



AGENDA
SEPTEMBER 4, 2018
LAVON CITY COUNCIL
6:00 PM
EMERGENCY OPERATIONS CENTER RIBBON-CUTTING
501 LINCOLN AVENUE, LAVON, TEXAS
7:00 PM
REGULAR MEETING - BUDGET WORK SESSION
BOARD OF ADJUSTMENT
CITY HALL, 120 SCHOOL ROAD, LAVON, TEXAS
please note an earlier starting time

The City Council will participate in a ribbon-cutting ceremony at the Emergency Operations Center (EOC) at 6:00 p.m. No business will be discussed.

1. RIBBON-CUTTING AT THE EMERGENCY OPERATIONS CENTER

2. PRESIDING OFFICER TO CALL THE MEETING TO ORDER AND ANNOUNCE THAT A QUORUM IS PRESENT

3. PLEDGE OF ALLEGIANCE AND INVOCATION

4. CITIZENS COMMENTS

Citizens may comment on items that are not on the agenda (3-minute time limit/person). The only response can be to request the items to be placed on a future agenda for discussion and consideration.

5. ITEMS OF INTEREST/COMMUNICATIONS

Members may identify community events, functions and other activities.

- September 22, 2018 – Fire Station and EOC - Community Open House! 3-5pm
- October 2, 2018 – National Night Out 7pm
- October 20, 2018 – Fall Festival 4-6pm

6. PROCLAMATION

National Preparedness Month – September 2018

Disasters Happen. Prepare Now. Learn How! Go to www.ready.gov/september for information.

7. CONSENT AGENDA

Consent items are considered to be routine or non-controversial and will be voted on in one motion unless a separate discussion is requested by a Member.

- A.** Approve the minutes of the August 21, 2018 meeting.
- B.** Approve Task Order #2 with Freeman-Millican, Inc. for professional engineering services relating to the Bear Creek Trunk Alignment Study for sanitary sewer in an amount not to exceed \$7400.00.
- C.** Approve Resolution No. **2018-09-01** authorizing the Mayor to execute a contract with the Collin County Elections Administrator for Election Services related to the City's November 6, 2018 General Election and Special Election.
- D.** Ratify and amend Exhibit A of Resolution No. **2018-08-05** approving an updated Interlocal Dispatch Services Agreement with Collin County for the provision of dispatch services for the Lavon Volunteer Fire Department.
- E.** Approve Resolution No. **2018-09-02** authorizing the Mayor and Mayor Pro Tem to execute an Equipment Lease Purchase Agreement with Community Leasing Partners for the purchase of a Fire

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Department Vehicle - Ford F450 for an amount not to exceed \$59,588.49.

- F. Approve Resolution No. **2018-09-03** authorizing the Mayor and Mayor Pro Tem to execute an Equipment Lease Purchase Agreement with Community Leasing Partners for the purchase of Fire Department Motorola Radios and Equipment for an amount not to exceed \$20,416.38.

8. BUDGET WORK SESSION

Discussion regarding the financial status for current Fiscal Year (FY) 2017-18, budget calendar, anticipated commitments, departmental service proposals, fee schedule, requests and proposed budget for FY 2018-19.

9. ITEMS FOR CONSIDERATION

- A. Public Hearing and discussion regarding the Proposed Annual Budget and Fee Schedule for the Fiscal Year that begins October 1, 2018 and ends September 30, 2019.
- 1) Presentation of the Proposed Annual Budget and Fee Schedule.
 - 2) **PUBLIC HEARING** to receive comments regarding the Budget and Fee Schedule.
 - 3) Discussion regarding the Budget and Fee Schedule.
- B. Public Hearing, discussion and action regarding an application submitted by Barnett Signs on behalf of owner 7-Eleven for a variance to Section 4.05.008 of the Code of Ordinances, Signs that provides for a monument sign area of 18 square feet to permit a monument sign with an effective area of 49.8 square feet at 991 S. SH 78, northeast of the intersection of SH 205 and SH 78.
- 1) Presentation of request.
 - 2) **PUBLIC HEARING** to receive comments regarding the request.
 - 3) Discussion and action regarding the request.
- C. Discussion and action regarding Resolution No. **2018-09-04** approving a NEGOTIATED settlement between the Atmos Cities Steering Committee (“ACSC”) and ATMOS ENERGY CORP., Mid-Tex DIVISION regarding the company’s 2018 Rate Review Mechanism filings.
- D. Discussion and action regarding the Site Plan and Landscape Plan for Crown Label Products on Lot 4, Block A of the Lavon Business Park II Addition, located on south side of and in the vicinity of the 900 block Lavon Circle.
- E. Discussion and action regarding Resolution No. **2018-09-05** approving the City of Lavon Investment Policy for Public Funds.
- F. Discussion and action regarding the Resolution No. **2018-09-06** authorizing the Mayor to execute a professional services agreement with First Southwest Asset Management, an affiliate of Hilltop Securities for arbitrage rebate calculation and consultation services.
- G. Discussion and action regarding the election of the Board of Trustees of the Texas Municipal League (TML) Intergovernmental Risk Pool.
- H. Discussion and action regarding the election of the Board of Trustees of the TML Multistate Intergovernmental Employee Benefits Pool.

10. BOARD OF ADJUSTMENT

In accordance with the Texas Local Government Code, Section 211.008 (g) and Section 9.1.11.1 (C))(3) of the Code of Ordinances, the Lavon City Council will act as the Board of Adjustment to consider and act on a request for a variance from the Zoning Ordinance.

- A. Public Hearing, discussion and action regarding the application of Mohammad Frotan for a variance to the requirements of Section 9.1.6.1(E)(12) of the Code of Ordinances, Zoning Ordinance, that provides for a masonry wall or dense landscaped screen to permit the construction of a fence

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consisting of existing masonry columns and wood or sheet metal at. 411 South SH 78; Lot 8, Block B, Lavonia Landing, Lavon, Texas, situated northwest of the intersection of Lake Road and SH 78.

- 1) Presentation of request.
- 2) **PUBLIC HEARING** to receive comments regarding the request.
- 3) Discussion and action regarding the request.

11. EXECUTIVE SESSION

Pursuant to the following designated sections of Texas Government Code, Annotated, Subchapter 551, the City Council may enter into executive session (closed meeting) to discuss the following items:

- Section 551.074 [Personnel Matters] for annual evaluation of the City Administrator/City Secretary.
- Sections 551.071 (2) and 551.071 (1) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act and Consultation with Attorney regarding pending litigation or settlement offer:
 - 1) Proposed Agreement with the Nevada Volunteer Fire Department (NVFD) regarding Fire Protection Services, and
 - 2) Application of City to Obtain a Sewer Certificate of Convenience and Necessity (CCN), Public Utility Commission SOAH Docket No. 473-17-4339.WS, PUC Docket No. 46993.

12. RECONVENE FROM EXECUTIVE SESSION INTO REGULAR SESSION

In accordance with Texas Government Code, Section 551.001, et seq., the City Council will reconvene into regular session to discuss and take any action necessary as a result of each item listed in executive session including:

- A. Discussion and action regarding an Agreement for Fire Protection Services with NVFD.
- B. Discussion and action regarding *Application of City of Lavon to Obtain a Sewer Certificate of Convenience and Necessity (CCN)*, Public Utility Commission SOAH Docket No. 473-17-4339.WS, PUC Docket No. 46993.

13. CITY COUNCIL TO SET FUTURE MEETINGS AND AGENDAS

Council Members and staff may request items be placed on a future agenda or request a special meeting.

September 18 – City Council Meeting, vote on tax rate and budget

October 2 – NNO – possible City Council Meeting cancellation

14. PRESIDING OFFICER TO ADJOURN THE CITY COUNCIL MEETING

1. Notice is hereby given that members of the Lavon Economic Development Corporation Board, Lavon Planning and Zoning Commission, Parks and Recreation Board, and Reinvestment Zone #1 (TIF) Board of Directors may be in attendance at the Lavon City Council Meeting.
2. The Council may vote and/or act upon each of the items listed in this Agenda except for discussion items.
3. The Council reserves the right to meet in Executive Session closed to the public at any time in the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, including §551.071 (private consultation with the attorney for the City); §551.072 (discussing purchase, exchange, lease or value of real property); §551.074 (discussing personnel or to hear complaints against personnel); and §551.087 (discussing economic development negotiations). Any decision held on such matters will be taken or conducted in Open Session following the conclusion of the Executive Session.

This is to certify that this Agenda was duly posted at City Hall and on the City's website at www.cityoflavon.com on or before 6:00 PM on August 31, 2018.



Kim Dobbs, City Administrator | City Secretary

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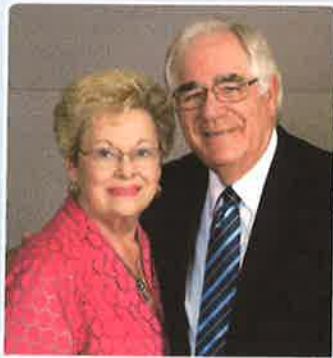
Charles W. Smith & Sons

FUNERAL HOME

Now Open at Lake View Cemetery in Lavon

Come tour our new facility and meet our staff at our
Open House Sunday, September 16th
From 2 p.m. - 5 p.m.

2343 Lake Road (at Hwy 78) Lavon, Texas 75166
Refreshments will be served.



Loretta & Charles Smith

Charles W. Smith Funeral Home

- Own & Operate Our Own Crematory
- Pre-Arrangements Available
- Pre-Needs Honored from other Funeral Homes

972-843-4000

cwsfuneralhome.com

Lake View Cemetery

- Perpetual Care Cemetery
- Options for Cremation Burial
- Monument Design & Sales

972-853-0808

lakeview-lavon.com

Both Family Owned & Operated



Lake View Cemetery



Outdoor Pavilion



Chapel



Columbarium





Lake View Cemetery expands to include Charles W. Smith & Sons Funeral Home

For the past 21 years, Charles W. Smith has provided funeral needs in Collin County through an ever-expanding business that now includes a facility in Lanyon.

Charles W. Smith and Sons Funeral Home opens its new location at the intersection of Hwy. 78 and Hwy. 6 in September, adjacent to Lake View Cemetery.

Smith bought property from Lake View Cemetery to build a 9,610 square foot funeral home. The property included Abston Cemetery, which was expanded to form Lake View Cemetery. The original cemetery is named for John Abston, a veteran of the Revolutionary War who moved to Collin County with his family in 1853. He died in 1856 and is buried on the site.

Several Abston family members and relatives were interred in the small cemetery. Abston is the only Revolutionary War veteran buried in Collin County.

"Lake View Cemetery is



the only perpetual care cemetery in east Collin County," Smith reported.

Smith, who is also president of the Lake View Cemetery Corporation, explained that perpetual care funds, which are generated as a percentage of plot sales, are controlled by the Texas State Banking Department. This guarantees the funds will be available even if ownership of the cemetery changes.

The new funeral home is made of Austin stone and is a full-service facility. It will offer funeral arrangements and work with Lake View Cemetery to provide plot and grave marker sales and pre-need services.

Inside the building are a chapel with stained glass windows, reception area, private

offices, records vault, casket display room, visitation rooms and a community/reception room. Lake View Cemetery has an outdoor pavilion that is perfect for family gatherings and graveside services.

Closed circuit television viewing is available for larger crowds that exceed capacity of the chapel and the audio portion of services may be piped throughout the building. Smith notes that they also have the capability of live streaming services to those who are unable to attend a funeral.

The funeral home owner also offers cremation services and operates a licensed crematorium at another location.

"With cremations an increasing option, I built my own crematory," Smith said.

"I also provide cremations for other funeral homes."

Along with traditional burials, arrangements may be made to inter cremains in the ground or in a columbarium at Lake View Cemetery. The columbarium is a granite structure containing niches for urns. Names of the deceased are engraved on the exterior of the structure.

"There is not another columbarium around here," Smith pointed out.

Director of sales and family services at Lake View Cemetery is Sabrina Nance.

"I work with families to make sure their loved ones have a final resting place that is peaceful and dignified: from the location of the gravesite to the final monument design and detail," Nance said.

Services offered at all locations are pre-planning, traditional funerals, graveside ceremonies, memorial services, basic and full-service cremation options, collaboration with other funeral homes and grief support. —



National Night Out is Tuesday, October 2nd.

Block parties will be from 6:30-8:30pm.

The Lavon Police Department, Lavon Volunteer Fire Department and Community ISD Police Department will be visiting neighborhoods. Block Party Captains from each subdivision have been contacted and planning is underway. Lavon PD will be giving goodie bags to neighborhood children. Sponsorships are open to area businesses to help fill the goodie bags. Anyone interested in more information about NNO should contact

Officer Vargas at

carissa.vargas-flournoy@cityoflavon.org



CITY OF LAVON FALL FESTIVAL

and
Trick or Treat Street



Saturday, October 20

4pm-6pm

City Park @ Lavon City Hall

120 School Rd.



Free:

Hamburgers, Hotdogs, Chips, Drinks, Pumpkin Patch, Trick or Treat Street, Bounce House (children 6 and under), Hay Rides and more.



PROCLAMATION City of Lavon, Texas

“National Preparedness Month – September 2018”

WHEREAS, it is important for all City of Lavon residents, businesses, and organizations to develop emergency plans; and

WHEREAS, promoting emergency preparedness in our families, workplaces, and communities can help minimize both physical and economic damage throughout the City of Lavon should a disaster occur; and

WHEREAS, the Lavon Volunteer Fire Department, City of Lavon Fire Marshal’s Office and Police Department staff strive to increase public awareness of the need to prepare for emergencies and disasters; and

WHEREAS, the theme of the 2018 National Preparedness Month is “*Disasters Happen. Prepare Now. Learn How*” and the goal is to increase the overall number of individuals, families, and communities that engage in preparedness actions at home, work, business, school, and place of worship;

NOW THEREFORE, be it proclaimed that September 2018 shall be hereafter known as

National Preparedness Month

in the City of Lavon, Texas, and all residents and businesses are encouraged to use the resources at <https://www.ready.gov/september> and to make emergency planning and preparedness a top priority in their homes, offices, and neighborhoods, thereby creating a safer and more prepared Lavon.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the Seal of the City of Lavon, Texas, to be affixed this 4th day of September, 2018.





Vicki Sanson, Mayor



**MINUTES
AUGUST 21, 2018
LAVON CITY COUNCIL
BUDGET WORK SESSION
REGULAR MEETING – EXECUTIVE SESSION
CITY HALL, 120 SCHOOL ROAD, LAVON, TEXAS
6:00 P.M.**

ATTENDING: VICKI SANSON, MAYOR
JOHN KELL, PLACE 1
MIKE COOK, PLACE 2
KAY WRIGHT, MAYOR PRO TEM, PLACE 3
TIM DAVIS, PLACE 4
MINDI SERKLAND, PLACE 5

1. MAYOR SANSON CALLED THE WORK SESSION TO ORDER AT 6:01 P.M. AND ANNOUNCED A QUORUM PRESENT.

2. WORK SESSION-BUDGET

City Administrator Kim Dobbs reviewed the budget and projections. Ms. Dobbs clarified that the Tornado Sirens budget line included maintenance. Ms. Dobbs informed the Council that as directed by the Council on August 7, the proposed budget includes salary adjustments, an additional Police Officer, demolition of 2 houses on Forder Ct. and new accounting software. The Council directed staff to maximize any value found in the houses on Forder Ct. prior to demolition. Ms. Dobbs advised that she had requested that the City Engineer prepare cost estimates for road repairs/reconstruction program for Moore Ln., Lake Rd., Wolf Run Ct., Mustang Ct. and Bently Farms Phase 1.

3. BOY SCOUT MILES SERKLAND LED THE RECITATION OF THE PLEDGE OF ALLEGIANCE AND MAYOR PRO TEM KAY WRIGHT DELIVERED THE INVOCATION.

4. CITIZENS COMMENTS

There were none.

5. ITEMS OF INTEREST/COMMUNICATIONS

- September 4, 2018 - Ribbon Cutting at the Emergency Operations Center (EOC) at 6pm
- October 2, 2018 – National Night Out
- October 20, 2018 – Fall Festival 4-6p.m.
- November 24, 2018 - Small Business Bazaar

Police Chief Mike Jones noted that school is back in session now and urged driver safety and caution.

6. CONSENT AGENDA

A. Approve the minutes of the August 7, 2018 meeting

B. Accept the Heritage Public Improvement District #1 Assessment Report Summary Dated 7/31/2018 and authorize the payment of invoices included therein.

C. Approve Resolution No. 2018-08-04 authorizing the mayor to execute an amendment to the Development Facilities Agreement with Pacesetter homes, LLC for the Lavon Farms Addition to remove references to and provisions for performance and payment bonds.

A correction to the minutes was noted.

MOTION: APPROVE THE CONSENT AGENDA ITEMS A, B AND C AS AMENDED.

MOTION MADE: DAVIS

SECONDED: KELL

APPROVED: UNANIMOUS

7. ITEMS FOR CONSIDERATION

A. Public hearing, discussion regarding the request of the owner of certain property to voluntarily annex 57.075 acres in the Drury Anglin Survey, Abstract No. 2, Sheet 3. Tr 73 (Collin County CAD ID #1249973), Collin County generally located south of the Bear Creek Addition and east of CR 483 and the annexation of the adjacent county road and right-of-way into the City of Lavon.

1. Presentation of request.

Ms. Dobbs provided information regarding the landowner’s request to voluntarily annex the property.

2. PUBLIC HEARING to receive comments regarding the request.

Mayor Sanson opened the public hearing at 6:41 p.m. and invited comments for or against the request. Jim Douglas, Douglas Properties, Inc., 2309 Ave. K, Plano, TX spoke in favor of the request. There being no further comments, Mayor Sanson closed the public hearing at 6:42 p.m.

3. Discussion and action regarding the request and accompanying Ordinance No. 2018-08-02.

Ms. Dobbs stated that this is the final of two public hearings that would be conducted. Ms. Wright noted the Service Plan provides for the Lavon Volunteer Fire Department to provide service in the future.

MOTION: APPROVE ORDINANCE NO. 2018-08-02 ANNEXING 57.075 ACRES IN THE DRURY ANGLIN SURVEY, ABSTRACT NO. 2, SHEET 3, TR 73 (COLLIN COUNTY CAD ID #1249973), COLLIN COUNTY GENERALLY LOCATED SOUTH OF THE BEAR CREEK ADDITION AND EAST OF CR 483 AND ANNEXING THE ADJACENT COUNTY ROAD AND RIGHT-OF-WAY INTO THE CITY OF LAVON.

MOTION MADE: SERKLAND
SECONDED: DAVIS
APPROVED: UNANIMOUS

B. Public hearing, discussion regarding the request of the owner of certain property to voluntarily annex 30.485 acres in the Drury Anglin Survey, Abstract No. 2, Sheet 3. Tr 84 (Collin County CAD ID #1250096), Collin County generally located west of Traditions at Grand Heritage, east of Traditions at Grand Heritage West and south of Windmill Estates and the annexation of the adjacent road and right-of-way into the City of Lavon

1. Presentation of request.

Ms. Dobbs provided information regarding the request to voluntarily annex the property.

2. PUBLIC HEARING to receive comments regarding the request.

Mayor Sanson opened the public hearing at 6:44 p.m. and invited comments for or against the request. There being no comments, Mayor Sanson closed the public hearing at 6:45 p.m.

3. Discussion and action regarding the request.

Ms. Dobbs informed the Council this is the final public hearing that would be conducted.

MOTION: APPROVE ORDINANCE NO. 2018-08-03 ANNEXING 30.485 ACRES IN THE DRURY ANGLIN SURVEY, ABSTRACT NO. 2, SHEET 3, TR 84 (COLLIN COUNTY CAD ID #1250096), COLLIN COUNTY GENERALLY LOCATED WEST AND SOUTH OF WINDMILL ESTATES AND THE ANNEXATION OF THE ADJACENT COUNTY ROAD AND RIGHT-OF-WAY INTO THE CITY OF LAVON.

MOTION MADE: KELL
SECONDED: COOK
APPROVED: UNANIMOUS

- C. Discussion and action regarding the application of Bloomfield Homes, LP for a zoning change from Temporary Agricultural (A) to Planned Development–Single Family (PD-SF) zoning district for 111 lots on 30.485 acres situated in the Drury Anglin Survey, Abstract No. 2 described as Cape Cod Bank and Trust Company in Deed recorded in Vol. 2651, pg. 27, Collin County, TX, (CCAD ID# 1250096) situated west of Traditions at Grand Heritage, east of Traditions at Grand Heritage West, and south of Windmill Estates, Lavon, TX and accompanying Ordinance No. 2018-08-04.**

Ms. Dobbs explained that a public hearing on the application was conducted on August 7, 2018 and action on the zoning application was deferred until the annexation of the property was completed. Resident Roger Mazzaresse, 567 Avert Pt. asked if a property owner in the new development requested that the trees be removed in the buffer zone, would the developer do as requested. Property owner, Don Dykstra, President, Bloomfield Homes, 1050 E. Hwy 114, Southlake, Texas, offered that each instance would be handled on a case by case basis but that if a customer expressed a desire for fewer trees, the developer would likely suggest a lot with fewer trees since the lots with the trees are considered premium due to the trees and larger size. Mr. Dykstra added that if trees were potentially threatening to a structure on the lot, the developer would not rule out removing them. Mr. Kell advised that he had spoken with residents in the adjacent neighborhoods regarding the proposed concept plan and was pleased to see that all of the Traditions neighborhoods would be connected with the construction of this addition. Mr. Davis stated that he personally chose his lot because of the trees and it was his experience that customers generally preferred lots with trees.

MOTION: APPROVE THE ZONING CHANGE FROM TEMPORARY AGRICULTURAL (A) TO PLANNED DEVELOPMENT-SINGLE FAMILY (PD-SF) ZONING DISTRICT FOR 111 LOTS ON 30.485 ACRES SITUATED IN THE DRURY ANGLIN SURVEY, ABSTRACT NO. 2 DESCRIBED AS CAPE COD BANK AND TRUST COMPANY IN DEED RECORDED IN VOL. 2651, PG. 27, COLLIN COUNTY, TX, (CCAD ID# 1250096) SITUATED WEST OF TRADITIONS AT GRAND HERITAGE, EAST OF TRADITIONS AT GRAND HERITAGE WEST, AND SOUTH OF WINDMILL ESTATES, LAVON, TX AND ACCOMPANYING ORDINANCE NO. 2018-08-04.

MOTION MADE: DAVIS
SECONDED: SERKLAND
APPROVED: UNANIMOUS

Mayor Sanson noted the time at 7:00 p.m. and asked if anyone present wished to provide comments regarding the requested annexations of the 57.075 acres and 30.485 acres respectively. William Evans, 587 Weston Way, was recognized and asked if the perimeter trees would be preserved. Ms. Dobbs clarified that the annexation public hearings were limited to input regarding the proposed change in the city boundaries by the annexation of the proposed tracts. No additional comments were offered regarding the voluntary annexation requests.

- D. Discussion and action regarding Ordinance No. 2018-08-05 amending Ordinance No. 2016-05-01, Section 6 – Animal Nuisance to require a pet owner to clean up pet waste in publicly accessed areas; providing a repealer clause; providing a severability clause; providing for a penalty of fine not to exceed the sum of two thousand dollars (\$2,000.00).**

Ms. Dobbs provided background information on the Ordinance. Chief Jones explained the process for ticketing offenders and enforcement of the regulation. The Council expressed support for the measure.

MOTION: APPROVE ORDINANCE NO. 2018-08-05 AMENDING ORDINANCE NO. 2016-05-01, SECTION 6 – ANIMAL NUISANCE TO REQUIRE A PET OWNER TO CLEAN UP PET WASTE IN PUBLICALLY ACCESSED AREAS; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENTALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2000.00).

MOTION MADE: SERKLAND
SECONDED: DAVIS
APPROVED: UNANIMOUS

- E. Discussion and action regarding Ordinance No. 2018-08-06 adopting and enacting a new Code of Ordinances; providing for the repeal of certain ordinances not included therein; providing a penalty for the violation thereof not exceeding \$500 generally or exceeding \$2,000 for violations relating to fire safety, zoning or public health and sanitation; providing for the amendment of such code; and providing when such code and this ordinance shall become effective.**

Ms. Dobbs informed the Council that the codification project had been completed and presented the Code of Ordinances book that will be maintained in the City Secretary's Office. Ms. Dobbs further advised that the codification will be available on line and via a link on the City's website. The Council expressed great support for the project.

MOTION: APPROVE ORDINANCE NO. 2018-08-06 ADOPTING AND ENACTING A NEW CODE OF ORDINANCES; PROVIDING FOR THE REPEAL OF CERTAIN ORDINANCES NOT INCLUDED THEREIN; PROVIDING A PENALTY FOR THE VIOLATION THEREOF NOT EXCEEDING \$500 GENERALLY OR EXCEEDING \$2,000 FOR VIOLATIONS RELATING TO FIRE SAFETY, ZONING OR PUBLIC HEALTH AND SANITATION; PROVIDING FOR THE AMENDMENT OF SUCH CODE; AND PROVIDING WHEN SUCH CODE AND THIS ORDINANCE SHALL BECOME EFFECTIVE.

MOTION MADE: WRIGHT
SECONDED: SERKLAND
APPROVED: UNANIMOUS

- F. Discussion and action regarding Resolution No. 2018-08-05 authorizing the Mayor to execute an Interlocal Dispatch Services Agreement with Collin County for the provision of dispatch services for the Lavon Volunteer Fire Department (LVFD).**

Ms. Dobbs advised that all related paperwork has been submitted and noted that the City Attorney had a few wording changes. LVFD Fire Chief Jon Scott explained that once the dispatch services agreement is approved by the County Commissioners and the corresponding changes processed, the LVFD will be operational and able to respond to calls. Chief Jones explained the updating process and how codes were changed and maintained on the radios.

MOTION: APPROVE RESOLUTION NO. 2018-08-05 AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL DISPATCH SERVICES AGREEMENT WITH COLLIN COUNTY FOR THE PROVISION OF DISPATCH SERVICES FOR THE LAVON VOLUNTEER FIRE DEPARTMENT SUBJECT TO CITY ADMINISTRATOR AND CITY ATTORNEY FINAL APPROVAL.

MOTION MADE: DAVIS
SECONDED: WRIGHT
APPROVED: UNANIMOUS

8. STAFF REPORTS

- A. Police Services** – Chief Jones provided information and referred Council to the reports regarding traffic stops, calls for service, and call breakout information.
- B. Fire Services** – Chief Scott provided a report regarding the fire station and engine repair and expects the SCBA gear to be back from testing in early September. Chief Scott expressed appreciation for the efforts of LVFD volunteer Brad Sanson for HIS work on repairs to the station and engine and of Jason Wynns, Project Manager, Bloomfield Homes, LP for the cabinets they donated. Chief Scott reported that twenty (20) firefighters attended the last meeting/training session. Chief Scott expressed his appreciation to the citizens and council members for the donations including white boards, dishes and other household items for the station and EOC. Chief Scott further reported that the paperwork for EMS Certification has been submitted and expressed thanks to LFVD Fire Captain Danny Anthony for his work on this project. Mayor Sanson expressed dismay regarding fuses that had been removed from the fire engine. Chiefs Scott and Jones advised that there had not been a determination that would explain the missing fuses. Mayor Sanson expressed gratitude for the

overwhelming support of the citizens and the many residents and volunteers who had come together to help with the LFVD and EOC.

C. Public Works Services – Director of Public Works Sonny Mancias provided a report regarding general public works and street maintenance including mowing and trash collection, TxDOT projects, the public works facility construction update and sanitary sewer system maintenance efforts. Mr. Mancias reported that the donkeys had been relocated to a new home and that work on the access to the new building would commence.

D. Administration Services – Ms. Dobbs directed the Council to reports provided in the meeting packet regarding the Financial Outlook, Building Permits Report, CWD Recycling Report, Collin County Monthly Tax Collection Report and Sales Tax Report.

9. EXECUTIVE SESSION

Pursuant to the following designated sections of Texas Government Code, Annotated, Subchapter 551, the City Council may enter into executive session (closed meeting) to discuss the following items:

Sections 551.071 (2) and 551.071 (1) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act and Consultation with Attorney regarding pending litigation or settlement offer:

- 1) Proposed Agreement with the Nevada Volunteer Fire Department (NVFD) regarding Fire Protection Services, and
- 2) Application of City of Lavon to Obtain a Sewer Certificate of Convenience and Necessity (CCN), Public Utility Commission SOAH Docket No. 473-17-4339.WS, PUC Docket No. 46993.

Ms. Dobbs advised that there was not anything new to report regarding the items listed, that the City had not received a response from NVFD regarding the counter-agreement proposed and submitted by the City to NVFD on July 18 or the revised counter-agreement subsequently submitted to NVFD on August 2, 2018 and consequently there was no need to go into Executive Session. The City Council did not recess into executive session.

10. CITY COUNCIL TO SET FUTURE MEETINGS AND AGENDAS.

- Next meeting – September 4, 2018 Emergency Operations Center (EOC) Ribbon Cutting, 6 p.m. and Meeting at 7 p.m. that will include a public hearing on the budget, fee schedule and tax rate.

11. MAYOR SANSON ADJOURNED THE CITY COUNCIL MEETING AT 7:44 P.M.

DULY PASSED and APPROVED by the City Council of Lavon, Texas, on this 4th day of September, 2018

Vicki Sanson, Mayor

ATTEST:

Kim Dobbs, City Administrator/City Secretary



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 7 - B

Item:

Consent Agenda

Approve Task Order #2 with Freeman-Millican, Inc. for professional engineering services relating to the Bear Creek Trunk Alignment Study for sanitary sewer in an amount not to exceed \$7400.00.

Background:

The City Council has previously retained Freeman-Millican Inc. to coordinate the City's overall sanitary sewer master planning efforts. In working with the developers of several prospective developments to study the alignment for a proposed Bear Creek Trunk Alignment, the services will be more narrowly defined and a task order is recommended to document the engagement.

Financial Impact

The cost associated with the engineering services will be reimbursed pursuant to a developer agreement with Lenart Development Company.

Staff Notes:

Approval is recommended.

Attachments:

- 1) Task Order #2
- 2) Communication – Lenart Development Company

August 31, 2018

TASK ORDER No. 2

This Task Order is made part of and governed by the terms and provisions of the Agreement between Owner and Engineer for Professional Services, dated June 5, 2018 ("Agreement"), by and between the City of Lavon ("OWNER") and Freeman-Millican, Inc. ("ENGINEER"). All capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Agreement. Based upon conversation with Mr. David Schnurbusch, P.E., USA Professional Services Group, Inc. has been retained, by others, to establish survey control and provide field survey services for the area of the proposed Bear Creek Trunk Sewer.

PROJECT: BEAR CREEK TRUNK ALIGNMENT STUDY

SCOPE OF SERVICES:

1. Analyze segments BC1I, BC1J, BC1K, BC1L and BC1M as defined in the memorandum dated April 30, 2018 regarding the Update of the Bear Creek Trunk Sewer. These segments represent the portion of the Bear Creek Trunk line from the existing Bear Creek WWTP north to approximately the NTEX Right-of-Way (app. 9,000 l.f.).
2. Based upon current planning information for the tracts identified in the memorandum as Lenart, Hunt/Marlin, Hunt-970, Hunt-194 and Hunt-81, segments BC1A – BC1H would be considered "on-site" improvements for this study.
3. Development data, including number of lots and anticipated adsorption rates, as provided by the Developers, will be used in this study.
4. Analyze the feasibility of parallel sanitary sewer lines in lieu of a single sanitary sewer line as originally presented.
5. Determine an alignment and size for the pipeline(s).
6. Utilizing field survey data provided by USA Professional Services Group, Inc., develop a base map and identify areas of easement acquisition.
7. The Study can be prepared within 4 weeks of authorization to proceed.

PAYMENT BASIS:

Compensation for professional services outlined above shall be on a lump sum basis. These services will be provided for a lump sum amount of \$7,400.00.

Invoices for the work performed shall be submitted on a monthly basis by FMI. Invoices are due and payable on receipt.

APPROVAL/ACCEPTANCE

Acceptance of the terms of this Task Order is acknowledged by the following signatures of the authorized representatives of the parties to the Agreement. This Task Order consists of this document and any supplemental pages attached and referenced hereto.

ENGINEER: Freeman-Millican, Inc.

OWNER: City of Lavon

By: _____ By: _____

Name: Richard Dormier, P.E. Name: Vicki Sanson

Title: Vice President Title: Mayor

Date: _____ Date: _____

DRAFT

Kim Dobbs

From: Steve Lenart [s_lenart@lenartdevelopment.com]
Sent: Tuesday, August 21, 2018 2:31 PM
To: Kim Dobbs
Cc: Glen Bellinger (gbellinger@bellingersuberg.com); Mark Hill
Subject: RE: Absorption Rates

Yes, per our conversation please set this up in a separate account that only deals with the sanitary sewer main and not our on-site development. I will have a check, or checks, delivered to you prior to that Council meeting.

Thanks

Steve Lenart
Lenart Development Company, LLC
520 Central Parkway E. #104
Plano, TX 75074
469-440-2701 (direct), 469-446-3544 (mobile)

From: Kim Dobbs [<mailto:kim.dobbs@cityoflavon.org>]
Sent: Monday, August 20, 2018 11:00 AM
To: Steve Lenart
Cc: Glen Bellinger (gbellinger@bellingersuberg.com); Mark Hill
Subject: RE: Absorption Rates

Steve,
If you could please confirm that you are in agreement with funding the proposed task order pursuant to our professional services agreement, I will present it to the City Council for consideration at their next meeting on September 4.
Thank you,
Kim

Kim Dobbs
City Administrator / City Secretary
City of Lavon
972-843-4220

From: Steve Lenart [mailto:s_lenart@lenartdevelopment.com]
Sent: Monday, August 20, 2018 10:38 AM
To: Kim Dobbs
Cc: Glen Bellinger (gbellinger@bellingersuberg.com)
Subject: FW: Absorption Rates

What is the process to get this task approved and moving forward? Please let me know what you need from me.

Thanks

Steve Lenart
Lenart Development Company, LLC
520 Central Parkway E. #104
Plano, TX 75074

469-440-2701 (direct), 469-446-3544 (mobile)

From: Mark Hill [<mailto:mdhill@fmi-dallas.com>]
Sent: Friday, August 17, 2018 9:52 PM
To: Steve Lenart; 'kim.dobbs@cityoflavon.org'
Subject: RE: Absorption Rates

Kim,

Attached is a draft of Task Order #2 for the Bear Creek Trunk Alignment Study for the area north of the existing Bear Creek WWTP. I have also attached the previously prepared memorandum that was referenced in the Task Order.

Please note that we are planning to utilize data provided by USA Professional Services (David Schnurbusch) so we do not duplicate efforts. Per my conversation with Mr. Schnurbusch, he has been retained by the Developer(s) to provide field survey work for the area of this alignment (he has already started).

If there are any questions, please contact me.

Mark

Mark D. Hill, P.E.
Freeman-Millican, Inc.
Tx. Eng. Firm 2827
12160 Abrams Road, Suite 508
Dallas, Texas 75243
(214) 503-0555 ext. 115
mdhill@fmi-dallas.com

From: Steve Lenart [mailto:s_lenart@lenartdevelopment.com]
Sent: Thursday, August 09, 2018 3:16 PM
To: 'kim.dobbs@cityoflavon.org' <kim.dobbs@cityoflavon.org>
Cc: Mark Hill <mdhill@fmi-dallas.com>
Subject: Absorption Rates

Thank you for the meeting yesterday. The absorption rate we are projecting for our project is 176 homes per year. The builders feel confident that they can achieve that pace.

Please send me the proposed engineering cost and timing for the offsite sewer line preliminary work as soon as it is ready.

Thanks

Steve Lenart
Lenart Development Company, LLC
520 Central Parkway E. #104
Plano, TX 75074
469-440-2701 (direct), 469-446-3544 (mobile)



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 7 - C

Item:

Consent Agenda

Approve Resolution No. **2018-09-01** authorizing the Mayor to execute a contract with the Collin County Elections Administrator for Election Services related to the City's November 6, 2018 General Election and Special Election.

Background:

The office of the Collin County Elections Administrator owns and leases equipment that complies with the requirement that each polling location have at least one voting system accessible to individuals with disabilities in a manner that provides the same opportunity for access and participation (including privacy and independence) as for other voters.

Contracting with the Collin County Elections Administrator enables the City to share the costs of the election with other jurisdictions that may also be holding elections, reducing the costs to the City.

Financial Impact:

The anticipated costs are included in the annual operating budget. The supporting information provided with the contract includes an invoice for a 90% deposit of \$3,982.03 deposit that is due by September 28, 2018. Funding is available in the budget.

Attachments:

Resolution No. **2018-09-01**
Proposed Contract with Collin County Elections Administrator
Election Calendar

August 31, 2018

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-01

Contract for Election Services November 6, 2018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH THE COLLIN COUNTY ELECTIONS ADMINISTRATOR FOR ELECTION SERVICES RELATED TO THE NOVEMBER 6, 2018 GENERAL ELECTION AND SPECIAL ELECTION; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The City Council does hereby authorize the Mayor to execute a contract with the Collin County Elections Administrator for Election Services related to the November 6, 2018 General Election and Special Election, such Contract attached hereto as Exhibit "A".

SECTION 2. That this resolution shall take effect from and after the date of its passage.

DULY PASSED AND APPROVED by the City Council of the City of Lavon, Texas on the 9th day of September , 2018.

Vicki Sanson, Mayor

ATTEST:

Kim Dobbs
City Administrator / City Secretary

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-01

EXHIBIT A

CONTRACT

November 6, 2018
General and Special Election
Contract for Election Services
City of Lavon

**November 6, 2018
General and Special Election**

Table of Contents

I.....Duties and Services of Contracting Officer
II.....Duties and Services of City
III.....Cost of Election
IV.....General Provisions

Exhibits

Exhibit A.....Early Voting Schedule and Locations
Exhibit B.....Election Day Vote Centers
Exhibit C.....Cost of Services

THE STATE OF TEXAS

CONTRACT FOR

COUNTY OF COLLIN

§

CITY OF LAVON

ELECTION SERVICES

BY THE TERMS OF THIS CONTRACT made and entered into by and between the CITY OF LAVON, hereinafter referred to as the "City" and BRUCE SHERBET, Elections Administrator of Collin County, Texas, hereinafter referred to as "Contracting Officer," pursuant to the authority in Subchapter D, Section 31.092, of Chapter 31, of the Texas Election Code, agree to the following particulars in regard to coordination, supervision and running of the City's November 6, 2018 General and Special Election.

THIS AGREEMENT is entered into in consideration of the mutual covenants and promises hereinafter set out. IT IS AGREED AS FOLLOWS:

I. DUTIES AND SERVICES OF CONTRACTING OFFICER. The Contracting Officer shall be responsible for performing the following duties and shall furnish the following services and equipment:

A. The Contracting Officer shall arrange for appointment, notification (including writ of election), training and compensation of all presiding judges, alternate judges, the judge of the Central Counting Station and judge of the Early Voting Ballot Board.

a. The Contracting Officer shall be responsible for notification of each Election Day and Early Voting presiding judge and alternate judge of his or her appointment. The presiding election judge of each polling place, will use his/her discretion to determine when additional manpower is needed during peak voting hours. The Contracting Officer will determine the number of clerks to work in the Central Counting Station and the number of clerks to work on the Ballot Board. Election judges shall be secured by the Contracting Officer.

b. Election judges shall attend the Contracting Officer's school of instruction (Elections Seminar). Notification of the class dates, times and location will be sent to all jurisdictions.

c. Election judges shall be responsible for picking up from and returning election supplies to the county election warehouse located at 2010 Redbud Blvd., Suite 102, McKinney. Compensation for this pickup and delivery of supplies will be \$25.00.

d. The Contracting Officer shall compensate each election judge and worker. Each judge shall receive \$12.00 per hour for services rendered. Each alternate judge and clerk shall receive \$10.00 per hour for services rendered. Overtime will be paid to each person working over 40 hours per week.

B. The Contracting Officer shall procure, prepare, and distribute voting machines, election kits and election supplies.

a. The Contracting Officer shall secure election kits which include the legal documentation required to hold an election and all supplies including locks, pens, magic markers, etc.

b. The Contracting Officer shall secure all tables, chairs, and legal documentation required to run the Central Counting Station.

c. The Contracting Officer shall provide all lists of registered voters required for use on Election Day and for the early voting period required by law.

d. The Contracting Officer shall procure and arrange for the distribution of all election equipment and supplies required to hold an election.

1. Equipment includes the rental of voting machines, ADA compliance headphones and keypads (1 per site), transfer cases, voting signs and transfer cabinets.

2. Supplies include smart cards, sample ballots, early voting mail ballots, pens, tape, markers, etc.

C. The Contracting Officer, Bruce Sherbet, shall be appointed the Early Voting Clerk by the City.

a. The Contracting Officer shall supervise and conduct Early Voting by mail and in person and shall secure personnel to serve as Early Voting Deputies.

b. Early Voting by personal appearance for the City's November 6, 2018, General and Special Election shall be conducted during the time period and at the locations listed in Exhibit "A", attached and incorporated by reference into this contract.

c. All applications for an Early Voting mail ballot shall be received and processed by the Collin County Elections Administration Office, 2010 Redbud Blvd., Suite 102, McKinney, Texas 75069.

1. Application for mail ballots erroneously mailed to the City shall immediately be faxed to the Contracting Officer for timely processing. The original application shall then be forwarded to the Contracting Officer for proper retention.

2. All Federal Post Card Applicants (FPCA) will be sent a mail ballot. No postage is required.

d. All Early Voting ballots (those cast by mail and those cast by personal appearance) shall be prepared for count by the Early Voting Ballot Board in accordance with Section 87.000 of the Texas Election Code. The presiding judge of this Board shall be appointed by the Contracting Officer.

D. The Contracting Officer shall arrange for the use of all Election Day Vote Centers. The City shall assume the responsibility of remitting the cost of all employee services required to provide access, provide security or provide custodial services for the

polling locations. The Election Day Vote Centers are listed in Exhibit “B”, attached and incorporated by reference into this contract.

E. The Contracting Officer shall be responsible for establishing and operating the Central Counting Station to receive and tabulate the voted ballots in accordance with Section 127.001 of the Election Code and of this agreement. Counting Station Manager and Central Count Judge shall be Bruce Sherbet. The Tabulation Supervisor shall be Patty Seals.

- a. The tabulation supervisor shall prepare, test and run the county's tabulation system in accordance with statutory requirements and county policies, under the auspices of the Contracting Officer.
- b. The Public Logic and Accuracy Test of the electronic voting system shall be conducted.
- c. Election night reports will be available to the City at the Central Counting Station on election night. Provisional ballots will be tabulated after election night in accordance with law.
- d. The Contracting Officer shall prepare the unofficial canvass report after all precincts have been counted, and will provide a copy of the unofficial canvass to the City as soon as possible after all returns have been tallied.
- e. The Contracting Officer shall be appointed the custodian of the voted ballots and shall retain all election material for a period of 22 months.
 1. Pending no litigation and as prescribed by law, the voted ballots shall be shredded 22 months after the election.
 2. The City can obtain the list of registered voters from the Elections Administration Office after this retention period. Pending no litigation and if the City does not request the lists, the Contracting Officer shall destroy them.

II. DUTIES AND SERVICES OF THE CITY. The City shall assume the following responsibilities:

A. The City shall prepare the election orders, resolutions, notices, official canvass and other pertinent documents for adoption by the appropriate office or body. The City assumes the responsibility of posting all notices and likewise promoting the schedules for Early Voting and Election Day.

B. The City shall provide the Contracting Officer with an updated map and street index of their jurisdiction in an electronic (shape file preferred) or printed format as soon as possible but no later than Friday, September 7, 2018.

C. The City shall procure and provide the Contracting Officer with the ballot layout and Spanish interpretation in an electronic format.

a. **The City shall deliver to the Contracting Officer as soon as possible, but no later than 12:00 PM Friday, August 24, 2018, the official wording for the City's November 6, 2018, General and Special Election.**

b. The City shall approve, the "blue line" ballot format prior to printing.

D. The City shall post the publication of election notice by the proper methods with the proper media.

E. The City shall compensate the Contracting Officer for any additional verified cost incurred in the process of running this election or for a manual count this election may require, consistent with charges and hourly rates shown on Exhibit "C" for required services.

F. The City shall pay the Contracting Officer 90% of the City's share of the cost to run the said election prior to Friday, September 28, 2018. The Contracting Officer shall place the funds in a "contract fund" as prescribed by Section 31.100 of the Texas Election Code. The Deposit should be delivered within the mandatory time frame to:

**Collin County Treasury
2300 Bloomdale Rd. #3138
McKinney, Texas 75071**

Made payable to: "Collin County Treasury" with the note "for election services" included with check documentation.

G. The City shall pay the City's share of the cost of conducting said election, less partial payment, including the 10% administrative fee, pursuant to the Texas Election Code, Section 31.100, within 30 days from the date of final billing.

III. COST OF SERVICES. See Exhibit "C."

IV. GENERAL PROVISIONS.

A. Nothing contained in this contract shall authorize or permit a change in the officer with whom or the place at which any document or record relating to the City's November 6, 2018, General and Special Election is to be filed or the place at which any function is to be carried out, or any nontransferable functions specified under Section 31.096 of the Texas Election Code.

B. Upon request, the Contracting Officer will provide copies of all invoices and other charges received in the process of running said election for the City.

C. If the City cancels their election pursuant to Section 2.053 of the Texas Election Code, the Contracting Officer shall be paid a contract preparation fee of \$75. An entity canceling an election will not be liable for any further costs incurred by the Contracting Officer in conducting the November 6, 2018, General and Special Election. All actual shared cost incurred in the conduct of the election will be divided by the actual number of entities contracting with the Contracting Officer **and** holding a November 6, 2018, General and Special Election.

D. The Contracting Officer shall file copies of this contract with the County Judge and the County Auditor of Collin County, Texas.

WITNESS BY MY HAND THIS THE ____ DAY OF _____ 2018.

Bruce Sherbet
Elections Administrator
Collin County, Texas

WITNESS BY MY HAND THIS THE ____ DAY OF _____ 2018.

By: _____
Vicki Sanson, Mayor
City of Lavon

Attest: _____
Kim Dobbs, City Secretary
City of Lavon

November 6, 2018 General & Special Elections
Early Voting Locations, Dates and Hours
(Aviso de Votacio)
(6 noviembre 2018, elecciones generales y especiales)
(Lugares de votacion temprana, fechas y horas)

Polling Place		Address	City			
Collin County Elections (Main Early Voting Location)		2010 Redbud Blvd. St 102	McKinney			
Allen ISD Service Center		1451 North Watters Road	Allen			
Allen Municipal Courts Facility		301 Century Pkwy.	Allen			
Carpenter Park Recreation Center		6701 Coit Road	Plano			
Celina ISD Administration Building		205 S. Colorado St.	Celina			
Christ United Methodist Church		3101 Coit Road	Plano			
Collin College - Central Park Campus		2200 W. University Drive	McKinney			
Collin College - Higher Education Center		3452 Spur 399	McKinney			
Collin College - Preston Ridge Campus		9700 Wade Blvd.	Frisco			
Collin College - Spring Creek Campus		2800 E. Spring Creek Pkwy.	Plano			
Davis Library		7501 Independence Pkwy.	Plano			
Frisco Fire Station #5		14300 Eldorado Pkwy.	Frisco			
Frisco Senior Center		6670 Moore Street	Frisco			
Gay Library		6861 W. Eldorado Pkwy.	McKinney			
Haggard Library		2501 Coit Road	Plano			
Harrington Library		1501 18 th Street	Plano			
Lavon City Hall		120 School Road	Lavon			
Lovejoy ISD Administration Bldg.		259 Country Club Rd.	Allen			
McKinney Fire Station #7		861 S. Independence Pkwy.	McKinney			
Melissa City Hall		3411 Barker Ave.	Melissa			
Methodist Richardson Medical Center		2831 E. Pres George Bush Turnpike	Richardson			
Murphy Community Center		205 North Murphy Road	Murphy			
Old Settlers Recreation Center		1201 E. Louisiana Street	McKinney			
Parker City Hall		5700 E. Parker Road	Parker			
Parr Library		6200 Windhaven Pkwy.	Plano			
Plano ISD Administration Center		2700 W. 15 th Street	Plano			
Princeton City Hall		123 W. Princeton Drive	Princeton			
Prosper Town Hall		200 S. Main Street	Prosper			
Renner-Frankford Library		6400 Frankford Rd.	Dallas			
Smith Library		300 Country Club Dr.	Wylie			
Texas Star Bank		402 W. White St.	Anna			
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Oct 21	Oct 22 Early Voting 8am-5pm	Oct 23 Early Voting 8am-5pm	Oct 24 Early Voting 8am-5pm	Oct 25 Early Voting 8am-5pm	Oct 26 Early Voting 8am-5pm	Oct 27 Early Voting 7am-7pm
Oct 28 Early Voting 1pm-6pm	Oct 29 Early Voting 7am-7pm	Oct 30 Early Voting 7am-7pm	Oct 31 Early Voting 7am-7pm	Nov 1 Early Voting 7am-7pm	Nov 2 Early Voting 7am-7pm	Nov 3

Temporary Early Voting Locations:

Farmersville City Hall		205 South Main St.		Farmersville		
Oct 21	Oct 22 Early Voting 8am-5pm	Oct 23 Early Voting 8am-5pm	Oct 24 Early Voting 8am-5pm	Oct 25 Early Voting 8am-5pm	Oct 26 Early Voting 8am-5pm	Oct 27 Early Voting 7am-7pm

Lucas Community Center		665 Country Club Rd.		Lucas		
Oct 28 Early Voting 1pm-6pm	Oct 29 Early Voting 7am-7pm	Oct 30 Early Voting 7am-7pm	Oct 31 Early Voting 7am-7pm	Nov 1 Early Voting 7am-7pm	Nov 2 Early Voting 7am-7pm	Nov 3

Important Note: *Eligible* Collin County registered voters (with an effective date of registration on or before November 6, 2018) may vote at any of the above early voting locations. (Nota importante: El Condado de Collin elegible votantes (con una fecha efectiva de registro en o antes del 06 de noviembre de 2018) registrados pueden votar en cualquiera de los anteriores lugares de votación anticipada.)

Exhibit 'B'
(Anexo 'B')

Election Day Vote Centers for the November 6, 2018
General and Special Elections

(Eleccion dia centros de votacion para las elecciones generales y especiales de 06 de noviembre de 2018)

Polling Place	Address	City
Aldridge Elementary School	720 Pleasant Valley Lane	Richardson
Allen ISD Service Center	1451 North Watters Road	Allen
Allen Municipal Courts Facility	301 Century Parkway	Allen
Armstrong Middle School	3805 Timberline Drive	Plano
Benton Staley Middle School	6927 Stadium Drive	Frisco
Blue Ridge ISD Administration Building	318 West School Street	Blue Ridge
Bowman Middle School	2501 Jupiter Road	Plano
Carpenter Middle School	3905 Rainier Road	Plano
Carpenter Park Recreation Center	6701 Coit Road	Plano
Celina ISD Administration Building	205 S. Colorado	Celina
Christ the Servant Lutheran Church	821 S. Greenville Avenue	Allen
Christ United Methodist Church	3101 Coit Road	Plano
Clark High School	523 W. Spring Creek Parkway	Plano
Collin College Central Park Campus	2200 University Drive	McKinney
Collin College Higher Education Center	3452 Spur 399	McKinney
Collin College Preston Ridge Campus	9700 Wade Blvd.	Frisco
Collin College Spring Creek Campus	2800 Spring Creek Parkway	Plano
Collin County Elections Office	2010 Redbud Blvd, Ste. 102	McKinney
Davis Library	7501 Independence Parkway	Plano
Dowell Middle School	301 Ridge Road	McKinney
Eldorado Country Club	2604 Country Club Drive	McKinney
First Baptist Church Branch	7011 FM 546	Princeton
First Baptist Church Farmersville - Youth Building	201 Farmersville Parkway	Farmersville
First Baptist Church Wylie	100 N. 1st Street	Wylie
Fowler Middle School	3801 McDermott Road	Plano
Frisco Fire Station #5	14300 Eldorado Parkway	Frisco
Frisco Senior Center	6670 Moore Street	Frisco
Gay Library	6861 W. Eldorado Parkway	McKinney
George Bush Elementary School	2000 Eagle Aerie Lane	Wylie
Haggar Elementary School	17820 Campbell Road	Dallas
Harrington Library	1501 18th Street	Plano
Heritage High School	14040 Eldorado Parkway	Frisco
Hunt Middle School	4900 Legendary Drive	Frisco
Islamic Association of Collin County	6401 Independence Parkway	Plano
Josephine City Hall	201 Main Street	Josephine
Lavon City Hall	120 School Road	Lavon
Liberty High School	15250 Rolater Road	Frisco
Lovejoy ISD Administration Bldg.	259 Country Club Road	Allen
Lowry Crossing City Hall	1405 S. Bridgefarrow Road	Lowry Crossing
Lucas Community Center	665 Country Club Road	Lucas
McKinney Fire Station #7	861 Independence Parkway	McKinney
McKinney Senior Recreation Center	1400 S. College Street	McKinney
Melissa City Hall	3411 Barker Avenue	Melissa

Exhibit 'B'
(Anexo 'B')

Election Day Vote Centers for the November 6, 2018
General and Special Elections

(Eleccion dia centros de votacion para las elecciones generales y especiales de 06 de noviembre de 2018)

Methodist Richardson Medical Center	2831 E Pres George Bush Turnpike	Richardson
Miller Elementary School	5651 Coventry Drive	Richardson
Murphy Community Center	205 N. Murphy Road	Murphy
Old Settlers Recreation Center	1201 E. Louisiana Street	McKinney
Parker City Hall	5700 E. Parker Road	Parker
Parr Library	6200 Windhaven Parkway	Plano
Plano ISD Administration Center	2700 W. 15th Street	Plano
Princeton City Hall	123 W. Princeton Drive	Princeton
Prosper ISD Administration Bldg.	605 E. Seventh Street	Prosper
Puster Elementary School	856 Stoddard Road	Fairview
Renner-Frankford Library	6400 Frankford Road	Dallas
Royse City ISD Mike McKinney Maintenance Facility	1420 FM 1777	Royse City
Scoggins Middle School	7070 Stacy Road	McKinney
Seis Lagos Community Services Association	222 Seis Lagos Trail	Wylie
Shepton High School	5505 Plano Parkway	Plano
Shiloh Missionary Baptist Church	920 E. 14th Street	Plano
Smith Library	300 Country Club Drive	Wylie
Southfork Mobile Home Park	216 Southfork Blvd.	Wylie
Stonebridge United Methodist Church	1800 S. Stonebridge Drive	McKinney
Suncreek United Methodist Church	1517 W. McDermott Drive	Allen
Terry Pope Administration Building	611 N FM 1138	Nevada
Texas Star Bank	402 W. White Street	Anna
Tom Muehlenbeck Recreation Center	5801 W. Parker Road	Plano
Weston Community Center	117 Main Street	Weston
Woodcreek Church	3400 E. Renner Road	Richardson

SUMMARY OF COSTS FOR CITY OF LAVON

SUPPLY COST	\$86.27
EQUIPMENT RENTAL COST	\$1,094.00
EARLY VOTING	\$2,171.60
ELECTION DAY	\$306.50
ADMINISTRATIVE EXPENSES	\$7.50
TAB/PROG/CENTRALIZED COSTS	\$356.38
	<hr/>
Total	\$4,022.25
10% Administrative Fee	\$402.23
	<hr/>
Grand Total	\$4,424.48
90% Deposit due by 9/28/18	\$3,982.03

EARLY VOTING

Number of Early Voting Locations	1		
Workers each location	3		
Mailed Ballot Kits		20	\$20.00
Postage for Ballots		15	\$13.20
Assemble EV Location		1	\$50.00
Total Judge Hours		80	\$960.00
Overtime Judge Hours		75	\$1,350.00
Total Alt. Judge & Clerk Hours		80	\$800.00
Overtime Alt. Judge & Clerk Hours		75	\$1,125.00
Pickup & Delivery of Supplies		1	\$25.00
Total			\$4,343.20
Number of Entities Sharing Costs		2	
SubTotal			\$2,171.60
Grand Total			\$2,171.60

ELECTION DAY

Number of Election Day Locations	1		
Workers each location	4		
Total Judge Hours		14	\$168.00
Total Alt. Judge & Clerk Hours		42	\$420.00
Pickup & Delivery of Supplies		1	\$25.00
Total			\$613.00
Number of Entities Sharing Costs		2	
SubTotal			\$306.50
Grand Total			\$306.50

ADMINISTRATIVE EXPENSES

Number of Early Voting Locations	1		
Number of Election Day Locations	1		
Process Pollworker Checks		6	\$9.00
Process Election Judge Notices		4	\$6.00
Total			\$15.00
Number of Entities Sharing Costs		2	
SubTotal			\$7.50
Grand Total			\$7.50

TABULATION & PROGRAMMING

Tabulation Network	\$4,000.00
Election Night Vendor Support	\$1,800.00
Full Service Programming w/Audio	\$25,000.00
Notice of Inspection/Tabulation Test	\$1,500.00
Total	\$32,300.00

CENTRALIZED COSTS

Early Voting Ballot Board	\$10,000.00
Cost for Central Count Workers	\$2,500.00
IT Election Day Support	\$8,000.00
FICA on Election Workers	\$12,000.00
Assemble EV Location	\$50.00
Early Voting Machines in McKinney (6)	\$1,500.00
Early Voting Personnel in McKinney	\$11,000.00
Warehouse Gas Mileage	\$1,200.00
County Overtime and Temporaries	\$46,000.00
Warehouse Temporaries	\$15,000.00
FICA for County Employees	\$3,000.00
Total	\$110,250.00

Total for Tabulation & Centralized Costs \$142,550.00

Full Service Jurisdictions - 884,631voters

City of Plano - 164,331	18.5% of Total = \$26,371.75
Collin County - 565,708	63.9% of Total = \$91,089.45
Frisco ISD - 87,815	.99% of Total = \$14,112.45
City of Princeton - 5,587	.06% of Total = \$855.30
Princeton ISD - 10,075	.11% of Total = \$1,668.05
Wylie ISD - 40,274	.45% of Total = \$6,414.75
City of Melissa - 5,722	.06% of Total = \$912.32
Bland ISD - 108	Minimum Charge - \$125.00
Verona SUD - 1,418	.016% of Total = \$228.08
Collin County MUD 2 - 1	Minimum Charge - \$125.00
City of Lavon - 2,237	.025% of Total = \$356.38

City of Lavon Calendar General and Special Election November 6, 2018

<u>June 21</u>	Deadline to Post Notice of Candidate Filing Deadline
<u>June 25</u>	Deadline to Post Notice of Candidate Filing Deadline - Special
<u>July 21</u>	First Day to File for a Place on the General Election Ballot
<u>July 24</u>	First Day to File for a Place on the Special Election Ballot
<u>Aug 7</u>	Order the General and Special Election
<u>Aug 7</u>	Order Designating Election Precincts and Polling Places
<u>Aug 8</u>	Post Notice of Election
<u>Aug 20</u>	Last Day to File for a Place on the General Election Ballot (5 PM)
<u>Aug 21</u>	Election Contract with Collin County, Appointment of Election Judges
<u>Aug 22</u>	Post Notice to Draw for Order of Names on Ballot
<u>Aug 23</u>	Last Day to File for a Place on the Special Election Ballot (6 PM)
<u>Aug 24</u>	Last Day to File a Declaration of Write-In Candidacy – General or Special
<u>Aug 27</u>	Draw for Order of Names on Ballot
<u>Sep 7</u>	Send Notice of Election to County Election Office / Voter Registrar
<u>Sep 18</u>	Order Designating Election Precincts and Polling Places Order Publication of Notice of Election
<u>Sep 21</u>	Post and Send Notice of Election to paper to publish between 10/7-27
<u>Oct 10</u>	Publish Notice of Election
<u>Oct 22</u>	First Day of Early Voting
<u>Nov 2</u>	Last Day of Early Voting
<u>Nov 6</u>	Election Day (7am-7pm)
<u>Nov 20</u>	Canvas the Results of the Election (last day possible)
<u>Nov 20</u>	Administer Oaths of Office



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 7 – D

Item:

Consent Agenda

Ratify and amend Exhibit A of Resolution No. **2018-08-05** approving an updated Interlocal Dispatch Services Agreement with Collin County for the provision of dispatch services for the Lavon Volunteer Fire Department.

Background:

On August 21, 2018, the City Council approved an Interlocal Dispatch Services Agreement with Collin County. Collin County provided the form agreement and the City Attorney offered minor revisions that were accepted by Collin County. Subsequently, Collin County notified the staff that they had inadvertently left two sections out of the original agreement.

The City Attorney reviewed the provisions, which tracked the minor amendments that the City Attorney had added to the agreement. Because the language essentially restated what had previously been approved, the Mayor signed the updated form and returned it to Collin County in order to stay on schedule for the September 10, 2018 Collin County Commissioner's meeting agenda.

Timing is critical as the time nears for the LVFD to be response ready and able to be dispatched. Delaying the signature on the update could have resulted in a delay of up to 30 days.

Financial Impact:

There is none..

Staff Notes:

Approval of and ratification of the Mayor's signature on the updated agreement is recommended.

- Attachments:**
1. Proposed Interlocal Agreement Update
 2. Communication from Collin County
 3. Resolution No. **2018-08-05**

August 31, 2018

INTERLOCAL DISPATCH SERVICES AGREEMENT

This agreement is entered into on the _____ day of _____, 2018, by and between the City of Lavon for the Lavon Volunteer Fire Department (the “Fire Department”) and Collin County, a political subdivision of the State of Texas (the “County”).

RECITALS

1. The County, through the Sheriff’s Office, owns and operates communication facilities used in dispatching its law enforcement and emergency service personnel.
2. The Fire Department desires to obtain certain dispatch services from the County with payment for services to be made from available current revenue.

Therefore, under the authority of Texas Government Code, Title 7, Interlocal Cooperation Act, Section 791 et seq., the parties agree as follows:

SECTION 1. DEFINITIONS

DISPATCH SERVICES. The term “Dispatch Services” means all services necessary for the Collin County Sheriff’s Office to receive calls for Fire/EMS services within the Fire Department’s jurisdiction and to dispatch the Fire personnel in response to such calls.

HOSTING SERVICES. The term “Hosting Services” means the County will store the Fire Department’s data as it relates to dispatch services.

SECTION 2. TERM

2.01 TERM. The term of this agreement shall commence on October 1, 2018, and shall continue in full force and effect through September 30, 2019.

2.02 TERMINATION. Either party may terminate this agreement by giving ninety (90) days written notice to the other party.

SECTION 3. SERVICES

3.01 The County agrees to provide dispatch services through the Sheriff's Office to the Fire Department in the same manner and under the same work schedule as such services are provided in the operation of the County's law enforcement personnel.

3.02 Hosting Services. The County agrees to provide Hosting Services to the Fire Department and that it will provide 95% uptime availability of the service as covered herein.

3.03 Scheduled Maintenance: The Fire Department hereby acknowledges that the County may, from time to time, perform maintenance service on the County network, with or without notice to the Fire Department, which may result in the unavailability of the County network.

Emergency maintenance and maintenance for which the County has not given the Fire Department notice in accordance with this Agreement shall not be deemed scheduled maintenance for purposes of this Agreement. The County will make every effort to notify the Fire Department prior to scheduled maintenance. Notice may be given in various forms including but not limited to email notice and/or phone call.

3.04 Hosted Data Ownership. The Fire Department shall have sole ownership of the Fire Department's hosted data and the County shall make no claim to ownership of Fire Department's hosted data.

3.05 Hosted Data Back Up. The County will back up the Fire Department's hosted data on a daily basis. All data backups will meet Criminal Justice Information Systems (CJIS) requirements. Every effort is made to ensure the reliability of the backed up data in the event that it would be necessary to restore a database. The County, however, makes no guaranties that the backed up database will be error free. Upon

request, the County will provide to the Fire Department a current database backup that can be restored to an alternate location to verify the contents and confirm the quality of the backup. All services required to provide the Fire Department's data and/or verify data will be provided in accordance with the County's current rates.

3.06 Remote Access Agreement. For each user the City is required to complete and return **Attachment (A)**, Connection Policy and Agreement Form for remote access and return to County to the address in 9.02 item (C). No access will be given to user unless County has received a Remote Access Agreement.

SECTION 4. NONEXCLUSIVITY OF SERVICE PROVISION

The parties agree that the County may contract to perform services similar or identical to those specified in this agreement for such additional governmental or public entities as the County, in its sole discretion, sees fit.

SECTION 5. COMPENSATION

5.01 The dispatch service charges for FY2019 in the amount of \$4910.00 shall be paid by the City in quarterly installments of \$1227.50 during the term hereof.

In addition to the fee schedule, each radio registered on the system will be assessed an annual connection fee by Plano, Allen, Wylie, Murphy (PAWM) operators for access to their system. In FY2019, the fee will be \$108 per radio. For FY2020, the fees will be based on the fee schedule formulas adopted by Commissioners' Court and PAWM.

5.02 PAYMENT UPON EARLY TERMINATION. If this agreement is terminated prior to the conclusion of a three-month period for which a payment has been made pursuant to Section 5.01 of this agreement, the entire amount paid shall belong to the County without prorating, as liquidated damages to cover the County's anticipated costs for staffing and equipment to provide services hereunder.

5.03 SOURCE OF PAYMENT. The City agrees that payments that it is required to make under this agreement shall be made out of the City's current revenues.

SECTION 6. CIVIL LIABILITY

6.01 To the maximum extent permitted by law, any civil liability relating to the furnishing of services under this agreement shall be the responsibility of the Fire Department. The parties agree that the County shall be acting as agent for the Fire Department in performing the services contemplated by this agreement.

6.02 To the maximum extent permitted by law, the Fire Department shall hold the County free and harmless from any obligation, costs, claims, judgments, attorney's fees, attachments, and other such liabilities arising from or growing out of the services rendered to the Fire Department pursuant to the terms of this agreement or in any way connected with the rendering of said services, except when the same shall arise because of the willful misconduct or culpable negligence of the County, and the County is adjudged to be guilty of willful misconduct or culpable negligence by a court of competent jurisdiction.

SECTION 7. AMENDMENT

This agreement shall not be amended or modified other than in a written agreement signed by the parties.

SECTION 8. CONTROLLING LAW

This agreement shall be deemed to be made under, governed by, and construed in accordance with the laws of the State of Texas.

SECTION 9. NOTICES

9.01 FORM OF NOTICE. Unless otherwise specified, all communications provided for in this agreement shall be in writing and shall be deemed delivered, whether

actually received or not, forty-eight (48) hours after deposit in the United States mail, first class, registered or certified, return receipt requested, with proper postage prepaid or immediately when delivered in person.

9.02 ADDRESSES. All communications provided for in this agreement shall be addressed as follows:

(A) Collin County, to:
Purchasing Department
2300 Bloomdale #3160
McKinney, Texas 75071

(B) If to the Fire Department, to:

Kim Dobbs, City Admin
P.O. Box 340
Lavon, TX 75166

(C) Collin County, Remote Access to:
Information Technology Department
2300 Bloomdale #3198
McKinney, Texas 75071

Or to such person at such address as may from time to time be specified in a notice given as provided in this Section 9. In addition, notice of termination of this agreement by the Fire Department shall be provided by the Fire Department to the County Judge of Collin County as follows:

The Honorable Keith Self
Collin County Judge
Collin County Administration Building
2300 Bloomdale Rd. Suite 4192
McKinney, Texas 75071

SECTION 10. CAPTIONS

The headings to the various sections of this agreement have been inserted for the convenient reference only and shall not modify, define, limit or expand the express

provision of this agreement.

SECTION 11. COUNTERPARTS

This agreement may be executed in counterparts, each of which, when taken separately, shall be deemed an original.

SECTION 12. OBLIGATIONS OF CONDITION

All obligations of each party under this agreement are conditions to further performance of the other party's continued performance of its obligation under the agreement.

SECTION 13. EXCLUSIVE RIGHT TO ENFORCE THIS AGREEMENT

The County and the City of Lavon for the Fire Department have the exclusive right to bring suit to enforce this Agreement, and no party may bring suit, as a third-party beneficiary or otherwise, to enforce this agreement.

SECTION 14. PRIOR AGREEMENTS SUPERSEDED

This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written oral agreements between the parties respecting the services to be provided under this agreement.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AS OF THE DAY AND YEAR FIRST ABOVE WRITTEN.

“COUNTY”

COLLIN COUNTY, TEXAS

BY: _____

TITLE: _____

DATE: _____

“FIRE DEPARTMENT”

BY: _____

TITLE: _____

DATE: _____

Kim Dobbs

Subject: FW: Dispatch Agreement - FY2019 (Lavon FD)
Attachments: Lavon FD Dispatch FY2019 (final rev 8-29-18 mc).doc; Lavon FD Dispatch FY2019 (with tracks rev 8-29-18 mc).doc

Importance: High

From: Jon Scott
Sent: Wednesday, August 29, 2018 5:22 PM
To: Kim Dobbs
Subject: FW: Dispatch Agreement - FY2019 (Lavon FD)
Importance: High

From: Michelle Charnoski [<mailto:mcharnoski@co.collin.tx.us>]
Sent: Wednesday, August 29, 2018 3:48 PM
To: Jon Scott
Subject: RE: Dispatch Agreement - FY2019 (Lavon FD)
Importance: High

Good afternoon,

Please advise that the sections 5.02 & 5.03 were missed on the original dispatch agreement sent to you. Please review the attachment "with tracks" to see your markups in addition to my new addition of 5.02 & 5.03. The version marked "final" has all track changes accepted for your signature. Please email me a newly signed agreement as soon as possible, so that we can try to meet the next agenda of 9/10/18. I apologize for any inconvenience and please let me know if you have any questions.

Thank you,

Michelle Charnoski, CPPB
Assistant Purchasing Agent
Collin County Purchasing
2300 Bloomdale Road, Suite 3160
McKinney, TX 75071
972-548-4142

From: Michelle Charnoski
Sent: Friday, August 17, 2018 11:12 AM
To: Jon Scott <jon.scott@cityoflavon.org> (<jon.scott@cityoflavon.org>) <jon.scott@cityoflavon.org>
Subject: Dispatch Agreement - FY2019 (Lavon FD)
Importance: High

Good morning,

Attached you will find the Collin County dispatch services agreement for FY2019 as well as the Remote Access agreement (formerly the VPN agreement) for your review and signature. Please return the documents back to me at your earliest convenience and let me know if you have any questions.

Thank you,

Michelle Charnoski, CPPB
Assistant Purchasing Agent
Collin County Purchasing
2300 Bloomdale Road, Suite 3160
McKinney, TX 75071
972-548-4142

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-08-05

ILA – Collin County and LVFD Dispatch Services

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL DISPATCH SERVICES AGREEMENT WITH COLLIN COUNTY REGARDING THE PROVISION OF DISPATCH SERVICES FOR THE LAVON VOLUNTEER FIRE DEPARTMENT; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. That the City Council does hereby authorize the Mayor to execute an Interlocal Dispatch Services Agreement with Collin County regarding the provision of dispatch services for the Lavon Volunteer Fire Department, which is attached hereto and labeled “Exhibit A”;


SECTION 2. That this resolution shall take effect from and after the date of its passage.

DULY PASSED and APPROVED by the City Council of the City of Lavon, Texas, on the 21st day of August 2018.



Vicki Sanson, Mayor

ATTEST:



Kim Dobbs
City Administrator | City Secretary



CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-08-05

EXHIBIT A

INTERLOCAL DISPATCH SERVICES AGREEMENT

This agreement is entered into on the _____ day of _____, 2018, by and between the City of Lavon for the Lavon Volunteer Fire Department (the “Fire Department”) and Collin County, a political subdivision of the State of Texas (the “County”).

RECITALS

1. The County, through the Sheriff’s Office, owns and operates communication facilities used in dispatching its law enforcement and emergency service personnel.
2. The Fire Department desires to obtain certain dispatch services from the County with payment for services to be made from available current revenue. Therefore, under the authority of Texas Government Code, Title 7, Interlocal Cooperation Act, Section 791 et seq., the parties agree as follows:

SECTION 1. DEFINITIONS

DISPATCH SERVICES. The term “Dispatch Services” means all services necessary for the Collin County Sheriff’s Office to receive calls for Fire/EMS services within the Fire Department’s jurisdiction and to dispatch the Fire personnel in response to such calls.

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2.01 TERM. The term of this agreement shall commence on October 1, 2018, and shall continue in full force and effect through September 30, 2019.

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SECTION 3. SERVICES

3.01 The County agrees to provide dispatch services through the Sheriff's Office to the Fire Department in the same manner and under the same work schedule as such services are provided in the operation of the County's law enforcement personnel.

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however, makes no guaranties that the backed up database will be error free. Upon request, the County will provide to the Fire Department a current database backup that can be restored to an alternate location to verify the contents and confirm the quality of the backup. All services required to provide the Fire Department's data and/or verify data will be provided in accordance with the County's current rates.

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The parties agree that the County may contract to perform services similar or identical to those specified in this agreement for such additional governmental or public entities as the County, in its sole discretion, sees fit.

SECTION 5. COMPENSATION

5.01 The dispatch service charges for FY2019 in the amount of \$4910.00 shall be paid by the City in quarterly installments of \$1227.50 during the term hereof. In addition to the fee schedule, each radio registered on the system will be assessed an annual connection fee by Plano, Allen, Wylie, Murphy (PAWM) operators for access to their system. In FY2019, the fee will be \$108 per radio. For FY2020, the fees will be based on the fee schedule formulas adopted by Commissioners' Court and PAWM.

SECTION 6. CIVIL LIABILITY

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Department. The parties agree that the County shall be acting as agent for the Fire Department in performing the services contemplated by this agreement.

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Kim Dobbs, City Administrator

P.O. Box 340

Lavon, TX 75166

(C) Collin County, Remote Access to:
Information Technology Department
2300 Bloomdale #3198
McKinney, Texas 75071

Or to such person at such address as may from time to time be specified in a notice given as provided in this Section 9. In addition, notice of termination of this agreement by the Fire Department shall be provided by the Fire Department to the County Judge of Collin County as follows:

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SECTION 10. CAPTIONS

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This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written oral agreements between the parties respecting the services to be provided under this agreement.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AS OF THE DAY AND YEAR FIRST ABOVE WRITTEN.

“COUNTY”

COLLIN COUNTY, TEXAS

BY: _____

TITLE: _____

DATE: _____

“FIRE DEPARTMENT”

BY: Vicki Sanson

TITLE: Mayor

DATE: _____

Attachment "A"

Law Enforcement Officers Remote Connectivity Policy and Agreement Form

Remote Access Agreement

1.0 Purpose

The purpose of this document is to provide the framework for granting REMOTE ACCESS to Collin County services/equipment through REMOTE ACCESS so that an Authorized Party of a law enforcement agency (Agency) may access its data hosted on Collin County's network.

2.0 Scope

This policy applies to all Law Enforcement Officers utilizing REMOTE ACCESS to access the Collin County network (such persons referred to herein as "Authorized Parties"). This policy applies to all Collin County REMOTE ACCESS implementations.

3.0 Policy

Authorized parties may utilize the benefits of REMOTE ACCESS, which are a "user managed" service. This means that the Authorized party is responsible for selecting an Internet Service Provider (ISP), coordinating installation, installing any required software, and paying associated fees as may be required to access the REMOTE ACCESS.

Additionally,

1. It is the responsibility of the Authorized Party to ensure that unauthorized users are not allowed access to Collin County internal networks. User accounts and passwords are NOT to be shared with anyone.
2. Authorized Parties and the Collin County employees sponsoring the request for REMOTE ACCESS are responsible for defining what services/equipment/software the Authorized Parties need access to. Access will be restricted to only those defined objects. Attempting to connect or access any service/device not defined will be considered a violation of the Collin County REMOTE ACCESS policy and will be reported to the Authorized Party's agency
3. The Authorized Parties and the Collin County employees sponsoring the REMOTE ACCESS request are also responsible for defining the time scope that the REMOTE ACCESS account will be active. All accounts are setup with an expiration date not to exceed 6 months, unless otherwise authorized to be a longer timeframe or permanent by the County.
4. REMOTE ACCESS use is to be controlled using either a one-time password authentication such as a token device or a public/private key system with a strong pass phrase.
5. When actively connected to the county network, the REMOTE ACCESS will force all traffic to and from the remote PC over the REMOTE ACCESS tunnel; all other traffic will be dropped.
6. Dual (split) tunneling is NOT permitted; only one network connection is allowed.
7. REMOTE ACCESS gateways will be established and managed by Collin County Information Technology Department.
8. All computers connected to Collin County internal networks via REMOTE ACCESS or any other technology must use the most up-to-date anti-virus software from a reputable IT agency; this includes personal computers.
9. All Authorized Parties connecting to the Collin County internal networks via REMOTE ACCESS or any other technology must keep their systems up to date with the latest security patches for their operating system and applications installed on their connecting systems. All systems using REMOTE ACCESS connections to Collin County must comply with Microsoft's Product Lifecycle chart and use only currently supporting and fully patched operating systems.
10. Authorized Parties may be automatically disconnected from Collin County's network after sixty minutes of inactivity. The user must then logon again to reconnect to the network.

11. Authorized Parties that are not Collin County owned equipment must comply with the Collin County acceptable use policy when accessing the Internet while connected through the REMOTE ACCESS.
12. Only approved REMOTE ACCESS clients may be used.
13. Upon termination of a contract from Collin County, or at the request of the Collin County staff, the Authorized Party must uninstall the REMOTE ACCESS connection from the Authorized Party's computer.
14. Agency expressly agrees to notify the County of staffing changes involving an Authorized Party with access to the County's network within 24 hours or next business day.
15. After six months of expired inactivity, Active Directory and REMOTE ACCESS accounts of an Authorized Party will be permanently deleted, unless otherwise approved by the County.
16. Accounts will be locked out after a certain number of failed attempts.
17. Authorized Parties who have lost their password will have to contact their sponsoring agency to request a password reset. The sponsoring agency will then contact Collin County IT to reset the password for the REMOTE ACCESS user. The sponsoring agency is the Sheriff's Office.
18. It is the responsibility of the Authorized Party to install, configure, setup and support any issues with their systems to connect to Collin County based on the information provided to them.
19. Authorized Parties connect at their own risk and Collin County is not responsible for any damages that they may incur from connecting through the REMOTE ACCESS to Collin County
20. Prior to acquiring REMOTE ACCESS all Authorized Parties will be required to pass a background check unless otherwise approved by the County.
21. If the County migrates to a new network connection technology it is the responsibility of the Agency to budget and obtain any required technology upgrade in order to maintain their network connection to the County. The Agency will be provided advance notification for this change.
22. The Authorized Party must notify Collin County IT immediately upon learning of any compromise occurring through an anti-virus, malware, or other form of unauthorized access. Collin County will also inform the Authorized Parties of any breach or suspected breach occurring on the county network. REMOTE ACCESS may be restricted during such an event while corrective actions are undertaken.

4.0 Granting Access

To obtain access via REMOTE ACCESS, the Agency and Authorized Party must be sponsored by a party currently employed at Collin County and IT must agree this access is needed for the Collin County information systems. The Agency and Authorized Party must sign this form agreeing to protect the security of the Collin County network. For external Authorized Parties, the Request for REMOTE ACCESS must be signed and approved by the Manager who is responsible for the external Authorized Party's use. REMOTE ACCESS expiration will be based on the contract length unless further time is requested by Collin County Management. The initial setup and testing will be performed during normal operating hours, Monday – Friday, 8 am – 5 pm, and requires a minimal of two weeks' notice to schedule.

5.0 Enforcement

Collin County Information Technology Department may actively monitor the REMOTE ACCESS concentrator for any suspicious and inappropriate activity. Any Authorized Party found to have violated any part of this policy may have their REMOTE ACCESS terminated immediately.

6.0 Liability

Agency expressly agrees that they shall be liable for any and all damages, including but not limited to actual, consequential, or incidental damages, for disruptions caused by their negligence or intentional misconduct, including that caused by their Authorized Parties, to the County's services/equipment resulting from or related to Agency's connection to the County's networks.

Unauthorized access or use is prohibited and will be prosecuted to the fullest extent. Anyone using this system expressly consents to monitoring and is advised that if such monitoring reveals possible evidence of criminal activity system personnel may provide the evidence of such monitoring to law enforcement officials. Anyone

using the system connects at their own risk and assumes all responsibilities for any possible damage to their own equipment.

7.0 Definitions

Term	Definition
REMOTE ACCESS	An extension of Collin County's internal private network.
REMOTE ACCESS Concentrator	Physical device that manages REMOTE ACCESS connections.
REMOTE ACCESS Client	Remote computer with REMOTE ACCESS software utilizing REMOTE ACCESS services.
Agency Management	Person in Agency company that can take responsibility for the liability clause of this document.
Dual (split) tunneling	When utilizing REMOTE ACCESS, a connection (tunnel) is created to Collin County's network utilizing the Internet. Dual split tunneling allows for this connection as well as a secondary connection to another source. This technology is NOT supported when utilizing Collin County's REMOTE ACCESS.
User	Employee, Agency, contractor, consultant, temporaries, customers, government agencies, etc.
Sponsoring Party	Collin County employee requesting access for a non-employee user to have access to Collin County services/equipment through the REMOTE ACCESS. The employee may be someone in IT.

Agency Management's Signature (if applicable)

Printed Name: Vicki Sanson Signature: _____

E-Mail Address: vicki.sanson@cityoflawn.org Phone: 9728434220 Date: _____

Remote Access Users Signature

Printed Name: _____ Signature: _____

E-Mail Address: _____ Phone: _____ Date: _____

Sponsoring Party's Signature

Printed Name: _____ Signature: _____

E-Mail Address: _____ Phone: _____ Date: _____

Return form to:

Caren Skipworth
2300 Bloomdale #3198
McKinney, Texas 75071



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 7 – E

Item:

Consent Agenda

Approve Resolution No. **2018-09-02** authorizing the Mayor and Mayor Pro Tem to execute an Equipment Lease Purchase Agreement with Community Leasing Partners for the purchase of a Fire Department Vehicle - Ford F450 for an amount not to exceed \$59,588.49.

Background:

The City Council previously authorized the staff to pursue the purchase of essential items to equip the Lavon Volunteer Fire Department. During the budget process for the 2018-19 fiscal year, the City Council directed the staff to include funds for the purchase of a quick-response vehicle, also referred to as a brush truck. In order to begin the procurement process, the attached lease purchase agreement is recommended.

The staff obtained financing quotes from three vendors and Community Leasing provided the most favorable terms.

Financial Impact:

The agreement provides for a total lease purchase over three years of \$59,588.49 and the first lease payment is included in the proposed budget per City Council direction.

Staff Notes:

Approval is recommended.

Attachments: Proposed Resolution and Equipment Lease Purchase Agreement

August 31, 2018

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-02

Equipment Lease Purchase Agreement – Fire Vehicle

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS AUTHORIZING THE MAYOR AND MAYOR PRO TEM TO EXECUTE AN EQUIPMENT LEASE PURCHASE AGREEMENT WITH COMMUNITY LEASING PARTNERS FOR THE PURCHASE OF A FIRE DEPARTMENT VEHICLE FOR AN AMOUNT NOT TO EXCEED \$59,588.49 AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The City Council does hereby authorize the Mayor and Mayor Pro Tem to execute an Equipment Lease Purchase Agreement with Community Leasing Partners for the purchase of a Fire Department Vehicle for an amount not to exceed \$59,588.49; which is attached hereto and labeled “Exhibit A”.

SECTION 2. That this resolution shall take effect from and after the date of its passage.

DULY PASSED and APPROVED by the City Council of the City of Lavon, Texas, on the 4th day of September, 2018.

Vicki Sanson, Mayor

ATTEST:

Kim Dobbs
City Administrator / City Secretary

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-02

EXHIBIT "A"

Equipment Lease Purchase Agreement
Community Leasing Partners

EQUIPMENT LEASE PURCHASE AGREEMENT (Short-form)

LESSEE:

City of Lavon
PO Box 340 120 School Road
Lavon, TX 75166

LESSOR:

Community First National Bank
215 S. Seth Child Road
Manhattan, KS 66502

Lease Number: 62476

Equipment: One (1) New Ford F-450 Crew Cab 4x4 XL

This Equipment Lease Purchase Agreement dated as of 8/15/2018 is between Lessor and Lessee as listed above. Lessor desires to finance the purchase of the Equipment described in Exhibit "A" to Lessee and Lessee desires to finance the purchase of the Equipment from Lessor subject to the terms and conditions of this Agreement which are set forth below.

I. Definitions:

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Equipment Lease Purchase Agreement and all Exhibits attached hereto. "Budget Year" means the Lessee's fiscal year. "Commencement Date" is the date when Lessee's obligation to pay rent begins. "Equipment" means all of the items of Equipment listed on Exhibit "A" and all replacements, restorations, modifications and improvements. "Lessee" means the entity listed above as Lessee and which is leasing the Equipment from Lessor under the provisions of this Agreement. "Lessor" means the entity originally listed above as Lessor or any of its assignees. "Lease Term" means the Original Term and all Renewal Terms. "Original Term" means the period from the Commencement Date until the end of the Budget Year of Lessee. "Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Lessee's Budget Year. "Rental Payments" means the payments Lessee is required to make under this Agreement as set forth on Exhibit "B". "State" means the state in which Lessee is located. "Additional Collateral" means the equipment listed as Additional Collateral on Exhibit A for which Lessee grants a first lien position to Lessor.

II. Lessee Warranties

Section 2.01. Lessee represents, warrants and covenants as follows for the benefit of Lessor or its assignees: (a) Lessee is an "issuer of tax exempt obligations" because Lessee is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code"). Lessee is authorized under the Constitution and laws of the State to enter into this Agreement, and has used such authority to properly execute and deliver this Agreement. Lessee has followed all proper procedures of its governing body in executing this Agreement. The Officer of Lessee executing this Agreement has the authority to execute and deliver this Agreement. This Agreement constitutes a legal, valid, binding and enforceable obligation of the Lessee in accordance with its terms. (b) Lessee shall use the Equipment only for essential, traditional government purposes. (c) Lessee has never non-appropriated funds under an Agreement similar to this Agreement. (d) Lessee presently intends to continue this Agreement for the Original Term and all Renewal Terms as set forth on Exhibit "B" hereto. The official of Lessee responsible for budget preparation will include in the budget request for each Budget Year the Rental Payments to become due in such Budget year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Rental Payments coming due therein. Lessee reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose. (e) Upon request by Lessor, Lessee will provide Lessor with current financial statements. (f) Lessee hereby warrants the General Fund of the Lessee is the primary source of funds or a backup source of funds from which the Rental Payments can be made.

III. Acquisition of Equipment, Rental Payments and the Purchase Option Price

Section 3.01. Acquisition. Lessee shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment.

Section 3.02. Rental Payments. Lessee shall pay Rental Payments exclusively to Lessor or its assignees in lawful, legally available money of the United States of America. The Rental Payments shall constitute a current expense of the Lessee and shall not constitute an indebtedness of the Lessee. The Rental Payments are due as set forth on Exhibit B. Lessor shall have the option to charge interest at the highest lawful rate on any Rental Payment received later than the due date for the number of days the Rental Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days the Rental Payment(s) were late. Lessor shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Rental Payment that is past due. The Rental Payments will be payable without notice or demand. **Section 3.03. Rental Payments Unconditional.** Except as provided under Section 4.01, THE OBLIGATIONS OF LESSEE TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE. **Section 3.04. Purchase Option Price.** Upon thirty (30) days written notice, Lessee shall have the option to pay, in addition to the Rental Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Lessee on the Rental Payment date and no partial prepayments are allowed. If Lessee chooses this option and pays the Purchase Option Price to Lessor then Lessor will transfer any and all of its rights, title and interest in the Equipment to Lessee. **Section 3.05. Lease Term.** The Lease Term of the Agreement shall be the Original Term and all Renewal Terms until all the Rental Payments are paid as set forth on Exhibit B except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Lessee has not non-appropriated as provided for in this Agreement then the Lease Term shall be extended into the next Renewal Term and the Lessee shall be obligated to make all the Rental Payments that come due during such Renewal Term. **Section 3.06. Disclaimer of Warranties.** LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. LESSOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY LESSEE.

IV. Non-Appropriation

Section 4.01. Non-Appropriation. If insufficient funds are available in Lessee's budget for the next Budget Year to make the Rental Payments for the next Renewal Term and the funds to make such Rental Payments are otherwise unavailable by any lawful means whatsoever, then Lessee shall have the option to non-appropriate the funds to pay the Rental Payments for the next Renewal Term. Lack of a sufficient appropriation shall be evidenced by the passage of an ordinance or resolution by the governing body of Lessee specifically prohibiting Lessee from performing its obligations under this Agreement and from using any moneys to pay the Rental Payments due under this Agreement for a designated Budget Year and all subsequent Budget Years. If Lessee chooses this option, then all obligations of the Lessee under this Agreement regarding Rental Payments for all remaining Renewal Terms shall be terminated at the end of the then current Original Term or Renewal Term without penalty or liability to the Lessee of any kind provided that if Lessee has not delivered possession of the Equipment to Lessor as provided herein and conveyed to Lessor or released its interest in the Equipment by the end of the last Budget Year for which Rental Payments were paid, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due under Exhibit "B" which are attributable to the number of days after such Budget Year during which Lessee fails to take such actions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required. Lessee shall immediately notify the Lessor as soon as the decision to non-appropriate is made. If such non-appropriation occurs, then Lessee shall deliver the Equipment to Lessor as provided below in Section 9.04. Lessee shall be liable for all damage to the Equipment other than normal wear and tear. If Lessee fails to deliver the Equipment to Lessor, then Lessor may enter the premises where the Equipment is located and take possession

of the Equipment and charge Lessee for costs incurred. Furthermore, in the event there is a non-appropriation as set forth above, Lessee will deliver the Additional Collateral to Lessor along with all required documentation to evidence the transfer of title of the Additional Collateral from Lessee to Lessor.

V. Insurance, Damage, Insufficiency of Proceeds

Section 5.01. Insurance. Lessee shall maintain both casualty insurance and liability insurance at its own expense with respect to the Equipment. Lessee shall be solely responsible for selecting the insurer(s) and for making all premium payments. Lessee shall provide Lessor with a certificate of insurance, which lists the Lessor and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment. (a) Lessee shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the replacement cost of the Equipment. (b) The liability insurance shall insure Lessor from liability and property damage in any form and amount satisfactory to Lessor. (c) Lessee may self-insure against the casualty risks and liability risks described above. If Lessee chooses this option, Lessee must furnish Lessor with a certificate and/or other documents which evidence such coverage. (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Lessor and its assignees are named additional insured and loss payee and that all losses are payable to Lessee and Lessor or its assignees as their interests may appear. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. **Section 5.02. Damage to or Destruction of Equipment.** Lessee assumes the risk of loss or damage to the Equipment. At the option of Lessor, Lessee shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof. **Section 5.03. Insufficiency of Net Proceeds.** If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Lessee shall, at the option of Lessor, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Lessor. **Section 5.04. Lessee Negligence.** Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property. Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) incurred by or asserted against Lessor that relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Lessee, its officers, employees and agents, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01. Title. Title to the Equipment shall vest in Lessee when Lessee acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Lessor in the event Lessee non-appropriates under Section 4.01 or in the event Lessee defaults under Section 9.01. In either of such events, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title to the Equipment to Lessor. **Section 6.02. Security Interest.** To secure the payment of all Lessee's obligations under this Agreement, Lessee hereby grants to Lessor a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit "A". The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Lessee authorizes Lessor to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the Security Interest created hereunder. As additional security for this transaction, Lessee grants to Lessor a first lien position on the Additional Collateral described on Exhibit A as Additional Collateral. Lessee hereby warrants that it owns free and clear of any liens the Additional Collateral listed on Exhibit A subject only to the lien described therein. Lessee hereby agrees to keep Lessor as the first lienholder on the title of the Additional Collateral until this Agreement and the agreement noted on Exhibit A are completed. Lessor will relinquish its lien position on the Additional Collateral as it wishes but in no event beyond the receipt of all Rental Payments or upon the receipt of the then applicable Purchase Option Price.

VII. Assignment

Section 7.01. Assignment by Lessor. All of Lessor's rights, title and/or interest in and to this Agreement may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Lessor at any time without the consent of Lessee. No such assignment shall be effective as against Lessee until the assignor shall have filed with Lessee written notice of assignment identifying the assignee. Lessee shall pay all Rental Payments due hereunder relating to such Equipment to or at the direction of Lessor or the assignee named in the notice of assignment.

VIII. Maintenance of Equipment

Section 8.01. Lessee shall keep the Equipment in good repair and working order. Lessee shall also maintain the Equipment during the lease term in accordance with all manufacturers' and warranty specifications. Lessor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Lessee will be liable for all damage to the Equipment, other than normal wear and tear, caused by Lessee, its employees or its agents. Lessee shall pay for and obtain all permits, licenses and taxes necessary for the installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicle(s), then Lessee is responsible for obtaining such title(s) from the State and also for ensuring Lessor is listed as first lienholder on all of the title(s). Lessee shall not during the term of this Agreement create, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment except those created by this Agreement. Lessee agrees Lessor or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Lessee which Lessor deems necessary or appropriate to protect Lessor's interest in the Equipment and in this Agreement. The Equipment is and shall at all times be and remain personal property. Lessee shall allow Lessor to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01. Events of Default defined. The following events shall constitute an "Event of Default" under this Agreement: (a) Failure by Lessee to pay any Rental Payment listed on Exhibit "B" for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit "B". (b) Failure to pay any other payment required to be paid under this Agreement at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Lessor that such payment must be made. If Lessee continues to fail to pay any payment after such period, then Lessor may, but will not be obligated to, make such payments and charge Lessee for all costs incurred plus interest at the highest lawful rate. (c) Failure by Lessee to observe and perform any warranty, covenant, condition, promise or duty under this Agreement for a period of thirty (30) days after written notice specifying such failure is given to Lessee by Lessor, unless Lessor agrees in writing to an extension of time. Lessor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Lessee. Subsection (c) does not apply to Rental Payments and other payments discussed above. (d) Any statement, material omission, representation or warranty made by Lessee in or pursuant to this Agreement which proves to be false, incorrect or misleading on the date when made regardless of Lessee's intent and which materially adversely affects the rights or security of Lessor under this Agreement. (e) Any provision of this Agreement which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Lessor. (f) Lessee admits in writing its inability to pay its obligations. Lessee defaults on one or more of its other obligations. Lessee applies or consents to the appointment of a receiver to manage its affairs or makes a general assignment for the benefit of creditors. **Section 9.02. Remedies on Default.** Whenever any Event of Default exists, Lessor shall have the right to take one or any combination of the following remedial steps: (a) With or without terminating this Agreement, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Budget Year to be immediately due and payable. (b) With or without terminating this Agreement, Lessor may require Lessee at Lessee's expense to redeliver any or all of the Equipment to Lessor as provided below in Section 9.04. Such delivery shall take place within fifteen (15) days after the event of default occurs. If Lessee fails to deliver the Equipment, Lessor may enter the premises where the Equipment is located and take possession of the Equipment and charge Lessee for cost incurred. Notwithstanding that Lessor has taken possession of the Equipment, Lessee shall still be obligated to pay the remaining Rental Payments due up until the end of the then current Original Term or Renewal Term. Lessee will be liable for any damage to the Equipment caused by Lessee or its employees or agents. (c) Lessor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Lessee shall be responsible to Lessor for all costs incurred by Lessor in the enforcement of its rights under this Agreement including, but not limited to, reasonable attorney fees. (d) Lessor may require Lessee to deliver the Additional Collateral to Lessor along with all required documentation to

evidence transfer of title of the Additional Collateral from the Lessee to the Lessor. Section 9.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof. Section 9.04 Return of Equipment and Storage. (a) Surrender: The Lessee shall, at its own expense, surrender the Equipment to the Lessor in the event of a default or a non-appropriation by delivering the Equipment to the Lessor to a location accessible by common carrier and designated by Lessor. In the case that any of the Equipment consists of software, Lessee shall destroy all intangible items constituting such software and shall deliver to Lessor all tangible items constituting such software. At Lessor's request, Lessee shall also certify in a form acceptable to Lessor that Lessee has complied with the above software return provisions and they will immediately cease using the software and they shall permit Lessor and/or the vendor of the software to inspect Lessee's locations to verify compliance with the terms hereto. (b) Delivery: The Equipment shall be delivered to the location designated by the Lessor by a common carrier unless the Lessor agrees in writing that a common carrier is not needed. When the Equipment is delivered into the custody of a common carrier, the Lessee shall arrange for the shipping of the item and its insurance in transit in accordance with the Lessor's instructions and at the Lessee's sole expense. Lessee, at its expense, shall completely sever and disconnect the Equipment or its component parts from the Lessee's property all without liability to the Lessor. Lessee shall pack or crate the Equipment and all of the component parts of the Equipment carefully and in accordance with any recommendations of the manufacturer. The Lessee shall deliver to the Lessor the plans, specifications operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Equipment and such other documents in the Lessee's possession relating to the maintenance and methods of operation of such Equipment. (c) Condition: Except as otherwise agreed by the parties, when the Equipment is surrendered to the Lessor it shall be in the condition and repair required to be maintained under this Agreement. It will also meet all legal regulatory conditions necessary for the Lessor to sell or lease it to a third party and be free of all liens. Except as otherwise agreed by the parties, if Lessor reasonably determines the Equipment or an item of the Equipment, once it is returned, is not in the condition required hereby, Lessor may cause the repair, service, upgrade, modification or overhaul of the Equipment or an item of the Equipment to achieve such condition and upon demand, Lessee shall promptly reimburse Lessor for all amounts reasonably expended in connection with the foregoing. (d) Storage: Upon written request by the Lessor, the Lessee shall provide free storage for the Equipment or any item of the Equipment for a period not to exceed 60 days after the expiration of its lease term before returning it to the Lessor. The Lessee shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Lessor shall reimburse the Lessee on demand for the incremental premium cost of providing such insurance.

X. Miscellaneous

Section 10.01. Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing. Section 10.02. Binding Effect. Lessee acknowledges this Agreement is not binding upon the Lessor or its assignees unless all documentation requirements has been met to Lessor's satisfaction, and Lessor has executed the Agreement. Thereafter, this Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. Lessor may require Lessee to deliver the Additional Collateral to Lessor along with all required documentation to evidence transfer of title of the Additional Collateral from the Lessee to the Lessor. Section 10.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. Section 10.04. Amendments, Addenda, Changes or Modifications. This Agreement may be amended, added to, changed or modified by written agreement duly executed by Lessor and Lessee. Section 10.05. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Section 10.06. Captions. The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement. Section 10.07. Entire Writing. This Agreement constitutes the entire writing between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties; express or implied, which are not specified herein regarding this Agreement or the Equipment leased hereunder. Any terms and conditions of any purchase order or other documents submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Section 10.08. Designation as Qualified Tax-Exempt Obligation. Pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986 as amended (the "Code"), the Lessee hereby specifically designates the Agreement as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Lessee hereby represents the Lessee will not designate more than \$10,000,000 of obligations issued by the Lessee in the calendar year during which the Agreement is executed and delivered as such "qualified tax-exempt obligations". In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Lessee hereby represents the Lessee (including all subordinate entities of the Lessee within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Agreement is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

Resolution and Authorization. By signing and attesting directly below, Lessee hereby warrants and certifies the Governing Body of the Lessee at either a special or regular meeting or through some other approved method of authorization has determined this Agreement is in the best interests of the Lessee and the Governing Body did at such meeting or through some other approval method approve the entering into of the Agreement by the Lessee and specifically designated and authorized the individual(s) who have signed directly below to execute this Agreement on Lessee's behalf along with any related documents (including any escrow agreement) necessary to the consummation of the transaction contemplated by the Agreement.

LESSEE:
City of Lavon

LESSOR:
Community First National Bank

Authorized By: Vicki Sanson, Mayor

Neal Farmer, Sr. VP

Attested By: Kay Wright, Mayor Pro Tem

EXHIBIT A EQUIPMENT DESCRIPTION

RE: Equipment Lease Purchase Agreement dated as of 8/15/2018 between Community First National Bank as Lessor and City of Lavon as Lessee.

Below is a detailed description of all Equipment including quantity, model number, serial number, and VIN number where applicable.

Equipment Description: One (1) New Ford F-450 Crew Cab 4x4 XL

This Agreement will be cross collateralized with Equipment Lease Purchase Agreement (short-form) dated 8/15/2018, Lease Number: 62479 by and between City of Lavon and Community First National Bank as Lessor.

Additional Collateral: Motorola Radios and Equipment (serial numbers provided on Attachment 1.1 under Agreement #62479)

Physical location where equipment will be stored after delivery:

EXHIBIT B PAYMENT SCHEDULE

Amount Financed: \$55,163.00

AMORTIZATION SCHEDULE

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Purchase Option Price
1	6/1/2019	\$19,862.83	\$1,952.56	\$17,910.27	Not Available
2	6/1/2020	\$19,862.83	\$1,636.89	\$18,225.94	\$19,299.29
3	6/1/2021	\$19,862.83	\$836.04	\$19,026.79	\$0.00
Grand Totals		\$59,588.49	\$4,425.49	\$55,163.00	

LESSEE:
City of Lavon

Vicki Sanson, Mayor

EXHIBIT C
CERTIFICATE OF INCUMBENCY & RESOLUTION

I, acting as City Administrator/Secretary on behalf of the Lessee, a political subdivision or agency duly organized and existing under the laws of the State of Texas and herein obligated, do hereby certify to Community First National Bank the person(s) signing this Lease, and all documents pertaining thereto, is (are) duly elected, appointed, qualified and incumbent officers or representatives of such entity. I further certify (a) the signature(s) is (are) true and authentic and; (b) such officer(s) has (have) the authority on behalf of such entity and by resolution of its governing body to enter into this Equipment Lease Purchase Agreement.

IN WITNESS WHEREOF, I have duly executed this certificate on said date _____.

Kim Dobbs, City Administrator/Secretary

Federal Tax ID #

<u>Officer Title</u>	<u>Officer Name</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Print the Officer Title and Name of the individuals of the governing body

EXHIBIT D OPINION OF COUNSEL

As Counsel for City of Lavon, it is my opinion:

- a.) Lessee's true and legal name is City of Lavon.
- b.) Lessee is a political subdivision of the State of Texas or a constituted authority authorized to issue obligations on behalf of a political subdivision of the State.
- c.) Lessee has the requisite power and authority to purchase the Equipment and to execute and deliver the Agreement and to perform its obligations under the Agreement. The Agreement and the other documents either attached hereto or required herein have been duly authorized, approved and executed by and on behalf of Lessee, and the Agreement is a legal, valid and binding obligation of Lessee enforceable in accordance with its terms.
- d.) The authorization, approval and execution of the Agreement and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state and federal laws.
- e.) There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the authority of the Lessee or any of the Lessee's officers or employees to enter into the Agreements.

COUNSEL FOR LESSEE:

Signature

Print Name

Date

Firm Name

City, State

Telephone Number

EXHIBIT E INSURANCE COVERAGE REQUIREMENTS

RE: Equipment Lease Purchase Agreement dated as of 8/15/2018 between Community First National Bank as Lessor and City of Lavon as Lessee.

Please mark one of the following:

() Pursuant to Section 5.01 of the Agreement, we agreed to provide evidence of insurance covering the property in the Agreement. A Certificate of Insurance naming all insured parties and coverage will be provided to Lessor as soon as possible, but no later than the date on which delivery of the equipment occurs.

() Pursuant to Section 5.01c of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form, together with a copy of any additional information regarding the nature of our self-insurance program. Coverage will be provided to Lessor as soon as possible, but no later than the date on which delivery of the equipment occurs.

Equipment to be insured: **One (1) New Ford F-450 Crew Cab 4x4 XL**

Policy should be issued and mailed to: Community First National Bank and/or Its Assigns
215 S. Seth Child Road
Manhattan, KS 66502

INSURANCE REQUIREMENTS:

1. **LIABILITY**
 - ❖ *Minimum of \$1,000,000.00 combined single-limit on bodily injury and property damage.*
 - ❖ *Community First National Bank AOIA must be listed as additional insured and loss payee.*

2. **PHYSICAL DAMAGE**
 - ❖ *All risk coverage to guarantee proceeds sufficient to pay the replacement value of the equipment. Community First National Bank AOIA must be listed as additional insured and loss payee.*

3. **ENDORSEMENT**
 - ❖ *Lessor will receive at least thirty (30) days written notice from Insurer prior to alteration, cancellation or reduction of insurance coverage.*
 - ❖ *Deductibles should be listed on certificate of coverage.*

**THE CERTIFICATE SHOULD BE
EMAILED TO morganherpich@clpusa.net
OR FAXED TO: 888.777.7875**

Insurance Company Name:		
Agents Name:		
Address:		
City:	State:	Zip:
Phone:	Fax:	Email:

LESSEE:
City of Lavon

Vicki Sanson, Mayor

EXHIBIT F ACCEPTANCE CERTIFICATE

RE: Equipment Lease Purchase Agreement dated as of 8/15/2018 between Community First National Bank as Lessor and City of Lavon as Lessee.

In accordance with the Lease Purchase Agreement (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

- (1) All of the Equipment (as such term is defined in the Agreement) has been delivered, installed and accepted on the date hereof.
- (2) Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
- (3) Lessee is currently maintaining the insurance coverage required by **Section 5** of the Agreement.
- (4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.
- (5) Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.
- (6) The governing body of Lessee has approved the authorization, execution and delivery of this Agreement on its behalf by the authorized representative of Lessee who signed the Agreement.
- (7) The Lessee will in a timely fashion submit the appropriate paperwork to the State to have a title to the Equipment issued in their name as owner and Lessor listed as first lienholder. Such verification of perfected ownership and security interest will be provided to Lessor no later than 90 days from delivery of the Equipment.

LESSEE:
City of Lavon

Vicki Sanson, Mayor

Date

**If delivery is not immediate, keep until final delivery.*

INVOICE INSTRUCTIONS

RE: Equipment Lease Purchase Agreement dated as of 8/15/2018 between Community First National Bank as Lessor and City of Lavon as Lessee.

Lease Number: 62476

Equipment Description: One (1) New Ford F-450 Crew Cab 4x4 XL

Please provide contact information for billing and invoicing purposes.

Person/Department: _____
P.O. Box/Street: _____
City, State, Zip _____
Telephone Number: _____
Email Address: _____

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, made and entered into as of 8/15/2018 by and among Community First National Bank, a national banking association ("Escrow Agent"), Community First National Bank, a corporation duly organized and existing under the Laws of the State of Kansas ("Lessor"), and City of Lavon ("Lessee") a political subdivision under the laws of the State of Texas ("State"), duly organized and existing under the Constitution and laws of the State.

WITNESSETH

WHEREAS, Lessee and Lessor have entered into a Equipment Lease Purchase Agreement dated as of 8/15/2018 ("Agreement"), a duplicate original of which has been furnished to each of the parties, whereby Lessor has agreed to acquire certain equipment described therein ("Equipment"), and to sell the Equipment to the Lessee, and Lessee has agreed to purchase the Equipment from Lessor, in the manner and on the terms set forth in the Agreement; and

WHEREAS, the Equipment has or will be ordered from the Vendor, and there is expected to be a delay in delivery of the Equipment to Lessee; and

WHEREAS, in order to secure the obligations of Lessor under the Agreement, Lessee has requested Lessor to set aside in escrow with the Escrow Agent, pursuant to the terms hereof, the anticipated purchase price of the Equipment; and

WHEREAS, Lessee, as agent for Lessor, will cause the Equipment to be acquired from Vendor in accordance with the purchase orders or contracts therefore, and neither Lessor nor the Escrow Agent shall be obligated to assume or perform any obligation of the Lessee or Vendor with respect thereto or under the Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

ARTICLE I. APPOINTMENT OF ESCROW AGENT: DEFINITIONS

Section 1.01. Appointment of Escrow Agent. Lessor and Lessee hereby appoint and employ Escrow Agent, to receive, hold, invest and disburse the moneys to be paid to it pursuant to this Escrow Agreement and the Agreement, and to perform certain other functions, all as hereinafter provided. By executing and delivering this Escrow Agreement, Escrow Agent accepts the duties and obligations of Escrow Agent provided herein, but only upon the terms and conditions set forth.

Section 1.02. Definitions. The terms defined in this Section shall, for all purposes of this Escrow Agreement have the meanings specified below. Any capitalized term not defined below shall have the meaning ascribed in the Agreement.

"Agreement" means the Equipment Lease Purchase Agreement dated 8/15/2018, by and between Lessee and Lessor and any duly authorized and executed amendment thereto, the terms of which are incorporated herein by reference.

"Acquisition Costs" means, with respect to the Equipment, the contract price paid or to be paid to Vendor therefore upon acquisition or delivery of any portion of the Equipment in accordance with the purchase order or contract therefore. Acquisition Costs include the administrative, engineering, legal, financial and other costs incurred by the Lessee in connection with the acquisition, delivery and financing by Lessor of the Equipment.

"Acceptance Certificate" means an acceptance certificate in the form attached to the Agreement.

"Acquisition Fund" means the fund by that name established and held by the Escrow Agent pursuant to Article II of this Escrow Agreement.

"Closing Date" means the day when Lessor deposits with the Escrow Agent the moneys required to be deposited pursuant to Article II.

"Equipment" means the personal property described in the Agreement, together with any and all modifications, additions and alterations thereto, to be acquired from the moneys held in the Acquisition Fund.

"Escrow Agent" means Community First National Bank or any successor thereto acting as Escrow Agent pursuant to this Escrow Agreement.

"Escrow Agreement" means this Escrow Agreement and any duly authorized and executed amendment thereto.

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court of the State in which he maintains an office and who is not an employee of Lessor, the Escrow Agent or the Lessee.

"Lessee Representative" means the representative of Lessee or a person authorized by the Lessee to act on its behalf under or with respect to this Agreement.

"Lessor Representative" means the President, any Vice President or Assistant Vice President of Lessor, or any person authorized to act on behalf of Lessor under or with respect to this Agreement, as evidenced by a certificate conferring such authorization executed by the President, any Vice President or Assistant Vice President of Lessor, given to the Lessee or the Lessee Representative.

"Payment Date" means the date upon which any Rental Payment under the Agreement is due and payable, as set forth in the Payment Schedule.

"Payment Request Form" means the document substantially in the form attached hereto as Exhibit A to be executed by Lessee and Lessor and submitted to Escrow Agent to authorize payment of Acquisition Costs.

"Qualified Investments" means (i) direct general obligations of the United States of America; (ii) obligations guaranteed by the United States; (iii) general obligations of the agencies and instrumentalities of the United States; (iv) certificates of deposit, time deposits or demand deposits with a bank or savings institution qualified as a depository of public funds in the State of Kansas, provided that such certificates of deposit, time deposits or demand deposits, if not insured by the Federal Deposit Insurance Corporation of the Federal Savings and Loan Insurance Corporation, are fully secured by obligations described in Clauses (i), (ii) or (iii); (v) money market funds, the assets of which are obligations of or guaranteed by the United States of America and which funds are rated "Aaa" by Moody's Investors Service or "Am" or "Am-G" by Standard & Poor's Corporation.

"Rental Payments" means the basic payments payable by Lessee to Lessor pursuant to the provisions of the Agreement during the term thereof which are payable in conjunction of the right of Lessee to use the Equipment during the then current portion of the term of the Agreement.

"Term of the Agreement" means the time during which the Agreement is in effect, as provided in Article III of the Agreement.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased will purchase or has ordered the Equipment or with whom Lessor has contracted for the acquisition of the Equipment.

Section 1.03. Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Agreement, and has taken all actions necessary to authorize the execution of this Agreement by the officers and person signing it.

ARTICLE II. ACQUISITION FUND

Section 2.01. Acquisition Fund. Escrow Agent shall establish a special fund designated as the "Acquisition Fund"; shall keep such Acquisition Fund separate and apart from all other funds and moneys held by it; and shall administer such funds as expressly provided hereunder.

Section 2.02. Deposit of Moneys by Lessor. At the Closing Date, Lessor shall deposit with the Escrow Agent the amount of \$55,163.00. Escrow Agent shall credit said amount to the Acquisition Fund established and to be held, applied and disbursed as herein provided.

Section 2.03. Purpose; Payment of Acquisition Costs. The Acquisition Fund shall be expended for the Acquisition Costs of the Equipment. Escrow Agent shall pay from the Acquisition Fund the Acquisition Costs of the Equipment, upon receipt from Lessee and Lessor the following items:

- (a) in the case of payment of any Acquisition Costs to Vendor pursuant to a contract or purchase order, (1) a duly executed Payment Request Form, with a true copy of the Vendor's statement attached, (2) where applicable, a duplicate original of any change order approved by Lessee and Lessor increasing Acquisition Costs in an amount in excess of the original purchase order or contract price, (3)

- receipts from the Vendor showing proper application of prior requisitions, (4) bills of sale for any component of the Equipment for which a bill of sale may be delivered, and (5) an Acceptance Certificate with respect to the Equipment for which disbursement is requested;
- (b) in the case of any Acquisition Costs previously paid by Lessee for which it is seeking reimbursement, (1) a duly executed Payment Request Form, (2) a true copy of Vendor's statement for such Acquisition Costs, (3) evidence of payment, and (4) evidence of Lessee's declaration of official intent for reimbursement, which declaration shall have been made no later than 60 days after the Lessee paid the Acquisition Costs; or
- (c) in the case of payment of any other Acquisition Costs, a duly executed Payment Request Form.

Section 2.04. Escrow Agent's Compensation. As compensation for the services to be rendered hereunder, Lessee agrees to pay the Escrow Agent \$200.00 ("Escrow Agent's Compensation"). The Escrow Agent's Compensation shall be payable from interest earnings on the escrow account and will be paid upon disbursement of proceeds to the vendor and closing of the escrow account. If the interest earnings on the escrow account are not sufficient to pay the Escrow Agent's Compensation, Escrow Agent shall provide Lessee with an invoice for the shortfall and Lessee shall pay such amount to Escrow Agent upon demand. If funds remain in the Acquisition Fund, excluding Acquisition Costs and Escrow Agent's Compensation, after the full delivery and acceptance of the Equipment, then Lessee and Lessor agree such excess funds shall be retained by Escrow Agent as partial compensation for the performance of its obligations hereunder.

Section 2.05. Transfers Upon Completion. Upon the first to occur of (a) payment of all Acquisition Costs with respect to the Equipment; or (b) the one year anniversary of the Closing Date, Escrow Agent shall apply all remaining moneys in the Acquisition Fund to the next Rental Payment(s) due under the Agreement by paying such moneys directly to the Lessor or its assignees.

Section 2.06. Termination. If this Escrow Agreement is terminated by Lessor as authorized under Article VII and the Agreement, all moneys in the Acquisition Fund shall be paid to Lessor or assignees for application against moneys due to Lessor under the Agreement. In the event that Lessor provides to the Escrow Agent written notice of the occurrence of an Event of Default under the Agreement or the termination of the Agreement for any reason other than Lessee's payment of the applicable Purchase Option Price, Escrow Agent shall immediately remit any and all funds in the Acquisition Fund to Lessor.

ARTICLE III. MONEYS IN FUNDS: INVESTMENTS; TERMINATION

Section 3.01. Held in Trust. The moneys and investments held by the Escrow Agent under this Escrow Agreement are irrevocably held in trust for the benefit of the Lessee and for the purposes herein specified. Such moneys, and any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not, to the extent permitted by applicable law, as otherwise expressly provided herein, be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessor or Lessee.

Section 3.02. Investments Authorized. Moneys held by the Escrow Agent hereunder may be invested, and upon written order of the Lessee Representative shall, be invested by the Escrow Agent in Qualified Investments. Such investments shall be registered in the name of the Escrow Agent and held by Escrow Agent which may act as a purchaser or agent in making or disposing thereof. Such investments and reinvestments shall be made giving full consideration for the time when funds will be required to be available for acquisition.

Section 3.03. Accounting. The Escrow Agent shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Escrow Agreement.

Section 3.04. Valuation and Disposition of Investments. For the purpose of determining the amount in the Acquisition Fund, all Qualified Investments credited to such fund shall be valued at cost (exclusive of accrued interest after the first interest payments following purchase). Escrow Agent may sell at the best price obtainable, or present for redemption, any Qualified Investment so purchased by Escrow Agent, whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the Acquisition Fund to which such Qualified Investment is credited and Escrow Agent shall not be liable or responsible for any loss resulting from such investment.

Section 3.05. Deposit of Moneys in Acquisition Fund. All moneys held by the Escrow Agent in the Acquisition Fund established pursuant to this Agreement, except such moneys which are at the time invested as herein provided, shall be deposited in demand or time deposits (which may be represented by time certificates of deposit) in any bank or trust company authorized to accept deposits of public funds (including the banking department of the Escrow Agent), and, as and to the extent required by law, shall be secured at all times by obligations which are eligible by law to secure deposits of public moneys. Such obligations shall be deposited with such bank or banks as may be selected by Escrow Agent, and held by or for the account of the Escrow Agent as security for such deposits.

Section 3.06. Termination. Unless earlier terminated pursuant to Article VII, this Escrow Agreement shall terminate upon the final distribution of all moneys in the Acquisition Fund.

ARTICLE IV. THE ESCROW AGENT

Section 4.01. Removal of Escrow Agent. The Lessee and Lessor, by written agreement between themselves, may by written request, at any time and for any reason, remove the Escrow Agent and any successor thereto, and shall thereupon appoint a successor or successors thereto, but any such successor shall have capital (exclusive of borrowed capital) and surplus of at least Ten Million Dollars (\$10,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to statute or to the requirements of any federal or state supervising or examining authority, to, then for the purposes of this Section the combined capital and surplus of such bank or trust company may be conclusively established for the purposes hereby in its most recent report of condition so published.

Section 4.02. Resignation of Escrow Agent. The Escrow Agent or any successor may at any time resign by giving written notice to the Lessee and Lessor of its intention to resign and of the proposed date of resignation, which shall be a date not less than 60 days after such notice, unless an earlier resignation date and the appointment of a successor Escrow Agent shall have been or are approved by Lessee and Lessor. Upon receiving such notice of resignation, the Lessee and Lessor shall promptly appoint a successor Escrow Agent by an instrument in writing; provided however, that in the event the Lessee and Lessor fail to appoint a successor Escrow Agent within 30 days following receipt of such written notice of resignation, Lessor may appoint a successor Escrow Agent, and in the event that Lessor fail to appoint a successor Escrow Agent within 30 days following the expiration of such initial 30-day period, the resigning Escrow Agent may petition the appropriate court having jurisdiction to appoint a successor Escrow Agent. Any resignation or removal of the Escrow Agent shall become effective only upon acceptance of appointment by the successor Escrow Agent.

Section 4.03. Appointment of Agent. The Escrow Agent may appoint an agent acceptable to the Lessee and Lessor to exercise any of the powers, rights or remedies granted to the Escrow Agent under this Escrow Agreement, and to hold title to property or to take any other action which may be desirable or necessary.

Section 4.04. Merger or Consolidation. Any company into which the Escrow Agent may be merged or converted, or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business (provided that such company shall be eligible under Section 4.02) shall be the successor to the Escrow Agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 4.05. Protection and Rights of the Escrow Agent. The Escrow Agent shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Escrow Agreement, and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Escrow Agent may consult with Independent Counsel who may be counsel to Lessor or Lessee, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.

Whenever in the administration of its duties under this Escrow Agreement, the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matters (unless other evidence in respect thereof be herein specifically prescribed), shall

be deemed to be conclusively proved and established by the certificate of the Lessee Representative or the Lessor Representative and such certificate shall be full warranty to the Escrow Agent for any action taken or suffered under the provisions of this Escrow Agreement upon the faith thereof, but in its discretion the Escrow Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The recitals, statements and representations by Lessee and Lessor contained in this Agreement shall be taken and construed as made by and on the part of the Lessee and Lessor, as the case may be, and not by the Escrow Agent, and the Escrow Agent does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

The Escrow Agent may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Escrow Agent shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Escrow Agent shall not be answerable for the exercise of any discretion or power under this Escrow Agreement or for anything whatsoever in connection with the funds and accounts established hereunder, except only for its own willful misconduct or gross negligence.

ARTICLE V. ASSIGNMENTS; AMENDMENTS

Section 5.01. Assignment. Except as expressly herein provided to the contrary; the rights and duties of each of the parties under this Escrow Agreement shall not be assignable to any person or entity without the written consent of all of the other parties. Notwithstanding the above, Lessor may freely assign all or any part of its interest in this Agreement and the Acquisition Fund established hereunder in connection with an assignment by Lessor of the Agreement, subject to the provisions contained therein.

Section 5.02. Amendments. This Escrow Agreement may be amended in writing by agreement among all of the parties.

ARTICLE VI. FURTHER ASSURANCES

Section 6.01. Further Assurances. Lessor and Lessee will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Escrow Agreement, and for better assuring and confirming the rights and benefits provided herein.

ARTICLE VII. DEFAULT OR NON-APPROPRIATION

Section 7.01. Default.

- (a) Lessor shall have the right to terminate this Escrow Agreement upon an Event of Default under the Agreement, or termination of the Agreement pursuant to Section 4.01 thereof, which right shall not be exercised less than 15 days after Lessor shall have given Lessee written notice of such default or termination for non-appropriation. Upon receipt of notice of termination from Lessor, Escrow Agent shall pay to Lessor, or its assignee, all moneys in the Acquisition Fund in accordance with Section 2.06.
- (b) In the event of the failure by any party hereto to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Escrow Agreement, any non-defaulting party hereto shall have all of the rights and remedies now or hereafter existing at law or in equity against the defaulting party.
- (c) No delay or omission to exercise any such right or power accruing upon any default shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

ARTICLE VIII. LIMITATION OF LIABILITY

Section 8.01. Limited Liability of Escrow Agent. Escrow Agent shall have no obligation or liability to any of the other parties under this Escrow Agreement for the failure or refusal of any other party to perform any covenant or agreement made by any of it hereunder or under the Agreement, but shall be responsible solely for the business-like performance of the duties expressly imposed upon Escrow Agent hereunder. The recitals of facts, covenants and agreements herein contained pertaining to Lessee and Lessor shall be taken as statement, covenants and agreements of the Lessee or Lessor (as the case may be), and Escrow Agent assumes no responsibility for the correctness of the same, or makes any representation as to the validity or sufficiency of this Escrow Agreement, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein imposed upon it. Escrow Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

Section 8.02. Indemnification. To the extent permitted by applicable law, Lessee agrees to indemnify and save Escrow Agent harmless from and against all claims, suits and actions brought against it, or to which it is made a party, and from all losses and damages, including without limitation reasonable, attorney fees and court costs suffered by it as a result thereof, where such claim, suit or action arises in connection with this Escrow Agreement, the transactions described herein and in the Agreement or the Escrow Agent's employment as an Escrow Agent by Lessee and Lessor. Notwithstanding the foregoing, such indemnification shall not extend to claims, suits and actions brought against the Escrow Agent for failure to perform and carry out the duties specifically imposed upon and to be performed by it pursuant to this Escrow Agreement and claims, suits or actions arising from events solely and directly attributable to acts of Lessor. In the event the Lessee is required to indemnify Escrow Agent as herein provided, Lessee shall be subrogated to the rights of the Escrow Agent to recover such losses or damages from any other person or entity.

Section 8.03. Discretion of Escrow Agent to File Civil Action in the Event of Dispute. If Lessor or Lessee are in disagreement about the interpretation of this Escrow Agreement, or about the rights and obligations, or the propriety of any action contemplated by Escrow Agent hereunder, Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. Escrow Agent shall be indemnified by Lessee in accordance with Section 8.02 for all costs in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Escrow Agreement until a final judgment in such action is received.

Section 8.04. Opinion of Counsel. Before being required to take any action, the Escrow Agent may require (i) an opinion of Independent Counsel acceptable to the Escrow Agent, which counsel may be counsel to any of the parties hereto, and which opinion shall be made available to the other parties hereto, or (ii) a verified certificate of any party hereto, or (iii) both (i) and (ii), concerning the proposed action. Escrow Agent shall be absolutely protected in relying thereon if it does so in good faith.

Section 8.05. Limitation of Rights to Parties. Nothing in this Escrow Agreement, expressed or implied, is intended or shall be construed to give any person other than the Lessee, Lessor or the Escrow Agent any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the Lessee, Lessor and Escrow Agent.

ARTICLE IX. MISCELLANEOUS

Section 9.01. Records. The Escrow Agent shall keep complete and accurate records of all moneys received and disbursed under this Escrow Agreement, which shall be available for inspection by the Lessee, Lessor, or the agent of either of them, at any time during regular business hours.

Section 9.02. Notices. All written notice to be given under this Escrow Agreement shall be given by mail to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other parties in writing from time to time. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail in registered or certified form, with postage fully prepaid.

Section 9.03. Governing Laws. This Escrow Agreement shall be construed and governed in accordance with the laws of the State of Kansas.

Section 9.04. Partial Invalidity. Any provision of this Escrow Agreement found to be prohibited by laws shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Escrow Agreement.

Section 9.05. Binding Effect; Successors. This Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Escrow Agreement any party hereto is named or referred to, such references shall be deemed to include permitted successors or assigns thereof, and all covenants and agreements contained in this Escrow Agreement by or on behalf of any party hereto shall bind and inure to the benefit of permitted successors and assigns thereof whether or not so expressed.

Section 9.06. Execution in Counterparts. This Escrow Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 9.07. Headings. The headings or titles of the several Articles and Sections hereof, and any tables of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Escrow Agreement. All references herein to "Articles", "Sections", and other subdivisions are to the corresponding Articles, Sections, or subdivisions of this Escrow Agreement; and the words "herein", "hereof", "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date and year first above written.

ESCROW AGENT:

Community First National Bank
215 S. Seth Child Road
Manhattan, KS 66502

Neal Farmer, Sr. VP

LESSOR:

Community First National Bank
215 S. Seth Child Road
Manhattan, KS 66502

Neal Farmer, Sr. VP

LESSEE:

City of Lavon
PO Box 340
Lavon, TX75166

Vicki Sanson, Mayor

**EXHIBIT A
PAYMENT REQUEST FORM**

Community First National Bank, Escrow Agent under an Escrow Agreement dated as of 8/15/2018, by and among the said Escrow Agent, Community First National Bank (Lessor), and the City of Lavon, (Lessee) is hereby requested to pay, from the Equipment Acquisition Fund held under said Escrow Agreement, to the persons, firms or corporation designated below as payee, the amount set forth opposite each such person's firm's or corporation's name, in payment of the Acquisition Costs (as defined in said Escrow Agreement) of the Equipment described on the attached page(s) designated opposite such Payee's name and account.

<u>Payee</u>	<u>Equipment</u>	<u>Amount</u>

VOID

TO BE UTILIZED AS A SIGNATURE CARD ONLY

By executing this Payment Request Form the Lessee hereby represents that the Payee or Payees listed above who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Lessee and that the amounts requested above by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees.

Partial Disbursement. The undersigned certifies that the following documents are attached to this Payment Request Form when there is a request for a partial release of funds from the Escrow Account to pay for a portion of the Equipment: (1) Invoice from the Vendor, (2) copy of the agreement between Lessee and Vendor (if requested by the Lessor or Escrow Agent), (3) front and back copy of the original MSO/Title (if payment from Escrow Account is for a chassis) listing Community First National Bank and/or its assigns as the first lien holder. By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted this portion of the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto in a proportionate amount of the total Rental Payment. By executing this Payment Request Form Lessee agrees that Lessee is the title owner to this portion of the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to this portion of the Equipment and keep the Lease in full force and effect.

Final Disbursement. The undersigned certifies that the following documents are attached to this Payment Request Form when there is a final release of funds from the Escrow Account: (1) Final Vendor Invoice, (2) Signed Acceptance Certificate, (3) Insurance Certificate, (4) front and back copy of the original MSO/Title listing Community First National Bank and/or its assigns as first lien holder (if not already received). By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto. By executing this Payment Request Form Lessee certifies that Lessee is the title owner to the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to the Equipment and keep the Lease in full force and effect.

LESSEE:
City of Lavon

Vicki Sanson, Mayor

Signature

Signature of additional authorized individual (optional)

Name and Title

TAX COMPLIANCE AGREEMENT AND NO ARBITRAGE CERTIFICATE

This Tax Compliance Agreement and No Arbitrage Certificate is issued in connection with that certain Equipment Lease Purchase Agreement dated as 8/15/2018 by and between Community First National Bank, ("Lessor") and City of Lavon ("Lessee").

1. In General.

- 1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment by Lessee as described in the Equipment Lease Purchase Agreement dated as of 8/15/2018 (the "Lease") between Lessor and Lessee and all related documents executed pursuant thereto and contemporaneously herewith with respect to the financing of the acquisition of One (1) New Ford F-450 Crew Cab 4x4 XL of equipment (the "Equipment") by Lessor for Lessee (the Lease and such other documents are hereinafter collectively referred to as the "Financing Documents").
- 1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Financing Documents.
- 1.3. To the best of the undersigned's knowledge, information and belief, the expectations contained in this Certificate are reasonable.
- 1.4. Lessee has not been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer whose certifications as to arbitrage may not be relied upon.
- 1.5. The rental payments due under the Financing Documents will be made with monies retained in Lessee's general operating fund (or an account or sub account therein). No sinking, debt service, reserve or similar fund or account will be maintained for the payment of the rental payments due under the Financing Documents or pledged as security therefor.
- 1.6. If any other governmental obligations were or are being issued by or on behalf of Lessee within fifteen (15) days of the date of issuance of the Financing Documents, such obligations either (i) were not or are not being issued or sold pursuant to a common plan of financing with, or (ii) will not be paid out of substantially the same source of funds as, the financing pursuant to the Financing Documents.

2. Purpose of the Financing Documents.

- 2.1. The Financing Documents are being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Equipment Description executed and delivered by Lessee pursuant to the Financing Documents. The principal amount represented by the Financing Documents, or \$55,163.00 will be deposited in escrow by Lessor at closing and held by Community First National Bank, as Escrow Agent (the "Escrow Agent") pending acquisition of the Equipment under the terms of that certain Escrow Agreement dated as of 8/15/2018 (the "Escrow Agreement"), by and among Lessor, Lessee and Escrow Agent.
- 2.2. No portion of the principal amount represented by the Financing Documents will be used as a substitute for other funds which were otherwise to be used as a source of financing for the Equipment, or will be used, directly or indirectly, to replace funds used by Lessee to acquire investments which produce a yield materially higher than the yield to Lessor under the Financing Documents.
- 2.3. Lessee does not expect to sell or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final rental payment due under the Financing Documents.

3. Source and Disbursement of Funds.

- 3.1. The principal amount represented by the Financing Documents does not exceed the amount necessary for the governmental purpose for which the Financing Documents were entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the items of Equipment.
- 3.2. It is contemplated that the entire amount deposited in escrow will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that a portion of the principal amount may be paid to Lessee within such period as reimbursement for Acquisition Costs already made by it so long as the conditions set forth in Section 3.3 below are satisfied.
- 3.3. Lessee shall not request that it be reimbursed for Equipment acquisition cost payments already made by it unless the following conditions have been satisfied:
 - (a) Lessee made a declaration of its reasonable intention to reimburse the acquisition cost payment sought to be reimbursed with the proceeds of a borrowing not later than sixty (60) days after the date on which it made the payment, which declaration satisfies the "Official Intent Requirement" set forth in Treas. Reg. Sec. 1.150-2;
 - (b) The reimbursement being requested will be made by written allocation before the later of eighteen (18) months after the acquisition cost payment was made or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;
 - (c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of type properly chargeable to a capital account under general federal income tax principles; and
 - (d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treas. Reg. Sec. 1.148-10 by, virtue of, among other things, use to refund, or to create or increase a sinking, reserve or replacement fund with respect to, any other obligations issued by it.

4. Temporary Period.

- 4.1. Lessee expects, within six months from the date of issuance of the Financing Documents, (a) to have had disbursed from escrow an amount in excess of the lesser 2 1/2% of the amount deposited by Lessor in escrow or \$100,000, or (b) to enter into binding obligations with third parties obligating Lessee to spend such amount.
- 4.2. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.
- 4.3. The items of Equipment being acquired by Lessee will be delivered at various times. At least 15% of the sum of the amount deposited in escrow and the reasonably anticipated interest earnings thereon will be used to pay the acquisition price of items of Equipment within six months from the date of issuance of the Financing Documents; at least 60% of the sum of the amount deposited in escrow and the reasonably anticipated interest earnings thereon will be used to pay the acquisition cost of items of Equipment within 12 months from the date of issuance of the Financing Documents; and 100% of the amount deposited in escrow and interest earnings thereon will be used to pay the acquisition cost of items of Equipment prior to 18 months from the date of issuance of the Financing Documents.
- 4.4. The total acquisition cost of the Equipment is not required to be paid to the vendors or manufacturers thereof until the Equipment has been accepted by Lessee.

5. Escrow Account.

- 5.1. The Financing Documents provide that the monies deposited in escrow shall be invested until payments to the vendor(s) or manufacturer(s) of the Equipment are due. Lessee will ensure that such investment will not result in Lessee's obligations under the Financing Documents being treated as an "arbitrage bond" or a "federally guaranteed bond" within the meaning of Section 148(a) or Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code"), respectively. Any monies which are earned from the investment of these funds shall be labeled as interest earned. All such monies will be disbursed on or promptly after the date that Lessee accepts the equipment.

6. Exempt Use.

6.1. No part of the proceeds of the Financing Documents or the Equipment will be used in any "private business use" within the meaning of Section 141(b)(6) of the Internal Revenue Code of 1986, as amended.

6.2. No part of the proceeds of the Financing Documents will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

7. No Federal Guarantee.

7.1. Payment of the principal or interest due under the Financing Documents is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

7.2. No portion of the proceeds under the Financing Documents shall be (i) used in making loans, the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Financing Documents to be federally guaranteed within the meaning of Section 149(b) of the Code.

8. Miscellaneous.

8.1. Lessee agrees to comply with the rebate requirement set forth in Section 148(f) of the Code in the event that for any reason it is applicable to the financing pursuant to Financing Documents.

8.2. Lessee shall keep a complete and accurate record of all owners or assignees of the Financing Documents in form and substance satisfactory to comply with Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.3. Lessee shall maintain complete and accurate records establishing the expenditure of the proceeds of the Financing Documents and interest earnings thereon for a period of five years after payment in full under the Financing Documents.

IN WITNESS WHEREOF, this Tax Compliance Agreement and No Arbitrage Certificate has been executed on behalf of Lessee as of the date set forth below.

LESSEE:

City of Lavon

Vicki Sanson, Mayor

Date

**Information Return for Small Tax-Exempt
 Governmental Bond Issues, Leases, and Installment Sales**

OMB No. 1545-0720

▶ **Under Internal Revenue Code section 149(e)**

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

Part I Reporting Authority		Check box if Amended Return <input type="checkbox"/>
1 Issuer's name City of Lavon		2 Issuer's employer identification number (EIN) 75 2004104
3 Number and street (or P.O. box if mail is not delivered to street address) PO Box 340		Room/suite
4 City, town, or post office, state, and ZIP code Lavon, TX 75166		5 Report number (For IRS Use Only) [] [] []
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information		7 Telephone number of officer or legal representative

Part II Description of Obligations Check one: a single issue <input checked="" type="checkbox"/> or a consolidated return <input type="checkbox"/>	
8a Issue price of obligation(s) (see instructions)	8a 55,163 00
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶ 08/15/2018	
9 Amount of the reported obligation(s) on line 8a that is:	
a For leases for vehicles	9a 55,163 00
b For leases for office equipment	9b
c For leases for real property	9c
d For leases for other (see instructions) SCBAs or Turnout Gear	9d
e For bank loans for vehicles	9e
f For bank loans for office equipment	9f
g For bank loans for real property	9g
h For bank loans for other (see instructions)	9h
i Used to refund prior issue(s)	9i
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j
k Other	9k
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box <input type="checkbox"/>	
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) <input type="checkbox"/>	
12 Vendor's or bank's name: Community First National Bank	
13 Vendor's or bank's employer identification number: 48-1238548	

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Signature of issuer's authorized representative: _____ Date: _____

Type or print name and title: **Vicki Sanson, Mayor**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶		Phone no.	
	Firm's address ▶				

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at www.irs.gov/form8038. Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 7 – F

Item:

Consent Agenda

Approve Resolution No. **2018-09-03** authorizing the Mayor and Mayor Pro Tem to execute an Equipment Lease Purchase Agreement with Community Leasing Partners for the purchase of Fire Department Motorola Radios and Equipment for an amount not to exceed \$20,416.38.

Background:

The City Council previously authorized the staff to pursue the purchase of essential items to equip the Lavon Volunteer Fire Department. During the budget process for the 2018-19 fiscal year, the City Council directed the staff to include funds for the purchase of radios. In order to begin the procurement process, the attached lease purchase agreement is recommended.

The staff obtained financing quotes from three vendors and Community Leasing provided the most favorable terms.

Financial Impact:

The agreement provides for a total lease purchase over three years of \$20,416.38 and the first lease payment is included in the proposed budget per City Council direction.

Staff Notes:

Approval is recommended.

Attachments: Proposed Resolution and Equipment Lease Purchase Agreement

August 31, 2018

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-03

Equipment Lease Purchase Agreement – Fire Radios

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS AUTHORIZING THE MAYOR AND MAYOR PRO TEM TO EXECUTE AN EQUIPMENT LEASE PURCHASE AGREEMENT WITH COMMUNITY LEASING PARTNERS FOR THE PURCHASE OF FIRE DEPARTMENT RADIOS FOR AN AMOUNT NOT TO EXCEED \$20,416.38 AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The City Council does hereby authorize the Mayor and Mayor Pro Tem to execute an Equipment Lease Purchase Agreement with Community Leasing Partners for the purchase of Fire Department Radios for an amount not to exceed \$20,416.38; which is attached hereto and labeled “Exhibit A”.

SECTION 2. That this resolution shall take effect from and after the date of its passage.

DULY PASSED and APPROVED by the City Council of the City of Lavon, Texas, on the 4th day of September, 2018.

Vicki Sanson, Mayor

ATTEST:

Kim Dobbs
City Administrator / City Secretary

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-03

EXHIBIT "A"

Equipment Lease Purchase Agreement
Community Leasing Partners

EQUIPMENT LEASE PURCHASE AGREEMENT (Short-form)

LESSEE:

City of Lavon
PO Box 340 120 School Road
Lavon, TX 75166

LESSOR:

Community First National Bank
215 S. Seth Child Road
Manhattan, KS 66502

Lease Number: 62479

Equipment: Motorola Radios and Equipment

This Equipment Lease Purchase Agreement dated as of 8/15/2018 is between Lessor and Lessee as listed above. Lessor desires to finance the purchase of the Equipment described in Exhibit "A" to Lessee and Lessee desires to finance the purchase of the Equipment from Lessor subject to the terms and conditions of this Agreement which are set forth below.

I. Definitions:

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Equipment Lease Purchase Agreement and all Exhibits attached hereto. "Budget Year" means the Lessee's fiscal year. "Commencement Date" is the date when Lessee's obligation to pay rent begins. "Equipment" means all of the items of Equipment listed on Exhibit "A" and all replacements, restorations, modifications and improvements. "Lessee" means the entity listed above as Lessee and which is leasing the Equipment from Lessor under the provisions of this Agreement. "Lessor" means the entity originally listed above as Lessor or any of its assignees. "Lease Term" means the Original Term and all Renewal Terms. "Original Term" means the period from the Commencement Date until the end of the Budget Year of Lessee. "Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Lessee's Budget Year. "Rental Payments" means the payments Lessee is required to make under this Agreement as set forth on Exhibit "B". "State" means the state in which Lessee is located. "Additional Collateral" means the equipment listed as Additional Collateral on Exhibit A for which Lessee grants a first lien position to Lessor.

II. Lessee Warranties

Section 2.01. Lessee represents, warrants and covenants as follows for the benefit of Lessor or its assignees: (a) Lessee is an "issuer of tax exempt obligations" because Lessee is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code"). Lessee is authorized under the Constitution and laws of the State to enter into this Agreement, and has used such authority to properly execute and deliver this Agreement. Lessee has followed all proper procedures of its governing body in executing this Agreement. The Officer of Lessee executing this Agreement has the authority to execute and deliver this Agreement. This Agreement constitutes a legal, valid, binding and enforceable obligation of the Lessee in accordance with its terms. (b) Lessee shall use the Equipment only for essential, traditional government purposes. (c) Lessee has never non-appropriated funds under an Agreement similar to this Agreement. (d) Lessee presently intends to continue this Agreement for the Original Term and all Renewal Terms as set forth on Exhibit "B" hereto. The official of Lessee responsible for budget preparation will include in the budget request for each Budget Year the Rental Payments to become due in such Budget year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Rental Payments coming due therein. Lessee reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose. (e) Upon request by Lessor, Lessee will provide Lessor with current financial statements. (f) Lessee hereby warrants the General Fund of the Lessee is the primary source of funds or a backup source of funds from which the Rental Payments can be made.

III. Acquisition of Equipment, Rental Payments and the Purchase Option Price

Section 3.01. Acquisition. Lessee shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment.

Section 3.02. Rental Payments. Lessee shall pay Rental Payments exclusively to Lessor or its assignees in lawful, legally available money of the United States of America. The Rental Payments shall constitute a current expense of the Lessee and shall not constitute an indebtedness of the Lessee. The Rental Payments are due as set forth on Exhibit B. Lessor shall have the option to charge interest at the highest lawful rate on any Rental Payment received later than the due date for the number of days the Rental Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days the Rental Payment(s) were late. Lessor shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Rental Payment that is past due. The Rental Payments will be payable without notice or demand. Section 3.03. Rental Payments Unconditional. Except as provided under Section 4.01, THE OBLIGATIONS OF LESSEE TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE. Section 3.04. Purchase Option Price. Upon thirty (30) days written notice, Lessee shall have the option to pay, in addition to the Rental Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Lessee on the Rental Payment date and no partial prepayments are allowed. If Lessee chooses this option and pays the Purchase Option Price to Lessor then Lessor will transfer any and all of its rights, title and interest in the Equipment to Lessee. Section 3.05. Lease Term. The Lease Term of the Agreement shall be the Original Term and all Renewal Terms until all the Rental Payments are paid as set forth on Exhibit B except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Lessee has not non-appropriated as provided for in this Agreement then the Lease Term shall be extended into the next Renewal Term and the Lessee shall be obligated to make all the Rental Payments that come due during such Renewal Term. Section 3.06. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. LESSOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY LESSEE.

IV. Non-Appropriation

Section 4.01. Non-Appropriation. If insufficient funds are available in Lessee's budget for the next Budget Year to make the Rental Payments for the next Renewal Term and the funds to make such Rental Payments are otherwise unavailable by any lawful means whatsoever, then Lessee shall have the option to non-appropriate the funds to pay the Rental Payments for the next Renewal Term. Lack of a sufficient appropriation shall be evidenced by the passage of an ordinance or resolution by the governing body of Lessee specifically prohibiting Lessee from performing its obligations under this Agreement and from using any moneys to pay the Rental Payments due under this Agreement for a designated Budget Year and all subsequent Budget Years. If Lessee chooses this option, then all obligations of the Lessee under this Agreement regarding Rental Payments for all remaining Renewal Terms shall be terminated at the end of the then current Original Term or Renewal Term without penalty or liability to the Lessee of any kind provided that if Lessee has not delivered possession of the Equipment to Lessor as provided herein and conveyed to Lessor or released its interest in the Equipment by the end of the last Budget Year for which Rental Payments were paid, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due under Exhibit "B" which are attributable to the number of days after such Budget Year during which Lessee fails to take such actions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required. Lessee shall immediately notify the Lessor as soon as the decision to non-appropriate is made. If such non-appropriation occurs, then Lessee shall deliver the Equipment to Lessor as provided below in Section 9.04. Lessee shall be liable for all damage to the Equipment other than normal wear and tear. If Lessee fails to deliver the Equipment to Lessor, then Lessor may enter the premises where the Equipment is located and take possession

of the Equipment and charge Lessee for costs incurred. Furthermore, in the event there is a non-appropriation as set forth above, Lessee will deliver the Additional Collateral to Lessor along with all required documentation to evidence the transfer of title of the Additional Collateral from Lessee to Lessor.

V. Insurance, Damage, Insufficiency of Proceeds

Section 5.01. Insurance. Lessee shall maintain both casualty insurance and liability insurance at its own expense with respect to the Equipment. Lessee shall be solely responsible for selecting the insurer(s) and for making all premium payments. Lessee shall provide Lessor with a certificate of insurance, which lists the Lessor and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment. (a) Lessee shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the replacement cost of the Equipment. (b) The liability insurance shall insure Lessor from liability and property damage in any form and amount satisfactory to Lessor. (c) Lessee may self-insure against the casualty risks and liability risks described above. If Lessee chooses this option, Lessee must furnish Lessor with a certificate and/or other documents which evidence such coverage. (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Lessor and its assignees are named additional insured and loss payee and that all losses are payable to Lessee and Lessor or its assignees as their interests may appear. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. **Section 5.02. Damage to or Destruction of Equipment.** Lessee assumes the risk of loss or damage to the Equipment. At the option of Lessor, Lessee shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof. **Section 5.03. Insufficiency of Net Proceeds.** If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Lessee shall, at the option of Lessor, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Lessor. **Section 5.04. Lessee Negligence.** Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property. Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) incurred by or asserted against Lessor that relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Lessee, its officers, employees and agents, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01. Title. Title to the Equipment shall vest in Lessee when Lessee acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Lessor in the event Lessee non-appropriates under Section 4.01 or in the event Lessee defaults under Section 9.01. In either of such events, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title to the Equipment to Lessor. **Section 6.02. Security Interest.** To secure the payment of all Lessee's obligations under this Agreement, Lessee hereby grants to Lessor a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit "A". The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Lessee authorizes Lessor to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the Security Interest created hereunder. As additional security for this transaction, Lessee grants to Lessor a first lien position on the Additional Collateral described on Exhibit A as Additional Collateral. Lessee hereby warrants that it owns free and clear of any liens the Additional Collateral listed on Exhibit A subject only to the lien described therein. Lessee hereby agrees to keep Lessor as the first lienholder on the title of the Additional Collateral until this Agreement and the agreement noted on Exhibit A are completed. Lessor will relinquish its lien position on the Additional Collateral as it wishes but in no event beyond the receipt of all Rental Payments or upon the receipt of the then applicable Purchase Option Price.

VII. Assignment

Section 7.01. Assignment by Lessor. All of Lessor's rights, title and/or interest in and to this Agreement may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Lessor at any time without the consent of Lessee. No such assignment shall be effective as against Lessee until the assignor shall have filed with Lessee written notice of assignment identifying the assignee. Lessee shall pay all Rental Payments due hereunder relating to such Equipment to or at the direction of Lessor or the assignee named in the notice of assignment.

VIII. Maintenance of Equipment

Section 8.01. Lessee shall keep the Equipment in good repair and working order. Lessee shall also maintain the Equipment during the lease term in accordance with all manufacturers' and warranty specifications. Lessor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Lessee will be liable for all damage to the Equipment, other than normal wear and tear, caused by Lessee, its employees or its agents. Lessee shall pay for and obtain all permits, licenses and taxes necessary for the installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicle(s), then Lessee is responsible for obtaining such title(s) from the State and also for ensuring Lessor is listed as first lienholder on all of the title(s). Lessee shall not during the term of this Agreement create, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment except those created by this Agreement. Lessee agrees Lessor or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Lessee which Lessor deems necessary or appropriate to protect Lessor's interest in the Equipment and in this Agreement. The Equipment is and shall at all times be and remain personal property. Lessee shall allow Lessor to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01. Events of Default defined. The following events shall constitute an "Event of Default" under this Agreement: (a) Failure by Lessee to pay any Rental Payment listed on Exhibit "B" for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit "B". (b) Failure to pay any other payment required to be paid under this Agreement at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Lessor that such payment must be made. If Lessee continues to fail to pay any payment after such period, then Lessor may, but will not be obligated to, make such payments and charge Lessee for all costs incurred plus interest at the highest lawful rate. (c) Failure by Lessee to observe and perform any warranty, covenant, condition, promise or duty under this Agreement for a period of thirty (30) days after written notice specifying such failure is given to Lessee by Lessor, unless Lessor agrees in writing to an extension of time. Lessor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Lessee. Subsection (c) does not apply to Rental Payments and other payments discussed above. (d) Any statement, material omission, representation or warranty made by Lessee in or pursuant to this Agreement which proves to be false, incorrect or misleading on the date when made regardless of Lessee's intent and which materially adversely affects the rights or security of Lessor under this Agreement. (e) Any provision of this Agreement which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Lessor. (f) Lessee admits in writing its inability to pay its obligations. Lessee defaults on one or more of its other obligations. Lessee applies or consents to the appointment of a receiver to manage its affairs or makes a general assignment for the benefit of creditors. **Section 9.02. Remedies on Default.** Whenever any Event of Default exists, Lessor shall have the right to take one or any combination of the following remedial steps: (a) With or without terminating this Agreement, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Budget Year to be immediately due and payable. (b) With or without terminating this Agreement, Lessor may require Lessee at Lessee's expense to redeliver any or all of the Equipment to Lessor as provided below in Section 9.04. Such delivery shall take place within fifteen (15) days after the event of default occurs. If Lessee fails to deliver the Equipment, Lessor may enter the premises where the Equipment is located and take possession of the Equipment and charge Lessee for cost incurred. Notwithstanding that Lessor has taken possession of the Equipment, Lessee shall still be obligated to pay the remaining Rental Payments due up until the end of the then current Original Term or Renewal Term. Lessee will be liable for any damage to the Equipment caused by Lessee or its employees or agents. (c) Lessor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Lessee shall be responsible to Lessor for all costs incurred by Lessor in the enforcement of its rights under this Agreement including, but not limited to, reasonable attorney fees. (d) Lessor may require Lessee to deliver the Additional Collateral to Lessor along with all required documentation to

evidence transfer of title of the Additional Collateral from the Lessee to the Lessor. Section 9.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof. Section 9.04 Return of Equipment and Storage. (a) Surrender: The Lessee shall, at its own expense, surrender the Equipment to the Lessor in the event of a default or a non-appropriation by delivering the Equipment to the Lessor to a location accessible by common carrier and designated by Lessor. In the case that any of the Equipment consists of software, Lessee shall destroy all intangible items constituting such software and shall deliver to Lessor all tangible items constituting such software. At Lessor's request, Lessee shall also certify in a form acceptable to Lessor that Lessee has complied with the above software return provisions and they will immediately cease using the software and they shall permit Lessor and/or the vendor of the software to inspect Lessee's locations to verify compliance with the terms hereto. (b) Delivery: The Equipment shall be delivered to the location designated by the Lessor by a common carrier unless the Lessor agrees in writing that a common carrier is not needed. When the Equipment is delivered into the custody of a common carrier, the Lessee shall arrange for the shipping of the item and its insurance in transit in accordance with the Lessor's instructions and at the Lessee's sole expense. Lessee, at its expense, shall completely sever and disconnect the Equipment or its component parts from the Lessee's property all without liability to the Lessor. Lessee shall pack or crate the Equipment and all of the component parts of the Equipment carefully and in accordance with any recommendations of the manufacturer. The Lessee shall deliver to the Lessor the plans, specifications operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Equipment and such other documents in the Lessee's possession relating to the maintenance and methods of operation of such Equipment. (c) Condition: Except as otherwise agreed by the parties, when the Equipment is surrendered to the Lessor it shall be in the condition and repair required to be maintained under this Agreement. It will also meet all legal regulatory conditions necessary for the Lessor to sell or lease it to a third party and be free of all liens. Except as otherwise agreed by the parties, if Lessor reasonably determines the Equipment or an item of the Equipment, once it is returned, is not in the condition required hereby, Lessor may cause the repair, service, upgrade, modification or overhaul of the Equipment or an item of the Equipment to achieve such condition and upon demand, Lessee shall promptly reimburse Lessor for all amounts reasonably expended in connection with the foregoing. (d) Storage: Upon written request by the Lessor, the Lessee shall provide free storage for the Equipment or any item of the Equipment for a period not to exceed 60 days after the expiration of its lease term before returning it to the Lessor. The Lessee shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Lessor shall reimburse the Lessee on demand for the incremental premium cost of providing such insurance.

X. Miscellaneous

Section 10.01. Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing. Section 10.02. Binding Effect. Lessee acknowledges this Agreement is not binding upon the Lessor or its assignees unless all documentation requirements has been met to Lessor's satisfaction, and Lessor has executed the Agreement. Thereafter, this Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. Lessor may require Lessee to deliver the Additional Collateral to Lessor along with all required documentation to evidence transfer of title of the Additional Collateral from the Lessee to the Lessor. Section 10.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. Section 10.04. Amendments, Addenda, Changes or Modifications. This Agreement may be amended, added to, changed or modified by written agreement duly executed by Lessor and Lessee. Section 10.05. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Section 10.06. Captions. The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement. Section 10.07. Entire Writing. This Agreement constitutes the entire writing between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties; express or implied, which are not specified herein regarding this Agreement or the Equipment leased hereunder. Any terms and conditions of any purchase order or other documents submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Section 10.08. Designation as Qualified Tax-Exempt Obligation. Pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986 as amended (the "Code"), the Lessee hereby specifically designates the Agreement as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Lessee hereby represents the Lessee will not designate more than \$10,000,000 of obligations issued by the Lessee in the calendar year during which the Agreement is executed and delivered as such "qualified tax-exempt obligations". In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Lessee hereby represents the Lessee (including all subordinate entities of the Lessee within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Agreement is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

Resolution and Authorization. By signing and attesting directly below, Lessee hereby warrants and certifies the Governing Body of the Lessee at either a special or regular meeting or through some other approved method of authorization has determined this Agreement is in the best interests of the Lessee and the Governing Body did at such meeting or through some other approval method approve the entering into of the Agreement by the Lessee and specifically designated and authorized the individual(s) who have signed directly below to execute this Agreement on Lessee's behalf along with any related documents (including any escrow agreement) necessary to the consummation of the transaction contemplated by the Agreement.

LESSEE:
City of Lavon

LESSOR:
Community First National Bank

Authorized By: Vicki Sanson, Mayor

Neal Farmer, Sr. VP

Attested By: Kay Wright, Mayor Pro Tem

EXHIBIT A EQUIPMENT DESCRIPTION

RE: Equipment Lease Purchase Agreement dated as of 8/15/2018 between Community First National Bank as Lessor and City of Lavon as Lessee.

Below is a detailed description of all Equipment including quantity, model number, serial number, and VIN number where applicable.

Equipment Description: Motorola Radios and Equipment

This Agreement will be cross collateralized with Equipment Lease Purchase Agreement (short-form) dated 8/15/2018, Lease Number: 62476 by and between City of Lavon and Community First National Bank as Lessor.

Additional Collateral: One (1) New Ford F-450 Crew Cab 4x4 XL (VIN# and year provided on Exhibit A under Agreement #62476)

Physical location where equipment will be stored after delivery:

EXHIBIT B PAYMENT SCHEDULE

Amount Financed: \$18,739.84

AMORTIZATION SCHEDULE

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Purchase Option Price
1	6/1/2019	\$6,805.46	\$738.80	\$6,066.66	Not Available
2	6/1/2020	\$6,805.46	\$620.22	\$6,185.24	\$6,612.39
3	6/1/2021	\$6,805.46	\$317.52	\$6,487.94	\$0.00
Grand Totals		\$20,416.38	\$1,676.54	\$18,739.84	

LESSEE:
City of Lavon

Vicki Sanson, Mayor

EXHIBIT C
CERTIFICATE OF INCUMBENCY & RESOLUTION

I, acting as City Administrator/Secretary on behalf of the Lessee, a political subdivision or agency duly organized and existing under the laws of the State of Texas and herein obligated, do hereby certify to Community First National Bank the person(s) signing this Lease, and all documents pertaining thereto, is (are) duly elected, appointed, qualified and incumbent officers or representatives of such entity. I further certify (a) the signature(s) is (are) true and authentic and; (b) such officer(s) has (have) the authority on behalf of such entity and by resolution of its governing body to enter into this Equipment Lease Purchase Agreement.

IN WITNESS WHEREOF, I have duly executed this certificate on said date _____.

Kim Dobbs, City Administrator/Secretary

Federal Tax ID #

<u>Officer Title</u>	<u>Officer Name</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Print the Officer Title and Name of the individuals of the governing body

**EXHIBIT D
OPINION OF COUNSEL**

As Counsel for City of Lavon, it is my opinion:

- a.) Lessee's true and legal name is City of Lavon.
- b.) Lessee is a political subdivision of the State of Texas or a constituted authority authorized to issue obligations on behalf of a political subdivision of the State.
- c.) Lessee has the requisite power and authority to purchase the Equipment and to execute and deliver the Agreement and to perform its obligations under the Agreement. The Agreement and the other documents either attached hereto or required herein have been duly authorized, approved and executed by and on behalf of Lessee, and the Agreement is a legal, valid and binding obligation of Lessee enforceable in accordance with its terms.
- d.) The authorization, approval and execution of the Agreement and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state and federal laws.
- e.) There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the authority of the Lessee or any of the Lessee's officers or employees to enter into the Agreements.

COUNSEL FOR LESSEE:

Signature

Print Name

Date

Firm Name

City, State

Telephone Number

EXHIBIT E INSURANCE COVERAGE REQUIREMENTS

RE: Equipment Lease Purchase Agreement dated as of 8/15/2018 between Community First National Bank as Lessor and City of Lavon as Lessee.

Please mark one of the following:

() Pursuant to Section 5.01 of the Agreement, we agreed to provide evidence of insurance covering the property in the Agreement. A Certificate of Insurance naming all insured parties and coverage will be provided to Lessor as soon as possible, but no later than the date on which delivery of the equipment occurs.

() Pursuant to Section 5.01c of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form, together with a copy of any additional information regarding the nature of our self-insurance program. Coverage will be provided to Lessor as soon as possible, but no later than the date on which delivery of the equipment occurs.

Equipment to be insured: **Motorola Radios and Equipment**

Policy should be issued and mailed to: Community First National Bank and/or Its Assigns
215 S. Seth Child Road
Manhattan, KS 66502

INSURANCE REQUIREMENTS:

1. **LIABILITY**
 - ❖ *Minimum of \$1,000,000.00 combined single-limit on bodily injury and property damage.*
 - ❖ *Community First National Bank AOIA must be listed as additional insured and loss payee.*

2. **PHYSICAL DAMAGE**
 - ❖ *All risk coverage to guarantee proceeds sufficient to pay the replacement value of the equipment. Community First National Bank AOIA must be listed as additional insured and loss payee.*

3. **ENDORSEMENT**
 - ❖ *Lessor will receive at least thirty (30) days written notice from Insurer prior to alteration, cancellation or reduction of insurance coverage.*
 - ❖ *Deductibles should be listed on certificate of coverage.*

**THE CERTIFICATE SHOULD BE
EMAILED TO morganherpich@clpusa.net
OR FAXED TO: 888.777.7875**

Insurance Company Name:		
Agents Name:		
Address		
City:	State	Zip:
Phone:	Fax:	Email:

LESSEE:
City of Lavon

Vicki Sanson, Mayor

EXHIBIT F
ACCEPTANCE CERTIFICATE

RE: Equipment Lease Purchase Agreement dated as of 8/15/2018 between Community First National Bank as Lessor and City of Lavon as Lessee.

In accordance with the Lease Purchase Agreement (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

- (1) All of the Equipment (as such term is defined in the Agreement) has been delivered, installed and accepted on the date hereof.
- (2) Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
- (3) Lessee is currently maintaining the insurance coverage required by **Section 5** of the Agreement.
- (4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.
- (5) Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.
- (6) The governing body of Lessee has approved the authorization, execution and delivery of this Agreement on its behalf by the authorized representative of Lessee who signed the Agreement.
- (7) The Lessee will in a timely fashion submit the appropriate paperwork to the State to have a title to the Equipment issued in their name as owner and Lessor listed as first lienholder. Such verification of perfected ownership and security interest will be provided to Lessor no later than 90 days from delivery of the Equipment.

LESSEE:
City of Lavon

Vicki Sanson, Mayor

Date

INVOICE INSTRUCTIONS

RE: Equipment Lease Purchase Agreement dated as of 8/15/2018 between Community First National Bank as Lessor and City of Lavon as Lessee.

Lease Number: 62479

Equipment Description: Motorola Radios and Equipment

Please provide contact information for billing and invoicing purposes.

Person/Department: _____
P.O. Box/Street: _____
City, State, Zip _____
Telephone Number: _____
Email Address: _____

**Information Return for Small Tax-Exempt
 Governmental Bond Issues, Leases, and Installment Sales**

OMB No. 1545-0720

▶ **Under Internal Revenue Code section 149(e)**

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

Part I Reporting Authority		Check box if Amended Return <input type="checkbox"/>	
1 Issuer's name City of Lavon		2 Issuer's employer identification number (EIN) 75 2004104	
3 Number and street (or P.O. box if mail is not delivered to street address) PO Box 340		Room/suite	
4 City, town, or post office, state, and ZIP code Lavon, TX 75166		5 Report number (For IRS Use Only) [] [] []	
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information		7 Telephone number of officer or legal representative	

Part II Description of Obligations Check one: a single issue <input checked="" type="checkbox"/> or a consolidated return <input type="checkbox"/>	
8a Issue price of obligation(s) (see instructions)	8a 18,739 84
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶ 08/15/2018	
9 Amount of the reported obligation(s) on line 8a that is:	
a For leases for vehicles	9a
b For leases for office equipment	9b
c For leases for real property	9c
d For leases for other (see instructions) SCBAs or Turnout Gear	9d 18,739 84
e For bank loans for vehicles	9e
f For bank loans for office equipment	9f
g For bank loans for real property	9g
h For bank loans for other (see instructions)	9h
i Used to refund prior issue(s)	9i
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j
k Other	9k
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box <input checked="" type="checkbox"/>	
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) <input type="checkbox"/>	
12 Vendor's or bank's name: Community First National Bank	
13 Vendor's or bank's employer identification number: 48-1238548	

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Signature of issuer's authorized representative: _____ Date: _____

Type or print name and title: **Vicki Sanson, Mayor**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶		Phone no.	
	Firm's address ▶				

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at www.irs.gov/form8038. Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.



CITY OF LAVON CITY COUNCIL Agenda Brief

MEETING: September 4, 2018

ITEM: 8
9 - A

Items:

8. BUDGET WORK SESSION

Discussion regarding the financial status for current Fiscal Year (FY) 2017-18, budget calendar, anticipated commitments, departmental service proposals, fee schedule, requests and proposed budget for FY 2018-19.

9. ITEMS FOR CONSIDERATION

A. Public Hearing and discussion regarding the Proposed Annual Budget and Fee Schedule for the Fiscal Year that begins October 1, 2018 and ends September 30, 2019.

- 1) Presentation of the Proposed Annual Budget and Fee Schedule.
- 2) **PUBLIC HEARING** to receive comments regarding the Budget and Fee Schedule.
- 3) Discussion regarding the Budget and Fee Schedule.

Background:

Beginning on July 17, 2018, the City Council began conducting a series of budget work sessions in open meetings on the regularly scheduled meeting dates. This is the fourth work session. After each work session, the direction provided by the City Council is incorporated into the worksheets. Additionally, as the projections are continuously revised, the departmental requests for budget enhancements are refined.

Assumptions for the proposed FY 2018-19 Budget include:

- Maintain the same tax rate of 0.4557 cents per \$100 valuation.
- Adjust the maintenance and operations portion of the ad valorem tax rate and inter-fund transfers to adequately fund the debt service for the expansion of the wastewater treatment plant.
- Adjust the budget to provide for the reduction in building permit revenue and growth that will result from the shortage of available lots for new home construction. New lots are anticipated to be available in August 2019.
- Incorporate a new process for public infrastructure inspections.

- Add one Police Patrol Officer. All other staffing levels remain the same.
- Provide for a cost of living adjustment of 1% and potential merit increases of up to 2%.
- Provide resources to equip and train the Lavon Volunteer Fire Department.
- Open and maintain the Emergency Operations Center (EOC)
- Replace two police vehicles.
- Provide funding for the City's participation in the TxDOT project to widen SH 205.
- Provide funds for the increase in Collin County Dispatch fees.

The general fund contains the resources and expenditures that encompass essentially all general City operations exclusive of utilities or enterprise functions.

Collin County calculated the effective tax rate which will exceed the current property tax rate. Maintaining the current tax rate is not considered a tax rate increase and does not require the mandatory public hearings related to an increase in taxes. The City Council directed that although not required, a public hearing would be scheduled to receive public input regarding the budget, fee schedule and tax rate.

The City Council is scheduled to vote on the proposed budget and tax rate at the September 18, 2018 meeting.

Attachments: Budget Calendar
Proposed Budget Worksheets – provided at the end of the packet

August 31, 2018



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 9 - B

Item:

Public Hearing, discussion and action regarding an application submitted by Barnett Signs on behalf of owner 7-Eleven for a variance to Section 4.05.008 of the Code of Ordinances, Signs that provides for a monument sign area of 18 square feet to permit a monument sign with an effective area of 49.8 square feet at 991 S. SH 78, northeast of the intersection of SH 205 and SH 78.

- 1) Presentation of request.
- 2) **PUBLIC HEARING** to receive comments regarding the request.
- 3) Discussion and action regarding the request.

Background Information

Owner: 7-Eleven
Applicant: Barnett Signs – Jacob Capetillo
Location: 991 South SH 78
Northeast of the intersection of SH 78 and SH 205
Property Description: Lot 1, Lavon 7-Eleven Addition; 1.109 acres
City of Lavon, Collin County, Texas
Current Zoning: Retail
Description of Request: Consideration of a sign variance

The applicant is seeking a variance to Section 16, Sign Standards that requires that any Freestanding Sign shall be a Monument Sign.

Code Excerpt:

**Lavon Code of Ordinances
Section 4.05.008 – Approved signs and standards**

(b) Approved permanent signs

- (1) Freestanding signs.

(A) All on-site, permanent, freestanding directory signs, agricultural signs, general business signs, identification signs, and apartment signs shall be monument signs.

(B) Monument signs shall be level with the ground and shall not exceed six feet (6') in height. For businesses that have entrances on two streets, a sign may be erected on each street; however, both signs combined may not exceed the total square footage allowed for frontage size. The following standards shall be used:

Frontage	Maximum Area
120 - 240 feet	18 sq. ft.
240 - 480 feet	96 sq. ft.
480 feet and beyond	150 sq. ft.

The applicant's business is located on the northeast corner of SH 78 and SH 205. The road frontage for the property totals 185.40' along SH 78. Visibility on SH 78 from the west is somewhat impacted by the elevation of the eastbound roadway.

The application complies with the height and design requirements. The applicant seeks to install a sign that is larger in area than permitted.

Due to the character of the surrounding commercial property and intersection and the design speed of SH 78, approval is recommended.

Attachments: Variance Application
Sign Permit Application
Location and Sign exhibits

August 31, 2018



4250 Action Dr. - Mesquite, Texas 75150 972.681.8800 - Main barnettsigns.com Texas Electrical Sign Contractor #18034

To:
City of Lavon

To whom it may concern,

I am requesting a sign variance requesting an exception for the max allowed square footage for frontage size of our lot. According to the sign ordinance the maximum area allowed for a monument sign is 18 square feet considering the frontage 120-240 ft. We are proposing to install a monument sign with the effective area of 49.8 square feet.

We believe the allowed area is very small and creates a visibility hardship.

Jacob Capetillo - Director of Permits & Training
jacob@barnettsigns.com



CITY OF LAVON

P.O. Box 340 - 120 School Rd. - Lavon, TX 75166
 Office 972-843-4220 - Fax 972-843-0397 - Inspection 972-853-0855
 Email: leann.mcclendon@cityoflavon.org

COMMERCIAL BUILDING PERMIT APPLICATION

Please type or print clearly. Incomplete applications will not be accepted.

CONSTRUCTION/PROJECT ADDRESS: _____	DATE: _____
-------------------------------------	-------------

<input checked="" type="checkbox"/> PROPERTY OWNER <input type="checkbox"/> TENANT* Name: <u>7-Eleven</u> Address: <u>991 S. SH 78</u> City/State/Zip: <u>Lavon</u> Phone #: _____ Fax #: _____ Owner Name (if tenant): _____	<input type="checkbox"/> ARCHITECT <input type="checkbox"/> ENGINEER License/Registration #: _____ Name: _____ Company Name: _____ Address: _____ City/State/Zip: _____ Phone #: _____ Fax #: _____
*May require written approval from Property Owner.	

CONTRACTOR: **GENERAL** **ELECTRICAL** **MECHANICAL** **PLUMBING** **OWNER-BUILDER**
 SEWER **HVAC** **IRRIGATION** **ROOFING** **OTHER:** _____

Company/Name: Barnett Signs License/Registration #: 18034
 Address: 4250 Action Dr License Class: _____
 City/State/Zip: Mesquite TX 75150 Expiration: _____
 Phone #: 972-681-8800 Fax #: _____ Business License #: _____

SUB-CONTRACTOR(S):

ELECTRICAL: _____	Phone #: _____
MECHANICAL: _____	Phone #: _____
PLUMBING: _____	Phone #: _____
IRRIGATION: _____	Phone #: _____
SEPTIC: _____	Phone #: _____

NOTICE TO APPLICANT: This permit is issued on the basis of information furnished in this application and on any submitted plans. It is subject to the provisions and requirements of the City of Lavon Code of Ordinances and any other applicable ordinances of the City, regardless of information and/or plans submitted.

SCOPE OF PERMIT: For new buildings and additions to existing buildings, this permit authorizes all structural, plumbing, electrical and mechanical work to be performed in the construction of the building or structure at this address if completed during initial construction. Separate subcontractor permits may be required. The permit holder is required to use only sub-contractors licensed, registered or bonded by the City of Lavon where such a requirement is applicable.

<p style="text-align: center;">DESCRIPTION OF WORK:</p> <input type="checkbox"/> NEW BUILDING <input type="checkbox"/> REMODEL - <input type="checkbox"/> Interior <input type="checkbox"/> Exterior <input type="checkbox"/> NEW BUILDING (Shell) <input type="checkbox"/> ADDITION <input type="checkbox"/> FINISH OUT <input type="checkbox"/> REPAIR / REPLACEMENT <input type="checkbox"/> CONVERSION <input type="checkbox"/> FENCE - TYPE: _____ <input type="checkbox"/> ACCESSORY BUILDING <input checked="" type="checkbox"/> OTHER (EXPLAIN): Comments: <u>Install new illuminated monument sign</u>	<p style="text-align: center;">BUILDING INFORMATION AREA IN SQUARE FEET (Project S.F.)</p> Under Roof: _____ A/C: _____ Garage: _____ Lot Size: _____ Building Height: _____ Ft. # of Stories: _____ Site Coverage %: _____	<p style="text-align: center;">BUILDING USE/OCCUPANCY</p> Accessory Building <input type="checkbox"/> Townhouse <input type="checkbox"/> Apartment <input type="checkbox"/> Duplex <input type="checkbox"/> Commercial <input type="checkbox"/> Industrial/Warehouse <input type="checkbox"/> Church <input type="checkbox"/> School <input type="checkbox"/> Other (Explain Below) <input type="checkbox"/>
---	---	---



CITY OF LAVON

P.O. Box 340 - 120 School Rd. - Lavon, TX 75166
 Office 972-843-4220 - Fax 972-843-0397 - Inspection 972-853-0855
 Email: leann.mcclendon@cityoflavon.org

COMMERCIAL BUILDING PERMIT APPLICATION

Please type or print clearly. Incomplete applications will not be accepted.

ELECTRIC: <input type="checkbox"/> FEC <input checked="" type="checkbox"/> TXU <input type="checkbox"/> Other _____ GAS IN BUILDING? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	HAZARDOUS MATERIALS? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
---	---

Total Valuation	Equation Valuation = Total Sq. Ft x current building data	Fee
\$1 - \$5,000	\$200.00	
\$5,001 - \$25,000	\$200.00 for 1 st \$5,000 and \$12.00 for each add. \$1,000 or portion thereof, to & including \$25,000	
\$25,001 - \$50,000	\$440.00 for 1 st \$25,000 & \$9.00 for each add. \$1,000 or portion thereof, to & including \$50,000	
\$50,001 - \$100,000	\$652.50 for 1 st \$50,000 & \$6.83 for each add. \$1,000 or portion thereof, to & including \$100,000	
\$100,001 - \$500,000	\$994.00 for 1 st \$100,000 & \$5.60 for each add. \$1,000 or portion thereof, to & including \$500,000	
\$500,001 - \$1,000,000	\$3,234 for 1 st \$500,000 & \$4.75 for each add. \$1,000 or portion thereof, to & including \$1,000,000	
\$1,000,000 & Up	\$5,608 for 1 st \$1,000,000 & \$3.65 for each add. \$1,000 or portion thereof, to & including \$1,000,000	
Remodel/Finish-Out	20% table (N) + \$350.00	

Signs, Parking Lots, Detached Structures, Fire Systems, and Support Facilities have to be permitted separately.

Requested Permit		Fee
Plumbing Only/Electrical/Mechanical : \$75.00	Certificate of Occupancy : \$100.00	
Right of way excavation : \$100.00 + (C) in ord.	Exterior light structure : \$50.00 per structure	
Flatwork only (each) : \$100.00	Finish out : 20% table (N) + \$350.00	
Permanent Signs : \$125.00 Electrical ; \$250.00 Temporary ; \$50.00 (1 inspection included)		125.00
Building : *moving \$100.00 + inspections *demolition: \$250.00	Fence : \$50.00 for first 100 ft. + \$0.50 per linear feet over 100 ft.	
Contractor Registration : \$50.00		
Irrigation Systems : \$150.00	Special Use Other: \$100.00 + inspections	
Parking lots : \$200.00 per 10,000 sq. ft. of parking lot or portion thereof		
Screen walls : \$50.00 for first 100 ft. + \$0.50 per linear feet over 100 ft.	Retaining wall : \$200.00 + cost	
Fire Alarm /Sprinkler System permit: prices listed on Application		
Miscellaneous :		
Total Fees		125.00

Plans must include Plot, Floor, Foundation, Electrical, HVAC, ADA, Plumbing, and Energy Code Compliance. All pages should be marked accordingly. Finish-outs/remodels are subject to change from above.

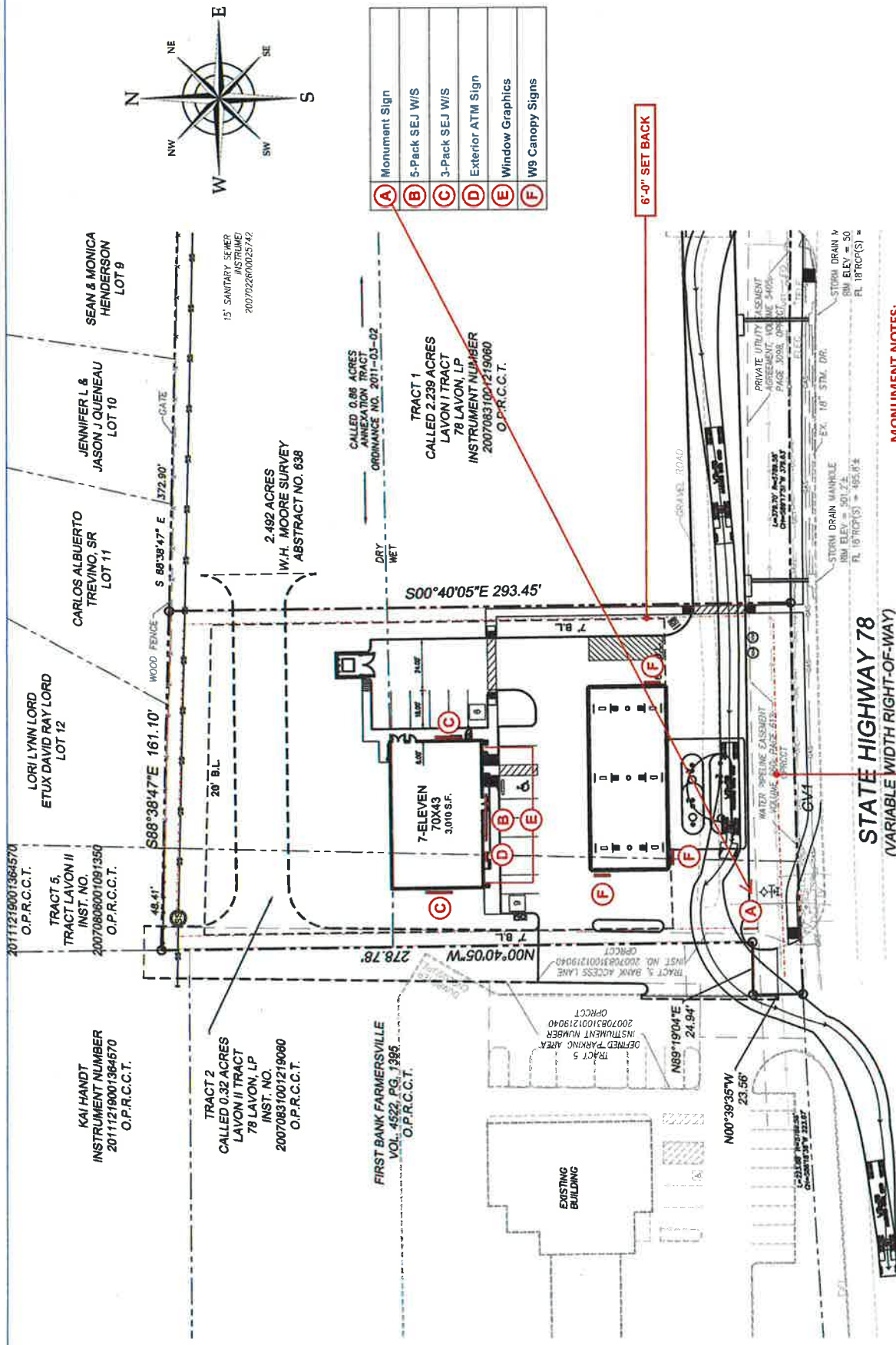
I have carefully read the complete application and know the same is true and correct and hereby agree that if a permit is issued all provisions of the city ordinance and state laws will be complied with. Whether herein specified or not, I agree to comply with all property restriction. I am the owner of the above property or his duty authorized agent. Permission is hereby granted to enter premises and make all inspections.

Date: 6/12/2018	Owner/Submitters Printed Name: Jacob Capetillo	Owner/Submitters Signature:
--------------------	---	---------------------------------

For City Use Only

Zoning:	Amount Paid:	Check No.
Inspectors Printed Name:	Inspectors Signature:	Date Approved:
In takers Printed Name:	In Takers Signature:	Date Pick Up:

Approved Permanent Signs	Standards										
	<p>Monument signs shall be level with the ground and shall not exceed six feet (6') in height. For businesses that have entrances on two streets, a sign may be erected on each street; however, both signs combined may not exceed the total square footage allowed for frontage size. The following standards shall be used:</p> <table data-bbox="503 436 1031 556"> <thead> <tr> <th data-bbox="503 436 673 468"><u>Frontage</u></th> <th data-bbox="852 436 1031 468"><u>Maximum Area</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="503 468 673 499">120 – 240 feet</td> <td data-bbox="852 468 1031 499">18 sq. ft</td> </tr> <tr> <td data-bbox="503 499 673 531">240 – 480 feet</td> <td data-bbox="852 499 1031 531">96 sq. ft</td> </tr> <tr> <td data-bbox="503 531 673 562">480 ft and beyond</td> <td data-bbox="852 531 1031 562">150 sq. ft</td> </tr> </tbody> </table> <p>At the discretion of the City and the sign owner, the City may replace any non-conforming freestanding signs at no cost to the owner.</p>	<u>Frontage</u>	<u>Maximum Area</u>	120 – 240 feet	18 sq. ft	240 – 480 feet	96 sq. ft	480 ft and beyond	150 sq. ft		
<u>Frontage</u>	<u>Maximum Area</u>										
120 – 240 feet	18 sq. ft										
240 – 480 feet	96 sq. ft										
480 ft and beyond	150 sq. ft										
Marquee	<p>Marquee signs erected on the face of a marquee shall be built as an integral part of the marquee. Such sign faces shall not have a vertical height of more than four feet (4') nor exceed fifty percent (50%) of the width of such building or store frontage. Vertical clearance shall be subject to the requirements of the Projection over Private Property section. No sign shall be allowed to overhang public property unless such sign has been approved by the City Council.</p>										
Wall	<p>There may be one sign per building that is permanently affixed to the building, not in any part mounted above the highest part of the building. The allowable size of the sign is as follows:</p> <table data-bbox="479 930 1250 1077"> <thead> <tr> <th data-bbox="479 930 673 961"><u>Business Size</u></th> <th data-bbox="1144 930 1250 961"><u>Sign Size</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="479 961 673 993">~ Up to 1500 sq. ft.</td> <td data-bbox="1144 961 1250 993">24 sq. ft.</td> </tr> <tr> <td data-bbox="479 993 673 1024">1501-3000 sq. ft.</td> <td data-bbox="1144 993 1250 1024">36 sq. ft.</td> </tr> <tr> <td data-bbox="479 1024 673 1056">3001-6000 sq. ft.</td> <td data-bbox="1144 1024 1250 1056">48 sq. ft.</td> </tr> <tr> <td data-bbox="479 1056 673 1077">6001 sq. ft and beyond</td> <td data-bbox="1144 1056 1250 1077">60 sq. ft.</td> </tr> </tbody> </table>	<u>Business Size</u>	<u>Sign Size</u>	~ Up to 1500 sq. ft.	24 sq. ft.	1501-3000 sq. ft.	36 sq. ft.	3001-6000 sq. ft.	48 sq. ft.	6001 sq. ft and beyond	60 sq. ft.
<u>Business Size</u>	<u>Sign Size</u>										
~ Up to 1500 sq. ft.	24 sq. ft.										
1501-3000 sq. ft.	36 sq. ft.										
3001-6000 sq. ft.	48 sq. ft.										
6001 sq. ft and beyond	60 sq. ft.										
Projecting	<p>The horizontal portion of any projecting sign shall not be more than six feet (6') in length, not to exceed 12 square feet, measured from the building face and shall not be closed than two feet (2') from the back of the curb line. The height of the sign shall not exceed two feet (2'). Such signs shall be an integral part of the architectural design of the building. Vertical clearance shall be subject to the subsections Projection over Private Property and Awning requirements of this section.</p>										
Projection over Private Property	<p>Projections other than awning or canopy signs over private property shall be allowed over pedestrian sidewalks, walkways, and corridors, but not to exceed the following:</p> <table data-bbox="592 1371 1282 1518"> <thead> <tr> <th data-bbox="592 1371 803 1402"><u>Vertical Clearance:</u></th> <th data-bbox="1055 1371 1282 1402"><u>Maximum Projection</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="592 1434 803 1465">7 feet or less</td> <td data-bbox="1055 1434 1282 1465">3 inches</td> </tr> <tr> <td data-bbox="592 1465 803 1497">7 or 8 feet</td> <td data-bbox="1055 1465 1282 1497">12 inches</td> </tr> <tr> <td data-bbox="592 1497 803 1518">8 feet or more</td> <td data-bbox="1055 1497 1282 1518">4 feet</td> </tr> </tbody> </table>	<u>Vertical Clearance:</u>	<u>Maximum Projection</u>	7 feet or less	3 inches	7 or 8 feet	12 inches	8 feet or more	4 feet		
<u>Vertical Clearance:</u>	<u>Maximum Projection</u>										
7 feet or less	3 inches										
7 or 8 feet	12 inches										
8 feet or more	4 feet										
Awning	<p>An awning sign may extend the full length of the wall of the building to which it is attached and shall be no more than six feet (6') in height and shall not be placed less than seven feet (7') above the walking surface below it. Art work or copy on awning signs shall be limited to a business name and/or logo and shall not exceed twenty percent (20%) of the area of the awning and shall extend for no more than fifty percent (50%) of the length of the awning.</p>										
Canopy	<p>A canopy sign may be placed on or be an integral part of the face of a canopy. The sign may consist only the name and/or logo of the business at the location of the canopy and may be no greater in size than ten percent (10%) of the face of the canopy of which it is a part of or to which it is attached, or a maximum of twenty-five (25) square feet. An illuminated stripe may be incorporated into a canopy. The stripe may extend along the entire length of the face of the</p>										



(A)	Monument Sign
(B)	5-Pack SEJ W/S
(C)	3-Pack SEJ W/S
(D)	Exterior ATM Sign
(E)	Window Graphics
(F)	W9 Canopy Signs

- MONUMENT NOTES:**
1. SET BACK IS 8' FROM PROPERTY LINE AND 6' FROM OTHER PROPERTY LINE.
 2. CLIENT TO GET WITH CITY FOR AN EASEMENT AGREEMENT.

6'-0" SET BACK

8'-0" SET BACK

Site Plan
1"=50'

7-Eleven #38387 (1042790)
Highway 78
Highway 205
Lavon, Texas 75166

rd. Jacksonville FL 32257 • 904 268 4681
Dallas TX 32257 • 972 905 9450

SVE6507-R4

(Customer's 7-Eleven) Art
(SVE6507-R4 #38387 (1042790).cdr

DESIGNER	mh
REVISOR	mh
DATE	05/25/18
PROJECT	7-Eleven brand fuel
LOCATION	Lavon, TX
DESCRIPTION	Revised removing directional signs from exhibit

SALES PERSON: rg
DESIGNER: mh
DATE: _____

THE SIGNS ON THESE PAGES
DO NOT REPRESENT THE
REQUIREMENTS OF THE
THE 204 BC AND OR

NOTE: DEDICATED 20 AMP CIRCUIT REQUIRED FOR LED GAS PRICE CABINET. MUST BE PROVIDED BY CUSTOMER



MANUFACTURE & SHIP ONE (1) M25 / L25 DIF INTERNALLY ILLUMINATED SIGN CABINET W/ GREEN & RED LED DIGITS. 8" DEEP EXTRUDED ALUM. CABINET W/ 2" INSET HINGED RETAINERS TO BE PAINTED DURANODIC BRONZE. CABINET TO BE INTERNALLY ILLUMINATED W/ WHITE LEDS. 2" INSET RETAINERS TO BE HINGED ON ONE SIDE OF CABINET. STANDARD 7-ELEVEN M25 FACES: 3/16" THICK PAN FORMED & EMBOSSED WHITE POLYCARBONATE FACES WITH TRANSLUCENT VINYL GRAPHICS APPLIED FIRST SURFACE. STANDARD 7-ELEVEN L25G2D FACES: 3/16" THICK PAN FORMED CLEAR POLYCARBONATE FACES BACK SPRAYED PMS 485 RED THEN PMS WHITE W/ 3M 3630-26 GREEN TRANSLUCENT VINYL & 3M 7725-42 BLACK VINYL TRIM AROUND LED WINDOW APPLIED SECOND SURFACE.

PROPOSED WITH 12" SEP PRICE-VISION LED UNITS.

PROVIDE 1" x 1" ALUMINUM SQUARE TUBE FINISHED DURANODIC BRONZE TO FILL/PROVIDE VENTILATION SPACE UNDERNEATH CABINET FOR AIR FLOW VENTS.

VINYL SPECS: 3M 3630-44 ORANGE, 3M 3630-33 RED, 3M 3630-26 GREEN, 3M 7725-12 BLACK
 PAINT SPECS: DURANODIC BRONZE, PMS 485 RED, PMS WHITE

NOTE: MONUMENT SIGN SHALL BE CONSTRUCTED OF THE SAME PRIMARY MASONRY MATERIALS AS THE FRONT BUILDING FACADE OR THE PRINCIPAL OR MAIN BUILDING ON THE SAME LOT OR SHALL BE STONE OR BRICK AND SHALL BE SIMILAR ARCHITECTURAL STYLE.

NOTE: ALL BRICK/MASONRY TO BE PROVIDED BY GC'S SUBCONTRACTOR.

7-ELEVEN LOGO
 DIMENSIONS:
 OAH: 47"
 OAL: 42 15/16"

SEP PRICE VISION LED UNITS:
 LED UNIT SIZE: 14.284" X 30.676"
 LED CHARACTER SIZE: 12.340"

Front Elevation & Side Detail - M25 & L25G2D Monument Sign Structures - Sign A
 1/2" = 1'-0"

Display Square Footage (Cabinet): 49.8



7-Eleven #38387 (1042790)
 Highway 78 @
 Highway 205
 Lorton, Texas 75166

SVE6507 R4
 F:\Customer\7 Eleven\Art
 (SVE6507-R4 #38387 (1042790).cdr)

designer:

mh
mh
mh
mh
mh

date:

Salesperson: rg
 Designer: mh
 Pmt. bb
 Page: 2



THE SIGNS ON THESE PAGES
 TO MEET OR EXCEED ALL A
 REQUIREMENTS OF THE
 THE 2018 IRC AND OF



CITY OF LAVON CITY COUNCIL Agenda Brief

MEETING: September 4, 2018

ITEM: 9 - C

Item:

Discussion and action regarding Resolution No. 2018-09-04 approving a NEGOTIATED settlement between the Atmos Cities Steering Committee (“ACSC”) and ATMOS ENERGY CORP., Mid-Tex DIVISION regarding the company’s 2018 Rate Review Mechanism filings

BACKGROUND AND SUMMARY

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

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members earlier this year. On or about April 1, 2018, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2017, entitled it to additional system-wide revenues of \$42.0 million. Application of the standards set forth in ACSC’s RRM Tariff required Atmos to reduce its request to \$27.4 million. After review of the consultants’ report, the Company offered to settle for a system-wide increase of \$25.9 million. Following further negotiations, ACSC’s Executive Committee agreed to recommend a system-wide rate increase of \$24.9 million. That increase when allocated to ACSC members results in an increase of \$17.8 million. The Effective Date for new rates is October 1, 2018. ACSC members should take action approving the Resolution before the end of September.

PROOF OF REVENUES

Atmos generated proof that the rate tariffs attached to the Resolution will generate \$24.9 million in additional revenues on a system-wide basis. That proof is attached as Attachment 1 to this Staff Report. ACSC consultants have agreed that Atmos’ Proof of Revenues is accurate.

BILL IMPACT

Given the fact that ACSC demanded that Atmos reflect reduced federal income taxes in its cost-of-service, as reflected in the RRM Tariff adopted earlier this year, Atmos reduced its rates in March. The rate increase associated with the Resolution is largely offset by the lowered federal income tax rates, such that out-of-pocket expense to consumers should be roughly the same under new rates as what was experienced by consumers last winter. A bill impact comparison is attached as Attachment 2.

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

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

EXPLANATION OF "BE IT ORDAINED" PARAGRAPHS

1. This section approves all findings in the Resolution.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$24.9 million on a system-wide basis. Settling Cities will be responsible for \$17.8 million of the \$24.9 million.
4. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
5. This section approves an exhibit to be used in future rate cases or RRM filings regarding recovery of regulatory liabilities, such as excess deferred income taxes.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Resolution.
8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution. This section further directs that the remaining provisions of the Resolution are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage.

11. This section directs that a copy of the signed Resolution be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$42 million in additional system-wide revenues, the RRM settlement at \$24.9 million reflects savings of \$17.1 million. ACSC's consultants produced a report indicating that Atmos had justified increased revenues of at least \$21.7 million. Settlement at \$24.9 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution before September 30, 2018. New rates become effective October 1, 2018.

2557/30/7718885

August 31, 2018

CITY OF LAVON, TEXAS

RESOLUTION NO. 2018-09-04

Atmos Cities Steering Committee Settlement

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2018 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS 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 Lavon, Texas (“City”) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), and a regulatory authority with an interest in the rates and charges of Atmos Mid-Tex; and

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

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

WHEREAS, the RRM tariff was adopted by the City in a rate ordinance earlier this year; and

WHEREAS, on about April 1, 2018, Atmos Mid-Tex filed its 2018 RRM rate request with ACSC Cities based on a test year ending December 31, 2017; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2018 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 \$24.9 million on a system-wide basis (\$17.8 million of which is applicable to ACSC members); and

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

WHEREAS, the Exhibit A rate tariffs incorporate the federal income tax rates that became effective January 1, 2018; and

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

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

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

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

Section 1. That the findings set forth in this Resolution are hereby in all things approved.

Section 2. That the City Council finds that the settled amount of an increase in revenues of \$24.9 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 2018 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$24.9 million in revenue on a system-wide basis over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

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

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

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company’s 2018 RRM filing.

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

Section 8. That 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. That 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. That 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, 2018.

Section 11. That 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 LJB Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

DULY PASSED AND APPROVED by the City Council of the City of Lavon, Texas on the 4th day of September, 2018.

Vicki Sanson
Mayor

ATTEST:

Kim Dobbs
City Administrator | City Secretary

Exhibit A
Rate Tariffs Effective
October 1, 2018

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 12

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 18.85 per month
Rider CEE Surcharge	\$ 0.03 per month ¹
Total Customer Charge	\$ 18.88 per month
Commodity Charge – All <u>Ccf</u>	\$0.14846 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2018.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 13

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 43.50 per month
Rider CEE Surcharge	\$ (0.03) per month ¹
Total Customer Charge	\$ 43.47 per month
Commodity Charge – All Ccf	\$ 0.09165 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2018.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 14

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 784.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3312 per MMBtu
Next 3,500 MMBtu	\$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0520 per MMBtu

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

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

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

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

Curtailed Overpull Fee

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

Replacement Index

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 15

Agreement

An Agreement for Gas Service may be required.

Notice

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

Special Conditions

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

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 16

Exhibit A

The rates were effective for the following Cities on 3/15/2018:

ABILENE	DENISON	KILLEEN
ADDISON	DENTON	KRUM
ALBANY	DESOTO	LAKE WORTH
ALLEN	DRAPER AKA CORRAL CITY	LAKESIDE
ALVARADO	DUNCANVILLE	LEWISVILLE
ANGUS	EASTLAND	LINCOLN PARK (ANNEXED WITH LITTLE ELM)
ANNA	EDGECLIFF VILLAGE	LITTLE ELM
ARGYLE	EMORY	LORENA
ARLINGTON	ENNIS	MADISONVILLE
AUBREY	EULESS	MALAKOFF
AZLE	EVERMAN	MANSFIELD
BEDFORD	FAIRVIEW	MCKINNEY
BELLMEAD	FARMERS BRANCH	MELISSA
BENBROOK	FARMERSVILLE	MESQUITE
BEVERLY HILLS	FATE	MIDLOTHIAN
BLOSSOM	FLOWER MOUND	MURPHY
BLUE RIDGE	FOREST HILL	NEWARK
BOWIE	FORNEY	NOCONA
BOYD	FORT WORTH	NORTH RICHLAND HILLS
BRIDGEPORT	FRISCO	NORTHLAKE
BROWNWOOD	FROST	OAK LEAF
BUFFALO	GAINSVILLE	OVILLA
BURKBURNETT	GARLAND	PALESTINE
BURLESON	GARRETT	PANTEGO
CADDO MILLS	GRAND PARAIRIE	PARIS
CANTON	GRAPEVINE	PARKER
CARROLLTON	GUNTER	PECAN HILL
CEDAR HILL	HALTOM CITY	PETROLIA
CELESTE	HARKER HEIGHTS	PLANO
CELINA	HASKELL	PONDER
CENTERVILLE	HASLET	POTTSBORO
CISCO	HEWITT	PROSPER
CLARKSVILLE	HIGHLAND PARK	QUITMAN
CLEBURNE	HIGHLAND VILLAGE	RED OAK
CLYDE	HONEY GROVE	RENO (PARKER COUNTY)
COLLEGE STATION	HURST	RHOME
COLLEYVILLE	IOWA PARK	RICHARDSON
COLORADO CITY	IRVING	RICHLAND
COMANCHE	JUSTIN	RICHLAND HILLS
COOLIDGE	KAUFMAN	RIVER OAKS
COPPELL	KEENE	ROANOKE
CORINTH	KELLER	ROBINSON
CRANDALL	KEMP	ROCKWALL
CROWLEY	KENNEDALE	ROSCOE
DALWORTHINGTON GARDENS	KERRVILLE	ROWLETT

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 17

Cities with Rate Effective 3/15/2018 (Continued)

ROYSE CITY	SULPHUR SPRINGS	WATAUGA
SACHSE	SWEETWATER	WAXAHACHIE
SAGINAW	TEMPLE	WESTLAKE
SANSOM PARK	TERRELL	WESTOVER HILLS
SEAGOVILLE	THE COLONY	WHITE SETTLEMENT
SHERMAN	TROPHY CLUB	WHITESBORO
SNYDER	TYLER	WICHITA FALLS
SOUTHLAKE	UNIVERSITY PARK	WOODWAY
SPRINGTOWN	VENUS	WYLIE
STAMFORD	VERNON	
STEPHENVILLE	WACO	

The rates were effective for the following Cities on 4/01/2018:

ABBOTT	BRUCEVILLE-EDDY	DEPORT
ALBA	BRYAN	DETROIT
ALMA	BUCKHOLTS	DODD CITY
ALVORD	BUFFALO GAP	DOUBLE OAK
ANNONA	BURNET	DUBLIN
ANSON	BYERS	EARLY
ARCHER CITY	CALDWELL	ECTOR
ATHENS	CALVERT	EDOM
AURORA	CAMERON	ELECTRA
AUSTIN	CAMPBELL	EMHOUSE
AVERY	CARBON	EUSTACE
BAIRD	CASHION COMMUNITY	EVANT
BALCH SPRINGS	CEDAR PARK	FAIRFIELD
BALLINGER	CHANDLER	FERRIS
BANDERA	CHICO	FRANKLIN
BANGS	CHILDRESS	FRANKSTON
BARDWELL	CHILLICOTHE	FREDERICKSBURG
BARRY	CLIFTON	GATESVILLE
BARTLETT	COCKRELL HILL	GEORGETOWN
BARTONVILLE	COLEMAN	GLEN ROSE
BELLEVUE	COLLINSVILLE	GLENN HEIGHTS
BELLS	COMMERCE	GODLEY
BELTON	COMO	GOLDTHWAITE
BENJAMIN	COOPER	GOODLOW
BERTRAM	COPPER CANYON	GORDON
BLACKWELL	COPPERAS COVE	GOREE
BLANKET	CORSICANA	GORMAN
BLOOMING GROVE	COVINGTON	GRANBURY
BLUE MOUND	COYOTE FLATS	GRANDVIEW
BLUM	CRAWFORD	GRANGER
BOGATA	CROSS ROADS	GREENVILLE
BONHAM	CUMBY	GROESBECK
BREMOND	DAWSON	GUSTINE
BRONTE	DECATUR	HAMLIN
BROWNSBORO	DELEON	HAMILTON

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 18

Cities with Rate Effective 4/01/2018 (Continued)

HAWLEY	MALONE	RANGER
HEARNE	MANOR	RAVENNA
HEATH	MARBLE FALLS	RENO (LAMAR COUNTY)
HEBRON	MARLIN	RETREAT
HENRIETTA	MART	RICE
HICKORY CREEK	MAYPEARL	RIESEL
HICO	MCGREGOR	RIO VISTA
HILLSBORO	MCLENDON-CHISHOLM	ROBERT LEE
HOLLAND	MEGARGEL	ROBY
HOLLIDAY	MERIDIAN	ROCHESTER
HOWE	MERKEL	ROCKDALE
HUBBARD	MEXIA	ROGERS
HUTCHINS	MIDWAY	ROSEBUD
HUTTO	MILES	ROSS
IMPACT	MILFORD	ROTAN
IREDELL	MILLSAP	ROUND ROCK
ITALY	MOBILE CITY	ROXTON
ITASCA	MOODY	RULE
JEWETT	MORAN	RUNAWAY BAY
JOSEPHINE	MORGAN	SADLER
JOSHUA	MUENSTER	SAINT JO
KERENS	MUNDAY	SAN ANGELO
KNOLLWOOD	MURCHISON	SAN SABA
KNOX CITY	NEVADA	SANCTUARY
KOSSE	NEW CHAPEL HILL	SANGER
KURTEN	NEWCASTLE	SANTA ANNA
LACY-LAKEVIEW	NOLANVILLE	SAVOY
LADONIA	NORMANGEE	SCURRY
LAKE DALLAS	NOVICE	SEYMOUR
LAKEPORT	OAK POINT	SHADY SHORES
LAMPASAS	OAKWOOD	SOMERVILLE
LANCASTER	O'BRIEN CO-OP GIN	SOUTH MOUNTAIN
LAVON	OGLESBY	SOUTHMAYD
LAWN	OLNEY	STAR HARBOR
LEANDER	PALMER	STOCKTON BEND
LEONA	PARADISE	STRAWN
LEONARD	PECAN GAP	STREETMAN
LEXINGTON	PENELOPE	SUN VALLEY
LINDSAY	PFLUGERVILLE	SUNNYVALE
LIPAN	PILOT POINT	TALTY
LITTLE RIVER ACADEMY	PLEASANT VALLEY	TAYLOR
LLANO	POINT	TEAGUE
LOMETA	POST OAK BEND	TEHUACANA
LONE OAK	POWELL	THORNDALE
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LORAIN	PRINCETON	THRALL
LOTT	PUTNAM	THROCKMORTON
LUEDERS	QUANAH	TIOGA
MABANK	QUINLAN	TOCO

MID-TEX DIVISION
 ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
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Cities with Rate Effective 4/01/2018 (Continued)

TOM BEAN	VALLEY VIEW	WHITNEY
TRENT	VAN ALSTYNE	WILMER
TRENTON	WALNUT SPRINGS	WINDOM
TRINIDAD	WEINERT	WINTERS
TROY	WEST	WIXON VALLEY
TUSCOLA	WESTWORTH VILLAGE	WOLFE CITY
TYE	WHITEHOUSE	WORTHAM
VALLEY MILLS	WHITEWRIGHT	YANTIS

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 16

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 784.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3312 per MMBtu
Next 3,500 MMBtu	\$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0520 per MMBtu

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

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

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

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

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

Imbalance Fees

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

Monthly Imbalance Fees

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

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APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 17

Curtailment Overpull Fee

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

Replacement Index

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

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 18

Exhibit A

The rates were effective for the following Cities on 3/15/2018:

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BEVERLY HILLS	FATE	MIDLOTHIAN
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COLORADO CITY	IRVING	RICHLAND
COMANCHE	JUSTIN	RICHLAND HILLS
COOLIDGE	KAUFMAN	RIVER OAKS
COPPELL	KEENE	ROANOKE
CORINTH	KELLER	ROBINSON
CRANDALL	KEMP	ROCKWALL
CROWLEY	KENNEDALE	ROSCOE
DALWORTHINGTON GARDENS	KERRVILLE	ROWLETT

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 19

Cities with Rate Effective 3/15/2018 (Continued)

ROYSE CITY	SULPHUR SPRINGS	WATAUGA
SACHSE	SWEETWATER	WAXAHACHIE
SAGINAW	TEMPLE	WESTLAKE
SANSOM PARK	TERRELL	WESTOVER HILLS
SEAGOVILLE	THE COLONY	WHITE SETTLEMENT
SHERMAN	TROPHY CLUB	WHITESBORO
SNYDER	TYLER	WICHITA FALLS
SOUTHLAKE	UNIVERSITY PARK	WOODWAY
SPRINGTOWN	VENUS	WYLIE
STAMFORD	VERNON	
STEPHENVILLE	WACO	

The rates were effective for the following Cities on 4/01/2018:

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ANNONA	BURNET	DUBLIN
ANSON	BYERS	EARLY
ARCHER CITY	CALDWELL	ECTOR
ATHENS	CALVERT	EDOM
AURORA	CAMERON	ELECTRA
AUSTIN	CAMPBELL	EMHOUSE
AVERY	CARBON	EUSTACE
BAIRD	CASHION COMMUNITY	EVANT
BALCH SPRINGS	CEDAR PARK	FAIRFIELD
BALLINGER	CHANDLER	FERRIS
BANDERA	CHICO	FRANKLIN
BANGS	CHILDRESS	FRANKSTON
BARDWELL	CHILLICOTHE	FREDERICKSBURG
BARRY	CLIFTON	GATESVILLE
BARTLETT	COCKRELL HILL	GEORGETOWN
BARTONVILLE	COLEMAN	GLEN ROSE
BELLEVUE	COLLINSVILLE	GLENN HEIGHTS
BELLS	COMMERCE	GODLEY
BELTON	COMO	GOLDTHWAITE
BENJAMIN	COOPER	GOODLOW
BERTRAM	COPPER CANYON	GORDON
BLACKWELL	COPPERAS COVE	GOREE
BLANKET	CORSICANA	GORMAN
BLOOMING GROVE	COVINGTON	GRANBURY
BLUE MOUND	COYOTE FLATS	GRANDVIEW
BLUM	CRAWFORD	GRANGER
BOGATA	CROSS ROADS	GREENVILLE
BONHAM	CUMBY	GROESBECK
BREMOND	DAWSON	GUSTINE
BRONTE	DECATUR	HAMLIN
BROWNSBORO	DELEON	HAMILTON

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 20

Cities with Rate Effective 4/01/2018 (Continued)

HAWLEY	MALONE	RANGER
HEARNE	MANOR	RAVENNA
HEATH	MARBLE FALLS	RENO (LAMAR COUNTY)
HEBRON	MARLIN	RETREAT
HENRIETTA	MART	RICE
HICKORY CREEK	MAYPEARL	RIESEL
HICO	MCGREGOR	RIO VISTA
HILLSBORO	MCLENDON-CHISHOLM	ROBERT LEE
HOLLAND	MEGARGEL	ROBY
HOLLIDAY	MERIDIAN	ROCHESTER
HOWE	MERKEL	ROCKDALE
HUBBARD	MEXIA	ROGERS
HUTCHINS	MIDWAY	ROSEBUD
HUTTO	MILES	ROSS
IMPACT	MILFORD	ROTAN
IREDELL	MILLSAP	ROUND ROCK
ITALY	MOBILE CITY	ROXTON
ITASCA	MOODY	RULE
JEWETT	MORAN	RUNAWAY BAY
JOSEPHINE	MORGAN	SADLER
JOSHUA	MUENSTER	SAINT JO
KERENS	MUNDAY	SAN ANGELO
KNOLLWOOD	MURCHISON	SAN SABA
KNOX CITY	NEVADA	SANCTUARY
KOSSE	NEW CHAPEL HILL	SANGER
KURTEN	NEWCASTLE	SANTA ANNA
LACY-LAKEVIEW	NOLANVILLE	SAVOY
LADONIA	NORMANGEE	SCURRY
LAKE DALLAS	NOVICE	SEYMOUR
LAKEPORT	OAK POINT	SHADY SHORES
LAMPASAS	OAKWOOD	SOMERVILLE
LANCASTER	O'BRIEN CO-OP GIN	SOUTH MOUNTAIN
LAVON	OGLESBY	SOUTHMAYD
LAWN	OLNEY	STAR HARBOR
LEANDER	PALMER	STOCKTON BEND
LEONA	PARADISE	STRAWN
LEONARD	PECAN GAP	STREETMAN
LEXINGTON	PENELOPE	SUN VALLEY
LINDSAY	PFLUGERVILLE	SUNNYVALE
LIPAN	PILOT POINT	TALTY
LITTLE RIVER ACADEMY	PLEASANT VALLEY	TAYLOR
LLANO	POINT	TEAGUE
LOMETA	POST OAK BEND	TEHUACANA
LONE OAK	POWELL	THORNDALE
LONGVIEW	POYNOR	THORNTON
LORAIN	PRINCETON	THRALL
LOTT	PUTNAM	THROCKMORTON
LUEDERS	QUANAH	TIOGA
MABANK	QUINLAN	TOCO

MID-TEX DIVISION
 ATMOS ENERGY CORPORATION

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 21

Cities with Rate Effective 4/01/2018 (Continued)

TOM BEAN
 TRENT
 TRENTON
 TRINIDAD
 TROY
 TUSCOLA
 TYE
 VALLEY MILLS

VALLEY VIEW
 VAN ALSTYNE
 WALNUT SPRINGS
 WEINERT
 WEST
 WESTWORTH VILLAGE
 WHITEHOUSE
 WHITEWRIGHT

WHITNEY
 WILMER
 WINDOM
 WINTERS
 WIXON VALLEY
 WOLFE CITY
 WORTHAM
 YANTIS

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2018	PAGE:

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

- i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification
- $WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf
- R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.
- HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class
- NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.
- ADD = billing cycle actual heating degree days.
- BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

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

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

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2018	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	9.77	0.1201	99.33	0.5737
Austin	10.38	0.1493	201.46	0.8942
Dallas	13.17	0.2062	183.71	1.0046
Waco	9.26	0.1323	124.57	0.6398
Wichita Falls	11.62	0.1278	114.97	0.5226

Weather Normalization Adjustment (WNA) Report

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

Exhibit B
Pensions and Retiree Medical Benefits

ATMOS ENERGY CORP., MID-TEX DIVISION
 PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
 TEST YEAR ENDING DECEMBER 31, 2017

Line No.	Description (a)	Shared Services (b)		Post-Employment Benefit Plan (c)		Pension Account Plan (d)		Mid-Tex Direct Supplemental Executive Benefit Plan (e)		Post-Employment Benefit Plan (f)		Adjustment Total (g)
		Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Supplemental Executive Benefit Plan	Pension Account Plan	Supplemental Executive Benefit Plan	Post-Employment Benefit Plan	Post-Employment Benefit Plan	
1	Fiscal Year 2018 Willis Towers Watson Report, as adjusted	\$ 4,082,906	\$ 2,703,898	\$ 6,964,307	\$ 188,360	\$ 3,724,168						
2	Allocation to Mid-Tex	43.55%	43.55%	71.24%	100.00%	71.24%						
	Fiscal Year 2018 Actuarially Determined Benefit Costs (Ln 1 x Ln 2)											
3	O&M and Capital Allocation Factor	\$ 1,778,092	\$ 1,177,539	\$ 4,961,241	\$ 188,360	\$ 2,653,027						
4	Fiscal Year 2018 Willis Towers Watson Benefit Costs To Approve (Excluding Removed Cost Centers) (Ln 3 x Ln 4)	100.00%	100.00%	100.00%	100.00%	100.00%						
5		\$ 1,778,092	\$ 1,177,539	\$ 4,961,241	\$ 188,360	\$ 2,653,027						
6												
7												
8	Summary of Costs to Approve (1):											
9												
10	O&M Expense Factor (WP_F-2.3, Ln 2)	80.15%	80.15%	40.05%	19.03%	40.05%						
11												
12												
13	Total Pension Account Plan	\$ 1,425,108	\$ 943,775	\$ 1,987,133	\$ 35,837	\$ 3,412,241						
14	Total Post-Employment Benefit Plan					\$ 1,062,621						
15	Total Supplemental Executive Benefit Plan				\$ 35,837							
16	Total (Ln 13 + Ln 14 + Ln 15)	\$ 1,425,108	\$ 943,775	\$ 1,987,133	\$ 35,837	\$ 1,062,621	\$ 35,837	\$ 35,837	\$ 1,062,621	\$ 35,837	\$ 5,454,474	
17												
18	Note:											
19	1. Mid-Tex is proposing that the fiscal year 2018 Willis Towers Watson actuarial amounts shown on WP_F-2.3 and WP_F-2.3.1, be approved by the RRM Cities as the benchmark amounts to be used to calculate the regulatory asset or liability for future periods. The Company is requesting that the benchmark amount approved by the RRM Cities for future periods include only the expense amount. The amount attributable to capital would continue to be recorded to utility plant through the overhead process as described in the CAM.											
20												
21												
22												

Exhibit C
Amortization of Regulatory Liability

**ATMOS ENERGY CORP., MID-TEX DIVISION
RATE BASE ADJUSTMENTS
TEST YEAR ENDING DECEMBER 31, 2017
AMORTIZATION OF REGULATORY LIABILITY**

Line No.	Year Ended Dec. 31	Beginning of Year		Annual Amortization (1)	End of Year		Balance as of December 31, 2017
		Rate Base Adjustment Amount	(a)		Rate Base Adjustment Amount	(e)	
1	2017	\$		\$		\$	289,813,479
2	2018		289,813,479	12,075,562		277,737,918	
3	2019		277,737,918	12,075,562		265,662,356	
4	2020		265,662,356	12,075,562		253,586,795	
5	2021		253,586,795	12,075,562		241,511,233	
6	2022		241,511,233	12,075,562		229,435,671	
7	2023		229,435,671	12,075,562		217,360,110	
8	2024		217,360,110	12,075,562		205,284,548	
9	2025		205,284,548	12,075,562		193,208,986	
10	2026		193,208,986	12,075,562		181,133,425	
11	2027		181,133,425	12,075,562		169,057,863	
12	2028		169,057,863	12,075,562		156,982,301	
13	2029		156,982,301	12,075,562		144,906,740	
14	2030		144,906,740	12,075,562		132,831,178	
15	2031		132,831,178	12,075,562		120,755,616	
16	2032		120,755,616	12,075,562		108,680,055	
17	2033		108,680,055	12,075,562		96,604,493	
18	2034		96,604,493	12,075,562		84,528,932	
19	2035		84,528,932	12,075,562		72,453,370	
20	2036		72,453,370	12,075,562		60,377,808	
21	2037		60,377,808	12,075,562		48,302,247	
22	2038		48,302,247	12,075,562		36,226,685	
23	2039		36,226,685	12,075,562		24,151,123	
24	2040		24,151,123	12,075,562		12,075,562	
25	2041		12,075,562	12,075,562		(0)	
26							

Note:

1. The annual amortization of a 24 year recovery period is based on the Reverse South Georgia Method.



CITY OF LAVON CITY COUNCIL Agenda Brief

MEETING: September 4, 2018

ITEM: 9 - D

Item:

Discussion and action regarding the Site Plan and Landscape Plan for Crown Label Products on Lot 4, Block A of the Lavon Business Park II Addition, located on south side of and in the vicinity of the 900 block Lavon Circle78.

Background Information

- Owner(s):** John Main, Main Custom Homes
- Applicant:** Crown Label Products
- Location:** Generally located on the south side of and in the vicinity of the 900 block of an access easement labeled Lavon Circle
- Description:** Lot 4, Block A, Lavon Business Park II, City of Lavon, Collin County, Texas (1.0 acre)
- Current Zoning:** Planned Development – Business (PD-B)
- Request:** 1) Site Plan
2) Landscape Plan

Request Details

The applicant has submitted a site plan and landscape plan for the site of a proposed building for Crown Label Products. The architectural elements, design standards and building materials are consistent with the approved zoning requirements.

Code Excerpts:

**Lavon Code of Ordinances
Zoning Ordinance**

CHAPTER 7 – SITE PLAN REQUIREMENTS

4.1.7.1 PURPOSE

The purpose of this Section is to regulate the manner in which land in the City of Lavon is used and developed, minimize adverse effects on surrounding property or the general public, protection from fire, protection of adjacent uses from obstructions to light, air and visibility plus

provision of adequate storm water drainage facilities, transportation, water and sanitary sewage facilities.

4.1.7.2 SITE PLAN APPLICATION AND APPROVAL

- A) A site plan application drawn to scale and approval of such site plan shall be required prior to the issuance of a building permit for a building other than construction of one (1) single family detached dwelling.
- B) The City Council shall consider approval of the site plan after review by the Zoning Administrator and receipt of recommendations from the Planning and Zoning Commission.

CHAPTER 9 - LANDSCAPING REQUIREMENTS

4.1.9.1 PURPOSE

The purpose of these landscape requirements is to protect the public health, safety and welfare by requiring that new development be adaptive to the existing natural areas and sensitive to sustaining the existing tree canopy and Texas native landscape thereby reducing heat build-up, air pollution, soil erosion and reduction of the rate of storm water drainage as well as providing for the control of the density of development.

Staff Notes:

The city staff development review committee and the city engineer have reviewed the proposed site plan and landscape plan. The developer is working with the staff and city engineer to satisfy the identified concerns. The Site Plan and Landscape Plan may be approved by the City Council subject to the city engineer's comments being appropriately satisfied.

Zoning: The property is zoned Planned Development – Business (PD-B) pursuant to Ordinance No. **2013-12-13**, the Planned Development for the Lavon Business Park II Addition. The development of the proposed commercial building is a permitted use in this district. The total lot area is 1.0 acres and there is a single building proposed for the site.

The building elevations indicate the exterior materials to be a combination of masonry and metal with a decorative canopy and a horizontal architectural feature.

Platting: The final plat of the Lavon Business Park II (an approved replat) was filed in 2015.

Access: Access to the site is provided by Lavon Circle which is a 27½ - foot paved concrete private access easement. The access easement provides sufficient access for protection.

Utilities: The site will be served water by the Bear Creek Special Utility District and sanitary sewer by the City of Lavon.

Screening and Landscaping. A Landscape Plan is submitted for consideration.

Approval is recommended with the motion to be subject to the City Engineer's approval.

Planning & Zoning Commission Notes:

MOTION: RECOMMEND APPROVAL OF THE THE SITE PLAN AND LANDSCAPE PLAN FOR CROWN LABEL PRODUCTS ON LOT 4, BLOCK A OF THE LAVON BUSINESS PARK II ADDITION, LOCATED ON SOUTH SIDE OF AND IN THE VICINITY OF THE 900 BLOCK LAVON CIRCLE, CITY OF LAVON, COLLIN COUNTY, TEXAS, SUBJECT TO THE CITY ENGINEER’S APPROVAL.

MOTION MADE: NABORS

SECONDED: TIEGS

APPROVED: UNANIMOUS

- Attachments:**
1. Site Plan
 2. Landscape Plan
 3. Location Exhibits
 4. Application
 5. Engineer’s correspondence

August 31, 2018



City of Lavon

Planning and Zoning Commission

P.O. Box 340 120 School Rd.
Lavon, TX 75166
(972) 843-4220
www.cityoflavon.com

August 30, 2018

Honorable Mayor and City Council
City of Lavon
P.O. Box 340
Lavon, TX 75166

RE: Commission Report: Crown Label Products Site Plan and Landscape Plan

Dear Mayor Sanson and Members of the City Council,

At the August 30, 2018 Planning and Zoning Commission Meeting, the Planning and Zoning Commission considered and voted on the request as shown below.

Discussion and action regarding the Site Plan and Landscape Plan for Crown Label Products on Lot 4, Block A of the Lavon Business Park II Addition, located on south side of and in the vicinity of the 900 block Lavon Circle.

MOTION: RECOMMEND APPROVAL OF THE THE SITE PLAN AND LANDSCAPE PLAN FOR CROWN LABEL PRODUCTS ON LOT 4, BLOCK A OF THE LAVON BUSINESS PARK II ADDITION, LOCATED ON SOUTH SIDE OF AND IN THE VICINITY OF THE 900 BLOCK LAVON CIRCLE, CITY OF LAVON, COLLIN COUNTY, TEXAS, SUBJECT TO THE CITY ENGINEER'S APPROVAL.

MOTION MADE: NABORS

SECONDED: TIEGS

APPROVED: UNANIMOUS

Respectfully submitted,

Chairman
Planning and Zoning Commission

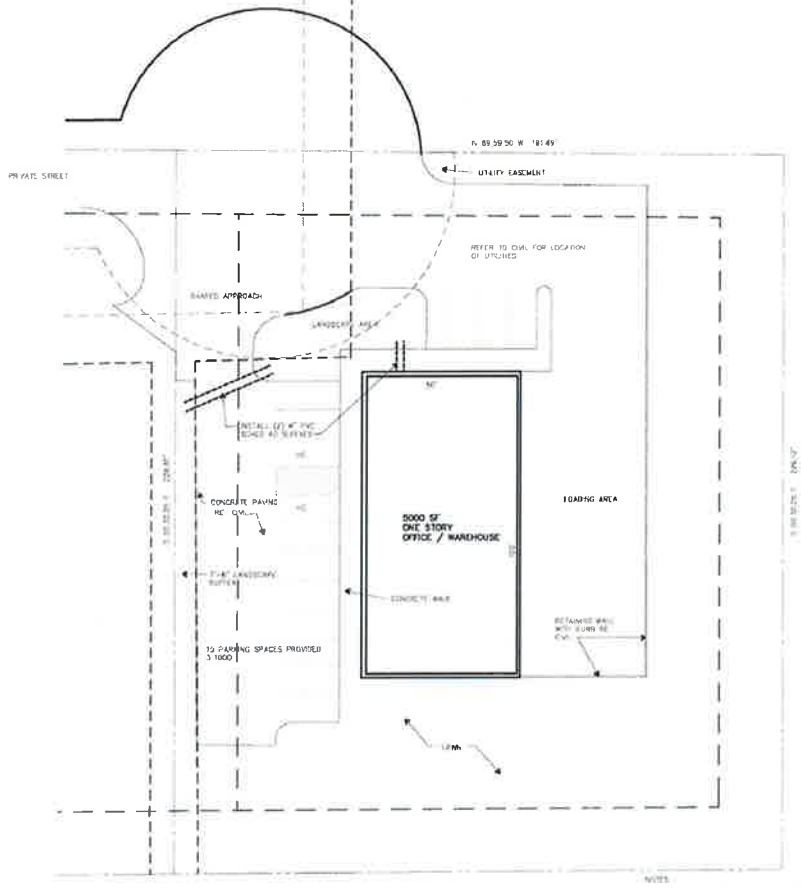
LOT 4
LAVON BUSINESS PARK 2
LAVON, TEXAS
COLLIN COUNTY

James d. Lee
ARCHITECTS . BUILDERS

No.	Date	Description
0029	2018	PRELIMINARY
0030	2018	REVISED
0031	2018	FINAL REVIEW
0032	2018	FINAL PERMIT



JAMES D. LEE, AIA
REGISTERED ARCHITECT STATE OF TEXAS
COMMISSION 192 EXPIRES MARCH 2018



CROWN
LABEL PRODUCTS

LAVON BUSINESS PARK
LAVON, TEXAS

NEW OFFICE WAREHOUSE

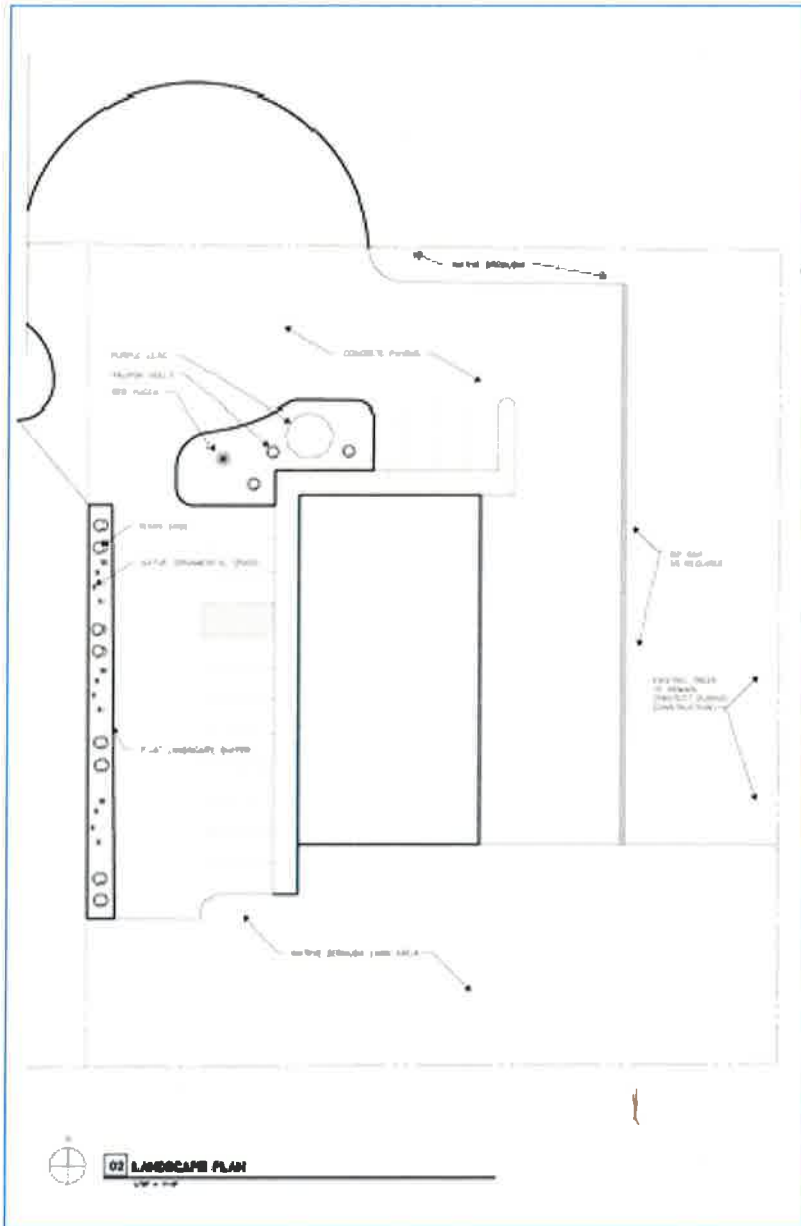
SITE PLAN
LANDSCAPE PLAN

201806
SI

- NOTES
1. DC RESPONSIBLE TO FILE AND MAINTAIN SWEET FOR THE PROJECT.
 2. REFER TO DIAL FOR DIMENSIONAL CONTROL.
 3. INSTALL BOLLARDS TO PROTECT ELECTRICAL TRANSFORMER AS REQUIRED BY TEC.
 4. REFER TO PLAN FOR ALL EASEMENTS.
 5. GC TO LOCATE AND PROTECT ALL EXISTING UTILITIES.
 6. CALL BEFORE YOU DIG TEXAS BY TELEPHONE.
 7. DC RESPONSIBLE TO MEET ALL LOCAL, STATE AND FEDERAL LAWS AND REGULATIONS.

01 SITE PLAN

SITE PLAN



James d. Lee
ARCHITECTS . BUILDERS

5645 SILVER HAWK COURT ROCKWALL, TEXAS 75087
 PHONE 972.707.9458 jlee@jleelee.com

No.	Date	Revised
01	03.23.2018	PRELIMINARY
02	04.26.2018	OUTRIGGER LAYOUT
03	05.15.2018	FINAL REVISED
04	06.22.2018	OWNER REVISIONS
05	08.01.2018	FINAL FOR PERMIT



JAMES D. LEE, P.E.
 REGISTERED ARCHITECT, STATE OF TEXAS
 COMMISSION 02 EXPIRES MARCH 2011

CROWN
 LABEL PRODUCTS

LAVON BUSINESS PARK
 LAVON, TEXAS
 NEW OFFICE WAREHOUSE

SITE PLAN
 LANDSCAPE PLAN

201806 **S1**

LANDSCAPE PLAN

NO.	DESCRIPTION
1	PRELIMINARY
2	CONCEPT DESIGN
3	SCHEMATIC DESIGN
4	DESIGN DEVELOPMENT
5	PERMITTING
6	CONSTRUCTION ADMINISTRATION
7	CLOSURE

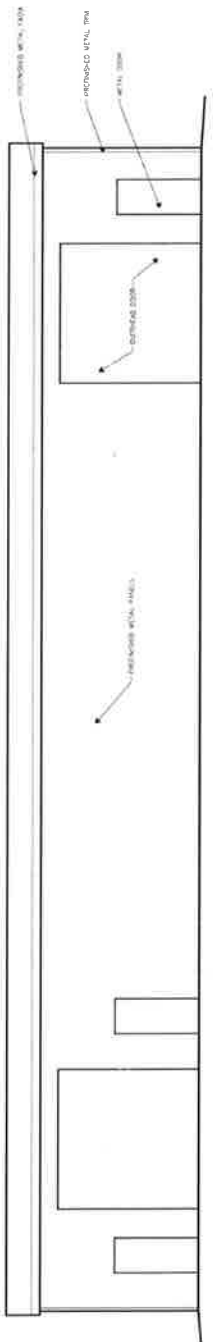


CROWN LABEL PRODUCTS

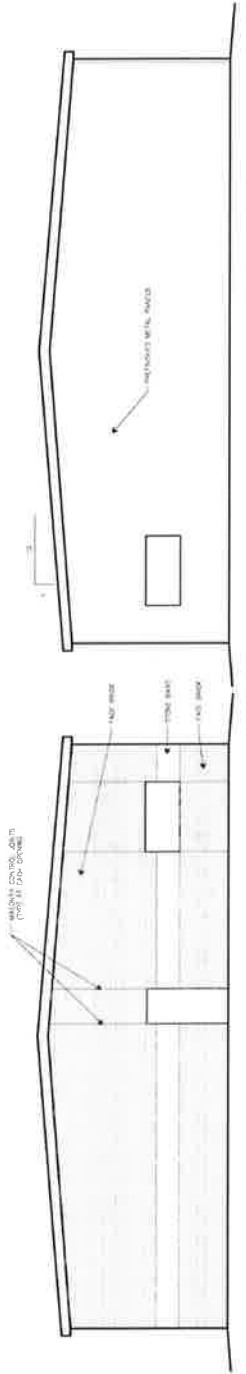
LAYON BUSINESS PARK
 LAYON, TEXAS
 NEW OFFICE BAREHOUSE

ELEVATIONS

2018016
 A2

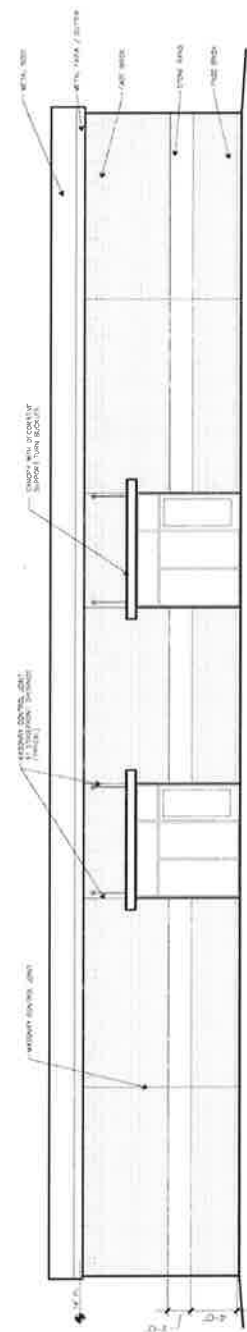


04 EAST ELEVATION
 1/8" = 1'-0"



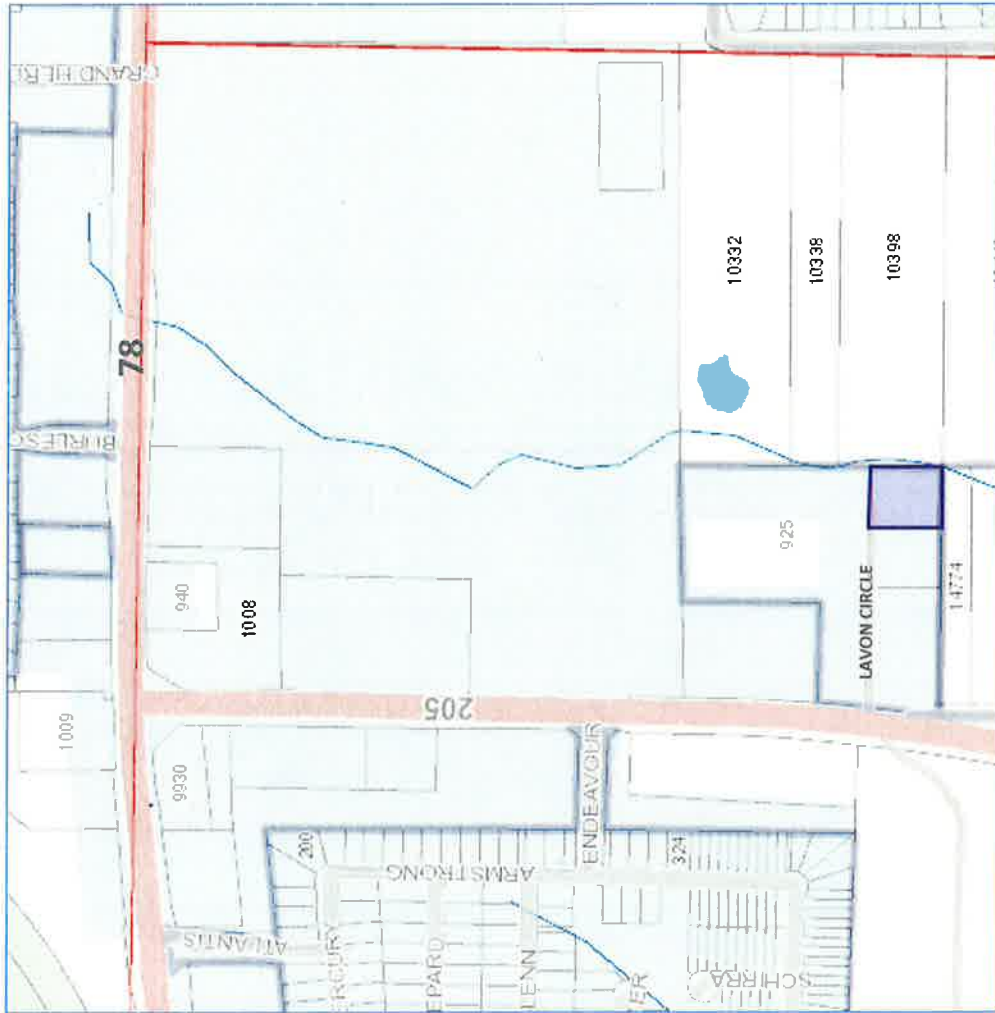
05 NORTH ELEVATION
 1/8" = 1'-0"

06 SOUTH ELEVATION
 1/8" = 1'-0"

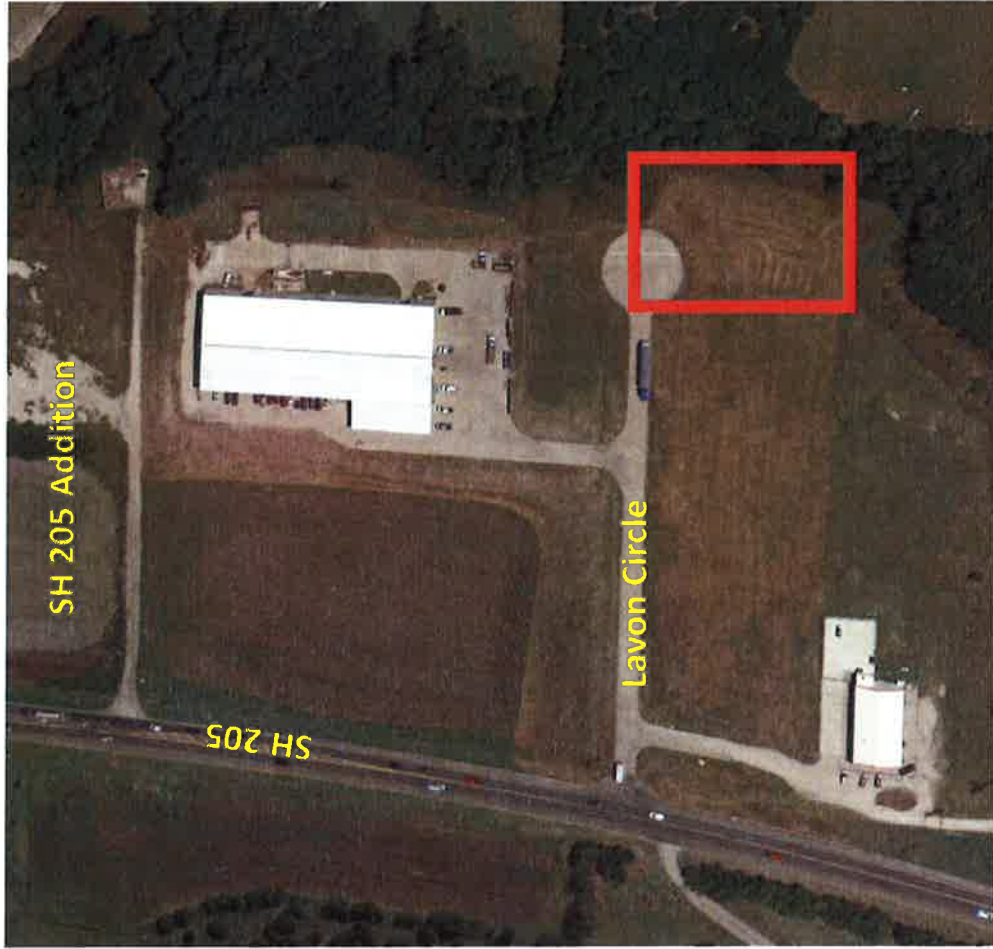


07 WEST ELEVATION
 1/8" = 1'-0"

Lavon Business Park, Lot 4 – Location Exhibit

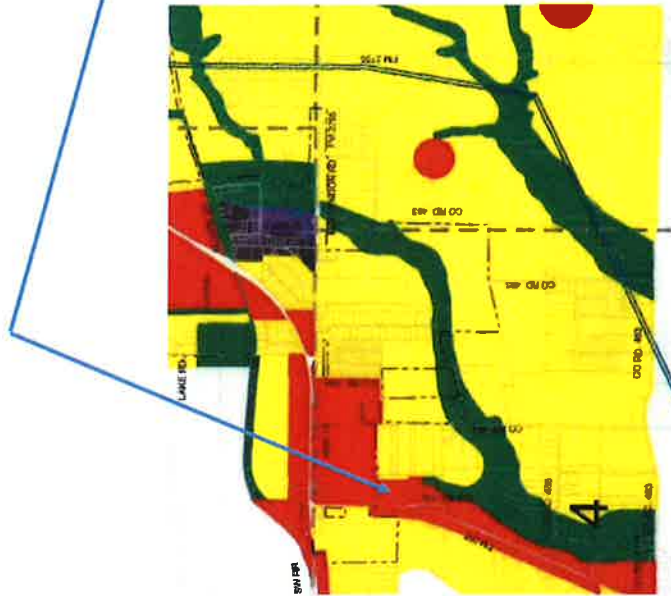
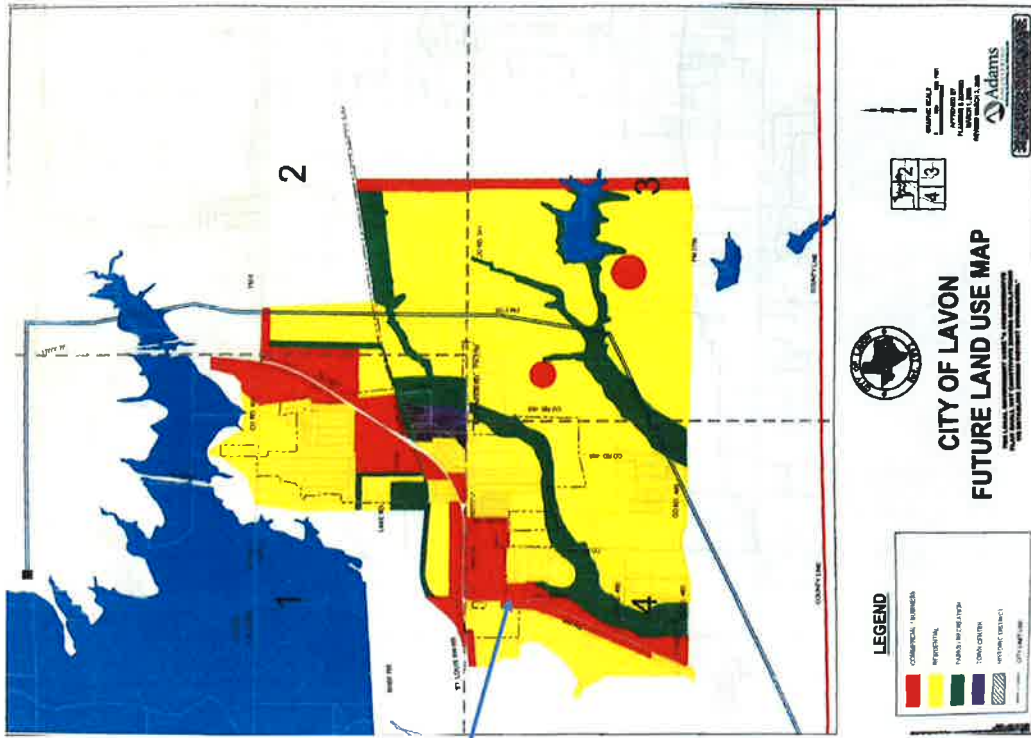


Lavon Business Park, Lot 4 – Location Exhibit



Future Land Use Map

Lavon Business Park II, Lot 4



Zoning Map

Lavon Business Park II Lot 4

ZONING MAP
Ordinance No. 2018-03-02
March 6th, 2018

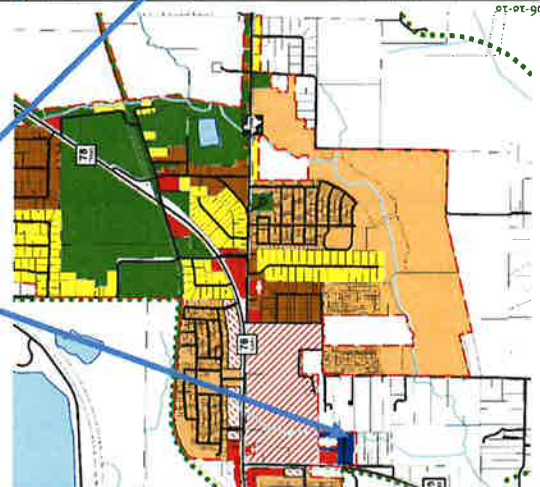
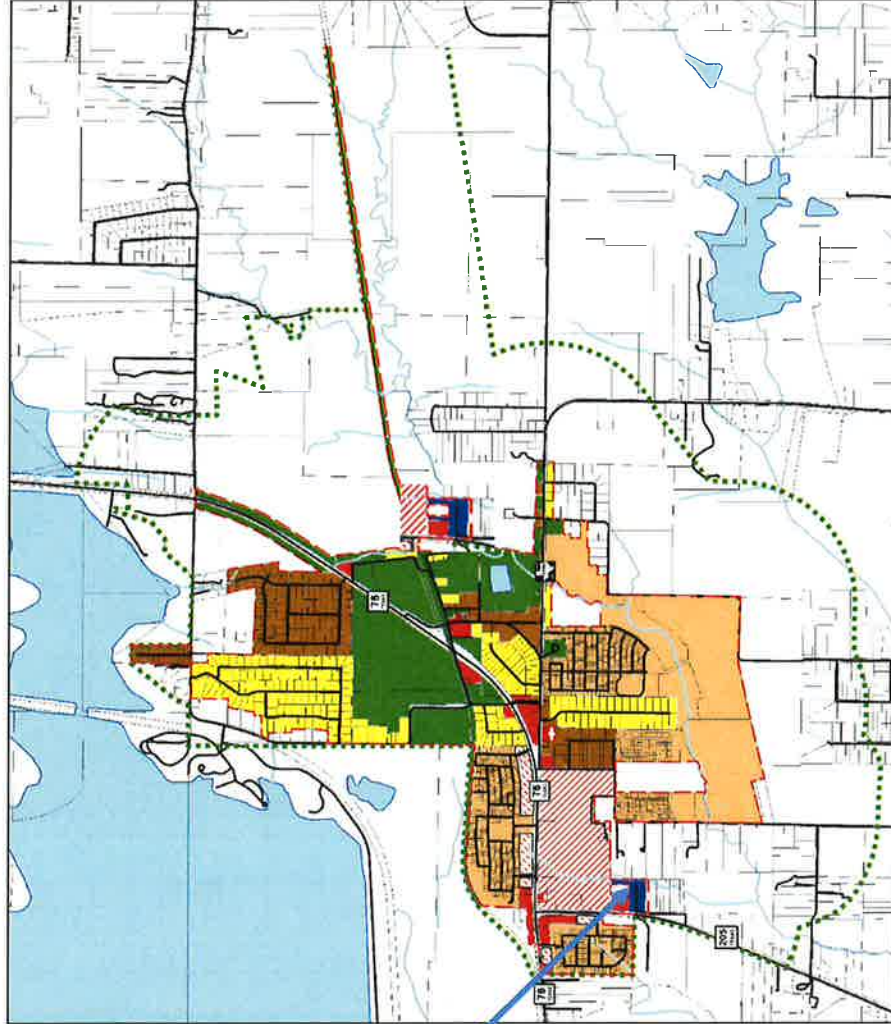


- Legend**
- Agricultural (A)
 - Single Family-1 (SF-1)
 - Single Family-2 (SF-2)
 - Retail (R)
 - Planned Development – Single Family (PD-SF)
 - Planned Development – Mixed Use (PD-MU)
 - Planned Development – Commercial (PD-C)
 - Planned Development – Business (PD-B)
 - Lavon City Limits

For Planned Development Regulations
See the City of Lavon Ordinance applicable to the specific site.

Unassigned Zoning Districts

- Single-Family -4 (SF-4)
 - Main Street
 - Business Park District (B-2)
- For General Regulations of these Zoning Districts
see the City of Lavon Zoning Ordinance



MUNDO
Mundo & Associates

10058-1-1



S10058

LAVERN BUSINESS PARK B
 LOTS 1 - 26, 28 AND 29
 2000 S. 100th Street, Tulsa, Oklahoma 74134

R.C. MYERS SURVEYING LLC

1000 N. 10th Street, Tulsa, Oklahoma 74103
 (918) 438-1111
 www.rcmyers.com



ASSURANCE FUNDING

THIS SURVEY WAS COMPLETED IN ACCORDANCE WITH THE ASSURANCE FUNDING REQUIREMENTS OF THE SURVEYING BOARD OF OKLAHOMA.

NOTICE TO CONTRACTORS

THESE PLANS AND SPECIFICATIONS SHALL BE USED IN CONNECTION WITH THE CONSTRUCTION OF THE PROJECT DESCRIBED HEREIN. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR VERIFYING THE ACCURACY OF ALL DATA AND CONDITIONS ON THE SITE PRIOR TO CONSTRUCTION.

STATE OF OKLAHOMA

COUNTY OF DELTA

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CITY OF LAVON SITE PLAN APPLICATION

P.O. Box 340 120 School Rd., Lavon, TX 75166
Office (972) 843-4220 Fax (972) 843-0397

APPLICATION INFORMATION

Name: Crown Label Products

Address: P.O. 2227 Rowlett 75030

Telephone Number: 972-998 412-9988 JEAN at 214-668-5179

Email Address: JAKE.CROWN@live.com MANHOMES@AOL.COM

LEGAL DESCRIPTION: (Lot, Block, Subdivision, or CAD Tract No, Survey, Abstract, Address)

LOT #4

SUBDIVISION NAME: (approved plat is prerequisite) Lavon Business PARK II

ZONING: PD

LEGAL OWNER OF PROPERTY INVOLVED: SHirley FerriA

If Applicant is NOT the Owner, Relationship to Owner:

I AM THE OWNER OR AGENT AUTHORIZED TO MAKE THE ABOVE STATEMENTS AND REPRESENTATIONS HEREIN ON BEHALF OF THE OWNER.

Signature: [Handwritten Signature]
Owner / Authorized Agent

7-31-18
Date

Printed Name: JAKE v FerriA
Owner / Authorized Agent

Title: DDO

Company: Crown Label Products

City Office Use Only:

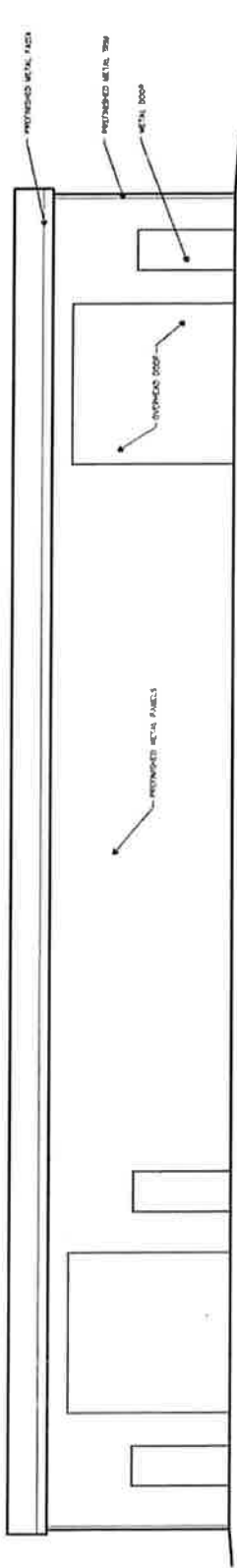
Fee paid (due at time of application) Cost plus admin fee - \$500 deposit	Amount:	Check #	or Cash _____
Required items submitted			
Development Engineer Comments			
Development Review Committee Comments			
Comments Addressed by Applicant			
Planning & Zoning Action			
City Council Action			

No.	Date	Description
001	03/23/2018	PRELIMINARY
002	04/10/2018	REVISED PER COMMENTS
003	04/15/2018	FINAL PER APPROVAL
004	08/25/2018	OWNER REVISIONS
005	08/27/2018	ISSUE FOR PERMIT

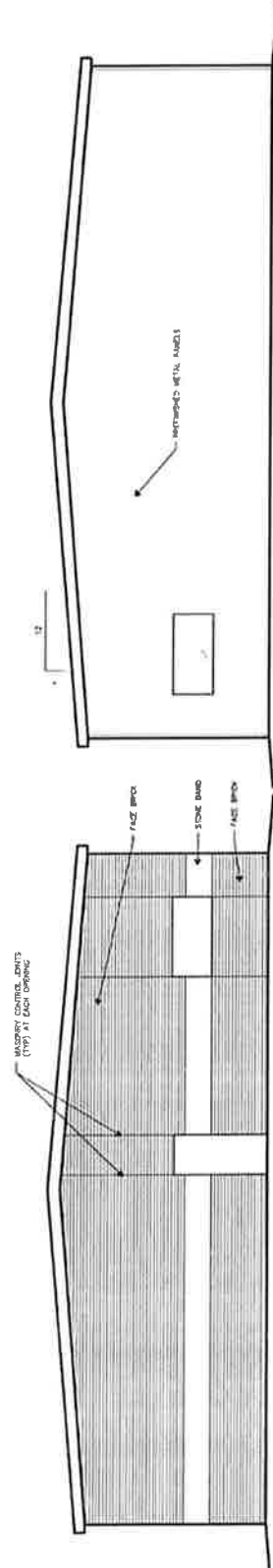


08.01.2018

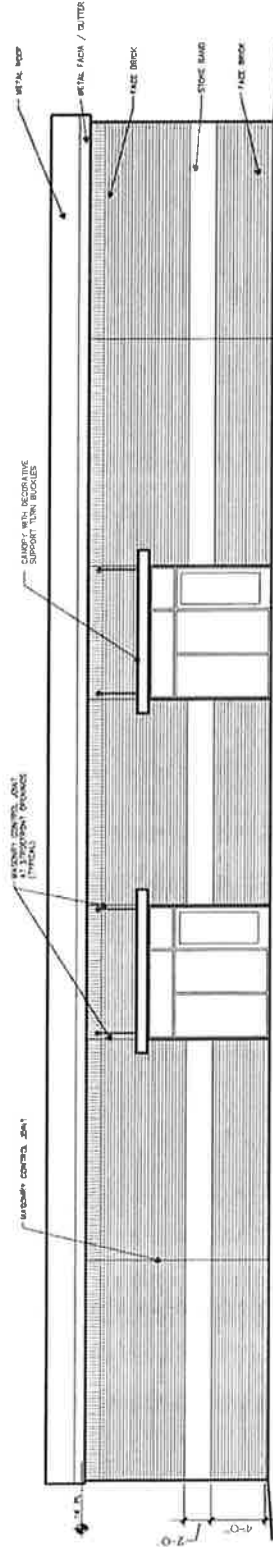
CROWN LABEL PRODUCTS



01 NORTH ELEVATION
 VP - 2/2P



02 SOUTH ELEVATION
 VP - 2/2P



03 WEST ELEVATION
 VP - 2/2P

LAVON BUSINESS PARK
 LAVON, TEXAS

NEW OFFICE WAREHOUSE

ELEVATIONS

201805
 18.5
A2



08.01.2018

JAMES D. LEE, P.E.
 REGISTERED ARCHITECT STATE OF TEXAS
 COMMISSION D-22 EXPIRES MARCH 2026

CROWN
 LABEL PRODUCTS

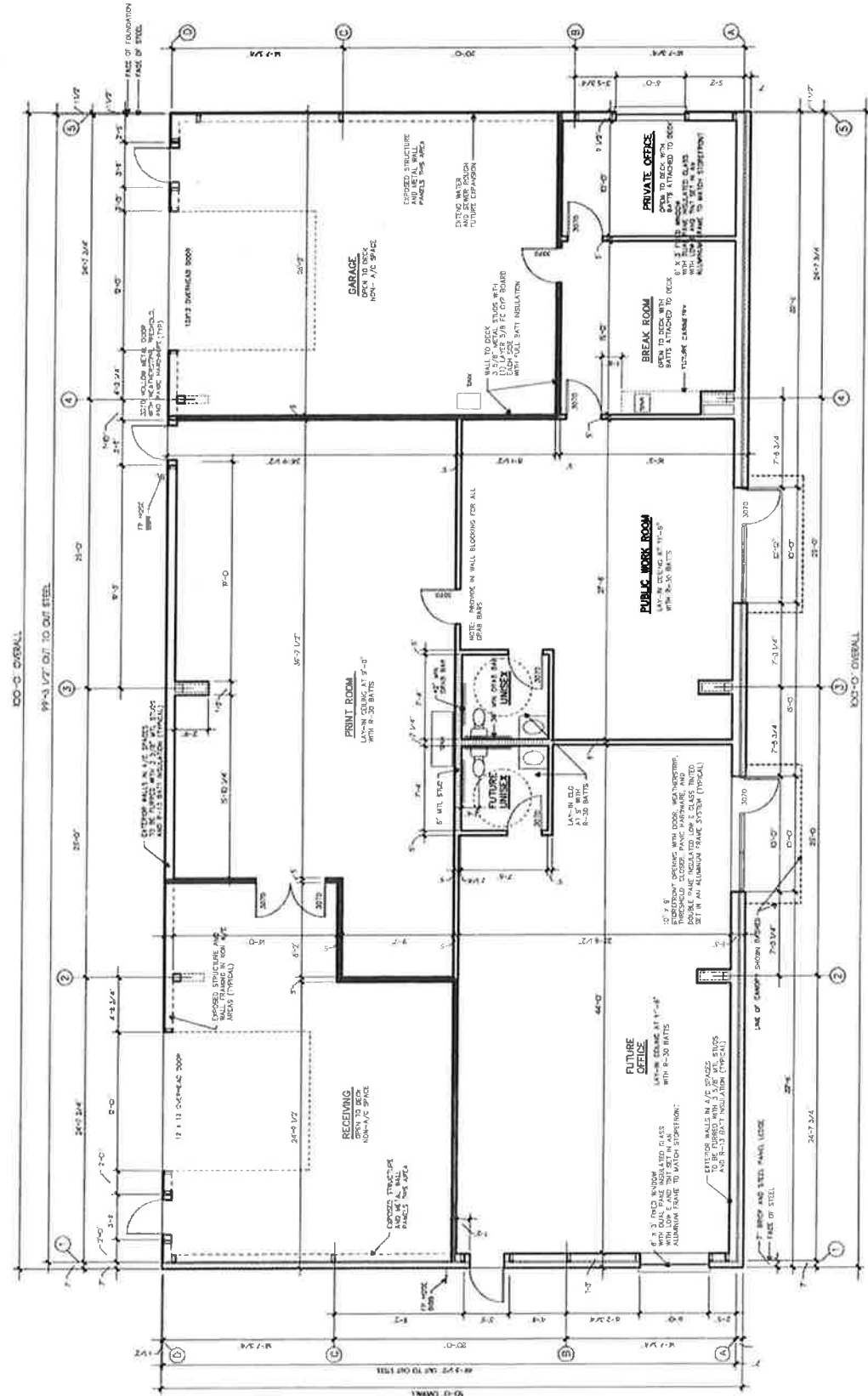
LAYON BUSINESS PARK
 LAYON, TEXAS

NEW OFFICE WAREHOUSE

FLOOR PLAN

201805
 1/2" = 1'-0"
A1

- NOTES**
1. DO NOT SCALE DRAWING. DIMENSIONS TAKE PRECEDENCE.
 2. IF A CONFLICT IN DIMENSIONS EXIST, CONTACT ARCHITECT.
 3. IF A CONFLICT IN DIMENSIONS EXIST, CONTACT ARCHITECT.
 4. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
 5. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
 6. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
 7. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
 8. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
 9. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
 10. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
- GENERAL NOTES**
1. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
 2. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
 3. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE IN FEET AND INCHES.
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01 FLOOR PLAN
 1/2" = 1'-0"

James d. Lee
ARCHITECTS . BUILDERS
 2405 SILVER WAVE COURT MESQUITE, TEXAS 76061
 PHONE 972.777.0555
 jlee@jlee.com

No.	Date	Description
01	03.23.2018	PRELIMINARY
02	04.26.2018	REVISED LAYOUT
03	05.13.2018	FINAL REVIEW
04	05.22.2018	CLIENT REVISIONS
05	06.01.2018	ISSUE FOR PERMIT



JAMES D. LEE, AIA
 REGISTERED ARCHITECT STATE OF TEXAS
 COMMISSION 039 EXPIRES MARCH 2019

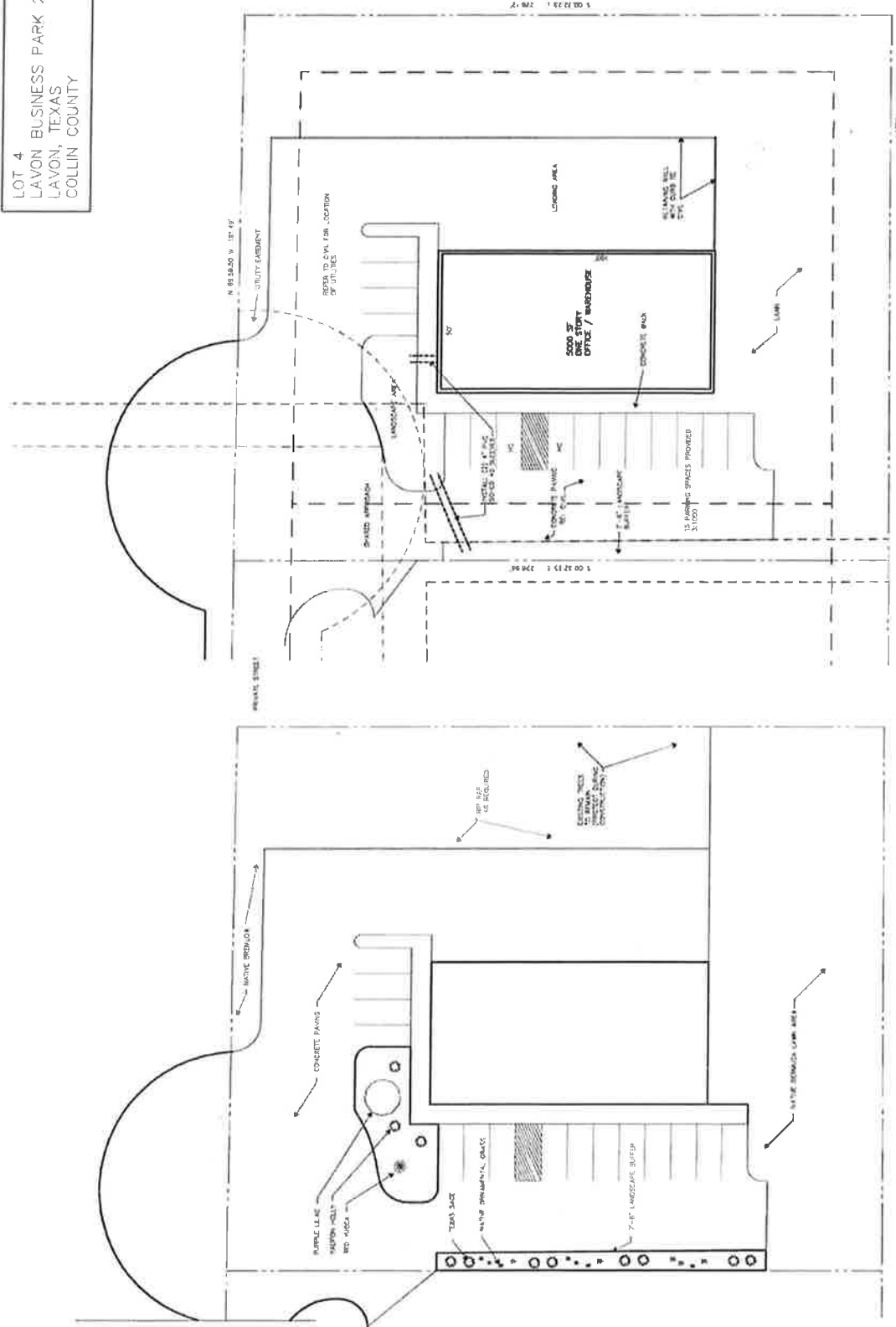
CROWN LABEL PRODUCTS

LAVON BUSINESS PARK
 LAVON, TEXAS
 NEW OFFICE WAREHOUSE

SITE PLAN
 LANDSCAPE PLAN

201805
 2018
 2018

LOT 4
 LAVON BUSINESS PARK 2
 LAVON, TEXAS
 COLLIN COUNTY



- NOTES
1. GC RESPONSIBLE TO FILE AND OBTAIN PERMITS FOR THE PROJECT.
 2. ALL UTILITIES TO BE SHOWN AND DEPTH TO BE INDICATED.
 3. INSTALL SERVICES TO PROTECT EXISTING UTILITIES TO REMAIN.
 4. ALL SERVICES TO BE INSTALLED IN ACCORDANCE WITH ALL APPLICABLE CODES AND REGULATIONS.
 5. GC RESPONSIBLE TO OBTAIN ALL NECESSARY PERMITS AND REGULATIONS.

01 SITE PLAN
 1/8" = 1'-0"

02 LANDSCAPE PLAN
 1/8" = 1'-0"

CITY OF LAVON, TEXAS
ORDINANCE NO. 2013-12-13

Planned Development District No. 2

AN ORDINANCE OF THE CITY OF LAVON, TEXAS, AMENDING ITS COMPREHENSIVE ZONING ORDINANCE BY ESTABLISHING PLANNED DEVELOPMENT DISTRICT NUMBER 2, WHICH PROVIDES FOR RETAIL, RESTAURANT, TRADE CONTRACTOR OFFICES AND DISPATCH FACILITIES, WAREHOUSE AND DISTRIBUTION, ASSEMBLY OF PARTS AND EQUIPMENT, AND COMPUTER AND ELECTRONIC TECHNOLOGY USES ON A 4.104 ACRE TRACT OF LAND LOCATED GENERALLY AT THE SOUTHEAST CORNER OF S.H. 205 AND LAVON CIRCLE; AMENDING THE OFFICIAL ZONING MAP; PROVIDING A PENALTY OF \$2,000 PER DAY; PROVIDING A SAVINGS CLAUSE AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, at its meeting held on the 30th day of December, 2013, the Planning & Zoning Commission considered and made recommendations on a certain request for a Planned Development District; and

WHEREAS, this zoning change is in accordance with the adopted Comprehensive Plan of the City of Lavon; and

WHEREAS, the City Council, after determining all legal requirements of notice and hearing have been met, has further determined the following amendment to the zoning laws would provide for and would be in the best interest of the health, safety, morals and general welfare:

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Lavon, Texas, as follows:

Section I. **Definitions.** Definitions shall be those contained in Ordinance 97-12-08, as amended unless specifically defined herein.

Section II. **Permitted Uses.** Planned Development District No. 2 is hereby created for a certain approximately 4.104 acre tract of land, both described in the attached Exhibit A and located at the southeast corner of State Highway 205 and Lavon Circle, being Lavon Business Park #2, Lot 2, Collin CAD Property ID 2666582, providing for the following uses:

- a. All principal and accessory uses which are allowed by right in the Retail "R" District as set forth in the Comprehensive Zoning Ordinance, as amended

- b. Trade Contractor Offices and Dispatch Facilities (excluding outside storage)
- c. Warehouse Distribution
- d. Assembly of Parts and Equipment contained wholly within a building
- e. Computer and Electronic Technology, Design and Engineering including data centers and software design

Section III. Prohibited Uses. The following uses shall be prohibited:

- a. Uses that are not Permitted Uses
- b. Outside storage that is accessory to Permitted Uses
- c. Outside storage as a primary use

Section IV. Landscape Standards. Landscaping shall be provided as required by Section 5.1 of the Comprehensive Zoning Ordinance, as amended.

Section V. Site Plan Required. The property may not be developed and no building may be constructed without a site plan having been approved by the City Council after receipt of a recommendation by the Planning & Zoning Commission.

Section VI. Development Standards. Development shall be in accordance with the general requirements contained in the Comprehensive Zoning Ordinance and the Subdivision Ordinance and the following special conditions, restrictions and regulations:

- a. **Height** – 100' maximum – not including cooling towers, roof gables, chimneys, vent stacks or mechanical equipment rooms which may exceed the maximum height by 12 feet.
- b. **Setbacks**
 - (1) Front – Minimum 20 feet. Accessory uses must be set back not less than 60 feet from the front property line.
 - (2) Side – Minimum 20 feet
 - (3) Rear – Minimum 20 feet
- c. **Lot Coverage** – Buildings shall not cover more than 50% of the Lot.
- d. **Screening** – A minimum 6 foot masonry or wood fence shall be constructed between any Permitted Use and any adjacent property zoned for a residential use.
- e. **Parking**
 - (1) Non-Retail or Restaurant Use - One (1) off-street parking space shall be provided for each 333 sq. feet of gross floor area
 - (2) Retail Use – One (1) off-street parking space for each 200 sq. feet of gross floor area
 - (3) Restaurant Use – One (1) off-street parking space for each 100 sq. feet of gross floor area
- f. **Façade Requirements**
 - (1) Any building façade facing S.H. 205 shall be composed of not less than 80% masonry.

- (2) Building facades facing on a street other than S.H. 205 shall be composed of not less than 50% masonry.
- (3) Loading Areas. Loading areas shall not face a public street.

Section VII. The Comprehensive Zoning Ordinance and the Official Zoning Map are hereby amended to reflect the action taken herein.

Section VIII. Penalty Clause. Any person, firm or corporation violating a provision of this ordinance, upon conviction, is guilty of an offense punishable by a fine not to exceed two thousand dollars (\$2000) per day.

Section IX. Savings Clause. Should any word, phrase, sentence or section contained herein be found to be invalid, such validity shall not affect any other portion of this ordinance.

Section X. Effective Date. This ordinance shall be in full force and effect from and after its passage and publication as required by law and it is so ordained.

PASSED AND APPROVED this 30th day of December 2013.



Charles Teske
Mayor, City of Lavon, Texas

ATTESTED:



Chris Wess
City Secretary, City of Lavon, Texas

EXHIBIT A

EXHIBIT "A"

BEING ALL THAT CERTAIN LOT, TRACT OR PARCEL OF LAND LOCATED IN THE W.A.S. BOHANNON SURVEY, ABSTRACT NO. 121, COLLIN COUNTY, TEXAS, AND BEING ALL OF A CALLED 2.139 ACRE TRACT OF LAND DESCRIBED IN DEED TO JOHN MAIN, SANDY PRESLEY AND DANNY ROBERSON, VENTURERS/ PARTNERS OF LAVON BUSINESS PARK, A TEXAS JOINT VENTURE, AS RECORDED IN COUNTY CLERK'S NO. 2004-0185842, DEED RECORDS, COLLIN COUNTY, TEXAS AND BEING A PORTION OF A CALLED 24.37 ACRE TRACT OF LAND DESCRIBED IN A DEED TO JOHN MAIN, SANDY PRESLEY AND DANNY ROBERSON, VENTURERS/ PARTNERS OF LAVON BUSINESS PARK, A TEXAS JOINT VENTURE, AS RECORDED IN COUNTY CLERK'S NO. 2003-0231913, DEED RECORDS, COLLIN COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 6310" SET FOR CORNER IN THE EASTERLY LINE OF STATE HIGHWAY NO. 205, SAID POINT BEING SOUTH 04°23'05" WEST, A DISTANCE OF 150.43 FEET FROM THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO P.D. BROWN, RECORDED IN VOLUME 341, PAGE 658, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE SOUTH 89°59'50" EAST, PASSING THROUGH SAID 2.139 ACRE TRACT AND PASSING AT 263.58 FEET THE NORTH / SOUTH COMMON LINE OF SAID 2.139 ACRE TRACT AND THAT CALLED PORTION OF SAID 24.37 ACRE TRACT OF LAND, AND CONTINUING A TOTAL DISTANCE OF 768.93 FEET TO A 1/2" IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 6310" SET FOR CORNER IN THE WEST LINE OF A TRACT OF LAND DESCRIBED IN DEED TO CARY A. WINEGARDEN, RECORDED IN VOLUME 5394, PAGE 6006, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE SOUTH 00°32'25" EAST, A DISTANCE OF 226.42 FEET TO A 1/2" IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 6310" SET AT THE SOUTHWEST CORNER OF SAID WINEGARDEN TRACT, SAME BEING THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO JOHNNY LYNN MCKNOWN, RECORDED IN VOLUME 3768, PAGE 453, DEED RECORDS, COLLIN COUNTY, TEXAS AND BEING THE NORTHEAST CORNER OF LOT 10, LAVON BUSINESS PARK, DOCUMENT NO. 2004-0036446, PLAT RECORDS, COLLIN COUNTY, TEXAS, FROM WHICH A 1/2" IRON ROD FOUND FOR REFERENCE BEARS SOUTH 00°33'24" WEST, A DISTANCE OF 0.23 FEET;

THENCE SOUTH 89°11'00" WEST, PASSING AT 748.02 FEET THE NORTHWEST CORNER OF SAID LOT 10, AND CONTINUING A TOTAL DISTANCE OF 780.88 FEET TO A 1/2" IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 6310" SET FOR CORNER IN THE EAST LINE OF COUNTY ROAD NO. 746;

THENCE NORTH 00°48'00" WEST, ALONG SAID EAST LINE, A DISTANCE OF 46.00 FEET TO A RAILROAD SPIKE FOUND FOR CORNER IN THE EASTERLY LINE OF SAID STATE HIGHWAY NO. 205, FROM WHICH A 1/2" IRON ROD FOUND FOR REFERENCE BEARS SOUTH 01°04'38" WEST, A DISTANCE OF 8.00 FEET, SAID POINT BEING IN A CURVE TO THE LEFT HAVING A RADIUS OF 6,770.88 FEET, A CENTRAL ANGLE OF 11°54'20" AND A CHORD BEARING AND DISTANCE OF NORTH 08°08'03" EAST, 192.37 FEET;

THENCE NORTHEASTERLY, ALONG SAID CURVE TO THE LEFT AND SAID EASTERLY LINE, AN ARC DISTANCE OF 192.37 FEET TO THE PLACE OF BEGINNING AND CONTAINING 4.104 ACRES OF LAND.

UNRECORDED

Filed and Recorded
Official Public Records
Sissy Kemp, County Clerk
Collin County, TEXAS
11/01/2010 01:57:23 PM
\$24.00 CLARK
20101101001187730



Sissy Kemp

TERRY MILLICAN, R.P.L.S.
VICTOR L. ACUY, P.E.
RICHARD A. DORMIER, P.E.
JOHN D. GATTIS, A.I.A.
MARK D. HILL, P.E.
DAMIR LULO, P.E.
MICHAEL K. STACEY, P.E.
LARRY J. FREEMAN, P.E.

August 20, 2018

Ms. Kim Dobbs
City of Lavon
PO Box 340
120 School Road
Lavon, TX 75166

Re: Lavon Business Park II, Lot 4, 1.0 Acres
Development Plans

Dear Ms. Dobbs:

As requested, we have reviewed the Development Plans dated July 30, 2018 as prepared by Monk Consulting Engineers, Inc. for the above referenced property. The property is located in the southeast corner of Lavon Business Park II and is platted as Lot 4. Our comments are as follows:

General

1. The property has been platted.
2. The property is zoned Planned Development – Business (PD-B) per the Zoning Ordinance 2018-03-02 and is part of the Planned Development District No. 2 per Ordinance 2013-12-13.
3. Landscape plans have not been provided for review.

Cover (C100)

4. The title only references Collin County. We recommend that the City of Lavon be included or replace Collin County.
5. The Plat is referenced in the Index of Drawings but was not provided.
6. The Index of Drawings lists "SWPPP Sheets 1-5" implying there are 5 sheets. Only one sheet, sheet D102, has been provided for erosion control.
7. The note references NCTCOG standards and details. This should be City of Lavon standards and details.

Site Dimension and Control Plan (C101)

8. Note #1 references TxDOT standards and permits. This does not appear to be applicable for this project.
9. Note #2 references NCTCOG standards and details. This should be City of Lavon standards and details.

10. It appears that the proposed 48' driveway approach extends beyond the limits of this property and the existing access easement. Construction activities on adjacent properties will require written permission from the property owner that allows these permanent improvements.
11. Per the City of Lavon Standard Construction Details, Fire Lanes are to be 7" thick pavement.
12. Details should be provided on pavement reinforcement and subgrade preparation.
13. The retaining wall appears to be less than 48" in height. However, the design is "by others". A copy of the design should be provided to the City prior to construction.
14. To facilitate review and approval, we recommend that building elevations be provided.
15. A trash enclosure area (dumpster) is not shown on the plans. The Engineer should address this omission.

Utility Plan (C102).

16. Sanitary sewer is to be provided with a connection to an existing manhole stubout. A double cleanout is being provided.
17. The existing manhole should be adjusted so the rim elevation is 6" above final grade. Reference to finish floor of the building is not recommended.
18. A note should be added that all sanitary sewer pipe shall be SDR 26.
19. The notes reference NCTCOG standards. This should be City of Lavon Standards.
20. Note #5 references a drop manhole. This does not appear to be applicable for this project.
21. A 1" water service will serve this new building.
22. Per note #1 on Sheet D101, this 5,000 SF building will be sprinkled. The existing fire hydrant is located approximately 300 l.f. from the closest proposed building (measured along street).

Drainage Area Map (C103)

23. The drainage area map shows the entire Lavon Business Park II development. It should be modified to show the impact of development of Lot 4, including all onsite and offsite drainage. The drainage calculations will have to show that development of this lot has negligible impact on the existing (undeveloped) drainage of this lot. If the post-development flow is greater than the pre-development flow, detention may be required.

Grading Plan (C104)

24. The sanitary sewer manhole should be adjusted to 6" above final grade.
25. We recommend the Legend include the existing and proposed spot elevations and contours to provide clarity of information being provided.

Ms. Kim Dobbs
Lavon Business Park II, Lot 4, Development plans
August 20, 2018
Page 3 of 3

Erosion Control (C105)

- 26. Note #1 references TxDOT standards and permits. This does not appear to be applicable for this project.
- 27. Silt fence is being proposed on areas outside of Lot 4. This will require written permission from the affected property owners. A copy of the written permission should be provided to the City for its records.

This concludes our review of the above referenced Development Plans. A copy of the sheets with markups are attached for your convenience.

The review conducted by FMI was for the limited purpose of code and ordinance compliance review for the exclusive benefit of the City of Lavon. The above referenced documents were not reviewed as to their quality or for errors on the part of the surveyor or engineer.

If there are any questions, please contact me at 214-503-0555 x115 or by email at mdhill@fmi-dallas.com.

Sincerely,
FREEMAN-MILLICAN, INC.



Mark D. Hill, P.E.
Consulting City Engineer

Attachments

Cc: Sonny Mancias, Mike Jones, Jon Scott

F:\17024 - LAV General Services\9 - Review\Lavon Business Park II\Warehouse Addition (Lot 4)\Lavon Business Park II - Lot 4 - Development Plans - Rev 0.docx



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 9 - E

Item:

Discussion and action regarding Resolution No. **2018-09-05** approving the City of Lavon Investment Policy for Public Funds.

Background:

A requirement of Chapter 2256 of the Texas Government Code, commonly known as the Public Funds Investment Act (PFIA), and the City's Investment Policy is that the Investment Policy be presented annually to the governing body for review and adoption in a formal action. The City last reviewed and adopted the Investment Policy in September 2016. Proposed changes to the policy are noted.

The Investment Policy sets out that the administration of the City's funds and the investment of those funds shall be handled as its highest public trust. The Investment Policy maintains the City's investment priorities, listed in order of priority:

1. Safety
2. Liquidity
3. Diversification
4. Yield

Approval is recommended.

Attachments: Resolution and Proposed Investment Policy
Proposed List of Qualified Brokers/Dealers and Financial Institutions

August 31, 2018

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-05

Investment Policy

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS APPROVING THE INVESTMENT POLICY FOR PUBLIC FUNDS AS ADOPTED BY RESOLUTION NO. 2016-09-01 AND AMENDED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council has reviewed the investment policy, priorities and strategies annually; and

WHEREAS, the City Council has identified certain amendments to the investment policy strategies of the City,

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

SECTION 1: That the Investment Policy as attached hereto as Exhibit “A” is hereby approved and adopted, as amended, to govern the investment of City funds.

SECTION 2: That the Qualified Broker/Dealers and Financial Institutions List as attached hereto as Exhibit “B” is hereby approved.

SECTION 3: That the City Secretary and Accounting Administrator shall be designated as the Investment Officers.

SECTION 4: That this Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED by the City Council of the City of Lavon, Texas on the 4th day of September, 2018.

Vicki Sanson, Mayor

ATTEST:

Kim Dobbs
City Administrator | City Secretary

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-05

EXHIBIT A
INVESTMENT POLICY

CITY OF LAVON, TEXAS

INVESTMENT POLICY

Reviewed and Approved:

09/04/2018

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INVESTMENT POLICY

CITY OF LAVON

I. POLICY STATEMENT

It is the policy of the City of Lavon (the "City") that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City and conforming to the Public Funds Investment Act (the "Act") Texas Government Code 2256.

The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. It is the intent of the City to be in complete compliance with local law and the Texas Public Funds Investment Act (the "Act"). The earnings from investment will be used in a manner that best serves the interests of the City.

II. SCOPE

This investment policy applies to all the financial assets and funds of the City. The City commingles its funds into pooled investment fund(s) for investment purposes for efficiency and maximum investment opportunity.

III. OBJECTIVES AND STRATEGY

It is the policy of the City that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification, and yield. Investments are to be chosen in a manner which promotes diversity by market sector, credit and maturity. The choice of high-grade government investments and high-grade, money market instruments is designed to assure the marketability of those investments should liquidity needs arise. To match anticipated cash flow requirements the maximum weighted average maturity of the overall portfolio may not exceed six months.

Safety of Principal

Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Liquidity

The City's investment portfolio will be based on a cash flow analysis of needs and will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonable anticipated.

Diversification

Diversification of the portfolio will include diversification by maturity and market sector and will include the use of a number of broker/dealers for diversification and market coverage.

Yield

The City's investment portfolio shall be designed with the objective of attaining a market rate of return, taking into account the City's risk constraints and the cash flow needs of the portfolio. The City will use the average yield of the six month U.S. Treasury Bill during the same period as its benchmark for risk.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). All investments will be made in accordance with this statute. The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public funds deposits.

V. DELEGATION OF INVESTMENT AUTHORITY

The City Council will by ordinance or order designate the Investment Officer(s) for the City. The City Secretary and Accounting Administrator, acting on behalf of the City Council, have been designated as the Investment Officer(s) of the City and are responsible for investment management decisions and activities. The City Council retains ultimate fiduciary responsibility. The Investment Officer is responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. Procedures will include reference to safekeeping, wire transfer agreements, banking services contracts, and other investment related activities.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established.

Authorization Resolution

The Council resolution designating the Investment Officer authorizes the Investment Officer to engage in investment transactions, deposit, withdraw, wire funds for investments, transfer and manager funds on behalf of the City.

Limitation of Personal Liability

The Investment Officer, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule, shall be relieved of personal liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effects.

VI. PRUDENCE

The standard of prudence to be used in the investment function shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. This standard states:

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

VII. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Mayor or City Administrator any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City, particularly with regard to the time of purchases and sales.

VIII. INTERNAL CONTROLS

The Investment Officer shall establish written internal controls to be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes.

IX. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below and as further described by the Public Funds Investment Act. If additional types of securities are approved for investment by public funds by State statute, they will not be eligible for

investment by the City until this policy has been amended and the amended version adopted by the City Council.

- A. Obligations of the United States Government, its agencies and instrumentalities, not to exceed two years to stated maturity, excluding mortgage-backed securities;
- B. Fully insured or collateralized certificates of deposit from any bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed one year to stated maturity, to include certificates of deposit purchased the CDARS program with a Texas bank;
- C. Repurchase agreements as defined by the Act, not to exceed 180 days to stated maturity, provided an executed Master Repurchase Agreement is on file with the City and the counterparty bank or primary dealer as defined by the Federal Reserve. Flex repurchase agreements used specifically for capital projects may extend beyond two years but only to match the expenditure plan of the projects;
- D. AAA-rated, no-load, SEC registered money market funds; and
- E. AAA-rated, constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act.
- F. Interest bearing bank deposits that are insured by the FDIC or the National Credit Union Share Insurance Fund.

Delivery versus Payment

All security transactions, including collateral for repurchase agreements, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis assuring that no City funds are released before the security is received by the custodian.

X. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

All investments made by the City will be made through either the City's banking services bank or approved broker/dealer. The City Council will review the list of broker/dealers annually.

Securities broker/dealers must meet certain criteria determined by the Investment Officer. The following criteria must be met by those firms on the list:

- Proof of certification by the Financial Industry Regulatory Association (FINRA) and provision of FINRA CRD number
- An audited financial statement for the most recent period
- Proof of current registration with the Texas State Securities Commission.

Every broker/dealer and bank with which the City transacts business will be provided a copy of this Investment Policy for review to assure that they are familiar with the goals and objectives

of the investment program. A representative of the firm will be required to return a signed certification stating that the Policy has been received and reviewed and that controls are in place to control that only authorized securities are sold to the City.

XI. DIVERSIFICATION AND MATURITY LIMITATIONS

It is the policy of the City to diversify its investment portfolio, Invested funds shall be diversified to minimize risk or loss resulting from the over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed.

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements. Matching maturities with cash flow dates will normally increase yield, will lock in higher yields, and reduce the need to see securities prior to maturity, this reducing market risk. Unless matched to a specific requirement, the Investment Officer may not invest more than 20% of the portfolio for a period greater than one (1) year. The Investment Officer may not invest any portion of the portfolio for a period greater than two (2) years except in a flex repurchase agreement tied to the expenditure schedule of a bond fund.

XII. SAFEKEEPING AND COLLATERALIZATION

Safekeeping of City Owned Securities

The laws of the State and this Policy require that all purchased securities be cleared to safekeeping on a delivery versus payment (DVP) basis and be held in safekeeping by an independent third party financial institution, or the City's banking services depository.

All safekeeping arrangements shall be approved by the Investment Officer and an agreement of the terms executed in writing. The independent third party custodian shall be required to issue safekeeping receipts to the City listing each specific security, rate, description, cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the City or pledged to the City.

Securities Pledged as Collateral to the City

All securities pledged to the City for all bank time or demand deposits shall be held by an independent third party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank from which the securities are pledged.

Collateralization is required on all time and demand deposits over the FDIC insurance coverage. In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest. Collateral will be held by an independent third party custodian. The custodian shall provide a written monthly report directly to the City listing all pledged collateral by description and par at a minimum.

Authorized Collateral

The only types of collateral authorized by the City are:

- Obligations of the US Government, its agencies and instrumentalities including mortgage-backed securities which pass the bank test.
- Obligations of a state or subdivision, city, county, school district of any state rated A or better by two nationally recognized rating agencies.

If the depository proposes a collateral pooling program, the Investment Officer will review and evaluate the program's risk and cost to the City for presentation to the Council. The pooling of collateral allows a bank to create a pool of securities for collateral purposes for multiple governments and will result in securities pledged directly/specifically to each government.

XIII. PERFORMANCE EVALUATION AND REPORTING

The Investment Officer shall submit a quarterly report to the City Council, at a minimum, containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program and consistent and statutory requirements. All reports shall be in compliance with the Act.

Market prices for market evaluations will be obtained from an independent source.

XIV. DEPOSITORIES

The City will designate one banking institution through a competitive process as its central banking services provider. This bank will be used for normal banking services including disbursements, collections, and safekeeping of securities.

Other banking institutions from which the City may purchase certificates of deposit will also be designated as a depository for collateral purposes and shall submit annual financial reports to the City.

XV. INVESTMENT TRAINING

The Investment Officer(s) shall complete training as required by the Act.

XVI. INVESTMENT POLICY ADOPTION

The City's Investment Policy shall be reviewed and adopted annually by the City Council. The written resolution adopting the Policy shall note any changes to the Policy.

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-05

EXHIBIT B

QUALIFIED BROKER/DEALERS AND FINANCIAL INSTITUTIONS

TEXSTAR
TEXSTAR Participant Services
First Southwest Asset Management, Inc.
325 North St. Paul, Suite 800
Dallas, TX 75201
Phone 214-953-8890
www.texasstar.org

Independent Bank
1009 North State Highway 78
Lavon, TX 75166
972-853-5808
www.independenyt-bank.com

TEXAS PUBLIC FUNDS INVESTMENT ACT
ACKNOWLEDGEMENT AND CERTIFICATION

This Acknowledgment and Certification is executed on behalf of the City of Lavon, the “Investing Entity” and _____ (the “Dealer”) pursuant to the Public Funds Investment Act, Chapter 2256.005(k), Texas Government Code, in connection with investment transactions conducted between the City of Lavon, Texas and the Dealer.

The undersigned qualified representative of the Dealer hereby certifies on behalf of the Dealer that:

- i) The Dealer Qualified Representative is duly authorized to execute this Acknowledgment and Certification on behalf of the Dealer, and
- ii) The Qualified Representative has received and reviewed the investment policy provided by the City of Lavon; and
- iii) The Dealer has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City of Lavon and the Dealer that are not authorized by the City of Lavon’s investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity’s entire portfolio or requires an interpretation of subjective investment standards.

QUALIFIED REPRESENTATIVE

Signature

Print Name

Title

Date



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 9 - F

Item:

Discussion and action regarding the Resolution No. 2018-09-06 authorizing the Mayor to execute a professional services agreement with First Southwest Asset Management, an affiliate of Hilltop Securities for arbitrage rebate calculation and consultation services.

Background:

In 2013, the City sold special assessment revenue bonds on behalf of the Heritage Public Improvement District (PID) #1. These bonds were secured by the collection of assessments from benefitted properties and no tax pledge was made.

Federal and state laws require that when tax exempt bonds are sold, the issuers of such bonds are required to calculate arbitrage rebate payments every five years. The five-year deadline for the Series 2013 bonds is October 31, 2018.

The Bank of New York (BNY) Mellon who is the appointed trustee of the Heritage PID accounts notified the City of the requirement. The staff considered competitive proposals for professional services from BNY Mellon and First Southwest and recommends that the City Council enter into an agreement with First Southwest.

Financial Impact:

The proposal for the services contains a fee cap of \$3000.00. Funding for the service will be provided by the PID.

Approval is recommended.

Attachments:

Resolution and Proposed Agreement
Information regarding Arbitrage Rebate and Yield Restriction

August 31, 2018

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-06

Arbitrage Rebate Compliance Services Agreement

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS AUTHORIZING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH FIRST SOUTHWEST ASSET MANAGEMENT, LLC FOR ARBITRAGE REBATE COMPLIANCE SERVICES RELATING TO THE HERITAGE PUBLIC IMPROVEMENT DISTRICT NO. 1 SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2013.

WHEREAS, state and federal law require that issuers of tax-exempt bonds calculate the arbitrage rebate payments every five years; and

WHEREAS, the City Council has determined that in addition to satisfying legal requirements, contracting with First Southwest Asset Management , LLC (FSAM) for provision of these services is in the best interests of the publics health, welfare and safety;

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

SECTION 1. The City Council does hereby authorize the Mayor to execute a Professional Services Agreement with First Southwest Asset Management, LLC for Arbitrage Rebate Compliance Services Relating to the Heritage Public Improvement District No. 1 Special Assessment Revenue Bonds, Series 2013 attached hereto as Exhibit "A".

SECTION 2. That this resolution shall take effect from and after the date of its passage.

DULY PASSED AND APPROVED by the City Council of the City of Lavon, Texas on the 4th day of September, 2018.

Vicki Sanson, Mayor

ATTEST:

Kim Dobbs
City Administrator | City Secretary

CITY OF LAVON, TEXAS
RESOLUTION NO. 2018-09-06

EXHIBIT A

ARBITRAGE REBATE COMPLIANCE SERVICES AGREEMENT

**AGREEMENT FOR
ARBITRAGE REBATE COMPLIANCE SERVICES
BETWEEN
CITY OF LAVON, TEXAS
(Hereinafter Referred to as the "Issuer")
AND
FIRST SOUTHWEST ASSET MANAGEMENT, LLC
(Hereinafter Referred to as "FSAM")**

**\$8,065,000
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2013
(HERITAGE PUBLIC IMPROVEMENT DISTRICT NO. 1 (RESIDENTIAL))**

It is understood and agreed that the Issuer, in connection with the sale and delivery of certain bonds, notes, certificates, or other tax-exempt obligations, indicated above (the "*Obligations*"), will have the need to determine to what extent, if any, it will be required to rebate certain investment earnings (the amount of such rebate being referred to herein as the "*Arbitrage Amount*") from the proceeds of the Obligations to the United States of America pursuant to the provisions of Section 148(f)(2) of the Internal Revenue Code of 1986, as amended (the "*Code*"). For purposes of this Agreement, the term "Arbitrage Amount" includes payments made under the election to pay penalty in lieu of rebate for a qualified construction issue under Section 148(f)(4) of the Code.

We are pleased to submit the following proposal for consideration; and if the proposal is accepted by the Issuer, it shall become the agreement (the "*Agreement*") between the Issuer and FSAM effective at the date of its acceptance as provided for herein below.

1. This Agreement shall apply only to the Obligations, to the extent that the Obligations do not qualify for exceptions to the rebate requirements in accordance with Section 148 of the Code and related Treasury regulations.

Covenants of First Southwest Asset Management

2. We agree to provide our professional services in determining the Arbitrage Amount with regard to the Obligations. The Issuer will assume and pay the fee of FSAM as such fee is set out in Appendix A attached hereto. FSAM shall not be responsible for any extraordinary expenses incurred on behalf of Issuer in connection with providing such professional services, including any costs incident to litigation, mandamus action, test case or other similar legal actions.
3. We agree to perform the following duties in connection with providing arbitrage rebate compliance services:
 - a. To cooperate fully with the Issuer in reviewing the schedule of investments made by the Issuer with (i) proceeds from the Obligations, and (ii) proceeds of other funds of the Issuer which, under Treasury Regulations Section 1.148, or any successor regulations thereto, are subject to the rebate requirements of the Code;
 - b. To perform, or cause to be performed, consistent with the Code and the regulations promulgated thereunder, calculations to determine the Arbitrage Amount under Section 148(f)(2) of the Code; and
 - c. To provide a report to the Issuer specifying the Arbitrage Amount based upon the investment schedule, the calculations of bond yield and investment yield, and other information deemed relevant by FSAM. In undertaking to provide the services set forth in paragraph 2 and this paragraph 3, FSAM does not assume any responsibility for any record retention requirements which the Issuer may have under the Code or other applicable laws, it being understood that the Issuer shall remain responsible for compliance with any such record retention requirements.

Covenants of the Issuer

4. In connection with the performance of the aforesaid duties, the Issuer agrees to the following:
 - a. The fees due to FSAM in providing arbitrage rebate compliance services shall be calculated in accordance with Appendix A attached hereto. The fees will be payable upon delivery of the report prepared by FSAM for each issue of Obligations during the term of this Agreement.
 - b. The Issuer will provide FSAM all information regarding the issuance of the Obligations and the investment of the proceeds therefrom, and any other information necessary in connection with calculating the Arbitrage Amount. FSAM will rely on the information supplied by the Issuer without inquiry, it being understood that FSAM will not conduct an audit or take any other steps to verify the accuracy or authenticity of the information provided by the Issuer.
 - c. The Issuer will notify FSAM in writing of the retirement, prior to the scheduled maturity, of any Obligations included under the scope of this Agreement within 30 days of such retirement. This notification is required to provide sufficient time to comply with Treasury Regulations Section 1.148-3(g) which requires final payment of any Arbitrage Amount within 60 days of the final retirement of the Obligations. In the event the Issuer fails to notify FSAM in a timely manner as provided hereinabove, FSAM shall have no further obligation or responsibility to provide any services under this Agreement with respect to such retired Obligations.
5. In providing the services set forth in this Agreement, it is agreed that FSAM shall not incur any liability for any error of judgment made in good faith by a responsible officer or officers thereof and, except to the limited extent set forth in this paragraph, shall not incur any liability for any other errors or omissions, unless it shall be proved that such error or omission was a result of the gross negligence or willful misconduct of said officer or officers. In the event a payment is assessed by the Internal Revenue Service due to an error by FSAM, the Issuer will be responsible for paying the correct Arbitrage Amount and FSAM's liability shall not exceed the amount of any penalty or interest imposed on the Arbitrage Amount as a result of such error.

Effective Date of Agreement

6. This Agreement shall become effective at the date of acceptance by the Issuer as set out herein below and remain in effect thereafter for a period of five (5) years from the date of acceptance, provided, however, that this Agreement may be terminated with or without cause by the Issuer or FSAM upon thirty (30) days prior written notice to the other party. In the event of such termination, it is understood and agreed that only the amounts due to FSAM for services provided and extraordinary expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated prior to the completion of its stated term, all records provided to FSAM with respect to the investment of monies by the Issuer shall be returned to the Issuer as soon as practicable following written request by Issuer. In addition, the parties hereto agree that, upon termination of this Agreement, FSAM shall have no continuing obligation to the Issuer regarding any arbitrage rebate related services contemplated herein, regardless of whether such services have previously been undertaken, completed or performed.

Acceptance of Agreement

7. This Agreement is submitted in duplicate originals. When accepted by the Issuer in accordance with the terms hereof, it, together with Appendix A attached hereto, will constitute the entire Agreement between the Issuer and FSAM for the purposes and the consideration herein specified. In order for this Agreement to become effective, it must be accepted by the Issuer within sixty (60) days of the date appearing below the signature of FSAM's authorized representative hereon. After the expiration of such 60-day period, acceptance by the Issuer shall only become effective upon delivery of written acknowledgement and reaffirmation by FSAM that the terms and conditions set forth in this Agreement remain acceptable to FSAM.

Governing Law

- 8. This Agreement will be governed by and construed in accordance with the laws of the State of Texas, without regard to its principles of conflicts of laws.

Acceptance will be indicated on both copies and the return of one executed copy to First Southwest Asset Management.

Respectfully submitted,

FIRST SOUTHWEST ASSET MANAGEMENT, LLC

By _____



David K. Medanich, President

Date _____

ISSUER'S ACCEPTANCE CLAUSE

The above and foregoing is hereby in all things accepted and approved by

_____, on this the _____ day of _____, _____.

By _____

Authorized Representative

Title _____

Printed Name _____

APPENDIX A – FEES

The Obligations to be covered under this contract include only the Obligations defined on the first page of the Agreement.

The fee for any Obligations under this contract shall only be payable if a computation is required under Section 148(f)(2) of the Code. In the event that any of the Obligations, fall within an exclusion to the computation requirement as defined by Section 148 of the Code or related regulations and no calculations were required by FSAM to make that determination, no fee will be charged for such issue. For example, certain obligations are excluded from the rebate computation requirement if the proceeds are spent within specific time periods. In the event a particular issue of Obligations fulfills the exclusion requirements of the Code or related regulations, the specified fee will be waived by FSAM if no calculations were required to make the determination.

FSAM’s fee for arbitrage rebate services is based upon a fixed annual fee per issue. The annual fee is charged based upon the number of years that proceeds exist subject to rebate from the delivery date of the issue to the computation date.

FSAM’s fees are payable upon delivery of the report. The first report will be made following one year from the date of delivery of the Obligations and on each computation date thereafter during the term of the Agreement. The fees for computations of the Arbitrage Amount which encompass more, or less, than one Computation Year shall be prorated to reflect the longer, or shorter, period of work performed during that period.

Description	Annual Fee
ANNUAL FEE	\$1,200
<i>COMPREHENSIVE ARBITRAGE COMPLIANCE SERVICES INCLUDE:</i>	
<ul style="list-style-type: none"> • Commingled Funds Analysis & Calculations • Spending Exception Analysis & Calculations • Yield Restriction Analysis & Calculations (for yield restricted Project Funds, Reserve Funds, Escrow Funds, etc.) • Parity Reserve Fund Allocations • Transferred Proceeds Calculations • Universal Cap Calculations • Debt Service Fund Calculations (including earnings test when required) • Preparation of all Required IRS Paperwork for Making a Rebate Payment / Yield Reduction Payment • Retention of Records Provided for Arbitrage Computations • IRS Audit Assistance • Delivery of Rebate Calculations Each Year That Meets the Timing Requirements of the Audit Schedule • On-Site Meetings, as Appropriate, to Discuss Calculation Results / Subsequent Planning Items 	INCLUDED
<i>OTHER SERVICES AVAILABLE:</i>	
IRS Refund Request – Update calculation, prepare refund request package, and assist issuer as necessary in responding to subsequent IRS Information Requests	\$750

Note: The five-year installment calculation shall not exceed \$3,000.00.

EXPLANATION OF TERMS:

- a. **Computation Year:** A “Computation Year” represents a one year period from the delivery date of the issue to the date that is one calendar year after the delivery date, and each subsequent one-year period thereafter. Therefore, if a calculation is required that covers more than one “computation year,” the annual fee is multiplied by the number of computation years contained in the calculation being performed. If a calculation includes a portion of a computation year, i.e., if the calculation includes 1 ½ computation years, then the base fee will be multiplied by 1.5.
- b. **Electronic Data Submission:** The data should be provided electronically in MS Excel or ASCII text file (comma delimited text preferred) with the date, description, dollar amount, and an activity code (if not in debit and credit format) on the same line in the file.
- c. **Variable/Floating Rate Bond Issues:** Special services are also required to perform the arbitrage rebate calculations for variable rate bonds. A bond is a variable rate bond if the interest rate paid on the bond is dependent upon an index which is subject to changes subsequent to the issuance of the bonds. The computational requirements of a variable rate issue are more complex than those of a fixed rate issue and, accordingly, require significantly more time to calculate. The additional complexity is primarily related to the computation of the bond yield, which must be calculated on a “bond year” basis. Additionally, the regulations provide certain flexibility in computing the bond yield and determining the arbitrage amount over the first IRS reporting period; consequently, increased calculations are required to determine which bond yield calculation produces the lowest arbitrage amount.
- d. **Commingled Fund Allocations:** By definition, a commingled fund is one that contains either proceeds of more than one bond issue or proceeds of a bond issue and non-bond proceeds (i.e., revenues) of \$25,000 or more. The arbitrage regulations, while permitting the commingling of funds, require that the proceeds of the bond issue(s) be “carved out” for purposes of determining the arbitrage amount. Additionally, interest earnings must be allocated to the portion of the commingled fund that represents proceeds of the issue(s) in question. Permitted “safe-harbor” methods (that is, methods that are outlined in the arbitrage regulations and, accordingly, cannot be questioned by the IRS under audit), exist for allocating expenditures and interest earnings to issues in a commingled fund. FSAM uses one of the applicable safe-harbor methods when doing these calculations.
- e. **Debt Service Reserve Funds:** The authorizing documents for many revenue bond issues require that a separate fund be established (the “Reserve Fund”) into which either bond proceeds or revenues are deposited in an amount equal to some designated level, such as average annual debt service on all parity bonds. This Reserve Fund is established for the benefit of the bondholders as additional security for payment on the debt. In most cases, the balance in the Reserve Fund remains stable throughout the life of the bond issue. Reserve Funds, whether funded with bond proceeds or revenues, must be included in all rebate calculations.
- f. **Debt Service Fund Calculations:** Issuers are required under the regulations to analyze the invested balances in their debt service funds annually to determine whether the fund depletes as required during the year and is, therefore, “bona fide” (i.e., potentially exempt from rebate in that year). It is not uncommon for surplus balances to develop in the debt service fund that services an issuer’s tax supported debt, particularly due to timing differences of when the funds were due to be collected versus when the funds were actually collected. FSAM performs this formal analysis of the debt service fund and, should it be determined that a surplus balance exists in the fund during a given year, allocates the surplus balance among the various issues serviced by the fund in a manner that is acceptable under IRS review.
- g. **Earnings Test for Debt Service Funds:** Certain types of bond issues require an additional level of analysis for the debt service fund, even if the fund depletes as required under the regulations and is “bona fide.” For short-term, fixed rate issues, private activity issues, and variable rate issues, the regulations require that an “earnings test” be performed on a bona fide debt service fund to determine if the interest earnings reached \$100,000 during the year. In cases where the earnings reach or exceed the \$100,000 threshold, the entire fund (not just the surplus or residual portion) is subject to rebate.
- h. **Transferred Proceeds Calculations:** When a bond issue is refinanced (refunded) by another issue, special services relating to “transferred proceeds” calculations may need to be performed. Under the regulations, when proceeds of a refunding issue are used to retire principal of a prior issue, a pro-rata portion of the unspent proceeds of the prior issue becomes subject to rebate and/or yield restriction as transferred proceeds of the refunding issue. The refunding issue essentially “adopts” the unspent proceeds of the prior issue for purposes of the arbitrage calculations. These calculations are required under the regulations to ensure that issuers continue to exercise due diligence to complete the project(s) for which the prior bonds were issued.

- i. **Universal Cap:** Current regulations provide an overall limitation on the amount of gross proceeds allocable to an issue. Simply stated, the value of investments allocated to an issue cannot exceed the value of all outstanding bonds of the issue. For example, this situation can occur if an issuer encounters significant construction delays or enters into litigation with a contractor. It may take months or even years to resolve the problems and begin or resume spending the bond proceeds; however, during this time the debt service payments are still being paid, including any scheduled principal payments. Thus, it's possible for the value of the investments purchased with bond proceeds to exceed the value of the bonds outstanding. In such cases, a "de-allocation" of proceeds may be required to comply with the limitation rules outlined in the regulations.

- j. **Yield Restriction Analysis/Yield Reduction Computations:** The IRS strongly encourages issuers to spend the proceeds of each bond issue as quickly as possible to achieve the governmental purpose for which the bonds were issued. Certain types of proceeds can qualify for a "temporary period," during which time the proceeds may be invested at a yield higher than the yield on the bonds without jeopardizing the tax-exempt status of the issue. The most common temporary period is the three-year temporary period for capital project proceeds. After the end of the temporary period, the proceeds must be yield restricted or the issuer must remit the appropriate yield reduction payment when due. FSAM performs a comprehensive yield restriction analysis when appropriate for all issues having proceeds remaining at the end of the applicable temporary period and also calculates the amount of the yield reduction payment due to the IRS.

J. Colby Jackson

Director
Arbitrage Rebate Compliance Services

August 17, 2018

Ms. Kim Dobbs
City Administrator / City Secretary
City of Lavon, Texas
P.O. Box 340
Lavon, TX 74166-0340

Dear Ms. Dobbs:

On behalf of First Southwest Asset Management, LLC (“FSAM”), an affiliate of Hilltop Securities Inc., I am pleased to submit our proposal to provide arbitrage compliance services to the City of Lavon, Texas (the “City”). FSAM has been providing comprehensive arbitrage compliance services to issuers of tax-exempt bonds since 1987. Our expertise with a diverse client base enables us to understand the unique statutory, resource and time requirements of our clients.

Currently, FSAM serves as independent arbitrage rebate provider to approximately 380 clients across 22 states, comprising more than 2,875 bond issues with an aggregate par value of approximately \$166 billion. Our firm’s philosophy is centered on integrity, excellence and professionalism to best meet the needs of our clients. Our experience in the field of arbitrage rebate includes a variety of issue types, including, but not limited to:

- Tax Supported Issues
- Revenue Supported Issues
- Variable Rate Issues (including those with swaps)
- Commercial Paper Programs
- Tax Credit Bonds (BABs, QSCB, etc.)
- Refunding Issues

In Dallas, FSAM has a staff of 16 professionals, including two Certified Public Accountants (“CPAs”), who provide arbitrage compliance services to issuers throughout the nation.

FSAM is fully equipped and prepared to provide a comprehensive scope of arbitrage compliance services to the City, and we will ensure compliance with both the City’s internal reporting deadlines and IRS filing deadlines. All IRS computation reports are reviewed and signed by a CPA – an important certification when dealing with the IRS and with federal income tax compliance regulations. We are confident in our ability to provide an unparalleled level of comprehensive arbitrage compliance services to the City. Our proprietary systems, combined with our technical expertise, ensure compliance with both the City’s internal reporting deadlines and IRS filing deadlines.

We are confident in our ability to provide an unparalleled level of comprehensive arbitrage compliance services to the City. FSAM takes great pride in the fact that approximately 70% of its rebate compliance clients have been with us for 10 years or more. This retention history demonstrates not only FSAM's technical abilities but our ability to continue to maintain a high level of client satisfaction over time.

The IRS formed an advisory committee of industry experts in 2001 to solicit feedback and suggestions from the tax-exempt community. The organization is called the Advisory Committee on Tax-Exempt/Governmental Entities or "ACT." In 2015, the ACT had two openings on the Tax-Exempt Bond subcommittee; 154 people applied for those two positions. Bill Johnson, a Managing Director with FSAM, was one of the two applicants chosen to serve a three-year term as a member of the Tax-Exempt Bond subcommittee. This position allows Bill to provide feedback to the IRS on current tax-exempt bond industry issues while at the same time gaining a unique perspective on what the IRS is thinking and where they are heading on topics that will impact tax-exempt bond issuers.

FSAM makes the following commitments to our clients:

- Guarantee to honor the costs quoted for the life of the contract.
- Stay abreast of the City's capital project planning, debt issuance and accounting methodology.
- Work with the appropriate City staff to ensure that the calculation, compilation and transmission processes are as efficient as possible.
- Utilize our internal proprietary checklists and a proven review process to ensure quality and minimize the City's overall liability.
- Provide a team to monitor the City's bond issues and coordinate the timing of liability summaries and reports, which allows the City to be proactive in meeting financial reporting and external audit deadlines.
- Be available for ongoing planning and consultation regarding future debt issuances, impact of refundings or other rebate-related questions at no additional cost to the City.
- Assist in the preparation and review of all IRS filings and support the City in the event of an IRS audit. The IRS has never challenged our calculations. In fact, IRS agents have stated that they are pleased with the format and flow of our reports and have referred issuers to our firm.

It is our understanding that the City is interested in retaining a rebate analyst to perform calculations for its Heritage Public Improvement District No. 1 – \$8,065,000.00 Special Assessment Revenue Bonds, Series 2013, which will reach its five-year reporting date on October 30, 2018. Our standard fee for issuers such as the City is \$1,200.00 per issue per bond year. At the standard rate, the total fee would be \$6,000.00 for the five-year calculation. However, we propose a fee cap of \$4,000.00 for the five-year calculation which represents a 33% discount from our standard fees.

We look forward to the opportunity to provide rebate calculation and consultation services to the City. If I can provide any additional information, please do not hesitate to contact me directly at 214.953.8760. Thank you for considering our firm.

Sincerely yours,



J. Colby Jackson

J. Colby Jackson

Director

Arbitrage Rebate Compliance Services

August 29, 2018

Ms. Kim Dobbs
City Administrator/City Secretary
City of Lavon, Texas
120 School Road
Lavon, Texas 75166-1515

Dear Ms. Dobbs:

It was a pleasure speaking with you. We have enclosed two copies of the arbitrage rebate contract, for your review. Thanks to cities such as yours, First Southwest Asset Management, LLC has gained a national reputation as a leading provider of arbitrage rebate services.

In the enclosed packet, you will find some general arbitrage information and a summary of the basic yield restriction rules. I hope you will find this information helpful for both current and future reference.

Our fee structure provides an annual base fee of \$1,200. Please refer to the table in Appendix A on page 4 of the contract for a description of services included in the annual fee. It would truly be our privilege to partner with the City to ensure that the Series 2013 bond issue complies with the arbitrage rebate and yield restriction rules. At your convenience, please return one executed copy to us and retain the other executed copy for your records.

We have enclosed an executed Conflict of Interest Questionnaire (Form CIQ) for your records.

We appreciate the opportunity to be of service. Should you have any questions, please do not hesitate to contact me at (800) 678-3792 or directly at (214) 953-8760. Thank you for considering First Southwest Asset Management, LLC.

Sincerely,



Colby Jackson

128121-1

Hilltop Securities Inc.
1201 Elm Street
Suite 3500
Dallas, Texas 75270

direct 214.953.8760
toll free 800.678.3792
mobile 940.224.4431
Colby.Jackson@HilltopSecurities.com
HilltopSecurities.com

WHAT IS ARBITRAGE REBATE?

The arbitrage rebate requirements have been in effect since 1986 and apply to any issuer of tax-exempt bonds. Due to abuses in the marketplace, a number of strict requirements were implemented related to these tax-exempt bonds, limiting their use to legitimate projects and purposes. Prior to 1986, issuers could issue tax-exempt bonds at interest rates of 7%, invest the proceeds of those bonds at 9 or 10% and make significant profits. In many cases, there were no projects associated with the bonds, and issuers were simply issuing bonds in order to make these profits. Congress imposed the arbitrage rebate requirements in 1986 to stop these types of abuses. The current law states that if an issuer issues bonds with a borrowing cost, or yield of 4%, for example, and invests those proceeds at 5%, thus earning a 1% spread, that 1% spread must be remitted to the IRS in the form of an arbitrage rebate payment. These payments are required to be made every five years from the date the bonds are issued and on the final maturity date of the issue. Failure to comply with the rebate requirements could result in significant penalties, ranging from a 50 percent penalty amount and interest to the loss of the tax-exempt status of the bonds.

While there are some exceptions to the arbitrage rebate requirements, these exceptions are often difficult to meet, and issuers should seek assistance in verifying compliance if they believe an issue may qualify for an exception. The exceptions range from a small issuer exception, which exempts issuers that issue \$5 million or less in tax-exempt debt in a calendar year (up to \$15 million for public school facilities), to various spending exceptions (i.e., 6-month, 18-month or 24-month), which exempt a portion or an entire issue if certain 6-month spending benchmarks are met.

It is important to note that the goal of arbitrage rebate is to maximize the earnings on each issue and, if necessary, pay the excess earnings back in the form of a rebate payment. The arbitrage rebate requirements permit issuers to retain earnings up to the bond yield and only pay to the extent that money is earned above that yield. Therefore, it is advantageous to earn above the bond yield and pay rebate than earn below the bond yield and not maximize the permitted earnings.

If you have any further questions, please do not hesitate to contact us.

Bill Johnson, CPA
Managing Director
First Southwest Asset Management, LLC
(214) 953-8817
bill.johnson@hilltopsecurities.com

WHAT IS YIELD RESTRICTION?

Prior to 1986, the primary set of rules governing the investment of tax-exempt bond proceeds was the yield restriction requirements. The general rule was that issuers could **not** take tax-exempt bond proceeds and invest those proceeds at a yield *materially higher* than the arbitrage yield on the bonds. However, the regulations allowed for several exceptions or “temporary periods” - - periods of time during which proceeds may be legally invested above the arbitrage yield on the bonds. These temporary periods, outlined below, are discussed in greater detail in Section 1.148-2 of the 1993 Treasury Regulations – “General Arbitrage Yield Restriction Rules.”

TEMPORARY PERIODS

In general, the proceeds and replacement proceeds of an issue may be invested in higher yielding investments without causing the bonds in the issue to be arbitrage bonds.

1. **3-year temporary period for capital projects (building or equipment)**

Proceeds qualify for the 3-year temporary period if, *as of the issue date of the bonds*, the issuer *reasonably expects* to satisfy the following tests:

- a. **Expenditure test** – the issuer reasonably expects that at least 85% of the net sale proceeds will be allocated to expenditures by the end of the 3-year temporary period.
- b. **Time test** – the issuer reasonably expects to enter into a binding contract, within 6 months of the issue date, to expend at least 5% of the net sale proceeds of the issue.
- c. **Due Diligence test** – the issuer reasonably expects to proceed with due diligence to complete the project.

The IRS can, in cases where issuers (who don't qualify for one of these temporary periods) invest tax-exempt bond proceeds in higher yielding investments, declare the bonds to be arbitrage bonds, retroactively to the issue date, and tax the bondholders.

Issuers who qualify for one of these temporary periods may legally invest in higher yielding investments; however, the excess earnings may have to be remitted back to the government if one of the exceptions to the rebate requirements is not met.

Prior to the introduction of the 1993 Treasury Regulations, there were no provisions in place for issuers to “cure” violations of the yield restriction requirements - - the potential for the IRS to declare the bonds taxable loomed over issuers. With the enactment of the 1993 Treasury Regulations, the IRS sought to integrate the yield restriction requirements with the rebate regulations. Now, in *most* circumstances, issuers who invest in higher yielding investments after the expiration of the applicable temporary period are allowed to remit the excess earnings back to the government in the form of a yield reduction payment.

Rebate Payment – rebating interest earnings that were earned during an unrestricted period.

Yield Reduction Payment – remitting interest earnings that were earned during a restricted period.

KEY: For purposes of determining whether a yield reduction payment is due, issuers are **not allowed to blend unrestricted and restricted amounts together.**

Example:

During the 3-year temporary period, an issuer earns *cumulative negative arbitrage* of \$10,000 due to a low interest rate environment.

WHAT IS YIELD RESTRICTION? (continued)

After the expiration of the aforementioned temporary period, in years 4 and 5, this issuer earns *cumulative excess yield* of \$20,000 due to an increase in interest rates.

Based upon the facts above, the issuer will have to make a 100% yield reduction payment of \$20,000 at the required payment date.

Generally, yield reduction payments are paid in the same way, and at the same time, as are rebate payments (i.e., every 5-years and at final maturity, if applicable).

The information presented herein is a synopsis of the *basic* yield restriction rules. There are additional complexities in evaluating compliance with these rules for issues with overfunded reserve funds, advance refunding escrows, etc.

If you have any further questions, please do not hesitate to contact us.

Bill Johnson, CPA
Managing Director
FirstSouthwest Asset Management, LLC
(214) 953-8817
bill.johnson@hilltopsecurities.com

OVERVIEW OF SPENDING EXCEPTIONS

6-MONTH SPENDING EXCEPTION

General Spending Requirement:

100% of *Gross Proceeds* expended in 6-months.

Gross Proceeds Excludes: Amounts in a Bona Fide Debt Service Fund;
 Amounts in a Reasonably Required Reserve/Replacement Fund;

Additional Spending Period (for certain bonds):

The 6-month spending period is extended to 1-year, so long as the amount unspent at the 6-month date does not exceed 5% of the proceeds of the issue. Put another way, if all that remains unspent at the 6-month date is an amount less than or equal to 5% of the proceeds of the issue (i.e., a "Minor Portion"), the issue may qualify for an additional 6-months during which to fully spend that Minor Portion.

Issues That Don't Qualify for the Additional Spending Period:

- (a) Private Activity bonds (other than qualified 501(c)(3) bonds).
- (b) Tax or Revenue Anticipation bonds.

24-MONTH SPENDING EXCEPTION (for *construction* issues)

General Spending Requirements:

100% of *Available Construction Proceeds* expended as follows:

- At least 10% within 6-months;
- At least 45% within 12-months;
- At least 75% within 18-months;
- 100% within 24-months.

Available Construction Proceeds (ACP) Includes:

Issue Price of the Construction Issue

Plus Earnings (see Note below)

Plus Earnings on Reasonably Required Reserve/Replacement Fund Not Funded w/Proceeds
(unless the issuer elects to exclude earnings on the fund during the construction period)

Plus Earnings on Earnings

Less Proceeds Deposited to any Reasonably Required Reserve/Replacement Fund

Less Issue Costs Financed with Proceeds of the Issue

Note: For purposes of testing spending at the 6-month, 12-month, and 18-month dates, ACP includes estimated earnings, based upon the issuer's reasonable expectations on the issue date. Actual earnings are used to test spending at the 24-month date.

(if the issuer elects to use actual facts, then actual earnings are used to test spending at all dates)

An issue is a "*construction* issue" if the issuer reasonably expects, as of the issue date of the bonds, that at least 75% of ACP will be allocated to *construction expenditures* for property owned by a governmental unit or qualified 501(c)(3) organization. If an issuer elects to apply actual facts, then the character of the actual expenditures is used to determine whether or not the issue is a construction issue. Construction

OVERVIEW OF SPENDING EXCEPTIONS **(continued)**

expenditures are capital expenditures. Land and equipment *generally* do not qualify as construction expenditures.

*Any elections made by the issuer regarding the 24-month construction exception (i.e., election to exclude earnings on a reasonably required reserve or replacement fund, election to use actual facts, election to bifurcate the bond issue between construction & non-construction portions, etc.) must be made on or before the issue date of the bonds.

Exceptions for Unspent Amounts at the 24-month date:

(a) De Minimis Rule

An issue will not fail the spending exception if, at the 24-month date, the unspent amount does not exceed the *lesser* of 3% of issue price or \$250,000 (the "De Minimis" amount). If such an amount remains at the 24-month date, the only requirement is that the issuer exercise due diligence to complete the project.

(b) Reasonable Retainage

An issue will not fail the spending exception if, at the 24-month date, the unspent amount does not exceed 5% of ACP. If such an amount remains at the 24-month date, and the issuer has documentation to substantiate that the unspent amount is indeed contract retainage, the issuer is required to have fully spent the retainage by the 36-month date.

18-MONTH SPENDING EXCEPTION (for bonds issued *after* June 30, 1993)

General Spending Requirements:

100% of *Gross Proceeds* expended as follows:

- At least 15% within 6-months;
- At least 60% within 12-months;
- 100% within 18-months.

Gross Proceeds Excludes: Amounts in a Bona Fide Debt Service Fund;
 Amounts in a Reasonably Required Reserve/Replacement Fund;

Note: For purposes of testing spending at the 6-month and 12-month dates, Gross Proceeds includes estimated earnings, based upon the issuer's reasonable expectations on the issue date. Actual earnings are used to test spending at the 18-month date.

Exceptions for Unspent Amounts at the 18-month date:

(a) De Minimis Rule

An issue will not fail the spending exception if, at the 18-month date, the unspent amount does not exceed the *lesser* of 3% of issue price or \$250,000 (the "De Minimis" amount). If such an amount remains at the 18-month date, the only requirement is that the issuer exercise due diligence to complete the project.

(b) Reasonable Retainage

An issue will not fail the spending exception if, at the 18-month date, the unspent amount does not exceed 5% of Net Sales Proceeds. If such an amount remains at the 18-month date, and the issuer has documentation to substantiate that the unspent amount is indeed contract retainage, the issuer is required to have fully spent the retainage by the 30-month date.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

First Southwest Asset Management, LLC

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Not Applicable

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes

No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes

No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

Not Applicable

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 First Southwest Asset Management, LLC

By


Signature of vendor doing business with the governmental entity

8/22/18
Date

2001 Bryan St 11th Floor
Dallas, TX 75201



City Of Lavon
City secretary
City of Lavon
120 School Road
Lavon, TX 75166

**TRANSMITTAL
LETTER**
**(Please enclose this transmittal
letter in the envelope with
the compliance item)**

August 6, 2018

Re: City of Lavon, Texas Special Assessment PID Revenue Bonds, Series 2013 (Heritage Public Improvement District No. 1)

Dear City Of Lavon:

A review of our records indicates that an arbitrage rebate calculation for the above referenced financing is due on 10/30/2018. This contractual requirement is established pursuant to the documents governing the above referenced financing. We have no authority to waive this requirement. Please deliver or provide evidence of compliance together with the enclosed transmittal letter to my attention on or before the above due date.

If you have not already appointed an arbitrage rebate calculation agent, we hope you will consider appointing BNY Mellon to fulfill this requirement. We have established a unit within our firm to meet the post-issuance compliance needs of issuers and obligors.

Our arbitrage rebate and yield restriction compliance professionals have performed thousands of arbitrage compliance calculations for more than 600 issuers. When BNY Mellon is the trustee and/or paying agent on the bonds, we simplify the process and provide *seamless* arbitrage reporting and information.

If you would like to discuss this option or have any questions regarding this compliance item, please contact me at 214.580.1226 or beverly.evans@bnymellon.com.

Sincerely,

Beverly Evans
Associate Client Service Manager

LAVON13
1450577
EVANSBEVE

001086 XBFXD401 002172 106738 e001086 f005 s002172



CITY OF LAVON CITY COUNCIL Agenda Brief

MEETING: September 4, 2018

ITEM: 9 - G

Item:

Discussion and action regarding the election of the Board of Trustees of the Texas Municipal League (TML) Intergovernmental Risk Pool.

Background:

The City of Lavon is a member of the Texas Municipal League Intergovernmental Risk Pool for the provision of group health insurance benefits to city employees. The pool is governed by a Board of Trustees elected by the members.

The City Council may cast a single vote of each of four places. If the Council does not desire to submit ballots, no action is required.

Attachments: Correspondence and Ballot Forms

August 31, 2018

OFFICIAL BALLOT

Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election

This is the official ballot for the election of Places 11 – 14 of the Board of Trustees for the Texas Municipal League Intergovernmental Risk Pool. Each Member of the Pool is entitled to vote for Board of Trustee members. Please record your organization's choices by placing an "X" in the square beside the candidate's name or writing in the name of an eligible person in the space provided. You can only vote for one candidate for each place.

The officials listed on this ballot have been nominated to serve a six-year term on the TML Intergovernmental Risk Pool (Workers' Compensation, Property and Liability) Board of Trustees. The names of the candidates for each Place on the Board of Trustees are listed in alphabetical order on this ballot.

Ballots must reach the office of David Reagan, Secretary of the Board, no later than September 30, 2018. Ballots received after September 30, 2018, cannot be counted. **The ballot must be properly signed and all pages of the ballot must be mailed to: Trustee Election, David Reagan, Secretary of the Board, P.O. Box 149194, Austin, Texas 78714-9194. If the ballot is not signed, it will not be counted.**

PLACE 11

- Dietrich von Biedenfeld.** Alderman for the City of West Columbia (Region 14) since May 2012. Mr. Biedenfeld teaches at the Marilyn Davies College of Business at the University of Houston – Downtown and is a VA-accredited attorney. He serves as Chair of the Dispute Resolution Committee and past Chair of the Public Contract Law Committee for the American Bar Association Young Lawyer Division. He is also President of the Brazoria County Cities Association. Mr. Biedenfeld is a member of the International Association of Emergency Managers, Federal Bar Association, NIGP: The Institute for Public Procurement, and U.S. Green Building Council. He is also a member of the Columbia Historical and Brazoria County Heritage Museums.

- Randy Criswell (Incumbent).** City Manager for the City of Canyon (Region 2) since 2008. Mr. Criswell has served on the TML Risk Pool Board of Trustees since 2015 and currently serves as Chair of the Underwriting and Claims Committee. He has been in public service for 28 years, with nearly 24 years as an employee of the City of Canyon. Mr. Criswell has a Bachelor of Science degree from Texas Tech University, is an active member of TCMA, having served multiple terms on the Board of Directors and Committees. He has served as the TCMA Affiliate Representative on the TML Board of Directors, is a member of ICMA, and is a Certified Public Manager.

- Rick A. Schroder.** City Administrator for the City of Helotes (Region 7) since September 2008. Mr. Schroder also serves as the Executive Director for the Helotes Economic Development Corporation (EDC). Prior to his tenure as City Administrator, Rick was employed by the EDC as the Economic Development Specialist from 2006 to 2008. He graduated Magna Cum Laude from Trinity University in 2004 with a degree in Political Science, and he earned a Master of Public Service and Administration in 2006 from the George H.W. Bush School of Government and Public Service at Texas A&M University. During his coursework, he worked for a variety of public and private organizations, primarily focused on public service and government relations.

WRITE IN CANDIDATE:

PLACE 12

- Bert Lumbreras.** City Manager for the City of San Marcos, Texas (Region 10). Bert Lumbreras has 37 years of experience as a City Manager or an Assistant City Manager in seven Texas communities, including Austin and Waco. He currently serves as the International City/County Management Association Mountain Plains Vice President and previously served on the Board of Directors of the Texas City Management Association from 2010-2014, including President in 2012. He has a Bachelor's Degree in Political Science, with a concentration in Public Administration, and a minor in Geography and Urban Planning from Southwest Texas State University.

- Kimberly Meismer.** Executive Director of General Operations for the City of Kerrville (Region 7), overseeing Human Resources, Municipal Court, Public Library, and Public Information. Ms. Meismer has over 21 years of public service, which includes serving the Cities of Kerrville and La Porte. She earned a Master's degree in Public Administration from U.T.–Arlington and a Bachelor's degree in Human Resource Management from Columbia Southern University. She is a member of the TCMA, International Public Management Association for Human Resources (IPMA-HR), Society for Human Resource Management (SHRM), San Antonio Human Resource Management Association, and is a former President of the Bay Area Human Resource Management Association. She is an IPMA-HR Senior Certified Professional and a SHRM Certified Professional.

- Jana Traxler.** Human Resources Director and Risk Manager for the City of Murphy, Texas (Region 13). Jana Traxler is a municipal Human Resources Executive who is committed to being a strategic partner in municipal management, an employee advocate and a change agent. She has experience working in both local and state governments as well as experience working under a state funded contract with Hewlett Packard Enterprise Services. Prior to relocating to Murphy, Texas, she held the position of the Human Resources Labor Relations Officer for Shawnee County, Kansas. She is a graduate of the Villanova University Masters in Human Resource Development program and holds the Senior Professional in Human Resources designation.

- Robert D. Wilson, Jr.** Board of Directors of the Post Oak Savannah Ground Conservation District in Milano, Texas (Region 10) for the last four years. Robert Wilson has also served on the Board of Directors for the Southwest Milam Water Supply Corporation for the past 13 years, and currently is the President. Mr. Wilson graduated from the University of Minnesota, majoring in mathematics. He was a Captain in the US Army, 1964-1968, and served in Viet Nam. He spent over 40 years in Commercial Banking, with the last 15 as Branch President of Citizens National Bank in Rockdale, Texas. Mr. Wilson has served on numerous local boards and organizations, volunteering his time to assist and improve the quality of life in Rockdale over the past 15 years. He is active in his church as a Sunday School Teacher, Deacon, and Treasurer.

WRITE IN CANDIDATE:

PLACE 13

- Byron Black.** (Incumbent). Board Chair, Central Appraisal District of Johnson County (Region 8). He served as Mayor of Burleson from 1998-2004, previously serving as mayor pro tem and as a Councilmember. He currently serves as Chair of the Impact Fee Committee for the City of Burleson. Mr. Black is a past board member of the Area Metro Ambulance Authority Board. He was a member of the Burleson Independent School District Board for 12 years, nine as President, and served as president of TASB. Mr. Black has served as a Board member of the TML Intergovernmental Risk Pool since 2000, serving as Vice-Chair and Chair.

- Mike Jones.** Chief Appraiser/Chief Administrator of the Fannin Central Appraisal District in Bonham, Texas (Region 13). His service in the property tax profession began in February, 2006 after serving a 20-year career in the United States Air Force. He holds a Bachelor of Science in Occupational Education from Wayland Baptist University. His professional credentials include the Registered Professional Appraiser and Registered Texas Assessor/Collector Designations, a Certified Tax Administrator from the Institute of Certified Tax Administrators and a Certified Chief Appraiser from the Texas Association of Appraisal Districts and the Texas Association of Assessing Officers.

WRITE IN CANDIDATE:

PLACE 14

- Bert Echterling.** Mayor for the City of Robinson (Region 9) since 2015. Mr. Echterling has served as a council member for Robinson since 2006. He serves on the McLennan County Park Committee and on the Robinson Campus Improvement Committee. He is a past Board Member for the Robinson Economic Development Committee and the Robinson Chamber of Commerce. He was born and raised in Robinson, graduated from Robinson High School, and attended McLennan Community College. In 1996, he joined the family business, Echterling Builders, which he has owned since.

- David J. Harris.** City Administrator for the City of Balcones Heights (Region 7) since 2014. Mr. Harris began his local government career in 1996 at Bexar County and has served 18 years in leadership of the cities of Hill Country Village (City Administrator), Schertz (Assistant City Manager), and Alamo Heights (Interim Director). He serves as Immediate Past President and on the Board of the Texas City Management Association, Secretary of TML Region 7, President of Alamo Heights Rotary Club. Mr. Harris received his BA in American Studies from Whitworth University and a MS in Urban Administration from Trinity University. He is an ICMA Credentialed Manager and a member of TCMA and ICMA.

- David Rutledge.** Mayor of Bridge City (Region 16) since 2016, re-elected to a second term this past May, previously served as council member from 2005-2010 (term-limited), again in 2015, and is a representative on the Southeast Texas Regional Planning Commission (COG). Active in TML, he has been recognized as a Certified Municipal Official (CMO) the previous three years, is Vice President of TML Region 16, and serves on the TML Municipal Advocacy Committee and the Municipal Policy Summit. A mechanical engineer by profession from Lamar University in Beaumont, he serves on that university's Mechanical Engineering Advisory Council.

WRITE IN CANDIDATE:

Certificate

I certify that the vote cast above has been cast in accordance with the will of the majority of the governing body of the public entity named below.

Witness my hand, this _____ day of _____, 2018.

Signature of Authorized Official

Title

Printed Name of Authorized Official

Printed Name of Political Entity



**CITY OF LAVON
CITY COUNCIL
Agenda Brief**

MEETING: September 4, 2018

ITEM: 9 - H

Item:

Discussion and action regarding the election of the Board of Trustees of the TML Multistate Intergovernmental Employee Benefits Pool.

Background:

The City of Lavon is a member of the Texas Municipal League Intergovernmental Employee Benefits Pool for the provision of group health insurance benefits to city employees. The pool is governed by a Board of Trustees elected by the members.

The City Council may vote for one of two candidates for the Board. If the Council does not desire to submit a ballot, no action is required.

Attachments: Correspondence and Ballot Form

August 31, 2018



MEMORANDUM

TO: TML MultiState Intergovernmental Employee Benefits Pool Members of Region 13

DATE: August 17, 2018

RE: 2018 Board of Trustee Election

Enclosed is your ballot for the Board of Trustee election. All qualified nominees appear on the ballot. Please see that this ballot is placed on the agenda for the next meeting of your governing body. **To be counted, ballots must certify that the vote was taken at an official meeting of the governing body.** Enclosed is a pre-addressed envelope to return your ballot. The Board Secretary must receive ballots by 5:00 p.m. (CST) on September 26, 2018 at Bickerstaff Heath Delgado Acosta LLP, 3711 S. MoPac Expressway, Building One, Suite 300, Austin, Texas 78746. Ballots may be submitted to the Board Secretary by mail, by facsimile (512) 320-5638 or electronically to GSeaquist@bickerstaff.com.

The term of office will be from October 1, 2018 through September 30, 2021 for the individual elected. The Trust Agreement provides that "if more than two (2) candidates are running, the person receiving the largest number of votes shall be elected."

Further, the Trust Agreement provides "write-in candidates otherwise duly qualified shall be eligible for election." To be duly qualified the individual must be either an employee or elected official of an incorporated city within the state of Texas, which is a Member of the Pool at the time of their election. A municipal "employee" is a person who holds a position of Department Head or higher; works at least 20 hours per week for an incorporated city; is paid by the incorporated city with incorporated city funds; and may be hired and fired only by another incorporated city official or by the incorporated city's governing body. Nominees may not be voting Board Members of the Texas Municipal League or the Texas Municipal League Intergovernmental Risk Pool.

If you have any questions, please contact me at (512) 472-8021.

A handwritten signature in black ink that reads "Gunnar Seaquist".

Gunnar Seaquist
Board Secretary

Enclosures

RECEIVED

AUG 21 2018

CITY OF LAVON



**TML MultiState Intergovernmental Employee Benefits Pool
Board of Trustees – TML Region 13**

**Term of Office
October 1, 2018 – September 30, 2021**

Please vote for one candidate.

Judy Garza ~ Human Resources Manager, City of Fate

Ms. Garza currently serves as Human Resources Manager for the City of Fate. She has a Bachelor of Science in Behavioral Science and a Masters of Arts in Adult Education. Ms. Garza is a member of the Texas Municipal Human Resources Association and Dallas HR-SHRM Chapter. Ms. Garza is also active in the local community: Rockwall High Swim Team Mom, Texas A&M Biomedical Sciences Parents Association, All Saints Catholic Church and Pro-bono HR advising/education for small businesses looking for assistance.

Bret Haney ~ City Administrator, City of Cockrell Hill

Mr. Haney currently serves as City Administrator for the City of Cockrell Hill. He has a Masters of Public Administration from the University of North Texas. Mr. Haney is a member of the Texas City Management Association. Mr. Haney also serves as a volunteer at his church.

I certify that this ballot is cast in accordance with official action taken at a duly called meeting on _____
_____, 2018.

Signature

Title

Entity

Ballots may be submitted by mail in envelope provided, by facsimile (512) 320-5638 or electronically to GSeaquist@bickerstaff.com to be received by September 26, 2018

Gunnar Seaquist

Bickerstaff Heath Delgado Acosta LLP

3711 S. MoPac Expressway, Building One, Suite 300, Austin, Texas 78746



**CITY OF LAVON
CITY COUNCIL as
BOARD OF ADJUSTMENT
Agenda Brief**

MEETING: September 4, 2018

ITEM: 10

Item:

BOARD OF ADJUSTMENT

In accordance with the Texas Local Government Code, Section 211.008 (g) and Section 9.1.11.1 (C))(3) of the Code of Ordinances, the Lavon City Council will act as the Board of Adjustment to consider and act on a request for a variance from the Zoning Ordinance.

Public Hearing, discussion and action regarding the application of Mohammad Frotan for a variance to the requirements of Section 9.1.6.1(E)(12) of the Code of Ordinances, Zoning Ordinance, that provides for a masonry wall or dense landscaped screen to permit the construction of a fence consisting of existing masonry columns and wood or sheet metal at. 411 South SH 78; Lot 8, Block B, Lavonia Landing, Lavon, Texas, situated northwest of the intersection of Lake Road and SH 78.

- 1) Presentation of request.
- 2) **PUBLIC HEARING** to receive comments regarding the request.
- 3) Discussion and action regarding the request.

Background:

Owner(s): Mohammad Frotan

Applicant: Mohammad Frotan, Mo's Exxon Station

Location: 411 SH 78, on the northwest corner fo the intersection of SH 78 and Lake Rd.

Property Description: Lavonia Landing, Blk B, Lot 8
(Collin CAD#2071463)
City of Lavon, Collin County, Texas

Current Zoning: Retail (R) District

Request: Variance to Requirement for Masonry Screening Wall

The applicant has a convenience store with a food counter and gasoline sales at the intersection

of SH 78 and Lake Rd. The applicant had installed a wooden screening fence with masonry columns which was permitted at the time of installation.

In order to make needed repairs to the fence, the applicant wishes to replace the dilapidated fence materials with cedar board on board or sheet metal as opposed to meeting the requirements of the newly adopted zoning ordinance, which requires a masonry wall or dense landscape buffer.

Code Excerpt:

Lavon Code of Ordinances – Zoning Ordinance

9.1.6.1 Retail District (R)

E) Building Placement, Orientation and Site Design

12) Retail and Commercial Uses adjacent to a residential use or zone shall provide a masonry wall or dense landscaped screen along the lot line from the front yard through the rear yard.

The fence is not installed on the property line but is entirely contained on the owner's property inside the property line. The owner maintains the property on either side of the fence. The applicant stated that a dense landscape screen does not provide the level of security desired by the owner.

Notices of the public hearing and variance request were mailed to the owners of property located within 100 feet of the subject property.

Attachments: Board of Adjustment Process Sheet
Application
Location Exhibits
Findings Worksheet

August 31, 2018



**City of Lavon, Texas
Board of Adjustment
Request for a Variance from the Zoning Ordinance**

Variance Request

According to the Texas Local Government Code, Section 211.009 (a) (3), the board of adjustment “may authorize in specific cases a variance from the terms of a zoning ordinance if the variance is not contrary to the public interest and, due to special conditions, a literal enforcement of the ordinance would result in unnecessary hardship, and so that the spirit of the ordinance is observed and substantial justice is done.”

Scheduling of Hearings

The City Secretary shall make every reasonable effort to schedule a hearing before the BoA no later than 30 days after the date the City Secretary determines the applicant/appellant has passed the administrative review process. Each case before the board of adjustment must be heard by 75% of the members.

Speakers at Hearings

At any hearing, the presiding officer shall ensure the following individuals or groups are given an appropriate opportunity to be heard.

1. The applicant or appellant
2. Representatives from the Planning and Zoning Commission
3. Staff members and Municipal Officers
4. Citizens of Lavon

Deliberations at Hearings

As a Board of record with decision making power, all deliberations of the Board shall be made in public during the hearing on the matter. At no time shall Board members discuss the facts of the case prior to the hearing.

Decisions of the Board

The concurring vote of 75% of the members of the board is necessary to authorize a variation from the terms of the Zoning Ordinance. Decisions of the board are subject to appeal in accordance with State Law.

Order of the Board

The City Secretary shall, in all cases, formally notify the applicant/appellant in writing of the decision of the Board. The City Secretary shall enter the Order of the Board in the permanent records of the City.

City of Lavon Board of Adjustment

Findings of Fact for Variance Request

Applicant: _____

Address: _____

Upon giving public notice and conducting a public hearing on this variance request, the Board of Adjustment adopts these specific, written findings as follows:

	Yes	No
1. There are special circumstances or conditions peculiar to the property involved.		
2. The strict application of the terms of the Ordinance will impose upon the applicant unusual and practical difficulties or particular hardship		
3. Literal interpretation of the Ordinance will deprive the applicant of rights commonly enjoyed by other properties in the same district under the Ordinance		
4. The proposed variance is in harmony with the Ordinance's general purpose and intent		
5. The granting of the variance will not merely serve as a convenience to the applicant		
6. The granting of the variance will alleviate some demonstrable and unusual hardship or difficulty for the applicant.		
7. Granting the variance will no confer upon the applicant any special privilege that is denied by the Ordinance to other similarly-situated properties in the same district.		
8. The variance is in the public interest and will ensure that public substantial justice will be done.		
9. The surrounding property will be properly protected.		
10. Remaining regulations are adequate to govern the project.		

With ___ members present, and upon a vote of ___ for, and ___ against, and ___ abstaining, the variance is hereby: ___ granted ___ denied

 Presiding Officer of BoA

 Date



CITY OF LAVON

P.O. Box 340 ~ 120 School Rd.

Lavon, TX 75166

Office (972) 843-4220 ~ Fax (972) 843-0397

Application for an Appeal, Variance, or Adjustment

Fee \$100.00 plus costs

(Costs shall include the actual cost to the City plus 10% administrative fee.)

Items to be included with Variance Application:

1. Ordinance or Requirement of which you are requesting a variance.
2. Written description of exactly what is to be varied within Rule or Ordinance.
3. Hardship necessitating this variance.

mohammad Frotan _____ 8/29/18 _____
 Owner Name Date

411 Hwy 28 _____ Lavon Tx 75166 _____ 469-233-4815 _____
 Street Address City, State, Zip Phone Number

 Representative or Agent Phone Number

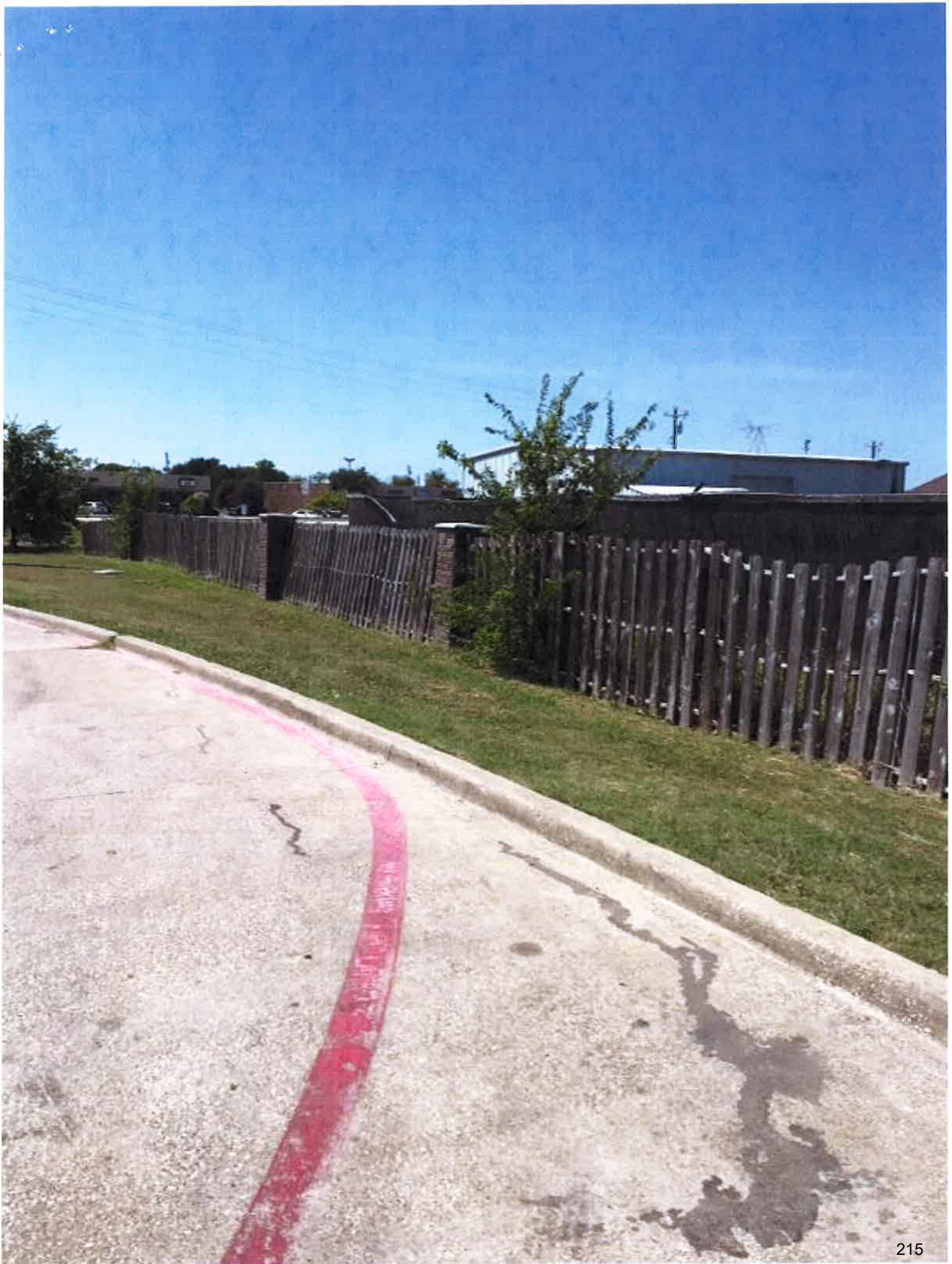
411 Hwy 28 Lavon TX 75166 _____ Fence _____
 Location of Property Type of Variance

Office Use Only

 Date Received Fee Receipt/Check #

 Date Paid Next P&Z Meeting Next CC Meeting

RECEIVED
AUG 29 2018
CITY OF LAVON













**CITY OF LAVON, TEXAS
NOTICE OF PUBLIC HEARING BEFORE THE
BOARD OF ADJUSTMENT**

Notice is hereby given that the City Council acting as the Board of Adjustment of the City of Lavon, Texas will hold a public hearing at a meeting that begins at 7:00 p.m. on Tuesday, September 4, 2018 at Lavon City Hall, 120 School Rd., Lavon, Texas.

REQUEST: At such time and place, the Board of Adjustment will hear and take action regarding the application of Mohammad Frotan for a variance to the requirements of Section 9.1.6.1(E)(12) of the Code of Ordinances, Zoning Ordinance, that provides for a masonry wall or dense landscaped screen to permit construction of a fence consisting of masonry columns and wood or sheet metal.

PROPERTY DESCRIPTION: Exxon Gas Station and Convenience
411 South SH 78; Lot 8, Block B, Lavonia Landing, Lavon, Texas
CCAD Prop. ID 2071463, Situated on the northwest of the intersection of Lake Rd. and SH 78.

Information regarding the request may be obtained at cityhall@cityoflavon.org or at 972-843-4220. The public hearing may be continued should an applicant so request. Interested citizens are invited to attend the public hearing and participate in the same.

Optional: The following may be filled out and returned to Lavon City Hall before the hearing date.

Check one: I am in favor of the request. I am opposed to the request.

Reasons: (attach separate sheet(s) as needed)

Signature: _____

Name (printed): _____

Address: _____

Phone/Email Address (optional): _____

You may return this form to:
City of Lavon
P.O. Box 340
Lavon, Texas 75166
email CityHall@cityoflavon.org

Thank you,
City of Lavon, Texas



Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

GRAND HERITAGE CLUB

Community ISD

A0538

A0740

LAYONIA BUSINESS PARK

LAYONIA LANDING



Name	Mailing Address	City, State , Zip	Physical Address
Kathy D & Steve R. Coleman	201 Lake Road	Lavon, TX 75166	201 Lake Rd
Michael Minarzick	2810 Woodie Dr.	Sachse, TX 75048	106 Morrow Lane
Pam & Loy Norris	412 Kamber Lane	Wylie, TX 75098	104 Morrow Lane
Patricia J. Beeler	100 Morrow Lane	Lavon, TX 75166	100 Morrow Lane
Mohammed N. and Molly Frontan	2352 Windsong Lane	Allen, TX 75013	411 S. Hwy 78



**CITY OF LAVON
BUDGET WORK SESSION
September 4, 2018**

Contents

General Information

General Fund

Debt Service Fund (Interest & Sinking – I&S)

Street Fund

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Multi-Year Obligations

Authorized Staffing Plan

Fee Schedule



City of Lavon Budget Planning Calendar 2018-2019

<u>May-Jun</u>	Department Directors work on budget projections and packets
<u>July 17</u>	Budget Work Session (6pm)
<u>July 26</u>	Deadline for the appraisal district to certify values to taxing units
<u>July 26</u>	Begin the calculation of effective and rollback tax rates.
<u>Aug 3</u>	Post agenda for meeting to discuss proposed tax rate
<u>Aug 7</u>	Budget Work Session - City Council meeting to discuss the tax rate. <i>If the proposed rate is <u>equal to or lower than</u> the calculated effective and rollback rate, publish form 50-818 prior to September 1st and schedule required hearings/meetings and adopt proposed rate. If the proposed rate will <u>exceed</u> the effective or rollback rate (whichever is lower), schedule 2 required public hearings and the adoption of the tax rate. Publish form 50-819 to include those dates prior to September 1st.</i>
<u>Aug 8</u>	Notify Collin County of proposed tax rate
<u>Aug 17</u>	Deadline to post proposed budget on website File with City Secretary office
<u>Aug 17</u>	Submit newspaper notice of public hearing – proposed budget to local newspaper
<u>Aug 21</u>	Budget Work Session
<u>Aug 22</u>	Notice of public hearing – proposed budget in local newspaper
<u>Aug 28</u>	<i>Optional Special Meeting</i> City Council - Budget Work Session
<u>Aug 31</u>	Post agenda for meeting
<u>Sept 4</u>	Public Hearing on proposed budget Schedule and announce the meeting date (9/18) to adopt tax rate
<u>Sept 14</u>	Post agenda for meeting
<u>Sept 18</u>	City Council Meeting to adopt: Proposed Tax Rate Proposed Budget
<u>Sept 19</u>	Send information to Collin County

City of Lavon
Fiscal Year 2018-2019
Budget Cover Page

This budget will raise less revenue from property taxes than last year's budget by an amount of \$-280,877, which is a -23.70 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$48,587.

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

FOR:

AGAINST:

PRESENT and not voting:

ABSENT:

Property Tax Rate Comparison

	2018-2019	2017-2018
Property Tax Rate:	\$0.455700/100	\$0.455700/100
Effective Tax Rate:	\$0.558367/100	\$0.561153/100
Effective Maintenance & Operations Tax Rate:	\$0.530186/100	\$0.523771/100
Rollback Tax Rate:	\$0.806559/100	\$0.588672/100
Debt Rate:	\$0.233959/100	\$0.023000/100

Total debt obligation for City of Lavon secured by property taxes: \$0

NOTICE OF 2018 TAX YEAR PROPOSED PROPERTY TAX RATE FOR CITY OF LAVON

A tax rate of \$0.455700 per \$100 valuation has been proposed by the governing body of City of Lavon.

PROPOSED TAX RATE	\$0.455700 per \$100
PRECEDING YEAR'S TAX RATE	\$0.455700 per \$100
EFFECTIVE TAX RATE	\$0.558367 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for City of Lavon from the same properties in both the 2017 tax year and the 2018 tax year.

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

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Kenneth L. Maun
Tax Assessor-Collector
2300 Bloomdale Road
McKinney, TX 75071
972-547-5020
kmaun@collincountytx.gov
www.cityoflavon.com

You are urged to attend and express your views at the following public hearing on the proposed tax rate:

Public Hearing: September 4, 2018 at 7:00 pm at Lavon City Hall, 120 School Road, Lavon, TX 75166.

Steps Required for Proposal and Adoption of Budget

Entity Name: City of Lavon

Date: 08/13/2018 01:38 PM

Steps for the Proposal of the Budget:

This year's property tax levy will not raise more revenue from property taxes than in the preceding year. A statement about "budget increase" as specified by §102.005(b) of the Local Government Code is not required to be included on the notice of public hearing on the proposed budget or on the cover of the proposed budget.

Steps for the Adoption of the Budget:

-A vote to adopt the budget must be a record vote.

-An adopted budget must contain a cover page stating a record vote of each member of the governing body by name, the property tax rates for the current and preceding fiscal year, the total amount of debt obligations, and the following statement in 18 point font:

This budget will raise less revenue from property taxes than last year's budget by an amount of \$-280,877, which is a -23.70 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$48,587.

-The budget and cover page must be filed with the clerk and posted on the entity's website at least until the date of the first anniversary the budget is adopted.



Kenneth L. Maun
Tax Assessor-Collector
Collin County
2300 Bloomdale Road, Suite 2366
P.O. Box 8006
McKinney, TX 75070-8006
(972) 547-5020
Email: kmaun@collincountytx.gov

July 11, 2018

Vicki Swanson, Mayor
City of Lavon
P.O. Box 340
Lavon, TX 75166

Dear Mayor Swanson,

In accordance with Texas Property Tax Code, Section 26.04, I hereby certify that:

The anticipated collection rate for 2018 will be 100%.

There were no excess debt collections for 2017, as the anticipated collection rate for 2017 was 100%, and collections exceeded that amount.

I, Kenneth L. Maun, Tax Assessor-Collector of Collin County, hereby certify that the above statements are true and correct to the best of my knowledge.

Sincerely,

Kenneth L. Maun
Tax Assessor-Collector

KLM:ket

cc: Kim Dobbs

This letter is a required notice by Texas Property Tax Code, Section 26.04. No action or response is required.

RECEIVED
JUL 24 2018
CITY OF LAVON

2018 CERTIFIED TAXABLE VALUE WORKSHEET FOR: Lavon City

ENTITY NAME: Lavon City

CERTIFIED ROLL DATE: July 18, 2018
 CERTIFIED TOTALS DATE: July 16, 2018

	INSTRUCT	NOTES
ARB APPROVED TOTALS, NET TAXABLE:	(A)	
		\$323,632,678
EFFECTIVE RATE ASSUMPTION, LOWER VALUE USED PAGE, 'TOTAL VALUE USED':	(B)	
		\$4,307,131
UNDER ARB REVIEW TOTALS, TOTAL EXEMPTIONS	(C)	
		\$182,500
TOTAL TAXABLE VALUE CERTIFIED FOR EFFECTIVE RATE CALCULATIONS:		\$327,757,309

This is the Assessed Value, so exemptions must be subtracted to calculate Taxable Value. It is based on formula in Tax Code. It is the lower of last year's Assessed, this year's Assessed or owner's opinion of value.

SCHOOL DISTRICTS MUST COMPLETE THIS SECTION, SINCE BY LAW THEY HAVE A HOMESTEAD FREEZE. OTHER ENTITIES COMPLETE THIS SECTION IF THEY GRANT THE HOMESTEAD FREEZE

ARB APPROVED TOTALS, FREEZE TAXABLE:	(D)		
		\$34,481,805	
ARB APPROVED TOTALS, TRANSFER ADJUSTMENT TAXABLE:	(E)		
		\$0	
UNDER ARB REVIEW TOTALS, FREEZE TAXABLE:	(F)		
		\$167,630	
UNDER ARB REVIEW TOTALS, TRANSFER ADJUSTMENT TAXABLE:	(G)		
		\$0	
TOTAL CALCULATED FREEZE ADJUSTED TAXABLE VALUE (USED BELOW IN LEVY CALC):		\$293,107,874	

*(D) loss in taxable value due to Senior Citizen exemption, 'Actual Tax' added back at frozen amount.
 (E) loss in taxable value due to Senior Citizen or Disabled Person 'transferring' their exemption into tax entity.
 (F) loss in taxable value due to Senior Citizen exemption, 'Actual Tax' added back at frozen amount.
 (G) loss in taxable value due to Senior Citizen or Disabled Person 'transferring' their exemption into tax entity.*

THE SECTION BELOW IS AN UNOFFICIAL CALCULATION OF TAX LEVY, BASED ON YOUR ESTIMATED TAX RATE, AND HAS NOTHING TO DO WITH EFFECTIVE RATE CALCULATIONS / PUBLICATIONS

TAXABLE OR FREEZE ADJUSTED TAXABLE, PULLED DOWN FROM CALC. ABOVE:	\$293,107,874	
ESTIMATED TAX RATE:	0.45570000	X
CALCULATED BASE TAX LEVY:	\$1,335,693	=
ACTUAL TAX FROM ARB APPROVED TOTALS (Freeze Taxable Section):	\$115,038	+
ACTUAL TAX FROM UNDER ARB REVIEW TOTALS (Freeze Taxable Section):	\$724	+
CALCULATED BASE TAX, PLUS FROZEN TAX LEVY:	\$1,451,455	

IF YOU DO NOT GRANT THE HOMESTEAD FREEZE, STOP HERE.

*(H) this is actual tax levied on frozen accounts, approved by ARB
 (I) this is actual tax levied on frozen accounts, still under protest*

GENERAL NOTES REGARDING CALCULATIONS FOR: Lavon City

COLLIN COUNTY CITIES - TAX RATES

FY 17-18

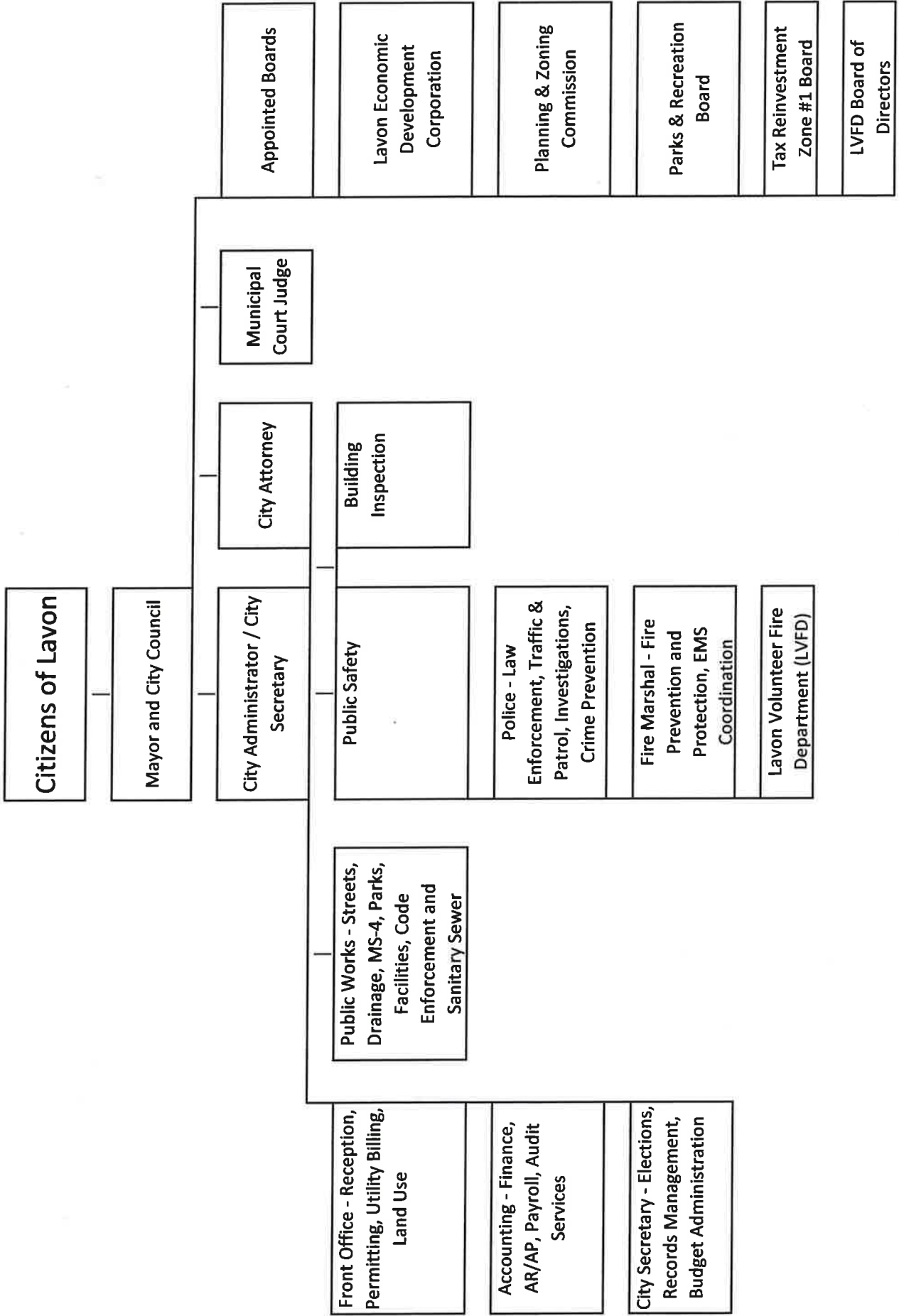
Listed highest to lowest total rate - cities w paid police depts

Entity	Total Rate	M & O Rate	I & S Rate
Wylie City (CWY)	0.781	0.580307	0.200693
Dallas City (CDA)	0.7804	0.558	0.2224
Farmersville City (CFC)	0.78	0.404894	0.375106
Sachse City (CSA)	0.747279	0.553072	0.194207
Garland City (CGA)	0.7046	0.394	0.3106
Princeton City (CPN)	0.68989	0.426465	0.263425
Celina City (CCL)	0.645	0.4278	0.2172
Van Alstyne City (CVA)	0.635138	0.492633	0.142505
Richardson City (CRC)	0.62516	0.37031	0.25485
Royse City (CRY)	0.6215	0.454	0.1675
Melissa City (CML)	0.61	0.457305	0.152695
Anna City (CAN)	0.601288	0.47887	0.122418
Carrollton City (CCR)	0.5997	0.42779	0.17191
McKinney City (CMC)	0.540199	0.375611	0.164588
Josephine City (CJO)	0.54	0.54	0
Prosper Town (CPR)	0.52	0.3675	0.1525
Allen City (CAL)	0.51	0.392738	0.117262
Murphy City (CMR)	0.5	0.31775	0.18225
Plano City (CPL)	0.4686	0.35	0.1186
Lavon City (CLA)	0.4557	0.4327	0.023
Frisco City (CFR)	0.4466	0.290435	0.156165
Parker City (CPK)	0.365984	0.305602	0.060382
Fairview Town (CFV)	0.359999	0.231409	0.12859

Cities without paid police depts

Entity	Total Rate	M & O Rate	I & S Rate
Blue Ridge City (CBL)	0.508077	0.508077	0
Weston City (CWS)	0.36	0.36	0
St. Paul Town (CSP)	0.332892	0.332892	0
Lucas City (CLU)	0.317948	0.198695	0.119253
Lowry Crossing City (CLC)	0.229536	0.229536	0
New Hope Town (CNH)	0.196	0.196	0
Nevada City (CNV)	0.185	0.185	0

CITY OF LAVON



SUMMARY - GENERAL FUND

SOURCES AND USES	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
<i>approved 9-19-2017; amended 5-1-2018 and 7-17-2018</i>					<i>8/29/2018</i>
SOURCE OF FUNDS					
10-1570 - Prior Year Carryover	216,193	208,564	208,564	243,734	430,284
REVENUE - CURRENT					
Tax Revenue	1,437,385	1,564,798	1,582,926	1,618,275	1,272,176
Transfers to GF	301,866	305,466	312,766	312,766	783,341
Municipal Court Revenue	3,652	3,700	3,700	2,265	3,000
Administrative Revenue	53,533	53,400	57,540	61,025	53,428
Operations Revenue	300,520	331,000	446,818	531,897	260,000
Total General Fund Current Revenues	2,096,956	2,258,364	2,403,750	2,526,228	2,371,945
TOTAL SOURCES OF FUNDS	2,313,149	2,466,928	2,612,314	2,769,962	2,802,229
EXPENDITURES					
<i>General Fund expenditures authorized for each department</i>					
Municipal Court	75,846	84,474	84,974	83,401	91,595
Administration	300,048	315,283	331,183	334,850	365,300
Fire Services	159,423	198,422	212,567	198,452	246,514
Police Department	660,465	756,884	772,684	749,355	915,200
Public Works	248,584	365,770	391,770	380,583	406,999
Facilities	27,436	26,704	26,704	24,885	39,000
Fund Transfers	195,155	218,909	202,409	202,409	155,000
Insurance	40,748	48,359	48,359	39,853	53,695
Outsourcing	169,842	225,707	233,007	200,357	207,785
Payroll Taxes	112,847	125,533	125,533	125,533	-
Total General Fund Current Expenditures	1,990,395	2,366,045	2,429,190	2,339,678	2,481,088
ENDING RESOURCES (Net Rev (Exp))	322,754	100,883	183,124	430,284	321,141

GENERAL FUND2016-17
ACTUAL2017-18
APPROVED
BUDGET2017-18
AMENDED
BUDGET2017-18
PROJECTED
ACTUAL2018-19
PROPOSED
BUDGET

08-29-2018

*approved 9-19-2017; amended 5-1-2018 and 7-17-2018***SOURCE OF FUNDS**

10-1570 - Prior Year Carryover

216,193

208,564

208,564

243,734

430,284

REVENUE - CURRENT**Taxes**

10-1600 · Franchise Tax

118,183

130,000

130,000

128,608

130,000

10-1601 · Property Tax

1,161,581

1,277,298

1,295,426

1,300,919

987,176

10-1602 · Sales & Use Tax

157,621

157,500

157,500

188,748

155,000

Total Taxes

1,437,385

1,564,798

1,582,926

1,618,275

1,272,176

Transfers to Reimburse GF

10-1200 · Solid Waste for admin svc

168,000

172,000

172,000

172,000

172,000

10-1201 · Sewer for admin svc

120,000

120,000

120,000

120,000

120,000

10-3675 - LEDC for I&S

13,866

13,466

13,466

13,466

13,066

10-____ - Sewer for I&S

-

-

-

-

451,213

10-____ - Public Safety Radios

-

-

-

-

27,062

10-____ - Court Security

-

-

4,000

4,000

-

10-____ - Tobacco Grant

-

-

3,300

3,300

-

Total Transfers

301,866

305,466

312,766

312,766

783,341

Municipal Court

10-1301 · Court Fees

3,652

3,700

3,700

2,265

3,000

Total Municipal Court

3,652

3,700

3,700

2,265

3,000

Administration

10-1400 · Administrative Fee

14,145

20,000

20,000

21,070

17,000

10-1401 · Banking Interest

328

600

3,540

4,500

6,428

10-1403 · Utility Late Fees

22,666

21,000

21,000

21,000

20,000

10-1404 · Photocopies

50

50

50

9

-

10-1408 · Restitution Pay

4,750

4,750

4,750

2,446

-

10-1410 · Comm Ctr/Pav Rent Fees

11,594

7,000

8,200

12,000

10,000

Total Administration

53,533

53,400

57,540

61,025

53,428

GENERAL FUND	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
Operations					
10-1500 · Food Serv Insp Permits	3,875	4,000	4,000	3,500	4,000
10-1501 · General Permit Fees	41,797	38,000	53,811	62,000	46,000
10-1502 · New Bldg Permit Fees	137,454	150,000	285,507	305,000	20,000
10-1503 · OSSF Permit Fees	1,400	2,000	2,000	600	500
10-1504 · PD Fines / Fees	91,673	90,000	60,000	61,360	65,000
10-1505 · PD Warrant Fines / Fees	3,970	5,000	5,000	5,000	5,000
10-1506 · Sale of Property	21	-	-	1,275	2,000
10-____ - Building Rent - LEDC	-	-	-	-	2,000
10-____ - Fire Permit & Insp Fees	-	-	-	-	1,000
10-1508 · PD Contract	20,331	42,000	36,500	36,500	64,500
10-1513 - Infrastructure Inspection Fees	-	-	-	56,662	50,000
Total Operations	300,520	331,000	446,818	531,897	260,000
Total General Fund Current Revenues	2,096,956	2,258,364	2,403,750	2,526,228	2,371,945
TOTAL SOURCES OF FUNDS	2,313,149	2,466,928	2,612,314	2,769,962	2,802,229

GENERAL FUND	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
EXPENDITURES					
Municipal Court Services					
20-6001 · Credit Card Fees	3,065	2,500	3,000	3,000	3,200
20-6006 · Jury Panel	75	150	150	150	150
20-6007 · Health Insurance	7,530	8,501	8,501	8,501	8,600
20-6250 · Office Supplies	577	1,500	1,500	1,500	1,500
20-6300 · Payroll- Court Clerk	56,131	63,373	63,373	62,300	64,638
20-6302 · Payroll - Judge	3,629	3,500	3,500	3,500	3,500
20-6303 · Payroll - Prosecutor	3,708	3,500	3,500	3,500	3,500
30-____ FICA	-	-	-	-	4,442
30-____ Medicare	-	-	-	-	166
30-____ Retirement	-	-	-	-	449
20-6400 · Postal Fees	220	450	450	450	450
20-6800 · Training	911	1,000	1,000	500	1,000
Total Municipal Court	75,846	84,474	84,974	83,401	91,595

GENERAL FUND	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
Administration Services					
30-6010 · Adv, Notices & Pubs	6,508	5,000	7,000	7,500	7,000
30-6011 · Automobile Allowance	2,400	2,400	2,400	2,400	2,400
30-6015 - Building Supplies	1,830	2,000	2,000	1,500	2,000
30-6020 · Cell Phone	885	1,000	1,000	1,000	1,500
30-6060 · Computer (Srvr/Sftwr)	1,672	3,000	3,000	3,000	5,500
30-6065 · Council Supplies	725	800	1,300	1,300	1,500
30-6070 · Cleaning	5,585	5,640	5,640	5,640	5,640
30-6080 · CPA	950	2,250	2,250	1,000	1,000
30-6081 · Drinking Water All Depts	819	1,000	1,000	500	1,000
30-6100 · Dues & Fees	2,200	2,500	4,000	4,000	4,500
30-6101 · Elections	12,589	7,500	5,000	5,040	7,500
30-6103 · Health Insurance	29,480	34,004	34,004	31,110	34,400
30-6104 · Community Events	4,500	5,000	5,000	5,000	5,000
30-6105 · Mileage & Meals	-	500	500	750	1,000
30-6250 · Office Supplies	3,138	3,500	3,500	3,000	3,500
30-6251 · Office Furniture	1,000	750	750	-	750
30-6252 · Office Equipment	3,500	2,500	2,500	-	2,000
30-6299 · Payroll - Admin Staff	187,858	197,859	203,859	203,859	216,371
30-____ FICA	-	-	-	-	13,415
30-____ Medicare	-	-	-	-	3,137
30-____ Retirement	-	-	-	-	11,987
30-6324 · Comm Events Monitors	8,234	7,500	7,500	8,400	7,500
30-6400 · Postal Fees	162	250	250	250	250
30-6415 · Records Storage	1,400	1,680	1,680	1,680	-
30-6450 - Sales Tax Rebate	3,750	7,500	15,000	24,720	5,000
30-6500 - Software/Website	3,566	3,500	3,500	3,500	1,000
30-6800 · Training	1,602	2,500	2,500	2,000	2,500
30-7000 · Electric	6,523	5,000	5,000	6,400	5,000
30-7002 · Natural Gas	2,525	3,200	4,100	4,100	4,500
30-7003 · Telephone	6,091	6,200	6,200	6,200	6,200
30-7004 · Water	556	750	750	1,000	750
Total Administration Operations	300,048	315,283	331,183	334,850	363,800
Administration Capital Outlay					
50-____ City Hall improvements	-	-	-	-	1,500
Total Admin Capital Outlay	-	-	-	-	1,500
Total Administration Services	300,048	315,283	331,183	334,850	365,300

GENERAL FUND

	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
Fire Services					
Fire Operations					
40-5000 - ALS Med Supplies	826	1,300	1,300	1,300	950
40-5001 - Apparatus Maintenance	3,107	5,000	6,000	7,000	5,000
40-5002 - Asset Tags/Metal	378	-	-	-	300
40-5007 - Radio/Antenna Install	975	-	-	-	1,210
40-5008 - Cleaning FD	-	-	-	700	2,400
40-5010 - Comp/IT Items/Printer	-	-	-	-	2,250
40-6002 - Equipment Maint Rep	-	-	500	500	500
40-6010 - Fuel	-	-	2,500	200	2,000
40-6072 - FD Dispatch	-	-	-	-	11,778
42-6101 - VFD Dues & Fees	-	-	-	-	800
40-6120 - Internet/Wifi - FD	722	1,640	1,640	1,640	1,750
40-6131 - Helmet EMS PK	1,750	-	1,600	1,600	-
40-6145 - Office Furniture - FD	-	-	-	-	-
40-6147 - Postage - FD	-	-	25	-	25
40-6148 - PPE/ Bunker Gear & Maint	3,500	3,175	26,620	14,000	15,200
40-6200 - Safety/Fire Equipment	300	2,050	24,850	24,850	9,980
40-6201 - Fire Hose	1,000	2,250	2,250	2,250	1,400
40-6204 - NFPA Pump/Ladder Test	400	500	500	500	500
40-6207 - PT Personnel Stipend	22,125	46,000	4,000	3,150	20,450
40-6208 - Graphics/Uniforms	787	-	700	700	1,500
40-6250 - Office Supplies - FD	828	-	500	550	1,000
40-6261 - Travel/ Conf / Meals	1,000	-	850	850	3,300
40-7000 - Electric	1,965	3,500	2,500	2,500	2,500
40-7001 - Natural Gas	678	800	800	700	1,000
40-7002 - Water	404	850	850	700	850
40-7003 - Tornado Siren and Maintenance	-	-	-	-	1,800
40-____ - EOC Fire Alarm Monitoring	-	-	-	180	720
40-6210 - Fire Services	-	-	7,500	7,500	2,000
Total Fire Operations	41,892	67,065	85,485	71,370	91,163

GENERAL FUND	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
Fire Marshal					
42-5010 · Comp/IT Items/Printer	4,513	1,600	1,600	1,600	200
42-6002 · Equipment Maint Rep	1,104	1,000	1,000	1,000	800
42-6010 · Fuel	5,429	5,000	2,500	2,600	2,600
42-6101 · Fire Marshal Dues & Fees	594	575	575	500	700
42-6145 · Office Furniture - FD	500	250	250	250	-
42-6147 · Postage - FD	49	75	50	25	50
42-6205 · Payroll	61,800	64,101	64,101	64,101	65,331
42-____ FICA	-	-	-	-	4,051
42-____ Medicare	-	-	-	-	947
42 -____ Retirement	-	-	-	-	3,619
42-6206 · Health Insurance	7,536	8,501	8,501	8,501	8,600
42-6208 · Graphics/Uniforms	-	900	500	500	350
42-6209 · Mobile Technology	702	900	900	900	1,200
42-6250 · Office Supplies - FD	-	800	300	300	200
42-6261 - Travel/ Conf / Meals	-	1,350	500	500	700
Total Fire Marshal	82,226	85,052	80,777	80,777	89,348
Fire Capital Outlay					
50-8009 · Fire 2013 Spartan fy23	22,502	22,502	22,502	22,502	22,501
50-8020 · Fire Marshal SUV fy21	12,803	12,803	12,803	12,803	12,803
50-____ - Fire Quick Response fy21	-	-	-	-	19,862
50-8113 - FD - lockers and furnishings	-	11,000	11,000	11,000	1,500
50-____ Fire Radios	-	-	-	-	9,337
Total Fire Capital Outlay	35,305	46,305	46,305	46,305	66,003
Total Fire Services	159,423	198,422	212,567	198,452	246,514

GENERAL FUND

	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
Police Services					
Police Operations					
40-6015 · Audio Visual	1,490	1,800	1,800	1,800	2,300
40-6018 · Protective Gear (formerly Body Armor - PD)	600	2,500	1,000	690	1,500
40-6019 · Ballistic Helmet - PD	5,070	500	500	420	-
40-6021 · Mobile Technology	9,270	9,300	9,900	11,116	9,600
40-6050 · Child Abuse Interlocal	1,500	1,500	1,500	1,500	1,500
40-6055 · Cleaning	4,150	4,200	4,200	4,200	4,200
40-6061 · Computers	9,500	1,500	15,400	15,600	4,000
40-6070 · Crime Prevention	1,554	1,800	1,800	1,800	1,800
40-6071 · Database Services	350	2,300	3,100	3,100	2,600
40-6072 · Dispatch	24,998	40,132	40,132	40,132	43,298
40-6102 · Dues & Fees	619	600	600	600	700
40-6140 · Emergency Equipment	3,114	3,000	4,000	4,000	4,000
40-6141 · Explorer Post Program	1,000	1,500	1,500	1,500	2,500
40-6143 · Health	50,757	76,509	76,509	56,245	77,400
40-6146 · Travel / Meals	350	750	750	300	500
40-6150 · Inmate Boarding	418	800	800	800	800
40-6252 · Office Equipment	550	1,000	1,000	1,000	1,000
40-6253 · Office Supplies	2,272	3,000	3,000	3,000	3,000
40-6255 - Patrol Rifle / Firearms	475	500	-	-	600
40-6300 · Payroll	441,310	467,158	467,158	467,158	524,280
40-____ FICA	-	-	-	-	32,505
40-____ Medicare	-	-	-	-	7,602
40-____ Retirement	-	-	-	-	29,045
50-8305 · Law Enforcement Liability	7,102	7,564	7,564	7,266	7,095
40-6350 · Police Equipment Mtn.	400	2,500	2,500	2,500	2,500
40-6400 · Postal Fees	635	600	600	600	750
40-6451 · Radio	-	5,000	5,000	500	5,000
40-6453 · Report Mgt System	3,300	3,500	3,500	3,300	3,500
40-6501 · Software	2,500	3,500	1,500	1,500	1,500
40-6502 · Tazers (3)	-	500	500	-	500
40-6650 · TLETS Management	9,500	9,500	10,000	9,600	10,000
40-6801 · Training	3,900	5,500	5,500	5,500	5,000
40-6850 · Uniform	3,500	5,000	4,000	4,000	4,000
40-6900 · Vehicle Cleaning	500	500	500	500	500
40-6903 · Vehicle Fuel	17,500	18,000	22,500	21,000	23,000
40-6904 · Vehicle Mtn.	10,000	10,000	10,000	7,000	8,000
40-6950 · Vests	2,750	3,000	3,000	1,500	3,000
40-7025 · Electric	4,546	4,000	4,000	3,825	4,000
40-7027 · Telephone	6,829	6,500	6,000	6,000	6,000
40-7028 · Water	376	400	400	400	400
Total Police Operations	632,833	705,913	721,713	689,953	839,475
Police Capital Outlay					
50-8017 · PD Vehicle (#4)	-	18,000	18,000	17,520	18,000
50-8018 · PD Vehicle fy18 (#11)	16,692	16,693	16,693	18,041	-
50-8019 · PD Vehicle fy18 (#10)	18,041	18,042	18,042	18,042	-
50-____ - 2 PD vehicles; \$20,000 each (3 yr)	-	-	-	-	40,000
50-8112 - Police remodel	-	5,800	5,800	5,800	-
50-____ Police Radios	-	-	-	-	17,725
Total Police Capital Outlay	34,733	58,535	58,535	59,403	75,725
Total Police Services	667,567	764,448	780,248	749,355	915,200

GENERAL FUND

	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
Public Works Services					
Public Works Operations					
40-5980 · Audio Visual	300	300	300	-	-
40-6022 · Cell Phone	1,805	2,000	2,000	2,000	2,000
40-6104 · Code Enforcement	1,000	1,000	1,000	500	1,000
40-6105 · Food Service Inspector	2,500	2,500	3,000	2,750	2,750
40-6106 · Computer/Comp Equip	2,000	1,000	1,000	-	-
40-6155 · Grounds Mtnc	11,999	12,500	12,500	12,500	12,500
40-6156 · Heavy Equipment Mtnc	7,000	7,000	7,000	5,381	7,000
40-6260 · Health Insurance	19,242	25,503	25,503	22,305	25,800
40-6265 · Meals & Travel	500	1,000	1,000	388	1,000
40-6267 · MS4 Supplies	2,000	1,500	1,500	800	1,000
40-6270 · PW Office Supplies	1,000	1,000	1,000	250	500
40-6302 · Payroll	97,352	109,031	109,031	115,070	115,048
40-6306 · Payroll - Part Time	-	2,000	2,000	-	2,000
40-____ FICA	-	-	-	-	7,257
40-____ Medicare	-	-	-	-	134
40-____ Retirement	-	-	-	-	6,374
40-6545 · Postage	83	500	500	-	500
40-6550 · Signage	9,027	7,100	7,100	9,469	5,000
40-6700 - State OSSF Fees	300	300	300	-	300
40-6701 · Street Lights	42,060	46,000	44,000	47,739	46,000
40-6703 · Street Repair/Maint	4,915	33,750	33,750	31,786	10,000
40-6749 · Mosquito Spraying	11,550	-	12,000	10,490	12,000
40-6750 · Tools	4,152	3,500	6,000	4,844	3,500
40-____ - Operational Supplies	-	-	-	-	3,000
40-6802 · Training	3,195	7,000	7,000	5,156	7,000
40-6851 · Uniform	1,632	2,000	3,500	3,515	4,100
40-6901 · PW Facility Rental	7,800	7,800	7,800	7,800	-
40-6905 · Vehicle Fuel	4,170	6,000	6,000	3,854	6,000
40-6906 · Vehicle Mtnc.	3,327	4,000	4,000	4,000	4,000
40-6911 - Boom Lift Rental	-	3,000	3,000	-	750
40-6914 · Lightbars	2,600	500	500	500	-
Total Public Works Operations	228,536	287,784	302,284	291,098	286,513
Public Works Capital Outlay					
40-6908 · Mower-Batwing fy19	4,963	4,963	4,963	4,963	4,963
50-8014 - PW Truck fy19	6,400	6,338	6,338	6,338	6,338
50-8015 · Tractor (2016) fy21	8,685	8,685	8,685	8,685	8,685
50-8021 PW Truck	-	10,000	10,000	10,000	10,000
50-8114 PW Bldg & Equip Shelter	-	48,000	59,500	59,500	1,500
50-____ - SH 205 Widening Participation	-	-	-	-	89,000
Total Capital Outlay	20,048	77,986	89,486	89,486	120,486
Total Public Works Services	248,584	365,770	391,770	380,583	406,999

GENERAL FUND

2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
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Other Expenses**Multi-Year Commitments - moved to departmental Capital Outlay****Facilities - Multi-Department**

50-8011 · Copier Mtn Contract	3,693	4,800	4,800	5,686	5,500
50-8013 · Office Mach Contract	1,122	1,904	1,904	2,024	2,500
50-8100 · Bldg Mtn. - City Hall	11,697	10,000	10,000	9,675	10,000
50-8101 · Bldg Mtn - PD/FD	10,923	10,000	10,000	7,500	10,000
50-_____ - Bldg Mtn - PW	-	-	-	-	2,000
50-_____ - Demolition - Forder	-	-	-	-	9,000
Total Facilities	27,436	26,704	26,704	24,885	39,000

Fund Transfer

50-8200 · Transfer to TIF	111,655	150,000	133,500	133,500	155,000
50-8204 · Street Rep Transfer	35,000	48,909	48,909	48,909	-
50-8207 · Phase 2 Radio Upgrd	20,000	20,000	20,000	20,000	-
50-8208 · Open Space Grant Match	28,500	-	-	-	-
Total Fund Transfer	195,155	218,909	202,409	202,409	155,000

Insurance

50-8300 · Auto Liability	7,425	7,450	7,450	5,949	6,448
50-8301 · Auto Phys. Damage	2,537	3,320	3,320	3,299	4,382
50-8302 · Errors & Omissions	1,596	1,915	1,915	1,951	1,954
50-8303 · General Liability	770	1,010	1,010	997	1,048
50-8306 · Mobile Equipment	282	600	600	725	862
50-8307 · Real & Personal Property	2,975	5,000	5,000	5,544	15,000
50-8308 · Workers Compensation	18,061	21,500	21,500	21,387	24,000
Total Insurance	33,646	40,795	40,795	39,853	53,695

GENERAL FUND	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
Outsourcing					
50-8400 · Ambulance Service	13,522	13,846	13,846	13,846	15,000
50-8401 · Animal Control	6,250	6,250	6,250	6,250	6,250
50-8402 · Auditor	12,478	15,000	15,000	14,364	15,000
40-6051 · Building Inspector	37,846	42,500	42,500	42,500	30,000
50-_____ - Infrastructure Inspection	-	-	-	3,500	25,000
50-8403 · Central Appr District	7,576	7,996	7,996	7,996	9,085
50-8404 · City Attorney	34,500	40,000	40,000	40,000	40,000
50-8405 · City Engineer	5,052	20,000	15,000	13,500	15,000
50-8406 · Fidelity Bonding	200	200	200	200	200
50-8407 · Information Tech	18,712	22,000	22,000	22,500	22,000
50-8408 · Tax Assessor/Collector	1,300	1,500	1,500	1,500	1,750
50-8409 · TIFF Administration	4,000	4,000	11,300	11,200	4,000
50-8412 · MS4 Execution	13,223	25,000	25,000	2,386	4,500
50-8414 · Consulting/Prof Serv	3,540	5,000	10,000	10,000	7,500
50-8415 · Codification	5,375	5,015	5,015	5,015	1,000
50-8416 - Drainage / Prelim Eng	5,000	16,000	16,000	4,000	10,000
50-9410 · Shredding Services	1,269	1,400	1,400	1,600	1,500
Total Outsourcing	169,842	225,707	233,007	200,357	207,785
Payroll Taxes					
50-8500 · FICA	52,237	56,452	56,452	56,452	-
50-8501 · Medicare	12,222	13,203	13,203	13,203	-
50-8502 · Retirement-City Portion	45,204	52,378	52,378	52,378	-
50-8503 · SUTA	3,185	3,500	3,500	3,500	-
Total Payroll Taxes	112,847	125,533	125,533	125,533	-
Total General Fund Expenditures	1,990,395	2,366,045	2,429,190	2,339,679	2,481,088
ENDING RESOURCES (Net Rev (Exp))	322,754	100,883	183,124	430,284	321,141

08-29-2018

DEBT SERVICE (I & S) FUND	2015-16 ACTUAL	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 PROJECTED BUDGET	2018-19 PROPOSED BUDGET
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REVENUE

90-___	Property Tax	\$ 13,249	\$ 13,866	\$ 13,466	\$ 13,466	\$ 464,279
TOTAL		\$ 13,249	\$ 13,866	\$ 13,466	\$ 13,466	\$ 464,279

EXPENDITURES

90-8650	2014 Tax Note (EDC-sewer) Principal	\$ 12,216	\$ 13,033	\$ 13,466	\$ 12,833	\$ 12,633
90-___	2014 Tax Note (EDC-sewer) Interest	\$ 1,033	\$ 833		\$ 633	\$ 433
90-___	2018 Tax Note (WWTP) Principal	\$ -	\$ -	\$ -	\$ -	\$ 355,000
90-___	2018 Tax Note (WWTP) Interest	\$ -	\$ -	\$ -	\$ -	\$ 96,213
TOTAL		\$ 13,249	\$ 13,866	\$ 13,466	\$ 13,466	\$ 464,279

Debt Service Reserve Fund Balance

FUND TRANSFERS TO GF FOR I & S	2015-16 ACTUAL	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 PROJECTED BUDGET	2018-19 PROPOSED BUDGET
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10-3675	Reimbursement to GF from LEDC	\$ 13,249	\$ 13,866	\$ 13,466	\$ 13,466	\$ 13,066
10-___	Reimbursement to GF from Sewer Fund	\$ -	\$ -	\$ -	\$ -	\$ 451,213
TOTAL		\$ 13,249	\$ 13,866	\$ 13,466	\$ 13,466	\$ 464,279

8/21/2018

STREET FUND		2015-16	2016-17	2017-18	2017-18	2018-19
Maintenance/Construction		ACTUAL	ACTUAL	APPROVED BUDGET	PROJECTED ACTUAL	PROPOSED BUDGET
Street Repair Fund Revenue						
10-3610	Street Maint Sales Tax	\$ 34,000	\$ 42,716	\$ 75,000	\$ 93,374	\$ 65,000
10-3612	General Fund Transfer	\$ 35,000	\$ 35,000	\$ 48,909	\$ 48,909	\$ -
10-____	Fund Bal /Transfer Reserve	\$ 81,370	\$ 79,757	\$ 10,800	\$ 10,800	\$ 80,536
Total Street Repair Fund Revenue		\$ 150,370	\$ 157,473	\$ 134,709	\$ 153,083	\$ 145,536
Street Repair Expenditure						
90-8482	Interlocal Street Package	\$ 34,000	\$ 36,319	\$ 36,319	\$ 33,048	\$ -
90-8484	Geren Rd. Repair Ph 1	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -
90-____	Geren Rd. Repair Ph 2	\$ -	\$ -	\$ 97,500	\$ 97,500	\$ 97,500
90-____	Street Project Maint	\$ 41,370	\$ 35,354	\$ -	\$ -	\$ 45,000
Total Street Repair Expenditure		\$ 150,370	\$ 146,673	\$ 133,819	\$ 130,548	\$ 142,500
Net to designated fund balance			\$ 10,800	\$ 890	\$ 22,536	\$ 3,036

08-21-2018

UTILITY FUND	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
<i>Beginning Resources</i>	92,174	97,319	78,023	83,278
UTILITY FUND REVENUE				
Utility Administration				
10-2200 Admin Fee	100	-	-	-
10-2201 Late Fee	50	-	1,006	-
10-2202 Online Permit Pmnts	-	-	598	-
Total Administration	150	-	1,604	-
Solid Waste				
10-2000 Solid Waste Income	421,965	455,958	483,758	495,000
Total Solid Waste	421,965	455,958	483,758	495,000
Sanitary Sewer				
10-2100 San Sewer Income	373,471	477,090	470,274	483,084
Total Sanitary Sewer	373,471	477,090	470,274	483,084
<i>Total Revenue</i>	795,586	933,048	955,636	978,084
UTILITY FUND EXPENDITURES				
Solid Waste				
90-6990 Credit Card Fees	4,023	3,975	3,850	3,750
90-7000 Gen Fund Transfer	168,000	172,000	172,000	172,000
90-7001 Postal Fees	7,704	8,200	8,000	8,500
90-7002 Office Equipment	1,000	1,000	-	500
90-7003 Sales Tax	29,497	33,250	33,750	35,000
90-7004 Solid Waste Contract	210,854	219,740	240,148	243,308
90-7005 Utility Billing Cost	2,176	2,500	1,250	1,500
90-7006 Utility Billing Software	1,485	3,000	3,000	2,500
90-7011 Training	-	1,500	500	750
Total Solid Waste	424,737	445,165	462,498	467,808
Sanitary Sewer				
90-7100 Gen Fund Transfer	120,000	120,000	120,000	120,000
90-7101 Sew Tap Fund Transfer	275,358	367,883	367,883	369,473
Total Sanitary Sewer	395,358	487,883	487,883	489,473
<i>Total Expenditure</i>	820,095	933,048	950,381	957,281
<i>Ending Resources</i>	67,665	97,319	83,278	104,081

8/31/2018

SEWER TAP FUND	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 PROJECTED ACTUALS	2018-19 PROPOSED BUDGET
<i>Beginning Resources</i>	119,435	57,870	44,119	173,507
SEWER TAP FUND REVENUE				
10-3401 Sewer Service transfer	259,503	367,883	367,883	369,473
10-3403 Interest	3	0	600	1,000
10-3404 Sewer Tap Fees New Addition	120,600	172,800	321,600	32,000
10-_____ Transfer for WWTP Ph 3 expansion	0	0	200,000	2,300,000
Total Sewer Tap Fund Revenue	380,105	540,683	890,083	2,702,473
SEWER TAP FUND EXPENDITURES				
90-8400 Dev Reimbursement / Future Dev	125,633	175,000	171,000	100,000
90-8402 North Texas Muni Water District	234,826	279,695	279,695	299,925
90-8403 Electric	34,153	35,000	35,000	40,000
90-8404 General Maintenance & Equipment	62,991	58,858	25,000	50,000
90-8406 NTMWD Feasibility Study	-242	50,000	50,000	0
90-8407 WWTP Ph 3 Expansion	0	0	200,000	2,300,000
Total Sewer Tap Fund Expenditures	457,362	598,553	760,695	2,689,925
<i>Ending Resources</i>	42,179	0	173,507	186,055

8/31/2018

DEDICATED FUNDS	2016-17 ACTUAL	2017-18 BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
MUNICIPAL COURT DEDICATED FUNDS				
Beginning Resources	5,922	20,644	18,294	4,982
Municipal Court Related Revenue				
10-3000 Judicial Enhancement	175	200	180	200
10-3001 Municipal Bldg Security Fund	2,546	2,400	1,767	2000
10-3002 Municipal Technology Fund	3,805	3,000	2,553	3000
10-3008 State Court Costs Revenue	63,497	55,000	45,791	55000
10-3009 State Child Safety Seat Revenue	96	100	7	0
10-3010 Court Fees	-	-	-	-
Total Municipal Court Related Revenue	70,119	60,700	50,298	60200
Municipal Court Related Expenditure				
90-8000 Municipal Bldg. Security	546	2,450	266	500
90-8001 Judicial Enhancement	-	-	-	0
90-8002 Municipal Court Technology	1,329	1,500	6,446	1500
90-8003 State Court Cost	53,455	55,000	56,755	55000
90-8004 Child Safety Seat Cost to State	68	100	143	150
Total Municipal Court Related Expenditure	55,398	59,050	63,610	57150
Ending Resources	20,644	22,294	4,982	8,032

FORFEITED ASSETS

Beginning Resources	1,089	1,089	1,088	1,215
Forfeited Assets Revenue				
Forfeited Assets and Carryover	-	-	127	-
Seized Assets	-	-	-	-
Total Forfeited Assets Revenue	-	-	127	-
Forfeited Assets Expenditure				
90-7990 Police equipment	-	-	-	-
Transfer to Reserve	-	-	-	-
Total Forfeited Assets Expenditure	-	-	-	-
Ending Resources	1,089	1,089	1,215	1,215

DEDICATED FUNDS	2016-17 ACTUAL	2017-18 BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
STATE FUNDED POLICE TRAINING				
Beginning Resources	4,914	3,617	4,490	4,609
State Funded Training Revenue				
10-3300 Police Training	789	1,000	1,144	-
Total State Funded Training Revenue	789	1,000	1,144	-
State Funded Training Expenditure				
Marshall Law Enf Training - Return to State	873	-	-	-
90-8300 Police Training	1,213	4,617	1,025	-
Total State Funded Training Expenditure	2,086	4,617	1,025	-
Ending Resources	3,617	-	4,609	4,609

PD RELATED CONTRIBUTIONS

Beginning Resources	7,023	21,159	41,259	59,014
Police Dept. Contributions Revenue				
10-3800 NNO	75	-	80	-
10-3803 Tobacco Enforcement	900	-	600	600
10-3804 Miscellaneous	-	-	375	-
10-3805 Safe Kids	-	-	-	-
10-3806 Uniform Grant	-	-	-	-
10-3807 Rifle Plate Grant	-	-	-	-
10-3808 Body Camara Grant	7,436	-	-	-
10-3809 Radio Upgrade - Transfer from GF	12,925	20,000	20,000	-
Total Police Dept. Contributions Revenue	21,336	20,000	21,055	600
90-____ Transfer from Tobacco Grant to GF for Server			3,300	-
90-____ Radio Upgrade Installment / Transfer to GF	7,075	-	-	27,062
90-8807 Rifle Plate	-	-	-	-
90-____ Body Camera	-	-	-	-
90-____ Police Equipment and Supplies	25	-	-	-
Total Police Dept. Contributed Expenditure	7,100	-	3,300	27,062
Ending Resources	21,259	41,159	59,014	32,552

08-21-2018

TIF FUND	2015-16 ACTUAL	2016-17 ACTUAL	2017-18 APPROVED BUDGET	2017-18 PROJECTED ACTUAL	2018-19 PROPOSED BUDGET
10-1330 Beg Fund Balance - City Portion		\$ 486,821	\$ 598,476	\$ 598,728	\$ 733,587
10-1331 Beg Fund Balance - County Portion		\$ 281,819	\$ 340,165	\$ 340,318	\$ 409,259
TIF REVENUE					
10-1320 City of Lavon - Contribution	\$ 78,039	\$ 111,655	\$ 133,500	\$ 132,985	\$ 152,933
10-1325 City of Lavon - Interest	\$ -	\$ -	\$ 750	\$ 1,874	\$ 2,000
10-1321 Collin County - Contribution	\$ 49,137	\$ 58,346	\$ 59,000	\$ 67,968	\$ 76,124
10-1325 Collin County - Interest	\$ 555	\$ 252	\$ -	\$ 973	\$ 750
Total TIF revenue	\$ 127,731	\$ 170,254	\$ 193,250	\$ 203,799	\$ 231,807
TIF EXPENDITURES					
50-9050 City Portion	\$ -	\$ -	\$ -	\$ -	\$ -
50-9051 Carryover County Portion	\$ -	\$ -	\$ -	\$ -	\$ -
50-9052 TIF expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Total TIF expenditures					
TIF TRANSFERS					
Transfer to fund balance - City	\$ 78,039	\$ 111,655	\$ 134,250	\$ 134,859	\$ 154,933
Transfer to fund balance - County	\$ 49,692	\$ 58,599	\$ 59,000	\$ 68,940	\$ 76,874
Total TIF transfers	\$ 127,731	\$ 170,254	\$ 193,250	\$ 203,799	\$ 231,807

8/21/2018

LAVON ECON DEVELOPMENT CORPORATION	Official Budget	Official Budget	Official Budget+	Proposed Budget
	+ Amndmnt 2015-16	2016-17	Amndmnt 2017- 2018	2018-2019

LEDC REVENUE		Approved by LEDC & City			
	Starting Balance (Carryover)				
	<i>Total Carryover</i>	132,527	110,000	92,307 \$	97,000
2-5	City grant/credits/donations	2,000	2,450	1,500 \$	2,000
2-2	Sales & Use Tax	65,000	75,000	80,000 \$	85,000
	<i>Total Revenue</i>	67,000	77,450	81,500 \$	87,000
	Total Revenue + Carryover	199,527	187,450	173,807 \$	184,000

LEDC EXPENDITURES

Operations

General Operations

3-1b	Misc - Dues, Ads, Cell Svc		4,000	2,500 \$	2,500
3-1a	Email Software/Archiving		5,000	4,600 \$	5,600
3-1c	Auditor		3,000	3,000 \$	1,500
3-1d	Meeting Expenses		1,000	600 \$	1,000
2-1e	Training		1,500	500 \$	1,000
3-1f	Admin Support		22,500	23,000 \$	24,025
3-1g	Admin Additional Hours			\$	2,500
3-1h	Office Rent June-Sept 2019			\$	2,000
	Total General Operations		37,000	34,200 \$	40,125

Consulting

4-1	Other		1,000	- \$	-
4-2	Non-Capital Tech Equip & Svc, Website			1,000 \$	1,000
4-3	City Attorney		10,000	5,800 \$	5,800
4-4	Economic Dev Consulting		24,000	25,596 \$	26,875
	Total Consulting		35,000	32,396 \$	33,675

Equipment

5-1	Computers		4,000	1,500 \$	1,500
5-2	Office Supplies		1,750	1,750 \$	2,500
	Total Equipment		5,750	3,250 \$	4,000

Total Operations 2016-2017

77,750 69,846 \$ 77,800

Promotional

6-1	General Promotion & Trade Shows		7,000	6,500 \$	6,500
6-2	Promo Carryover 2012 -14		3,900	2,988 \$	2,834
6-5	Web Site & updates		3,600	2,500 \$	3,600
6-3	Aerial Map & Brochures		4,900	1,500 \$	2,000
6-4	Advertising		700	1,907 \$	3,500
	Total Promotional		20,100	15,395 \$	18,434

Capital Projects

7-1	Zoning Ordinance Update	4,000	3,200	- \$	-
7-2	Lavon Business Pk sewer line loan pymts		13,900	13,866 \$	13,066
7-3	Incentives		29,500	41,000 \$	41,000
7-4	Additional Infrastructure Projects		43,000	33,700 \$	33,700
7-5	Lavon Business Pk sewer line construction		0		
7-7	Small Business Loan Guarantee		0		
	Total Capital Projects	4,000	89,600	88,566 \$	87,766

Reserve for Additional Projects

28,626

	Total Expenditures	4,000	187,450	173,807 \$	184,000
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Multi-Year Obligations			FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 21-23
GENERAL FUND									
1	Fire	Fire Engine							
		2/2014-2/2023	22,501	22,501	22,501	22,501	22,501	22,501	22,501
2	Fire	Vehicle							
		4/2017 - 4/2021	12,803	12,803	12,803	12,803	12,803		
3	PW	Tractor							
		4/2017 - 4/2021	8,685	8,685	8,685	8,685	8,685		
4	Fire	Radios							
		2019-2022			6,810	6,810	6,810		
5	Police	Vehicle							
		2019-2022			20,000	20,000	20,000		
6	Police	Vehicle							
		2019-2022			20,000	20,000	20,000		
7	Fire	First Response Truck							
		2019-2022			19,862	19,862	19,862		
8	Police	Vehicle							
		2018-2021		18,000	18,000	18,000			
9	PW	Vehicle							
		2018-2021		10,000	10,000	10,000			
10	Police	Radios							
		2018-2021		26,492	26,492	26,492			
11	PW	Mower / Batwing							
		4/2015-4/2020	4,963	4,963	4,963				
12	PW	Vehicle							
		2/2016-2/2019	6,338	6,338	6,338				
13	Police	Vehicle							
		8/2016-8/2018	18,041	18,041					
14	Police	Vehicle							
		9/2016-9/2018	16,692	16,692					
DEDICATED FUNDS									
15	PW	Geran Rd. Ph 2B							
		2018-2019		97,500	97,500				
16	PW	CC Road Package							
		9/2003-8/2018	36,319	27,239					
TOTAL			126,342	269,254	273,954	165,153	110,661	22,501	22,501
									8/21/2018

Authorized Staffing Plan	2015-16 ACTUAL	2016-17 ACTUAL	2017-18 APPROVED	2018-19 PROPOSED
Municipal Court Services				
Mun Court Clerk/ PD Sec	1	1	1	1
Total	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Administration Services				
City Administrator / City Secretary	1	1	1	1
City Secretary	1	0	0	0
Accounting Administrator	1	1	1	1
Municipal Services Coordinator	1	1	1	1
Administrative Assistant	1	1	1	1
Total	<u>5</u>	<u>4</u>	<u>4</u>	<u>4</u>
Fire Services				
Fire Marshal	1	1	1	1
Total	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Police Services				
Chief	1	1	1	1
Lieutenant	1	1	1	1
Corporal	1	1	0	0
Sergeant	0	0	1	1
Patrol/CID	0	1	1	1
Patrol Officer	6	5	5	6
Total	<u>9</u>	<u>9</u>	<u>9</u>	<u>10</u>
Public Works Services				
Director of Public Works	1	1	1	1
Public Works Operator	2	2	2	2
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Total Positions Authorized	<u>19</u>	<u>18</u>	<u>18</u>	<u>19</u>

8/31/2018

**CITY OF LAVON
PROPOSED FEE SCHEDULE
FISCAL YEAR 2018-19**

ITEM	APPROVED 2017-18	PROPOSED 2018-19	NOTES
ADMINISTRATIVE			
Copies / Black & White	\$0.10 / side	\$0.10 / side	
Copies / Color	\$2.00 / side	\$2.00 / side	
Copy of Audio CD	\$1.00 / CD	\$1.00 / CD	
Research / compilation	per state law	per state law	
Items larger than 11" x 17"	cost + labor	cost + labor	
Outsource copies	cost + labor	cost + labor	
Pass-thru billing admin fee	10%	10%	
NSF Check Fee	\$25.00/incident	\$35.00/incident	
COMMUNITY CENTER, GYM, PAVILION			
Rental Deposit	\$50.00	\$50.00	
Community Center - resident	\$20.00/hour	\$20.00/hour	
Community Center - non-resident	\$30.00/hour	\$30.00/hour	
Gym - resident	\$20.00/hour	\$20.00/hour	
Gym - non-resident	\$30.00/hour	\$30.00/hour	
Pavilion - resident	\$20.00/hour	\$20.00/hour	
Pavilion - non-resident	\$30.00/hour	\$30.00/hour	
UTILITY SERVICES			
GENERAL			
Late Fee - Residential Services	\$10.00 minimum	\$10.00 minimum	
Late Fee - Commercial Services	10% overdue balance	10% overdue balance	
Account Creation Admin Service Fee per utility	\$50.00/service	\$50.00/service	
Deferred Payment Plan Fee	\$25.00	\$25.00	
Per state law, sales tax charged for utility services			
GARBAGE COLLECTION SERVICES			
Residential			
Residential Curbside Garbage / Recycling	\$24.25/month	\$24.25/month	
Sr Citizen Garbage /Recycling (age 60+)	\$22.03/month	\$22.03/month	
Extra polycart	\$5.20/month each	\$7.00/month each	
Residential drop off at CWD transfer station	per CWD calculation	per CWD calculation	
Commercial			
Calculated specifically per size of container and frequency of collection			
Container - 3 cubic yard	\$96.24	\$96.24	
Container - 4 cubic yard	\$113.17	\$113.17	
Container - 6 cubic yard	\$147.04	\$147.04	
Container - 8 cubic yard	\$196.01	\$196.01	
Collection more frequent than weekly	calculated per situation	calculated per situation	
WATER			
Water - See Bear Creek Special Utility District			
SANITARY SEWER SERVICES			
Residential			
Commercial - based upon water usage	living unit equivalent	Min \$45 or LUE	
Commercial - flat rate	\$500.00/month	\$500.00/month	
After Hours Reconnect Fee	\$150.00	\$150.00	
Sewer Tap Fee - Residential	\$3,200.00	\$3,200.00	
Sewer Tap Fee - Commercial 4"-6"	\$3,200.00	\$3,200.00	
Sewer Tap Fee - Commercial Greater than 6"	as determined	as determined	
Reconnect Fee - Sewer	\$75.00	\$75.00	
SEPTIC SERVICES (OSSF)			
OSSF application	\$400.00	\$400.00	
Complaint Confirmation Inspection	\$65.00	\$65.00	
Follow-Up Inspection	\$100.00	\$100.00	
LPD application	\$400.00	\$400.00	
Re-Submittal Fee	\$100.00	\$100.00	
Septic System Modification	\$200.00	\$200.00	

**CITY OF LAVON
PROPOSED FEE SCHEDULE
FISCAL YEAR 2018-19**

ITEM	APPROVED 2017-18	PROPOSED 2018-19	NOTES
LAND USE SERVICES			
Zoning Application	\$300.00 + 10.00/acre	\$300.00 + 10.00/acre+adv	
Appeal, Variance, and Adjustment	\$100.00 + cost	\$100.00 + cost	
Conditional or Special Use Permit	\$100.00 + advertising	\$100.00 + advertising	
Preliminary Plat Application	\$325.00 + \$5.00/lot	\$500.00 + \$5.00/lot	
Final Plat Application	\$325.00 + \$5.00/lot	\$500.00 + \$5.00/lot	
Replat	\$325.00 + \$5.00/lot	\$325.00 + \$5.00/lot	
Site Plan	\$200.00	\$200.00	
Landscape Plan	\$200.00	\$200.00	
Filing Fee - County	\$50.00	Actual	
Beer and Wine Permit Application (Off-premise Only) Non-refundable, initial application	\$100.00	\$100.00	
Beer and Wine Retailers Permit (Off-premise Only)	\$60.00	\$60.00	
Public Infrastructure Inspection	% of cost	% of cost	
Engineer Review	Cost + 10% admin fee	Cost + 10% admin fee	
Construction Plans	\$100.00 + cost	\$100.00 + cost	
Land Use Application Admin Fee	10%	10%	
Sexually oriented business - license application fee	\$500	\$500	
Sexually oriented business - application processing fee	\$60.00	\$60.00	
Sexually oriented business - replacement card or on-site card	\$35.00	\$35.00	
Sexually oriented business reinstatement fee in lieu of suspension	\$500	\$500	
MISCELLANEOUS			
Garage Sale Permit (no inspection)	\$1.00	\$1.00	
Non-Specified Improvements	\$50.00 + cost	\$50.00 + cost	
Street Closure - Commercial	\$50.00 plus cost	\$50.00 plus cost	
Street Closure - neighborhood	\$1.00	\$1.00	
Street Closure - Government Sponsored	No Fee	No Fee	
Parade Permit - Commercial	\$50.00 + police cost	\$50.00 + police cost	
Parade Permit - Neighborhood	\$1.00	\$1.00	
Parade Permit - Government Sponsored	No Fee	No Fee	
Request for Special Session Council or P&Z	\$200.00	\$200.00	
Permit Extensions - 1st request	No Fee	No Fee	
Permit Extensions - 2nd or more request	20% of permit fee	20% of permit fee	
Special Use (other)	\$100.00 + inspections, advertising	\$100.00 + inspections, advertising	
BUILDING PERMIT & INSPECTION SERVICES			
Building Value Table per ICC Building Valuation Data (BVT)			
\$1.00 - \$5,000.00	\$200.00		
\$5,000.01 - \$25,000.00	\$200.00 for the first \$5,000.00 and \$12.00 for each additional \$1,000.00 or portion thereof		
\$25,000.01 - \$50,000.00	\$440.00 for the first \$25,000.00 and \$9.00 for each additional \$1,000.00 or portion thereof		
\$50,000.01 - \$100,000.00	\$652.50 for the first \$50,000.00 and \$6.83 for each additional \$1,000.00 or portion thereof		
\$100,000.01 - \$500,000.00	\$994.00 for the first 100,000.00 and \$5.60 for each additional \$1,000.00 or portion thereof		
\$500,000.01 - \$1,000,000.00	\$3,234.00 for the first \$500,000.00 and \$4.75 for each additional \$1,000.00 or portion thereof		
\$1,000,000.01 and up	\$5,608.00 for the first \$1,000,000.00 and \$3.65 for each additional \$1,000.00 or portion thereof		
RESIDENTIAL			
Residential Building Permit	Per BVT	Per BVT	
Inspection Outside Normal Business Hours	\$75.00/hour	\$75.00/hour	
Outside Review	Cost of review	Cost of review	
Second and subsequent Plan Review	\$75.00/hour	\$75.00/hour	
Plan Substitution	per case	per case	
Reinspection	\$75.00/hour	\$75.00/hour	
Shell Only Building under 150 sq. ft.	\$150.00	\$150.00	
Shell Only Building (150 sq. ft. or larger)	80% of BVT	80% of BVT	
Certificate of Occupancy - Residential	\$50.00	\$50.00	

**CITY OF LAVON
PROPOSED FEE SCHEDULE
FISCAL YEAR 2018-19**

ITEM	APPROVED 2017-18	PROPOSED 2018-19	NOTES
Temporary CO - Residential	\$50.00	\$50.00	
Inspection for which no fee is listed	\$75.00/hour	\$75.00/hour	
COMMERCIAL			
Commercial Building Permit	Per BVT	Per BVT	
Shell Only Building under 150 sq. ft.	\$200.00	\$200.00	
Temporary CO - Commercial	\$100.00	\$100.00	
Certificate of Occupancy - Commercial	\$100.00	\$100.00	
Exterior Lighting Structures	\$50.00/structure	\$50.00/structure	
Finish Out - Commercial; separate permit for each	\$350 plus 20% of BVT	\$350 plus 20% of BVT	
Parking Lots	\$200.00 / 10,000 sq. ft.	\$200.00 / 10,000 sq. ft.	
FIRE INSPECTION PERMITS			
Aircraft refueling vehicles (annual)		\$50.00	
Asbestos removal (per job)		\$50.00	
Assembly (parties with 100 or more guests including weddings)		\$25.00	
Assembly Cooking, Exhibitor Operational permit		\$50.00	
Automobile wrecking yard (annual)		\$250.00	
Burn permit, only issued as per ordinance (90 days), 2+ Acres only		\$25.00	
Candles and open flames in assembly areas (annual)		\$50.00	
Carnivals and fairs (for profit)		\$150.00	
Cellulose nitrate storage (annual)		\$50.00	
Combustible fiber storage (annual)		\$50.00	
Combustible/Flammable material storage (annual)		\$50.00	
Commercial fire alarm installation permit (per building)			
Less than 20 devices		\$50.00	
20+ devices		\$200.00	
Commercial limited access security gates and perimeter fencing(1 time)			
Commercial rubbish handling business operation (annual)		\$50.00	
Compressed gasses storage, use or resale (annual)		\$50.00	
Cryogens (annual)		\$50.00	
Dry cleaning plants (annual)		\$150.00	
Dust-producing operations (annual)		\$50.00	
Explosives and blasting agents (per job)		\$150.00	
Fireworks event permit (per event)(Fee maybe waived for non-profit group with proper permits)		\$500.00	
Fire sprinkler overhead permit (suppression system)(per sq. ft. of building area)			
Building size			
0-5999 sq ft		\$250.00	
6,000-300,000 sq ft		\$500.00	
(includes three inspections: visual, hydrostatic test, flush)			
Re-inspection fee		\$250.00	
*No Charge for residential sprinkler inspection (R-13D) at closing		\$0.00	
Fire sprinkler underground permit (includes three inspections: visual, hydrostatic test, flush)			
Mobile Food preparation with propane or other cooking gas usage (Commercial/Annual)		\$50.00	
Fruit ripening (annual)		\$50.00	
Hazardous production materials (annual)		\$50.00	
High-piled combustible storage, per building (annual)		\$50.00	
Liquid or gas fueled vehicles or equipment in assembly building (annual or event)		\$50.00	
Lumber yard (annual)		\$50.00	
Magnesium working (annual)		\$50.00	
Organic coatings		\$50.00	
Ovens, industrial baking and drying (annual)		\$50.00	
Paint booth (annual)		\$100.00	

**CITY OF LAVON
PROPOSED FEE SCHEDULE
FISCAL YEAR 2018-19**

ITEM	APPROVED 2017-18	PROPOSED 2018-19	NOTES
Radioactive material (annual)		\$50.00	
Rental Home inspection, as required		\$200.00	
Residential-Home Health Care/Day Care (annual)		\$50.00	
Dipping metals (annual)		\$100.00	
Security Gates (Fire access way only) construction permit (per job)		\$50.00	
Temporary structure, per tent (ALL tents and temporary membrane structures)		\$50.00	
Tire storage (annual), Commercial Sales		\$250.00	
Underground/aboveground storage tanks>100 lbs capacity (Commercial--includes flammable and combustible liquid storage and liquefied petroleum gas, per tank)		\$100.00	
Vent-A-Hood, Class I or Class II Hoods (Commercial cooking only)		\$50.00	
Welding and cutting operations (annual fixed occupancy or per job)		\$50.00	
Woodworking operations (Commercial) Permit (annual)		\$100.00	
Life Safety Plan Reviews.			
Commercial Building size			
0-5999 (per sq ft.)		\$0.10	
6000 and larger (per sq ft)		\$0.15	
Family home or Foster Family		No Charge (1 per year)	
Annual Alarm Permit Fees.			
Fire alarm permit fee (commercial, multi-occupancy buildings)		\$50.00	
Other alarms permit fee		\$50.00	
(All alarm systems that are not burglar alarms, inc but not limited to, panic, fire, and EMS alarms for commercial prop, inc multi-occupancy bldgs, such as aprtmnts)			
No permit required for personal alarms or medical alarms used at a residential address.			
False alarm notification fee		\$50.00	
(If after two (2) false alarms in the 12-mo period immediately preceding any false alarm, the permit holder shall be assessed a service fee of \$50.00 for such false alarm, for each occurrence)			

FENCES

Fence (new or replacement) - First 100 feet	\$50.00	\$50.00
Fence (new or replacement) over 100 feet	\$0.50/lin foot over 100	\$0.50/lin foot over 100
Fence Repair	No Fee	No Fee

GENERAL

Working without Permit - Investigation Fee	Cost of review	Cost of review
Prebuilt under 100 sq ft	\$50.00	\$50.00
Building Demolition	\$75.00	\$75.00
Annual Contractor Registration	\$50.00	\$50.00
Annual - Electrical	\$75.00	\$75.00
Flatwork	\$100.00	\$100.00
Mechanical	\$75.00	\$75.00
Moving a building	\$100 + any inspection	\$100 + any inspection
Plumbing	\$75.00	\$75.00
Repair of Facilities	Calculated	Calculated
Remodel	BVT	BVT
Retaining Wall	\$200.00 + cost	\$200.00 + cost
Right of Way Excavation	\$100.00 + cost	\$100.00 + cost
Roofing w/deck replacement	\$100.00	\$100.00
Roofing w/out deck replacement	No fee	No fee

POOLS, SPAS, IRRIGATION

Above Ground Pool - Seasonal	\$1.00	\$1.00
Above Ground Pool	\$50.00	\$50.00
In-Ground Swimming Pool	\$400.00	\$400.00
Spa	\$100.00	\$100.00
Pool Installation OSSF modification and review	\$150.00	\$200.00
Sprinkler System	\$150.00	\$150.00

**CITY OF LAVON
PROPOSED FEE SCHEDULE
FISCAL YEAR 2018-19**

ITEM	APPROVED 2017-18	PROPOSED 2018-19	NOTES
HEALTH SERVICES			
Health Inspection Registration	\$300.00/year	\$300.00/year	
Health Inspection Registration Late Fee	\$25.00/week after Jan 1	\$25.00/week after Jan 1	
Certified Food Handler / Manager Registration	\$10.00/year	\$10.00/year	
Complaint confirmation inspection	\$65.00	\$65.00	
Health Re-inspections	\$50.00	\$50.00	
Temporary Food Sales	\$100.00	\$100.00	
SIGNS			
Signs	\$125.00	\$125.00	
Signs (electrical)	\$250.00	\$250.00	
Sign (temporary)	\$50.00	\$50.00	
FILM FRIENDLY SERVICES			
Total or disruptive use - regular operating hours	\$500.00 / day	\$500.00 / day	
Partial, non-disruptive use	\$250.00 / day	\$250.00 / day	
Total closure or obstruction	\$50 per block, per day	\$50 per block, per day	
Partial closure or obstruction	\$25 per block, per day	\$25 per block, per day	
Use of City parking lots & areas and City streets	\$50 per block or lot/day	\$50 per block or lot/day	