR OFFSET FROM CARRYOVER	\$ -	\$ -	0%
62	³ NET COLLECTION/DISPOSAL COST TO CITIES	\$ 1,548,000	\$ 1,881,000	22%
63	OVERALL PROGRAM BUDGET (Operational, Collection/Disposal, Capital)			
64	³ NET COST TO CITIES	\$ 2,868,712	\$ 3,509,235	22%
65	² TOTAL OFFSET FROM CARRYOVER	\$ -	\$ -	0%
66	TOTAL PROGRAM BUDGET	\$ 2,868,712	\$ 3,509,235	22%

Note

¹Salary structure adjustment for reclassifications in FY2027, along with an anticipated 3% annual cost-of-living adjustment.

²OFFSET FROM CARRYOVER represents funds carried over from prior year budgets and applied to current year budget in order to offset out-of-pocket expense to participating cities.

³Net COST TO CITIES represents the actual cost billed to participating cities before the carryover offset is applied. There is no anticipated carryover from FY2026.

⁴COLLECTION/DISPOSAL represents estimated collection and disposal costs billed to participating cities on an as-used basis. The actual cost may be less or more, depending on economies achieved and available city funding. The current vendor contract is in its final year of a new contract that began in FY21. Accordingly, the budget has been adjusted to accommodate waste disposal and contract labor cost increases under the contract.

File: FY27 Budget & Shares - final

DALLAS COUNTY HOUSEHOLD HAZARDOUS WASTE PROGRAM

Proportional Shares of FY2027 Operational and Capital Budget *

Based on Estimated SINGLE FAMILY HOUSING UNITS **

City	Service Area Based on Single Family Households as per Current NCTCOG Estimates**	Percent of Service Area	FY26 Annual Share of Operational and Capital Budgets*	FY27 Annual Share of Operational and Capital Budgets*	FY27 Quarterly Share of Operational and Capital Budgets*
Addison	1,794	0.36%	\$ 4,748	\$ 5,881.00	\$ 1,470.25
Dallas	238,164	48.21%	\$ 636,714	\$ 784,959.00	\$ 196,239.75
De Soto	16,034	3.25%	\$ 42,916	\$ 52,905.00	\$ 13,226.25
Duncanville	11,436	2.32%	\$ 30,637	\$ 37,762.00	\$ 9,440.50
Farmers Branch	8,852	1.79%	\$ 23,635	\$ 29,132.00	\$ 7,283.00
Garland	62,807	12.71%	\$ 167,853	\$ 206,936.00	\$ 51,734.00
Highland Park	3,078	0.62%	\$ 8,141	\$ 10,082.00	\$ 2,520.50
Irving	42,602	8.62%	\$ 113,839	\$ 140,341.00	\$ 35,085.25
Mesquite	37,001	7.49%	\$ 98,917	\$ 121,942.00	\$ 30,485.50
Richardson	31,564	6.39%	\$ 84,385	\$ 104,031.00	\$ 26,007.75
Rowlett	18,957	3.84%	\$ 50,702	\$ 62,511.00	\$ 15,627.75
Sachse	7,638	1.55%	\$ 20,464	\$ 25,225.00	\$ 6,306.25
Seagoville	3,908	0.79%	\$ 10,437	\$ 12,850.00	\$ 3,212.50
Sunnyvale	2,667	0.54%	\$ 7,125	\$ 8,779.00	\$ 2,194.75
University Park	7,568	1.53%	\$ 20,199	\$ 24,899.00	\$ 6,224.75
TOTAL	494,070	100%	\$1,320,712	\$1,628,235	\$ 407,058.75

NOTES:

* FY27Net Operational Budget = \$1,428,235; Net Capital Costs = \$200,000; Combined Net Operational and Capital Budget = \$1,628,235

Operational and Capital budget shares are determined by multiplying each city's Percent of Service Area times the net total of those two budgets. City shares are billed quarterly in advance and may be proportionately adjusted in the event city participation changes. Disposal costs are paid in addition to Operational and Capital costs and are based on actual usage.

** Single-family housing estimates were revised 06/05/22, using the latest published figures, which have changed from previous year estimates.

File: FY27 Budget & Shares - final

Meeting Date: 9/15/2026

Agenda Item: 4.G.

Title

Consider action to approve the FY2027 Economic Development Funding and Lease Agreement with Rowlett Chamber of Commerce.

Consider action to adopt a resolution approving the FY2027 Economic Development Funding and Lease Agreement between the City of Rowlett and the Rowlett Chamber of Commerce in the amount of \$100,000 for economic development services, and the lease of the building space located at 4418 Main Street for an annual rent of \$1.00; authorizing the Interim City Manager to execute the Agreement; and providing an effective date.

Staff Representative

Kristoff Bauer, Interim City Manager

Executive Summary

The City Council is asked to consider approval of an Economic Development Funding and Lease Agreement between the City of Rowlett and the Rowlett Chamber of Commerce for the fiscal year 2027 (FY2027). Under the terms of the proposed agreement, the City will provide a Funding Grant in the amount of \$100,000 for local economic development services designed to stimulate business and commercial activity within the City. Additionally, the agreement leases the old First Christian Church building at 4418 Main Street to the Chamber for office use at a nominal rent of \$1.00 per year, and defines the respective maintenance and utility obligations of each party.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.8 Provide accurate and timely information to policy-makers and the public.

Background Information

The City of Rowlett and the Rowlett Chamber of Commerce share a long-standing history of collaboration in promoting business growth and economic stability in the community. The City Council has previously approved agreements with the Chamber, including Resolution No. RES-036-21 and Resolution No. RES-135-23, in connection with the lease of municipal building space and the provision of public funding for

economic development services. The City Council recognizes that maintaining a strong Chamber with close, constructive relationships with local businesses is critical to the ongoing economic strength and stability of Rowlett.

To accomplish these objectives, the City utilizes its authority under Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants. This agreement represents a consolidated and updated approach to the partnership, uniting the operational Funding Grant, facility use rights, and the physical lease of the building located at 4418 Main Street (the old First Christian Church building) into a single, comprehensive, mutually beneficial framework.

Discussion

The proposed Economic Development Funding and Lease Agreement establishes the specific services, benefits, performance indicators, lease conditions, and operational obligations of both parties. Key components of the agreement are summarized below:

1. Term and Optional Renewals

The Initial Term of the agreement will commence on October 1, 2026, and terminate on September 30, 2027. Thereafter, the agreement provides for four (4) optional one-year renewal periods (Renewal Terms). The agreement will automatically renew on October 1 of each subsequent year unless either party provides written notice of its intent not to renew at least ninety (90) days prior to the expiration of the then-current term. Additionally, either party has the right to terminate the agreement at any time by providing at least ninety (90) days' advance written notice of termination.

2. Description of City Grants

The City provides three distinct types of grants under this agreement to support the Chamber's operations:

Grant Program	Allocated Value / Amount	Performance Obligations / Scope of Grant
Funding Grant	\$100,000.00 (First Grant Year)	Financial support paid semi-annually (one-half in one-half in April) from the General Fund. The City has the right to adjust this amount for subsequent years (60) days' written notice. If funding is adjusted bi-annually, the Chamber may terminate the agreement 60 days' written notice.
Facility Use Grant	Fee-Waived Use of municipal spaces	Provides complimentary use of City facilities as follows: • Rowlett Community Centre: 12 monthly luncheons (max 9 hours each) and 3 Thursday evening events (max 9 hours each) • Waterview Golf Club: Fee-waiver for the Chamber Golf Tournament. • Community Park: One 5k event without reservation. The Chamber remains responsible for scheduling, setup, cleanup, and restoring the facilities to original condition.
EDAB Representation	Board Participation	Grants the Chamber direct representation in City Council through two (2) voting member seats on the Economic Development Advisory Board (EDAB), and one (1) ex-officio seat held by the Chamber President/CEO.

3. Chamber's Performance and Benefit Obligations

In consideration of the grants provided, the Chamber agrees to deliver a high level of municipal benefit, sponsorship recognition, and board participation to the City, including:

- **Sponsorship Tier:** Provide the City, at a minimum, all benefits, participation arrangements, and recognitions reserved for the second highest-level sponsor organizations at all Chamber events, activities, and functions.
- **Premium Recognition:** Consistently recognize the City as a premium-level sponsor in all Chamber collateral and activities.
- **Chamber Membership:** Enroll the City as a member of the Chamber with dues fully paid under the grant, entitling all sitting members of the City Council and the City administration to all benefits, opportunities, and membership statuses of the highest membership level.
- **Event Fee Waivers:** Waive all event registration/admission fees for up to 10 current Council members or City staff, or the seating assigned to two standard table sponsorships per event, whichever is greater.
- **Board of Directors Representation:** Provide two (2) voting member seats on the Chamber Board of Directors to be filled by appointees of the City.
- **State of the City:** Annually provide the option for the Mayor to present the annual 'State of the City' address at a monthly Chamber luncheon on a mutually agreed date.
- **Leadership Rowlett:** Provide three (3) fee-waived registrations annually in the Leadership Rowlett program, with participants appointed by the City Manager or designee.

4. Lease of 4418 Main Street & Care/Maintenance Allocation

The agreement leases the Old First Christian Church building located at 4418 Main Street (the Premises) to the Chamber for an annual rent of \$1.00. The Premises are leased 'as is' and 'with all faults.' The Chamber must use the Premises solely for its offices and official activities. The agreement defines a clear division of maintenance, utility, and repair responsibilities between the City and the Chamber:

City Responsibility	Chamber Respons
Exterior maintenance (foundation, roof, external walls, lawn maintenance, porches, and landscaping).	Interior maintenance appliances, and gene
Water, wastewater, refuse collection, and water service.	All other utilities (elec communication lines)
Heating and Air Conditioning (HVAC) systems structural maintenance and system replacement.	Routine maintenance air conditioning syste
Termite inspection and treatment, and any necessary repairs resulting from termite infestation.	Installation and moni
Major building structural systems, structural additions, and fire damage/casualty restoration (subject to City's option to terminate the lease if destroyed).	Janitorial services, in servicing/maintenanc with City ordinances.

5. Default, Repayment, and Compliance Provisions

To ensure public funds are utilized responsibly and serve their legitimate public purpose, the agreement includes strict fiscal controls, default conditions, and refund/repayment covenants:

- **Breach & Termination:** The agreement terminates upon mutual agreement, expiration, bankruptcy, delinquent taxes/impositions, or uncured breach within thirty (30) days of notice.
- **Default Repayment:** If terminated due to the Chamber's default (uncured breach or delinquent taxes), the Chamber must immediately repay 100% of the grant funding received during the active term.
- **Bankruptcy Repayment:** If terminated due to bankruptcy, the Chamber must immediately repay all Funding Grant payments preceding termination plus interest calculated at the Wall Street Journal prime rate.
- **Employment of Undocumented Workers:** In compliance with state law, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Chamber must repay all received funds within 120 days of City notice, plus 4% interest compounded annually.
- **State Required Certifications:** The Chamber represents and warrants full compliance with all Texas public contracting certifications, including Gov. Code prohibitions against boycotting Israel, contracting with certain foreign-owned companies, discriminating against the firearm/ammunition industry, boycotting energy companies, and records

retention.

- **Audit Rights:** The City reserves the right to inspect, audit, and reproduce any and all of the Chamber's financial and operational records relating to the services with five (5) days' written notice.

Financial/Budget Implications

Funding for the first Grant Year (FY2027) is established at an amount not to exceed \$100,000.00. These funds will be disbursed from the City, subject to semi-annual invoicing from the Chamber in October and April (each installment being \$50,000.00). This funding has been programed in the Economic Development Fund of the FY27 Proposed Budget also on Council's Sept. 15, 2026, agenda for consideration. The lease of the old First Christian Church building will generate a nominal rental revenue of \$1.00 per year. The fee waivers associated with facility use at the Rowlett Community Centre, Waterview Golf Club, and Community Park represent a non-monetary grant of City space, displacing potential rental revenues, but further a valid economic development purpose.

Recommended Action

Staff recommends that the City Council adopt a resolution approving the Economic Development Funding and Lease Agreement between the City of Rowlett and the Rowlett Chamber of Commerce in the amount of \$100,000.00 for the FY2027 Funding Grant and a lease rate of \$1.00 per year for 4418 Main Street; authorizing the Interim City Manager to execute the Funding Agreement and all necessary and related documents; and providing an effective date.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AN ECONOMIC DEVELOPMENT FUNDING IN AN AMOUNT NOT TO EXCEED \$100,000.00 AND LEASE AGREEMENT WITH ROWLETT CHAMBER OF COMMERCE; AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE THE FUNDING AND LEASE AGREEMENT AND ALL NECESSARY AND RELATED DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Rowlett, Texas (the "City"), is committed to promoting the health, safety, welfare, and quality of life of the residents of the City; and

WHEREAS, Rowlett Chamber of Commerce (the "Chamber") is an organization whose mission includes representing and promoting the economic well-being of the greater Rowlett area business community ; and

WHEREAS, the City Council finds that the Chamber's efforts to promote economic development in the City of Rowlett further a legitimate municipal and public purpose; and

WHEREAS, the City Council has found and determined that providing a lease of a City facility and a grant of public funds to the Chamber, subject to the terms and conditions established by the City, will further these municipal and public purposes by supporting the Chamber's efforts to provide resources, programs, networking events, and education to promote economic

development in the City; and

WHEREAS, the City Council finds that the grant and lease authorized by this Resolution are not being made for the private benefit of the Chamber, but are being provided in consideration of and to accomplish the public purposes described herein; and

WHEREAS, the City Council further finds that the expenditure of City funds authorized by this Resolution constitutes a governmental expenditure serving a legitimate municipal and public purpose and that adequate consideration and controls shall be established to assure that the municipal and public purpose is accomplished;

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

SECTION 1. The recitals, findings and determinations set forth above are determined to be true and correct and are incorporated herein by this reference.

SECTION 2. The City Council hereby approves the Funding and Lease Agreement between the City of Rowlett and the Rowlett Chamber of Commerce, for provision of an economic development grant in an amount not to exceed One Hundred Thousand Dollars (\$100,000.00) and for lease of an identified city facility on the terms and conditions stated therein, all in substantially the form of that attached hereto and incorporated herein by this reference as **Exhibit "A."**

SECTION 3. The Interim City Manager is hereby authorized to execute the Funding and Lease Agreement, in substantially the form of **Exhibit "A,"** and all other necessary and related documents to carry out the purposes of this Resolution.

SECTION 4. This Resolution shall be effective immediately upon its adoption.

Attachments

1. Exhibit A - Eco Devo Funding and Lease Agreement with Chamber of Commerce
final

**ECONOMIC DEVELOPMENT FUNDING AND LEASE
AGREEMENT BETWEEN THE CITY OF ROWLETT AND
THE ROWLETT CHAMBER OF COMMERCE**

This Economic Development Funding and Lease Agreement ("Agreement") is made and entered into by and between the **City of Rowlett**, Texas, a home rule municipal corporation (the "City"), and the **Rowlett Chamber of Commerce**, a nonprofit corporation (the "Chamber") (each a "Party" and collectively the "Parties"), acting by and through their authorized representatives.

WHEREAS, the Chamber is a nonprofit corporation established under the laws of the State of Texas for the purpose of promoting business and economic vitality in the City of Rowlett, Texas; and

WHEREAS, the City Council of the City of Rowlett has previously approved agreements with the Chamber (including Resolution No. RES-036-21 and RES-135-23) in connection with the lease of building space and funding for services; and

WHEREAS, the City believes that a strong Chamber with close and constructive relationships with local businesses is critical to the ongoing economic strength and stability of the City; and

WHEREAS, the City Council finds and determines that the lease of the premises located at 4418 Main Street to the Chamber and the provision of funding to the Chamber promotes the creation, expansion, and maintenance of new and existing business enterprises within the City, stimulated commercial activity, thereby generating sales tax and enhancing the property tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development and this Agreement is given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City Council has determined that entering into this Agreement will further the objectives of the City, benefit the City and its inhabitants and promote local economic development and stimulate business and commercial activity in the City;

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

ARTICLE I: TERM; TERMINATION

1.1 **Initial Term.** The initial term of this Agreement shall begin on October 1, 2026, and end on September 30, 2027 ("Initial Term"), unless terminated sooner as provided herein.

1.2 **Optional Renewals.** There shall be four (4) optional one-year renewal periods following the Initial Term (each a “Renewal Term”). The Initial Term and any and all Renewal Terms shall be referred to herein as the “Term.”

1.3 **Automatic Renewal.** This Agreement shall automatically renew on October 1 for each subsequent renewal period unless either Party provides the other with written notice of its intent not to renew not less than ninety (90) days prior to the expiration of the then-current term.

1.4 **Termination.** Either Party to this Agreement shall have the right to terminate this agreement at any time by giving the other Party at least ninety (90) days advance written notice of termination.

ARTICLE II: GRANT CONDITIONS

The obligation of City to provide the Funding Grant, the Facility Use Grant, and/or the EDAB Representation Grant (collectively, the “Grants”) shall be conditioned upon the continued compliance with and satisfaction of each of the terms and conditions of this Agreement, and each of the conditions set forth in this Article II:

2.1 For the term of this Agreement, the Chamber shall provide the City, at a minimum, all benefits, participation arrangements, and recognitions reserved for the second highest-level sponsor organizations at all Chamber events, activities, functions, and programs.

2.2 For the term of this Agreement, the City shall be consistently recognized by Chamber as a premium-level sponsor in all Chamber collateral and activities.

2.3 For the term of this Agreement, City shall be recognized as a member of the Chamber with dues deemed paid by virtue of the Grant, said membership entitling all sitting members of the City Council and all members of the City administration to all benefits, opportunities, and membership statuses afforded to the highest level of Chamber members.

2.4 For the Term of this Agreement, Chamber shall waive all fees for all Chamber events for a maximum of 10 current Council members or City staff or the seating assigned to two standard table sponsorships per event, whichever is greater. Additional representatives or guests may attend subject to availability and payment of the applicable registration, admission, or seating fee. Nothing in this Agreement shall require the Chamber to reserve or guarantee seating beyond the complimentary allocation provided herein.

2.5 For the Term of this Agreement, Chamber shall provide two voting member seats on the Chamber Board of Directors to be filled by appointment of the City. Nothing in this Agreement shall exempt the City’s representatives on the Chamber Board of Directors from compliance with the Chamber’s governing documents, bylaws, policies, fiduciary requirements, and other requirements generally applicable to all Board members.

2.6 For the Term of this Agreement, Chamber shall annually provide the option for the Mayor to present the annual “State of the City” presentation at a monthly Chamber luncheon on a mutually agreed date.

2.7 For the Term of this Agreement, Chamber shall annually provide City with three (3) fee-waived registrations in the Leadership Rowlett program, with those registrants to be appointed by the City Manager or his designee.

The benefits provided by this Section accrue to the City of Rowlett and not to any subdivision thereof or individual. Nothing in this Article shall exempt individuals identified by the City of Rowlett to participate in a Chamber program or event from compliance with the conditions, rules, or requirements of said program generally applicable to all participants therein.

ARTICLE III: GRANTS

3.1 Funding Grant.

(a) **Amount.** Subject to the continued satisfaction of all the terms and conditions of this Agreement by Chamber and the obligation of Chamber to repay the Grant pursuant to Article IV hereof, City agrees to provide the Funding Grant as set forth in Article III hereof in the amount of One Hundred Thousand Dollars (\$100,000.00) for the first Grant Year. The City reserves the right to adjust the annual Funding Grant amount at its sole discretion for subsequent years of this Agreement. Any such adjustment must be made by the City prior to the start of a new fiscal year (October 1) or the start of a semi-annual payment period, provided the City gives the Chamber at least sixty (60) days' written notice of such adjustment.

(b) **Chamber Termination Right.** In the event the City adjusts the amount of the Funding Grant to an amount below Fifty Thousand Dollars (\$50,000.00) per annum, the Chamber shall have the right to terminate this Agreement immediately upon providing ten (10) days' written notice to the City.

(c) **Invoicing and Payment.** The Chamber shall invoice the City semi-annually in October and April. Each invoice shall be for one-half of the annual Funding Grant amount and shall include a detailed list of all upcoming events, activities, and functions for which the City is receiving premium sponsorship benefits. The City shall remit payment within thirty (30) days of receipt of a correct invoice. Subsequent revisions to the provided list of upcoming events, activities, and functions with reasonable notice to the City shall not constitute a breach of this Agreement.

3.2 Facility Use Grant. Subject to the Continued satisfaction of all the terms and conditions of this Agreement by Chamber and the obligations of Chamber to repay the Grant pursuant to Article IV hereof, City agrees to provide the Facility Use Grant consisting of Chamber use of City facilities as follows:

(a) The Rowlett Community Centre for twelve (12) monthly luncheons (each being a maximum three (3)-hour rental) and Three (3) Thursday evening (each being a maximum nine (9)-hour rental) Chamber sponsored events at no cost,

(b) Waterview Golf Club facility, with waiver of all fees, for the Chamber's Annual Golf Tournament, and,

(c) Community Park for one 5k event without reservation fees.

Nothing in this section requires the City to provide the Chamber with preferential scheduling or to displace a previously scheduled use. The Chamber shall at all times be responsible for maintaining the security of their property. The Chamber shall be responsible for compliance with all applicable use requirements specifically including the removal of all property, signage, decorations, and debris and restoring the facility into the condition existing

prior to their use. Said removal and restoration shall be completed before the expiration of their use period.

3.3 EDAB Representation Grant. Subject to the continued satisfaction of all the terms and conditions of this Agreement by Chamber and the obligation of Chamber to repay the Grant pursuant to Article IV hereof, City agrees to provide the EDAB Representation Grant consisting of two voting member seats on the Economic Development Advisory Board, and one ex- officio seat for the Chamber CEO/ President.

ARTICLE IV: TERMINATION; REPAYMENT

4.1 Termination. This Agreement shall terminate upon any one or more of the following:

- (a) By written agreement of the Parties;
- (b) Expiration Date;
- (c) The failure of either Party to cure a breach of this agreement within thirty (30) days after written notice thereof;
- (d) On the date set forth in a written notice, by City, if Chamber suffers an event of Bankruptcy or Insolvency;
- (e) On the date set forth in written notice, by City, if any Impositions owed to City or the State of Texas by Chamber shall become delinquent (provided, however, Chamber retains the right to timely and properly protest and contest any such Impositions); or
- (f) On the date set forth in written notice, by either Party, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable.

4.2 Repayment Following Termination Under Section 4.1(c), (e), and/or (f). In the event the Agreement is terminated by City pursuant to Section 4.1(c), (e), or (f), Chamber shall immediately repay to the City an amount equal to one hundred percent (100%) of the Grant received by Chamber during the term, whether the Initial Term or a Renewal Term, during which the default triggering termination occurred.

4.3 Repayment Following Termination Section 4.1(d). In the event the Agreement is terminated by City pursuant to Section 4.1(d), the Chamber shall immediately repay to City an amount equal to the total of all Funding Grant payments paid by City to Chamber preceding the date of such termination, plus interest at the rate of interest periodically announced by the *Wall Street Journal* as the prime or base commercial lending rate, or if the *Wall Street Journal* shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by City) as its prime or base commercial lending rate, from the date on which each Funding Grant is paid by City until the Funding Grant is refunded by the Chamber.

4.4 The repayment obligation of Chamber set forth in Article 4 hereof shall survive termination.

4.5 Right of Offset. City may, at its option, offset any amounts due and payable under this Agreement or any related agreement against any debt (including taxes) lawfully due to City from Chamber, regardless of whether the amount due arises pursuant to the terms of this Agreement,

any related agreement, or otherwise and regardless of whether or not the debt due City has been reduced to judgment by a court.

ARTICLE V: LEASE OF PREMISES (4418 MAIN STREET)

5.1 **Leased Premises.** The City hereby leases to the Chamber the old First Christian Church building located at 4418 Main Street, Rowlett, Texas (the "Premises").

5.2 **Condition of Premises.** The Premises are leased "as is" and "with all faults." The City makes no warranties, express or implied, regarding the marketability, habitability, or fitness of the Premises for any particular purpose.

5.3 **Rent.** For the duration of the Term, the rent due from the Chamber to the City shall be One Dollar (\$1.00) per year.

5.4 **Use of Premises.** The Chamber shall use and occupy the Premises solely for the offices and activities of the Rowlett Chamber of Commerce and for no other purpose unless specifically agreed to in writing by the City.

5.5 **Surrender of Premises.** The Chamber covenants that on the last day of term or on the last day of a renewal or extension of term it will peaceably and quietly surrender the demised premises in as good condition as the demised premises is in following the stated improvements, repairs and alterations above with ordinary wear and tear, repairs and replacement required to be made, loss by fire, casualty and causes beyond Chamber's control, excepted. It is understood by the parties that no fixtures attached to the building (air conditioning, plumbing fixtures, etc.) may be removed by the Chamber without the express written consent of the City.

ARTICLE VI: CARE, MAINTENANCE, AND UTILITIES

The Parties agree to allocate responsibility for repairs, maintenance, and utilities for the Premises as follows:

6.1 Responsibility of the City.

- (a) Exterior maintenance including, but not limited to, the foundation, external insulation, lawn maintenance, roof, walls, porches and landscaping;
- (b) Waste, wastewater and refuse collection and water service;
- (c) Heating and air conditioning systems; and
- (d) Termite inspection and treatment if required; and necessary repairs to building due to infestation and resultant damage.

6.2 Responsibility of the Chamber.

- (a) Interior maintenance including, but not limited to, pest control, interior lighting, painting, appliances and routine maintenance of heating and air conditioning systems;
- (b) Installation of security alarms and cameras;
- (c) Janitorial service to maintain the premises in a clean, sightly and healthy condition;
- (d) Service and maintenance of fire extinguishers as may be required by City ordinance and regulation; and
- (e) All utilities, other than water, wastewater and refuse collection.

6.3 Repairs, Alterations, Signage.

- (a) It is understood that the aforesaid list of repairs, maintenance, alterations, or additions to the demised premises constitutes the entire responsibility of each party and that no other repairs, maintenance, alterations, or additions may be made to the demised premises by either party without the prior written consent of the other party. Consent by such party shall not be unreasonably withheld. Interior finish-out and those associated costs are at Chamber's responsibility.
- (b) The Chamber shall not make any additions or alterations to the Premises without prior written approval by the City and shall obtain all relevant permits and inspections and otherwise comply with all applicable regulations.
- (c) Any building improvements, additions, alterations, and fixtures (except furniture and trade fixtures) constructed, placed, or maintained on any part of the Premises during the Lease Term shall be considered part of the real property of the Premises and will be the property of the City and remain on the Premises at the expiration of the term of this Lease, except as otherwise provided herein. So long as no Event of Default exists, the Chamber may, at any time while it occupies the Premises, remove any furniture, machinery, equipment, or other trade fixtures owned or placed by the Chamber in, under, or on the Premises or acquired by the Chamber, whether before or during the Lease Term. The Chamber shall be responsible for repairing any damage to the Premises and to any buildings or improvements on the Premises resulting from the removal. Any such items not removed upon the termination of this Lease will become the City's property on that date.
- (d) The Chamber may not install or erect any sign on or about the Premises without first obtaining the City's written approval with regard to the size, type, shape, design, color, material, and method of attachment of the sign. The Chamber must, at its sole expense, remove any signs that it installed or erected on or about the Premises and repair any damage done to the Premises by installing, erecting, or removing the signs. This removal and repair must be completed no later than the expiration of the Term, whether Initial or Renewal.
- (e) If, during the term of this Lease, any buildings or other improvements situated on the Premises are wholly or partially destroyed or damaged by fire, or any other casualty whatsoever (collectively called a "Casualty") that renders a majority of the premises unsuitable for occupancy, either Party may declare the Lease terminated, and all Parties shall be released from further obligations under this Lease save and except those that survive termination. Alternatively, the City may in its sole discretion repair, replace, restore and reconstruct the improvements in a good and workmanlike manner. If the Lease is not terminated, the City shall not be responsible for any relocation, temporary lease, or other consequential damages during the period of reconstruction or repair.

6.4 Liens.

- (a) The Chamber shall not suffer or permit any mechanics' liens or other liens to be filed against the Premises or against the Chamber's leasehold interest in the Premises. If any lien is filed for labor or materials or other obligations of the

Chamber, such lien shall encumber only the Chamber's leasehold interest in the Premises. If any such liens shall be recorded against the Premises, the Chamber shall cause the same to be removed within thirty (30) days after obtaining knowledge thereof; or, in the alternative, if the Chamber desires in good faith to contest the same, the Chamber shall be privileged to do so, but in such case the Chamber shall indemnify and save the City harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on said lien, cause the same to be discharged and removed prior to the execution of such judgment. This provision shall survive the termination of this Lease.

ARTICLE VII: INSURANCE AND INDEMNIFICATION

7.1 Indemnification. THE CHAMBER AGREES TO ASSUME ALL RESPONSIBILITY AND LIABILITY FOR DAMAGES SUSTAINED BY PERSONS, INCLUDING BUT NOT LIMITED TO DEATH, OR PROPERTY IN CONNECTION WITH THE PERFORMANCE OF SERVICES OR OCCUPANCY OF THE PREMISES. THE CHAMBER HEREBY AGREES TO AND DOES INDEMNIFY AND HOLD HARMLESS THE CITY AND ALL OF ITS CURRENT, FORMER, AND FUTURE OFFICIALS, OFFICERS, AGENTS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, OR CLAIMS OF ANY CHARACTER INCLUDING BUT NOT LIMITED TO THOSE BROUGHT FOR INJURIES OR DAMAGES SUSTAINED BY ANY PERSON, INCLUDING BUT NOT LIMITED TO DEATH, OR PROPERTY RESULTING FROM ANY INTENTIONAL ACT OR OMISSION, INCLUDING BUT NOT LIMITED TO NEGLIGENT OMISSION, ACT, OR CONDUCT OF THE CHAMBER, ITS AGENTS, OR EMPLOYEES. THIS PROVISION SHALL APPLY REGARDLESS OF THE CONCURRENT NEGLIGENCE OF THE CITY AND SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

7.2 Insurance Requirements. Throughout the term of this Agreement, the Chamber shall maintain the following insurance covering the Premises at its own expense:

- **Commercial General Liability:** Minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and property damage, naming the City as an additional insured.
- **Property Insurance:** Coverage for the full insurable value of the Chamber's merchandise, fixtures, equipment, and personal property located within the Premises.

ARTICLE VIII: MISCELLANEOUS PROVISIONS

8.1 Governing Law and Venue. This Agreement shall be governed by the laws of the State of Texas. Venue for any action concerning this Agreement shall be in a state court of competent jurisdiction in Dallas County, Texas. Subject to and without waiving any immunities, the Parties otherwise agree to and do hereby submit to the subject matter and personal jurisdiction of said courts.

8.2 Immunities and Defenses. Nothing in this Agreement shall be deemed a waiver or release of either Party's defenses or immunities, whether sovereign, governmental, official, or

qualified, all such defenses and immunities being expressly retained. The lease of the Premises is found to be an exercise of a governmental function.

8.3 **No Joint Venture.** It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties. It is understood and agreed between the Parties that Chamber, in satisfying the conditions of this Agreement, has acted independently, and City assumes no responsibilities or liabilities to third parties in connection with these actions.

8.4 **Force Majeure.** If a Party's obligations are delayed by an event of force majeure, that Party shall provide written notice within ten (10) days. An equitable adjustment in time for performance shall be made for delays caused by such events.

8.5 **Notices.** Any notice required under this Agreement shall be in writing and delivered to the following addresses and shall be deemed received three (3) days after being deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered.:

For the City:

City of Rowlett
Attn: City Manager
4000 Main Street
Rowlett, Texas 75088

For the Chamber:

Rowlett Chamber of Commerce
Attn: President/CEO
4418 Main Street
Rowlett, Texas 75088

8.6 **Assignment.** This Agreement may not be assigned without the prior written consent of the City Manager. The Agreement is binding upon and inures to the benefit of the heirs, successors, affiliates, administrators, executors, and permitted assigns of the respective Parties.

8.7 **Entire Agreement.** This document constitutes the sole and only agreement between the Parties and supersedes any prior understandings or written or oral agreements between the Parties regarding this subject matter.

8.8 **Amendment.** This Agreement may be amended only by the mutual written agreement of the Parties.

8.9 **Legal Construction.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

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

8.11 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

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

8.13 **Employment of Undocumented Workers.** During the term of this Agreement Chamber agrees not to knowingly employ any undocumented workers and, if Chamber is convicted of a violation under 8 U.S.C. Section 1324a (f), Chamber shall repay the amount of the Funding Grants and any other funds received by Chamber under this Agreement from City as of the date of such violation within one hundred twenty (120) days after the date Chamber is notified by City of such conviction, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid. Chamber is not liable for a violation of this section in relation to any workers employed by a subsidiary, affiliate, or franchisee of Chamber or by a person with whom Chamber contracts.

8.14 **Texas Public Entity Required Certifications.** Because Chamber is contracting with a Texas public entity, to the extent applicable to Chamber and this transaction, Chamber certifies the following:

- a) Certification Regarding Prohibition of Certain Terrorist Organizations (Tex. Gov. Code 2270). Chamber certifies that Chamber is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.
- b) Certification Regarding Prohibition of Boycotting Israel (Tex. Gov. Code 2271). Chamber certifies, where applicable, that neither the Chamber, nor any affiliate, subsidiary, or parent company of Chamber, if any, boycotts Israel, and Chamber agrees that Chamber and Chamber Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory but does not include an action made for ordinary business purposes.
- c) Certification Regarding Prohibition of Contracts with Certain Foreign-Owned Companies (Tex. Gov. Code 2274). Certain public entities are prohibited from entering into a contract or other agreement relating to critical infrastructure that would grant Chamber direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by a customer for product warranty and support purposes. Chamber certifies that neither it nor its parent company nor any affiliate of Chamber or its parent company, is (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; (2) a company or other entity, including governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North

Korea, Russia, or a designated country; or (3) headquartered in China, Iran, North Korea, Russia, or a designated country. For purposes of this certification, "critical infrastructure" means "a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility." Chamber certifies that Chamber will not grant direct or remote access to or control of critical infrastructure, except for product warranty and support purposes, to prohibited individuals, companies, or entities, including governmental entities, owned, controlled, or headquartered in China, Iran, North Korea, Russia, or a designated country, as determined by the Governor.

- d) Certification Regarding Prohibition of Discrimination Against Firearm and Ammunition Industries (Tex. Gov. Code 2274). Chamber certifies that Chamber, or association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary parent company, or affiliate of these entities or associations, that exists to make a profit, does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this contract against a firearm entity or firearm trade association. For purposes of this Agreement, "discriminate against a firearm entity or firearm trade association" shall mean, with respect to the entity or association, to: "(1) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (2) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (3) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association." "Discrimination against a firearm entity or firearm trade association" does not include: "(1) the established policies of a merchant, retail Chamber, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (2) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency, or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association."
- e) Certification Regarding Termination of Contract for Non-Compliance (Tex. Gov. Code 552.374). Pursuant to Chapter 552 of the Texas Government Code, Chamber certifies that Chamber shall: (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to City for the duration of the Agreement; (2) promptly provide to City any contracting information related to the Agreement that is in the custody or possession of Chamber on request of City; and (3) on completion of the Agreement, either (a) provide at no cost to City all contracting information related to the Agreement that is in the custody or possession of Chamber, or (b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to City.

- f) Certification Regarding Prohibition of Boycotting Certain Energy Companies (Tex. Gov. Code 2274). Chamber certifies that Chamber, or any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of these entities or business associations, if any, do not boycott energy companies and will not boycott energy companies during the term of the Agreement or any applicable Supplemental Agreement. For purposes of this certification the term "company" shall mean an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, that exists to make a profit. The term "boycott energy company" shall mean "without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or (b) does business with a company described by paragraph (a)." (See Tex. Gov. Code 809.001).
- g) Chamber agrees that nothing in this Agreement shall be construed as a waiver of sovereign or government immunity; nor constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to City. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to City under this Agreement or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel.
- h) In accordance with Federal civil rights law, all U.S. Departments, including but not limited to the USDA, USDE, FEMA, are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by federal funds (not all bases apply to all programs). Chamber certifies that Chamber will comply with applicable Non-Discrimination and Equal Opportunity provisions set forth in City's policies and other regulations at the local, state, and federal levels of governments.

(Signature Page Follows)

EXECUTED AND AGREED: On this ____ Day of ____.

ROWLETT CHAMBER OF COMMERCE

By: _____ President/CEO

Date: _____

CITY OF ROWLETT, TEXAS

By: _____ City Manager

Date: _____

ATTEST:

By: _____ City Secretary

APPROVED AS TO FORM:

By: _____ City Attorney



City of Rowlett City Council Agenda Item

Meeting Date: 9/15/2026

Agenda Item: 4.H.

Title

Consider action to approve a Municipal Prosecution Services Engagement Letter.

Consider action to adopt a resolution appointing the law firm of Nichols, Jackson, Dillard, Hager & Smith, LLP d/b/a NICHOLS | JACKSON to provide municipal prosecutorial services for the City of Rowlett Municipal Court, authorizing the Interim City Manager to execute a Municipal Prosecution Services Engagement Letter; and providing an effective date.

Staff Representative

Kristoff Bauer, Interim City Manager

Executive Summary

The purpose of this agenda item is to authorize a professional services agreement with the law firm of Nichols, Jackson, Dillard, Hager & Smith, LLP d/b/a NICHOLS | JACKSON (the "Firm") to serve as municipal prosecutor for the City of Rowlett Municipal Court. This action follows the direction of the City Council Court Governance Subcommittee to negotiate a contract with the Firm following a competitive procurement process under Request for Proposals (RFP) No. 2026-79-A. Under the proposed letter of engagement, the Firm will provide continuous, high-quality municipal prosecution services at an hourly rate of \$220.00 per hour, with no additional charges for legal support staff or online legal databases.

Strategic Priority and Goal(s)

Background Information

Section 5.07 of the Rowlett Home Rule Charter mandates that the City Council shall appoint a competent, duly qualified attorney licensed and practicing in the State of Texas to serve as the City Attorney for Municipal Court Prosecution, also known as the City Prosecutor. The Charter requires four (4) affirmative votes of the City Council for both the appointment and removal of the City Prosecutor, who serves at the pleasure of the Council and whose duties include representing the City and State in all proceedings in the Municipal Court, providing training and legal updates to the Rowlett Police Department, and ensuring that justice is done.

On December 14, 2021, the City Council adopted Resolution RES-152-21 appointing the law firm of Messer, Fort & McDonald to provide prosecutorial services for the Municipal Court following a vacancy. With the recent initiation of a new procurement

cycle, the City issued Request for Proposals (RFP) No. 2026-79-A for Prosecutorial Services to evaluate available qualified firms. In response, the City received two comprehensive proposals from highly experienced, Texas-based municipal practices: Beltz Law Group, PC (operating as Beltz Law Group, based in Garland, TX) and Nichols, Jackson, Dillard, Hager & Smith, LLP (d/b/a NICHOLS | JACKSON, based in Dallas, TX).

The Rowlett City Council Court Governance Subcommittee, consisting of Mayor Jeff Winget, Mayor Pro Tem Mike Britton, and Council Member Byron Fassett, convened to review the qualifications, experience, and pricing of the responding firms. Following a thorough evaluation of the proposals, the Subcommittee directed municipal staff to negotiate the final terms of engagement with Nichols Jackson and formally recommends their appointment to the City Council.

Discussion

While both firms demonstrated excellent credentials, the Court Governance Subcommittee recommends the appointment of Nichols Jackson based on several strategic factors: (1) Institutional Depth: The Firm's roster of 15 full-time attorneys provides superior 'bench strength' to guarantee seamless, uninterrupted prosecutorial coverage during planned or unplanned absences. (2) Ethics & Independence: Nichols Jackson's exclusive practice in public and municipal law avoids local conflicts of interest, and eliminates the need for judicial resignations. (3) Cost Efficiency: Although Nichols Jackson's attorney rate is slightly higher (\$220/hr vs. \$200/hr), their fee structure does not charge for paralegals or legal assistants (\$100/hr under the Beltz proposal) nor does it pass through online research database overhead. This provides highly predictable, favorable economics for the City.

Scope:

Under the terms of the proposed letter of engagement, Nichols Jackson will serve as municipal prosecutor for the City of Rowlett for assigned legal matters. Christopher A. Metcalf, II will serve as the Firm's lead prosecutor and primary contact. Other qualified attorneys of the Firm, such as Secondary Prosecutor Lan'Tiqua Burks, may be assigned to cover court appearances and other municipal docket needs, ensuring complete continuity of operations.

The scope of services to be provided by the Firm is structured as follows:

- Court Attendance & Trial Advocacy: Preparing for and attending all scheduled Municipal Court sessions, including initial appearance dockets, pre-trial conferences, bench trials, jury trials, juvenile settings, and compliance or status dockets.
- Case Evaluation & Discovery: Reviewing citations, police incident reports, and code enforcement files for legal sufficiency; drafting formal complaints or informations; and managing strict compliance with the Texas Code of Criminal Procedure discovery mandates (including Michael Morton Act / Article 39.14).
- Plea Negotiations: Conducting pre-trial conferences with defendants and defense

counsel, evaluating mitigating circumstances, and negotiating plea or deferred disposition agreements.

- Departmental Coordination & Training: Providing prompt legal guidance and training to Rowlett police officers, code enforcement, animal services, and court staff regarding statutory updates, warrant requirements, and evidentiary standards.
- Appellate & Quasi-Judicial Representation: Representing the City in appellate proceedings remanded to the County Courts at Law, and participating in post-trial or quasi-judicial hearings (such as substandard building abatements and animal cruelty hearings).

Contract Terms:

The proposed letter of engagement establishes a stable, long-term framework for Rowlett's prosecutorial services with clear operational and transitional protections:

- Continuous Term: The contract is for an initial term of one (1) year from the effective date, automatically renewing each year on the anniversary date unless terminated.
- Termination Provision: Either the City or the Firm may terminate this engagement for any reason at any time upon providing thirty (30) days' prior written notice.
- Transition & File Handover Protocols: In the event of termination, the Firm is contractually obligated to:
 - (a) return all City files (physical and electronic) within thirty (30) business days; (b) complete a detailed status report for all active and pending matters highlighting upcoming deadlines; and (c) assist the City in securing new representation if requested.
- Rate Escalation Cap: On each anniversary of the engagement, the Firm's hourly rate may increase by a maximum of up to 5% of the current rate, subject to a mandatory thirty (30) days' prior written notification to the City.

Financial/Budget Implications

The municipal prosecution services will be billed monthly at the professional hourly rate of \$220.00 per hour for all attorneys, with a minimum of two (2) hours per court appearance and a fixed travel time billing of 0.75 hours per one-way trip. Out-of-court legal services (including research, analysis, and complaint preparation) are billed in 0.25-hour increments. Reimbursable out-of-pocket expenses include mileage at standard IRS rates, copies (\$0.25 per black-and-white page), and outgoing facsimiles (\$1.00 per page).

Crucially, because the Firm does not bill for work performed by paralegals, legal assistants, or online legal research databases, the overall cost of prosecution is

expected to remain highly predictable and competitive. These expenditures will be funded entirely through the Municipal Court's existing annual General Fund operating budget appropriation for legal services.

Recommended Action

The Court Governance Subcommittee of the City Council recommends a motion to adopt a resolution appointing the law firm of Nichols, Jackson, Dillard, Hager & Smith, LLP d/b/a NICHOLS | JACKSON to provide municipal prosecutorial services for the City of Rowlett Municipal Court; authorizing the Interim City Manager to execute the Municipal Prosecution Services Engagement Letter; and providing an effective date.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS APPOINTING THE LAW FIRM OF NICHOLS, JACKSON, DILLARD, HAGER & SMITH, LLP, D/B/A NICHOLS | JACKSON, LLP AS MUNICIPAL COURT PROSECUTORS FOR THE CITY; APPROVING AND AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE AN ENGAGEMENT LETTER WITH THE FIRM FOR MUNICIPAL COURT PROSECUTION LEGAL SERVICES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, municipal court prosecutorial services are an essential element in ensuring that the City provides quality services to its citizens; and

WHEREAS, the City sought proposals for provision of Municipal Court prosecutorial legal services and evaluated those proposals using specific criteria; and

WHEREAS, a letter of engagement has been negotiated with the firm of Nichols, Jackson, Dillard, Hager & Smith, LLP, d/b/a Nichols | Jackson, LLP, for provision of the required Municipal Court prosecutorial legal services; and

WHEREAS, the City Council finds that it serves the general welfare of the City to approve the letter of engagement;

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

SECTION 1. Nichols, Jackson, Dillard, Hager & Smith, LLP, d/b/a Nichols | Jackson, LLP, ("Nichols Jackson") is hereby appointed as the City's Municipal Court Prosecutors and the Engagement Letter between the City and Nichols Jackson for said Municipal Court Prosecutorial Services, attached hereto and incorporated herein by this reference as **Exhibit "A,"** is hereby approved.

SECTION 2. The Interim City Manager or his designee is hereby authorized to execute the Engagement Letter, **Exhibit "A,"** on behalf of the City.

Attachments

1. Exhibit A - NJDS Prosecutor Engagement Letter



500 N. Akard Street
1800 Ross Tower
Dallas, Texas 75201
Main: 214-965-9900
Fax: 214-965-0010
Web: www.nicholsjackson.com

Joseph J. Gorfida Jr.
Email: jgorfida@nicholsjackson.com

September 1, 2026

Via Email Transmission
kbauer@rowlett.com
City of Rowlett, Texas
Attn: Kristoff Bauer, Interim City Manager
4000 Main Street
Rowlett, Texas 75088

Re: **City of Rowlett**
Municipal Prosecution Services Engagement Letter

Dear Mr. Bauer:

Nichols, Jackson, Dillard, Hager & Smith, LLP (the “Firm”) is pleased and honored to have the opportunity to assist the City of Rowlett, Texas (the “City”), as it’s municipal prosecutors. This letter sets out the terms of our engagement, and unless we agree otherwise in writing, it will apply to services provided to the City by the Firm.

Scope of Engagement. We understand that the scope of our engagement is to serve as municipal prosecutor for the City for assigned legal matters. In general, our services may include attendance at court, research and analysis of legal and factual issues, analysis of applicable law, drafting and preparation of documents, or other conferences, written and oral communications with other parties and with the City’s representatives. This engagement shall be continuous, and the Firm shall provide legal services on an ongoing basis unless terminated by the City or the Firm as set forth herein.

Staffing. Christopher A. Metcalf, II will be the Firm’s lead prosecutor and is always available to ensure your satisfaction with our professional relationship. Requests and communications regarding this engagement should be directed to me at the Firm’s general telephone line (214) 965-9900, or by email at jgorfida@nicholsjackson.com. Other attorneys of the Firm may be assigned to cover court appearances, and other work from time to time, but Mr. Metcalf will be the primary contact within the Firm.

Fees and Other Charges. The Firm will provide the requested municipal prosecution services at the rate of \$220.00 per hour, with a minimum of two (2) hours per court appearance, plus travel time (one-way travel time will be billed at a fixed increment of 0.75hrs). The Firm bills in hourly increments of 0.25 for any work outside of court. This rate applies to work performed by all attorneys in the Firm. Unlike most law firms, the Firm does not bill for work performed by legal assistants and does not charge an additional fee for use of online legal databases and subscription resources such as Westlaw and LexisNexis.

The Firm charges for the cost of copies (\$0.25 per black and white page) and for outgoing facsimile transmissions (\$1.00 per page), courier service, and reimbursement for mileage at current IRS rates. In the event travel is required on behalf of the City, the City will be billed at the Firm’s cost. If air travel is required, the least expensive available flights will be selected or, at the City’s option, the City may arrange for the travel.

The City will be provided with a monthly itemized invoice for legal services which will include the date, description of the activity or transaction, the name or initials of the person performing the service, the time used for that service, the amount charged, client cost, and a total of the fees and costs due for the monthly period. Payment is due within thirty (30) days of receipt. If at any time, the City has any questions regarding the charges shown on the monthly invoice, the Firm will immediately investigate and as necessary, eliminate such charges or provide a credit in the next billing.

Attorney-Client Relationship. The term of this engagement is for one year, and the engagement will automatically renew each year, unless terminated. The City and/or the Firm may terminate this engagement for any reason upon thirty (30) days' prior written notice. In the event of termination, the Firm shall be compensated for all services rendered prior to the effective date of such termination. Further, the following transition protocols shall apply: File Handover: Within thirty (30) business days of termination, the Firm shall return all City files (physical and electronic) to the City. Active Matters: The Firm shall complete a status report for all pending matters, highlighting upcoming deadlines and court appearances. Acquisition of New Counsel: The Firm shall assist the City in securing new representation, to the extent the City requests the same.

On each anniversary of this engagement (the "Adjustment Date"), the Firm's hourly rate may increase by up to 5% of the current hourly rate. The City shall be notified of any change in the Firm's hourly rate thirty (30) days prior to the effective date of the change.

Thank you for this opportunity to be of service to the City. The Firm looks forward to working with you and the City. If you have any questions or comments, please do not hesitate to contact us. Please execute in the signature block provided below and return a conformed copy to us.

Sincerely,

Nichols | Jackson LLP

By:


Joseph J. Gorfida, Jr.

AGREED TO AND ACCEPTED this ____ day of _____, 2026.

City of Rowlett, Texas

By:

Kristoff Bauer, Interim City Manager

Meeting Date: 9/15/2026

Agenda Item: 4.I.

Title

Consider action to authorize a Professional Services Contract with CORE Location Advisors, LLC.

Consider action to adopt a resolution authorizing a Professional Services Contract with Core Location Advisors, LLC, for real estate advisory and acquisition services to evaluate and acquire potential locations for Public Safety and City Hall facilities, in an amount not to exceed \$46,980.00; authorizing the Interim City Manager or his designee to execute the Contract and all necessary and related documents; and providing an effective date.

Staff Representative

Kristoff Bauer, Interim City Manager

Executive Summary

The purpose of this agenda item is to authorize a professional services agreement with Core Location Advisors, LLC (dba Core Brokerage, operating as or in partnership with Catalyst) to deliver comprehensive real estate advisory and site acquisition services. Under this agreement, the Professional will evaluate and identify optimal locations for a new, voter-authorized Public Safety facility and a new City Hall facility and guide the City through final purchase negotiations and closing. The scope of work is tailored to evaluate 14 distinct candidate properties identified in previous studies and will be completed on a fixed-fee basis not to exceed \$46,980.00 (exclusive of brokerage fee contingency). Program funding is fully supported by the voter-approved 2023 General Obligation (GO) Bond Program.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.8 Provide accurate and timely information to policy-makers and the public.

Background Information

The City is seeking a location for the construction of a Public Safety Building and City Hall. The City has contracted with Hoefer Welker to identify and evaluate potential locations from a constructibility perspective. Council directed that a real estate

professional be identified to evaluate the City's ability to acquire the candidate sites.

The City solicited qualifications from interested firms which were presented to Council. CORE Location Advisors was identified as the preferred vendor and staff has developed the proposed contract presented for Council consideration.

Discussion

SOQ NO. 2026-81-B EVALUATION & SELECTION PROCESS

In response to the City's solicitation for Commercial Real Estate Services (SOQ No. 2026-81-B), the Evaluation Committee conducted a rigorous review of submitted qualifications. The evaluation narrowed the field to two primary, highly qualified Texas-based firms: Blackland Consulting Services (Sachse, TX) and CORE Location Advisors, LLC (Dallas, TX). To assist City leadership in the selection, the committee evaluated the structural trade-offs between the two distinct methodologies.

Blackland Consulting Services represents an analytical, 'Data Science' approach co-led by Linda Latham and Michael Latham, PhD (Applied Economics). They utilize advanced software (ArcGIS, SAS, STATA) for deep fiscal and tax-base impact analysis. Blackland relies on a 'Documentation Shield' strategy, requiring a formalized Negotiation Memorandum for each parcel before initiating any owner contact. They bring strong hyper-local experience, including prior land exchange coordination in Rowlett.

CORE Location Advisors, LLC (affiliated with Catalyst Commercial, Inc.) represents an agile, transaction-oriented 'Brokerage' approach led by Managing Broker Jason Claunch (TREC# 9001114). CORE utilizes a 'Stealth Shield' strategy, testing market availability and screening owners without disclosing the City as the prospective purchaser to preserve negotiating leverage and prevent artificial price spikes. CORE's schedule is built as a fast-moving, 4-phase sprint specifically mapped to the SOQ's 45-day deliverable window.

Evaluation Criteria	Blackland (Methodical Path)
Project Approach	Methodical 5-phase process focused on procedural documentation.
Relevant Experience	Mesquite Fire Station; Rowlett private land exchange; ROW history in Garland/Plano.
Analytical Strategy	PhD-led quantitative modeling, STATA/SAS, tax removal impacts.
Anonymity Tactic	'Documentation Shield' — formalized pre-authorization reports per site.
Resourcing & Timeline	In-house management; subcontracts appraisals & title search.

Recommendation Rationale: The Evaluation Committee recommended CORE Location Advisors as the optimal fit. While Blackland represents superior local history and academic modeling, CORE's hyper-relevant active experience on Addison's Police Facility site acquisition, combined with their 'Stealth Shield' strategy and 45-day mobilization timeline, is crucial to successfully securing a confidential Public Safety location under highly competitive market conditions.

DISCUSSION & SCOPE OF SERVICES

Under the proposed agreement, Core Location Advisors, LLC will serve as the City's exclusive real estate representative in negotiations and due diligence for the Public Safety / City Hall facility site. The Professional will work as an extension of City Administration, coordinating closely with the City Attorney's Office and the Purchasing Manager. The contract scope of services is structured into five distinct phases, which directly translate the firm's agile brokerage methodology:

• Phase 1: Project Understanding & Mobilization (Task 1.1)

Mobilize the project team to begin a structured intake of the fourteen (14) candidate properties previously identified. The Professional will cross-reference Dallas County Appraisal District records, City GIS layers, zoning, utility mapping, and platting to build a properties database. This foundational research allows early screening for ownership constraints, utility access, and zoning encumbrances.

• Phase 2: Project Kickoff & Existing Conditions Analysis (Tasks 2.1–2.2)

Conduct a project kickoff meeting with City staff to align program goals and facility assumptions (evaluating whether Public Safety components should be co-located or split). Perform a windshield tour of up to thirty (30) candidate locations to ground-truth desktop research, inspect physical site access, and analyze adjacent land uses.

- **Phase 3: Site Selection Analysis (Tasks 3.1–3.5)**

Verify current parcel ownership to ensure candidate properties do not involve more than three (3) separate owners. Conduct confidential outreach to property owners and brokers using Catalyst as a stealth principal, without disclosing the City's involvement. Develop preliminary acquisition cost estimates, conduct a fiscal impact snapshot (evaluating tax base removal), and deliver a Summary of Acquisition Targets Report.

- **Phase 4: Key Targets Formulation (Tasks 4.1–4.3)**

Incorporate City feedback to refine the target list. Develop proposed acquisition strategies, sequencing timelines for negotiations, and evaluate partnership or land exchange opportunities. Prepare a side-by-side comparative analysis across acreage, cost, and schedule risk to narrow the focus to active sites.

- **Phase 5: Acquisitions (Tasks 5.1–5.4)**

Deliver a Final Site Selection and Prospective Acquisition Report to provide a decision-ready basis for City Council authorization. Upon direction, prepare and negotiate Letters of Intent (LOI) and Purchase and Sale Agreements (PSA) for 3 to 5 priority properties. Assist through closing, coordinating with title companies, appraisers, surveyors, and reviewing settlement statements.

CONTRACT TERMS AND IMPLICATIONS

Contract Term: The proposed contract is for a duration of one (1) year commencing upon the Effective Date. The contract may be renewed upon written mutual consent of both parties.

Fixed-Fee Compensation: The total compensation for Tasks 1.1 through 5.1 is a stipulated not-to-exceed sum of \$46,980.00, inclusive of all project expenses. Billings will be invoiced monthly based on the percentage of work completed.

Brokerage Fee Contingency: For the active acquisition phases (Tasks 5.2 through 5.4), the Professional is compensated through a 3.0% brokerage fee contingency based on the final property purchase price. The Professional is contractually bound to use best efforts to negotiate for the seller to pay this commission as a transaction cost. If the City authorizes a purchase contract that does not provide for the seller to pay the fee, the 3% brokerage commission becomes an obligation of the City payable at closing. If no property is acquired, the Professional is not entitled to any brokerage commission.

Financial/Budget Implications

The total proposed professional services contract amount is \$46,980.00. This advisory cost will be funded entirely from the 2023 voter-approved Proposition A (Public Safety Facility) Bond Authorization, which has an approved program budget of \$63,900,000.00. The proposed contract represents less than 0.08% of the total bond allocation.

While the contract amount is within the signature authority of the Interim City Manager, there is the potential that the City may become liable under the contract for a brokerage fee that could exceed that authority. Should any obligation of that kind be proposed, it

will be disclosed as an element of a future property acquisition within the scope of this proposed contract.

Recommended Action

Move to adopt a resolution approving and authorizing the Interim City Manager to execute a Professional Services Contract with Core Location Advisors, LLC for real estate advisory and acquisition services to evaluate and acquire potential locations for a Public Safety / City Hall facility, in an amount not to exceed \$46,980.00; and authorize the Interim City Manager or his designee to execute the contract and all necessary and related documents.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH CORE LOCATION ADVISORS, LLC, A TEXAS LIMITED LIABILITY COMPANY, FOR REAL ESTATE ADVISORY AND ACQUISITION SERVICES RELATED TO PLANNED PUBLIC SAFETY AND CITY HALL FACILITIES FOR A FEE NOT TO EXCEED \$46,980.00; AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE SAID PROFESSIONAL SERVICES AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City is seeking a location or locations suited for the construction of proposed public safety and city hall facilities and, in that regard, the City Council has previously directed that a real estate professional be identified to provide evaluation and acquisition services; and

WHEREAS, the City issued SOQ NO. 2026-81-B, soliciting qualifications from interested firms; and

WHEREAS, in response thereto, the Evaluation Committee has recommended CORE Location Advisors as the optimal fit for the City's needs; and

WHEREAS, City staff finds it to serve the health, safety and general welfare of the City to approve a professional services agreement with CORE Locations Advisors, LLC for real estate advisory and acquisition services related to the planned public safety and city hall facilities;

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

SECTION 1. The Professional Services Agreement for real estate advisory and acquisition services related to planned Public Safety and City Hall Facilities with CORE Location Advisors, LLC, a Texas limited liability company, for a fee not to exceed \$46,980.000, said agreement being in substantially the form of that attached hereto and incorporated herein by this reference as **Exhibit "A,"** is hereby approved.

SECTION 2. The Interim City Manager is hereby authorized to execute the Professional Services Agreement with CORE Location Advisors, LLC in substantially the form of that attached hereto as **Exhibit "A"** and to execute all other necessary and related documents.

SECTION 3. This resolution shall be effective immediately upon its passage.

Attachments

1. Exhibit A - PSC Core Location Advisors LLC

**CITY OF ROWLETT
PROFESSIONAL SERVICES CONTRACT**

THIS CONTRACT FOR PROFESSIONAL SERVICES (“Contract”) is made and entered into by and between the **CITY OF ROWLETT**, a Texas municipal corporation (hereinafter referred to as the "CITY") and **CORE LOCATION ADVISORS, LLC** a Texas limited liability company (hereinafter referred to as "PROFESSIONAL"). CITY AND PROFESSIONAL shall each be referred to individually herein as a “Party” and shall collectively be referred to as the “Parties.”

I. PURPOSE

PROFESSIONAL shall provide real estate advisory services for the City, as set forth in **Exhibit A** (hereinafter the “Scope of Work”) in this Contract (the “Project”). For any additional services the City and PROFESSIONAL shall enter into a Task Order. The Task Order shall include the following information, which may be furnished in consultation with the PROFESSIONAL: (1) Task Order, (2) approach to the tasks (if necessary), (3) description of deliverables, (4) schedule with milestones, (5) cost estimate, (6) due date, All of these items may be brief, but will be sufficiently detailed for the PROFESSIONAL to understand the work being authorized and the amount it will cost. Written Tasks Orders and Notice to Proceed may be issued via email or in writing.

II. DESCRIPTION OF SERVICES

The services which PROFESSIONAL shall provide for the CITY shall include the following:

- A. PROFESSIONAL hereby covenants and agrees that PROFESSIONAL is to work closely with the CITY’s Department Director or their designee, and/or other appropriate officials of the CITY, and that PROFESSIONAL is to perform all tasks required of PROFESSIONAL to fulfill the purposes of this Contract.
- B. PROFESSIONAL and the CITY covenant and agree that PROFESSIONAL shall perform all the services and work contained herein to complete the Project, as further described in the Scope of Work attached hereto and incorporated herein as "Exhibit A." The Parties agree that should there be any conflict between the terms of the Scope of Work and this Contract, the provisions of this Contract shall control.
- C. PROFESSIONAL expressly covenants and agrees to provide the CITY with such written reports as may be required by the Scope of Work.
- D. PROFESSIONAL will provide the CITY with the finished product as set forth and required in Exhibit A.

III. PERFORMANCE OF WORK

PROFESSIONAL or PROFESSIONAL'S associates and employees shall perform all the work called for in this Contract. PROFESSIONAL hereby covenants and agrees that all of PROFESSIONAL'S associates and employees who work on this project shall be fully qualified to undertake same and competent to do the work described in this Contract.

IV. PAYMENT

The CITY shall pay PROFESSIONAL in accordance with Exhibit B "Fee Schedule" a sum not to exceed FORTY-SIX THOUSAND NINE HUNDRED EIGHTY DOLLARS (\$46,980.00), brokerage fee contingency excepted, for the services, including all expenses. PROFESSIONAL shall invoice CITY on a monthly basis for services rendered, based on a percentage of work completed. CITY shall make prompt monthly payments in the amount shown by the PROFESSIONAL'S approved monthly statements and other documentation submitted. No interest shall ever be due on late payments. Within thirty (30) days after the final completion and acceptance by the CITY of all work under this Contract, and demonstration of payment of all suppliers and sub-contractors, final payment shall be due. Throughout the Project, the PROFESSIONAL must establish and maintain procedures for tracking and reporting progress. On projects lasting over two months and exceeding \$15,000, the PROFESSIONAL shall submit to the CITY written progress reports on a monthly basis. The reports shall include a brief summary of progress relative to each phase of work of the project. Reports shall include minutes of review meetings, documentation of any changes, and shall address issues and challenges encountered as well as anticipated project milestones according to the schedule, and anticipated solutions to keep the project on schedule.

V. TERM OF THE CONTRACT

This Contract is for a term of one year ("Term") and shall commence and be in full force and effect upon the last date signed by each Party (the Effective Date). This Contract shall terminate one year after the Effective Date unless the parties mutually agree in writing to extend the term of the Contract, or, unless otherwise terminated as provided in Section XVI herein. This Contract may be renewed upon written mutual consent of both Parties.

VI. CONTRACT ASSIGNMENT

PROFESSIONAL and the CITY hereby covenant and agree that this Contract, and the duties or obligations set forth herein, shall not be assigned, transferred or sublet in whole or part without the prior written consent of the CITY.

VII. CONFLICT OF INTEREST

PROFESSIONAL hereby covenants and agrees that during the Contract period that PROFESSIONAL and any of PROFESSIONAL'S associates and employees will have no interest nor acquire any interest, either direct or indirect, which will conflict in any manner with the

performance of the services called for under this Contract. All activities, investigations and other efforts made by PROFESSIONAL pursuant to this Contract will be conducted by employees or associates of PROFESSIONAL. PROFESSIONAL further covenants and agrees that it understands that the Code of Ordinances of the City of Rowlett prohibits any officer or employee of the CITY from having any financial interest, either direct or indirect, in any business transaction with the CITY. Any violation of this Section which occurred with the actual or constructive knowledge of PROFESSIONAL will render this Contract voidable by the CITY.

VIII. CHANGE IN WORK

The CITY, through its Department Director, may request changes in the scope and focus of the activities and studies called for under this Contract. Any such change which, in the opinion of PROFESSIONAL or the CITY varies significantly from the scope and focus of the work set out herein or entails a significant increase in cost or expense to PROFESSIONAL must be mutually agreed upon by PROFESSIONAL and the CITY. The parties herein acknowledge that any change in the scope or focus of the work which results in the increase in compensation to PROFESSIONAL of the fee stated in Section IV hereof must first be approved by the CITY's City Manager or City Council, where applicable.

IX. CONFIDENTIAL WORK

Any reports, designs, plan, information, project evaluations, data or any other documentation given to or prepared or assembled by PROFESSIONAL under this Contract shall be kept confidential and may not be made available to any individual or organization by PROFESSIONAL without the prior written approval of the CITY, except as may be required by law. PROFESSIONAL acknowledges that CITY is a government entity operating under the laws of the State of Texas and any documents or information held or maintained by the CITY, or that the CITY has a right of access to, is subject to disclosure under Chapter 552 of the Texas Government Code, the Texas Public Information Act ("Act"). Any information that is required to be disclosed by the Act, or any other law, regulation or court order, shall not be considered confidential information. If PROFESSIONAL deems any information subject to this Contract to be confidential or proprietary, PROFESSIONAL shall clearly mark such information as confidential or proprietary. In the event of a request for such information, CITY will work cooperatively with PROFESSIONAL to protect PROFESSIONAL'S marked confidential or proprietary information in accordance with the Act; however, it is PROFESSIONAL'S responsibility to seek protection of its own information, including submission of a request to the appropriate authority or court of competent jurisdiction pursuant to the Act.

X. OWNERSHIP OF DOCUMENTS

CITY acknowledges that PROFESSIONAL owns all notes, reports, or other documents intellectual property or documentation produced by the PROFESSIONAL pursuant to this Contract or in connection with its work ("Work Product"). PROFESSIONAL acknowledges that CITY shall have a privilege to final Work Product upon acceptance and payment of services, in consideration of which it is mutually agreed that the City will use them solely in connection with the Project. PROFESSIONAL acknowledges that the finished product, the report and/or documents and plans

prepared for the CITY, are the property of the CITY. PROFESSIONAL shall provide CITY a copy of all such notes, reports, documents, and information (except to the extent that they contain confidential information about third parties) at CITY expense upon written request. CITY agrees to protect such confidential information in accordance with Section IX herein, and as allowed by applicable law. Notwithstanding anything contained herein to the contrary, Work Product shall specifically exclude all proprietary formulas, formulations, algorithms, trade secrets, software programs, and other copyrightable works, and any other work product created, conceived or developed by Consultant for any other entity.

Work Product is not intended or represented to be suitable for reuse by the CITY or others on extensions of the Project or on any other project. Any reuse or adaptation by the CITY, other than for the specific purpose intended, will be at CITY's sole risk and without liability or legal exposure to the PROFESSIONAL from all claims, damages, losses and expenses including attorney's fees arising out of or resulting therefrom.

XI. NONDISCRIMINATION

As a condition of this Contract, PROFESSIONAL covenants and agrees that PROFESSIONAL shall take all necessary actions to ensure, in connection with any work under this Contract, PROFESSIONAL, PROFESSIONAL'S associates, sub-vendors, and employees will not discriminate in the treatment or employment of any individual or groups of individuals on the grounds of race, color, religion, national origin, age, sex, or physical or mental handicap, either directly or indirectly or through contractual or other arrangements. In this regard, PROFESSIONAL shall keep, retain and safeguard all records relating to this Contract for work performed hereunder for a minimum period of three (3) years from final contract completion, with full access allowed to authorized representatives of the CITY upon request, for purposes of evaluating compliance with this and other provisions of the Contract.

XII. INDEPENDENT CONTRACTOR

By the execution of this Contract, the CITY and PROFESSIONAL do not change the independent contractor status of PROFESSIONAL. No term or provision of this Contract or any act of PROFESSIONAL in the performance of this Contract may be construed as making PROFESSIONAL the agent or representative of the CITY. All employees of PROFESSIONAL shall perform their duties under the supervision of PROFESSIONAL, which PROFESSIONAL shall have the exclusive right to dictate its employees how to perform their tasks. PROFESSIONAL agrees and covenants that each of its employees will be properly qualified and will use reasonable care in the performance of the assigned duties.

XIII. INSURANCE

Prior to the commencement of work under this Contract, PROFESSIONAL shall obtain and shall continue to maintain at no cost to CITY, in full force and effect during the term of this Contract, comprehensive liability insurance policies with companies licensed to do business in the State of Texas and rated not less than "A X" in the current AM Best Financial Rating Guide. If this contract

involves software implementation, support, or maintenance, PROFESSIONAL shall also obtain and shall continue to maintain at no cost to CITY, in full force and effect during the term of this Contract, crime insurance and cyber liability policies. Unless modified in accordance with any ordinance or directive, PROFESSIONAL shall, at minimum, maintain the following coverages:

Insurance Type	Limit
General Liability and Property Damage	\$1,000,000 Each Occurrence \$2,000,000 Aggregate
Automobile Liability	\$1,000,000 Combined Single Limit
Workers' Compensation/ Employers Liability	WC - Statutory EL - \$1,000,000
Professional Liability	\$1,000,000 Each Occurrence \$2,000,000 Aggregate

The general liability and automobile liability policies obtained by PROFESSIONAL shall be primary and noncontributory and include CITY as an additional insured. A provision shall be incorporated in the policies whereby CITY shall be given at least thirty (30) days prior notice of any material change in coverage or of cancellation of such policies, and PROFESSIONAL shall provide CITY with a copy of any such notice of material change in coverage or cancellation of any such policies, within three (3) business days of its receipt of such a notice. For purposes of this section, a material change in coverage includes, but is not limited to, a reduction in coverage below the amounts required under this agreement. PROFESSIONAL shall provide a waiver of subrogation in favor of CITY on all coverages except professional liability and represents that it has taken all actions necessary under the policy or policies for CITY to have the status of additional insured and to effectuate any required waiver of subrogation. PROFESSIONAL shall furnish CITY with original copies of the policies or certificates evidencing such coverage prior to commencement of any work under this Contract.

XIV. HOLD HARMLESS

PROFESSIONAL WARRANTS THAT THE SERVICES IT PERFORMS FOR CITY WILL BE DONE IN A GOOD AND WORKMANLIKE MANNER, AND THAT ANY ITEMS DELIVERED TO THE CITY UNDER THIS CONTRACT WILL BE FIT FOR THE PARTICULAR PURPOSE FOR WHICH IT WAS FURNISHED. PROFESSIONAL SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY WHOLE AND HARMLESS AGAINST ANY AND ALL CLAIMS FOR DAMAGES, COSTS, AND EXPENSES TO PERSONS OR PROPERTY THAT MAY ARISE OUT OF, OR BE OCCASIONED BY, THE EXECUTION OR PERFORMANCE OF THIS CONTRACT OR ANY OF PROFESSIONAL'S ACTIVITIES OR ANY ACT OF COMMISSION OR OMISSION RELATED TO THIS CONTRACT OF ANY REPRESENTATIVE, AGENT, CUSTOMER, EMPLOYEE, SUB-VENDOR OR INVITEE OF PROFESSIONAL. IN NO EVENT SHALL CITY'S LIABILITY EXCEED THE AMOUNT OF FEES PAID BY THE CITY UNDER THIS CONTRACT. IN THE EVENT THAT PROFESSIONAL IS FOUND LIABLE FOR

DAMAGES TO THE CITY FOR ANY CLAIM BROUGHT IN RELATION TO THIS CONTRACT, AND PROFESSIONAL IS A LEGAL ENTITY THAT IS REQUIRED TO FILE OR PAY FRANCHISE TAX IN TEXAS, WHETHER FOREIGN OR DOMESTIC, AND SUCH ENTITY IS FOUND TO NOT BE IN GOOD STANDING WITH THE TEXAS COMPTROLLER AND/OR TEXAS SECRETARY OF STATE, PROFESSIONAL'S OFFICERS MAY BE INDIVIDUALLY LIABLE FOR ANY AND ALL CLAIMS FOR DAMAGES, COSTS, AND EXPENSES TO PERSONS OR PROPERTY THAT MAY ARISE OUT OF, OR BE OCCASIONED BY, THE EXECUTION OR PERFORMANCE OF THIS CONTRACT FOR ANY OF PROFESSIONAL'S ACTIVITIES OR ANY ACT OF COMMISSION OR OMISSION RELATED TO THIS CONTRACT OF ANY REPRESENTATIVE, AGENT, CUSTOMER, EMPLOYEE, SUB- PROFESSIONAL OR INVITEE OF PROFESSIONAL. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, PROFESSIONAL'S LIABILITY UNDER THIS CONTRACT SHALL BE LIMITED TO THE GREATER OF (I) THE ACTUAL AMOUNT PAID TO CONSULTANT UNDER THIS CONTRACT, OR (II) THE INSURANCE PROCEEDS PAID FOR ANY CLAIMS RESULTING FROM PROFESSIONAL'S LIABILITY UNDER THIS CONTRACT. THESE LIMITS OF LIABILITY SHALL SURVIVE TERMINATION OF THIS CONTRACT.

XV. NO VERBAL AGREEMENT

This Contract contains the entire commitments and agreements of the parties to the Contract. Any verbal or written commitment not contained in this Contract or expressly referred to in this Contract and incorporated by reference shall have no force or effect.

XVI. TERMINATION

- A. Either Party may, at its option and without prejudice to any other remedy to which it may be entitled at law or in equity, terminate further work under this Contract, in whole or in part, by giving at least thirty (30) days prior written notice thereof to the other Party. If CITY terminates, all services being terminated shall cease upon the date specified in such notice. The CITY shall equitably compensate PROFESSIONAL, in accordance with the terms of this Contract for the services properly performed prior to the date specified in such termination notice following inspection and acceptance of same by the CITY. PROFESSIONAL shall not, however, be entitled to lost or anticipated profits should the CITY choose to exercise its option to terminate.
- B. If, through any cause, PROFESSIONAL fails to fulfill its obligations under this Contract, or if PROFESSIONAL violates any of the agreements of this Contract, the CITY shall give PROFESSIONAL written notice of such default. If PROFESSIONAL fails to cure such default within ten (10) business days of CITY's notice, CITY has the right to terminate this Contract by giving the PROFESSIONAL five (5) calendar day's written notice. PROFESSIONAL will be compensated for the Services satisfactorily performed (as determined by CITY) before the termination date.

XVII. GOVERNING LAW AND VENUE

This Contract is made subject to the existing provisions of the Charter of the City Rowlett, its rules, regulations, procedures and ordinances, present and future, and is made in accordance with and shall be governed by the laws of the state of Texas. This Contract shall be performable in Rowlett, Texas, and the Parties agree that if any State Court action is necessary to enforce this Contract, exclusive venue will lie in Dallas County, Texas. Venue for any Federal Court action shall be in the United States District Court for the Northern District of Texas, Dallas Division. The City of Rowlett is a home rule municipal corporation, and it is expressly understood that no sales tax is to be paid by CITY, and no services performed on such property owned by CITY can give rise to a lien claim.

XVIII. ADDITIONAL VERIFICATIONS

PROFESSIONAL VERIFIES THAT: (1) It does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, as defined in Texas Government Code § 2274.001, and that it will not during the term of the contract discriminate against a firearm entity or firearm trade association; (2) It does not “boycott Israel” as that term is defined in Texas Government Code § 808.001 and it will not boycott Israel during the term of this contract; and (3) It does not “boycott energy companies,” as those terms are defined in Texas Government Code §§ 809.001 and 2274.001, and it will not boycott energy companies during the term of the contract.

XIX. NOTICES

All notices, requests, or other communications (excluding invoices) hereunder must be in writing and transmitted via email, overnight courier, hand delivery, or certified or registered mail, postage prepaid and return receipt requested to the CITY and PROFESSIONAL as follows:

CITY:

City of Rowlett
ATTN: Kristoff Bauer
Interim City Manager
4000 Main Street, Rowlett, Texas 75088
972-412-6147 | kbauer@rowlett.com

City of Rowlett
ATTN: Purchasing Manager | Purchasing Division
4000 Main Street, Rowlett, TX 75088
Phone 972-412-6189 | Email jcalhoun@rowlett.com
Accounts Payable Contact: 972-412-6127

With copy to the City Attorney (which shall not constitute notice herein):

City of Rowlett
ATTN: City Attorney's Office
4000 W. Main Street, Rowlett, TX 75088

PROFESSIONAL:

Core Location Advisors, LLC dba Core Brokerage
ATTN: Jason Claunch, Manager
4719 Cole Avenue, #404, Dallas, Texas 75204
972-213-0094 | jason@catalystcommercial.net

Any notice required or desired to be given to either Party hereto shall be deemed to be delivered: (i) on the date of delivery, if hand delivered or by email; (ii) one (1) day after sending, if sent by overnight courier; or (iii) three (3) days after the same is deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by registered or certified mail, return receipt requested, and addressed to such Party at the address hereinafter specified. Either Party hereto may change such Party's address for notice to another address within the United States of America, but until written notice of such change is received by the other Party, the last address of such Party designated for notice shall remain such Party's address for notice.

XX. SEVERABILITY

In the event that any provision contained in this Contract is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Contract shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in the Contract.

XXI. RIGHT OF REVIEW

PROFESSIONAL covenants and agrees that the CITY, upon reasonable notice to PROFESSIONAL, may review any of the work performed by PROFESSIONAL under this Contract. CITY shall have the right to review any documents, whether hard copy or electronic, related to performance or payment for services or expenses incurred under this Contract to determine compliance herewith. PROFESSIONAL agrees to provide such access unless expressly prohibited from doing so by court order or other governmental order. PROFESSIONAL shall maintain all records related to this Contract for four (4) years after the final date of payment under this Contract.

XXII. SUCCESSORS AND ASSIGNS

This Contract shall be binding upon and inure to the benefit of the parties hereto and their successors, and, except as otherwise provided herein, their assigns.

XXIII. CAPTIONS

The captions to the various clauses of this Contract are for informational purposes only and in no way alter the substance of the terms and conditions of this Contract.

XXIV. ATTORNEY'S FEES

PROFESSIONAL and CITY expressly covenant and agree that in the event of any claim, dispute, or litigation arising between the parties to this Contract, each Party shall be solely responsible for payment of its attorney's fees and expenses, and that in no event shall either Party be responsible for the other Party's attorney's fees or expenses regardless of the outcome of the litigation.

XXV. FORCE MAJEURE

Neither Party shall be liable for failure to perform its obligations under this Contract and shall have the right to terminate this Contract if performance is delayed by reason of war; civil commotion; acts of God; inclement weather; governmental restrictions or regulations; epidemics; pandemics; fires; strikes; lockouts; natural disasters; riots; material or labor restrictions; transportation restrictions; or other circumstances which are reasonably beyond the control of the Party.

XXVI. ELECTRONIC SIGNATURE

This Contract may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The Parties acknowledge and agree that this Contract may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.

XXVII. NON-PREJUDICE

PROFESSIONAL, and/or its subconsultants (if any) shall not be barred from representing or providing services to the private sector for additional services during or after the termination of this Contract for any engagements related to this work. Furthermore, the CITY acknowledges that Jason Claunch, principal for PROFESSIONAL is a licensed real estate broker (TREC #0456163) and authorizes PROFESSIONAL to act as an intermediary and to appoint its associated licensees to work with the parties in the event that broker also represents a buyer, or tenant, that wishes to purchase property listed with the PROFESSIONAL. PROFESSIONAL may act as an intermediary between a prospective buyer, subject to The Texas Real Estate License Act. PROFESSIONAL hereby acknowledge and consent to PROFESSIONAL acting as an intermediary. No additional fees shall be due to PROFESSIONAL, from CITY, except according to the fees set forth herein in connection with any intermediary services provided by PROFESSIONAL, unless authorized in writing by the CITY, per separate written agreement.

XXVIII. ENTIRE AGREEMENT

This Contract, including its Exhibits, and any documents referenced herein and incorporated as a part hereof, shall constitute the entire agreement relating to the subject matter hereof between the Parties hereto and supersedes any other agreement concerning the subject matter of this

transaction, whether oral or written, and except as otherwise provided herein, this Contract may not be modified without prior written mutual consent of the Parties.

IN WITNESS WHEREOF, the Parties have caused this Contract to be signed and delivered by their duly authorized officers, as of the last date written below.

CITY OF ROWLETT, TEXAS

CORE LOCATION ADVISORS, LLC

By: _____
Kristoff Bauer, Interim City Manager

By: _____
Jason Claunch, Manager

Date: _____

Date: _____

ATTEST:

INSERT, City Secretary

APPROVED AS TO FORM:

INSERT, City Attorney

Schedule A
Scope of Services

SCOPE OF WORK

1. General Scope.

Professional shall serve as the exclusive agent for the City's proposed acquisition of the commercial real property for the construction of a Public Safety / City Hall project. Professional shall serve as the City's sole real estate representative in all negotiations relating to the acquisition of the Property and shall work in coordination with the City's designated representatives, including the City Attorney's Office.

- A. If the City does not acquire Property for any reason, including, without limitation, termination of negotiations, failure to satisfy any contingency, withdrawal of the Property from sale, or the City's election not to proceed, Professional shall not be entitled to any commission arising from the services described in this Exhibit.

2. Advisory Services

A. Professional shall provide the following advisory services:

- i. Serve as the City's exclusive real estate representative in communications with the City, prospective sellers, brokers, title company, and other transaction participants.
- ii. Develop and implement, in coordination with the City and the City Attorney's Office, the City's acquisition and negotiation strategy.
- iii. Negotiate on behalf of the City the business terms of any letter of intent, sales contract, assignment, amendment, bid, extension, settlement, or other transaction document, subject to City approval.
- iv. Support the City regarding pricing, title matters, survey matters, due diligence, brokerage provisions, closing costs, transaction risks, and market considerations.
- v. Coordinate with the City Attorney's Office regarding contract negotiations, title matters, due diligence, and closing requirements.
- vi. Assist in coordinating inspections, environmental assessments, surveys, appraisals, title review, property access, and other due diligence activities.
- vii. Monitor material transaction deadlines, approval requirements, and closing milestones.
- viii. Assist the City through closing or termination of the transaction.

B. Professional's Standard of Performance

- i. Professional shall perform all services competently, diligently, and in the best interests of the City in accordance with the Texas Real Estate License Act, the rules of the Texas Real Estate Commission, and the fiduciary duties owed to a client, including loyalty, confidentiality, disclosure of material information, reasonable care, accounting, and obedience to the City's lawful instructions.

Schedule A
Scope of Services

- ii. Professional shall promptly disclose any actual or potential conflict of interest and shall not accept any undisclosed compensation, commission, referral fee, or other benefit arising from this transaction.

C. Authority and Limitations

- i. Professional is authorized to negotiate and communicate proposals on behalf of the City but shall have no authority to bind the City, execute agreements, waive legal rights, incur financial obligations, or make legal representations unless expressly authorized in writing by the City.
- ii. Any approvals remain solely within the authority of the City and, where required by law, the Rowlett City Council.

3. Brokerage Disclosures

- A. Professional may serve as an intermediary subject to full compliance with applicable law and TREC requirements.
- B. City is advised that real estate brokers may work with both sellers and buyers and with landlords and tenants, sometimes representing the seller or landlord and sometimes representing the buyer or tenant. If Professional works with both a City/landlord and a buyer/tenant, it is possible that the buyer/tenant may want to purchase or lease the Property. In that case, Professional may be faced with a potential conflict of interest. If a Professional acts as an agent for more than one party to a transaction (an "Intermediary"), Texas law requires the broker to disclose its intermediary status and obtain written consent from all parties to authorize the broker to represent more than one party.
- C. Professional hereby discloses to City that Professional may be an agent of both City and a potential buyer or tenant, with prior written consent from the City. In the event that City provides prior written consent to such dual representation, City authorizes Professional, when acting as an Intermediary, to appoint a license holder associated with Professional to communicate with and carry out the instructions of City (and such license Professional may provide opinions and advice to City) and to appoint another license holder associated with Professional to communicate with and carry out the instructions of the other party to such transaction (and such license holder may provide opinions and advise to such other party), and acknowledges that City will be the source of any expected compensation to Professional and Professional may also be paid a fee by the Prospect.
- D. Professional hereby makes the following disclosures to City:
 - 1. A broker who acts as an Intermediary:
 - a. Must treat all parties to the transaction impartially and fairly;
 - b. May, with the parties' written consent, appoint a different license holder associated with the broker to each party (City and buyer) to

Schedule A Scope of Services

communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction; and

- c. Must not, unless specifically authorized in writing to do so by the party, disclose:
 - i. that the City will accept a price less than the written asking price;
 - ii. that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - iii. any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

E. City acknowledges receipt from Professional of a the TREC disclosure notice titled “Information About Brokerage Services.”

F. Listed Prospects

1. If a transaction closes after the termination of this Agreement, then City will pay an brokerage fee to Professional as set forth in Exhibit B if (1) Professional delivers to City, within 15 days after the date that this Contract terminates, a letter containing a written list of the names of the Prospects with whom Professional has discussed the sale and/or lease of all or part of the Property (each a “Listed Prospect”), and (2) within 180 days after the date of termination of this Agreement, City executes a contract to purchase, lease, or expansion or otherwise agrees to acquire any interest in the Property to any such Listed Prospect (and such contract subsequently closes).
2. In addition, if upon the termination of this Agreement, there is a pending agreement to purchase or lease the Property (or any part of the Property) between City and a Prospect, then this Contract shall remain in effect with regard to such pending transaction until it closes and is funded and the acquisition fee is paid to Professional. If a contingency contract or an option agreement covering the Property or any part of the Property is executed by City during the Term, then this Contract will remain in effect with regard to such contingency contract or option agreement until the earlier of the date that (1) the transaction contemplated by the contract or agreement is closed and funded and the acquisition fee is paid to Professional or (2) the contract or agreement expires or is terminated (and is not renewed or reinstated within six months).

3. Additional Services

1. Project Understanding, Approach, and Mobilization

Task 1.1 | Initial Research, GIS, Basemaps, and Analysis

Upon notice to proceed, Catalyst will mobilize its project team and begin a structured intake of the fourteen (14) candidate properties identified by Hoefer Welker, LLC. Our team will compile and cross-reference Dallas County Appraisal District records, City GIS layers, platting and zoning data, floodplain and utility mapping, and any prior due diligence materials provided by the City.

Schedule A Scope of Services

This information will be organized into a working basemap and property database that becomes the analytical backbone for the remainder of the engagement, allowing our team to track ownership, parcel configuration, acreage, encumbrances, and other threshold characteristics for each site as the evaluation progresses. This foundational research also allows Catalyst to identify early red flags, identify ownership, easements, or other constraints before fieldwork and owner outreach begin, so that City staff time and project schedule are directed toward the sites with the greatest likelihood of success.

2. Project Kickoff and Existing Conditions Analysis

Task 2.1 | Project Administration (Monthly Reports)

Catalyst will provide ongoing project administration for the duration of the engagement, including monthly progress reports summarizing tasks completed, sites advanced or eliminated, outreach activity, and any issues requiring City direction. These reports are intended to keep City staff and leadership informed between formal deliverables and to surface decision points early, so that the project maintains momentum toward the acquisition milestones described in this scope.

Task 2.2 | Project Kickoff and Tour

Catalyst will participate in a project kickoff meeting with City staff (and Hoefer Welker if applicable) to confirm project goals, facility program assumptions (City Hall, Animal Services, and Public Safety, co-located or split as the City directs), evaluation criteria, communication protocols, and confidentiality expectations. Following kickoff, our team will conduct a windshield tour of the thirty candidate locations to ground-truth the desktop research completed under Task 1.1, observe site context, access, adjacent land uses, and visible constraints, and begin forming an informed, first-hand impression of each property ahead of the site selection analysis.

3. Site Selection Analysis

Task 3.1 | Verification of Parcels and Selection with City

Catalyst will verify current ownership for each parcel associated with the thirty candidate locations, confirming that no site involves more than three separate property owners, consistent with the parameters established by the City. Working from this verified parcel record, our team will meet with City staff to review findings and confirm the working list of sites to be carried forward for availability assessment and owner engagement, refining the list based on programmatic fit for City Hall, Animal Services, and Public Safety, whether co-located or split across sites.

Task 3.2 | Property Interviews and Availability Assessment

Catalyst will conduct confidential outreach to property owners, brokers, and representatives for each site advanced under Task 3.1 to assess availability and general disposition toward a sale. All inquiries will be conducted without disclosing the City as the prospective purchaser, consistent

Schedule A Scope of Services

with the confidentiality requirement of this solicitation, using Catalyst as the identified principal or agent of record. Through this outreach, our team will gather owner-reported information on willingness to sell, timing considerations, existing leases or tenancies, and any known title or use constraints that would affect a future transaction.

Task 3.3 | Synthesize Results Based on Acquisition Estimates

Catalyst will develop preliminary acquisition cost estimates for each viable site, drawing on available comparable sales, county appraisal data, owner-reported expectations, and current market conditions in the relevant submarkets. These estimates will be synthesized alongside the availability findings from Task 3.2 to produce a consolidated view of each site's relative cost, feasibility, and acquisition risk, giving the City an apples-to-apples basis for comparing sites of differing size, ownership structure, and market position.

Task 3.4 | Conduct a Fiscal Impact Snapshot

For each site advanced through this stage, Catalyst will prepare a fiscal impact snapshot addressing the effect of removing the property from the City's ad valorem tax base, including current assessed value, estimated annual tax revenue impact, and any relevant considerations related to existing improvements or ongoing business operations on the site. This snapshot is intended to give City leadership a clear, comparable picture of the fiscal trade-offs associated with each candidate location, alongside the acquisition cost estimates developed under Task 3.3.

Task 3.5 | Prepare a Summary of Acquisition Targets Report to City

Catalyst will compile the findings of Tasks 3.1 through 3.4 into a summary report identifying the acquisition targets recommended for further pursuit. The report will present each site's ownership structure, availability status, estimated acquisition cost, and fiscal impact in a consistent format, along with our team's professional recommendation on which sites merit continued negotiation and refinement under Section 4 of this scope.

4. Key Targets

Task 4.1 | Refine Sites Based on Initial Discovery and City Feedback

Following City review of the summary report delivered under Task 3.5, Catalyst will meet with City staff to discuss findings, answer questions, and incorporate City feedback and direction into a refined list of key target sites. This refinement step ensures that the sites carried into deeper acquisition planning reflect both the market realities uncovered through owner outreach and the City's programmatic and policy priorities for City Hall, Animal Services, and Public Safety.

Task 4.2 | Create Proposed Acquisition Approach and Schedules

For each refined key target, Catalyst will develop a proposed acquisition approach and schedule, outlining the recommended negotiation strategy, sequencing considerations where multiple sites or ownership groups are involved, anticipated timeline from initial offer through closing, and any

Schedule A Scope of Services

identified partnership or land exchange opportunities that could improve the City's negotiating position or reduce net acquisition cost.

Task 4.3 | Prepare a Comparative Analysis of Target Sites

Catalyst will prepare a comparative analysis of the refined key target sites, evaluating each against consistent criteria including acreage, configuration, ownership complexity, estimated acquisition cost, fiscal impact, schedule risk, and suitability for the City's facility program. This comparative analysis is intended to support City leadership in narrowing the target list to the sites that will be carried forward into active acquisition under Section 5 of this scope.

5. Acquisitions

Task 5.1 | Create a Final Site Selection and Prospective Acquisition Report to City

Building on the comparative analysis developed under Task 4.3, Catalyst will prepare a final site selection and prospective acquisition report presenting our team's recommended site or sites for each facility component (City Hall, Animal Services, and Public Safety) along with supporting rationale, estimated acquisition costs, and a recommended path to closing. This report is intended to give City Council and staff a clear, decision-ready basis for authorizing negotiations on the recommended sites.

Task 5.2 | Develop and Negotiate LOI for 3–5 Sites

Upon City authorization, Catalyst will prepare and negotiate letters of intent for up to three to five priority sites, establishing preliminary business terms, price, contingencies, due diligence period, and closing timeline, as a framework for the subsequent purchase and sale agreement. Our team will lead negotiations with owners and their representatives on the City's behalf, keeping City staff informed at each material step and seeking direction on terms outside previously agreed parameters.

Task 5.3 | Negotiate Purchase and Sale Agreements for Up to 3–5 Sites

Following execution of letters of intent, Catalyst will support negotiation of purchase and sale agreements for up to three to five sites, coordinating with the City Attorney's office and City staff on contract terms, and working with owners and their counsel to resolve outstanding issues related to title, survey, environmental due diligence, and other closing conditions. Our team will track each negotiation to keep the City's acquisition schedule on target.

Task 5.4 | Assist with Closing Activities

Catalyst will assist the City through closing on each acquired site, coordinating with title companies, surveyors, appraisers, and legal counsel; reviewing closing documents and settlement statements; and confirming that closing conditions identified in the purchase and sale agreement have been satisfied. Our team will remain available through funding and recording to resolve any last-minute issues and to ensure a clean transfer of each property to the City.

Schedule A
Scope of Services

Project Management, Deliverables, and Fee Structure

Throughout each phase described above, Catalyst will provide continuous project management and administrative oversight, including maintaining the property database established under Task 1.1; and preparing the Negotiation Memoranda, Acquisition Status Reports, Closing Support Documentation, and other deliverables.

Exhibit B
Fee Schedule

Scope	Total
1. Project Understanding, Approach, and Mobilization	
Task 1.1 Initial research, GIS, basemaps, and analysis	\$2,225.00
2. Project Kickoff and Existing Conditions Analysis	
Task 2.1. Project Administration (Monthly Reports)	\$3,550.00
Task 2.2. Project Kick Off & Tour	\$3,100.00
3. Site Selection Analysis	
Task 3.1 Verification of parcels and selection with City	\$2,050.00
Task 3.2 Property Interviews and availability assessment	\$13,425.00
Task 3.3 Synthesize results based upon acquisition estimates	\$3,650.00
Task 3.4 Conduct a fiscal impact snapshot	\$3,100.00
Task 3.5 Prepare a summary of acquisition targets in a report to City	\$1,775.00
4. Key Targets	
Task 4.1. Refine sites based upon initial discovery and City feedback	\$4,300.00
Task 4.2 Create proposed acquisition approach and schedules	\$3,550.00
Task 4.3 Prepare a comparative analysis of target sites	\$2,450.00
5. Acquisitions	
Task 5.1 Create a final site selection and prospective acquisition report to City.	\$2,550.00
Task 5.2 Develop and negotiate LOI for 3-5 sites	<i>Included in brokerage fee</i>
Task 5.3 Negotiate Purchase and Sale Agreements for up to 3-5 sites	<i>Included in brokerage fee</i>
Task 5.4 Assist with closing activities	<i>Included in brokerage fee</i>
Subtotal	\$43,500.00
<i>Project Management & Overhead</i>	<i>\$3,480.00</i>
Total	\$46,980.00

Brokerage Fee Contingency: It is understood that, upon the City's acquisition of the property following Professional's completion of Tasks 5.2–5.4, Professional will be entitled to a brokerage fee equal to 3% of the purchase price. Professional will use their best efforts to negotiate for the seller to pay the brokerage fee as a cost of the transaction. If the City authorizes a purchase contract that does not provide for the seller to pay the brokerage fee, the brokerage fee will become an obligation of the City and will be paid by the City at closing.



City of Rowlett City Council Agenda Item

Meeting Date: 9/15/2026

Agenda Item: 5.A.

Title

Consider action to adopt a resolution authorizing the award of a contract for Invitation to Bid No. 2026-98-B, Lake Bend Estates Screening Wall Project (Re-Bid), for an amount not to exceed \$993,703.70 (\$903,367.00 plus a ten percent (10%) contingency of \$90,336.70); authorize the Mayor or his designee to execute the contract and all necessary documents to effectuate said purchase; and provide an effective date.

Staff Representative

Bryan Manderscheid, Civil Engineer

Executive Summary

Consider action to adopt a resolution authorizing the award of a contract for Invitation to Bid No. 2026-98-B, Lake Bend Estates Screening Wall Project (Re-Bid), for an amount not to exceed \$993,703.70 (\$903,367.00 plus a ten percent (10%) contingency of \$90,336.70); authorize the Mayor or his designee to execute the contract and all necessary documents to effectuate said purchase; and provide an effective date.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 Strengthen Neighborhood Livability	3.1 Value existing neighborhoods. 3.2 Sustain a community that is appealing to people at all stages of life.

Background Information

On February 17, 2026, City Council approved of a Professional Services Agreement with DCCM Infrastructure Inc., (DCCM), for the engineering design of the Lake Bend Estates Screening Wall Project. The project was previously bid under Bid No. 2026-74-B but the bids were rejected due to an error in the specifications and construction documents. DCCM prepared an Engineer's Opinion of Probable Cost (EOPC) based on industry experience, and evaluated this estimate against recent bid histories. The EOPC for the base bid of the project is \$1,168,600.

Two bids were received. The apparent low bidder was GRod Construction, LLC with a bid amount of \$903,367.00. GRod Construction, LLC is registered to do business in Texas and is not listed on the Texas debarred vendor list or the federal exclusion list.

Discussion

To procure construction services for the Lake Bend Estates project, the City conducted a competitive, publicly advertised bidding process in accordance with state and local procurement requirements. A comprehensive evaluation of all bids to determine the lowest and most responsive and responsible bidder was performed.

An "Invitation to Bid" was published in the Dallas Morning News and on the City's website on August 19, 2026, and August 26, 2026. Sealed bids were received in the purchasing office until 2:00 PM on September 3, 2026, and were publicly opened and read aloud online, in accordance with the Texas Local Government Code.

Two firms submitted itemized bids for the Lake Bend Estates Screening Wall project. The scope of work includes 1,816 linear feet of screening wall, drainage pipe, and minor pavement replacement.

The two bids ranged from \$903,367.00 to \$1,106,030.49 as shown in Attachment 1.

After evaluating the bid submitted by GRod Construction, LLC, City staff reached the following conclusions:

- The bid amount of \$903,367.00 comply with all project requirements and specifications.
- The City will move forward with this bid.

The firm's financial statements demonstrate financial stability and adequate capacity to complete the project. City staff reviewed all bids and recommended awarding the contract to GRod Construction, LLC.

The project schedule requires substantial completion within 120 calendar days from the issuance of the Notice to Proceed, with final completion within 30 calendar days thereafter.

Financial/Budget Implications

Project Code or Budget Account Number	Account or Project Title	Available Budget	Proposed Amount	Remaining Balance
ST2084	Screening Wall Rehabilitation	\$1,318,303.46	\$993,703.70	\$324,599.76

The award of a contract for Invitation to Bid No. 2026-98-B, Lake Bend Estates Screening Wall Project (Re-Bid), to GRod Construction, LLC, for an amount not to exceed \$993,703.70 (\$903,367.00 plus a ten percent (10%) contingency of \$90,336.70).

Recommended Action

Move to adopt a resolution authorizing the award of a contract for Invitation to Bid No. 2026-98-B, Lake Bend Estates Screening Wall Project (Re-Bid), to GRod Construction, LLC, for an amount not to exceed \$993,703.70 (\$903,367.00 plus a ten percent (10%) contingency of \$90,336.70); authorize the Mayor or his designee to execute the contract and all necessary documents to effectuate said purchase; and provide an effective date.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS AWARDED THE CONTRACT FOR REQUEST FOR INVITATION TO BID NO. 2026-98-B ("BID NO. 2026-98-B"), FOR LAKE BEND ESTATES SCREENING WALL PROJECT (RE-BID) TO GROD CONSTRUCTION, LLC, FOR A TOTAL PRICE NOT TO EXCEED \$993,703.70 (\$903,367.00 PLUS A TEN PERCENT CONTINGENCY OF \$90,336.70); AUTHORIZING THE INTERIM CITY MANAGER TO NEGOTIATE AND THE MAYOR OR HIS DESIGNEE TO EXECUTE THE CONTRACT AND ALL RELATED AND NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, a notice to bidders was published in the Dallas Morning News and on the City's website on August 19, 2026 and August 26, 2026 for Bid No. 2026-98-B regarding Lake Bend Estates Screening Wall Project; and

WHEREAS, the lowest responsive and responsible bidder was GRod Construction, LLC, with a bid of \$993,703.70, which included a base bid of \$903,367.00 and a ten percent contingency of \$90,336.70; and

WHEREAS, the City Council finds it to serve the health, safety and general welfare to approve and award the contract for Bid No. 2026-98-B to GRod Construction, LLC for a total bid price of \$993,703.70, which includes a ten percent contingency of \$90,336.70;

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

SECTION 1. The contract for Bid No. 2026-98-B is hereby awarded to GRod Construction, LLC for a total contract price not to exceed \$993,703.70, comprised of a base bid of \$903,367.00 and a contingency of \$90,336.70.

SECTION 2. The Interim City Manager or his designee is hereby authorized to negotiate the contract for Bid No. 2026-98-B and the Mayor or his designee is hereby authorized to execute the contract and any other necessary and related documents.

SECTION 3. This resolution shall take effect immediately upon its passage.

Attachments

1. Attachment 1 - Bid Tabulation Summary - 2026-98-B
2. Attachment 2 - 2026-98-B Construction Contract

	CITY OF ROWLETT	
	BID TABULATION SUMMARY	
	Solicitation No.	2026-98-B
	Solicitation Title	Lake Bend Estates Screening Wall Project (Rebid)
	Solicitation Due Date:	9/3/2026 at 2:00pm
Responding Contractor		Total Base Bid
GRod Construction LLC		\$ 903,367.00
Brick Master of Texas, Inc.		\$ 1,106,030.49
<i>All responses submitted for the designated project are reflected on this tabulation sheet. However, the listing of a response on this tabulation sheet shall not be construed as a comment on the responsiveness or as any indication that the City of Rowlett accepts such submission as being responsive. The City of Rowlett will make a determination as to the responsiveness of the vendor submission based upon compliance with all applicable laws, purchasing guidelines and project documents, including but not limited to the project specifications and contract documents. Upon award of the contract, in accordance with the law, all responses received will be available for inspection at that time.</i>		
Certified by: January Calhoun, CPPO, CPPB, Purchasing Manager Date: September 3, 2026		



CITY OF ROWLETT, TEXAS

CONSTRUCTION CONTRACT

FOR

INVITATION TO BID NO. 2026-98-B

LAKE BEND ESTATES SCREENING WALL PROJECT (REBID)

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CITY OF ROWLETT, TEXAS

This Contract is made by and between the **City of Rowlett, Texas**, a home-rule municipality (hereinafter referred to as the "City") and **GROD CONSTRUCTION LLC**, a Texas Limited Liability Company, (hereinafter referred to as the "Contractor") for construction of **LAKE BEND ESTATES SCREENING WALL PROJECT (REBID)**, (hereinafter referred to as the "Project"). The City and the Contractor hereby agreeing as follows:

ARTICLE I - THE CONTRACT AND THE CONTRACT DOCUMENTS

1.1 THE CONTRACT

1.1.1. The Contract between the City and the Contractor, of which this Contract is a part, consists of the Contract Documents. It shall be effective on the date this Agreement is executed by the last party to execute it.

1.2 THE CONTRACT DOCUMENTS

1.2.1 The Contract Documents consist of this Contract, the Invitation to Bid/Request for Proposal and Addenda, the Specifications, Plans and Drawings, all Change Orders and Field Orders issued hereafter, any other amendments hereto executed by the parties hereafter.

1.2.2 In the event of a conflict in terms among any of the Contract Documents, the provisions of this Contract will prevail. In order of priority in resolving conflicts outside of this Contract, the City's Invitation to Bid/Request for Proposal and Addenda, the Contractor's Bid or Best and Final Offer and the Specifications, Plans and Drawings shall, in that order, prevail. Irreconcilable conflicts that cannot be resolved by field order shall be resolved by written Change Orders. Documents not enumerated in this Paragraph 1.2.1 are not Contract Documents and do not form part of this Contract.

1.3 ENTIRE AGREEMENT

1.3.1 The Contract Documents as defined in Paragraph 1.2.1 and the Contractor's performance and payment bonds for the Project constitute the entire and exclusive agreement between the City and the Contractor regarding the Project. Specifically, but without limitation, this Contract supersedes any bid documents and all prior written or oral communications, representations and negotiations, if any, between the City and Contractor not expressly made a part hereof.

1.4 NO PRIVACY WITH OTHERS

1.4.1 Nothing contained in this Contract shall create or be interpreted to create privity or any other contractual agreement between the City and any person or entity other than the Contractor.

1.5 INTENT AND INTERPRETATION

1.5.1 The intent of this Contract is to require complete, correct and timely execution of the Work. Any Work that may be required, implied or inferred by the Contract Documents, or any one or more of them, as necessary to produce the intended result shall be provided by the Contractor for the Contract Price.

1.5.2 This Contract is intended to be an integral whole and shall be interpreted as internally consistent. What is required by any one Contract Document shall be considered as required by the Contract.

1.5.3 When a word, term or phrase is used in this Contract, it shall be interpreted or construed, first, as defined herein; second, if not defined, per its generally accepted meaning in the construction industry; and third, if there is no generally accepted meaning in the construction industry, per its common and customary usage.

1.5.4 The words "include", "includes", or "including", as used in this Contract, shall be deemed to be followed by the phrase, "without limitation".

1.5.5 The specification herein of any act, failure, refusal, omission, event, occurrence or condition as constituting a material breach of this Contract shall not imply that any other, non-specified act, failure, refusal, omission, event, occurrence or condition shall be deemed not to constitute a material breach of this Contract.

1.5.6 Words or terms used as nouns in this Contract shall be inclusive of their singular and plural forms, unless the context of their usage clearly requires a contrary meaning.

1.5.7 The Contractor shall have a continuing duty to read, carefully study and compare each of the Contract Documents, the Shop Drawings, the Product Data, and any Plans and Specifications, and shall give written notice to the City of any inconsistency, ambiguity, error or omission which the Contractor may discover with respect to these documents before proceeding with the affected Work. The issuance, or the express or implied approval by the City or the Engineer of the Contract Documents, Shop Drawings or Product Data shall not relieve the Contractor of the continuing duties imposed hereby, nor shall any such approval be evidence of the Contractor's compliance with this Contract. The City has requested the Engineer to only prepare documents for the Project, including the Drawings and Specifications for the Project, which are accurate, adequate, consistent, coordinated and sufficient for construction. HOWEVER, THE CITY MAKES NO REPRESENTATION OR WARRANTY OF ANY NATURE WHATSOEVER TO THE CONTRACTOR CONCERNING SUCH DOCUMENTS. By the execution hereof, the Contractor acknowledges and represents that it has received, reviewed and carefully examined such documents, has found them to be complete, accurate, adequate, consistent, coordinated and sufficient for construction, and that the Contractor has not, does not, and will not rely upon any representation or warranties by the City concerning such documents as no such representation or warranties have been or are hereby made. Further, the Contractor represents and warrants that it has had a sufficient opportunity to inspect the Project site and assumes all responsibility for inadequacies or ambiguities in the plans, drawings or specifications as well as for latent conditions of the site where the work is to be performed, subject to the terms and conditions of Subparagraph 8.3.3.

1.5.8 As between numbers and scaled measurements on the Drawings and in the Design, the numbers shall govern, as between larger scale and smaller scale drawings, the larger scale shall govern.

1.5.9 Neither the organization of any of the Contract Documents into divisions, sections, paragraphs, articles, (or other categories), nor the organization or arrangement of the Design shall control the Contractor in dividing the Work or in establishing the extent or scope of the Work to be performed by Subcontractors.

1.6 OWNERSHIP OF CONTRACT DOCUMENTS

1.6.1 The Contract Documents, and each of them, shall remain the property of the City. The Contractor shall have the right to keep one record set of the Contract Documents upon completion of the Project; provided, however, that in no event shall Contractor use, or permit to be used, any or all such Contract Documents on other projects without the City's prior written authorization.

ARTICLE II - THE WORK

2.1 THE WORK

2.1.1 The Contractor shall perform all the Work required, implied or reasonably inferable from, this Contract.

2.2 WORK

2.2.1 The term "Work" shall mean whatever is done by or required of the Contractor to perform and complete its duties under this Contract, including the following: construction of the whole or a designated part of the Project; furnishing of any required surety bonds and insurance, and the provision or furnishing of labor, supervision,

services, materials, supplies, equipment, fixtures, appliances, facilities, tools, transportation, storage, power, permits and licenses required of the Contractor, fuel, heat, light, cooling and all other utilities as required by this Contract. The Work to be performed by the Contractor is generally described as:

The work consists of furnishing all labor, equipment and materials (except as otherwise specified), and performing all work necessary for the construction of approximately 1,860 linear feet of masonry screening wall replacement along Dalrock Road from south of Circlevue Street to north of Trail Lake Drive, 220 square yards of alley replacement, 1 inlet replacement, and related appurtenances.

A detailed scope of work to be performed, including bid specifications, scope of work, and Contractor's bid response incorporated herein by this reference as Exhibit A.

2.2.2 The Contractor shall be responsible for paying for and procuring all materials and labor and furnishing all services necessary or appropriate for the full performance of the Work and the for the full completion of the Project. All materials shall be new and materials and workmanship shall be of good quality. Upon request, the Contractor shall furnish satisfactory proof of the type, kind, and quality of materials.

ARTICLE III - CONTRACT TIME

3.1 TIME AND LIQUIDATED DAMAGES

3.1.1. The Contractor shall commence the Work within **14** days of receipt of a written Notice to Proceed and shall achieve Substantial Completion of the Work no later than **120** calendar days from the date specified in the Notice to Proceed. The parties acknowledge that time is of the essence in the performance of the terms of this Contract. The term "calendar days" shall mean all days of the week or month, no days being excepted. It is contemplated by the parties that the progress of the Work may be delayed by certain conditions beyond the control of the parties; these delays have been contemplated by the parties and considered in the time allotted for performance specified herein and includes, but is not limited to delays occasioned on account of adverse weather, temporary unavailability of materials, shipment delays, and the presence and potential interference of other contractors who may be performing work at the Project site unrelated to this Contract.

The number of calendar days from the date on which the Work is permitted to proceed, through the date set forth for Substantial Completion, shall constitute the "Contract Time".

3.1.2. The Contractor shall pay the City the sum of **\$500** per day for each and every calendar day of unexcused delay in achieving Substantial Completion beyond the date set forth herein for Substantial Completion of the Work. Any sums due and payable hereunder by the Contractor shall be payable, not as a penalty, but as liquidated damages representing an estimate of delay damages likely to be sustained by the City, estimated at or before the time of executing this Contract, and represent City's sole remedy for delay damages in the event of unexcused delay. When the City reasonably believes that Substantial Completion will be inexcusably delayed, the City shall be entitled, but not required, to withhold from any amounts otherwise due the Contractor an amount then believed by the City to be adequate to recover liquidated damages applicable to such delays. If and when the Contractor overcomes the delay in achieving Substantial Completion, or any part thereof, for which the City has withheld payment, the City shall promptly release to the Contractor those funds withheld, but no longer applicable, as liquidated damages.

3.1.3. No claim shall be made by the Contractor to the City, and no damages, costs or extra compensation shall be allowed or paid by the City to the Contractor for any delay or hindrance from any cause in the progress or completion of the Work or this Contract. The Contractor's sole remedy in the event of any delay or hindrance shall be to request time extensions by written change orders as provided for hereinafter. Should the Contractor be delayed by an act of the City, or should the City order a stoppage of the Work for sufficient cause, an extension of time and extended General Conditions shall be granted by the City by written authorization upon written application, which time extension and extended General Conditions shall not be unreasonably denied, to

compensate for the delay.

3.1.4. The City shall have the authority to suspend the Work wholly or in part for such period or periods of time as it may deem appropriate due to unsuitable conditions considered unfavorable for the proper prosecution of the work.

3.1.5. Work or for the failure of the Contractor to carry out instructions from the City or City's representative. During any period in which the Work is stopped or during which any of the Work is not actively in progress for any reason, Contractor shall properly protect the site and the Work from damage, loss or harm.

3.2. SUBSTANTIAL COMPLETION

3.2.1. "Substantial Completion" shall mean that stage in the progression of the Work when the Work is sufficiently complete in accordance with this Contract that the City can enjoy beneficial use or occupancy of the Work and can utilize the Work for its intended purpose, even though minor miscellaneous work and/or adjustment may be required.

3.3 TIME IS OF THE ESSENCE

3.3.1 TIME IS OF THE ESSENCE IN THE PERFORMANCE OF THE WORK AND THE COMPLETION OF THE PROJECT ON OR BEFORE THE SCHEDULED COMPLETION DATE. THE SCHEDULED COMPLETION DATE IS A DEADLINE. THE CITY EMPLOYS A ZERO- TOLERANCE POLICY REGARDING THE TIME FOR COMPLETION. The time for completion is an essential and material term of this Contract and the Contractor's failure to achieve substantial completion on the date stated herein, to comply with work schedules, or achieve milestones in approved construction schedules, shall be a material breach and default of this Contract.

3.3.2 The City shall have the authority to suspend the Work wholly or in part for such period or periods of time as it may deem appropriate due to unsuitable conditions considered unfavorable for the proper prosecution of the Work or for the failure of the Contractor to carry out instructions from the City or City's representative. During any period in which the Work is stopped or during which any of the Work is not actively in progress for any reason, Contractor shall properly protect the site and the Work from damage, loss or harm. The Contractor shall not be compensated for periods of delay caused by a suspension of the work by the City. If work is suspended due to unsuitable conditions through no fault of the Contractor, an extension of time shall be granted by the City by Change Order upon written application, which extension shall not be unreasonably denied, to compensate for the delay.

3.3.3 The Contractor shall not have or assert any claim against the City for damages or back-charges of any kind for any reason, including but not limited to claims for Extra Work, damages, economic loss, additional costs, unknown latent site conditions, and refusals by the City to grant extensions of time, unless supported and authorized by a written Change Order or separate agreement signed by all parties. The Contractor, in entering into this Contract, hereby waives, releases, quitclaims, discharges and holds harmless the City from and against any and all claims, damages, liabilities and losses, save and except those arising under Paragraph 12.1 of this Contract.

ARTICLE IV - CONTRACT PRICE

4.1 THE CONTRACT PRICE

4.1.1 The City shall pay, and the Contractor shall accept, as full and complete payment for all the Work required herein, an amount in current funds equal to the sum of the established unit price for each separately identified item of unit price work times the quantity of that item set forth in the paragraph 4.1.1. Estimated quantities are not guaranteed and determinations of actual quantities and classifications are to be made by the Contractor and the City. The Contract Price is to be paid based upon actual quantities. If actual quantities exceed estimate, Owner may supplement Contract Price with additional moneys to complete original scope of Work. Work will entitle

Contractor to change order for that work. City reserves the right to remove Work from Contractor's scope in the event the cost of the Work will exceed the Contract Price.

**BID FORM
ITB NO. 2026-98-B
LAKE BEND ESTATES SCREENING WALL PROJECT (REBID)**

Item No.	Quantity	Units	Description	Unit Price	Extended Amount
1	1	LS	MOBILIZATION (5% Maximum)	\$60,000.00	\$60,000.00
2	40	LF	REMOVE & REPLACE EXISTING WOOD FENCE (AT CONNECTIONS)	\$200.00	\$8,000.00
3	1816	LF	REMOVE EXISTING SCREENING WALL INCLUDING GRADE BEAM AND PIERS (2' BELOW GRADE BEAM)	\$30.00	\$54,480.00
4	219	SY	REMOVE AND REPLACE EXISTING ALLEY PAVEMENT	\$355.00	\$77,745.00
5	4	SY	REMOVE EXISTING CONCRETE DRIVEWAY	\$60.00	\$240.00
6	1	EA	REMOVE EXISTING CURB INLET	\$2,500.00	\$2,500.00
7	1	EA	CUT & PLUG EXISTING 18" RCP	\$2,700.00	\$2,700.00
8	1	LS	REMOVE & SALVAGE EXISTING ENTRY FEATURE HARDSCAPE STONES	\$4,500.00	\$4,500.00
9	1	LS	REMOVE EXISTING LANDSCAPE AT ENTRY FEATURES	\$3,500.00	\$3,500.00
10	50	SY	REMOVE & REPLACE SIDEWALK (UNAVOIDABLE DAMAGE)	\$145.00	\$7,250.00
11	1816	LF	SCREENING WALL (SINGLE WYTHE - BRICK) (6' HEIGHT)	\$175.00	\$317,800.00
12	250	CY	18" REINFORCED CONCRETE DRILLED SHAFT FOUNDATIONS	\$810.00	\$202,500.00
13	120	CY	REINFORCED CONCRETE GRADE BEAM	\$785.00	\$94,200.00
14	1	EA	CONSTRUCT TRIPLE GATE ALLEY COMBINATION INLET	\$9,900.00	\$9,900.00
15	1	EA	CONNECT NEW 18" RCP TO EXISTING 39" STORM PIPE	\$2,500.00	\$2,500.00
16	36	LF	18" CLASS III STORM PIPE	\$250.00	\$9,000.00
17	620	SY	6" TOPSOIL & BLOCK SODDING	\$25.00	\$15,500.00

Item No.	Estimated Quantity	Units	Description	Unit Cost	Total Amount
18	1	LS	EROSION CONTROL MEASURES PLAN & IMPLEMENTATION	\$4,500.00	\$4,500.00
19	5	MO	TRAFFIC CONTROL PLAN & IMPLEMENTATION	\$2,500.00	\$12,500.00
20	1	LS	TRENCH SAFETY (INCLUDING TRENCH SAFETY DESIGN)	\$850.00	\$850.00
21	343	LF	INSTALL, MAINTAIN AND REMOVE TEMPORARY CONSTRUCTION CHAIN LINK FENCE (6' TALL) WITH PRIVACY NETTING	\$14.00	\$4,802.00
22	4	EA	INSTALL CAST STONE ENTRY SIGN	\$2,100.00	\$8,400.00

TOTAL BID AMOUNT \$903,367.00

ARTICLE V - PAYMENT OF THE CONTRACT PRICE

5.1 SCHEDULE OF VALUES

5.1.1 Within ten (10) calendar days of the effective date hereof, the Contractor shall submit to the City and to the Engineer a Schedule of Values allocating the Contract Price to the various portions of the Work. The Contractor's Schedule of Values shall be prepared in such form, with such detail, and supported by such data as the Engineer or the City may require to substantiate its accuracy. The Contractor shall not imbalance its Schedule of Values nor artificially inflate any element thereof. The violation of this provision by the Contractor shall constitute a material breach of this Contract. The Schedule of Values shall be used only as a basis for the Contractor's Applications for Payment and shall only constitute such basis after it has been acknowledged and accepted in writing by the Engineer and the City.

5.2 PAYMENT PROCEDURE

5.2.1 The City shall pay the Contract Price to the Contractor as provided below.

5.2.2 **PROGRESS PAYMENTS** - Based upon the Contractor's Applications for Payment submitted to the Engineer and upon Certificates for Payment subsequently issued to the City by the Engineer, the City shall make progress payments to the Contractor on account of the Contract Price.

5.2.3 **APPLICATION FOR PAYMENT** - On or before the 25th day of each month after commencement of the Work, the Contractor shall submit an Application for Payment for the period ending the 15th day of the month to the Engineer in such form and manner, and with such supporting data and content, as the City or the Engineer may require. The Contractor may request payment for that portion of the Contract Price properly allocable to Contract requirements properly provided and to labor, materials and equipment properly incorporated in the Work, less retainage and less the total amount of previous payments received from the City. Such Application for Payment shall be signed by the Contractor and shall constitute the Contractor's representation that the Work has progressed to the level for which payment is requested in accordance with the Schedule of Values, that the Work has been properly installed or performed in full compliance with this Contract, and that the Contractor knows of no reason why payment should not be made as requested. Thereafter, the Engineer will review the Application for Payment and may also review the Work at the Project site or elsewhere to determine whether the quantity and quality of the Work is as represented in the Application for Payment and is as required by this Contract. The Engineer shall determine and certify to the City the amount properly owing to the Contractor. The City shall make partial payments on account of the Contract Price to the Contractor within thirty (30) days following the Engineer's receipt and approval of each Application for Payment. The amount of each partial payment shall be the amount certified for payment by the Engineer less such amounts, if any, otherwise owing by the Contractor to the City or which the City shall have the right to withhold as authorized by this Contract. The Engineer's certification of the Contractor's Application for Payment shall not preclude the City from the exercise of any of its rights as set forth in Paragraph 5.3 hereinbelow.

5.2.4 **STATEMENT OF DELAY** - Each Application for Payment shall include a Statement of Delay showing the number of days lost due to inclement weather, conflicts with other City contractors, utilities, or design specifications, or other proper reasons. The failure to submit the Statement of Delay shall be a waiver of any claim for additional days or extensions of the scheduled completion date.

5.2.5 **RETAINAGE** - If the Contract Price set forth in Subparagraph 4.1.1 is between \$50,000 and \$1,000,000, the City shall withhold retainage of ten (10) percent; if between 1,000,001 and \$2,000,000, the City shall withhold retainage of seven and one-half (7½) percent; if over \$2,000,000, the City shall withhold retainage of five (5) percent. If a different percentage is set forth in the Invitation to Bid/Request for Proposal, then that percentage shall apply. Retainage shall be withheld from each progress payment to secure performance of the Contract. The City shall deposit in an interest-bearing account that portion of any retainage withheld that exceeds five (5) percent of the progress payment. Interest earned on retainages in excess of five (5) percent of progress payments shall

be paid to the Contractor with the final payment.

5.2.6 Statement of Delay - Each Application for Payment shall include a Statement of Delay showing the number of days lost due to inclement weather, conflicts with other City contractors, utilities, or design specifications, or other proper reasons. The failure to submit the Statement of Delay shall be a waiver of any claim for additional days or extensions of the scheduled completion date.

5.2.7 The Contractor warrants that title to all Work covered by an Application for Payment will pass to the City no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment, all Work for which payments have been received from the City shall be free and clear of liens, claims, security interest or other encumbrances in favor of the Contractor or any other person or entity whatsoever.

5.2.8 The Contractor shall promptly pay each Subcontractor out of the amount paid to the Contractor on account of such Subcontractor's Work, the amount to which such Subcontractor is entitled. In the event the City becomes informed that the Contractor has not paid a Subcontractor as herein provided, the City shall provide written notice to the Contractor. If the Contractor fails to cure such payment issues within ten (10) days of receipt of City's notice, the City shall have the right, but not the duty, to issue future checks in payment to the Contractor of amounts otherwise due hereunder naming the Contractor and such Subcontractor as joint payees. Such joint check procedure, if employed by the City, shall create no rights in favor of any person or entity beyond the right of the named payees to payment of the check and shall not be deemed to commit the City to repeat the procedure in the future.

5.2.9 No progress payment, nor any use or occupancy of the Project by the City, shall be interpreted to constitute an acceptance of any Work not in strict accordance with this Contract.

5.3 WITHHELD PAYMENT

5.3.1 The City may decline to make payment, may withhold funds, and, if necessary, may demand the return of some or all of the amounts previously paid to the Contractor, to protect the City from loss because of:

- (a) defective Work not remedied by the Contractor nor, in the opinion of the City, likely to be remedied by the Contractor;
- (b) claims of third parties against the City or the City's property;
- (c) failure by the Contractor to pay Subcontractors or others in a prompt and proper fashion, subject to Contractor's right to cure;
- (d) evidence that the balance of the Work cannot be completed in accordance with the Contract for the unpaid balance of the Contract Price;
- (e) evidence that the Work will not be completed in the time required for substantial or final completion;
- (f) persistent failure to carry out the Work in accordance with the Contract;
- (g) damage to the City or a third party to whom the City is, or may be, liable.

In the event that the City makes written demand upon the Contractor for amounts previously paid by the City as contemplated in this Subparagraph 5.3.1, the Contractor shall promptly comply with such demand. The City shall have no duty to third parties to withhold payment to the Contractor and shall incur no liability for a failure to withhold funds.

5.4 UNEXCUSED FAILURE TO PAY

5.4.1 If within fifteen (15) days after the date established herein for payment to the Contractor by the City, the City, without cause or basis hereunder, fails to pay the Contractor any amount then due and payable to the Contractor, then the Contractor may after ten (10) additional days' written notice to the City and the Engineer, and without prejudice to any other available rights or remedies it may have, stop the Work until payment of those amounts due from the City have been received. Late payments shall not accrue interest or other late charges.

5.5 SUBSTANTIAL COMPLETION

5.5.1 When the Contractor believes that the Work is substantially complete, the Contractor shall submit to the Engineer a list of items to be completed or corrected. When the Engineer on the basis of an inspection determines that the Work is in fact substantially complete, it will prepare a Certificate of Substantial Completion which shall establish the date of Substantial Completion, shall state the responsibilities of the City and the Contractor for Project security, maintenance, heat, utilities, damage to the Work, and insurance, and shall fix the time within which the Contractor shall complete the items listed therein. Guarantees required by the Contract shall commence on the date of Substantial Completion of the Work. The Certificate of Substantial Completion shall be submitted to the City and the Contractor for their written acceptance of the responsibilities assigned to them in such certificate.

Upon Substantial Completion of the Work, and execution by both the City and the Contractor of the Certificate of Substantial Completion, the City shall pay the Contractor an amount sufficient to increase total payments to the Contractor to one hundred percent (100%) of the Contract Price less three hundred percent (300%) of the reasonable cost as determined by the City and the Engineer for completing all incomplete Work, correcting and bringing into conformance all defective and nonconforming Work, and handling all unsettled claims.

5.6 COMPLETION AND FINAL PAYMENT

5.6.1 When all of the Work is finally complete and the Contractor is ready for a final inspection, it shall notify the City and the Engineer thereof in writing. Thereupon, the Engineer will make final inspection of the Work and, if the Work is complete in full accordance with this Contract and this Contract has been fully performed, the Engineer will promptly issue a final Certificate for Payment certifying to the City that the Project is complete and the Contractor is entitled to the remainder of the unpaid Contract Price, less any amount withheld pursuant to this Contract. If the Engineer is unable to issue its final Certificate for Payment and is required to repeat its final inspection of the Work, the Contractor shall bear the cost of such repeat final inspection(s) which cost may be deducted by the City from the Contractor's final payment.

5.6.1.1 If the Contractor fails to achieve final completion within thirty (30) days of Substantial Completion, the Contractor shall pay the City the sum set forth hereinabove as liquidated damages per day for each and every calendar day of unexcused delay in achieving final completion beyond the date set forth herein for final completion of the Work. Any sums due and payable hereunder by the Contractor shall be payable, not as a penalty, but as liquidated damages representing an estimate of delay damages likely to be sustained by the City, estimated at or before the time of executing this Contract. When the City reasonably believes that final completion will be inexcusably delayed, the City shall be entitled, but not required, to withhold from any amounts otherwise due the Contractor an amount then believed by the City to be adequate to recover liquidated damages applicable to such delays. If and when the Contractor overcomes the delay in achieving final completion, or any part thereof, for which the City has withheld payment, the City shall promptly release to the Contractor those funds withheld, but no longer applicable, as liquidated damages.

5.6.2 The Contractor shall not be entitled to final payment unless and until it submits to the Engineer its affidavit that all payrolls, invoices for materials and equipment, and other liabilities connected with the Work for which the

City, or the City's property might be responsible, have been fully paid or otherwise satisfied; releases and waivers of lien from all Subcontractors of the Contractor and of any and all other parties required by the Engineer or the City; consent of Surety, if any, to final payment. If any third party fails or refuses to provide a release of claim or waiver of lien as required by the City, the Contractor shall furnish a bond satisfactory to the City to discharge any such lien or indemnify the City from liability.

5.6.3 The City shall make final payment of all sums due the Contractor within thirty (30) days of the Engineer's execution of a final Certificate for Payment.

5.6.4 Acceptance of final payment shall constitute a waiver of all claims against the City by the Contractor except for those claims previously made in writing against the City by the Contractor, pending at the time of final payment, and identified in writing by the Contractor as unsettled at the time of its request for final payment.

5.6.5 Under no circumstance shall Contractor be entitled to receive interest on any payments or monies due Contractor by the City, whether the amount on which the interest may accrue is timely, late, wrongfully withheld, or an assessment of damages of any kind.

ARTICLE VI - THE CITY

6.1 INFORMATION, SERVICES AND THINGS REQUIRED FROM CITY

6.1.1 The City shall furnish to the Contractor, at the time of executing this Contract, all written and tangible material in its possession concerning conditions below ground at the site of the Project.

Such written and tangible material is furnished to the Contractor only in order to make complete disclosure of such material and for no other purpose. By furnishing such material, the City does not represent, warrant, or guarantee its accuracy either in whole, in part, implicitly or explicitly, or at all, and shall have no liability therefor. The City shall also furnish surveys, legal limitations and utility locations (if known), and a legal description of the Project site.

6.1.2 Excluding permits and fees normally the responsibility of the Contractor, the City shall obtain all approvals, easements, and the like required for construction and shall pay for necessary assessments and charges required for construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

6.1.3 The City shall furnish the Contractor, free of charge, one copy of the Contract Documents for execution of the Work.

6.2 RIGHT TO STOP WORK

6.2.1 If the Contractor persistently fails or refuses to perform the Work in accordance with this Contract, or if the best interests of the public health, safety or welfare so require, the City may order the Contractor to stop the Work, or any described portion thereof, until the cause for stoppage has been corrected, no longer exists, or the City orders that Work be resumed. In such event, the Contractor shall immediately obey such order.

6.3 CITY'S RIGHT TO PERFORM WORK

6.3.1 If the Contractor's Work is stopped by the City under Paragraph 6.2, and the Contractor fails within seven (7) days of such stoppage to provide adequate assurance to the City that the cause of such stoppage will be eliminated or corrected, then the City may, without prejudice to any other rights or remedies the City may have against the Contractor, proceed to carry out the subject Work. In such a situation, an appropriate Change Order shall be issued deducting from the Contract Price the cost of correcting the subject deficiencies, plus compensation for the Engineer's additional services and expenses necessitated thereby, if any. If the unpaid portion of the

Contract Price is insufficient to cover the amount due the City, the Contractor shall pay the difference to the City.

ARTICLE VII - THE CONTRACTOR

7.1 THE CONTRACTOR

7.1.1 The Contractor is again reminded of its continuing duty set forth in Subparagraph 1.5.7. The Contractor shall perform no part of the Work at any time without adequate Contract Documents or, as appropriate, approved Shop Drawings, Product Data or Samples for such portion of the Work. If the Contractor performs any of the Work knowing it involves a recognized error, inconsistency or omission in the Contract Documents without such notice to the Engineer, the Contractor shall bear responsibility for such performance and shall bear the cost of correction.

7.2 MUST FOLLOW CONTRACT

7.2.1 The Contractor shall perform the Work strictly in accordance with this Contract.

7.3 PROSECUTION OF WORK

7.3.1 The Contractor shall supervise and direct the Work using the Contractor's best skill, effort and attention. The Contractor shall be responsible to the City for any and all acts or omissions of the Contractor, its employees and others engaged in the Work on behalf of the Contractor.

7.3.2 The Contractor shall give adequate attention to the faithful prosecution of the Work and the timely completion of this Contract, with authority to determine the manner and means of performing such Work, so long as such methods insure timely completion and proper performance.

7.3.3 The Contractor shall exercise all appropriate means and measures to insure a safe and secure jobsite in order to avoid and prevent injury, damage or loss to persons or property.

7.3.4 The City will not interfere with the Contractor's manner and means of performing the Work. However, the City's insistence on strict compliance with the Contract shall not be regarded as an interference with the Contractor's manner and means. In the event that any part of the Work is not in strict compliance with the Contract, the Contractor is and shall be estopped from claiming any interference by the City or Engineer with the Contractor's manner and means of performing that part of the Work.

7.4 WARRANTY

7.4.1 The Contractor warrants to the City that all labor furnished to progress the Work under this Contract will be competent to perform the tasks undertaken, that the product of such labor will yield only first-class results, that materials and equipment furnished will be of good quality and new unless otherwise permitted by this Contract, and that the Work will be of good quality, free from faults and defects and in strict conformance with this Contract. All Work not conforming to these requirements may be considered defective. The Contractor warrants and guaranties that it shall complete the work and achieve substantial completion by the scheduled completion date, as may be extended by Contract, strictly in accordance with this contract. Defective work or materials shall be fixed, repaired or replaced free of charge or cost to the City.

7.5 PERMITS; FEES; LICENSES

7.5.1 The Contractor shall obtain and pay for all permits, fees and licenses necessary and ordinary for the Work. The Contractor shall comply with all lawful requirements applicable to the Work and shall give and maintain any and all notices required by applicable law pertaining to the Work.

7.6 SUPERVISION

7.6.1 The Contractor shall employ and maintain at the Project site only competent supervisory personnel. Absent written instruction from the Contractor to the contrary, the superintendent shall be deemed the Contractor's authorized representative at the site and shall be authorized to receive and accept any and all communications from the City or the Engineer.

7.6.2 Key supervisory personnel assigned by the Contractor to this Project are as follows:

NAME	FUNCTION

So long as the individuals named above remain actively employed or retained by the Contractor, they shall perform the functions indicated next to their names unless the City agrees to the contrary in writing. In the event one or more individuals not listed above subsequently assume one or more of those functions listed above, the Contractor shall be bound by the provisions of this Subparagraph 7.6.2 as though such individuals had been listed above.

7.7 WORK SCHEDULE

7.7.1 The Contractor, within fifteen (15) days of commencing the Work, shall submit to the City and the Engineer for their information, the Contractor's schedule for completing the Work. The Contractor's schedule shall be revised no less frequently than monthly (unless the parties otherwise agree in writing) and shall be revised to reflect conditions encountered from time to time and shall be related to the entire Project. Each such revision shall be furnished to the City and the Engineer. Failure by the Contractor to strictly comply with the provisions of this Section 7.7 shall constitute a material breach of this Contract.

7.8 ON-SITE DRAWINGS

7.8.1 The Contractor shall continuously maintain at the site, for the benefit of the City and the Engineer, one record copy of this Contract marked to record on a current basis changes, selections and modifications made during construction. Additionally, the Contractor shall maintain at the site for the City and Engineer the approved Shop Drawings, Product Data, Samples and other similar required submittals. Upon final completion of the Work, all of these record documents shall be delivered to the City.

7.9 SHOP DRAWINGS, PRODUCT DATA AND SAMPLES

7.9.1 Shop Drawings, Product Data, Samples and other submittals from the Contractor do not constitute Contract Documents. Their purpose is merely to demonstrate the manner in which the Contractor intends to implement the Work in conformance with information received from the Contract Documents.

7.9.2 The Contractor shall not perform any portion of the Work requiring submittal and review of Shop Drawings, Product Data or Samples unless and until such submittal shall have been approved by the Engineer. Approval by the Engineer, however, shall not be evidence that Work installed pursuant thereto conforms with the requirements of this Contract.

7.10 CLEANING THE SITE AND THE PROJECT

7.10.1 The Contractor shall keep the site reasonably clean during performance of the Work. Upon final completion of the Work, the Contractor shall clean the site and the Project and remove all waste, rubbish, temporary structures, and other materials together with all of the Contractor's property therefrom. Contractor shall dispose of

all refuse at a Texas Natural Resource Conservation Commission approved landfill. The Contractor shall further restore all property damaged during the prosecution of the Work and shall leave the site in a clean and presentable condition. No additional payment shall be made by the City for this work, the compensation having been considered and included in the contract price.

7.11 ACCESS TO WORK AND INSPECTIONS

7.11.1 The City and the Engineer shall have access to the Work at all times from commencement of the Work through final completion. The Contractor shall take whatever steps necessary to provide access when requested. When reasonably requested by the City or the Engineer, the Contractor shall perform or cause to be performed such testing as may be necessary or appropriate to insure suitability of the jobsite or the Work's compliance with the Contract requirements.

7.12 INDEMNITY AND DISCLAIMER

7.12.1 CITY SHALL NOT BE LIABLE OR RESPONSIBLE FOR, AND SHALL BE INDEMNIFIED, HELD HARMLESS AND RELEASED BY CONTRACTOR FROM AND AGAINST ANY AND ALL SUITS, ACTIONS, LOSSES, DAMAGES, CLAIMS, OR LIABILITY OF ANY CHARACTER, TYPE, OR DESCRIPTION, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, FOR INJURY OR DEATH TO ANY PERSON, OR INJURY OR LOSS TO ANY PROPERTY, RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS, INCLUDING THE CONTRACTOR, OR PROPERTY, ARISING OUT OF, OR OCCASIONED BY, DIRECTLY OR INDIRECTLY, THE PERFORMANCE OF CONTRACTOR UNDER THIS CONTRACT, INCLUDING CLAIMS AND DAMAGES ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF CITY, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. IT IS THE EXPRESSED INTENT OF THE PARTIES TO THIS CONTRACT THAT THE INDEMNITY PROVIDED FOR IN THIS CONTRACT IS AN INDEMNITY EXTENDED BY CONTRACTOR TO INDEMNIFY AND PROTECT CITY FROM THE CONSEQUENCES OF THE CONTRACTOR'S AND THE CITY'S NEGLIGENCE, WHETHER SUCH NEGLIGENCE IS THE SOLE OR PARTIAL CAUSE OF ANY SUCH INJURY, DEATH, OR DAMAGE.

7.12.2 The Contractor will secure and maintain Contractual Liability insurance to cover this indemnification agreement that will be primary and non-contributory as to any insurance maintained by the City for its own benefit, including self-insurance. In addition, Contractor shall obtain and file with City a Certificate of Insurance and copies of policy endorsements evidencing the required coverage.

7.12.3 In claims against any person or entity indemnified under this Paragraph 7.12 by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this Paragraph 7.12 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

7.13 NONDISCRIMINATION

7.13.1 The Contractor shall not discriminate in any way against any person, employee or job applicant on the basis of race, color, creed, national origin, religion, age, sex, or disability where reasonable accommodations can be effected to enable the person to perform the essential functions of the job. The Contractor shall further ensure that the foregoing nondiscrimination requirement shall be made a part and requirement of each subcontract on this Project.

7.14 PREVAILING WAGE RATES

7.14.1 The Contractor shall comply in all respects with all requirements imposed by any laws, ordinances or resolutions applicable to the Project with regard to the minimum prevailing wage rates for all classes of employees, laborers, subcontractors, mechanics, workmen and persons furnishing labor and services to the Project. The City has adopted a Prevailing Wage Rate Schedule, available to the Contractor by request, which specifies the classes and wage rates to be paid to all persons. The Contractor shall pay not less than the minimum wage rates established thereby for each class, craft or type of labor, workman, or mechanic employed in the execution of this Contract. The failure of the Contractor to comply with this requirement shall result in the forfeiture to the City of a sum of not less than Sixty Dollars (\$60.00) for each person per day, or portion thereof, that such person is paid less than the prevailing rate. Upon request by the City, Contractor shall make available for inspection and copying its books and records, including but not limited to its payroll records, account information and other documents as may be required by the City to ensure compliance with this provision.

7.15 JOB SITE SAFETY PRECAUTIONS

7.15.1 The Contractor shall at all times exercise reasonable precautions for the safety of its employees, laborers, subcontractors, mechanics, workmen and others on and near the jobsite and shall comply with all laws, ordinances, regulations, and standards of federal, state and local safety laws and regulations. The Contractor shall provide such machinery guards, safe walkways, ladders, bridges, and other safety devices as may be necessary or appropriate to ensure a safe and secure jobsite and shall require its subcontractors to comply with this requirement. The Contractor shall immediately comply with any and all safety requirements imposed by the Engineer during the progress of the Work.

7.16 WARNING DEVICES AND BARRICADES

7.16.1 The Contractor shall furnish and maintain such warning devices, barricades, lights, signs, pavement markings, and other devices as may be necessary or appropriate or required by federal, state and/or local guidelines to protect persons or property in, near or adjacent to the jobsite. No separate compensation shall be paid to the Contractor for such measures. Where the Work is being conducted in, upon or near streets, alleys, sidewalks, or other rights-of-way, the Contractor shall ensure the placement, maintenance and operation of any and all such warning devices as may be required by the City and shall do so until no longer required by the City. Such devices shall be in compliance with and conform to the manual and specifications for the uniform system of traffic control devices adopted by the Texas Department of Transportation.

7.17 PROTECTION OF UTILITIES AND OTHER CONTRACTORS

7.17.1 The Contractor shall use best efforts to leave undisturbed and uninterrupted all utilities and utility services provided to the jobsite, or which presently exists at, above or beneath the location where the Work is to be performed. In the event that any utility or utility service is disturbed or damaged during the progress of the Work, the Contractor shall forthwith repair, remedy or restore the utility at Contractor's sole expense.

7.17.2 The Contractor understands and acknowledges that other contractors of the City or of other entities may be present at the jobsite performing other work unrelated to the Project. The Contractor shall use best efforts to work around other contractors without impeding the work of others while still adhering to the completion date established herein. In the event that the Contractor's work is or may be delayed by any other person, the Contractor shall immediately give notice thereof to the City and the Engineer and shall request a written Change Order in accordance with the procedures set forth by this Contract. The Contractor's failure to provide such notice and to request such Change Order shall constitute a waiver of any and all claims associated therewith.

ARTICLE VIII - CONTRACT ADMINISTRATION

8.1 THE ENGINEER

8.1.1 When used in this Contract the term "Engineer" does not necessarily denote a duly licensed, trained or certified engineer; as used herein, the term shall be used interchangeably and shall mean a designated Engineer, Architect, or Contract Administrator (who may not be an architect or engineer) for the City, said person to be designated or redesignated by the City prior to or at any time during the Work hereunder. The Engineer may be an employee of the City or may be retained by the City as an independent contractor but, in either event, the Engineer's duties and authority shall be as set forth hereinafter. The Contractor understands and agrees that it shall abide by the decisions and instructions of the Engineer notwithstanding the contractual relationship between the City and Engineer. All the City's instructions to the Contractor shall be through the Engineer.

In the event the City should find it necessary or convenient to replace the Engineer, the City shall retain a replacement Engineer, and the status of the replacement Engineer shall be that of the former Engineer.

8.2 ENGINEER'S ADMINISTRATION

8.2.1 The Engineer, unless otherwise directed by the City in writing, will perform those duties and discharge those responsibilities allocated to the Engineer as set forth in this Contract. The Engineer shall be the City's representative from the effective date of this Contract until final payment has been made.

8.2.2 The City and the Contractor shall communicate with each other directly through designated representatives and/or project managers, and shall, where appropriate, provide copies of communications to the Engineer.

8.2.3 The Engineer shall be the initial interpreter of the requirements of the drawings and specifications and the judge of the performance thereunder by the Contractor. The Engineer shall render written or graphic interpretations necessary for the proper execution or progress of the Work with reasonable promptness on request of the Contractor.

8.2.4 The Engineer will review the Contractor's Applications for Payment and will certify to the City for payment to the Contractor, those amounts then due the Contractor as provided in this Contract.

8.2.5 The Engineer shall have authority to reject Work which is defective or does not conform to the requirements of this Contract. If the Engineer deems it necessary or advisable, the Engineer shall have authority to require additional inspection or testing of the Work for compliance with Contract requirements.

8.2.6 The Engineer will review and approve, or take other appropriate action as necessary, concerning the Contractor's submittals including Shop Drawings, Product Data and Samples. Such review, approval or other action shall be for the sole purpose of determining conformance with the design concept and information given through the Contract Documents.

8.2.7 The Engineer will review Change Orders that shall be prepared by the Contractor and may authorize minor changes in the Work by Field Order as provided elsewhere herein.

8.2.8 The Engineer shall, upon written request from the Contractor, conduct inspections to determine the date of Substantial Completion and the date of final completion, will receive and forward to the City for the City's review and records, written warranties and related documents required by this Contract and will issue a final Certificate for Payment upon compliance with the requirements of this Contract.

8.2.9 The Engineer's decisions in matters relating to aesthetic effect shall be final if consistent with the intent of this Contract.

8.3 CLAIMS BY THE CONTRACTOR

8.3.1 The Engineer shall determine all claims and matters in dispute between the Contractor and City with regard to the execution, progress, or sufficiency of the Work or the interpretation of the Contract Documents, including but not limited to the plans and specifications. Any dispute shall be submitted in writing to the Engineer within seven (7) days of the event or occurrence or the first appearance of the condition giving rise to the claim or dispute who shall render a written decision within a reasonable time thereafter. The Engineer's decisions shall be final and binding on the parties. In the event that either party objects to the Engineer's determination as to any submitted dispute, that party shall submit a written objection to the Engineer and the opposing party within ten (10) days of receipt of the Engineer's written determination in order to preserve the objection. Failure to so object shall constitute a waiver of the objection for all purposes.

8.3.2 Pending final resolution of any claim of the Contractor, the Contractor shall diligently proceed with performance of this Contract and the City shall continue to make payments to the Contractor in accordance with this Contract.

8.3.3 **CLAIMS FOR CONCEALED, LATENT OR UNKNOWN CONDITIONS** - The Contractor expressly represents that it has been provided with an adequate opportunity to inspect the Project site and thoroughly review the Contract Documents and plans and specifications prior to submission of its bid and the City's acceptance of the bid. Subject to the conditions hereof, Contractor assumes full responsibility and risk for any concealed, latent or unknown condition which may affect the Work. No claims for extra work or additional compensation shall be made by Contractor in connection with concealed, latent or unknown conditions except as expressly provided herein. Should concealed, latent or unknown conditions encountered in the performance of the Work (a) below the surface of the ground or (b) in an existing structure be at variance with the conditions indicated by this Contract, or should unknown conditions of an unusual nature differing materially from those ordinarily encountered in the area and generally recognized as inherent in Work of the character provided for in this Contract, be encountered, the Contract Price shall be equitably adjusted by Change Order upon the written notice and claim by either party made within seven (7) days after the first observance of the condition. As a condition precedent to the City having any liability to the Contractor for concealed or unknown conditions, the Contractor must give the City and the Engineer written notice of, and an opportunity to observe, the condition prior to disturbing it. The failure by the Contractor to make the written notice and claim as provided in this Subparagraph shall constitute a waiver by the Contractor of any claim arising out of or relating to such concealed, latent or unknown condition and the Contractor thereby assumes all risks and additional costs associated therewith.

8.3.4 **CLAIMS FOR ADDITIONAL COSTS** - If the Contractor wishes to make a claim for an increase in the Contract Price, as a condition precedent to any liability of the City therefor, the Contractor shall give the Engineer written notice of such claim within seven (7) days after the occurrence of the event, or the first appearance of the condition, giving rise to such claim. Such notice shall be given by the Contractor before proceeding to execute any additional or changed Work. The failure by the Contractor to give such notice and to give such notice prior to executing the Work shall constitute a waiver of any claim for additional compensation.

8.3.4.1 In connection with any claim by the Contractor against the City for compensation in excess of the Contract Price, any liability of the City for the Contractor's costs shall be strictly limited to direct costs incurred by the Contractor and shall in no event include indirect costs or consequential damages of the Contractor. The City shall not be liable to the Contractor for claims of third parties, including Subcontractors. The City shall not be liable to the Contractor for any claims based upon delay to the Contractor for any reason whatsoever including any act or neglect on the part of the City.

8.3.5 **CLAIMS FOR ADDITIONAL TIME** - If the Contractor is delayed in progressing any task which at the time of the delay is then critical or which during the delay becomes critical, as the sole result of any act or neglect to act by the City or someone acting in the City's behalf, or by changes ordered in the Work, unusual delay in

transportation, supply chain disruptions, unusually adverse weather conditions not reasonably anticipated, fire, pandemic or any causes beyond the Contractor's control, then the date for achieving Substantial Completion of the Work shall be extended upon the written notice and claim of the Contractor to the City and the Engineer, for such reasonable time and extended General Conditions as the Engineer may determine. Any notice and claim for an extension of time by the Contractor shall be made not more than seven (7) days after the occurrence of the event or the first appearance of the condition giving rise to the claim and shall set forth in detail the Contractor's basis for requiring additional time in which to complete the Project. In the event the delay to the Contractor is a continuing one, only one notice and claim for additional time shall be necessary. If the Contractor fails to make such claim as required in this Subparagraph, any claim for an extension of time shall be waived.

8.3.6 CLAIMS FOR EXTRA WORK - The Contractor shall not claim, request or demand any sum from the City for Extra Work or for additional costs, and hereby waives all such claims, requests and demands and any right to assert same, unless the conditions of this subparagraph are strictly complied with. "Extra Work" is defined herein to mean any labor, service, materials, equipment, supplies or charges that are directly or indirectly related to the Work, the Project or the Project site, that is not necessarily or fairly required or implied by the Contract Documents.

8.3.7 The parties acknowledge and agree that there shall be no payment made by the City to the Contractor without a written agreement (either a separate contract or a written Change Order) signed by the parties. Should the Contractor perform Extra Work or be requested to perform Extra Work by the Engineer or City, it shall be the Contractor's obligation and duty to first apply for and obtain a written Change Order, approved by the Engineer and executed by the City.

The Contractor's failure to obtain a written, signed Change Order prior to commencement of Extra Work shall constitute a complete and final waiver of any right for compensation for the Extra Work. If the parties are unable to agree to the terms of a Change Order for any Extra Work, the Contractor may reserve its rights to additional time and compensation by filing a claim under section 8.3.

8.4 FIELD ORDERS

8.4.1 The Engineer shall have authority to order minor changes in the Work not involving a change in the Contract Price or in Contract Time and not inconsistent with the intent of the Contract. Such changes shall be effected by Field Order and shall be binding upon the Contractor. The Contractor shall carry out such Field Orders promptly.

8.5 MEDIATION

8.5.1 In the event that a dispute arises under the terms of this Contract, following an adverse determination by the Engineer and proper preservation of the issue as required herein, the parties agree to submit to mediation. In such event, the parties shall agree to a designated person to serve as mediator and each party shall be responsible for payment of one-half of the total mediation fees. The parties shall submit the dispute to mediation as soon as practical and in no event later than one (1) year after the Engineer's written decision on the matter. At least one designated representative of each party must attend and participate in good faith in an effort to resolve the matters in dispute. Mediation shall not be the exclusive remedy available to the Parties.

8.5.2 In no event shall the foregoing provision justify or authorize any delay in the progress of the Work; the parties shall abide by the decision of the Engineer in accomplishing the timely completion of the Project.

ARTICLE IX – SUBCONTRACTORS

9.1 DEFINITION

9.1.1 A Subcontractor is an entity which has a direct contract with the Contractor to perform a portion of the Work. No Subcontractor shall be in privity with the City.

9.2 AWARD OF SUBCONTRACTS

9.2.1 Upon execution of the Contract, the Contractor shall furnish the City, in writing, the names of persons or entities proposed by the Contractor to act as a Subcontractor on the Project. The City shall promptly reply to the Contractor, in writing, stating any objections the City may have to such proposed Subcontractor. The Contractor shall not enter a subcontract with a proposed Subcontractor with reference to whom the City has made timely objection. The Contractor shall not be required to subcontract with any party to whom the Contractor has objection.

9.2.2 All subcontracts shall afford the Contractor rights against the Subcontractor which correspond to those rights afforded to the City against the Contractor herein, including those rights afforded to the City by Subparagraph 12.2.1 below. All subcontracts shall incorporate by reference the provisions hereof and shall provide that no claims, causes or demands shall be made by any Subcontractor against the City.

9.2.3 The Contractor shall indemnify, defend and hold harmless the City from and against any and all claims, demands, causes of action, damage, and liability asserted or made against the City by or on behalf of any Subcontractor or persons working through a Subcontractor.

ARTICLE X - CHANGES IN THE WORK

10.1 CHANGES PERMITTED

10.1.1 Changes in the Work within the general scope of this Contract, consisting of additions, deletions, revisions, or any combination thereof, may be ordered without invalidating this Contract, by Change Order or by Field Order.

10.1.2 Changes in the Work shall be performed under applicable provisions of this Contract and the Contractor shall proceed promptly with such changes.

10.2 CHANGE ORDER DEFINED

10.2.1 Change Order shall mean a written order to the Contractor executed by the City and the Engineer, issued after execution of this Contract, authorizing and directing a change in the Work or an adjustment in the Contract Price or the Contract Time, or any combination thereof. The Contract Price and the Contract Time may be changed only by written Change Order.

10.3 CHANGES IN THE CONTRACT PRICE

10.3.1 Any change in the Contract Price resulting from a Change Order shall be determined as follows:

- (a) by mutual agreement between the City and the Contractor as evidenced by (1) the change in the Contract Price being set forth in the Change Order, (2) such change in the Contract Price, together with any conditions or requirements related thereto, being initialed by both parties and (3) the Contractor's execution of the Change Order; or
- (b) if no mutual agreement occurs between the City and the Contractor, then, as provided in Subparagraph 10.3.2 below.

10.3.2 If no mutual agreement occurs between the City and the Contractor as contemplated in Subparagraph 10.3.1 above, the change in the Contract Price, if any, shall then be determined by the Engineer on the basis of the reasonable expenditures or savings of those performing, deleting or revising the Work attributable to the change, including, in the case of an increase or decrease in the Contract Price, a reasonable allowance for direct job site overhead and profit. In such case, the Contractor shall present, in such form and with such content as the City or the Engineer requires, an itemized accounting of such expenditures or savings, plus appropriate supporting data

for inclusion in a Change Order. Reasonable expenditures or savings shall be limited to the following: reasonable costs of materials, supplies, or equipment including delivery costs, reasonable costs of labor, including social security, old age and unemployment insurance, fringe benefits required by agreement or custom, and workers' compensation insurance, reasonable rental costs of machinery and equipment exclusive of hand tools whether rented from the Contractor or others, reasonable costs of premiums for all bonds and insurance, permit fees, and sales, use or other taxes related to the Work, and reasonable cost of direct supervision and jobsite field office overhead directly attributable to the change. In no event, shall any expenditure or savings associated with the Contractor's home office or other non-jobsite overhead expense be included in any change in the Contract Price. Pending final determination of reasonable expenditures or savings to the City, payments on account shall be made to the Contractor on the Engineer's Certificate for Payment.

10.3.3 If unit prices are provided in the Contract, and if the quantities contemplated are so changed in a proposed Change Order that application of such unit prices to the quantities of Work proposed will cause substantial inequity to the City or to the Contractor, the applicable unit prices shall be equitably adjusted.

10.4 MINOR CHANGES

10.4.1 The Engineer shall have authority to order minor changes in the Work not involving a change in the Contract Price or an extension of the Contract Time and not inconsistent with the intent of this Contract. Such minor changes shall be made by written Field Order, and shall be binding upon the City and the Contractor. The Contractor shall promptly carry out such written Field Orders.

10.5 EFFECT OF EXECUTED CHANGE ORDER

10.5.1 The execution of a Change Order by the Contractor shall constitute conclusive evidence of the Contractor's agreement to the ordered changes in the Work, this Contract as thus amended, the Contract Price and the Contract Time. The Contractor, by executing the Change Order, waives and forever releases any claim against the City for additional time or compensation for matters relating to or arising out of or resulting from the Work included within or affected by the executed Change Order.

10.6 NOTICE TO SURETY; CONSENT

10.6.1 The Contractor shall notify and obtain the consent and approval of the Contractor's surety with reference to all Change Orders if such notice, consent or approval are required by the Contractor's surety or by law. The Contractor's execution of the Change Order shall constitute the Contractor's warranty to the City that the surety has been notified of and consents to, such Change Order and the surety shall be conclusively deemed to have been notified of such Change Order and to have expressly consented thereto.

ARTICLE XI - UNCOVERING AND CORRECTING WORK

11.1 UNCOVERING WORK

11.1.1 If any of the Work is covered contrary to the Engineer's request or to any provisions of this Contract, it shall, if required by the Engineer or the City, be uncovered for the Engineer's inspection and shall be properly replaced at the Contractor's expense without change in the Contract Time.

11.1.2 If any of the Work is covered in a manner not inconsistent with Subparagraph 11.1.1 above, it shall, if required by the Engineer or City, be uncovered for the Engineer's inspection. If such Work conforms strictly with this Contract, costs of uncovering and proper replacement shall by Change Order be charged to the City. If such Work does not strictly conform with this Contract, the Contractor shall pay the costs of uncovering and proper replacement.

11.2 CORRECTING WORK

11.2.1 The Contractor shall immediately proceed to correct Work rejected by the Engineer as defective or failing to conform to this Contract. The Contractor shall pay all costs and expenses associated with correcting such rejected Work, including any additional testing and inspections, and reimbursement to the City for the Engineer's services and expenses made necessary thereby.

11.2.2 If within one (1) year after Substantial Completion of the Work any of the Work is found to be defective or not in accordance with this Contract, the Contractor shall correct it promptly upon receipt of written notice from the City. This obligation shall survive final payment by the City and termination of this Contract. With respect to Work first performed and completed after Substantial Completion, this one-year obligation to specifically correct defective and nonconforming Work shall be extended by the period of time which elapses between Substantial Completion and completion of the subject Work.

11.2.3 Nothing contained in this Paragraph 11.2 shall establish any period of limitation with respect to other obligations which the Contractor has under this Contract or any obligations pursuant to the maintenance bond. Establishment of the one-year time period in Subparagraph 11.2.2 relates only to the duty of the Contractor to specifically correct the Work.

11.3 CITY MAY ACCEPT DEFECTIVE OR NONCONFORMING WORK

11.3.1 If the City chooses to accept defective or nonconforming Work, the City may do so. In such event, the Contract Price shall be reduced by the greater of (a) the reasonable cost of removing and correcting the defective or nonconforming Work, and (b) the difference between the fair market value of the Project as constructed and the fair market value of the Project had it not been constructed in such a manner as to include defective or nonconforming Work. If the remaining portion of the unpaid Contract Price, if any, is insufficient to compensate the City for its acceptance of defective or nonconforming Work, the Contractor shall, upon written demand from the City, pay the City such remaining compensation for accepting defective or nonconforming Work.

ARTICLE XII - CONTRACT TERMINATION

12.1 TERMINATION BY THE CONTRACTOR

12.1.1 If the Work is stopped for a period of ninety (90) days by an order of any court or other public authority, or as a result of an act of the Government, through no fault of the Contractor or any person or entity working directly or indirectly for the Contractor, the Contractor may, upon ten (10) days' written notice to the City and the Engineer, terminate performance under this Contract and recover from the City payment for the actual reasonable expenditures of the Contractor (as limited in Subparagraph 10.3.2 above) for all Work executed and for materials, equipment, tools, construction equipment and machinery actually purchased or rented solely for the Work, less any salvage value of any such items.

12.1.2 If the City shall persistently or repeatedly fail to perform any material obligation to the Contractor for a period of fifteen (15) days after receiving written notice from the Contractor of its intent to terminate hereunder, the Contractor may terminate performance under this Contract by written notice to the Engineer and the City. In such event, the Contractor shall be entitled to recover from the City as though the City had terminated the Contractor's performance under this Contract for convenience pursuant to Subparagraph 12.2.1 hereunder.

12.2 TERMINATION BY THE CITY

12.2.1 FOR CONVENIENCE

12.2.1.1 The City may for any reason whatsoever terminate performance under this Contract by the Contractor for convenience. The City shall give written notice of such termination to the Contractor

specifying when termination becomes effective.

12.2.1.2 The Contractor shall incur no further obligations in connection with the Work, other than job site clean-up and protection, and the Contractor shall stop Work when such termination becomes effective. The Contractor shall also terminate outstanding orders and subcontracts. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders. The City may direct the Contractor to assign the Contractor's right, title and interest under terminated orders or subcontracts to the City or its designee.

12.2.1.3 The Contractor shall transfer title and deliver to the City such completed or partially completed Work and materials, equipment, parts, fixtures, information and Contract rights as the Contractor has.

- 12.2.1.4
- (a) The Contractor shall submit a termination claim to the City and the Engineer specifying the amounts due because of the termination for convenience together with costs, pricing or other data required by the Engineer. If the Contractor fails to file a termination claim within one (1) year from the effective date of termination, the City shall pay the Contractor, an amount derived in accordance with subparagraph (c) below.
 - (b) The City and the Contractor may agree to the compensation, if any, due to the Contractor hereunder.
 - (c) Absent agreement to the amount due to the Contractor, the City shall pay the Contractor the following amounts:
 - (i) Contract (unit) prices which shall encompass labor, materials, equipment and other services accepted under this Contract;
 - (ii) Reasonable costs incurred in preparing to perform and in performing the terminated portion of the Work, and in terminating the Contractor's performance, plus a fair and reasonable allowance for overhead and profit thereon (such profit shall not include anticipated profit or consequential damages), provided however, that if it appears that the Contractor would have not profited or would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss, if any;
 - (iii) Reasonable costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Subparagraph 12.2.1.2 of this Paragraph. These costs shall not include amounts paid in accordance with other provisions hereof.

The total sum to be paid the Contractor under this Subparagraph 12.2.1 shall not exceed the total Contract Price, as properly adjusted, reduced by the amount of payments otherwise made, and shall in no event include duplication of payment.

12.2 **FOR CAUSE**

12.2.2.1 If the Contractor persistently or repeatedly refuses or fails to prosecute the Work in a timely manner, abandons the jobsite and fails to resume work within five (5) days of written notice thereof by the City, fails to grant or allow access to the jobsite by the City or Engineer, fails to supply enough properly

skilled workers, supervisory personnel or proper equipment or materials, fails to make prompt payment to Subcontractors or for materials or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, or otherwise is guilty of a violation of a material provision of this Contract, then the City may by written notice to the Contractor, without prejudice to any other right or remedy, terminate the employment of the Contractor and take possession of the site and of all materials, equipment, tools, construction equipment and machinery thereon owned by the Contractor and may finish the Work by whatever methods it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment until the Work is finished.

12.2.2.2 If the unpaid balance of the Contract Price does not exceed the cost of finishing the work, including compensation for the Engineer's additional services and expenses made necessary thereby, such difference shall be paid by the Contractor to the City. This obligation for payment shall survive the termination of the Contract.

12.2.2.3 In the event the employment of the Contractor is terminated by the City for cause pursuant to Subparagraph 12.2.2 and it is subsequently determined by a Court of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a Termination for Convenience under Subparagraph 12.2.1 and the provisions of Subparagraph 12.2.1 shall apply.

12.2.2.4 Should the City allow the Contractor to continue its performance of Work notwithstanding an event of default, or should there be an imminent potential of default, the City, at its sole option and within its sole discretion, may retain a third-party construction manager to document the events of default and oversee further progress of the Work. The use of a third-party construction manager shall not prevent the City from declaring the Contractor to be in default and the City may, at its sole option and within its sole discretion, terminate this Contract at any time. Should the City retain a third-party construction manager, the costs thereof shall be withheld from any amounts due Contractor upon termination. The City's exercise of this option shall be without prejudice to any other right or remedy available to the City by law or under this Contract.

ARTICLE XIII – INSURANCE

13.1 CONTRACTOR SHALL MAINTAIN INSURANCE

13.1.1 The Contractor at his own expense shall purchase, maintain and keep in force during the life of this contract, adequate insurance that will protect the City, the Contractor and/or any Additional Insured from claims which may arise out of or result from operations under this contract. The insurance carriers must be authorized to transact business in Texas, approved by the City, and have an A.M. Best rating of A+ or its equivalent. The insurance required shall provide adequate protections from all claims, whether such operations be by the Contractor or by any Additional Insured or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone whose acts of any of them may be liable and from any special hazards, such as blasting, which may be encountered in the performance of this contract in the amounts as shown below in Paragraph 13.2.1.

13.1.2 The Contractor shall not commence work until the Contractor has obtained all the insurance required under this paragraph and such insurance has been approved by the City.

13.2 TYPES AND AMOUNTS OF CONTRACTOR'S INSURANCE

13.2.1. The Contractor shall furnish and maintain during the life of the contract adequate Worker's Compensation and Commercial General Liability (Public) Insurance in such amounts as follows:

<u>Type of Insurance</u>	<u>Amount</u>
Worker's Compensation	As set forth in the Worker's Compensation Act
Commercial General	\$1,000,000 Each Accident/Occurrence.
Liability (Public)	\$1,000,000 Aggregate \$1,000,000 Products & Completed Operations Aggregate.
City's Protective	\$600,000 per occurrence Liability Insurance \$1,000,000 aggregate
Excess/Umbrella Liability	\$1,000,000 per occurrence w/drop down coverage Limit of Insurance per Project or City's and Contractor's Protective Liability Insurance for the Project.
Automobile Liability	\$500,000 Combined single limit per occurrence.

13.3 ADDITIONAL INSURED

13.3.1 The City shall be named as an additional insured on the Commercial General Liability (Public), City's Protective Liability, and Excess/Umbrella Liability Insurance Policies furnished by the Contractor.

13.4 WRITTEN NOTIFICATION

13.4.1 Each insurance policy shall be endorsed to contain a provision requiring that thirty (30) days prior to expiration, cancellation, non-renewal or any material change in coverage, a notice thereof shall be given by certified mail to the Division of Purchasing, City of Rowlett, 4000 Main Street, Rowlett, Texas, 75088. In the event the insurance company providing insurance is unable to contain such endorsement Contractor shall provide written notice to City of any expiration, cancellation, non-renewal or any material change in coverage.

13.5 PREMIUMS AND ASSESSMENTS

13.5.1 Companies issuing the insurance policies shall have no recourse against the City for payment of any premiums or assessments for any deductibles which are at the sole responsibility and risk of the Contractor.

13.6 CERTIFICATE OF INSURANCE

13.6.1 Proof that the insurance is in force shall be furnished to the City on City of Rowlett Standard Certificate of Insurance Forms. In the event, any insurance policy shown on the Certificate of Insurance has an expiration date that is prior to the completion and final acceptance of the Project by the City, the Contractor shall furnish the City proof of identical continued coverage no later than thirty (30) days prior to the expiration date shown on the Certificate of Insurance.

13.7 PRIMARY COVERAGE

13.7.1 The coverages provided herein shall be primary and noncontributory with any other insurance maintained by the City for its benefit, including self-insurance.

13.8 SUBROGATION

13.8.1 Companies issuing the insurance policies shall have no recourse against the City for payment of any

premiums or assessments for any deductibles which are at the sole responsibility and risk of the Contractor. Insurance Companies shall have no right of subrogation against the City or the Engineer.

13.9 WORKER'S COMPENSATION INSURANCE COVERAGE

13.9.1 The Contractor shall:

- (1) provide coverage for its employees providing services on a project, for the duration of the project based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements;
- (2) provide a certificate of coverage showing workers' compensation coverage to the governmental entity prior to beginning work on the project;
- (3) provide the governmental entity prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project;
- (4) obtain from each person providing services on a Project, and provide to the governmental entity:
 - (a) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
 - (b) no later than seven days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
- (5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
- (6) notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project;
- (7) post a notice on each project site informing all persons providing services on the project that they are required to be covered, and stating how a person may verify current coverage and report failure to provide coverage. This notice does not satisfy other posting requirements imposed by the Act or other commission rules. This notice must be printed with a title in at least 30-point bold type and text in at least 19-point normal type and shall be in both English and Spanish and any other language common to the worker population. The text for the notices shall be the following text provided by the Texas Worker's Compensation Commission on the sample notice, without any additional words or changes:

REQUIRED WORKERS' COMPENSATION COVERAGE

"The law requires that each person working on this site or providing services related to this construction project must be covered by workers' compensation insurance. This includes persons providing, hauling, or delivering equipment or materials, or providing labor or transportation or other service related to the project, regardless of the identity of their employer or status as an employee."

"Call the Texas Workers' Compensation Commission at 512-440-3789 to receive information on

the legal requirement for coverage, to verify whether your employer has provided the required coverage, or to report an employer's failure to provide coverage."

and

- (8) contractually require each person with whom it contracts to provide services on a project, to:
 - (a) provide coverage based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements for all its employees providing services on the project, for the duration of the project;
 - (b) provide a certificate of coverage to the contractor prior to that person beginning work on the project;
 - (c) include in all contracts to provide services on the project the language in subsection (7) of this section;
 - (d) provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (e) obtain from each other person with whom it contracts, and provide to the Contractor:
 - (i) a certificate of coverage, prior to the other person beginning work on the project; and
 - (ii) prior to the end of the coverage period, a new certificate of coverage showing extension of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (f) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
 - (g) notify the City in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
 - (h) contractually require each other person with whom it contracts, to perform as required by sub-paragraphs (A) - (G) of this subsection, with the certificate of coverage to be provided to the person for whom they are providing services.

ARTICLE XIV – MISCELLANEOUS

14.1 LAWS AND ORDINANCES

14.1.1 The Contractor shall always and in all respects, observe and comply with all federal, state and local laws, ordinances, and regulations applicable to the Project and Work. The Contractor shall further ensure that all Subcontractors observe and comply with said laws, ordinances and regulations.

14.2 GOVERNING LAW

14.2.1 The Contract shall be governed by the laws of the State of Texas. Venue for any causes of action arising

under the terms or provisions of this Contract or the Work to be performed hereunder shall be in the state courts of Dallas County, Texas.

14.3 SUCCESSORS AND ASSIGNS

14.3.1 The City and Contractor bind themselves, their respective successors, assigns and legal representatives to the other party hereto and to successors, assigns and legal representatives of such other party in respect to covenants, agreements and obligations contained in this Contract. The Contractor shall not assign this Contract without written consent of the City.

14.4 SURETY BONDS

14.4.1 The Contractor shall furnish separate performance and payment bonds to the City, per the requirements set out in the bid documents and state statutes to guaranty full and faithful performance of the Contract and the full and final payment of all persons supplying labor or materials to the Project. Each bond required by the bid documents or state statute shall set forth a penal sum in an amount not less than the Contract Price. Each bond furnished by the Contractor shall incorporate by reference the terms of this Contract as fully as though they were set forth verbatim in such bonds. In the event the Contract Price is adjusted by Change Order executed by the Contractor, the penal sum of both the performance bond and the payment bond shall be deemed increased by like amount. The performance and payment bonds furnished by the Contractor shall be in form suitable to the City and shall be executed by a surety, or sureties, reasonably suitable to the City and authorized to do business in the State of Texas by the State Board of Insurance.

14.4.2 The Contractor, upon execution of the Contract and prior to commencement of the Work, shall furnish to the City a two-year maintenance bond in the amount of one hundred percent (100%) of the Contract Price covering the guaranty and maintenance prescribed herein, written by an approved surety authorized and duly licensed to conduct business in the State of Texas. The cost of said maintenance bond shall be included in the Contractor's unit bid prices and shall be paid by the Contractor.

14.5 SEVERABILITY

14.5.1 The provisions of this Contract are herein declared to be severable; if any term, provision or part hereof is determined to be invalid, void or unenforceable, such determination shall not affect the validity or enforceability of the remaining terms, provisions and parts, and this Contract shall be read as if the invalid, void or unenforceable portion had not been included herein.

14.6 AMENDMENTS

14.6.1 This Contract may be amended by the parties only by a written agreement duly executed by both parties. The failure of the City to object to any nonperformance or nonconforming work or to enforce any provision hereof shall in no event be regarded as or construed to be a waiver, release or modification of any term or provision in this Contract, nor shall such failure to object or enforce estop the City from insisting on strict compliance with this Contract or from recovering damages, costs or expenses arising because of such nonperformance or nonconforming work.

14.7 FORCE MAJEURE

14.7.1 As used herein, "force majeure" means an incident, situation, or act of a third party that is beyond a party's reasonable control such as an act of God, an act of the public enemy, strikes or other labor disturbances (other than strikes within such party's own labor force), hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, and riots. The Contractor will not be liable or responsible for its failure to perform any obligation under this Contract because of an event of Force Majeure, provided, however, that the Contractor submits notice thereof to the City and Engineer within seven (7) days of such an event, obtains a written Change Order, signed by all parties,

that allows an extension of the scheduled completion date, and identifies the specific causes and number of days in the Statement of Delay submitted with the next ensuing Application for Payment.

14.8 NOTICES

14.8.1 All notices required by this Contract shall be presumed received when deposited in the mail properly addressed to the other party or Engineer at the address set forth herein or set forth in a written designation of change of address delivered to all parties and the Engineer.

14.9 IMMUNITIES; DEFENSES

14.9.1 Nothing in this Contract shall be deemed to waive any immunity, sovereign, governmental, official, qualified or otherwise, from liability or suit, which the City may have or assert, except as may be provided by law, all such immunities being hereby expressly retained.

14.10 NO RIGHTS IN THIRD PARTIES

14.10.1 The indemnification provisions of this Contract and the rights and remedies afforded herein are solely for the benefit of the parties to this Contract. Nothing in this Contract is intended nor shall be construed to grant, create or confer any right, benefit, interest or cause of action in any person not a party to this Contract, or to the public in general.

14.11 PROHIBITION OF BOYCOTT ISRAEL

14.11.1 PROHIBITION OF BOYCOTT ISRAEL. The Contractor verifies that it does not Boycott Israel and agrees that during the term of this Contract will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended. For purposes of this verification, "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

14.11.2 IRAN, SUDAN, AND FOREIGN TERRORIST ORGANIZATIONS. The Contractor represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,

<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or

<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal or State law and excludes the Contractor and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Contractor understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Contractor and exists to make a profit.

14.11.3 PROHIBITION OF BOYCOTT ENERGY COMPANIES. Contractor verifies that it does not Boycott Energy Companies and agrees that during the term of this Contract will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended. This section does not apply if Contractor is a

sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Contractor has ten (10) or more fulltime employees and (ii) this Contract has a value of \$100,000 or more to be paid under the terms of this Contract.

14.11.4 PROHIBITION OF DISCRIMINATION AGAINST FIREARM ENTITIES AND FIREARM TRADE ASSOCIATIONS. Contractor verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (ii) will not discriminate during the term of the contract against a firearm entity or firearm trade association. This section only applies if: (i) Contractor has ten (10) or more fulltime employees and (ii) this Contract has a value of \$100,000.00 or more to be paid under the terms of this Contract. However, this prohibition does not apply: (i) if Contractor is a sole proprietor, a non-profit entity, or a governmental entity; (ii) to a contract with a sole- source provider; or (iii) to a contract for which none of the bids from a company were able to provide the required certification.

EXECUTED in single or multiple originals, this _____ day of __, 2026.

CITY OF ROWLETT, TEXAS

GROD CONSTRUCTION LLC

Jeff Winget, Mayor

(Signature)

(Type/Print Name and Title)

ATTEST:

889 E. Rock Island Ave.

(Street Address)

Deborah Sorensen, City Secretary

Boyd, Texas 76023

(City/State/Zip)

CORPORATE ACKNOWLEDGMENT

THE STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared:

(Print Name) _____ (Print Title)
of _____, the Contractor designated herein above, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Contractor, a corporation, that he was duly authorized to perform the same by appropriate resolution of the board of directors of such corporation and that he executed the same as the act and deed of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, A.D., 2026.

Notary Public In and For

County, _____

My Commission expires: _____

MAYOR'S ACKNOWLEDGMENT

THE STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared the undersigned, Mayor of the City of Rowlett, Texas, a municipal corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Rowlett, Texas, a municipal corporation, that he/she was duly authorized to perform the same by appropriate resolution of the City Council of the City of Rowlett and that he/she executed the same as the act of the said City for purpose and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, A.D., 2026.

Notary Public In and For the State of Texas

My Commission expires: _____

Meeting Date: 9/15/2026

Agenda Item: 5.B.

Title

Conduct a public hearing on the Proposed Budget for Fiscal Year 2027 (www.rowlett.com).

Staff Representative

Wendy Badgett, Director of Finance

Executive Summary

Section 102.006 of the Local Government Code requires the governing body of a municipality to hold a public hearing on the proposed budget. Any person may attend and participate in the hearing.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.6 Actively educate, engage, and communicate with the community through a variety of channels.

Background Information

The City Manager presented the proposed budget for Fiscal Year 2027 on August 10, 2026. Section 102.006 of the Local Government Code requires the governing body of a municipality to hold a public hearing on the proposed budget. Any person may attend and participate in the hearing. Public notice of the date, time, and location of the hearing was published in a newspaper of general circulation on September 1, 2026, as required by Section 102.0065 of the Texas Local Government Code.

Discussion

The City Manager's Fiscal Year 2027 Proposed Budget and a presentation explaining the proposal can be viewed at the links below.

Proposed Budget:

<https://www.rowlettx.gov/DocumentCenter/View/34336/FY27-Proposed-Budget-Book>

Presentation:

<https://rowlettx.new.swagit.com/videos/395696>

The FY2027 Proposed Budget presented by the City Manager on August 10 totaled \$231.7 million. This is a decrease of \$30.3 million compared to the FY2026 Adopted Budget of \$262.0 million. The decrease is primarily attributed to a decrease in Capital Improvements Funds, partially offset by increases in the General Fund, Utility Fund, and Debt Service Fund. Specific fund level changes are outlined in the individual fund overviews, which can be found starting on page 32 of the budget proposal. The combined summary of revenues and expenses is included below.

FY2027

FY2027 COMBINED FUND SUMMARY

Description	General Fund	Debt Service Fund	Utility Fund	Refuse Fund	Drainage Fund	Employee Benefits Fund	Other Governmental Funds	Capital Improvements Funds	Combined Total
Beginning Reserves:	\$ 42,338,213	\$ 2,772,630	\$ 16,819,822	\$ 555,862	\$ 1,160,878	\$ 3,505,615	\$ 10,158,452	\$ 16,712,473	\$ 91,023,915
Operating Revenues:									
Tax Revenues	55,004,000	22,263,200	-	-	-	-	4,765,345	-	82,032,545
Franchise Fees	2,884,600	-	-	-	-	-	49,000	-	2,933,600
Licenses and Permits	1,631,600	-	-	-	-	-	-	-	1,631,600
Charges for Service	5,089,900	-	47,016,130	8,899,570	1,940,334	9,016,090	1,349,160	800,000	71,111,184
Fines and Forfeitures	888,400	-	-	-	-	-	689,374	-	1,577,774
Other	2,651,100	136,000	1,320,000	16,500	23,000	876,177	241,000	47,283,182	52,546,959
Total Operating Revenues:	68,149,600	22,399,200	48,336,130	8,916,070	1,963,334	9,892,267	7,093,879	48,083,182	214,833,662
Other Sources:									
Transfers In	6,564,535	242,053	91,455	-	-	-	1,684,524	5,855,467	\$ 14,411,034
Total Revenues:	74,714,135	22,641,253	48,430,585	8,916,070	1,963,334	9,892,267	8,778,403	53,938,649	229,274,696
Operating Expenses:									
Personnel	56,859,117	-	4,503,638	64,396	312,909	130,337	781,576	250,000	62,901,973
Supplies	2,905,012	-	1,060,151	-	52,155	120,000	580,928	-	4,718,246
Purchase Services	13,308,841	233,680	28,163,979	7,977,400	66,342	9,259,934	4,703,401	5,508,728	69,222,305
Capital Outlay	142,418	-	-	-	-	-	2,374,625	48,179,921	50,696,964
Debt Service	-	24,248,300	5,502,790	-	-	-	-	-	29,751,090
Total Operating Expenses:	73,215,388	24,481,980	39,230,558	8,041,796	431,406	9,510,271	8,440,530	53,938,649	217,290,578
Other Uses:									
Transfers Out	2,182,051	-	9,408,105	851,937	1,531,928	204,560	262,453	-	\$ 14,411,034
Total Expenses:	75,397,439	24,481,980	48,638,663	8,893,733	1,963,334	9,714,831	8,702,983	53,938,649	231,731,612
Net Change	(683,304) *	(1,840,727) *	(208,078) *	22,337	-	177,436	75,420	-	(2,456,916)
Ending Reserves	\$ 41,654,909	\$ 931,903	\$ 16,611,744	\$ 578,199	\$ 1,160,878	\$ 3,683,051	\$ 10,233,872	\$ 16,712,473	\$ 98,567,029

*Indicates planned use of prior year reserves to fund current year

The vote to adopt the budget is scheduled for Wednesday, September 16, 2026, at 5:30 p.m. in the Council Chambers at 4000 Main Street, Rowlett, Texas.

Financial/Budget Implications

N/A

Recommended Action

City staff recommends that the City Council conduct a public hearing to provide the public the opportunity to express their views on the proposed budget.

Attachments

None



City of Rowlett City Council Agenda Item

Meeting Date: 9/15/2026

Agenda Item: 5.C.

Title

Consider action to postpone the vote to approve the Proposed Budget for Fiscal Year 2027 to September 16, 2026, and announce the date, time, and location of the vote to approve the Budget for Fiscal Year 2027.

Staff Representative

Wendy Badgett, Director of Finance

Executive Summary

Section 102.007 of the Local Government Code requires that, at the conclusion of the public hearing, the governing body take action on the proposed budget. Accordingly, Council must take action on the proposed budget at the conclusion of the public hearing. Staff recommends that Council take action by postponing the vote on adoption of the budget to September 16, 2026.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.6 Actively educate, engage, and communicate with the community through a variety of channels.

Background Information

The City Manager presented the proposed budget for Fiscal Year 2027 to the City Council on August 10, 2026, and the proposed budget was filed with the municipal clerk on the same date. State law requires that the governing body of a municipality shall hold a public hearing on the proposed budget. Any person may attend and participate in the hearing. Public notice of the date, time and location of the hearing was published in a newspaper of general circulation on September 1, 2026, as required by Section 102.0065 of the Texas Local Government Code. The public hearing on the proposed budget is being held on September 15, 2026, immediately prior to this agenda item.

Discussion

Section 102.006 of the Local Government Code requires that the governing body of a municipality hold a public hearing on the proposed budget. Section 102.007 then requires that, at the conclusion of the public hearing, the governing body take action on the proposed budget. Staff recommends that Council take action by postponing the vote on adoption of the budget to September 16, 2026.

Financial/Budget Implications

N/A

Recommended Action

Because Section 102.006(b) of the Texas Local Government Code requires the governing body to set the public hearing for a date after the 15th day after the proposed budget is filed with the municipal clerk but before the date the governing body makes its tax levy, City staff recommends the City Council consider an action to postpone the vote to adopt the proposed budget for Fiscal Year 2027 to September 16, 2026.

For this required official action, the following motion language is recommended:

I move that the City Council of the City of Rowlett postpone the vote on adoption of the fiscal year 2027 budget to Wednesday, September 16, 2026, at 5:30 p.m. in the Council Chambers located at 4000 Main Street, Rowlett, Texas.

Attachments

None

Meeting Date: 9/15/2026

Agenda Item: 5.D.

Title

Conduct a public hearing on the ad valorem tax rate for Fiscal Year 2027.

Staff Representative

Wendy Badgett, Director of Finance

Michael Kuhn, Treasury & Debt Manager

Executive Summary

Truth-in-taxation is a concept embodied in the Texas Constitution and the Tax Code that requires local taxing units to make taxpayers aware of tax rate proposals. If the proposed tax rate exceeds the lower of the no-new-revenue rate or the voter-approval rate, the City Council must hold a record vote to set the proposed tax rate (*Tex. Tax Code §§26.06(c) and 26.061*). The vote to set the proposed tax rate was held on August 10, 2026. In order to maintain maximum flexibility, the proposed rate was set to the voter-approval rate level which exceeded the no-new-revenue rate. Subsequently, since that approved proposed tax rate exceeds the lower of the no-new-revenue rate or voter-approval rate, the governing body must hold a public hearing prior to the adoption of the tax rate (*Tex. Tax Code §26.06(a)*).

Following review of the City Manager's proposed budget and discussion during the Council Work Session, the final tax rate proposed for adoption is the rate included in the City Manager's proposed budget, which is below the no-new-revenue rate and the voter-approval rate. The higher rate initially set by Council was intended to preserve flexibility during the remainder of the budget process and is not the rate now proposed for adoption.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.6 Actively educate, engage, and communicate with the community through a variety of channels.

Background Information

There are four principles to truth-in-taxation:

- Property owners have the right to know about increases in their properties' appraised value and to be notified of the estimated taxes that could result from the new value.

- A taxing unit must publish its no-new-revenue and voter-approval tax rates before adopting an actual tax rate.
- A taxing unit must publish special notices and hold a public hearing before adopting a tax rate that exceeds the lower of the no-new-revenue or the voter-approval tax rate.
- If a taxing unit adopts a rate that exceeds the voter-approval rate, the registered voters of the taxing unit at an election held for that purpose must determine whether to approve the adopted tax rate.

The no-new-revenue rate is a calculated rate that would provide the taxing unit with approximately the same amount of revenue it received in the year before on properties taxed in both years. If property values rise, the no-new-revenue tax rate will go down and vice versa. The voter-approval rate provides the taxing unit with approximately the same amount of tax revenue it spent the previous year for day-to-day operations, plus a three and one-half percent increase (or plus eight percent increase if the disaster provision is in effect) for those operations, in addition to sufficient funds to pay debt service in the coming year. The voter-approval rate also represents the maximum rate the Council can adopt without being subject to an automatic election on the November uniform election date.

Ad valorem, or property taxes, are collected by local governments in two components: (1) operations and maintenance (O & M); (2) interest and sinking fund (I & S) to fund debt obligation.

On August 10th, the City Manager presented the FY2027 Proposed Budget, which includes maintaining the tax rate at \$0.807891. This rate is comprised of an O&M rate of \$0.538841 and an I&S rate of \$0.269050. The City Manager's Proposed Budget rate of \$0.807891 falls below the no-new-revenue rate for FY2027.

Residents can view the City Manager's Proposed Budget and the presentation explaining the proposal at the links below.

Proposed Budget:

<https://www.rowletttx.gov/DocumentCenter/View/34336/FY27-Proposed-Budget-Book?bidId=>

Presentation:

<https://rowletttx.new.swagit.com/videos/395696>

On August 10, 2026, City staff recommended setting and publishing a proposed tax rate of \$0.867875 which is comprised of an O&M rate of \$0.598825 and an I&S rate of \$0.269050 to allow for maximum flexibility throughout the budget planning process. This tax rate represents the voter-approval tax rate calculated and certified by Dallas County using the Texas Comptroller 2026 Tax Rate Calculation Worksheet (Form 50-856), as required by Tax Code Chapter 26 (§§26.04(d-1)). Council provided a vote of approval for the recommendation. Council's action on August 10th of setting the proposed tax rate at

\$0.867875 did not adopt the FY2027 (tax year 2026) tax rate, nor did it necessitate the rate that Council would adopt; rather, it set the maximum tax rate the Council would consider adopting.

Since the proposed rate of \$0.867875 set by Council on August 10th exceeds the no-new-revenue tax rate of \$0.811001, the governing body is required to hold one public hearing on the tax rate. Council voted on August 10th to hold this property tax rate hearing on September 15, 2026, at 7:00pm in the Council Chambers located at 4000 Main Street, Rowlett, TX 75088. The public was invited to attend and provide comments.

The proposed tax rate is subject to change until it is formally adopted by City Council at the Wednesday, September 16th meeting.

Description	FY2026 Adopted	FY2027 City Manager Proposed Budget	FY2027 No-New-Revenue	FY2027 Voter-Approval	FY2027 Proposed/Published Tax Rate
Operations (O & M)	\$0.538841	\$0.538841	\$0.541951	\$0.598825	\$0.598825
Debt (I&S)	\$0.269050	\$0.269050	\$0.269050	\$0.269050	\$0.269050
Total	\$0.807891	\$0.807891	\$0.811001	\$0.867875	\$0.867875

Identified in the table above, the City Manager's Proposed Budget for FY2027 contemplates a tax rate of \$0.807891 which falls below the no-new-revenue rate.

Discussion

The proposed ad valorem tax rate was set at the voter-approval rate, which exceeds the no-new-revenue rate, in order to allow maximum flexibility during the budget process; the City Manager's Proposed Budget considers a rate below the no-new-revenue rate.

The State of Texas "Truth in Taxation" law requires that the City Council conduct a public hearing on its proposed ad valorem tax rate each year if such rate exceeds the lower of the no-new-revenue tax rate or the voter-approval rate. Public notice of the date, time and location of this hearing was published in a newspaper of general circulation (Dallas Morning News) as required by State law on September 1, 2026. Additionally, tax rate information has been posted to the City's website and RTN16, the City's government access cable channel, as required by State law.

Subsequent to the approval by Council on August 10 of \$0.867875 as the proposed tax rate for FY2027 (tax year 2026), discussions throughout the FY27 budget process have allowed the tax rate of \$0.807891 included in the City Manager's FY27 Proposed Budget to remain unchanged. Therefore, the tax rate to be presented for vote of adoption on September 16, 2026 is below the no-new-revenue rate and includes an operations and maintenance tax rate of \$0.538841 and an I&S (debt service) tax rate of \$0.269050 for a total tax rate of \$0.807891 per \$100 of taxable value.

The meeting to vote and adopt the tax rate will be held on Wednesday, September 16, 2026 at 5:30 p.m.

Financial/Budget Implications

N/A

Recommended Action

City staff recommends the City Council conduct a public hearing to allow the public the opportunity to express their views on the proposed tax rate.

Attachments

None



City of Rowlett City Council Agenda Item

Meeting Date: 9/15/2026

Agenda Item: 5.E.

Title

Announce the date, time, and location of the vote to approve the ad valorem tax rate for Fiscal Year 2027.

Staff Representative

Wendy Badgett, Director of Finance

Michael Kuhn, Treasury & Debt Manager

Executive Summary

The purpose of this item is to announce the date, time, and location of the vote to approve the ad valorem tax rate for Fiscal Year 2027 as September 16, 2026, at 5:30pm in the Council Chambers located at 4000 Main Street, Rowlett, TX 75088.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.6 Actively educate, engage, and communicate with the community through a variety of channels.

Background Information

The State of Texas "Truth in Taxation" law requires that the City Council conduct a public hearing on its proposed ad valorem tax rate each year if such rate exceeds the lower of the no-new-revenue tax rate or the voter-approval rate.

Description	FY2026 Adopted	FY2027 City Manager Proposed Budget	FY2027 No-New- Revenue	FY2027 Voter- Approval	FY2027 Proposed/ Published Tax Rate
Operations (O & M)	\$0.538841	\$0.538841	\$0.541951	\$0.598825	\$0.598825
Debt (I&S)	\$0.269050	\$0.269050	\$0.269050	\$0.269050	\$0.269050
Total	\$0.807891	\$0.807891	\$0.811001	\$0.867875	\$0.867875

The public hearing on the proposed ad valorem tax rate is being held on September 15, 2026, immediately prior to this agenda item. Public notice of the date, time and location of the hearing was published in a newspaper of general circulation (Dallas Morning News) as required by state law on September 1, 2026. Additionally, tax rate information has been

posted to the City's website and RTN16, the City's government access cable channel, as required by State law.

Discussion

Texas Tax Code section 26.06(d) requires that "[i]f the governing body does not vote on the proposed tax rate at the public hearing, the governing body shall announce at the public hearing the date, time and place of the meeting at which it will vote on the proposed tax rate".

Financial/Budget Implications

N/A

Recommended Action

City staff recommends the City Council announce the date, time, and location of the vote to approve the ad valorem tax rate for Fiscal Year 2027.

In compliance with Texas Tax Code Section 26.06(d), the City Council shall announce the date, time and place of the meeting at which it will vote on the tax rate.

"The City of Rowlett Council will vote on the tax rate on Wednesday, September 16, 2026, at 5:30pm in the Council Chambers located at 4000 Main Street, Rowlett, TX 75088. The public is invited to attend."

Attachments

None

Meeting Date: 9/15/2026

Agenda Item: 5.F.

Title

Consider action to adopt a resolution appointing members to the Downtown Advisory Board.

Staff Representative

Jeff Winget, Mayor

Executive Summary

Following the creation of the Downtown Advisory Board, the next step is to appoint applicants. The addition of this board will provide a structured mechanism for citizen involvement and stakeholder input regarding issues affecting the downtown area and will support the City's ongoing efforts to enhance and promote downtown redevelopment, revitalization, and community engagement.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 GOVERN TRANSPARENTLY & INCLUSIVELY	1.8 Provide accurate and timely information to policy-makers and the public.

Background Information

The City Council authorized the creation of the Downtown Advisory Board on July 7, 2026. The application window opened on July 17 and closed August 18. A total of 25 applications were received for the 7 available positions (5 regular members and 2 alternate members).

Discussion

A total of 19 interviews were conducted by Councilmember Fassett, Councilmember Kizziar and Mayor Winget over the course of two days. Of the remaining applicants, 2 did not respond to requests to schedule the interview, 2 were unavailable to attend the interview window, and 2 withdrew their applications prior to the interviews being conducted.

Each applicant was provided 15 minutes to share information about themselves and to

share their vision for Downtown Rowlett. Following these interviews, a list of the most highly-ranked applicants are being recommended to serve on the Board. Their names, suggested positions, terms, and qualifications are shown below.

Name	Position	Term Start	Term End	Qualification
Shelby Coleman	Regular	Sept. 2026	Dec. 2027	Downtown owner/operator, development, design expertise
Julie Condry	Regular	Sept. 2026	Dec. 2028	Downtown owner, development, policy
Vivek Rajbahak	Regular	Sept. 2026	Dec. 2027	Downtown owner/operator, economic development
Martin Molloy	Regular	Sept. 2026	Dec. 2028	Planning, transit, engineering
Jessica Harp	Regular	Sept. 2026	Dec. 2027	Arts & Culture, marketing
Jessica Locklear	Alternate	Sept. 2026	Dec. 2027	Downtown owner/operator
Brooke Allen	Alternate	Sept. 2026	Dec. 2027	Downtown resident, park advocate
Michael Gallops	Alternate	Sept. 2026	Dec. 2027	Downtown owner/operator, economic development, policy
Caitlin Holland	Ex Officio	Sept. 2026	Dec. 2028	DART Representative
Emily Stupnik	Ex Officio	Sept. 2026	Dec. 2027	Chamber of Commerce

It should be noted that an additional Alternate was identified above and beyond the initial 7-member slate that was approved by the City Council. All members of this board are appointed to serve at the pleasure of the City Council.

The City Council considered these applicants at their September 14 Work Session. The final list of candidates will be identified in the attached Resolution.

In addition to these appointees, Councilmembers Fassett and Kizziar will serve as council liaisons to the Board, and a staff liaison will be appointed to serve by the city manager.

Financial/Budget Implications

N/A

Recommended Action

Approve a resolution appointing members to the Downtown Advisory Board, including positions and terms for each.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS APPOINTING REGULAR, ALTERNATE AND EX OFFICIO MEMBERS TO THE ROWLETT DOWNTOWN ADVISORY BOARD; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council, on July 7, 2026, established the Rowlett Downtown Advisory Board consisting of five voting members and two alternates, to serve staggered two year terms; and

WHEREAS, the City Council of the City of Rowlett, Texas, finds it to be in the public interest to appoint five voting members, three alternate members, and two ex-officio members to the Rowlett Downtown Advisory Board, in the positions and for the terms set forth hereinbelow;

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

SECTION 1. The following are hereby appointed to the Rowlett Downtown Advisory Board in the positions and for the terms set forth below:

Name	Position	Term Start	Term End
Shelby Coleman	Regular	Sept. 2026	Dec. 2027
Julie Condry	Regular	Sept. 2026	Dec. 2028
Vivek Rajbahak	Regular	Sept. 2026	Dec. 2027
Martin Molloy	Regular	Sept. 2026	Dec. 2028
Jessica Harp	Regular	Sept. 2026	Dec. 2027
Jessica Locklear	Alternate	Sept. 2026	Dec. 2027
Brooke Allen	Alternate	Sept. 2026	Dec. 2027
Michael Gallops	Alternate	Sept. 2026	Dec. 2027
Caitlin Holland	Ex-Officio for DART	Sept. 2026	Dec. 2028
Emily Stupnik	Ex-Officio for Rowlett Chamber of Commerce	Sept. 2026	Dec. 2027

SECTION 2. This Resolution shall take effect immediately upon passage.

Attachments

None

Meeting Date: 9/15/2026

Agenda Item: 5.G.

Title

Consider action to adopt a resolution authorizing Amendment No. 4 to the Professional Services Agreement with Hoefer Welker, LLC, for design services for the Animal Services Building, in an amount not to exceed \$550,000: \$540,000 for Schematic Design (25%), Design development (25%), Construction Documents (30%), Bidding and Negotiation (2%), and Construction Administration (18%), and up to \$10,000 for Civil Engineering Reimbursable Expenses; authorizing the Interim City Manager or his designee to execute Amendment No. 4 and all necessary and related documents to effectuate said purchase; and providing an effective date.

Staff Representative

Lynnette Lawyer, Sr. CIP Manager
Deepa Modi, Senior CIP Manager

Executive Summary

The purpose of this agenda item is to amend the existing Professional Services Agreement with Hoefer Welker, LLC to design a new Animal Services building at 8502 Schrade Road. Hoefer Welker's previous involvement with the design of the Animal Services building, while part of the Municipal Complex project, will help advance this work efficiently and effectively.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 Promote Operational Excellence	7.3 Support investments in upgraded, consolidated City facilities.

Background Information

On May 6, 2023, Rowlett voters authorized \$76.3 million in GO Bonds for three facility propositions:

- Proposition A for a Public Safety facility (\$63.9 million)
- Proposition B for an Animal Shelter building (\$8.4 million)
- Proposition C for Herfurth Park improvements (\$4 million)

On March 16, 2026, the Council directed staff to evaluate alternative locations for the Municipal Complex buildings rather than continuing at Herfurth Park. On July 6, 2026, staff received the initial findings of the Site Suitability Assessment and Selection Process from Hoefer Welker. The recommended location for the Animal Services building was 8502 Schrade Road. Subsequently, at their August 17, 2026, meeting, the City Council supported the animal shelter at this location pending a presentation to the Animal Services Advisory Board.

To date, City Council has approved three Amendments to the Professional Service Agreement by Hoefer Welker, as follows:

- Amendment No. 1 for additional design services for the Municipal Complex project.
- Amendment No. 2 to explore locations for the components of the new Municipal Complex.
- Amendment No. 3 for the Re-master Plan of Herfurth Park.

Discussion

At their June 2, 2026, meeting, the City Council approved a proposal by Hoefer Welker to assess and analyze alternative locations for municipal facilities. Over 150 properties were evaluated based on multiple Site Selection criteria. Six properties were identified as the Animal Services facilities, with 8502 Schrade Road, a City owned property, as the preferred location.

On August 3, 2026, Hoefer Welker was given notice to proceed with further evaluations, with 8502 Schrade Road as the sole location being considered for the Animal Services building.

If this item is approved, a Notice to Proceed (NTP) will be issued on September 16, 2026, after which the tentative schedule for design and construction is approximately 18 months. This work is organized into five phases:

1. Schematic Design – 8 weeks
2. Design Development – 10 weeks
3. Construction Documents – 12 weeks
4. Bid Solicitation – 3 weeks
5. Construction Administration – 44 weeks

Hoefer Welker and its subconsultant, Animal Arts, have already completed substantial programming exploration and design development for the Animal Services building during Municipal Complex planning efforts. Animal Arts is a specialized architecture and design firm focused exclusively on spaces for animal care and wellbeing.

Amending the current agreement with Hoefer Welker will result in significant cost savings, maintain project continuity, and shorten the overall timeline by allowing the City

to build upon existing design work rather than initiate the process with a new design firm.

Financial/Budget Implications

Project Code or Budget Account Number	Account or Project Title	Available Budget	Proposed Amount	Remaining Balance
SP2141	Animal Services Facility	\$5,222,745	\$550,000	\$4,672,745

Recommended Action

Move to adopt a resolution authorizing Amendment No. 4 to the Professional Services Agreement with Hoefer Welker, LLC, for design services for the Animal Services Building, in an amount not to exceed \$550,000: \$540,000 for Schematic Design (25%), Design development (25%), Construction Documents (30%), Bidding and Negotiation (2%), and Construction Administration (18%), and up to \$10,000 for Civil Engineering Reimbursable Expenses; authorize the Interim City Manager or his designee to execute the Amendment and all necessary and related documents to effectuate said purchase; and provide an effective date.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AND AUTHORIZING AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH HOEFER WELKER, LLC FOR DESIGN SERVICES FOR THE ANIMAL SERVICES FACILITY IN AN AMOUNT NOT TO EXCEED \$550,000.00; AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXECUTE AMENDMENT NO. 4 AND ALL NECESSARY AND RELATED DOCUMENTS THERETO; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council approved a Professional Services Agreement with Hoefer Welker, LLC, for architectural design services for the new Municipal Complex on or about July 17, 2024 (the “Agreement”); and

WHEREAS, the City and Hoefer Welker, LLC have since entered into Amendment No. 1 for \$250,000.00 (increase in construction budget), Amendment No. 2 for \$187,000.00 (adding site selection) to the Agreement, and Amendment No. 3 for \$393,000.00 (for design services for a Herfurth Park Master Plan); and

WHEREAS, the City and Hoefer Welker, LLC now desire to enter into Amendment No. 4 in an amount not to exceed \$550,000.00 for design services for the Animal Services Facility; and

WHEREAS, the City Council finds that it serves the public health, safety, and general welfare to approve Amendment No. 4 to the Professional Services Agreement with Hoefer Welker, LLC;

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

Section 1. The City Council hereby approves and authorizes the Interim City Manager to execute Amendment No. 4 to the City's Agreement with Hoefer Welker, LLC, in substantially the form attached hereto as **Exhibit "A,"** and all necessary and related documents thereto.

Section 2. This Resolution shall take effect immediately from and after its passage.

Attachments

1. Exhibit A - Fourth Amendment PSA Hoefer Welker

STATE OF TEXAS § AMENDMENT NO. 4
 § PROFESSIONAL ENGINEERING SERVICES AGREEMENT
COUNTY OF DALLAS §

This Amendment No. 4 to the Professional Services Agreement ("Amendment") is made by and between the City of Rowlett, Texas ("City"), a municipal corporation and Hoefer Welker, LLC ("Professional") acting by and through their authorized representatives. City and Professional may each be referred to herein as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, the Parties previously entered into a Professional Services Agreement (“Agreement”) for Design Services for the Municipal Complex with an effective date of July 17, 2024;

WHEREAS, the Parties previously executed Amendment No. 1 to the Agreement on October 17, 2024;

WHEREAS, the Parties previously executed Amendment No. 2 to the Agreement on June 3, 2026;

WHEREAS, the Parties previously executed Amendment No. 3 to the Agreement on August 19, 2026;

NOW THEREFORE, in exchange for the mutual covenants set forth herein and other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties agree to amend the Agreement as follows:

1. Adjust the scope of design for the City of Rowlett Animal Shelter to provide a stand-alone facility located at 8502 Schrade Road, as outlined in Attachment A Scope of Services, attached hereto and incorporated by reference.
2. Compensation for adjusted services as outlined in Attachment B. Fee Schedule, attached hereto and incorporated by reference.
3. Schedule for adjusted services as outlined in Attachment C. Project Schedule, attached hereto and incorporated by reference.
4. All other terms, conditions and provisions of the Agreement remain unchanged and are in full force and effect.
5. Unless otherwise noted, this Amendment No. 4 goes into full effect once it is signed by the City and Professional.

{Signatures on following page}

CITY OF ROWLETT

By: _____

Kristoff Bauer
Interim City Manager

Date: _____

HOEFER WELKER, LLC

By: _____

James Beers
Partner

Date: 09.01.2026

ATTACHMENT “A” SCOPE OF SERVICES

The scope of design and associated fees shall be adjusted to provide standalone professional services for the new City of Rowlett Animal Shelter located at 8502 Schrade Road. This scope includes facility programming confirmation, site planning, and architectural, civil, and landscape design tailored to a municipal animal care facility—encompassing animal housing, intake and veterinary suites, administrative spaces, secure outdoor play yards, dedicated parking, and on-site utility connections. Design delivery includes full construction documents and MEP coordination for building permit submittal; however, extensive zoning entitlement processes, off-site utility extensions, and design services for Herfurth Park, City Hall, or Public Safety facilities are excluded and subject to separate additional service requests.

ATTACHMENT "B"

FEE SCHEDULE

For the Scope of Services described in this Amendment, **the Owner shall compensate the Architect on a stipulated sum basis in the total gross amount of \$540,000.00.** Progress billings shall be invoiced monthly based on the percentage of completion within the following phase breakdown:

- Schematic Design (25%)
- Design Development (25%)
- Construction Documents (30%)
- Bidding and Negotiation (2%)
- Construction Administration (18%)

Reimbursable expenses, consultant travel outside the standard municipal boundary, and authorized additional services shall be invoiced in accordance with the standard terms of the Agreement. Stormwater management design for an approximate .2 acres by Civil Engineering is within this scope as an allowance of \$10,000.

ATTACHMENT “B” PROJECT SCHEDULE

Estimated durations per phase are as follows:

- Schematic Design – 8 weeks
- Design Development – 10 weeks
- Construction Documents – 12 weeks
- Bidding – 3 weeks
- Construction Administration – 44 weeks



City of Rowlett City Council Agenda Item

Meeting Date: 9/15/2026

Agenda Item: 5.H.

Title

Consider action to adopt a resolution approving and authorizing the Interim City Manager to execute a Chapter 380 Economic Development Agreement with La Casita Coffee Rowlett LLC for Project “Decaf.”

Staff Representative

David Funk

Executive Summary

The purpose of this item is to consider a resolution approving a Chapter 380 Economic Development Agreement with La Casita Coffee LLC for Project “Decaf.” The proposed agreement provides a reimbursement-based economic development specialty retail grant in an amount not to exceed \$25,000 and a façade/signage reimbursement grant in an amount not to exceed \$5,000, for a total incentive not to exceed \$30,000.

The incentive will support La Casita Coffee’s relocation and expansion from its existing Downtown location at 3837 Main Street to a new location at 3522 Main Street, Suite 300, also within Downtown Rowlett. The new location will provide approximately 25% more space than the company’s current location. La Casita Coffee presented its incentive request to the Economic Development Advisory Board on February 17, 2026. The Board unanimously recommended approval of the request to the City Council.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 Foster Economic Vitality	5.1 Create and promote a positive brand identity. 5.2 Achieve regional, state, and national recognition. 5.6 Strengthen the City’s employment base. 5.8 Responsibly develop identified economic opportunity areas.

Background Information

La Casita Coffee is a regionally recognized bakery, café, and restaurant with four locations. Its parent company, La Casita Bake Shop in Richardson, operates a 6,000 square foot full-service restaurant and wholesale production kitchen that supplies baked goods to approximately 175 retail establishments throughout the Dallas-Fort Worth area.

La Casita Coffee LLC has served the Rowlett community since 2023, operating from its

current 1,200 square foot location. Economic Development staff has confirmed that the applicant has executed a lease for its new location, where it plans to relocate and expand into a 1,500 square foot space, representing a 25% increase in its Rowlett footprint.

Chapter 380 of the Texas Local Government Code authorizes municipalities to establish economic development programs designed to promote local economic development and stimulate business and commercial activity.

Discussion

The applicant is requesting a reimbursement-based Chapter 380 economic development grant to support the relocation and expansion of its existing Rowlett small business into a full-service café and restaurant. The requested incentive is intended to offset a portion of eligible project costs, including buildout, equipment, furniture, fixtures, signage, and related improvements.

The new location will expand upon La Casita's existing coffee shop concept by adding full-service food and beverage offerings. The current location consists of approximately 1,200 square feet of combined interior and exterior space and does not have sufficient space for a full-service kitchen. It currently operates daily from 7:00 a.m. to 3:00 p.m., employs two full-time equivalent (FTE) employees, and primarily offers pastries and specialty coffee.

The new location will provide approximately 1,500 square feet of interior space, allowing for increased seating and the addition of a full-service kitchen. The applicant anticipates initially maintaining its current operating hours, with plans to eventually expand operations to 7:00 a.m. to 9:00 p.m., seven days a week. At opening, the applicant anticipates retaining its two existing FTEs and adding approximately eight FTEs for kitchen and service operations. Upon implementation of dinner and expanded weekend service, the applicant anticipates adding at least eight additional FTEs. The applicant has also expressed interest in eventually obtaining a liquor license, which it estimates could support an additional four FTEs. If ownership can achieve its vision for this location, this project could add a total of twenty (20) or more new FTEs over the next 2-3 yr period.

The incentive request was reviewed under the City's Economic Development Incentive Policy by the Economic Development Advisory Board (EDAB), which unanimously recommended approval. The project is expected to support Downtown Rowlett by activating a larger Main Street storefront, expanding dining and gathering options, increasing customer capacity, and strengthening Downtown as a destination for residents and visitors while supporting surrounding businesses.

The applicant intends to model the expanded Rowlett location after its existing location at 5801 E. Northwest Highway in Dallas. To support Economic Development staff's analysis, the applicant provided detailed 2025 sales information for the Dallas location. Based on the applicant's current Rowlett sales performance and operating data from the Dallas location, staff believe there is a reasonable basis to project that local sales tax generation could approximately double during the first year of operation and potentially triple as extended

hours and dinner service are implemented.

Economic Development staff's analysis estimates that annual local sales tax collections could increase from approximately \$900 currently to between \$1,800 and more than \$4,000 annually as expanded services and operating hours are implemented. Over the 10-year analysis period, the model estimates a cumulative net fiscal benefit to the City of approximately \$34,893. These projections are estimates based on available information and should not be considered guaranteed future revenues.

The proposed agreement requires La Casita Coffee LLC to continuously lease and occupy the premises throughout the agreement term and operate the location as a café and restaurant. The agreement also establishes the following project timeline and performance requirements:

- Commencement of Expansion Target: By September 30, 2026.
- Target Opening: By April 1, 2027.
- Certificate of Occupancy: A Certificate of Occupancy must be issued for the expanded location.
- Operational Requirement: The company must be open and conduct business during normal business hours.

The agreement requires the applicant to make upfront payments for the entire cost of construction and finish out, estimated at \$78,000 before the City reimburses any funds, the applicant must be able to provide documentation showing that eligible project costs were incurred and paid, and verified by Economic Development staff. The applicant has secured a construction loan for the full amount of the project and states the reimbursements will go directly to reducing that debt burden. Making the final capital investment by the business \$48,000.

Financial/Budget Implications

The agreement defines the assistance as one economic development grant to offset a portion of the costs paid and incurred by the company for the expansion.

For staff review purposes, the grant is intended to support the following eligible project cost categories:

Category	Intended Amount	Purpose
Specialty Retail - Relocation and expansion costs	Up to \$25,000	Eligible buildout, equipment, furniture, fixtures, technology, and related project costs
Facade - Signage and storefront visibility improvements	Up to \$5,000	Exterior signage, storefront branding, window/frontage visibility, and other exterior-facing improvements supporting the business presence along Main Street
Total Grant Amount	Not to exceed \$30,000	Two reimbursement-based economic development grants

The agreement provides that the grant will be paid solely from lawfully available funds that have been appropriated by the City. Funds in an amount up to \$30,000 have been included in the Economic Development Fund account 1026001-6608 within the FY2027 Proposed Budget.

Recommended Action

Move to adopt a resolution approving and authorizing the Interim City Manager to execute a Chapter 380 Economic Development Agreement with La Casita Coffee Rowlett LLC for Project “Decaf,” providing a reimbursement-based economic development grant in an amount not to exceed \$30,000 to offset eligible expansion costs.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AND AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE A CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT WITH LA CASITA COFFEE ROWLETT, LLC; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Rowlett is committed to the attraction and promotion of quality development of new and expanded business, and desires to provide economic development incentives and to establish various programs to ensure the City remains competitive in the marketplace, encourages the increase and retention of quality jobs, encourages revenue streams from businesses that maintain or increase the taxable values of their real property and improvements and business personal property in the City; and

WHEREAS, the City Council of the City of Rowlett has adopted a policy on local economic development through which the City of Rowlett may, on a case-by-case basis, give consideration to providing economic development incentives to individuals and businesses; and

WHEREAS, the Chapter 380 Economic Development Agreement with La Casita Coffee Rowlett, LLC, attached hereto as Exhibit “A,” conforms to the requirements of Chapter 380 of the Texas Local Government Code and the City’s economic development policy;

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

Section 1. The City Council hereby approves and authorizes the Interim City Manager to execute the Chapter 380 Economic Development Agreement with La Casita Coffee Rowlett, LLC, in substantially the form of that attached hereto and incorporated herein by this reference as Exhibit “A.”

Section 2. This Resolution shall take effect immediately from and after its passage.

Attachments

1. Exhibit A to Resolution - La Casita 380 Agreement
2. Project Summary Sheet
3. Fiscal Impact Summary

STATE OF TEXAS §
§
COUNTY OF DALLAS § CHAPTER 380 ECONOMIC
§ DEVELOPMENT AGREEMENT

This Chapter 380 Economic Development Agreement (the “Agreement”) is made by the City of Rowlett, Texas (“City”) and La Casita Coffee Rowlett, LLC (“Company”), each a “Party” and collectively, the “Parties,” acting by and through their respective authorized officers.

WITNESSETH:

WHEREAS, Company currently operates an approximately 1,200 square foot service business at 3837 Main Street in the City of Rowlett; and

WHEREAS, Company desires to relocate and expand its business into a 1,500 square foot, full-service bakery café and restaurant in Downtown Rowlett, including bakery, coffee, food, and beverage services and related restaurant operations in accordance with the plans attached hereto and incorporated herein by this reference as Exhibit “A,” to be known as La Casita Coffee to be located at 3522 Main Street, Suite 300 in downtown Rowlett, Texas (the “Location”) through a long term lease of those premises; and

WHEREAS, Company has advised the City that a contributing factor that would induce Company to proceed with the expansion of its operations at the Location would be an agreement by City to provide an economic development grant to Company; and

WHEREAS, promotion of the expansion of new and existing businesses within the City will promote economic development, stimulate commercial activity, generate additional sales tax, and will enhance the property tax base and economic vitality of the City; and

WHEREAS, the City has adopted policies and programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, City has determined that making the Grant (hereinafter defined) to the Company in accordance with this Agreement is in accordance with the City Economic Development Incentive Policy and will: (i) further the objectives of the City; (ii) benefit the City and the City’s inhabitants; and (iii) promote local economic development and stimulate business and commercial activity in the City, which has adopted programs for promoting economic development;

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Article I

Term

This Agreement shall be effective on the last date of execution hereof (“Effective Date”) and continue until the Expiration Date, unless sooner terminated as provided herein.

Article II

Definitions

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

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

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

“Commencement Date” shall mean the date of Completion of Expansion, as that term is defined herein, but in no event shall the Commencement Date be a date later than January 1, 2028.

“Commencement of Expansion” shall mean that (1) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for the Expansion, (2) all necessary permits for the Expansion have been issued by all applicable governmental authorities, and (3) construction of the vertical elements of the Expansion has commenced.

“Company” shall mean La Casita Coffee Rowlett, LLC

“Company Affiliate” shall mean an entity that is directly or indirectly controlled by or is under common control of or with Company.

“Completion of Expansion” shall mean that (1) Expansion has been substantially completed, (2) a final, permanent certificate of occupancy for the Expansion and the Leased Premises has been issued, and (3) Company is open to the public and conducting business during normal business hours for La Casita Coffee at the Leased Premises, including the Expansion.

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

“Expansion” shall mean interior buildout and finishing of interior and exterior improvements to the approximately 1,500 square feet Leased Premises in conformance with the plans attached hereto and incorporated herein by this reference as Exhibit “A,” and the purchase and installation at the Leased Premises of (1) installation of commercial kitchen equipment along with other restaurant equipment and small wares at the Leased

Premises; (2) restaurant furniture and fixtures, (3) technology upgrades, and (4) exterior signage for La Casita Coffee.

“Expiration Date” shall mean the third (3rd) anniversary date of the Commencement Date.

“Façade Grant” shall mean an economic development grant in an amount not to exceed \$5,000.00 to offset a portion of the costs paid and incurred by Company for exterior signage for the Expansion, limited to 50% of the costs paid and incurred by Company for design, fabrication, and installation of the signage for the Expansion, to be paid in one lump sum payment within thirty (30) days of receipt of a Payment Request.

“Force Majeure” shall mean an occurrence of any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, government or de facto governmental action, restrictions or interferences (unless caused by the intentional acts or omissions of the Party), fires, explosions, floods or other inclement weather, strikes, slowdowns or work stoppages, incidence of disease or other illness that reaches outbreak, epidemic, or pandemic proportions or similar causes affecting the area in which the Leased Premises is located that results in a reduction of labor force or work stoppage in order to comply with local, state, or national disaster orders, construction delays, shortages or unavailability of supplies, materials or labor, necessary condemnation proceedings, or any other circumstances which are reasonably beyond the control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not, in which case the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or performance shall be extended for a period of time equal to the period such Party was delayed, provided the Party whose performance is delayed provides written notice to the other Party not later than fifteen (15) business days after the last day of the month of the occurrence of the event(s) or condition(s) causing the delay or the date the Party whose performance has been delayed becomes aware or should have reasonably known of the event, describing such event(s) and/or condition(s) and the date on which such event(s) and/or condition(s) occurred.

“Full time employee” or “FTE” shall mean a person employed by Company and working a minimum of 35 hours or more per week per person. A part-time employee working less than 35 hours per week shall be counted as one half (0.5) of an FTE, meaning two part time employees equals 1 FTE.

“Grant” or “Grants” shall mean, collectively, the Façade Grant and the Specialty Grant, the combined total of which shall not exceed \$30,000.00.

“Impositions” shall mean all taxes including but not limited to sales and ad valorem property taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees and other charges, whether general or special, ordinary, or extraordinary, foreseen, or

unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company with respect to the Leased Premises or any property or any business owned by Company within the City.

“Leased Premises” means the real property and all improvements thereon, including the approximately 1,500 square foot Expansion, located at 3522 Main Street, Suite 300 in the City of Rowlett, Texas.

“Payment Request” shall mean a written request from Company to City for payment of the Grant accompanied by copies of receipts, cancelled checks, or other evidence reasonably satisfactory to City establishing the costs incurred and actually paid by Company for the Expansion from the Effective Date to the date of submission of the Payment Request. For the Façade Grant, the Payment Request shall include a final report detailing the completed signage project with before and after photographs.

“Related Agreements” shall mean any agreement other than this Agreement by and between City and Company and/or Company Affiliate(s).

“Required Use” shall mean the operation and use of the Leased Premises as a full-service bakery café and restaurant, including bakery, coffee, food, and beverage services and related restaurant operations, to be known as La Casita Coffee.

“Specialty Grant” shall mean an economic development grant in an amount not to exceed \$25,000.00 to offset a portion of the costs paid and incurred by Company for the Expansion, limited to 10% of the total capital investment of Company, to be paid in one lump sum payment within thirty (30) days of receipt by City of a Payment Request.

“Undocumented worker” shall mean an individual who, at the time of employment by Company, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under the law to be employed in that manner in the United States.

Article III

Grants

3.1 Grants. City agrees, subject to the continued satisfaction of all the terms and conditions of this Agreement by Company and the obligation of Company to repay pursuant to Article V hereof, to provide Company with a Façade Grant in an amount up to \$5,000.00 and a Specialty Grant in an amount not to exceed \$25,000.00, as set forth herein.

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

3.3 Current Revenue. The Grant made hereunder shall be paid solely from lawfully available funds that have been appropriated by City. City shall have no obligation or liability to provide any Grant except as allowed by law. City shall not be required to provide any of the Grant if prohibited under federal or state

legislation or a decision of a court of competent jurisdiction.

Article IV **Conditions to Economic Development Grant**

Company shall during the term of this Agreement satisfy and comply with the terms and conditions of this Agreement and specifically, each term and condition of this Article IV. The obligation of City to provide the Grant or any portion thereof shall be conditioned upon Company's compliance with and satisfaction of the terms and conditions of this Agreement and each of the conditions set forth in this Article IV

4.1 Continuous Ownership and Occupancy. During the term of this Agreement, beginning on the Effective Date and continuing thereafter until the Expiration Date, Company shall continuously lease and occupy the Leased Premises.

4.2 Commencement of Expansion. Commencement of Expansion, including signage, as that term is defined herein, shall occur not later than October 30, 2026.

4.3 Completion of Signage and Expansion. Completion of the design, fabrication and installation of the signage component of the Expansion, as that term is defined herein, shall occur not later than October 30, 2027 and completion of all other components of the Expansion, as that term is defined herein, shall occur not later than April 1, 2028.

4.4 Required Use. During the term of this Agreement, beginning on the Commencement Date and continuing thereafter until the Expiration Date, the Leased Premises, including the Expansion, shall not be used for any purpose other than the Required Use, and the use and occupancy of the Leased Premises, including the Expansion, in conformance with the Required Use shall not cease for more than thirty (30) days except in connection with and to the extent of an event of Force Majeure, or for temporary closures for reasonable periods of time not to exceed ninety (90) consecutive days for expansion, renovation or remodeling, providing City is provided with prior written notice of such temporary closure(s).

4.5 Required Full Time Employees. Company shall, during the term of this Agreement, Company, employ a minimum of two (2) full-time employees ("FTEs") in the Expansion on the Leased Premises and further, for the calendar years noted below, Company will employ the number of full-time employees in the Expansion on the Leased Premises as set forth below:

<u>Calendar Year</u>	<u>Minimum Number of FTEs</u>
2026	8
2027	15
2028	20

4.6 . Reporting Requirement.

1. Within 60 days following the Calendar year end of 2026, and annually during the term of this agreement, Company will submit a written certification to the Economic Development Department that it is in compliance with the terms of this Agreement and provide sufficient written information, records, and documents, to support its certification of compliance.

2. Upon the Economic Development Department's written request, Company will promptly provide to the Economic Development Department any additional information reasonably necessary for the Economic Development Department to determine if the Company is complying with this Agreement.

3. With regard to the Specialty Grant, each annual report by Company must include updates on business performance, investment impact and lease compliance.

4. Company will allow the Economic Development Department or the City access to the Property during regular business hours to inspect the Property, improvements, and applicable employment records to verify the Company is complying with this Agreement.

4.7 Payment Request. Company shall, as a condition precedent to the payment of the Grant, provide City with the applicable Payment Request.

4.8 Good Standing. Company shall not have an uncured breach or default of this Agreement or any Related Agreement.

4.9 Capital Investment. Company's Capital Investment for the Expansion as of Completion of Construction shall be not less than \$78,000.00. City shall have the right, during the term of this Agreement, to request that Company provide proof of this Capital Investment. In the event of such request, Company shall, not later than fifteen (15) calendar days after the request by City, deliver to City copies of all records, contracts, receipts, invoices, bills, proofs of payment, and such other information as City may reasonably request to document compliance with the required Capital Investment. In the event the final total costs of the Expansion, as reasonably verified by City, is less than \$78,000.00, Company shall, within thirty (30) days of receipt by Company of written demand by City, pay to City the difference in value between \$78,000.00 and the final total costs of the Company's capital investment in the Expansion as reasonably verified by City.

4.10 Taxes. Company will, at all times, remain current on payment of all Impositions, as that term is defined herein, and all other fees or charges assessed or levied by City on Company, the business enterprise of Company, or any property, real or personal, owned or leased by Company.

Article V

Termination; Repayment

5.1 Termination. This Agreement shall terminate upon any one of the following:

- (a) By written agreement of the Parties;
- (b) Upon the Expiration Date;

- (c) On the date set forth in a written notice by City to Company, in the event the Company breaches any of the terms or conditions of this Agreement or a Related Agreement and such breach is not cured within thirty (30) days after date of written notice of such breach;
- (d) On the date set forth in a written notice by City to Company, if Company suffers an event of Bankruptcy or Insolvency;
- (e) On the date set forth in a written notice by City to Company, if any Impositions owed to City or the State of Texas by Company shall become delinquent and such delinquency is not cured by Company within ten (10) business days of the date of receipt of written notice thereof (provided, however, Company retains the right to timely and properly protest and contest any such Impositions); or
- (f) On the date set forth in a written notice by any Party, if any subsequent Federal or State legislation or any final, non-appealable decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable;

5.2 Repayment. If this Agreement is terminated by City pursuant to Section 5.1 (c), (d), (e) or (f), Company shall immediately refund to City an amount equal to the total amount of all the Grant paid by City to Company preceding the date of such termination, plus interest at the rate of interest periodically announced by the *Wall Street Journal* as the prime or base commercial lending rate, or if the *Wall Street Journal* shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by City) as its prime or base commercial lending rate, from the Effective Date. The repayment obligation of Company set forth in this Section 5.2 hereof shall survive termination.

5.3 Right of Offset. City may at its option, offset any amounts due and payable under this Agreement against any debt (including any Impositions) lawfully due to City from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement or otherwise and regardless of whether the debt due to City has been reduced to judgment by a court.

5.4 Repayment Forgiveness. Any obligation of Company to refund or repay the Grant shall be forgiven by the City in increments as Company timely achieves the milestones set out in this agreement, in accordance with the following schedule:

<u>Project Milestone Met</u>	<u>Grant Forgiveness</u>
Completion/Installation of Sign	up to \$5,000 of Façade Grant
Completion of 2026 FTE Requirement	up to \$10,000 of Specialty Grant
Completion of 2027 FTE Requirement	up to \$10,000 of Specialty Grant
Completion of 2028 FTE Requirement	up to \$5,000 of Specialty Grant

Article VI Miscellaneous

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

6.2 Limitation on Liability. It is understood and agreed between the Parties that Company in satisfying the conditions of this Agreement has acted independently, and City assumes no responsibilities or liabilities to third parties in connection with Company's actions.

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

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

6.5 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received: (i) three (3) days after deposit into the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or (ii) on the day received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of Rowlett, Texas
Attn: Interim City Manager
4000 Main Street
Rowlett, Texas 75088

With a copy to:

Victoria Thomas
Nichols | Jackson LLP
500 N. Akard, Suite 1800
Dallas, Texas 75201

If intended for Company, to:

La Casita Coffee Rowlett, LLC
580 W. Arapaho Road, No. 154
Richardson, Texas 75080

6.6 Entire Agreement. This Agreement is the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the Parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto.

6.7 Governing Law. This Agreement shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. Subject to and without waiving any available immunities, the Parties otherwise agree to submit to the personal and subject matter jurisdiction of said court.

6.8 Amendment. This Agreement may only be amended by a written agreement executed by both Parties.

6.9 Legal Construction. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

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

6.11 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all the counterparts shall constitute the same instrument.

6.12 Exhibits. Any and all exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

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

6.14 Successors and Assigns. This Agreement may not be assigned without the prior written consent of City.

6.15 Employment of Undocumented Workers. During the term of this Agreement Company agrees not to knowingly employ any undocumented workers and if convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay the amount of the Grants and any other funds received by Company from City as of the date of such violation within one hundred twenty (120) business days after the date Company is notified by City of such violation, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid. Company is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of Company or by a person with whom Company contracts.

6.16 Conditions Precedent. This Agreement is subject to, and the obligations of the Parties are expressly conditioned upon the City Council for the City approving this Agreement and authorizing execution thereof.

6.17 Texas Public Entity Required Certifications. Because Company is contracting with a Texas public entity, to the extent applicable to Company and this transaction, Company certifies the following:

- a) Certification Regarding Prohibition of Certain Terrorist Organizations (Tex. Gov. Code 2270). Company certifies that Company is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or

services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.

- b) Certification Regarding Prohibition of Boycotting Israel (Tex. Gov. Code 2271). Company certifies, where applicable, that neither the Company, nor any affiliate, subsidiary, or parent company of Company, if any, boycotts Israel, and Company agrees that Company and Company Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli- controlled territory but does not include an action made for ordinary business purposes.
- c) Certification Regarding Prohibition of Contracts with Certain Foreign-Owned Companies (Tex. Gov. Code 2274). Certain public entities are prohibited from entering into a contract or other agreement relating to critical infrastructure that would grant Company direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by a customer for product warranty and support purposes. Company certifies that neither it nor its parent company nor any affiliate of Company or its parent company, is (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; (2) a company or other entity, including governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (3) headquartered in China, Iran, North Korea, Russia, or a designated country. For purposes of this certification, "critical infrastructure" means "a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility." Company certifies that Company will not grant direct or remote access to or control of critical infrastructure, except for product warranty and support purposes, to prohibited individuals, companies, or entities, including governmental entities, owned, controlled, or headquartered in China, Iran, North Korea, Russia, or a designated country, as determined by the Governor.
- d) Certification Regarding Prohibition of Discrimination Against Firearm and Ammunition Industries (Tex. Gov. Code 2274). Company certifies that Company, or association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary parent company, or affiliate of these entities or associations, that exists to make a profit, does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this contract against a firearm entity or firearm trade association. For purposes of this Agreement, "discriminate against a firearm entity or firearm trade association" shall mean, with respect to the entity or association, to: "(1) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (2) refrain from continuing an existing

business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (3) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association." "Discrimination against a firearm entity or firearm trade association" does not include: "(1) the established policies of a merchant, retail Company, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (2) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency, or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association."

- e) Certification Regarding Termination of Contract for Non-Compliance (Tex. Gov. Code 552.374). Pursuant to Chapter 552 of the Texas Government Code, Company certifies that Company shall: (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to City for the duration of the Agreement; (2) promptly provide to City any contracting information related to the Agreement that is in the custody or possession of Company on request of City; and (3) on completion of the Agreement, either (a) provide at no cost to City all contracting information related to the Agreement that is in the custody or possession of Company, or (b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to City.
- f) Certification Regarding Prohibition of Boycotting Certain Energy Companies (Tex. Gov. Code 2274). Company certifies that Company, or any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of these entities or business associations, if any, do not boycott energy companies and will not boycott energy companies during the term of the Agreement or any applicable Supplemental Agreement. For purposes of this certification the term "company" shall mean an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, that exists to make a profit. The term "boycott energy company" shall mean "without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or (b) does business with a company described by paragraph (a)." (See Tex. Gov. Code 809.001).
- g) No Waiver of Immunity. Company agrees that nothing in this Agreement shall be construed as a waiver of sovereign or government immunity; nor constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to City. The failure to enforce, or any delay in the enforcement, of any

privileges, rights, defenses, remedies, or immunities available to City under this Agreement or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel.

- h) Discrimination Certifications. In accordance with Federal civil rights law, all U.S. Departments, including but not limited to the USDA, USDE, FEMA, are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by federal funds (not all bases apply to all programs). Company certifies that Company will comply with applicable Non-Discrimination and Equal Opportunity provisions set forth in City's policies and other regulations at the local, state, and federal levels of governments.

(Signature page to follow)

EXECUTED on this _____ day of _____, 2026.

CITY OF ROWLETT, TEXAS

By: _____
Kristoff Bauer, Interim City Manager

EXECUTED on this _____ day of _____, 2026.

LA CASITA COFFEE ROWLETT, LLC

By: _____
Name/Position: _____

APPROVED AS TO FORM:

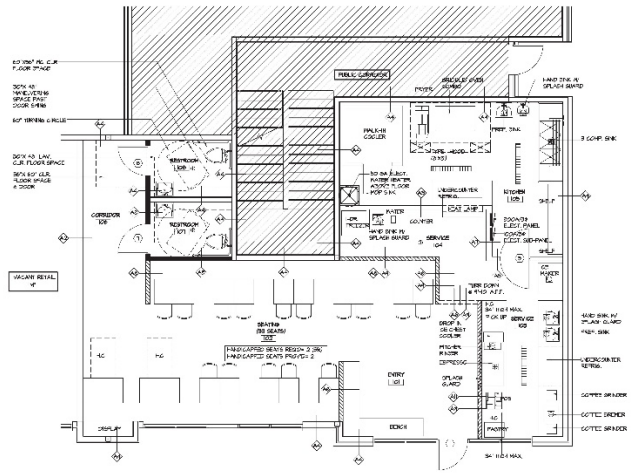
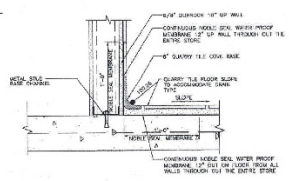
By: _____
Victoria Thomas, City Attorney
4905-1067-9745, v. 5

TYPE	PARTITION	GL	HGT	SWP. REL. TYPE	INSULATION
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L
A2	WALL	1/2"	8'	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L	SWP. REL. TYPE: SWP. REL. ON 2" X 4" P/L

NOTES: SEE ALSO FOR DETAILS AND A COMPANY INFORMATION.

NOTES:
ALL L & S LINES AT EXTERIOR WALLS, INTERIOR WALLS, AND CEILING ARE TO BE 1/2" X 4" P/L ON 2" X 4" P/L. SEE ALSO FOR DETAILS AND A COMPANY INFORMATION.

ITEM #	EQUIPMENT - NOT CONTAINED IN SHOP	ITEM #	EQUIPMENT - NOT CONTAINED IN SHOP
1	CEILING	4	WALL
2	FLOOR	5	WALL
3	FLOOR	6	WALL
4	FLOOR	7	WALL
5	FLOOR	8	WALL
6	FLOOR	9	WALL
7	FLOOR	10	WALL
8	FLOOR	11	WALL
9	FLOOR	12	WALL
10	FLOOR	13	WALL
11	FLOOR	14	WALL
12	FLOOR	15	WALL
13	FLOOR	16	WALL
14	FLOOR	17	WALL
15	FLOOR	18	WALL
16	FLOOR	19	WALL
17	FLOOR	20	WALL
18	FLOOR	21	WALL
19	FLOOR	22	WALL
20	FLOOR	23	WALL
21	FLOOR	24	WALL
22	FLOOR	25	WALL
23	FLOOR	26	WALL
24	FLOOR	27	WALL
25	FLOOR	28	WALL
26	FLOOR	29	WALL
27	FLOOR	30	WALL
28	FLOOR	31	WALL
29	FLOOR	32	WALL
30	FLOOR	33	WALL
31	FLOOR	34	WALL
32	FLOOR	35	WALL
33	FLOOR	36	WALL
34	FLOOR	37	WALL
35	FLOOR	38	WALL
36	FLOOR	39	WALL
37	FLOOR	40	WALL
38	FLOOR	41	WALL
39	FLOOR	42	WALL
40	FLOOR	43	WALL
41	FLOOR	44	WALL
42	FLOOR	45	WALL
43	FLOOR	46	WALL
44	FLOOR	47	WALL
45	FLOOR	48	WALL
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85	FLOOR	88	WALL
86	FLOOR	89	WALL
87	FLOOR	90	WALL
88	FLOOR	91	WALL
89	FLOOR	92	WALL
90	FLOOR	93	WALL
91	FLOOR	94	WALL
92	FLOOR	95	WALL
93	FLOOR	96	WALL
94	FLOOR	97	WALL
95	FLOOR	98	WALL
96	FLOOR	99	WALL
97	FLOOR	100	WALL



LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75088

FIXTURE PLAN

01 FIXTURE PLAN

1/4"=1'-0"

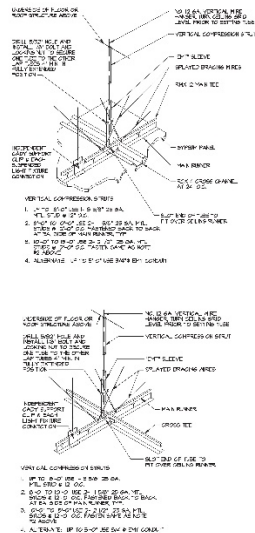
A2.01

PAV. 1. CEILING AT RESTROOM STREET AREA AND KITCHEN AREA
SHALL BE 100% NON-ABSORBENT TILE TO CEILING. WHITE COLOR (DINO 50 1000) BY NASS, H&B

THE CEILING TILE SHALL BE BASED SHEET METAL VENEER CLAD AT FOOD HANDLING AREA

INTERIOR WALL AND CEILING THERMOMETERS SHALL BE CLASSIFIED IN ACCORDANCE WITH ASTM D396 OR UL 723.

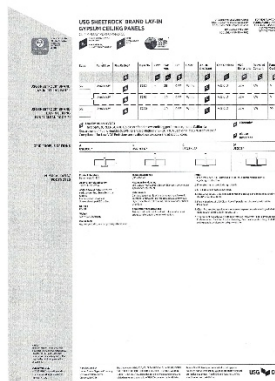
PER SEC. 310.32 OF THE SUSHING, FALLS AND HARTFORD
 CITY 22" OF OFFICE SPACE AND WATER CLOSETS SHALL
 HAVE A DASH, 1" IN NON ADJACENT SURFACE. TO ALL
 4" 1/2" LIME PLASTER 1" ABOVE THE FLOOR, 1/2" BOND
 STRUCTURAL ELEMENTS. THE MATERIALS USED IN SUCH WALLS
 SHALL BE OF A TYPE THAT DOES NOT ABSORB OR RELEASE
 MOISTURE.

[illegible]

1. ANY AND ALL PAINTED SURFACES MUST BE ABSOLUTELY, TOTALLY SMOOTH, WITH ABSOLUTELY NO SURFACE TEXTURING.
THIS APPLIES TO ANY PAINTED STYROFOAM BOARD CEILING IN THE RESTROOM, AS WELL AS ANY PAINTED STYROFOAM BOARD WALLS IN ANY FOOD HANDLING, FOOD STORAGE, OR WARE WASHING AREAS.
2. PROVIDE GREEN COULINET TOP
3. ALL WALL PAPER IN FOOD SERVICE AREAS AND RESTROOMS MUST BE LIGHT IN COLOR. LIGHT IN COLOR IS DEFINED AS HAVING A LIGHT REFLECTIVE VALUE (LRV) OF 65-80.

02 ROOM SCHEDULE

N.T.S.



ID	DOWN DISE	TICK	TICK DESCRIPTION	TREAT	DOWN MANIPULATION AND AGGREGATION				
					REFTS	DOWN	MANIPULATION	AGGREGATION	DOWN
1	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
2	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
3	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
4	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
5	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
6	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
7	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
8	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
9	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
10	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
11	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
12	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
13	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
14	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
15	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
16	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
17	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
18	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
19	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
20	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
21	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
22	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
23	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
24	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
25	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
26	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
27	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
28	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
29	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
30	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
31	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
32	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
33	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
34	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
35	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
36	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
37	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
38	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
39	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
40	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
41	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
42	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
43	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1
44	DOWN 1-7	2/4	"DOWN 1-7"	1/4	1	1	1	1	1

DOOR HARDWARE

- [illegible]

DOOR HARDWARE NOTES

1. ALL HARDWARE TO BE SQUARE LEVER HANDLE ANTI-PANIC WITH
ONE PUSH AND THE SLUNG, HINGED AND LATCHED FOR
EACH DOOR AND LEVER.
2. PROVIDE GLASSING ON TOILET DOORS AND EXIT DOORS
3. FURNISH (FOR REAR DOOR ONLY) CONTRACTOR TO
PROVIDE HARDWARE WITH ALARM. ALARM WILL SOUND
ON OPENING OF REAR DOOR. ALARMS SEAL AND SECURITY
WILL ACT AS A DETECTOR REAR DOOR
4. FRONT AND BACK DOOR. PROVIDE HARDWARE
WITH OCCUPANT LEVER IN MEN'S TOILET.

NOTES:

LOGS JETTED ON THE DESIGNATED MARKING IT IS DOORS SHALL BE KEPT CLOSED.

WITH THE GATING DEVICES AND PROPER SIGNALS EXCEPTED, THE USE OF PUBLIC GATHERING OR OTHER APPROVED DEVICES THIS USE OF PUBLIC ARE ON THESE TERMS IN NOT PERMITTED.



NAME: _____

- | # | DATE | DESCRIPTION |
|---|----------|------------------------|
| 1 | 07/03/20 | CONSTRUCTION DOCUMENTS |
| 2 | - | - |

LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75088

SCHEDULES

22000-23 **A2.03**



REVISIONS	
NO.	DESCRIPTION
1	ISSUED FOR PERMIT

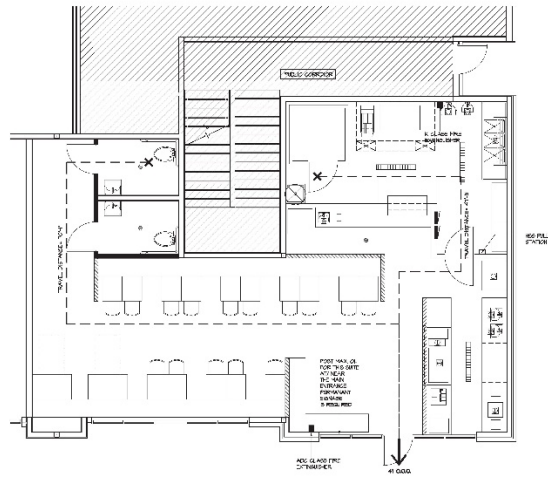
LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75085

LIFE SAFETY

220505-03
AS IS
A3.01

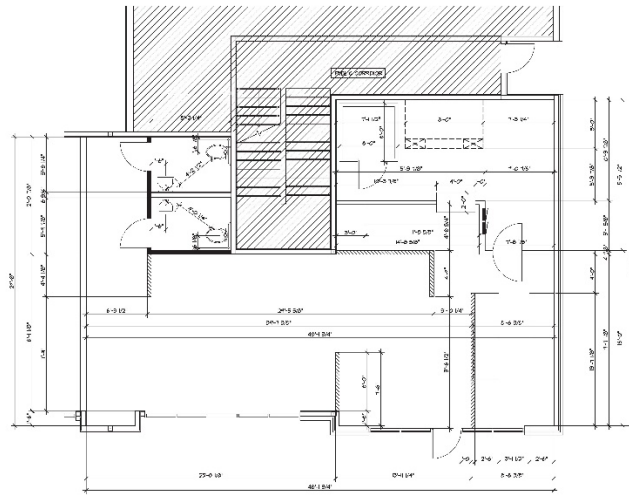
NOTES: CLASS C INTERIOR WALL AND CEILING FINISH MATERIALS TESTED IN ACCORDANCE WITH ASTM D 1545 OR E 1518 REQUIRED.
CLASS C
PLASTER SPREAD 1/2" MIN
MINIMUM 1/2" MINIMUM

NOTES:
PER SEC. 104.04 OF THE 2022 IRC, EVERY ROOM OR SPACE THAT IS IN A CATEGORY OF OCCUPANCY SHALL HAVE THE OCCUPANT LOAD OF THE ROOM OR SPACE POSTED IN A CONSPICUOUS PLACE, NEAR THE MAIN ENTRANCE OR EXIT, ACCORDING TO THE ROOM OR SPACE FOR THE INTENDED OCCUPANCY. POSTING SHALL BE IN ACCORDANCE WITH THE MINIMUM REQUIREMENTS AND SHALL BE MAINTAINED BY THE OWNER OR THE LICENSED ARCHITECT HEREIN.



01 LIFE SAFETY PLAN

1/4"=1'-0"



1/4"=1'-0"

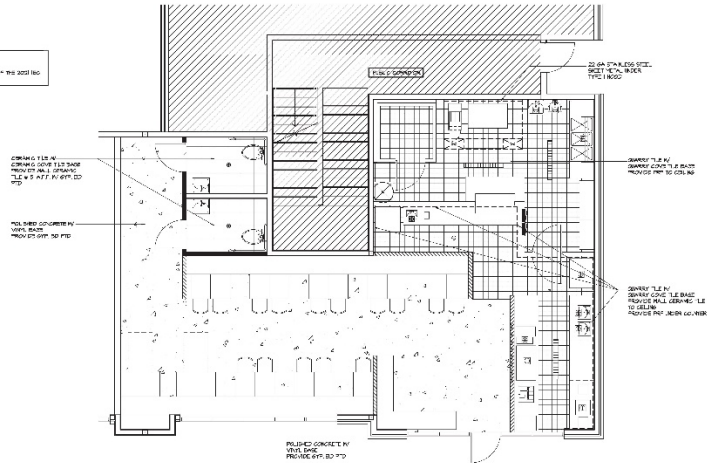


LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75088

FLOOR FINISH

220009-02 A5.01
2/2/16

NOTES:
1. FINISH SHALL INCLUDE SHALL ONLY. (SEE SEC. 504 OF THE 2002 IBC)



01 FLOOR FINISH

1/4"=1'-0"

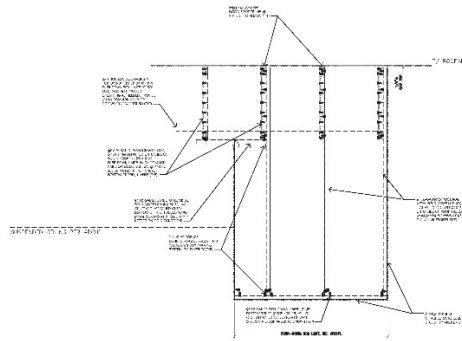


FIGURE 1005

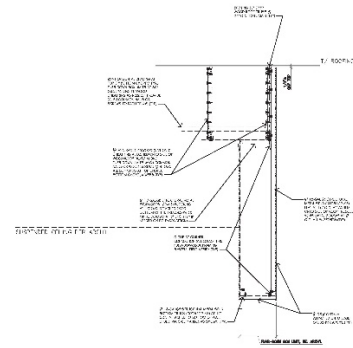


FIGURE 1006



REVISIONS	
NO.	DESCRIPTION
1	ISSUED FOR PERMIT
2	ISSUED FOR PERMIT
3	ISSUED FOR PERMIT
4	ISSUED FOR PERMIT
5	ISSUED FOR PERMIT
6	ISSUED FOR PERMIT
7	ISSUED FOR PERMIT
8	ISSUED FOR PERMIT
9	ISSUED FOR PERMIT
10	ISSUED FOR PERMIT

LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75088

CEILING
FURR DOWN
DETAIL

N.T.S.

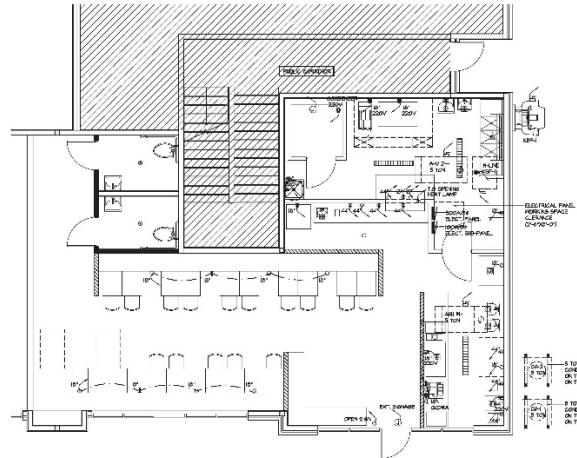
DATE: 03/01/2023
BY: J. K.

01|CEILING FURR DOWN DETAILS

LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75068

POWER

E2

$$1/4'' = 1' - 0''$$


NOTES:
NEW RECEPTACLES LOCATED WITHIN 8 FEET OF A SINK SHALL BE GFCI PROTECTED
ALL JUNCTION BOXES SHALL BE LABELED WITH CIRCUIT NUMBERS

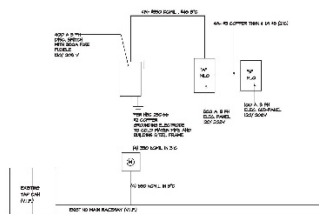
NOISE OCCUPANT SILENCE CONTROL SHALL BE
INSTALLED TO TURN OFF RECEPTACLES WITHIN
20 FEET OF ALL OCCUPANTS LEAVING A
SPACE FOR 2021 EDC SECTION 6405.11-2.2

NOTES: ALL OUTLETS AT KITCHEN, RESTROOM AND ANY VET AREA SHALL BE GFCI
THERE MUST BE ABSOLUTELY NO EXPOSED ELECTRICAL CONDUIT ANYWHERE WITHIN THE ESTABLISHMENT.
ALL ELECTRICAL CONDUIT AND SERVICE MUST BE INSTALLED TO BE CONCEALED WITHIN THE FINISH WALLS,
AND PENETRATE ONLY AT THE POINT OF CONNECTION TO THE EQUIPMENT THAT IT SERVES.
ALL OF THE ABOVE CONDITIONS APPLY TO AND INCLUDE ALL FOR LINES, FIRE ALARM, AND FIRE EXTINGUISHER
CONDUIT INSTALLATION

01 POWER PLAN

22900-23 E2

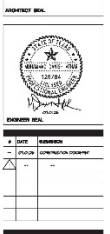
1. ALL WORK SHALL BE IN ACCORDANCE WITH NATIONAL ELECTRICAL CODES ADOPTED BY THE CITY AND LOCAL CODES.
2. ALL ELECTRICAL WORKING DURING SHALL BE CONSIDERED NO ALUMINUM CONDUCTORS WILL BE ALLOWED.
3. CONTRACTOR SHALL OBTAIN LOCAL POWER AUTHORITY AND AVOID ANY OVERSIGHTS.
4. ELECTRICAL CONTRACTOR SHALL PAY ALL UTILITY COMPANY CHARGES PERMIT FEES & INSURANCE FEES AND SECURE ALL NECESSARY SCAFFOLDING PERMITS & INSURANCE REQUIRED.
5. PROVIDE ALL POWER & CONTROL, ANDS SYSTEMS & OUTLETS TO BE WORKED ON, & SAME TO BE COMPLETED & OPERATIVE.
6. ELECTRICAL CONTRACTOR SHALL PROVIDE ALL LIGHT FIXTURES WITH LAMPS & OFFERS. PROVIDE APPROVAL WITH ASSIGNED RESPONSIBILITY.
7. PROVIDE TELEPHONE SERVICE & INDIVIDUAL PHONE CORDS FOR TELEPHONE COMPANY REQUIREMENTS AND ELECTRIC CORDING.



LEGEND	
en	SHOULD TALK GROUP INFORMATION
①	DISPLAY RECEIPTABLE, SINGLE PULSE 10V
②	OVERLAPPING RECEIPTABLE
③	RECEIPTABLE 250 V
④	SINGLE PULSE TONALIZE SWITCH
⑤	JACK IN/OUT
⏏	DISCONNECT SWITCH
⚡	ELECTRICAL BOND
Ⓢ	FLOOR DRAINAGE
Ⓣ	FLOOR SINK
△	DATA/ TELEPHONE OUTLET

[illegible]

N.T.S.



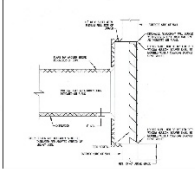
LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75088

ELECTRICAL DETAILS

22908-23 **E3**
JOB NO. _____ SHEET _____



WALL MOUNT EXHAUST FAN



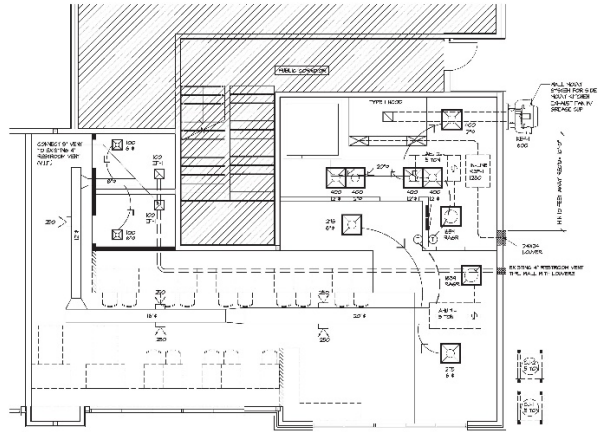
WALL LOUVER DETAIL

NOTES:
ALL AIR CONDITIONING & HEATING WORK SHALL BE INSTALLED IN ACCORDANCE WITH THE CITY OF HOUSTON MECHANICAL CODE (HMC) AND THE INTERNATIONAL MECHANICAL CODE (IMC) AND THE CITY OF HOUSTON MECHANICAL CODE (HMC) AND THE INTERNATIONAL MECHANICAL CODE (IMC).

NOTES:
EXHAUST SYSTEMS SHALL BE INSTALLED IN ACCORDANCE WITH THE CITY OF HOUSTON MECHANICAL CODE (HMC) AND THE INTERNATIONAL MECHANICAL CODE (IMC) AND THE CITY OF HOUSTON MECHANICAL CODE (HMC) AND THE INTERNATIONAL MECHANICAL CODE (IMC).

NOTES:
FLEXIBLE AIR CONNECTORS SHALL BE LIMITED IN LENGTH TO MAX. 6' FROM FLEXIBLE AIR CONNECTOR TO AIR GRILLS PER 905.2.1 AND 905.2.2 PRIOR TO INSTALLATION.

NOTES:
FLEXIBLE AIR CONNECTORS SHALL BE LIMITED IN LENGTH TO MAX. 6' FROM FLEXIBLE AIR CONNECTOR TO AIR GRILLS PER 905.2.1 AND 905.2.2 PRIOR TO INSTALLATION.
PROVIDE EXHAUST SYSTEM SIGNALS OF EQUIVALENT TO DAMP. TEST OF AIR PER MINUTE FOR EACH WATER CLOSET INSTALLED IN THE RESTROOM.
THIS SYSTEM SHALL BE CONNECTED DIRECTLY TO THE OUTSIDE.



01 MECHANICAL PLAN

1/4"=1'-0"



M. S. TAVAR, P.E. OWNER
HOUSTON, TEXAS

ARCHITECT SEAL



ENGINEER SEAL

DATE: 11/11/2019
PROJECT: 01 MECHANICAL PLAN

LA CASITA
3822 MAIN ST #300
HOUSTON, TX
77058

MECHANICAL

01 MECHANICAL PLAN
M1

- [illegible]

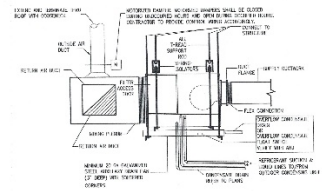
4"	150 CFM
6"	270 CFM
10" OR (10" X 20")	350 CFM
12" OR (12" X 10")	570 CFM
14" OR (14" X 10")	600 CFM
16" OR (16" X 14")	1,000 CFM
18" OR (18" X 14")	1,000 CFM
20" OR (20" X 14")	3,000 CFM
24" OR (24" X 14")	3,000 CFM
(24" X 18")	3,000 CFM
(24" X 24")	5,000 CFM
(36" X 18")	4,000 CFM
36" OR (36" X 10")	10,000 CFM

	2x2 LAY IN SUPPLY DIFFUSER
	CELLS IN AIR GRILLE
	RAOR RETURN GRILLE
①	DOOR OPEN
②	SHOWER ENCLOSURE

AIR HANDLER SECTION

NOTES:

1. ROUTE OUTSIDE AIR DUCT THROUGH ROOF AIR RAINCAP.
2. ALL SECONDARY DRAIN PAN AND SINK CYCLE TRICK EVAPORATOR DEFROST CONTROL, FLOOD ISOLATORS.
3. ROUTE BELLAIR CONDENSATE DRAIN LINES TO NEAREST FLYING DRAIN.



STATE		DIRECT COSTS	MATERIALS	GROSS PROFIT	NET PROFIT
P-1					60
C-1					27
H-1					107
X-1				350	
A-1		2000	1874	96	
X-2		2000	1874	96	
TOTAL		4000	3748	2002	203

SUMMARY OF RELATIVE MEASURES FOR THE YEAR

NOTES:

COOLING: IS REQUIRED FOR ALL, EQUIPMENT WITH CAPACITY THAN 34000 BTU COOLING CAPACITY
EQUIPMENT SPECIFICAT ON MUST INCLUDE PARAMETER REL CT AND DIFFERENTIAL, DEATHLY OR FIXED PREY BOLD CONCO
FPE 30CT 010-4000 ON 7-1 2021 FCC AND ASHRAE 90, TAB 6.3

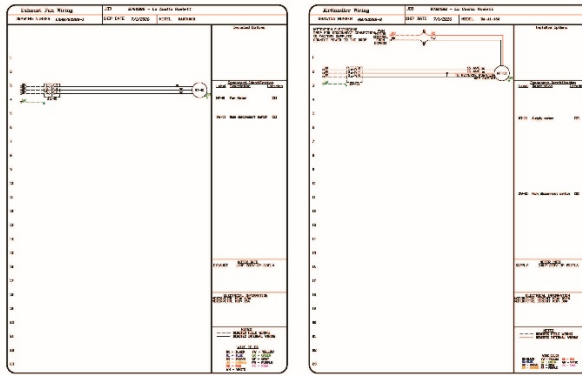


LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75088

MECHANICAL DETAILS

2809-23 M2
31 00 31 00





REVISIONS	
NO.	DESCRIPTION
1	REVISED
2	
3	
4	



econ·air
Dallas Office
10011 Fossil Lane, Suite 200, Dallas, TX 75243-1704, (972) 412-1100
www.econair.com

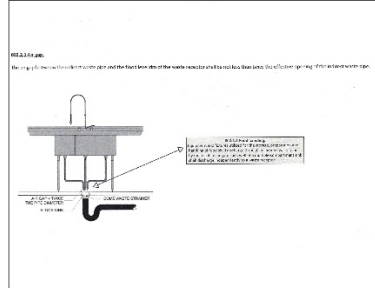
J. Carlos Rowlett

DATE:	7/1/2028
DWG. NO.	8762382
DRAWN BY:	JDH-45
SCALE:	3/4" = 1'-0"
MASTER DRAWING	
SHEET NO. 4	

- ① PROVIDE WATER SUPPLY LINE FROM BUILDING MAIN,
FIELD VERIFIED.
PROVIDE BACKFLOW PREVENTION (PAP) AS REQUIRED BY THE CITY

PLUMBING NOTES

- [illegible]



GREASE TRAP CALCULATION

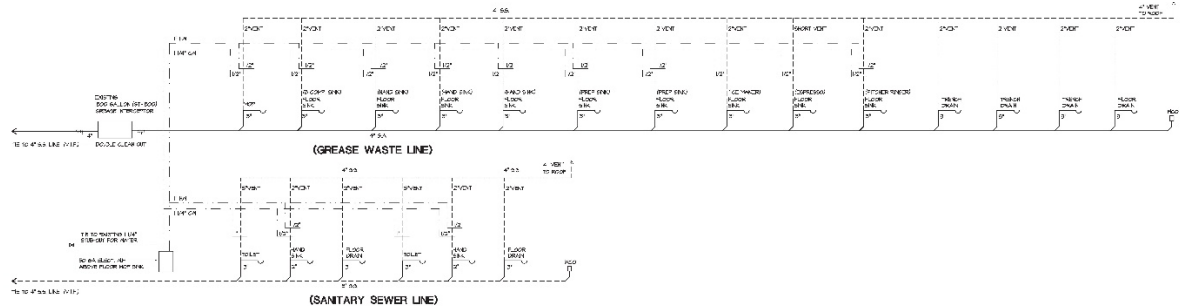
ORANGE TRAP CAPACITY: 15 BALLETS TOTAL BALLETS PER MINUTE (GPM) X 30 (30 MINUTE RETENTION)
1 SMP = 2 BFT/CTU X 0.5 = SMPG

	DATE	TIME	DR	ALLOCS	PERCENT	DEATH	TOTAL
1	COMPANION	08L	5	0	0	0	0
2	UNIT	5	2	05	0	0	0
3	UNIT	5	2	05	0	0	0
4	UNIT	5	4	05	0	0	0
5	UNIT	5	4	05	0	0	0
6	UNIT	5	4	05	0	0	0
7	UNIT	5	4	05	0	0	0
8	UNIT	5	4	05	0	0	0
9	UNIT	5	4	05	0	0	0
10	UNIT	5	4	05	0	0	0
11	UNIT	5	4	05	0	0	0
12	UNIT	5	4	05	0	0	0
13	UNIT	5	4	05	0	0	0
14	UNIT	5	4	05	0	0	0
15	UNIT	5	4	05	0	0	0
16	UNIT	5	4	05	0	0	0
17	UNIT	5	4	05	0	0	0
18	UNIT	5	4	05	0	0	0
19	UNIT	5	4	05	0	0	0
20	UNIT	5	4	05	0	0	0
21	UNIT	5	4	05	0	0	0
22	UNIT	5	4	05	0	0	0
23	UNIT	5	4	05	0	0	0
24	UNIT	5	4	05	0	0	0
25	UNIT	5	4	05	0	0	0
26	UNIT	5	4	05	0	0	0
27	UNIT	5	4	05	0	0	0
28	UNIT	5	4	05	0	0	0
29	UNIT	5	4	05	0	0	0
30	UNIT	5	4	05	0	0	0
31	UNIT	5	4	05	0	0	0
32	UNIT	5	4	05	0	0	0
33	UNIT	5	4	05	0	0	0
34	UNIT	5	4	05	0	0	0
35	UNIT	5	4	05	0	0	0
36	UNIT	5	4	05	0	0	0
37	UNIT	5	4	05	0	0	0
38	UNIT	5	4	05	0	0	0
39	UNIT	5	4	05	0	0	0
40	UNIT	5	4	05	0	0	0
41	UNIT	5	4	05	0	0	0
42	UNIT	5	4	05	0	0	0
43	UNIT	5	4	05	0	0	0
44	UNIT	5	4	05	0	0	0
45	UNIT	5	4	05	0	0	0
46	UNIT	5	4	05	0	0	0
47	UNIT	5	4	05	0	0	0
48	UNIT	5	4	05	0	0	0
49	UNIT	5	4	05	0	0	0
50	UNIT	5	4	05	0	0	0
51	UNIT	5	4	05	0	0	0
52	UNIT	5	4	05	0	0	0
53	UNIT	5	4	05	0	0	0
54	UNIT	5	4	05	0	0	0
55	UNIT	5	4	05	0	0	0
56	UNIT	5	4	05	0	0	0
57	UNIT	5	4	05	0	0	0
58	UNIT	5	4	05	0	0	0
59	UNIT	5	4	05	0	0	0
60	UNIT	5	4	05	0	0	0
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63	UNIT	5	4	05	0	0	0
64	UNIT	5	4	05	0	0	0
65	UNIT	5	4	05	0	0	0
66	UNIT	5	4	05	0	0	0
67	UNIT	5	4	05	0	0	0
68	UNIT	5	4	05	0	0	0
69	UNIT	5	4	05	0	0	0
70	UNIT	5	4	05	0	0	0
71	UNIT	5	4	05	0	0	0
72	UNIT	5	4	05	0	0	0

278X 50- 505 5A REQ'D
ENR-NS 500 6A (ST-1700) TO RE-USE

PICTURE UNIT (U1)					
#	PICTURE	PL / PAPER	UNIT	TOTAL	REMARKS
1	100% FL	0	2	20	
2	40% PINK	5	5	5	
3	70% PINK	2	2	4	
4	50% PINK	2	1	4	
5	100% PINK	3	1	3	
6	50% PINK PAPER	1	1	2	
7	100%	5	5	0	
8	PAPER	2	2	0	
9	0.25% PAPER	0.25	0	0	
	100% FL		50		
	u4		20		ML 100% FL PAPER

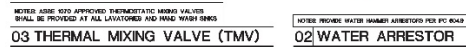
MANAGEMENT PICTURE UNIT (MPS)					
Q	DESCRIPTION	QTY	UNIT PRICE	TOTAL	REMARKS
1	TOILET	2	2	4	
2	WALL PANEL	4	5	20	
3	WALL PANEL	2	2	4	
4	3.5" x 5.5" BRICK	1	1	1	
5	WALL PANEL	2	1	2	
6	5" x 8" BRICK	2	1	2	
7	WALL PANEL	4	5	20	
8	WALL PANEL	5	4	20	
9	CEILING PLASTER	0.02	5	0.1	
10	WALL PANEL	2	5	10	
	WALL PANEL			0	
	WALL PANEL			4	MT. OF 3.5" x 5.5" BRICK IN PLACE REQD.



LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75088

PLUMBING DETAILS

2009-03 P2



LA CASITA
3522 MAIN ST #300
ROWLETT, TX
75088

PLUMBING DETAILS

P3



FACT SHEET
LA CASITA BAKE SHOP

PROJECT INFO

NAICS	722513 Limited-Service Restaurants
SPACE	1,500 SF Retail
FACILITY	Lease space with renovations
LEASE TERM	5
BEGIN RENOVATIONS	September 2026
BEGIN OPERATIONS	March 2027

EMPLOYMENT



20 New Jobs
2 Retained Jobs

CAPITAL INVESTMENT



\$48,000
\$48,000 Buildings & Improvements
\$0 Furniture, Fixtures, & Equipment

PAYROLL



\$22,300

New Avg Annual Salary
\$22,300 Avg Annual Salary
for Retained

\$510,420* Total Annual Payroll

\$464,018 New Annual Payroll
\$46,402 Retained Annual Payroll

*At Full Ops in Year 3

DESCRIPTION

This is a business retention and expansion project, moving a business from one location on Main Street to a 25% larger space also on Main Street. Applicant is requesting \$25,000 Specialty Retail, Entertainment & Restaurant assistance incentive and a Facade/Signage reimbursement of up to \$5,000.

La Casita's current location is 1200 sf of combined interior and exterior space. Moving a block over into a 1500 sf endcap retail space of a mixed-use building. Applicant states they will have a kitchen and start selling more food items. Staff increase reflects the need for kitchen and wait staff. the Location hours will not be expanded initially. Applicant desires to expand their hours late year 1 or year 2. This will generate another 8-10 service jobs. Applicant also stated they desire to eventually obtain a liquor license and be open 7 a.m. to 9 p.m., 7 days a week.

COMMUNITY FIT

This project directly ties to the downtown redevelopment and revitalization.

RECOMMENDATIONS

EDAP Board recommends approval of the project by unanimous vote.

BUSINESS RETENTION & EXPANSION
Project Type

RESTAURANT
Industry



ADDRESS

Rowlett, Texas, 75088

COMPANY INFO

Company Name	La Casita Coffee
Year Established	2019
State of Formation	Texas
Business Structure	LLC
Ownership	Private

CURRENT OPERATIONS

NAICS	722513
Space	1,200 SF
Facility	Lease
Market Value of Property	\$45,000



IMPACT REPORT - CURRENT & EXPANSION

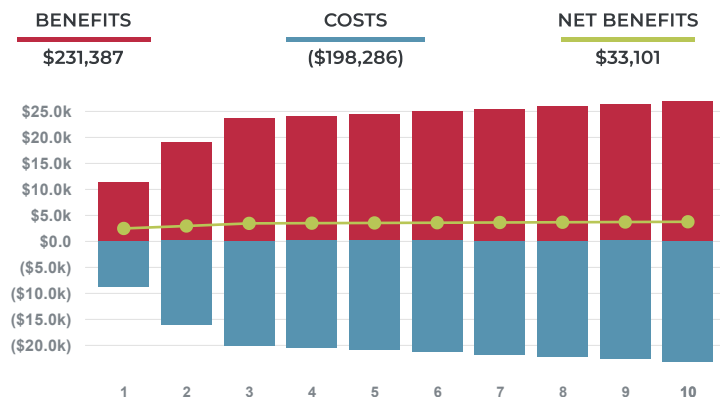
LA CASITA BAKE SHOP

Scenario 3

☒ Business Retention & Expansion

☒ Restaurant

City of Rowlett

NET BENEFITS **\$33,101**

Present Value \$25,202

BENEFITS

Sales Taxes	\$34,893
Real Property Taxes	\$4,246
FF&E Property Taxes	\$3,232
Inventory Property Taxes	\$846
New Residential Property Taxes	\$0
Hotel Occupancy Taxes	\$0
Building Permits and Fees	\$0
Utility Revenue	\$143,656
Utility Franchise Fees	\$8,093
Miscellaneous Taxes and User Fees	\$36,420

Benefits Subtotal \$231,387

COSTS

Cost of Government Services	(\$57,777)
Cost of Utility Services	(\$140,509)

Costs Subtotal (\$198,286)

JOBS

**26.9 Total**22.0 Direct
4.9 Spin-off

20.0 New Jobs @ \$22,300

2.0 Retained Jobs @ \$22,300

22.0 Direct Jobs @ \$22,300

SALARIES

**\$26,868 Avg**\$22,300 Direct
\$47,537 Spin-off

CAPITAL INVEST.

**\$48,000**

Buildings + FF&E

INCENTIVE ANALYSIS

\$30,000

Total Incentive

\$1,500

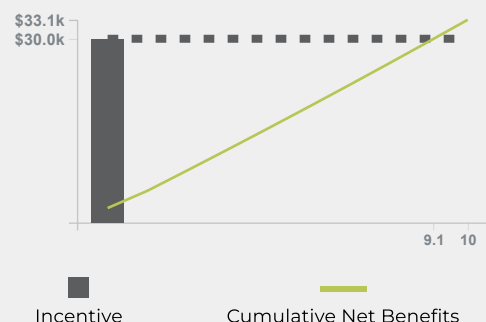
Per New Job

11.0%

Rate of Return

9.1 Yrs

Payback Period



NET BENEFITS OVER 10 YEARS

CITY \$33,101**COUNTY (\$702)****SCHOOL \$7,74****OTHER \$3,282**



City of Rowlett City Council Agenda Item

Meeting Date: 9/15/2026

Agenda Item: 5.I.

Title

Conduct a public hearing and consider action to adopt an ordinance annexing approximately 14.87 acres of land located at 3805 Troy Road, situated in the Madison Price Survey, Abstract No. 257, Rockwall County, Texas into the City of Rowlett, Texas and approving an annexation service plan therefor.

Staff Representative

Allisen Ducay, Planning Manager
Munal Mauldadad, Interim Asst City Manager

Executive Summary

The applicant has submitted an annexation petition requesting voluntary annexation of approximately 14.87 acres of land located at 3805 Troy Road. The property is currently located within the City's extraterritorial jurisdiction (ETJ) and is contiguous to the existing city limits. The proposed annexation will allow the property to be developed in accordance with the Development Agreement approved by the City Council, with the associated Planned Development zoning classification to be considered following City Council action on the annexation request.

Strategic Priority and Goal(s)

Strategic Priority	Strategic Goal
 Strengthen Neighborhood Livability	3.1 Value existing neighborhoods. 3.4 Support efficient development patterns and communicate clear policy guidance.

Background Information

The subject property consists of approximately 14.87 acres located within the City of Rowlett's ETJ. The property owner has submitted a voluntary petition requesting annexation into the City pursuant to Chapter 43 of the Texas Local Government Code.

On July 21, 2026, the City Council approved a Development Agreement establishing the framework for future development of the property. The Development Agreement addresses development standards, utility service, infrastructure obligations, and other matters associated with the future development of the property.

The property is proposed to be developed as a single-family residential subdivision, with the associated Planned Development (PD) zoning district to be considered following City Council action on the annexation request.

On September 1, 2026, the City Council accepted the voluntary annexation petition submitted by Trail Creek Partners, Ltd. and established the date, time, and place for the required public hearing. The public hearing is scheduled for September 15, 2026, during the City Council Regular Meeting.

Discussion

Voluntary Annexation:

A voluntary annexation is a process through which a property owner petitions the City to incorporate property located outside the City's corporate limits into the City. Following submission of a voluntary annexation petition, the City must complete the applicable statutory procedures, including required notice and a public hearing, before the City Council may consider final action on the proposed annexation.

Trail Creek Partners, Ltd. submitted a voluntary annexation petition requesting annexation of approximately 14.87 acres located at 3805 Troy Road and more specifically described in the annexation petition. On September 1, 2026, the City Council accepted the petition and established September 15, 2026, as the date for the required public hearing.

The action currently before the City Council is to conduct the public hearing and consider final action on the requested voluntary annexation. Approval of the annexation would incorporate the subject property into the corporate limits of the City of Rowlett. The associated Planned Development (PD) zoning district will be considered following City Council action on the annexation request.

State law (Texas Local Government Code section 43.0672) requires any city that elects to annex an area to first negotiate and enter into a written agreement with the owners of the property for the provision of services in the annexed area (the "Service Plan"). The Developer and the City have entered into this agreement as a part of the previously approved Development Agreement (see section 5.3 thereof). Nevertheless, the City Council is still required to approve and adopt the provisions of the Development Agreement as the approved Service Plan for the annexed area. Accordingly, the proposed ordinance will also adopt a Service Plan for the annexed area.

Development Agreement:

The City Council previously approved a Development Agreement for the property pursuant to Chapter 212 of the Texas Local Government Code. The Development Agreement establishes development standards, infrastructure obligations, utility service commitments, and other provisions intended to facilitate the orderly development of the

property.

Utility Service:

Water service to the property will be provided by East Fork Special Utility District. Wastewater service will be provided by the City of Rowlett in accordance with the Development Agreement and applicable utility agreements.

Municipal Services:

Upon annexation, the property will be eligible to receive municipal services provided by the City, including police protection, fire protection, emergency medical services, code enforcement, and other municipal services provided to similarly situated properties within the city limits as set forth in the Service Plan for the annexed area.

Troy Road Considerations:

The subject property has approximately 685 feet of frontage along Troy Road, a Rockwall County roadway. Upon annexation, the adjacent portion of Troy Road to the centerline will become the City's maintenance responsibility and will require a future amendment to the Master Thoroughfare Plan. The developer is responsible for internal infrastructure and must design the site to prevent adverse drainage impacts to Troy Road. These requirements will be incorporated into the associated Planned Development conditions.

Financial/Budget Implications

N/A

Recommended Action

Staff recommends adoption of the Ordinance approving the voluntary annexation submitted by Trail Creek Partners, Ltd. for approximately 14.87 acres located at 3805 Troy Road, as more specifically described in the annexation petition and the associated service plan.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, ANNEXING THE HEREINAFTER DESCRIBED TERRITORY INTO THE CITY OF ROWLETT, TEXAS, EXTENDING THE BOUNDARY LIMITS OF THE CITY SO AS TO INCLUDE A ±14.87 ACRE TRACT OF LAND TO BE ZONED PLANNED DEVELOPMENT WITH A BASE ZONING OF SINGLE FAMILY RESIDENTIAL-5/15 (PD-SF-5) SUBJECT TO THE TERMS AND STANDARDS SET FORTH IN THAT CERTAIN DEVELOPMENT AGREEMENT BETWEEN TRAIL CREEK PARTNERS, LTD. AND THE CITY; GRANTING TO ALL INHABITANTS AND OWNERS OF THE TERRITORY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS, AND BINDING THE INHABITANTS BY ALL THE ACTS, ORDINANCES AND REGULATIONS OF THE CITY; ADOPTING A SERVICE PLAN FOR THE DESCRIBED TERRITORY; PROVIDING A CONFLICTS CLAUSE; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, this ordinance pertains to the hereinafter described territory consisting of a ±14.87 acre tract of land being a tract of land situated in the Madison Price Survey, Abstract Number 257, Rockwall County, Texas, same being that tract of land conveyed to Markham F. Stopp and Joellyn A. Stopp, by deed recorded in Volume 1182, Page 189, Deed Records, Rockwall County, Texas and being more particularly described in **Exhibit “A”** attached hereto and incorporated herein by this reference (the “Territory”); and

WHEREAS, the City Council of the City of Rowlett has been presented with a petition requesting annexation of the Territory; and

WHEREAS, the City Council of the City of Rowlett has given the requisite notices and conducted the public hearing as required by Chapter 43 of the Texas Local Government Code; and

WHEREAS, the City Council is concurrently adopting a service plan as required by Section 43.0672 of the Texas Local Government Code for the Territory, which is attached hereto as **Exhibit “B;”** and

WHEREAS, the Territory to be annexed lies within the exclusive extraterritorial jurisdiction of Rowlett, Texas; and

WHEREAS, the requirements for annexation of this area are as stated in Chapter 43 of the Texas Local Government Code; and

WHEREAS, the City Council of the City of Rowlett has concluded that said Territory should be annexed to and made a part of the City of Rowlett, Texas.

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

SECTION 1. The Territory consisting of a ±14.87 acre tract of land generally addressed as 3805 Troy Road and more particularly described in **Exhibit “A,”** attached hereto and incorporated herein by this reference (the “Territory”), is situated within the exclusive extraterritorial jurisdiction of the City and adjacent and contiguous thereto, and the Territory shall be and is hereby annexed to the City of Rowlett, Texas.

SECTION 2. The official map and boundary limits of the City shall be and are hereby extended to include said Territory within the City limits and the Territory described herein shall be and is hereby included within the territorial limits of the City, subject to all the acts, ordinances, resolutions and regulations of said City. The inhabitants of the Territory described herein and annexed hereby shall hereafter be entitled to all rights and privileges of other citizens of the City, and shall be bound by the acts, ordinances, resolutions, and regulations of the City.

SECTION 3. The City Secretary is directed to file or cause to be filed a certified copy of this Ordinance in the office of the county clerk for Rockwall County, Texas.

SECTION 4. The service plan for the Territory, attached hereto and incorporated herein by reference as **Exhibit “B,”** is approved by the City Council of the City of Rowlett

SECTION 5. The Territory is to be subsequently zoned Planned Development with a base zoning of Single Family Residential – 5/15 (PD-SF-5) subject to the terms and standards set forth in that certain Development Agreement between Trail Creek Partners, Ltd. and the City, a copy of which is attached hereto and incorporated herein by this reference as Exhibit “B.”

SECTION 6. To the extent of any irreconcilable conflict with the provisions of this ordinance and other ordinances of the City of Rowlett governing the use and development of the Property and which are not expressly amended by this ordinance, the provisions of this ordinance shall be controlling.

SECTION 7. All provisions of the ordinances of the City of Rowlett, 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 8. Should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Code of Ordinances as a whole.

SECTION 9. This ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law in such cases provides.

EXHIBIT “A”
Legal Description (Metes and Bounds)

3805 Troy Road

Being a tract of land situated in the Madison Price Survey, Abstract Number 257, Rockwall County, Texas, same being that tract of land conveyed to Markham F. Stopp and Joellyn A. Stopp, by deed recorded in Volume 1182, Page 189, Deed Records, Rockwall County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8 inch iron rod found for corner, said corner being along the Northwest corner of Troy Road (public right-of-way) and being the East corner of that tract of land conveyed to James Gary Balckwell and Carie C. Blackwell, by deed recorded in Volume 2659, Page 111, Deed Records, Rockwall County, Texas;

THENCE North 44 degrees 18 minutes 07 seconds West, along the Northeast line of said

Blackwell tract, a distance of 940.00 feet to a 5/8 inch iron rod found for corner, said corner being the North corner of said Blackwell tract and being along the Southeast line of that tract of land conveyed to Freedom Quest, LLC, by deed recorded in Instrument Number 20140000001315, Official Public Records, Rockwall County, Texas;

THENCE North 45 degrees 39 minutes 47 seconds East, along the Southeast line of said Freedom Quest tract, a distance of 690.88 feet to a point for corner, said corner being the West corner of that tract of land conveyed to Sheri Tate, an unmarried woman, by deed recorded in Instrument Number 2008-00397967, Official Public Records, Rockwall County, Texas, from which a 5/8 inch iron rod bears South 46 degrees 54 minutes 46 seconds East, a distance of 0.66 feet for witness;

THENCE South 44 degrees 00 minutes 00 seconds East, along the Southwest line of said Tate tract, a distance of 942.52 feet to a 1/2 inch iron rod found for corner, said corner being the South corner of said Tate tract and being along the Northwest line of said Troy Road;

THENCE South 45 degrees 52 minutes 20 seconds West, along the Northwest line of said Troy Road, a distance of 685.92 feet to the POINT OF BEGINNING and containing 647,961 square feet or 14.87 acres of land.

EXHIBIT “B”
Service Plan
±14.87 Acre Tract of Land – 3805 Troy Road

ANNEXATION SERVICE PLAN FOR THE CITY OF ROWLETT, TEXAS

For the territory consisting of ±14.87 acre tract of land generally addressed as 3805 Troy Road in the City of Rowlett, Rockwall County, Texas, and which is more particularly described in Exhibit “A” attached hereto.

FOR SERVICES EFFECTIVE IMMEDIATELY AFTER DATE OF ANNEXATION, the Development Agreement executed among the Parties, approved by the City Council of the City of Rowlett, Texas, and attached hereto and incorporated herein by this reference as Exhibit B-1, shall serve in all respects as the Service Plan for the annexed area. The City shall not be obligated to provide any service not set forth therein.

[Exhibit B-1 - Development Agreement to be attached here]

Attachments

1. Exhibit B- 1 to Ordinance - Development Agreement to serve as Annexation Service Plan
2. Attachment 1 to Staff Report Trails at Cottonwood Creek PODS + 15 ac City
3. Attachment 2 to Staff Report 15 AC TRACT Lot Layout
4. Attachment 3 to Staff Report CityETJMap + 15 ac

5. Attachment 4 to Staff Report TCWC - Troy Road ROW Exhibit-2
6. Attachment 5 TRAILS AT COTTONWOOD CREEK -- 15 ac Petition for Annexation

DEVELOPMENT AGREEMENT

This Development Agreement (this "Agreement") is entered into by and between the **CITY OF ROWLETT**, a home-rule municipality (the "City"), and **TRAIL CREEK PARTNERS, LTD.**, a Texas limited partnership, ("Developer"), to be effective on the Effective Date.

SECTION 1 **RECITALS**

WHEREAS, certain terms used in these recitals are defined in Section 2; and

WHEREAS, Developer and the City are sometimes collectively referenced in this Agreement as (the "Parties,") or each individually as ("Party"); and

WHEREAS, Developer owns and is expected to develop approximately 14.87 acres of real property described by metes and bounds in Exhibit A (the "Property"); and

WHEREAS, the Property is currently located in the City's extraterritorial jurisdiction ("ETJ") and is not located in any other City's ETJ or corporate limits; and

WHEREAS, the Developer, as owner of the Property, intends to petition to voluntarily annex the Property in the City's corporate limits;

WHEREAS, Developer desires to proceed with development of the Property as generally illustrated on the Site Plan in Exhibit B; and

WHEREAS, the Parties further intend that the Property be developed generally in accordance with this Agreement and the City Regulations; and

WHEREAS, Developer plans to begin development of the Property upon the execution of this Agreement, the Site Plan (Exhibit "B") shall serve as the regulating plan, general development plan and preliminary plat for the Property; and

WHEREAS, Developer desires and intends to design, construct and install and/or make financial contributions to certain Public Infrastructure to serve the Property; and

WHEREAS, the East Fork Special Utility District (the "East Fork SUD") holds the water certificate of convenience and necessity ("CCN") for the Property, and East Fork SUD will be the retail provider of water service to and for the Property; and

WHEREAS, the infrastructure to provide retail water service to the Property (the "Water Infrastructure") shall be dedicated to and owned by East Fork SUD; and

WHEREAS, the Property is not located in the boundaries of any sewer certificate of convenience and necessity and the Parties intend and desire for the City to be the retail provider of sanitary sewer service to and for the entire Property and, upon annexation into the City, the City shall have right to serve the Property; and

WHEREAS, the Developer has constructed certain off-site public infrastructure necessary to provide adequate sanitary sewer service to the Property (the “Off-Site Improvements”), as more particularly described in the Facilities Agreement for Utility Infrastructure (the “Facilities Agreement”) between the City and Warner Land Advisors, L.P., as such Facilities Agreement was assigned to and assumed by the Developer; and

WHEREAS, Developer understands and acknowledges that the obligations undertaken under this Agreement are primarily for the benefit of the Property; and

WHEREAS, this Agreement is entered into pursuant to Section 212.172 of the Texas Local Government Code and it is the intent of this Agreement to establish certain legally binding restrictions and commitments to be imposed upon the development of the Property, which shall survive annexation of the Property; and

WHEREAS, this Agreement shall constitute a “permit” under Chapter 245 of the Texas Local Government Code and as allowed pursuant to Section 212.172(g) of the Texas Local Government Code and that all prerequisites for entering into such agreement have been completed in full and that the City has provided the Developer with the written disclosures required when offering this Agreement under Section 212.171(b-1), said section being incorporated herein as if set forth in full;

WHEREAS, unless expressly set forth to the contrary in this Agreement, the Parties intend this Agreement to supersede City Regulations only to the extent that City Regulations directly conflict with the terms of this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereby agree as follows:

SECTION 2 **DEFINITIONS**

Certain terms used in this Agreement are defined in this Section 2. Other terms used in this Agreement are defined in the recitals or in other sections of this Agreement. Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

City Code means the Code of Ordinances, City of Rowlett, Texas.

City Council means the governing body of the City.

City Manager means the current, interim, or acting City Manager of the City of Rowlett or a person designated to act on behalf of that individual.

City Regulations means the City’s applicable development regulations in effect on the Effective Date, including without limitation City Code provisions, ordinances (including, without limitation, park dedication fees), design standards (including, without limitation, pavement thickness), and other policies duly adopted by the City.

Developer means Trail Creek Partners, Ltd. or its successor or authorized assignee.

Development Standards means the design specifications and construction standards permitted or imposed by this Agreement, including its **Exhibit C**, and applicable City Regulations.

East Fork SUD means the East Fork Special Utility District.

Effective Date means the effective date of this Agreement, which shall be the last date upon which all parties have fully executed this Agreement.

End User means any tenant, user, or owner of a Fully Developed and Improved Lot, but excluding the HOA.

Facilities Agreement means the Facilities Agreement for Utility Infrastructure between the City and Warner Land Advisors, L.P., which was assigned to and assumed by the Developer.

Fully Developed and Improved Lot means any privately-owned lot in the Property, regardless of proposed use, intended to be served by the Public Infrastructure and for which a final plat has been approved by the City and recorded in the Real Property Records of Dallas County.

HOA means the Trail Creek Owners Association, Inc and its successors or any home owners association established for the development to be located on the Property as shown on the Site Plan.

Impact Fees means those fees assessed and charged by the City in accordance with Chapter 395.

Mayor means the Mayor of the City of Rowlett.

Notice means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).

Off-Site Improvements means that certain off-site public infrastructure previously constructed by Developer to provide sanitary sewer services to the Property as more particularly described in the Facilities Agreement.

Public Infrastructure means all water, wastewater/sewer, drainage, roadway and other infrastructure necessary to serve the full development of the Property and/or to be constructed and dedicated to the City or East Fork SUD, as applicable, under this Agreement.

Real Property Records of Rockwall County means the official land recordings of the Rockwall County Clerk's Office.

Site Plan means the intended plan for the development of the Property as depicted on **Exhibit B**.

Water Infrastructure shall have the meaning given to it in the Recitals hereto.

SECTION 3

PUBLIC INFRASTRUCTURE

3.1 Public Infrastructure, Generally. Except as otherwise expressly provided for in this Agreement, Developer shall provide all Public Infrastructure necessary to serve the Property, including streets, utilities, drainage, sidewalks, trails, street lighting, street signage, and all other required improvements, at no cost to the City except as expressly provided in this Agreement, and as approved by the City's engineer or his or her agent. Developer shall cause the installation of the Public Infrastructure necessary to serve the Property prior to or substantially concurrent with the recordation of the final plat covering the Property and within all applicable time frames in accordance with the City Regulations, unless otherwise established in this Agreement. Developer shall provide engineering studies, plan/profile sheets, and other construction documents at the time of platting as required by City Regulations. The final plat shall not be approved until such plans have been approved by the City's engineer or his or her agent. Construction of any portion of the Public Infrastructure to be conveyed to the City shall not be initiated until a pre-construction conference with a City representative has been held regarding the proposed construction and the City has issued a permit to proceed. No final plat may be recorded in the Real Property Records of Rockwall County until construction of all Public Infrastructure to be conveyed to the City shown thereon shall have been constructed, and thereafter inspected, approved, and accepted by the City; provided that the City shall allow recording of any final plat in the Real Property Records of Rockwall County if the Developer escrows sufficient funds, as determined by the City, or otherwise provides evidence of fiscal security or surety satisfactory to the City for any outstanding obligations required by the City pursuant its approval of the preliminary plat for such area.

3.2 Construction, Ownership, and Transfer of Public Infrastructure.

(a) Construction Standards, Inspections and Fees. Except as otherwise expressly set forth in this Agreement and the Facilities Agreement, the Public Infrastructure required for the development of the Property shall be constructed and inspected, and all applicable fees, including but not limited to permit fees and inspection fees, shall be paid by Developer, in accordance with this Agreement, the City Regulations, to the extent applicable, and the regulations of any other governing body or entity with jurisdiction over the Public Infrastructure.

The Developer shall convey to East Fork SUD all of the Water Infrastructure to be owned by East Fork SUD and needed to provide water service to the property. Developer agrees to take any action reasonably required by East Fork SUD to transfer, convey, or otherwise dedicate or ensure the dedication of land, right-of-way, or easements for the Water Infrastructure to East Fork SUD and the public.

3.3 Inspections, Acceptance of Public Infrastructure, and Developer's Remedy.

(a) Inspections, Generally. The City shall have the right to inspect, at any time, the construction of all Public Infrastructure necessary to support the Property to be accepted by the City. The City's inspections and/or approvals shall not release Developer from its responsibility to construct, or cause the construction of, adequate Public Infrastructure in accordance with City Regulations, approved engineering plans, construction plans, and other approved plans related to development of the Property. Notwithstanding any provision of this

Agreement, it shall not be a breach or violation of the Agreement if the City withholds building permits to any portion of the Property until Developer has met its obligations to provide for required Public Infrastructure necessary to serve such portion according to the approved engineering plans and City Regulations and until such Public Infrastructure has been dedicated to and accepted by the City or East Fork SUD, as applicable. Acceptance by the City shall not be unreasonably withheld, conditioned, or delayed. Nothing in this Agreement shall be construed as an approval or the granting of any permit required by City Regulations or applicable law.

3.4 Ownership, Operation and Maintenance. Upon inspection, approval, and acceptance of the Public Infrastructure to be dedicated to the City and any other dedications required under this Agreement, such improvements and dedications shall be owned by the City. From and after the inspection and acceptance by East Fork SUD of the Public Infrastructure to be dedicated to East Fork SUD and any other dedications required under this Agreement, such improvements and dedications shall be owned by East Fork SUD. The Developer shall cause East Fork SUD to include City sewer fees in customer billing, to include termination of water service in the event of nonpayment of sewer service fees. East Fork SUD shall have the sole right and responsibility for operating and maintaining the Water Improvements, unless the certificate of convenience and necessity for water service is subsequently transferred to the City or East Fork SUD conveys to, or the City otherwise assumes, responsibility for providing water utility service.

3.5 Insurance. Developer or its contractor(s) shall acquire and maintain, during the period of time when any of the Public Infrastructure is under construction (and until the full and final completion of the Public Infrastructure and acceptance thereof by the City): (a) workers compensation insurance in the amount required by law; and (b) commercial general liability insurance including personal injury liability, premises operations liability, and contractual liability, covering, but not limited to, the liability assumed under any indemnification provisions of this Agreement, with limits of liability for bodily injury, death and property damage of not less than \$5,000,000.00. Such insurance shall also cover any and all claims which might arise out of the Public Infrastructure construction contracts, whether by Developer, a contractor, subcontractor, material man, or otherwise. Coverage must be on a "per occurrence" basis. All such insurance shall: (i) be issued by a carrier which is rated "A-1" or better by A.M. Best's Key Rating Guide and licensed to do business in the State of Texas; and (ii) name the City as an additional insured and contain a waiver of subrogation endorsement in favor of the City. Upon the execution of Public Infrastructure construction contracts, Developer shall provide to the City certificates of insurance evidencing such insurance coverage together with the declaration of such policies, along with the endorsement naming the City as an additional insured. Each such policy shall provide that, at least 30 days prior to the cancellation, non-renewal or modification of the same, the City shall receive written notice of such cancellation, non-renewal or modification.

3.6 Roadway Facilities and Related Improvements. Developer is responsible for the design, installation, and construction of all roadway facilities and related improvements, including drainage infrastructure, required to serve the Property in accordance with the City Regulations. The design of all roadway facilities and related improvements shall be approved by the City in advance of the construction of same. The Developer shall not be required to conduct a traffic impact analysis or make improvements to Troy Road.

3.7 Water Facilities. Developer is responsible for design, installation, and construction of all water improvements necessary to serve the Property. Developer shall obtain approval of design of water improvements from East Fork SUD. Developer shall be responsible for the acquisition of any easements and other property acquisitions necessary for water facilities for all development upon and within the Property.

3.8 Wastewater/Sanitary Sewer Facilities. Except as otherwise provided herein, Developer is responsible for the design, installation, and construction of all wastewater/sanitary sewer improvements necessary to serve the Property. The design of all wastewater/sanitary sewer improvements shall be approved by the City in advance of the construction of same.

3.9 Wastewater/Sanitary Sewer Services.

(a) The City represents and confirms that it currently has and reasonably expects to continue to have the capacity to provide to the Property continuous and adequate retail wastewater/sanitary sewer service at times and in amounts sufficient to meet the service demands of the Property.

(b) Upon acceptance by the City of the wastewater/sanitary sewer facilities described herein, the City shall operate or cause to be operated said wastewater/sanitary sewer facilities serving the Development and the Property and use them to provide service to all customers within the Development at the same rates as similar projects located within the City and the Property and as otherwise required by State law as the holder of the certificate of convenience and necessity covering the Property. Upon acceptance by the City, the City shall at all times maintain said wastewater/sanitary sewer facilities, or cause the same to be maintained, in compliance with all applicable laws and ordinances and all applicable regulations, rules, policies, standards, and orders of any governmental entity with jurisdiction over same.

(c) The City agrees to take all necessary steps to include the Property within the boundaries of the City's sewer service area.

SECTION 4
PAYMENT AND REIMBURSEMENT OF OFF-SITE IMPROVEMENTS

4.1 Credit or Reimbursement of Impact Fees for Off-Site Improvements completed by affiliate of Developer. The City shall provide a credit or reimbursement for sewer Impact Fees.

4.2 Sewer Impact Fees Credits and Reimbursements. The City shall provide Developer with a credit against or reimbursement (the "Impact Fee Credit") of sewer Impact Fees in the amount of \$1,189 per lot (the "Impact Fee Credit Amount"). The Impact Fee Credit shall be given only if and when the fee per lot is otherwise due. Should Impact Fees be paid by third parties other than the Developer, Impact Fees shall be due and payable in accordance with City Regulations; however, the City shall reimburse Developer on a quarterly basis in an amount equal to the Impact Fee Credit Amount times the number of lots for which sewer Impact Fees were received during each quarter until the earlier of: 1) the issuance of a building permit for the last single family residential lot on the Property to be developed, or 2) the total sum of \$96,390 has been collectively credited and/or reimbursed to Developer. The Developer shall submit invoices at least quarterly to the City to receive reimbursement from the Impact Fee Credits and the City shall reimburse

Developer from sewer Impact Fees received in the prior quarter within thirty days following the end of each calendar quarter following that in which Developer has submitted invoices. Credits or reimbursements shall come solely from Impact Fees and waivers thereof and shall not be payable or creditable from any other source of City funds. Except for an assignee contemplated by Section 4.3 of this Agreement, no credits shall be allowed to and no reimbursements from sewer Impact Fees for the Project shall be paid to anyone other than Developer.

4.3 Allocation of Credits. All Impact Fee Credits inuring to the Property belong to Developer and may not be allocated to any other party without Developer's prior written consent in the form of an assignment specifying the assignee and the categories and amounts of Impact Fee Credits assigned. The Developer shall deliver a copy of any such assignment to the City within ten (10) days of its effective date and Developer shall not make any claim to or have any entitlement to any such Impact Fee Credits once assigned.

4.4 Payee Information. With respect to any and every type of payment/remittance due to be paid at any time by the City to Developer after the Effective Date under this Agreement, the name and delivery address of the payee for such payment shall be:

Trail Creek Partners, Ltd.
4040 North Central Expressway, Suite 850
Dallas, Texas 75204

Developer may change the name of the payee and/or address set forth above by delivering written notice to the City designating a new payee and/or address or through an assignment of Developer's rights hereunder.

SECTION 5

ANNEXATION AND POST ANNEXATION MATTERS

5.1 Annexation. Developer will submit a voluntary irrevocable petition for annexation of the Property to the City in compliance with Chapter 43, Texas Local Government Code, or other applicable law, as amended in sufficient time for annexation to occur on the later of (i) acceptance of the Public Infrastructure and (ii) filing of the final plat. Developer agrees to execute and supply any and all instruments and/or other documentation necessary for the City to annex the Property into the City's corporate limits. If the City is unable to complete the annexation of the Property for any reason, including but not limited to procedural error or legal challenge, Developer shall execute another voluntary annexation petition for the Property within ten (10) days of being requested to do so.

5.2 Zoning of Property. While the Parties expressly acknowledge that the Property will be voluntarily annexed in accordance with Section 5.1 of this Agreement, the Parties agree that the Development Standards and the applicable provisions of this Agreement memorialize the plan for development of the Property as provided for in Section 212.172 of the Texas Local Government Code and other applicable law. The City shall consider zoning the Property consistent with the Development Standards and applicable provisions of this Agreement contemporaneously with the annexation of the Property. Through this Agreement, the Developer expressly consents and agrees to the zoning of the Property to the extent the Property is in the City's corporate limits and solely

if such zoning is consistent with the Development Standards and as contemplated by this section. After the zoning has been approved for the Property, no amendment to the zoning shall require an amendment to this Agreement.

Should the City Council fail—within 90 days after submittal of a zoning application by the Developer—to approve the zoning on the Property in accordance with this Agreement and the Development Standards, or should the City approve zoning on the Property that is in any way more restrictive than the Development Standards without the Developer’s consent, then the Developer shall have the right to disannex the Property from the corporate limits of the City by providing a petition for disannexation. Within 30 days following delivery of such petition (or at the next City Council meeting after such 30 day period), the City shall disannex the Property from the City’s corporate limits.

5.3 Agreement for Services. Pursuant to Section 43.0672, Texas Local Government Code, this Agreement shall constitute an agreement for the provision of services to the Property and, except as expressly provided otherwise herein, the City shall, immediately upon the effective date of any annexation, provide the Property with all those municipal services currently offered within the City, including those which may be offered in the future, without discrimination. The Developer is not required to enter into this Agreement and does so in reliance upon the representations and covenants of the City herein. The annexation procedures described in plain language in this Agreement require the Developer’s consent. The Parties acknowledge and agree that—prior to the Effective Date—the City fully satisfied the written disclosure requirements under Section 212.172(b-1) of the Texas Local Government Code.

SECTION 6

ADDITIONAL OBLIGATIONS AND AGREEMENTS

6.1 Submission of General Development Plan, Regulating Plan; Tree Removal Permit & Preliminary Plat. Notwithstanding any provision of the City Regulations, no general development plan, regulating plan or tree removal permit will be required for the Property. The Site Plan depicted on Exhibit B shall serve as the Preliminary Plat, and upon approval of this Agreement be deemed approved by the City.

6.2 Conflicts. When not in conflict with the terms and conditions of this Agreement, the development of the Property shall be subject to all applicable City Regulations, including but not limited to the City’s subdivision and zoning regulations and engineering design standards. In the event of any direct conflict between this Agreement and any other ordinance, rule, regulation, standard, policy, order, guideline, or other City adopted or City enforced requirement, this Agreement, including its exhibits, as applicable, shall control.

(a) Approval of Plats/Plans. Approval by the City, the City’s engineer, or other City employee or representative, of any plans, designs, or specifications submitted by Developer pursuant to this Agreement or pursuant to applicable City Regulations shall not constitute or be deemed to be a release of the responsibility and liability of Developer, his engineer, employees, officers, or agents for the accuracy and competency of their design and specifications. Further, any such approvals shall not be deemed to be an assumption of such responsibility and liability by the City for any defect in the design and specifications prepared by Developer or Developer’s

engineer, or engineer's officers, agents, servants or employees, it being the intent of the parties that approval by the City's engineer signifies the City's approval on only the general design concept of the improvements to be constructed.

6.3 INDEMNIFICATION and HOLD HARMLESS. THE DEVELOPER, INCLUDING ITS RESPECTIVE SUCCESSORS AND ASSIGNS, HEREBY COVENANT AND AGREE TO RELEASE, DEFEND, HOLD HARMLESS, AND INDEMNIFY THE CITY AND ITS CURRENT, FORMER, AND FUTURE ELECTED AND APPOINTED OFFICIALS, OFFICERS, AGENTS, REPRESENTATIVES, SERVANTS AND EMPLOYEES (COLLECTIVELY, THE "RELEASED PARTIES"), FROM AND AGAINST ALL THIRD-PARTY CLAIMS, LIABILITIES, SUITS, JUDGMENTS, DAMAGES, AND DEMANDS (TOGETHER, "CLAIMS") AGAINST THE CITY OR ANY OF THE RELEASED PARTIES, WHETHER REAL OR ASSERTED INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEY'S FEES, RELATED EXPENSES, EXPERT WITNESS FEES, CONSULTANT FEES, AND OTHER COSTS ACTUALLY INCURRED, ARISING OUT OF THE NEGLIGENCE OR OTHER WRONGFUL CONDUCT OF THE DEVELOPER, INCLUDING THE NEGLIGENCE OF ITS RESPECTIVE EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, MATERIAL MEN, AND/OR AGENTS, IN CONNECTION WITH THE DESIGN OR CONSTRUCTION OF ANY PUBLIC INFRASTRUCTURE, STRUCTURES, OR OTHER FACILITIES OR IMPROVEMENTS THAT ARE REQUIRED OR PERMITTED UNDER THIS AGREEMENT AND/OR CITY REGULATIONS AND/OR ANY APPLICABLE DEVELOPMENT STANDARDS AND/OR ANY OTHER GOVERNING REGULATIONS. **THE DEVELOPER SHALL NOT, HOWEVER, BE REQUIRED TO INDEMNIFY THE CITY AGAINST CLAIMS CAUSED BY THE CITY'S SOLE NEGLIGENCE.** IF THE CITY INCURS CLAIMS THAT ARE CAUSED BY THE CONCURRENT NEGLIGENCE OF THE DEVELOPER AND THE CITY, THE DEVELOPER'S INDEMNITY OBLIGATION WILL BE LIMITED TO A FRACTION OF THE TOTAL CLAIMS EQUIVALENT TO THE DEVELOPER'S OWN PERCENTAGE OF RESPONSIBILITY. THE DEVELOPER, INCLUDING ITS RESPECTIVE SUCCESSORS AND ASSIGNS, FURTHER COVENANTS AND AGREES TO RELEASE, DEFEND, HOLD HARMLESS, AND INDEMNIFY, THE CITY AGAINST ANY AND ALL CLAIMS BY ANY PERSON CURRENTLY CLAIMING AN OWNERSHIP INTEREST IN THE PROPERTY WHO HAS NOT SIGNED THIS AGREEMENT IF SUCH CLAIMS RELATE IN ANY MANNER OR ARISE IN CONNECTION WITH: (1) THE CITY'S RELIANCE UPON THE DEVELOPER'S REPRESENTATIONS IN THIS AGREEMENT; (2) THIS AGREEMENT OR OWNERSHIP OF THE PROPERTY; OR (3) THE CITY'S APPROVAL OF ANY TYPE OF DEVELOPMENT APPLICATION OR SUBMISSION WITH RESPECT TO THE PROPERTY.

6.4 Status of Parties. At no time shall the City have any control over or charge of Developer's design, construction or installation of any of the Public Infrastructure, nor the means, methods, techniques, sequences or procedures utilized for said design, construction or installation, if in compliance with City Regulations. This Agreement does not create a joint enterprise or venture or employment relationship between the City and Developer.

6.5 Vested Rights. This Agreement shall constitute a "permit" (as defined in Chapters 212 and 245, Texas Local Government Code) that is deemed filed with the City on the Effective Date.

6.6 Determination of Rough Proportionality. Assuming no defaults under this agreement, the Developer hereby agrees and acknowledges, without waiving claims related solely to exactions not contemplated by this agreement, that: (a) any public infrastructure that it conveys to the City or acquires for the City pursuant to this Agreement is roughly proportional to the benefit received by the owner for such public infrastructure, and the Developer hereby waives any claim therefor that it may have; and (b) all prerequisites to such determination of rough proportionality have been met, and any value received by the City relative to said conveyance is related both in nature and extent to the impact of the development of the property on the City's infrastructure.

SECTION 7

EVENTS OF DEFAULT; REMEDIES

7.1 Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than thirty (30) days (or any longer time period to the extent expressly stated in this Agreement as relates to a specific failure to perform) after written notice of the alleged failure has been given. Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made within twenty (20) business days after it is due.

7.2 Remedies. As compensation for the other party's default, an aggrieved Party is limited to seeking, as its sole and exclusive remedy, specific performance of the other party's obligations under this Agreement.

SECTION 8

ASSIGNMENT; ENCUMBRANCE

8.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. The obligations, requirements, or covenants to develop the Property subject to this Agreement shall be freely assignable, in whole or in part, to any affiliate or related entity of Developer, or any lien holder on the Property, without the prior written consent of the City. Except as otherwise provided in this paragraph, the obligations, requirements or covenants to the development of the Property shall not be assigned, in whole or in part, by Developer to a non-affiliate or non-related entity of Developer without the prior written consent of the City Manager, subject to the advice and consent of the Mayor, which consent shall not be unreasonably withheld or delayed. An assignee shall be considered a "Party" for the purposes of this Agreement. Each assignment shall be in writing executed by Developer and the assignee and shall obligate the assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment unless the City approves the release in writing. Developer shall maintain written records of all assignments made by Developer

to assignees, including a copy of each executed assignment and, upon written request from any Party or assignee, shall provide a copy of such records to the requesting person or entity, and this obligation shall survive the assigning Party's sale, assignment, transfer, or other conveyance of any interest in this Agreement or the Property.

8.2 Assignees as Parties. An assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance herewith shall be considered a "Party" for the purposes of this Agreement. With the exception of: (a) the City, (b) an End User, (c) a purchaser of a Fully Developed and Improved Lot, any person or entity upon becoming an owner of any part of the Property shall be deemed to be a "Developer" and have all of the rights and obligations of Developer as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest.

8.3 Third Party Beneficiaries. Except as otherwise provided herein, this Agreement inures to the benefit of, and may only be enforced by, the Parties and their permitted assigns. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

8.4 Notice of Assignment. Subject to Section 8.2 of this Agreement, the following requirements shall apply in the event that Developer sells, assigns, transfers, or otherwise conveys the Property or any part thereof and/or any of its rights or benefits under this Agreement: (i) Developer must provide written notice to the City to the extent required under Section 8.1 at least fifteen (15) business days in advance of any such sale, assignment, transfer, or other conveyance; (ii) said notice must describe the extent to which any rights or benefits under this Agreement will be sold, assigned, transferred, or otherwise conveyed; (iii) said notice must state the name, mailing address, telephone contact information, and, if known, email address, of the person(s) that will acquire any rights or benefits as a result of any such sale, assignment, transfer or other conveyance; and (iv) said notice must be signed by a duly authorized person representing Developer and a duly authorized representative of the person that will acquire any rights or benefits as a result of the sale, assignment, transfer or other conveyance.

SECTION 9

RECORDATION AND ESTOPPEL CERTIFICATES

9.1 Binding Obligations. This Agreement and all amendments thereto and assignments hereof shall be recorded in the Real Property Records of Dallas County. This Agreement binds and constitutes a covenant running with the Property and, upon the Effective Date, is binding upon Developer and the City, and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property.

9.2 Estoppel Certificates. From time to time, upon written request of Developer or any future owner, the City Manager, or his/her designee will, in his/her official capacity and to his/her reasonable knowledge and belief, execute a written estoppel certificate identifying any obligations of an owner under this Agreement that are in default or making an affirmative statement that the Developer is not in default under this Agreement.

SECTION 10
GENERAL PROVISIONS

10.1 Term. The term of this Agreement shall be thirty (30) years after the Effective Date unless extended by mutual written agreement of the Parties.

10.2 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; and (c) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

10.3 Notices. Any notice, submittal, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received (i) if delivered via a method other than e-mail, when delivered personally or upon the expiration of 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid or (ii) if delivered via e-mail, upon the earlier of receipt of a "delivery receipt" or on the next Business Day after being sent (as recorded on the device from which the sender sent the e-mail) unless the sender receives an automated message that the email has not been delivered. Any such notice shall be addressed as follows:

To the City:

City of Rowlett, Texas
4000 Main Street
Rowlett, TX 75088
Attn: City Manager

With a copy to:

Nichols, Jackson, Dillard, Hager & Smith, L.L.P.
Attn: Victoria Thomas
1800 Ross Tower
500 N. Akard St.
Dallas, TX 75201
e-mail: vthomas@njdhs.com

To Developer:

Trail Creek Partners, Ltd
Attn: Stephen Sallman
4040 N Central Expressway, Suite 850
Dallas, Texas 75204
e-mail: ssallman@warnergroupp.com

With a copy to:

Trail Creek Partners, Ltd
Attn: Preston Walhood
4040 N Central Expressway, Suite 850
Dallas, Texas 75204
e-mail: pwalhood@warnergroup.com

With a copy to:

Greenberg Traurig, LLP
Attn: Drew Slone
2200 Ross Avenue, Suite 5200
Dallas, Texas 75201
e-mail: drew.slone@gtlaw.com

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

10.4 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

10.5 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

10.6 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of Developer, and that each individual executing this Agreement on behalf of Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions.

10.7 Severability. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

10.8 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of

the Parties are performable in Dallas County. Exclusive venue for any action related to, arising out of, or brought in connection with this Agreement shall be in the Dallas County District Court.

10.9 Non Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

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

10.11 Exhibits. The following exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A	Metes and Bounds Description of the Property
Exhibit B	Site Plan
Exhibit C	Development Standards

10.12 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within ten (10) business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including an explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.

10.13 Complete Agreement. This Agreement embodies the entire Agreement between the Parties and cannot be varied or terminated except as set forth in this Agreement, or by written agreement of the City and Developer expressly amending the terms of this Agreement.

10.14 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

[SIGNATURES PAGES AND EXHIBITS FOLLOW;
REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

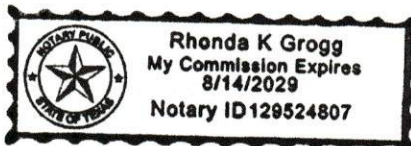
EXECUTED BY THE PARTIES TO BE EFFECTIVE ON THE EFFECTIVE DATE:

CITY OF ROWLETT, TEXAS

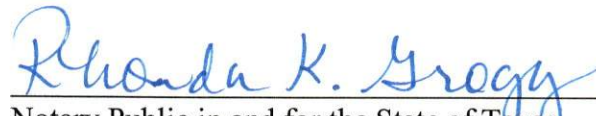
By: 
Name: KRISTOFF BAUER
Title: Interim City Manager
Date: 7/22/26

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on this July 22, 2026, by Kristoff Bauer, Interim City Manager of the City of Rowlett, Texas, on behalf of said City.



[SEAL]


Notary Public in and for the State of Texas

DEVELOPER:

TRAIL CREEK PARTNERS, LTD,
a Texas limited partnership

By: Trail Creek Advisors, LLC,
a Texas limited liability corporation
Its: General Partner

By: Stephen L. Sallman
Stephen Sallman,
Manager

THE STATE OF TEXAS §
COUNTY OF Dallas §
 §

This instrument was acknowledged before me on this July 27, 2026, by Stephen Sallman, Manager of Trail Creek Advisors, LLC, a Texas limited liability company, on behalf of said limited liability company.

Tamara Miguez
Notary Public in and for the State of Texas

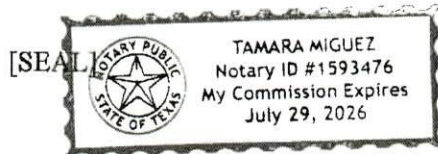


Exhibit A
Metes and Bounds Description of the Property

3805 Troy Road

Being a tract of land situated in the Madison Price Survey, Abstract Number 257, Rockwall County, Texas, same being that tract of land conveyed to Markham F. Stopp and Joellyn A. Stopp, by deed recorded in Volume 1182, Page 189, Deed Records, Rockwall County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8 inch iron rod found for corner, said corner being along the Northwest corner of Troy Road (public right-of-way) and being the East corner of that tract of land conveyed to James Gary Balckwell and Carie C. Blackwell, by deed recorded in Volume 2659, Page 111, Deed Records, Rockwall County, Texas;

THENCE North 44 degrees 18 minutes 07 seconds West, along the Northeast line of said Blackwell tract, a distance of 940.00 feet to a 5/8 inch iron rod found for corner, said corner being the North corner of said Blackwell tract and being along the Southeast line of that tract of land conveyed to Freedom Quest, LLC, by deed recorded in Instrument Number 20140000001315, Official Public Records, Rockwall County, Texas;

THENCE North 45 degrees 39 minutes 47 seconds East, along the Southeast line of said Freedom Quest tract, a distance of 690.88 feet to a point for corner, said corner being the West corner of that tract of land conveyed to Sheri Tate, an unmarried woman, by deed recorded in Instrument Number 2008-00397967, Official Public Records, Rockwall County, Texas, from which a 5/8 inch iron rod bears South 46 degrees 54 minutes 46 seconds East, a distance of 0.66 feet for witness;

THENCE South 44 degrees 00 minutes 00 seconds East, along the Southwest line of said Tate tract, a distance of 942.52 feet to a 1/2 inch iron rod found for corner, said corner being the South corner of said Tate tract and being along the Northwest line of said Troy Road;

THENCE South 45 degrees 52 minutes 20 seconds West, along the Northwest line of said Troy Road, a distance of 685.92 feet to the POINT OF BEGINNING and containing 647.961 square feet or 14.87 acres of land.

Exhibit B Site Plan

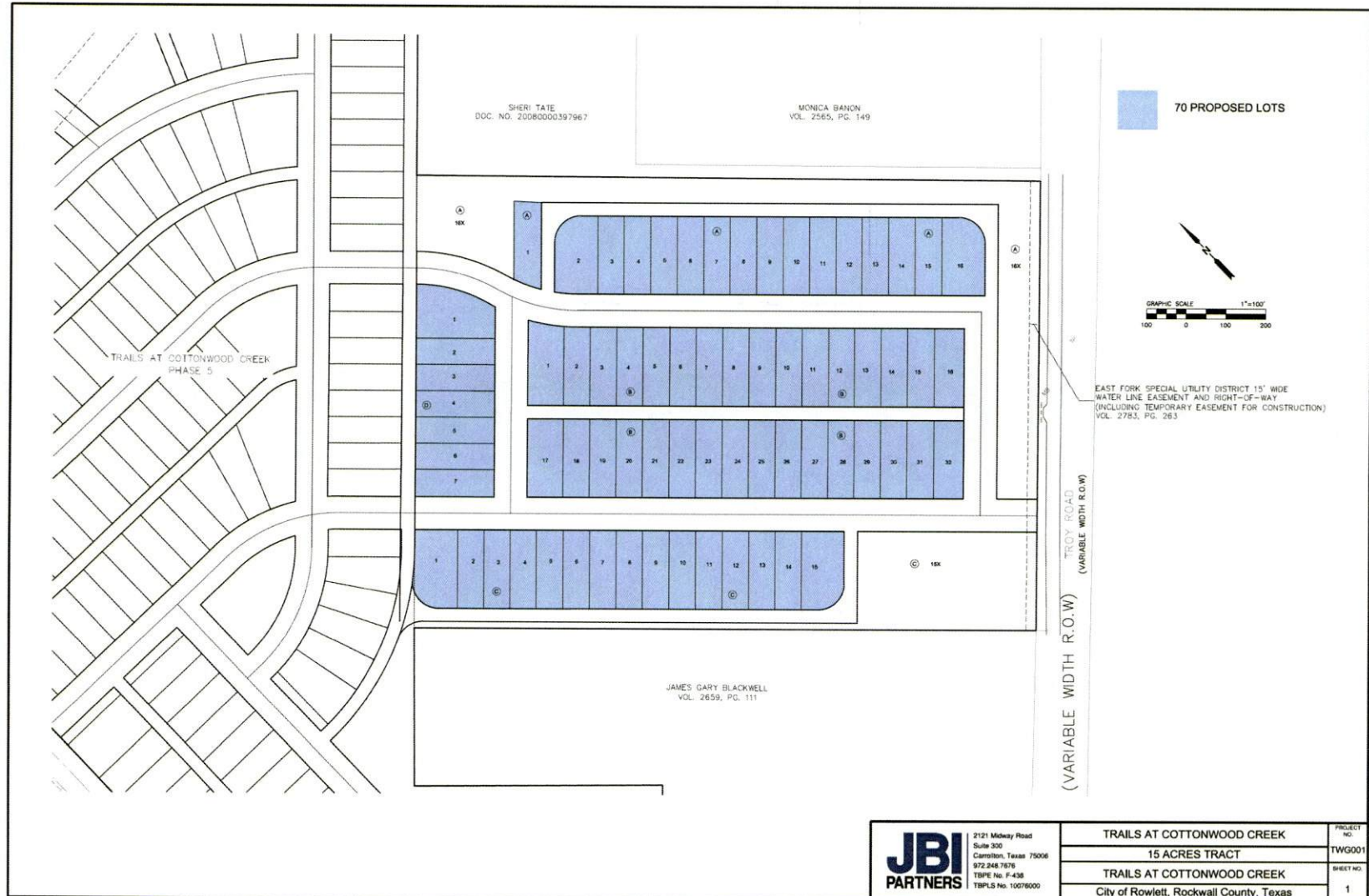


Exhibit C
Development Standards

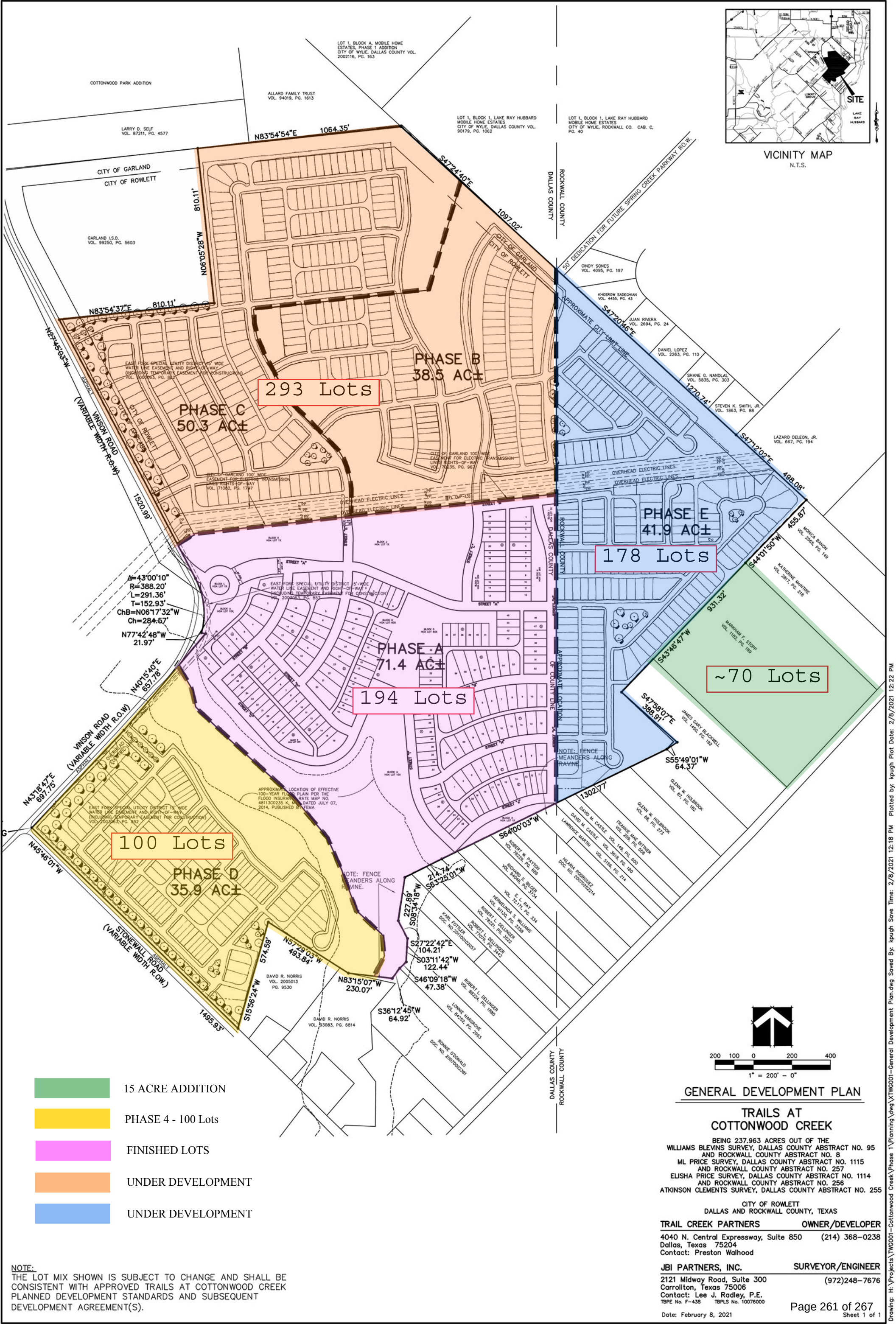
The Property shall have Base zoning SF-5, as modified below:

- Minimum lot square feet: 4,400
- Minimum lot width: 40' feet
- Front yard setback: 20' feet
- Rear yard setback: 20' feet
- Minimum side yard setback: 5'-ft from all exterior and interior lot lines for all buildings other than dwellings

4900-0792-0310, v. 1



VICINITY MAP
N.T.S.



NOTE:
THE LOT MIX SHOWN IS SUBJECT TO CHANGE AND SHALL BE
CONSISTENT WITH APPROVED TRAILS AT COTTONWOOD CREEK
PLANNED DEVELOPMENT STANDARDS AND SUBSEQUENT
DEVELOPMENT AGREEMENT(S).

GENERAL DEVELOPMENT PLAN

TRAILS AT
COTTONWOOD CREEK

BEING 237.963 ACRES OUT OF THE
WILLIAMS BLEVINS SURVEY, DALLAS COUNTY ABSTRACT NO. 95
AND ROCKWALL COUNTY ABSTRACT NO. 8
ML PRICE SURVEY, DALLAS COUNTY ABSTRACT NO. 1115
AND ROCKWALL COUNTY ABSTRACT NO. 257
ELISHA PRICE SURVEY, DALLAS COUNTY ABSTRACT NO. 1114
AND ROCKWALL COUNTY ABSTRACT NO. 256
ATKINSON CLEMENTS SURVEY, DALLAS COUNTY ABSTRACT NO. 255

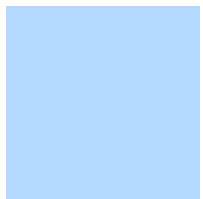
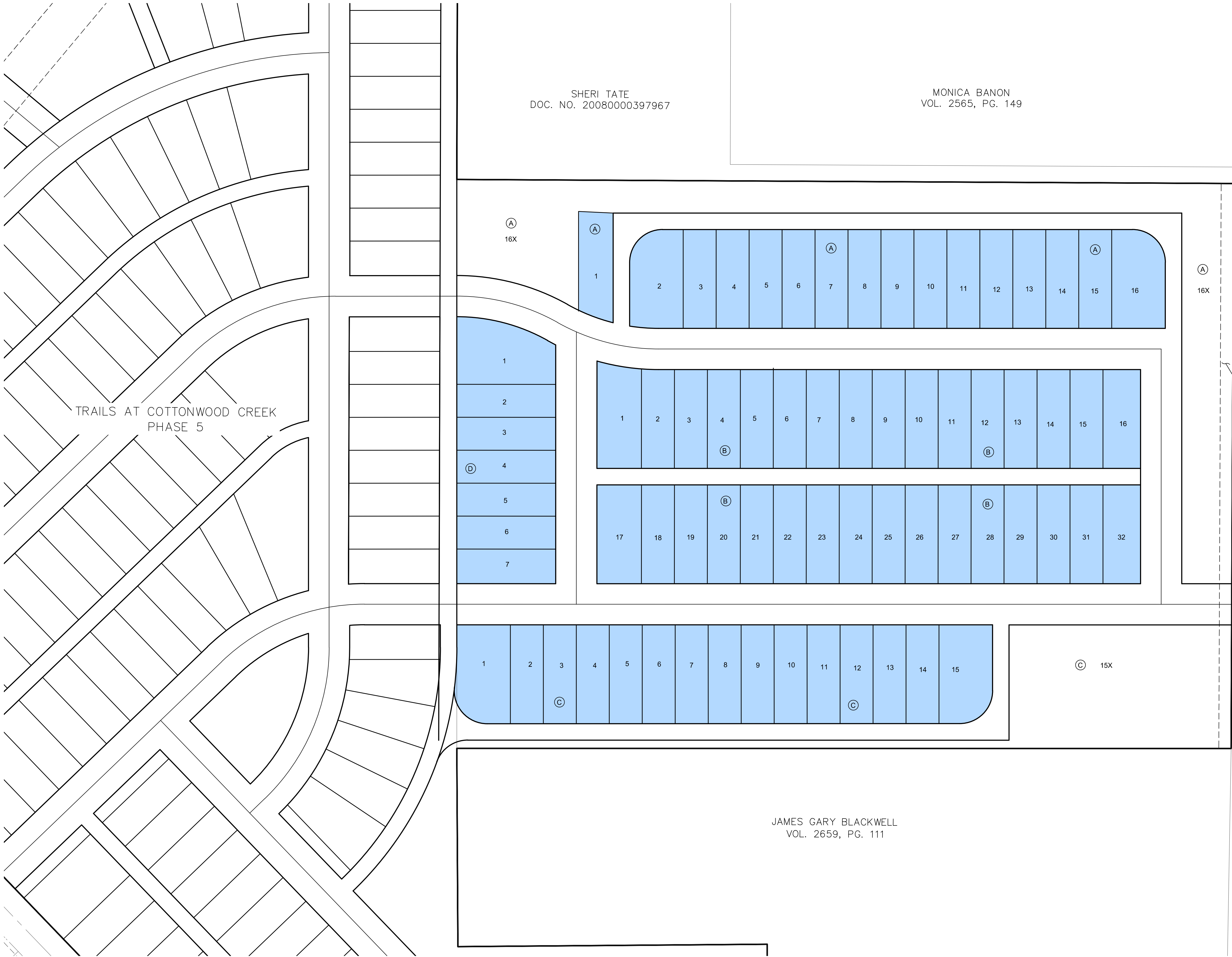
CITY OF ROWLETT
DALLAS AND ROCKWALL COUNTY, TEXAS

TRAIL CREEK PARTNERS OWNER/DEVELOPER

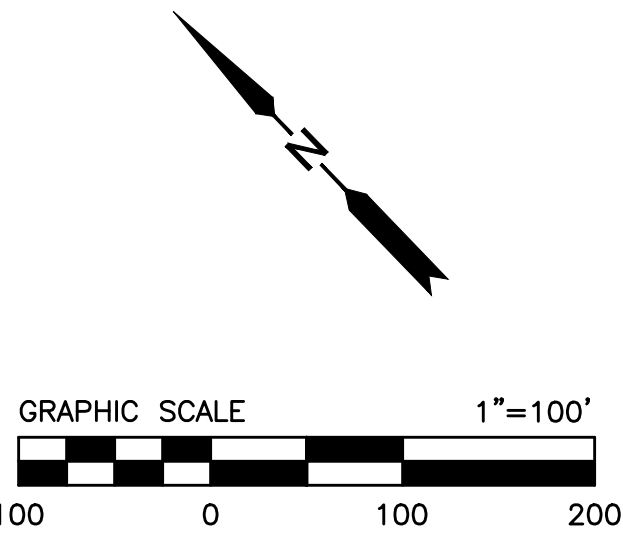
4040 N. Central Expressway, Suite 850 (214) 368-0238
Dallas, Texas 75204
Contact: Preston Walhoad

JBI PARTNERS, INC. SURVEYOR/ENGINEER

2121 Midway Road, Suite 300 (972)248-7676
Carrollton, Texas 75006
Contact: Lee J. Radley, P.E.
TBPE No. F-438 TBPLS No. 10076000



70 PROPOSED LOTS



EAST FORK SPECIAL UTILITY DISTRICT 15' WIDE
WATER LINE EASEMENT AND RIGHT-OF-WAY
(INCLUDING TEMPORARY EASEMENT FOR CONSTRUCTION)
VOL. 2783, PG. 263

TROY ROAD
(VARIABLE WIDTH R.O.W.)



2121 Midway Road
Suite 300
Carrollton, Texas 75006
972.248.7676
TBPE No. F-438
TBPLS No. 10076000

TRAILS AT COTTONWOOD CREEK

15 ACRES TRACT

TRAILS AT COTTONWOOD CREEK

City of Rowlett, Rockwall County, Texas

PROJECT
NO.

TWG001

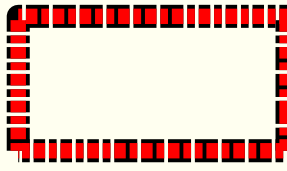
SHEET NO.

1

City of Rowlett

Extraterritorial Jurisdiction Boundary

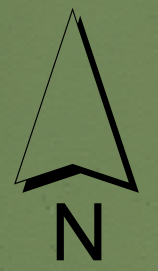
Legend

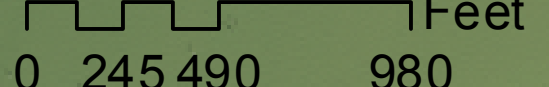
 City Limits

 ETJ Boundary

 County Boundary

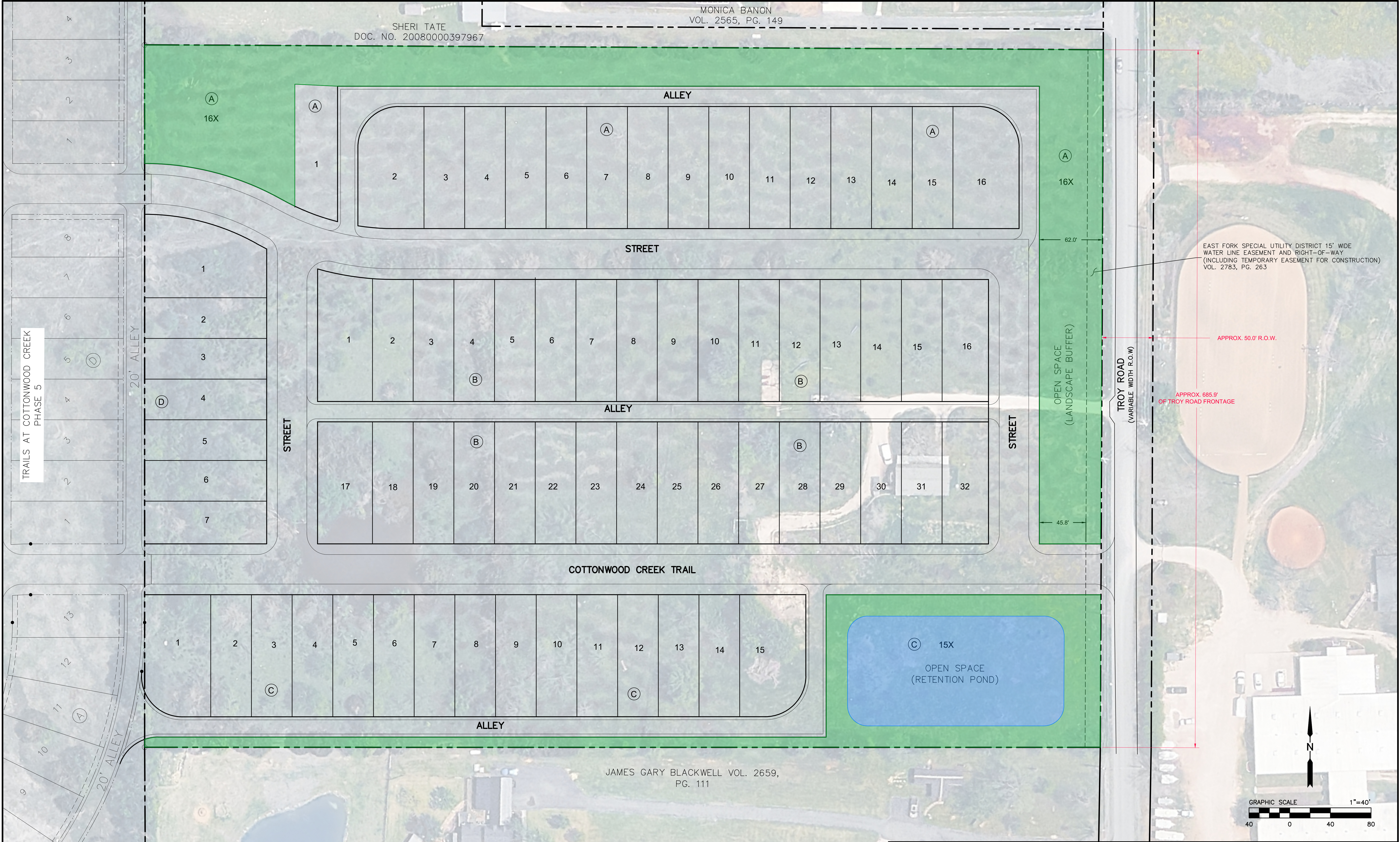



N


0 245 490 980 Feet

Map Date: May 2018





2121 Midway Road
Suite 300
Carrollton, Texas 75006
972.248.7676
TBPELS No. F-438
TBPELS No. 10076000

TROY ROAD FRONTAGE		PROJECT NO.
15 ACRES TRACT		TWG001
TRAILS AT COTTONWOOD CREEK		SHEET NO.
City of Rowlett, Rockwall County, Texas		EXH1

PETITION FOR ANNEXATION

WHEREAS, Trail Creek Partners, Ltd., a Texas limited partnership (“Owner”), is the sole and record owner of approximately 14.87 acres of land located in Rockwall County, Texas, and being more particularly described by metes and bounds in Exhibit A (the “Property”);

WHEREAS, the Property is located entirely within the extraterritorial jurisdiction of the City of Rowlett, Texas (the “City”);

WHEREAS, pursuant to Section 43.0671, Texas Local Government Code, the City may annex an area if each owner of land in the area requests the annexation;

WHEREAS, pursuant to Section 212.172, Texas Local Government Code, the City and Owner are parties to that certain Development Agreement effective July 27, 2026 (the “Agreement”);

WHEREAS, the Agreement constitutes an agreement for the provision of services to the Property in satisfaction the requirements contained within Section 43.0672, Texas Local Government Code; and

WHEREAS, pursuant to the Agreement, Owner desires that the Property be incorporated in and made a part of the City for all purposes.

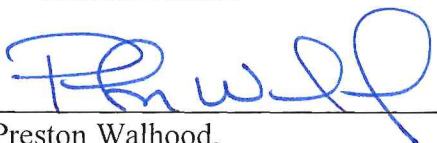
NOW, THEREFORE, premises considered, Owner does hereby submit to the City this petition requesting annexation (this “Petition”) of the Property and requests that the City: (i) accept this Petition for that purpose; (ii) promptly notice and conduct the requisite public hearings in accordance with Section 43.0673, Texas Local Government Code; (iii) adopt an ordinance annexing the area with an immediate effective date; and (iv) carry out any and all other necessary conditions to complete the annexation of the area.

Duly executed this 31 day of July 2026.

[Signatures to follow]

TRAIL CREEK PARTNERS, LTD,
a Texas limited partnership

By: Trail Creek Advisors, LLC,
a Texas limited liability corporation
Its: General Partner

By: 
Preston Walhood,
Vice President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 31 July, 2026, by Preston Walhood, Vice President of Trail Creek Advisors, LLC, a Texas limited liability company, on behalf of said limited liability company.


Notary Public in and for the State of Texas

[SEAL]



Exhibit A
Property Description

3805 Troy Road

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