



**AGENDA**  
**SEPTEMBER 21, 2021**  
**LAVON CITY COUNCIL**  
**CITY HALL, 120 SCHOOL ROAD, LAVON, TEXAS**  
**REGULAR MEETING**  
**6:00 PM**

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

**2. EXECUTIVE SESSION**

In accordance with Texas Government Code, Chapter 551, Subchapter D, the City Council may recess into Executive Session (closed meeting) pursuant to Section 551.071 (2) 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 this chapter including (i) for the provision of municipal services in an unincorporated area; (ii) Elevon Development Agreement; (iii) Trails of Lavon Development Agreement.

**3. RECONVENE INTO REGULAR SESSION**

Consider and take any action necessary as a result of executive session.

**4. PLEDGE OF ALLEGIANCE AND INVOCATION**

**5. PROCLAMATIONS**

2021 National Night Out – October 5, 2021

2021 Fire Prevention Week “Learn the Sounds of Safety” October 3-9

**6. CITIZENS COMMENTS**

*Citizens may provide comments (3-minute time limit/person). The City Council response regarding items that are not on the agenda may be to request items be placed on a future agenda or referred to city staff.*

**7. ITEMS OF INTEREST/COMMUNICATIONS**

*Members may identify community events, functions, and other activities.*

**8. CONSENT AGENDA**

*Consent items are considered 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 September 7, 2021 meeting.

**B.** Approve Ordinance No. **2021-09-06** authorizing and allowing, under the Act governing the Texas Municipal Retirement System, “Updated Service Credits” in said system on an annual basis for service performed by qualifying members of such system who at the effective date of the allowance are members of the City of Lavon; providing for increases prior and current service annuities for retirees and beneficiaries of deceased retirees of the City; and establishing and effective date.

**C.** Discussion and action regarding Ordinance No. **2021-09-07** amending Ordinance No. **2020-09-02**, as amended, that approved and adopted a Budget for the city for the fiscal year October 1, 2020 through September 30, 2021 to amend adopted revenues and expenditures of the budget; and declaring an effective date.

**D.** Approve Resolution No. **2021-09-05** approving and authorizing the Mayor to execute an Assessment Collection Services Agreement with Collin County, Texas for the LakePointe Public Improvement District Improvement Area #2 and Improvement Area #3, Lavon, Texas.

- E. Approve Resolution No. 2021-09-06 approving and authorizing the Mayor to execute Amendment No.1 to Professional Services Agreement with Kimley-Horn to include services related to an update to the Future Land Use Plan and Thoroughfare Plan.
- F. Approve Resolution No. 2021-09-17 approving and authorizing the Mayor to execute a Chapter 380 Agreement with TSHH, LLC for an economic development grant program related to building materials for construction projects for a term of ten years.

## 9. ITEMS FOR CONSIDERATION

- A. Discussion and action regarding Resolution No. 2021-09-07 approving and authorizing the Mayor to execute a Development Agreement with the owners/developer of the Elevon project, which agreement anticipates, among other things, creation of a Public Improvement District under Chapter 372 of the Texas Local Government Code, creation of a Tax Increment Reinvestment Zone under Chapter 311 of the Texas Tax Code, establishment of land use development design regulations and providing terms for annexation; being approximately 1268.695 acres of land situated in the Samuel M. Ranier Survey, Abstract No. 740, the Drury Anglin Survey, Abstract No. 2, and the James. P. Davis Survey, Abstract No. 249 and generally located southeast of the intersection of SH 78 and FM 6 and within the extraterritorial jurisdiction and/or corporate limits of the City of Lavon, Texas.
- B. Discussion and action regarding Resolution No. 2021-09-08 setting a public hearing under Sec. 372.009 of the Texas Local Government Code for the creation of the Elevon Public Improvement District within the extraterritorial jurisdiction of the City of Lavon, Texas; and authorizing the issuance of notice by the City Secretary of Lavon, Texas regarding the public hearing. The property, Elevon Addition, is approximately 982.719 acres of land situated in the Samuel M. Ranier Survey, Abstract No. 740, the Drury Anglin Survey, Abstract No. 2, and the James. P. Davis Survey, Abstract No. 249 and generally located southeast of the intersection of SH 78 and FM 6 and within the extraterritorial jurisdiction and/or corporate limits of the City of Lavon, Texas.
- C. Discussion and action regarding Resolution No. 2021-09-09 , setting a public hearing under Section 311.003 of the Texas Tax Code for the creation of a Tax Increment Reinvestment Zone containing approximately 1292.19 acres of land generally located east of Highway 78 and being wholly located within the corporate limits and extraterritorial jurisdiction of the City of Lavon, Texas; authorizing the issuance of notice by the City Secretary of the City of Lavon, Texas, regarding the public hearing; and directing the City of Lavon, Texas to prepare a Preliminary Reinvestment Zone Financing Plan.
- D. Discussion and action regarding Resolution No. 2021-09-10 approving and authorizing the Mayor to execute a professional services agreement with P3 Works LLC for the provision of public improvement district administration and service and assessment plan and tax increment reinvestment zone (TIRZ) creation and administration consultant services for the Elevon development project; and providing an effective date.
- E. Discussion and action regarding Resolution No. 2021-09-11 approving and authorizing the Mayor to execute a Development Agreement with the owners/developer of the Trails of Lavon project, which agreement anticipates, among other things, creation of a Public Improvement District under Chapter 372 of the Texas Local Government Code, establishment of land use development design regulations and providing terms for annexation; being approximately 205.503 acres of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County and generally located east and southwest of the intersection of CR 485 and CR 484, northeast of the intersection of CR 484 and CR 483 within the extraterritorial jurisdiction of City of Lavon, Texas.
- F. Discussion and action regarding Resolution No. 2021-09-12 accepting a petition to create a Public Improvement District, calling for a public hearing and directing the statutory notices to be given. The property, Trails of Lavon Addition, is approximately ±190.774 acres of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County and generally located east and southwest of the intersection of CR 485 and CR 484, northeast of the intersection of CR 484 and CR 483 within the extraterritorial jurisdiction of City of Lavon, Texas.

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- G. Discussion and action regarding Resolution No. **2021-09-13** accepting a Petition Requesting Annexation By Area Landowners and approving and authorizing the Mayor to execute a Municipal Services Agreement with the landowners for the purpose of offering municipal services for property described as 205.503 acres of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, and the portions of County Road 485, County Road 484, and County Road 483, and adjacent right-of-way abutting the property, Collin County, Texas to be voluntarily annexed into the corporate limits of the City of Lavon, Texas; calling for a public hearing; and providing an effective date.
- H. Discussion and action regarding Resolution No. **2021-09-14** approving and authorizing the Mayor to execute a professional services agreement with P3 Works LLC for the provision of public improvement district administration and service and assessment plan consultant services for the Trails of Lavon development project; and providing an effective date.
- I. Discussion and action regarding Resolution No. **2021-09-15** determining the costs of certain authorized improvements to be financed by the LakePointe Public Improvement District; approving a preliminary amended and restated Service Plan and Assessment Plan, including proposed Improvement Area #2 Assessment Roll; calling a meeting and noticing a public hearing for November 16, 2021 to consider an ordinance levying assessments on property located within the LakePointe Public Improvement District; directing the filing of the proposed Improvement Area #2 Assessment Roll with the city secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto.
- J. Discussion and action regarding Resolution No. **2021-09-16** determining the costs of certain authorized improvements to be financed by the LakePointe Public Improvement District; approving a preliminary amended and restated Service Plan and Assessment Plan, including proposed Improvement Area #3 Assessment Roll; calling a meeting and noticing a public hearing for November 16, 2021 to consider an ordinance levying assessments on property located within the LakePointe Public Improvement District; directing the filing of the proposed Improvement Area #3 Assessment Roll with the city secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto.
- K. Discussion and action regarding orders and regulations, programming, city facilities and operations related to COVID-19.

## 10. DEPARTMENT REPORTS

*The City Council may receive and discuss the reports.*

- A. Police Services – Service, activity, programs, and administration report.
- B. Fire Services – Service, activity, programs, and administration report.
- C. Public Works Services – Utilities, capital projects and public works, street maintenance report including projects, right of way maintenance; and code enforcement report.
- D. Administration Services – Building Permits; CWD Service; Collin County Tax Collection; Sales Tax; and administration and staff report.

## 11. 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.*


- October 5, 2021 – Meeting Cancelled – National Night Out
- October 9, 2021 – X-Treme Green
- October 19, 2021 – City Council Meeting

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## 12. PRESIDING OFFICER TO ADJOURN THE CITY COUNCIL MEETING

1. Notice is hereby given that members of the City Council, Economic Development Corporation Board, Planning and Zoning Commission, and Parks and Recreation Board may attend the meeting.
2. The body 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 on the City's website at [www.cityoflavon.com](http://www.cityoflavon.com) and at City Hall and on or before 10:00 PM on September 17, 2021.

  
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Rae Norton, City Secretary



## **PROCLAMATION** **City of Lavon, Texas**

“National Night Out – October 5, 2021”

**WHEREAS**, National Association of Town Watch (NATW) is a non-profit organization dedicated to the development and promotion of various crime prevention programs; and

**WHEREAS**, NATW first introduced National Night Out in 1984 and for 37 years, National Night Out has gained significant recognition for its efforts to curb crime, drugs and violence in communities; and

**WHEREAS**, community partnerships between residents and public safety officers play a vital role in protecting residents' quality of life and safety as well as promote and protect property values in the City of Lavon; and

**WHEREAS**, on the evening of October 5, 2021, City of Lavon police officers and Lavon firefighters will be out in Lavon neighborhoods visiting with residents, sharing safety tips, fostering communication and cooperation, and establishing relationships;

**NOW THEREFORE**, be it proclaimed that Tuesday, October 5, 2021 shall be hereafter known as

### **National Night Out**

in the City of Lavon and all citizens are called upon to continue helping to make our community a safer and more enjoyable place to live work and play by participating in National Night Out activities.

**IN WITNESS WHEREOF**, I have hereunto set my hand and have caused the Seal of the City of Lavon, Texas, to be affixed this 21<sup>st</sup> day of September 2021.

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Vicki Sanson, Mayor





## **PROCLAMATION City of Lavon, Texas**

### **“Fire Prevention Week 2021”**

**WHEREAS**, the City of Lavon is committed to ensuring the safety and security of all those living in and visiting Lavon; and

**WHEREAS**, in the United States, cooking is the leading cause of home fires and two of every five home fires start in the kitchen with 31% of these resulting from unattended cooking; and

**WHEREAS**, children under five face a higher risk of non-fire burns associated with cooking than being burned in a cooking fire; and

**WHEREAS**, residents who have planned and practiced a home fire escape plan are more prepared and will therefore be more likely to survive a fire; and

**WHEREAS**, Lavon’s first responders are dedicated to reducing the occurrence of home fires and home fire injuries through prevention and protection education; and

**WHEREAS**, the 2021 Fire Prevention Week theme™, “**Learn the Sounds of Safety!!**” effectively serves to remind us to stay alert and use caution when cooking to reduce the risk of kitchen fires.

**NOW THEREFORE**, be it proclaimed that October 3-9, 2021 shall be hereafter known as

### **Fire Prevention Week**

throughout this city, and I urge all the residents of Lavon to check their kitchens for fire hazards and use safe cooking practices during Fire Prevention Week 2021, and to support the many public safety activities and efforts of the Lavon Fire Department during Fire Prevention Week and every week.

**IN WITNESS WHEREOF**, I have hereunto set my hand and have caused the Seal of the City of Lavon, Texas, to be affixed this 21<sup>th</sup> day of September 2021.

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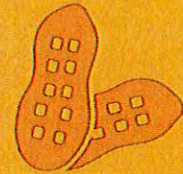
Vicki Sanson, Mayor





**SPREAD  
THE HOPE**

**PEANUT  
BUTTER  
DRIVE**



**September 1 – 30, 2021**

Every September during Hunger Action Month, the North Texas Food Bank creates awareness about food insecurity and hosts the Peanut Butter Drive which collects a shelf-stable, kid-friendly protein for our hungry neighbors. The goal for the 2021 drive is 300,000 pounds of peanut butter physically and virtually.

Let's help meet the goal by collecting regular-sized, plastic jars of peanut butter to help feed hungry children and their families.

**Collect physical Peanut Butter or donate  
to the Virtual Peanut Butter Drive. For more  
info visit [ntfb.org/peanutbutterdrive](https://ntfb.org/peanutbutterdrive).**



# City of Lavon X-treme Green Event



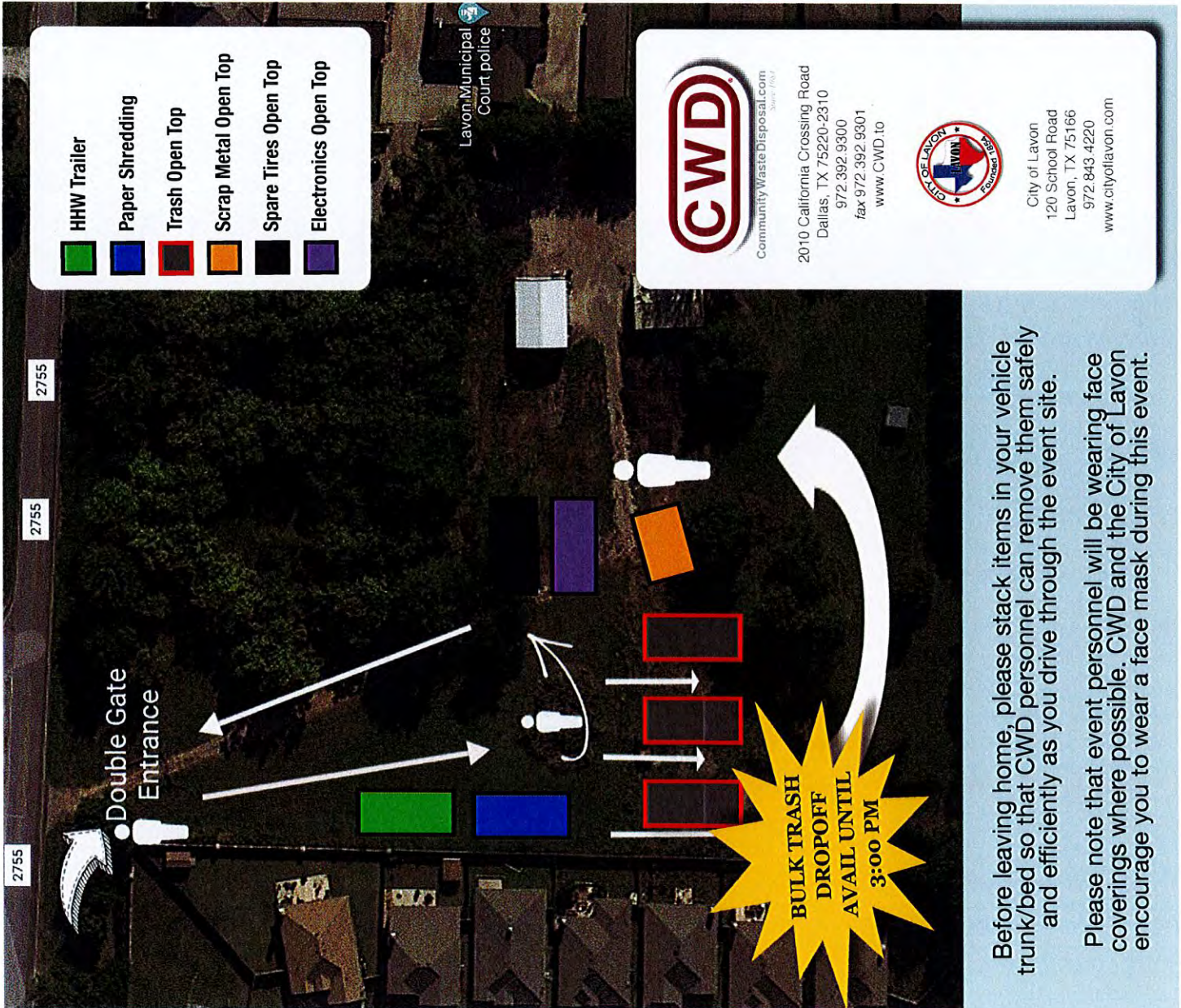
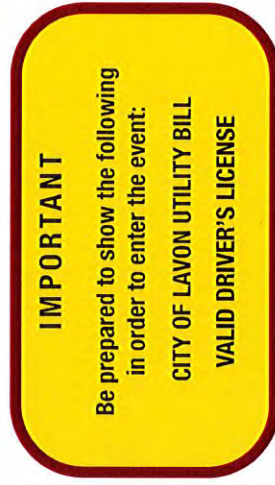
Saturday

October 9, 2021

XGE 8:00 am - noon

Bulk Trash 8:00 am - 3:00 pm

500 South Main Street  
Lavon



Before leaving home, please stack items in your vehicle trunk/bed so that CWD personnel can remove them safely and efficiently as you drive through the event site.

Please note that event personnel will be wearing face coverings where possible. CWD and the City of Lavon encourage you to wear a face mask during this event.

# City of Lavon X-treme Green Event

Saturday, October 9, 2021 • 8:00 am - noon

500 South Main Street, Lavon TX 75166

**BULK  
DROPOFF  
AVAILABLE UNTIL  
3:00 PM**

## ■ Electronic Waste

By bringing your electronics to be recycled, you are helping to reduce pollution, energy waste, and our reliance on new resources.

We accept computers, monitors (cathode ray tubes), televisions, printers, scanners, copiers, radios, CD players, VCRs, telephones (cellular, cordless and wireless).

**PLEASE NOTE  
DISPOSAL FEE OF  
\$25 PER CRT.  
CREDIT CARDS  
ONLY, PLEASE.**



## ■ HHW

Household Hazardous Waste (HHW) includes any household products containing substances that require special care when being disposed of.

Common HHW products include gasoline, pesticides, fertilizers, motor oil, antifreeze, and automotive and household batteries. Drop off your leftover household paint cans in quantities up to 10.

## ■ Appliances

Accepted at this event are water heaters, washers, dryers, refrigerators and freezers (must be tagged certifying removal of refrigerants), and small metal scrap (screws, utensils, hinges, pipes, bolts, etc.).

## ■ Tires

Eligible items are tires from standard passenger vehicles, SUVs, lawn mowers, tractors, and 4-wheelers.

**NO RIMS WILL BE ACCEPTED!**

## ■ Document Shredding

Shredding paper is a safe and effective way of ensuring your valuable information doesn't end up in the wrong hands. Items such as confidential documents, bank statements, old bills, and magazines can be safely shredded during this event.

Please remove staples, paper clips, rubberbands, etc. before shredding.

**UP TO FIVE  
BOXES WILL BE ACCEPTED.**



To help slow the spread of COVID-19, CWD and the City of Lavon encourage you to wear a face mask during this event. Thank you for caring for yourselves and for your neighbors.



**DROP OFF BULK UNTIL 3:00 PM!**

## ■ Bulk Trash Items

Extra trash, home appliances, furniture, mattresses, and other large household items will be accepted for disposal.



**MINUTES  
SEPTEMBER 7, 2021  
LAVON CITY COUNCIL  
BOARD OF ADJUSTMENT  
REGULAR MEETING  
6:00 PM**

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

**1. MAYOR SANSON CALLED THE MEETING TO ORDER AT 6:00 P.M. AND ANNOUNCED A QUORUM PRESENT.**

**2. MAYOR SANSON LED THE RECITATION OF THE PLEDGE OF ALLEGIANCE AND KAY WRIGHT DELIVERED THE INVOCATION.**

**3. CITIZENS COMMENTS**

There were none.

**4. ITEMS OF INTEREST/COMMUNICATIONS**

Councilmember Wright presented a \$300 donation from Southwest Door and Window for the City of Lavon Peanut Butter Drive benefitting the North Texas Food Bank.

**5. CONSENT AGENDA**

**A. Approve the minutes of the August 17, 2021 meeting.**

**B. Cast an affirmative vote for election of Joni Clark to the Board of Trustees of the Texas Municipal League Intergovernmental Risk Pool and authorize the Mayor to submit the Official Ballot.**

**C. Approve Resolution No. 2021-09-01 approving and authorizing the Mayor to execute a Contract Amendment to the Fire Department Interlocal Dispatch Services Agreement with Collin County for Dispatch Services for a one (1) year period from October 1, 2021 to September 30, 2022; and providing for an effective date.**

**MOTION: APPROVE THE CONSENT AGENDA.**

MOTION MADE: KELL

SECONDED: WRIGHT

APPROVED: UNANIMOUS (Absent, Serkland)

Mayor Sanson acknowledged that public hearings will be deferred to 7:00 p.m. as noticed.

**8. ITEMS FOR CONSIDERATION**

**A. Discussion and action regarding the extension of the effective date of the preliminary plat of the Bear Creek Addition.**

City Administrator Kim Dobbs provided background information regarding the preliminary plat and effective date and recommended approval.

**MOTION: APPROVE THE EXTENSION OF THE EFFECTIVE DATE OF THE PRELIMINARY PLAT OF THE BEAR CREEK ADDITION.**

MOTION MADE: WRIGHT

SECONDED: DILL

APPROVED: UNANIMOUS (Absent, Serkland)

- B. Discussion, and action regarding the final plat of the Bear Creek Phase 4 Addition consisting of 147 residential lots and 3 non-residential lots on 29.468 acres of land out of the D. Anglin Survey, Abstract No. 2, City of Lavon, Collin County, Texas located south of Bear Creek Phase 3, east of Crestridge Meadows, and west of CR 483, (CCAD Property ID 2630457).**

Ms. Dobbs provided a report from the Planning & Zoning Commission and Jim Douglas, Douglas Properties provided information regarding the final plat of the Bear Creek Phase 4 Addition.

**MOTION: APPROVE THE FINAL PLAT OF THE BEAR CREEK PHASE 4 ADDITION CONSISTING OF 147 RESIDENTIAL LOTS AND 3 NON-RESIDENTIAL LOTS ON 29.468 ACRES OF LAND OUT OF THE D. ANGLIN SURVEY, ABSTRACT NO. 2, CITY OF LAVON, COLLIN COUNTY, TEXAS LOCATED SOUTH OF BEAR CREEK PHASE 3, EAST OF CRESTRIDGE MEADOWS, AND WEST OF CR 483, (CCAD PROPERTY ID 2630457) SUBJECT TO CITY ENGINEERS APPROVAL.**

MOTION MADE: WRIGHT

SECONDED: COOK

APPROVED: UNANIMOUS (Absent, Serkland)

- C. Discussion, and action regarding the preliminary plat of the Elevon Addition, Section 2, Phases 2A-2E consisting of 1,389 residential lots and 37 HOA open space lots on 377.258 acres of land out of the Samuel M. Rainer Survey, Abstract No. 740, extraterritorial jurisdiction of the City of Lavon, Collin County, Texas, located north of CR 541, east of Lavon Ranchettes, and south of the NETEX right of way in the Abston Hills MUD 1-B and 1-D, (CCAD Property IDs 1290178, 1290169, 1290203, 1290132, 2032794, 1290150).**

Ms. Dobbs provided a report from the Planning & Zoning Commission and information regarding the preliminary plat. Daniel Dewey, JBI Partners, detailed the phasing and infrastructure plans.

**MOTION: APPROVE THE PRELIMINARY PLAT OF THE ELEVON ADDITION, SECTION 2, PHASES 2A-2E CONSISTING OF 1,389 RESIDENTIAL LOTS AND 37 HOA OPEN SPACE LOTS ON 377.258 ACRES OF LAND OUT OF THE SAMUEL M. RAINER SURVEY, ABSTRACT NO. 740, EXTRATERRITORIAL JURISDICTION OF THE CITY OF LAVON, COLLIN COUNTY, TEXAS, LOCATED NORTH OF CR 541, EAST OF LAVON RANCHETTES, AND SOUTH OF THE NETEX RIGHT OF WAY IN THE ABSTON HILLS MUD 1-B AND 1-D, (CCAD PROPERTY IDS 1290178, 1290169, 1290203, 1290132, 2032794, 1290150).**

MOTION MADE: KELL

SECONDED: DILL

APPROVED: UNANIMOUS (Absent, Serkland)

- D. Discussion and action regarding Resolution No. 2021-09-03 responding to the Petition for Consent to Include Additional Land into Abston Hills Municipal Utility District No. 1-A in the Extraterritorial Jurisdiction of the City of Lavon, to annex 15.704 acres in the vicinity of Elevon Section 1, Phase 2A, requested by MA Lavon 292, LLC.**

Ms. Dobbs provided information regarding the petition. John Marlin, MA Partners, provided history of the MUD and development plans.

**MOTION: APPROVE RESOLUTION NO. 2021-09-03 RESPONDING TO THE PETITION AND PROVIDING CONSENT TO INCLUDE ADDITIONAL LAND INTO ABSTON HILLS MUNICIPAL UTILITY DISTRICT NO. 1-A IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF LAVON, TO ANNEX 15.704 ACRES IN THE VICINITY OF ELEVON SECTION 1, PHASE 2A, REQUESTED BY MA LAVON 292, LLC.**

MOTION MADE: DILL

SECONDED: WRIGHT

APPROVED: UNANIMOUS (Absent, Serkland)

- E. **Discussion and action regarding Resolution No. 2021-09-04 responding to the Petition for Consent to Creation of Political Subdivision in the Extraterritorial Jurisdiction of the City of Lavon, Municipal Utility District (MUD) No. 6 on 516.96 acres in the vicinity of CR 483 and CR 485, requested by Astra Investments I, LLC.**

Ms. Dobbs provided information regarding the request, property location and negotiations with the developer. The consensus of the Council was to withhold consent.

**MOTION: APPROVE RESOLUTION NO. 2021-09-04 RESPONDING TO THE PETITION AND WITHHOLDING CONSENT TO CREATION OF POLITICAL SUBDIVISION IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF LAVON, MUNICIPAL UTILITY DISTRICT (MUD) NO. 6 ON 516.96 ACRES IN THE VICINITY OF CR 483 AND CR 485, REQUESTED BY ASTRA INVESTMENTS I, LLC.**

MOTION MADE: WRIGHT  
SECONDED: COOK  
APPROVED: UNANIMOUS (Absent, Serkland)

- F. **Discussion and action regarding the extraterritorial jurisdiction (ETJ) boundary with the City of Rockwall established pursuant to a 2009 Interlocal Boundary and ETJ Contract.**

Ms. Dobbs provided background information regarding the history of the ETJ boundary.

**MOTION: DIRECT THE STAFF TO WORK WITH THE CITY OF ROCKWALL TO PREPARE A BOUNDARY ADJUSTMENT AGREEMENT.**

MOTION MADE: KELL  
SECONDED: DILL  
APPROVED: UNANIMOUS (Absent, Serkland)

- G. **Discussion and action regarding orders and regulations, programming, city facilities and operations related to COVID-19.**

City Secretary Rae Norton provided an update regarding the American Rescue Plan Act (ARPA) and anticipated stimulus funds for the City; reviewed Collin County case information.

## 7. BUDGET AND TAX RATE ITEMS FOR CONSIDERATION

- F. **Presentation of the proposed Capital Improvements Plan.**

City Engineer Mark Hill presented and answered questions regarding the proposed Capital Improvement Plan (CIP).

Mayor Sanson recessed the meeting at 6:53 p.m. and reconvened the meeting at 7:01 p.m. Mayor Sanson recessed the regular meeting and seated the Council as the Board of Adjustment at 7:01 p.m.

## 6. BOARD OF ADJUSTMENT

*In accordance with the Texas Local Government Code, Section 211.008 (g) and Section 9.03.231 of the Lavon Code of Ordinances, the 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 David Williams, L&D Automotive, for a variance to Section 9.03.I31 (e)(1) Retail District of the Zoning Ordinance of the Code of Ordinances to allow the service doors for auto or similar service of a new building addition to face S.H. 78 at 940 S. S.H. 78, WAS Bohannan Survey, A012I, Tract 11, (CCAD# 2666I19), Lavon, TX.**

### **Presentation of request.**

Ms. Dobbs provided background information regarding the zoning ordinance requirements, the request and the process for consideration relating to the request for a variance. Applicant Jordan Williams described the proposed building plans and need for the variance to allow front facing garage doors.

**PUBLIC HEARING, to receive comments regarding the request.**

Mayor Sanson opened the public hearing at 7:09 p.m. and invited comments for or against the application. There being no further comments, Mayor Sanson closed the public hearing at 7:10 p.m.

**Discussion and action regarding the request.**

Ms. Dobbs noted a change in state law regarding the finding of a hardship and explained that the changes had been incorporated into the Board's standard Findings of Fact Form. Ms. Dobbs read aloud and the City Council affirmed the Findings of Fact for a Variance.

**MOTION: GRANT A VARIANCE TO SECTION 9.03.131 (E)(1) RETAIL DISTRICT OF THE ZONING ORDINANCE OF THE CODE OF ORDINANCES TO ALLOW THE SERVICE DOORS FOR AUTO OR SIMILAR SERVICE OF A NEW BUILDING ADDITION TO FACE S.H. 78 AT 940 S. S.H. 78, WAS BOHANNAN SURVEY, A0121, TRACT 11, (CCAD# 2666119), LAVON, TX.**

MOTION MADE: DILL  
SECONDED: WRIGHT  
APPROVED: UNANIMOUS (Absent, Serkland)

**7. BUDGET AND TAX RATE ITEMS FOR CONSIDERATION**

- A. Discussion and action regarding Ordinance No. 2021-09-01 amending Ordinance No. 2020-09-02, as amended, that approved and adopted a Budget for the city for the fiscal year October 1, 2020 through September 30, 2021 to amend adopted revenues and expenditures of the budget; and declaring an effective date.**

Ms. Dobbs provided details regarding the budget amendment noting a net positive ending.

**MOTION: APPROVE ORDINANCE NO. 2021-09-01 AMENDING ORDINANCE NO. 2020-09-02, AS AMENDED, THAT APPROVED AND ADOPTED A BUDGET FOR THE CITY FOR THE FISCAL YEAR OCTOBER 1, 2020 THROUGH SEPTEMBER 30, 2021 TO AMEND ADOPTED REVENUES AND EXPENDITURES OF THE BUDGET; AND DECLARING AN EFFECTIVE DATE.**

MOTION MADE: KELL  
SECONDED: COOK  
APPROVED: UNANIMOUS (Absent, Serkland)

- B. Public hearing, discussion, and action regarding the proposed 2021-22 Annual Budget.**

**Presentation of request.**

Ms. Dobbs recapped budget work sessions and assumptions for the proposed FY 2021-22 budget. Mayor Sanson acknowledged the state law provision for a record vote on the budget.

**PUBLIC HEARING, to receive comments regarding the request.**

Mayor Sanson opened the public hearing at 7:30 p.m. and invited comments for or against the application. There being no comments, Mayor Sanson closed the public hearing at 7:30 p.m.

**Discussion and action regarding the request and accompanying Ordinance.**

Ms. Dobbs reviewed the budget highlights and tax rate information.

**MOTION: TO APPROVE THE PROPOSED 2021-22 ANNUAL BUDGET AND ACCOMPANYING ORDINANCE NO. 2021-09-02 APPROVING AND ADOPTING A BUDGET FOR THE CITY FOR THE FISCAL YEAR OCTOBER 1, 2021 THROUGH SEPTEMBER 30, 2022; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; AND PROVIDING AN EFFECTIVE DATE.**

MOTION MADE: WRIGHT  
SECONDED: COOK  
The Mayor called roll for the vote:

PLACE 1- JOHN KELL FOR  
PLACE 2- MIKE COOK FOR  
PLACE 3- KAY WRIGHT FOR  
PLACE 4- TED DILL FOR  
PLACE 5- MINDI SERKLAND ABSENT

APPROVED: UNANIMOUS

**C. Discussion and action regarding Ordinance No. 2021-09-03 to ratify the property tax increase that is reflected in the 2021-22 Annual Budget.**

Ms. Dobbs reported that the Collin County Tax Assessor Collector's Office determined that the proposed tax rate of 0.478956 will raise more taxes for maintenance and operations than last year's tax rate and explained that Section 102.007 of the Texas Local Government Code requires a separate vote of the City Council to ratify the property tax increase reflected in the budget.

**MOTION: APPROVE ORDINANCE NO. 2021-09-03 TO RATIFY THE PROPERTY TAX INCREASE THAT IS REFLECTED IN THE 2021-22 ANNUAL BUDGET.**

MOTION MADE: DILL

SECONDED: WRIGHT

APPROVED: UNANIMOUS (Absent, Serkland)

**D. Public hearing, discussion, and action regarding the 2021 proposed tax rate of 0.478956 per \$100 valuation, which represents an increase in the property tax rate which is effectively a 3.24% increase.**

**Presentation of the tax rate.**

Ms. Dobbs noted that the Fiscal Year 21-22 Annual Budget had been prepared using a tax rate of \$0.478956 per hundred dollars appraised valuation, that is greater than the no new revenue tax rate and less than the voter approval tax rate. The total tax rate is comprised of \$0.259910 cents for maintenance and operations (M&O) and \$0.219046 cents for interest and sinking (I&S) for debt service.

**PUBLIC HEARING to receive comments regarding the tax rate.**

Mayor Sanson opened the public hearing at 7:37 p.m. and invited comments in favor or opposition of the request. There being no comments, Mayor Sanson closed the public hearing at 7:37 p.m.

**Discussion and action regarding the proposed tax rate and accompanying Ordinance No. 2021-09-04.**

Ms. Dobbs acknowledged the many work sessions, published and website notice for the public hearings to receive input on the budget and tax rate, and reviewed the statutory language required in the motion to approve the proposed tax rate.

**MOTION: I MOVE THAT THE PROPERTY TAX RATE BE INCREASED BY THE ADOPTION OF A TAX RATE OF 0.478956, WHICH IS EFFECTIVELY A 3.24 PERCENT INCREASE IN THE TAX RATE AND FURTHER THAT THE CITY COUNCIL APPROVE ORDINANCE 2021-09-04 SETTING THE TAX RATE FOR THE 2021 TAX YEAR AT TOTAL RATE OF \$0.478956 PER \$100 OF PROPERTY VALUATION; LEVYING TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022 ON ALL PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF LAVON, TEXAS; PROVIDING A SINKING FUND FOR THE RETIREMENT OF THE BONDED OBLIGATIONS OF THE CITY; APPORTIONING EACH LEVY FOR THE SPECIFIC PURPOSE AND PROVIDING FOR COLLECTION OF ALL ANNUAL TAXES PROVIDED BY STATE LAW; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; AND PROVIDING A SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.**

MOTION MADE: WRIGHT

SECONDED: KELL  
 The Mayor called roll for the vote:  
 PLACE 1- JOHN KELL FOR  
 PLACE 2- MIKE COOK FOR  
 PLACE 3- KAY WRIGHT FOR  
 PLACE 4- TED DILL FOR  
 PLACE 5- MINDI SERKLAND ABSENT  
 APPROVED: UNANIMOUS

**E. Public hearing, discussion, and action regarding a Fee Schedule for Fiscal Year 2021-2022.**

**Presentation of the request.**

Ms. Dobbs provided information regarding proposed Fee Schedule, stating it contained no proposed increases or decreases to the fees for the upcoming Fiscal Year October 1, 2021 through September 30, 2022.

**PUBLIC HEARING to receive comments regarding the Fee Schedule.**

Mayor Sanson opened the public hearing at 7:42 p.m. and invited comments in favor or opposition of the request. There being no comments, Mayor Sanson closed the public hearing at 7:43 p.m.

**Discussion and action regarding the request.**

**MOTION: APPROVE ORDINANCE NO. 2021-09-05 APPROVING AND ADOPTING A FEE SCHEDULE FOR THE FISCAL YEAR OCTOBER 1, 2021 THROUGH SEPTEMBER 30, 2022; AND PROVIDING AN EFFECTIVE DATE.**

MOTION MADE: DILL  
 SECONDED: COOK  
 APPROVED: UNANIMOUS (Absent, Serkland)

**F. Public hearing, discussion, and action regarding a Five-Year Capital Improvements Plan (CIP) for Fiscal Years 2022-2026.**

**Presentation of CIP.**

Mark Hill, Freeman Millican, Inc., presented the CIP and provided details regarding the proposed plan, priorities and projects.

**PUBLIC HEARING to receive comments regarding the plan.**

Mayor Sanson opened the public hearing at 7:44 p.m. and invited comments in favor or opposition of the request. There being no comments, Mayor Sanson closed the public hearing at 7:44 p.m.

**Discussion and action regarding the request.**

**MOTION: APPROVE RESOLUTION NO. 2021-09-02 APPROVING A FIVE-YEAR CAPITAL IMPROVEMENTS PLAN FOR FISCAL YEARS 2022 TO 2026.**

MOTION MADE: KELL  
 SECONDED: WRIGHT  
 APPROVED: UNANIMOUS (Absent, Serkland)

**9. CITY COUNCIL TO SET FUTURE MEETINGS AND AGENDAS.**

September 21, 2021 Regular Meeting at 6:00 p.m.  
 October 5, 2021 Cancel Meeting – National Night Out  
 October 9, 2021 X-Treme Green Event

**10. MAYOR SANSON ADJOURNED THE CITY COUNCIL MEETING AT 7:51 P.M.**

**DULY PASSED and APPROVED** by the City Council of Lavon, Texas, on this 21<sup>ST</sup> day of September 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

**ATTEST:**

\_\_\_\_\_  
Rae Norton, City Secretary





## CITY OF LAVON Agenda Brief

**MEETING:** September 21, 2021

**ITEM:** 8 - B

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**Item:**

CONSENT AGENDA

Approve Ordinance No. 2021-09-06 authorizing and allowing, under the Act governing the Texas Municipal Retirement System, “Updated Service Credits” in said system on an annual basis for service performed by qualifying members of such system who at the effective date of the allowance are members of the City of Lavon; providing for increases prior and current service annuities for retirees and beneficiaries of deceased retirees of the City; and establishing and effective date

**Background:**

The City of Lavon is a member of the Texas Municipal Retirement System (TMRS). During the budget preparation process, it was determined that peer cities were offering certain TMRS benefits that Lavon was not. The City Council acknowledged the importance of competitiveness in the attraction and retention of quality staff.

To improve the compensation and benefits for the employees to a level comparable to peer cities with whom Lavon may compete for human resources, the City Council directed that the programs for Updated Service Credits and Cost of Living Increases be included for the City of Lavon.

**Financial Consideration:**

Funding was appropriated in the adopted FY 2021-22 budget. The changes will take effect on January 1, 2022.

**Staff Notes:**

Approval is recommended.

**Attachments:** Proposed Ordinance



TMRS-USC T CPI R

## TEXAS MUNICIPAL RETIREMENT SYSTEM

AN ORDINANCE AUTHORIZING AND ALLOWING, UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM, "UPDATED SERVICE CREDITS" IN SAID SYSTEM ON AN ANNUAL BASIS FOR SERVICE PERFORMED BY QUALIFYING MEMBERS OF SUCH SYSTEM WHO AT THE EFFECTIVE DATE OF THE ALLOWANCE ARE MEMBERS OF THE CITY OF LAVON; PROVIDING FOR INCREASED PRIOR AND CURRENT SERVICE ANNUITIES FOR RETIREES AND BENEFICIARIES OF DECEASED RETIREES OF THE CITY; AND ESTABLISHING AN EFFECTIVE DATE FOR THE ORDINANCE.

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

### Authorization of Updated Service Credits.

(a) On the terms and conditions set out in Sections 853.401 through 853.404 of Subtitle G of Title 8, Government Code, as amended (hereinafter referred to as the "TMRS ACT"), each member of the Texas Municipal Retirement System (hereinafter referred to as the "System") who has current service credit or prior service credit in the System in force and effect on the 1st day of January of the calendar year preceding such allowance, by reason of service in the employment of the City, and on such date had at least 36 months of credited service with the System, shall be and is hereby allowed "Updated Service Credit" (as that term is defined in subsection (d) of Section 853.402 of the TMRS Act).

(b) On the terms and conditions set out in Section 853.601 of the TMRS Act, any member of the System who is eligible for Updated Service Credits on the basis of service with this City, who has unforfeited credit for prior service and/or current service with another participating municipality or municipalities by reason of previous service, and was a contributing member on the 1st day of January of the calendar year preceding such allowance, shall be credited with Updated Service Credits pursuant to, calculated in accordance with, and subject to adjustment as set forth in said Section 853.601, both as to the initial grant hereunder and all future grants under this ordinance.

(c) The Updated Service Credit hereby allowed and provided for shall be 100% of the "base Updated Service Credit" of the member (calculated as provided in subsection (c) of Section 853.402 of the TMRS Act).

(d) Each Updated Service Credit allowed hereunder shall replace any Updated Service Credit, prior service credit, special prior service credit, or antecedent service credit previously authorized for part of the same service.

(e) In accordance with the provisions of subsection (d) of Section 853.401 of the TMRS Act, the deposits required to be made to the System by employees of the several participating departments on account of current service shall be calculated from and after the effective date of this ordinance on the full amount of such person's compensation as an employee of the City.

**Increase in Retirement Annuities.**

(a) On terms and conditions set out in Section 854.203 of the TMRS Act, the City hereby elects to allow and to provide for payment of the increases below stated in monthly benefits payable by the System to retired employees and to beneficiaries of deceased employees of the City under current service annuities and prior service annuities arising from service by such employees to the City. An annuity increased under this Section replaces any annuity or increased annuity previously granted to the same person.

(b) The amount of the annuity increase under this Section is computed as the sum of the prior service and current service annuities on the effective date of retirement of the person on whose service the annuities are based, multiplied by 70% of the percentage change in Consumer Price Index for All Urban Consumers, from December of the year immediately preceding the effective date of the person's retirement to the December that is 13 months before the effective date of this Section.

(c) An increase in an annuity that was reduced because of an option selection is reducible in the same proportion and in the same manner that the original annuity was reduced.

(d) If a computation hereunder does not result in an increase in the amount of an annuity, the amount of the annuity will not be changed hereunder.

(e) The amount by which an increase under this Section exceeds all previously granted increases to an annuitant is an obligation of the City and of its account in the Benefit Accumulation Fund of the System.

**Dates of Allowances and Increases.** The initial allowance of Updated Service Credit and increase in retirement annuities hereunder shall be effective on **January 1, 2022**, subject to approval by the Board of Trustees of the System. An allowance of Updated Service Credits and an increase in retirement annuities shall be made hereunder on January 1 of each subsequent year until this ordinance ceases to be in effect under subsection (e) of Section 853.404 of the TMRS Act, provided that, as to such subsequent year, the actuary for the System has made the determination set forth in subsection (d) of Section 853.404 of the TMRS Act.

**Effective Date.** Subject to approval by the Board of Trustees of the System, this ordinance shall be and become effective on the **1st day of January 2022**.

Passed and approved this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
City Secretary or Clerk

\_\_\_\_\_  
Mayor



# Plan Change Study

00733 Lavon

Proposed Plans

GRID 2022

For Informational Purposes Only

Effective Date - January 1, 2022

Report Date - June 18, 2021

Plan Provisions	Current	1	2	3	4
	Deposit Rate	7.00%	7.00%	7.00%	7.00%
Matching Ratio	2 to 1	2 to 1	2 to 1	2 to 1	2 to 1
Updated Service Credit	0%	100%	75%	50%	100% (Repeating) ✓
Transfer USC **	No	Yes	Yes	Yes	Yes ✓
Annuity Increase	0%	70%	50%	30%	70% (Repeating) ✓
20 Year/Any Age Ret.	Yes	Yes	Yes	Yes	Yes ✓
Vesting	5 years	5 years	5 years	5 years	5 years
Supplemental Death Benefit	A & R	A & R	A & R	A & R	A & R
<u>Contribution Rates</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>
Normal Cost Rate	6.80%	6.80%	6.80%	6.80%	11.35%
Prior Service Rate	0.65%	4.74%	3.69%	2.63%	6.33%
Retirement Rate	7.45%	11.54%	10.49%	9.43%	17.68%
Supplemental Death Rate	0.14%	0.14%	0.14%	0.14%	0.14%
Total Rate	7.59%	11.68%	10.63%	9.57%	17.82% ✓
Unfunded Actuarial Liability	\$97,094	\$470,172	\$373,897	\$277,632	\$955,578
Amortization Period	20 years	20 years	20 years	20 years	20 years
Funded Ratio	94.2%	76.9%	80.7%	84.9%	62.1%
Phase-In Total Rate	N/A	N/A	N/A	N/A	N/A

\*\*This is the addition to the Initial Prior Service Rate for USC for transfers. There were 3 eligible transfer employees on the valuation date.



## CITY OF LAVON Agenda Brief

**MEETING:** September 21, 2021

**ITEM:** 8 – C

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**Item:**

CONSENT AGENDA

Approve Ordinance No. 2021-09-07 amending Ordinance No. 2020-09-02, as amended, that approved and adopted a Budget for the city for the fiscal year October 1, 2020 through September 30, 2021 to amend adopted revenues and expenditures of the budget; and declaring an effective date.

**Background:**

To appropriately allocate funds to cover expenditures and allow for budget variances, the proposed budget amendment is presented for the City Council's consideration. The amendment conforms to a balanced budget. When Budget Amendment #2 was presented on September 7, 2021, the amendments approved by the Lavon Economic Development Corporation (LEDC) Board in the LEDC budget were inadvertently left out.

The amendments reflect greater than anticipated revenues and provisions for the authorized Main Street Project.

**Financial Implications:**

The net effect of the amendment is positive.

**Staff Notes:**

Approval is recommended.

**Attachments:** Proposed Ordinance  
Amendment Worksheet

**CITY OF LAVON, TEXAS**  
**ORDINANCE NO. 2021-09-07**

Budget Amendment #3 Fiscal Year 2020-2021

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS AMENDING ORDINANCE NO. 2020-09-02, THAT APPROVED AND ADOPTED A BUDGET FOR THE CITY FOR THE FISCAL YEAR OCTOBER 1, 2020 THROUGH SEPTEMBER 30, 2021 TO AMEND ADOPTED REVENUES AND EXPENDITURES OF THE BUDGET; AND DECLARING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Lavon, Texas has adopted, amended and approved a budget of the expenditures and revenues of all City Departments, Divisions and Offices for the Fiscal Year 2020-21; and

**WHEREAS**, the City Council of the City of Lavon, Texas has determined certain amendments need to be made to the budget for the City covering the fiscal year aforesaid;

**WHEREAS**, pursuant to the laws of the State of Texas and Section 102.010 of the Local Government Code, the City Council has determined that it will be beneficial and advantageous to the citizens of Lavon to amend the City's 2020-21 fiscal year budget as set forth herein for municipal purposes; and

**WHEREAS**, the City Council upon full consideration of the matter, has determined that the amendment to the budget hereinafter set forth is proper and should be adopted.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAVON, COLLIN COUNTY, TEXAS:**

**Section 1.** That the revenues and appropriations as designated for the payment of expenses for the operation of the City government, hereinafter itemized by a true and correct copy of the Budget Document hereto attached as **Exhibit A**, are hereby approved.

**Section 2.** That the expenditures during the fiscal year shall be made in accordance with the budget approved by this ordinance, unless otherwise authorized by a duly enacted ordinance of the City, said budget document being on file for public inspection in the office of the City Secretary.

**Section 3.** That the necessity for making and approving a budget for the fiscal year, as required by the laws of the State of Texas, requires that this ordinance shall take effect immediately from and after its passage, as the law in such case provides.

**Section 4.** It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

**DULY PASSED and APPROVED** by the City Council of the City of Lavon, Texas, on the 21<sup>st</sup> day of September 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

**ATTEST:**

\_\_\_\_\_  
Rae Norton, City Secretary

**FY 2020-21 BUDGET  
AMENDMENT #3**

9/21/2021

		2020-21 APPROVED BUDGET	PROPOSED AMENDMENT	Amendment Allocation		NOTES & NET TOTALS
				DEBIT	CREDIT	
<b>ECONOMIC DEVELOPMENT CORPORATION FUND</b>						
<b>BEGINNING RESOURCES</b>						
2-1	Starting Balance Carryover	\$70,000	\$89,029		\$19,029	
<b>REVENUE</b>						
2-2	Sales & Use Tax	\$132,000	\$190,000		\$58,000	
2-5	City grant/credits/donations	\$1,000	\$41	\$959		
2-___	Proceeds - Project Main Street Note	\$0	\$371,177		\$371,177	
	<b>TOTAL REVENUE AND RESOURCES</b>			<u>\$959</u>	<u>\$448,206</u>	<u>\$447,247</u>
<b>EXPENDITURES</b>						
<b>Debt Service</b>						
8-0	Main Street Debt Reserve Fund	\$0	\$23,080	\$23,080		
8-1a	Main Street Quarterly Payment	\$0	\$6,120	\$6,120		
<b>Capital Projects</b>						
7-6	Project Main Street	\$0	\$290,906	\$290,906		
	<b>TOTAL EXPENDITURES</b>			<u>\$320,106</u>	<u>\$0</u>	<u>\$320,106</u>
<b>ECONOMIC DEVELOPMENT CORPORATION FUND TOTAL</b>				<u><u>\$321,065</u></u>	<u><u>\$448,206</u></u>	<u><u>\$127,141</u></u>





## CITY OF LAVON Agenda Brief

**MEETING:** September 21, 2021

**ITEM:** 8 - D

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**Item:**

CONSENT AGENDA

Approve Resolution No. 2021-09-05 approving and authorizing the Mayor to execute an Assessment Collection Services Agreement with Collin County, Texas for the LakePointe Public Improvement District Improvement Area #2 and Improvement Area #3, Lavon, Texas.

**Background:**

When the City Council authorized the creation of the LakePointe Public Improvement District (PID), Collin County was selected as the Assessor-Collector for the PID special assessments because the county offices are reasonably local and Collin County agreed to include the assessments on the annual property tax bills that the County sends out annually. Collin County already provides assessment and collection services for ad valorem taxes for the City. It is logical for Collin County to continue providing the services with the levy of assessments in LakePointe PID Improvement Areas #2 and #3.

**Financial Implications:**

The assessment and collection services are funded by the respective PIDs that are served. There is not a direct financial implication for the City. The convenience of paying the assessments with the property tax bills provides a higher level for service for the residents. The transition provides an easier path should a resident wish to escrow their PID assessments with their property taxes through their mortgage company.

**Staff Notes:**

The City Attorney has reviewed the proposed agreement. Approval is recommended.

**Attachments:** Proposed Resolution and Agreement

**CITY OF LAVON, TEXAS**  
**RESOLUTION NO. 2021-09-05**

Interlocal Agreement for Assessment Collection Services Collin County

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN ASSESSMENT COLLECTION SERVICES CONTRACT WITH COLLIN COUNTY FOR THE LAKEPOINTE PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #2 AND IMPROVEMENT AREA #3; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the "Act"), provides the authority to political subdivisions for contracts by and between each other to facilitate the governmental functions and services of said political subdivisions under the terms of the Act, and

WHEREAS, the City of Lavon and Collin County have the authority to enter into this Agreement under the Act; and

WHEREAS, upon full review and consideration of the Assessment Collection Services Agreement for LakePointe Public Improvement District Improvement Areas #2 and #3 and all matters related thereto, the City Council is of the opinion and finds all the terms and conditions thereof should be approved, and that the Mayor should be authorized to execute the Assessment Collection Services Agreement on behalf of the City.

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

**SECTION 1.** That the City Council does hereby approve and authorize the Mayor to execute the Assessment Collection Services Agreement for LakePointe Public Improvement District Improvement Areas #2 and #3, 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 21<sup>st</sup> day of September, 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

ATTEST:

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

Assessment Collection Services Contract

LakePointe PID IA#2 and IA#3

# ASSESSMENT COLLECTION SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this 1<sup>st</sup> day of August, 2021 by and between County of Collin (hereinafter called "County"), a political subdivision of the State of Texas, and LakePointe Public Improvement District Improvement Area No. 2-3; (here-after called "Assessment Entity"), a duly organized and existing PID, under the laws of the State of Texas, each acting herein by and through its duly authorized officials.

## RECITALS

1. The parties to this Agreement wish to consolidate the collection of the PID assessment into one agency, the Collin County Tax Assessor Collector.
2. The parties enter in this Agreement in order to eliminate the duplication of the system for collection of the PID assessment and to promote efficiency.
3. Therefore, under the authority of sections 6.23 and 6.24, Texas Property Tax Code and the Interlocal Cooperation Act, Texas Government Code Chapter 791 the parties agree as follows:

## SECTION 1 DEFINITIONS

- 1.01 *Assessment Collection Services.* The term "Assessment Collection Services" shall include preparation and mailing of the PID Assessments, assessed by the Assessment Entity, correction of found clerical errors in assessments, collection of assessment liabilities, maintenance of a list of delinquent assessments, and issuance of refunds. Assessment Collection Services do not include appraisal of property.
- 1.02 *Current Assessments.* The term "Current Assessments" shall mean those assessments legally due and payable to the Assessment Entity without penalty and interest.
- 1.03 *Delinquent Assessments.* The term "Delinquent Assessments" shall mean the property assessments that have not been paid to the Assessment Entity on or before January 31<sup>st</sup> of any given year and on which penalty and interest are now due.

## SECTION 2 TERM

- 2.01 *Term.* The term of this Agreement shall commence on August 01, 2021 and shall continue in full force and effect until September 30, 2022. Thereafter, this Agreement shall automatically renew annually for an additional one (1)

year term without the necessity of any action by the parties.

- 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 *Services to be Performed.* The County agrees to provide assessment collection services to the Assessment Entity. The Assessment Entity agrees that all collections, assessments, penalties, interest, and attorney fees are to be in accordance with the Texas State Property Tax Code, as amended. The county's delinquent tax attorney will represent the interests of the Assessment Entity.

- 3.02 *Tax Bills.* By August 31<sup>st</sup> of each year the Assessment Entity shall provide the County with the Assessment Roll and a copy of the Resolution/Ordinance adopting the annual fixed rate assessment for that year. Failure to supply the Assessment Roll for any given year by said date, will result in a late processing fee of Five Thousand Dollars (\$5,000.00) plus an additional per statement fee, equal to the costs of printing and mailing all statements. The County agrees to prepare consolidated tax and assessment bills for each taxpayer. The tax bill shall include taxes and assessments owed to all taxing units to which the taxpayer owes taxes and assessments, except those units which have not been contracted with the County for tax collection services. The County will mail such tax and assessment bills to the property located within the Assessment Entity by October 1st of each year, or as soon thereafter as practicable.

The Assessment Roll should be in the format as required by the Tax Assessor Collector. It shall be delivered to the Tax Assessor Collector and the Property Tax Collection Supervisor via e-mail. The annual Assessment Roll is to be accompanied by the Governing Body's Resolution/Ordinance for the assessment.

### **SECTION 4 PAYMENTS**

- 4.01 *Rate of Payment.* The Assessment Entity shall pay the County for Assessment Collection Services at a rate of Five Hundred Dollars (\$500.00) per year, and Three Dollars (\$3.00) per non-exempt

parcel per year for parcels on the Assessment Entity's tax roll during the term of this Agreement plus any late processing fees and other required services, as indicated in Section 3.02 and section 7, If there is a fee from the property tax software provider for setting up the entity and loading the file in the first year of the contract, the fee would be paid by the Assessment Entity.

4.02 *Method of Payment.* The County shall withhold from the assessment collected under this Agreement the amount of money necessary to pay for assessment collection services at the rate indicated in Section 4.01 from the December collections. The Assessment Entity shall not be entitled to receive any assessments collected for a tax year until the County has withheld the total amount of compensation under Section 4.01 for that year.

4.03 *Proration of Payment.* If this Agreement is terminated during the original term or any annual term prior to the time that the County has withheld sufficient funds pursuant to Section 4.02 to aggregate the amount of payment set forth in Section 4.01, the County's compensation for assessment collection services for the original term or a renewed term shall equal the amount set forth in Section 4.01, if the tax statement, including the assessment for the year, has been printed.

## **SECTION 5 REMITTANCE OF COLLECTION**

The assessment collected by the County for the Assessment Entity shall be remitted to the Assessment Entity after the proper amount of payment, as set out in Section 4, and any taxpayer refunds have been withheld. Assessments collected shall be remitted to the Assessment Entity within seven (7) days from the date they are received by the County Tax Office.

## **SECTION 6 ADMINISTRATIVE PROVISIONS**

6.01 *Records.* The Assessment Entity, or its representatives designated in writing, upon reasonable notice is authorized to examine the records to be kept by the County in the performance of this Agreement at mutually convenient times and intervals. Such books and records will be kept in the offices of the Collin County Tax Assessor Collector.

- 6.02 *Assessment Entity Records.* The Assessment Entity agrees to transfer to the possession and control of the County, without charge, copies of all records necessary for the performance of the duties and responsibilities of the County pursuant to this Agreement. These records shall include all assessment records, including assessment rolls or records available to the Assessment Entity, as required by the County Tax Assessor Collector.
- 6.03 *Surety Bond.* If the Assessment Entity requires the County to obtain a surety bond for the Tax Assessor Collector, the Assessment Entity agrees to pay the premium for such bond.
- 6.04 *Audits.* The County, upon reasonable notice, agrees to allow an audit of the assessment records at a mutually convenient time. A copy of the audit results shall be furnished to the County. The Assessment Entity will pay the cost of the audit.
- 6.05 *Deposits of Assessments.* The County agrees to deposit assessments collected under this Agreement into such depository as is designated by the Assessment Entity in writing.
- 6.06 *Assessment Entity Contacts:* The name, phone number, and e-mail address of a person who can answer taxpayer's questions about the Assessing Entity and assessments will be provided to the Collin County Tax Assessor-Collector within ten (10) business days from the execution of this Agreement. The name, phone number and e-mail address of a person who can answer the Tax Assessor Collector, or their staff, questions relating to the fund transfers, and other operational topics will be provided to the Collin County Tax Assessor-Collector within ten (10) business days from the execution of this Agreement.

## **SECTION 7 CORRECTED BILLING SERVICES**

In the event that the Assessment Entity's fixed rate assessment changes after the County begins collections for the Assessment Entity in any given year, the County will continue to act for the Assessment Entity in providing refunds to taxpayers or sending corrected billings. A change in the Assessment Entity's fixed rate assessment will result in

a late processing fee, that may be in addition to any applicable late processing fee pursuant to Section 3.02, of Five Thousand Dollars (\$5,000.00), plus an additional per statement fee, equal to the costs of printing and mailing all statements. The Assessment Entity will provide to the County, a corrected Ordinance approving any changes to the fixed rate assessment or assessment roll.

## **SECTION 8 REFUNDS**

Refunds to property owners authorized by the Assessment Entity will be made on the same check for all taxing units contracting for tax and assessment collection services. Circumstances on which refunds may be based include, but are not limited to; clerical errors, and overpayments. The amounts refunded, by the County for the Assessment Entity shall be paid by the County from assessment collections on hand for the Assessment Entity after the County's compensation is withheld pursuant to Section 4 of this Agreement. If assessment collections for the Assessment Entity in the County's possession are insufficient to pay for a refund, the County shall notify the Assessment Entity of the deficiency, and the deficiency amount shall be paid by the Assessment Entity to the County within fourteen (14) days of notification of the amount due. The County shall not be obligated to pay a refund unless it has sufficient Assessment Entity assessment collections in its possession to pay the refund or the Assessment Entity has paid to the County sufficient funds to cover the deficiency. The Assessment Entity agrees that any payment(s) that it is required to make under this section shall be made out of the Assessment Entity's current revenues.

## **SECTION 9 MISCELLANEOUS PROVISIONS**

- 9.01 *Liability.* To the extent allowed by law, any civil liability relating to the furnishing of services under this Agreement shall be the responsibility of the Assessment Entity. The parties agree that the County shall be acting only as the agent for the Assessment Entity in performing the services contemplated by this Agreement.

THE ASSESSMENT ENTITY SHALL HOLD THE COUNTY FREE AND HARMLESS FROM ANY OBLIGATION, COSTS, CLAIMS, JUDGMENTS, ATTORNEYS' FEES, AND

OTHER SUCH LIABILITIES ARISING FROM OR GROWING OUT OF THE SERVICES RENDERED TO THE ASSESSMENT ENTITY 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 GROSS NEGLIGENCE OF THE COUNTY.

- 9.02 *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. Exclusive venue for any action taken relative to this Agreement shall be in Collin County.
- 9.03 *Sovereign Immunity.* It is expressly understood and agreed that, in the execution of this Agreement, neither the County nor Assessment Entity waives or shall be deemed hereby to waive any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.
- 9.04 *Amendments.* This Agreement shall not be amended or modified other than in a written Agreement signed by the parties.
- 9.05 *Notices.*
- (a) Except as otherwise provided in this Agreement all notices required or permitted herein shall be in writing and shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, with proper postage prepaid or when delivered in person.
- (b) All communications provided for in this Agreement shall be addressed as follows:
- (ii) *if to the County, to:*  
County Administrator  
Bill Bilyeu  
Collin County  
2300 Bloomdale Road, Suite 4192  
McKinney, Texas 75071

With a correspondence copy to the Tax Assessor Collector, 2300 Bloomdale Road, Suite, 2366, P.O. Box 8006, McKinney, Texas 75070-8006.

(ii) *if to the Assessment Entity, to:*  
City Administrator  
Kim Dobbs  
City of Lavon  
PO Box 340  
Lavon, Texas, 75166

or to such person at such other address as may from time to time be specified in a notice given as provided in this Section 9.05.

- 9.06 *Parties Bound.* This Agreement may not be assigned and shall be binding upon the parties, their heirs, executors, legal representatives, and successors.
- 9.07 *Copies.* This Agreement is executed in multiple copies, any one of which, or a true copy thereof, shall have the same evidentiary value.
- 9.08 *Integration.* It is understood and agreed that the entire Agreement of the parties is contained herein and that this Agreement supersedes all oral Agreements and negotiations between the parties relating to the subject matter hereof as well as any previous Agreements presently in effect between the parties relating to the subject matter hereof.
- 9.09 *Severability.* The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause or phrase of the Agreement is for any reason held to be contrary to law or contrary to any rule or regulation having the force and effect of law, such decision shall not affect the remaining portions of the Agreement. However, upon the occurrence of such event, either party may terminate this Agreement forthwith, upon the delivery of written notice of termination to the other party.

- 9.10 *Captions.* The headings to the various sections of this Agreement have been inserted for convenient reference only and shall not modify, define, limit or expand the express provision of this Agreement.
- 9.11 *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.
- 9.12 *Exclusive Right to Enforce This Agreement.* The County and the Assessment Entity have the exclusive right to bring suit to enforce this Agreement, and no other party may bring suit, as a third-party beneficiary or otherwise, to enforce this Agreement.

**[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY – SIGNATURES ON FOLLOWING PAGE]**

**EXECUTED** at McKinney, Texas on the day and year first written above.

**COLLIN COUNTY, TEXAS**

Judge Chris Hill

By: \_\_\_\_\_

Title: County Judge of Collin County

Date: \_\_\_\_\_

**LakePointe Public Improvement District Improvement Area No. 2-3**

Kim Dobbs

By: \_\_\_\_\_

Title: City Administrator, City of Lavon

Date: \_\_\_\_\_

**COLLIN COUNTY, TEXAS**

Kenneth L. Maun, Tax Assessor Collector

By: \_\_\_\_\_

Title: Tax Assessor Collector of Collin County

Date: \_\_\_\_\_



## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 8 - E

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**Item:**

CONSENT AGENDA

Approve Resolution No. 2021-09-06 approving and authorizing the Mayor to execute Amendment No.1 to Professional Services Agreement with Kimley-Horn to include services related to an update to the Future Land Use Plan and Thoroughfare Plan.

**Background:**

In October 2020, the City Council engaged Kimley-Horn to provide a Comprehensive Plan Update. At that time, the City Council determined that the Future Land Use Plan and Thoroughfare Plan that were adopted in conjunction with the Community Vision Assessment would translate into the Comprehensive Plan Update. During the update procedures and in the course of the work with pending developments, it has become apparent that the Future Land Use Plan and Thoroughfare Plan that were adopted with the 2019 Community Vision Assessment will require updating in order to be relevant and accurate.

**Excerpt: Texas Local Government Code**

**Section 213.003**

**Sec. 213.003. ADOPTION OR AMENDMENT OF COMPREHENSIVE PLAN.**

(a) A comprehensive plan may be adopted or amended by ordinance following:

(1) a hearing at which the public is given the opportunity to give testimony and present written evidence; and

(2) review by the municipality's planning commission or department, if one exists.

(b) A municipality may establish, in its charter or by ordinance, procedures for adopting and amending a comprehensive plan.

Kimley-Horn prepared an amendment, Amendment #1, to the original agreement to expand the scope of the engagement in order to update these critical tools.

**Financial Impact**

Funding for the project has been allocated in the approved budget.

***Staff Notes:***

Approval is recommended.

**Attachments:**        Resolution and proposed engagement

**CITY OF LAVON, TEXAS**  
**RESOLUTION NO. 2021-09-06**

Professional Services – Amendment #1 Comprehensive Plan Update

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES FOR PROFESSIONAL PLANNING SERVICES RELATED TO AN UPDATE OF THE FUTURE LAND USE PLAN AND THOROUGHFARE PLAN.**

**WHEREAS,** the City Council of the City of Lavon adopted the Comprehensive Plan in 2013; and adopted the Community Vision Assessment and Strategic Plan in November 2019; and

**WHEREAS,** the City Council engaged Kimley-Horn to prepare an Update of the City of Lavon for the Comprehensive Plan and desires to expand the scope of the engagement to include updates of the Future Land Use Plan and Thoroughfare Plan; and

**WHEREAS,** the City Council finds it is in the best interest of the residents of the City of Lavon to update the Future Land Use Plan and Thoroughfare Plan.

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

**SECTION 1.** That the City Council does hereby approve and authorize the Mayor to execute Amendment No.1 to Professional Services Agreement with Kimley-Horn to include services related to an update to the Future Land Use Plan and Thoroughfare Plan for an amount not to exceed \$15,000, 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 21<sup>st</sup> day of September 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

**ATTEST:**

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

Amendment No.1 to Professional Services Agreement with Kimley-Horn  
Comprehensive Plan Update



September 7, 2021

Vicki Sanson  
Mayor  
120 School Road  
Lavon, Texas 75166  
Via email delivery to [kim.dobbs@cityoflavon.org](mailto:kim.dobbs@cityoflavon.org)

Re: Amendment Number 1 to Professional Services Agreement

Dear Ms. Sanson:

Kimley-Horn and Associates, Inc. (“Kimley-Horn” or “Consultant”) and City of Lavon (“Client”) entered into a Professional Services Agreement executed on October 20, 2020 (“Agreement”) concerning the Comprehensive Plan Update (“Project”).

The parties now desire to amend the Agreement to include services to be performed by Consultant for compensation as set forth below in accordance with the terms of the Agreement, which are incorporated by reference.

Consultant will provide the additional services specifically set forth below:

*Task 2 – Community Engagement*

- Conduct a Future Land Use Plan Workshop with City consultants, Elevon developers, and City representatives to discuss refinements to the Master Thoroughfare Plan and Future Land Use Plan adopted in the Community Vision Assessment in 2019. The results of this Workshop will be documented with refinements to the Future Land Use Plan and Master Thoroughfare Plan finalized with the adoption of the Comprehensive Plan Update.
- Hold up to five meetings with Staff to determine desired Future Land Use Plan and Master Thoroughfare Plan updates.
- Coordinate up to three meetings with City Consultants to determine needed updates to the Master Thoroughfare Plan.

*Task 4.2 – Drafting the Comprehensive Plan*

- Land Use and Placemaking. Per the original Agreement, the Future Land Use Plan was not to be updated by Consultant. This amendment includes updating the Future Land Use Plan based on continued discussions with Client, feedback from the Future Land Use Plan Workshop, alignment and information about the Lavon-Hubbard highway and Collin County transportation plans, and changes in development context.
  - Review existing conditions, new zoning and development proposals and approvals, and discussing necessary updates with City Staff.
  - Evaluate the Future Land Use and Placemaking section to include a revised Future Land Use Plan and any associated updates to the Future Land Use Designations.
  - Create original GIS data to reflect Future Land Use Plan.
- Mobility & Connectivity. Per the original Agreement, the Master Thoroughfare Plan was not to be updated by Consultant or coordinated for revision. This amendment includes

Coordinating with the City's consultant (Lee Engineering) to coordinate updates to the Master Thoroughfare Plan.

- Initiate and manage workflow and timing with Lee Engineering for updates to the Master Thoroughfare Plan.
- Discuss and refine ideas and alignments with Lee Engineering.
- Review delivered GIS data from Lee Engineering for proposed alignments, street types, and intersections. Comment on draft Master Thoroughfare Plan as applicable to prepare for draft Comprehensive Plan.
- Coordinate associated Future Land Use Plan updates necessitated by changes to alignments in the Master Thoroughfare Plan.
- Reformat GIS data from Lee Engineering to match Comprehensive Plan design.

For the services set forth above, Client shall pay Consultant the following compensation:

Kimley-Horn will perform the additional services listed above for the total lump sum fee of \$15,000. All permitting, application, and similar project fees will be paid directly by the Client.

Lump sum fees will be added to the original contract value and will be invoiced monthly based upon the overall percentage of services performed. Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

We appreciate the opportunity to provide these services to you. Please contact me if you have any questions.

KIMLEY-HORN AND ASSOCIATES, INC.



By: Abra R. Nusser, AICP  
Project Manager



Ryan Delmotte, P.E.  
Assistant Secretary

AGREED AND ACCEPTED:  
CITY OF LAVON

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 8 – F

**Item:**

CONSENT AGENDA

Approve Resolution No. **2021-09-17** approving and authorizing the Mayor to execute a Chapter 380 Agreement with TSHH, LLC for an economic development grant program related to building materials for construction projects for a term of ten years.

**Background:**

The Local Government Code authorizes the City to enter into economic development agreements commonly known as 380 Agreements.

**Excerpt: Texas Local Government Code**

**Section 380.001**

*CHAPTER 380. MISCELLANEOUS PROVISIONS RELATING TO MUNICIPAL PLANNING AND DEVELOPMENT*

*Sec. 380.001. ECONOMIC DEVELOPMENT PROGRAMS. (a) The governing body of a municipality may establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality.*

The proposed agreement will allow TSSH, LLC to self-assess and pay state and local use taxes on building materials used to build homes in the City of Lavon. TSSH, LLC (also referred to as Trophy Signature Homes) has 305 undeveloped lots in the City of Lavon where they are considering applying for and obtaining a Texas Direct Payment Permit to pay state and local use taxes on construction materials incorporated into new homes in the City of Lavon. Under the agreement, the City retains 60% of its combined 2% local tax and TSSH, LLC may receive 40% of the combined 2% tax (or 80% of the General City Fund). The proposed agreement essentially has the same terms as the 380 Agreement that the City entered into with Bloomfield Homes LP, an agreement that has proven to be beneficial to both parties.

**Financial Implications:**

The costs of tax compliance and related audit defense will be placed on TSSH, LLC, and these costs are significant. The company currently pays all of its sales taxes directly to suppliers, who are responsible for remitting the taxes to the Comptroller's Office. The financial implications are positive for the City.

**Attachments:** Proposed Resolution and Chapter 380 Agreement

***Staff Notes:***

Approval is recommended.

**Attachments:** Proposed Ordinance  
Amendment Worksheet

**CITY OF LAVON, TEXAS**  
**RESOLUTION NO. 2021-09-17**

Economic Development Agreement – TSHH, LLC

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAVON, TEXAS AND TSSH, LLC; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Lavon, Texas (“City Council”) has determined that a Chapter 380 Economic Development Agreement between the City of Lavon, Texas and TSSH, LLC (the “Agreement”) is appropriate and in the best interest of the citizens of the City to grant the Agreement.

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

**SECTION 1:** The recitals and findings set forth above and within the Agreement, attached hereto as Exhibit “A”, are true and correct and are incorporated as if fully set forth in the body of this Resolution and are adopted as the legislative findings of the City Council.

**SECTION 2:** The City Council hereby authorizes the Mayor to execute a Chapter 380 Economic Development Agreement with TSSH, LLC., attached hereto as Exhibit “A”.

**SECTION 3.** The City Council hereby finds, determines and declares that the meeting, at which this resolution is passed, approved and adopted, was open to the public, and that the public notice of time, place and subject matter to be considered was posted as required by law.

**SECTION 4:** This Resolution shall be effective from and after the date of passage as provided by law.

**DULY PASSED AND APPROVED** by the City Council of the City of Lavon, Texas on the 21<sup>st</sup> day of September 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

ATTEST:

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT "A"**

**CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT**

**CHAPTER 380 GRANT AGREEMENT BY  
AND BETWEEN THE CITY OF LAVON, TEXAS  
AND TSHH, LLC**

This **CHAPTER 380 GRANT AGREEMENT** ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2021 between the City of Lavon, Texas, a municipal corporation organized and existing pursuant to laws of the State of Texas ("City") and TSHH, LLC (the "Company"), acting by and through their respective authorized officers and representatives.

**WHEREAS**, the City Council of the City of Lavon, Texas ("City Council") has investigated and determined that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380, Texas Local Government Code, as amended ("Chapter 380"); and

**WHEREAS**, the Company will be engaged in the business of purchasing building materials for its use on construction projects within the City; and

**WHEREAS**, the Company has advised that it would like to partner with the City, and that a contributing factor that would induce the Company to purchase items using a Texas Direct Payment Permit and generate economic development, ad valorem taxes, and local use tax revenue that would otherwise not be available to the City, would be an agreement by the City to provide an economic development grant to the Company; and

**WHEREAS**, the Company desires to purchase and use new building materials within the City that will generate additional economic development and use tax revenue for the City; and

**WHEREAS**, the City Council has investigated and determined that the Company meets the criteria for providing the grants (hereinafter defined), pursuant to Chapter 380, based on, among other things, the Company: (i) acquiring properties for development, and constructing improvements; (ii) adding taxable improvements to real property in the City; and (iii) creating employment opportunities for the citizens of Lavon ("Approved Project"); and

**WHEREAS**, the City has concluded that the Approved Project qualifies for a Grant under Chapter 380; and

**WHEREAS**, with the approval of this Agreement, the City hereby establishes a program authorized by Chapter 380 of the Texas Local Government Code to encourage and induce the generation of local use tax; and

**WHEREAS**, the City has determined that making an economic development grant to the Company in accordance with this Agreement will further the objectives of the City, will benefit the City and the City's inhabitants, will promote local economic development and stimulate business and commercial activity in the City, and will therefore advance the underlying purposes of Chapter 380;

**NOW THEREFORE**, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, the sufficiency of which is hereby acknowledged, the parties agree as follows:

## **ARTICLE I DEFINITIONS**

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

"Agreement" means this Chapter 380 Agreement, together with all exhibits, schedules and attachments that are attached to this Agreement from time to time, if any.

"Approved Project" shall have the meaning set forth in the Recitals.

"Chapter 380" shall mean Chapter 380 of the Texas Local Government Code, as amended.

"City" shall mean the City of Lavon, Texas.

"City Council" shall mean the city council of the City.

"Claim" shall have the meaning set forth in Article VI.

"Company" shall mean TSHH, LLC.

"Commencement Date" shall mean October 1, 2021.

"Confidential Information" shall have the meaning set forth in Sec. 4.01.

"Effective Date" shall mean October 1, 2021.

"Direct Payment Permit" also referred to herein as a "Texas Direct Payment Permit" shall mean that permit issued by the State of Texas authorizing Company to self-assess and pay applicable state and local use taxes directly to the State of Texas related to selected portions of Company's taxable purchases. Texas Rule 3.288 of the Texas Administrative Code defines the requirements and responsibilities of Texas Direct Payment Permit holders along with any amendments, permutations, or recodifications of such Code or Rules, whether renaming such permits or otherwise modifying such provisions.

"Event of Bankruptcy or Insolvency" shall mean the dissolution or termination (other than a dissolution or termination by reason of a party merging with an affiliate) of a party's existence as a going business, insolvency, appointment of receiver for any part of a party's property and such appointment is not terminated within ninety (90) business days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against a party and in the event such proceeding is not voluntarily commenced by the party, such proceeding is not dismissed within ninety (90) business days after the filing thereof.

"Force Majeure" shall mean any delays due to strikes, riots, acts of God, shortages of labor or materials, war, terrorism, governmental approvals, laws, regulations, or restrictions, or any other cause of any kind whatsoever that is beyond the reasonable control of the party.

"Grant Period" shall mean consecutive six (6) month periods during the term of this Agreement, except that the first Grant Period shall begin on the Effective Date and continue through and include the last day of December 2021 following the Effective Date. For illustration purposes, assume the Effective Date is October 1, 2021 then the first Grant Period would begin on October 1, 2021 and continue through and include December 31, 2021. The next Grant Period would begin on January 1, 2022 and continue through and include June 30, 2022. The final Grant Period for the initial 10-year term of the Agreement would be from July 1, 2031 and end on September 30, 2031.

"Impositions" shall mean all use taxes that may be imposed by public or governmental authority on the Company or any taxable items purchased and used by Company within the City.

"Program" shall mean the economic incentive program established by the City pursuant to Chapter 380 of the Texas Local Government Code, together with any amendments, permutations, or recodifications of such Code provisions whether renaming such economic incentive or other modifications thereof.

"Program Grant" or "Grant" shall mean the periodic payments paid by the City to the Company in accordance with Section 3 of this Agreement.

"Taxable Items" shall have the same meaning assigned by Sections 151.010 and 151.0101, TEX. TAX CODE, as amended.

"Use Tax Receipts" shall mean the City's receipts from the State of Texas from the collection of one percent (1%) General City use tax imposed by the City pursuant to Chapter 321 of the Texas Tax Code, attributed to the collection of use tax by Company associated with the issuance of Company's Texas Direct Payment for Taxable Items used or consumed in the City.

"Use Tax Certificate" shall mean a certificate or other statement in a form reasonably acceptable to the City setting forth the Company's collection of use tax imposed by and received by the City from the State of Texas for the use of Taxable Items by Company in the City for the applicable calendar month during a Grant Period that are used to determine Company's eligibility for a Grant, together with such supporting documentation required herein, and as City may reasonably request.

## **ARTICLE II TERM**

2.01 Term. The term of this Agreement shall begin on the Effective Date and continue for a ten (10) year period.

2.02 This Agreement shall remain in effect until City has made the Program Grants set forth in Section 3 of the Agreement, or until otherwise terminated under the provisions of this Agreement.

2.03 This Agreement may be extended for an additional period of time on terms mutually acceptable to both parties by a written agreement executed by both parties.

### **ARTICLE III ECONOMIC DEVELOPMENT GRANT**

3.01 Grant. Subject to the Company's continued compliance with: (a) all of the terms and conditions of this Agreement, and (b) all of the City's codes, rules and regulations regarding the development of property within the City's corporate limits and ETJ, the City agrees to provide Company with an economic development Grant from lawful available funds payable as provided herein in an amount equal to 80% of the Use Tax Receipts, as previously defined herein. The Grant will be paid semi-annually at the end of June and the end of December with the potential exception of the final Grant Period during the ten (10) year period following the execution of the Agreement, commencing October 1, 2021. The Grant will never include any monies the Company pays or owes to the State of Texas for any penalties for late payments or failures to report in a timely manner related to the Use Tax Receipts.

3.02 Grant Payment. City shall pay the Grant for the applicable Grant Period within forty-five (45) days after receipt of a Use Tax Certificate from Company following the end of each Grant Period, pursuant to Section 4.01. Company shall submit Use Tax Certificates to City within thirty (30) days following the end of the applicable Grant Period, beginning with the first Grant Period. For illustration purposes, assume the first Grant Period begins on October 1, 2021 and continues through and includes December 31, 2021. Company would submit a Use Tax Certificate to City for the first Grant Period by January 30, 2022 and City would pay the first Grant within forty-five (45) days after receipt of the Use Tax Certificate and after receiving all of the net Use Tax Receipts within the Grant Period. Further assume that the Use Tax Receipts for the first Grant Period equal Five Thousand Dollars (\$5,000.00), then the amount of the first Grant would be Four Thousand Dollars (\$4,000.00).

3.03 Amended Returns and Audits. In the event the Company files an amended use tax return, or report, or if additional use tax is due and owing, as a result of an audit conducted by the State of Texas that increases the Use Tax Receipts for a previous period covered within the term of this agreement, the Grant payment for the period immediately following such State approved amendment shall be adjusted accordingly, provided the City must have received the Use Tax Receipts attributed to such adjustment. As a condition precedent to payment of such adjustment, Company shall provide City with a copy of such amended use tax report, tax return or audit adjustment, and the approval thereof by the State of Texas.

3.04 Refunds. In the event the State of Texas determines that the City erroneously received Use Tax Receipts, or that the amount of use tax paid to the City exceeds the correct amount of use tax for a previous Grant paid to the Company, the Company shall, within thirty (30) days after receipt of notification thereof from the City specifying the amount by which such Grant exceeded the amount to which the Company was entitled pursuant to such State of Texas determination, pay such amount to the City. The City may, at its option, adjust the Grant payment for the Grant Period immediately

following such State of Texas determination to deduct there from the amount of the overpayment. As a condition precedent to payment of such refund, the City shall provide Company with a copy of such determination by the State of Texas.

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

#### **ARTICLE IV DOCUMENTATION SUPPORTING THE ECONOMIC DEVELOPMENT GRANT**

The conditions contained in this Article IV are conditions precedent to the City's obligation to make any Grant payment.

4.01 Use Tax Certificate. During the term of this Agreement, the Company shall, within thirty (30) days after the end of each Grant Period, provide the City with a Use Tax Certificate relating to Use Tax Receipts paid during the Grant Period. The City shall have no duty to calculate the Use Tax Receipts or determine Company's entitlement to any Grant for a Grant Period, or pay any Grant during the term of this Agreement until such time as Company has provided the City a Use Tax Certificate for such Grant Period and the City has received the actual Use Tax Receipts from the State of Texas attributable to such calendar months within the Grand Period. Company shall provide such additional documentation as may be reasonably requested by City to evidence, support, and establish the use tax paid directly to the State of Texas pursuant to Company's Direct Payment Permit. The Use Tax Certificate for each Grant Period shall at a minimum contain, include or be accompanied by the following:

- a. A copy of all Texas Direct Payment Permit and self-assessment use tax returns and reports during the applicable Grant Period, use tax audit assessments or credits, including amended use tax returns or reports, filed by the Company during the Grant Period showing use tax paid directly to the State of Texas related to Company's operations for the Grant Period; and
- b. Information concerning any refund or credit received by the Company of use tax paid by the Company which has previously been reported by the Company as use tax paid for a previous Grant Period within the term of this agreement.

Company will provide to City the Use Tax Certificates from time to time pursuant to the terms of the Agreement, which are confidential ("Confidential Information") and, except as otherwise provided herein, may not be disclosed to a third party without the Company's written consent. To the extent that any disclosure of the Confidential Information may be required by law, City will use reasonable efforts to inform Company of the request in sufficient time for Company to assert any objection it may have to such disclosure to an appropriate judicial or administrative body.

4.02 As a condition to the payment of any Grant hereunder, City must have received a Use Tax Certificate for the months within the Grant Period for which payment

of a Grant is requested, and City must have received the actual Use Tax Receipts for all calendar months within the Grant Period. If Company fails to submit the Use Tax Certificate contemplated by Section 4.01 before the end of the next Grant Period, the Company's right to receive the Grant Payment for the earlier Grant Period shall be forever forfeited and City shall never have an obligation to make a Grant Payment for such Grant Period. Company shall, however, be able to receive future Grant Payments in accordance with the terms of this Agreement.

4.03 The Company intends to issue its Texas Direct Payment Permit to specific suppliers or vendors that provide large quantities of building materials or other tangible personal property.

4.04 The Company shall provide the City with a true and correct copy of its Texas Direct Payment Permit, which permit shall be kept in full force and effect throughout the term of the Agreement.

4.05 Company or the City shall not have an uncured material breach or default of this Agreement.

#### **ARTICLE V TERMINATION**

5.01 This Agreement may be terminated upon any one of the following:

- (a) by mutual written agreement of the parties;
- (b) by City or Company, respectively, if the other party defaults or breaches any of the terms or conditions of this Agreement in any material respect and such default or breach is not cured within thirty (30) days after written notice thereof by the City or Company, as the case may be;
- (c) by City, if any Impositions owed to the City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such Impositions);
- (d) by City, if Company suffers an Event of Bankruptcy or Insolvency;
- (e) by City or Company, respectively, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable; or
- (f) by City or Company by providing written notice to the other party in the event that State legislation prospectively modifies local sales tax sourcing to be based on the delivery sites of taxable items. If either party elects not to terminate this Agreement due to such prospective State legislation, either party may attempt to renegotiate the terms and conditions of this Agreement, but if the parties cannot successfully agree upon written modifications or amendments to the existing Agreement within one hundred eighty

(180) days after the effective date of the proposed State legislation, the Agreement shall remain in force and effect under the original terms; or

- (g) by Company, if the City does not pay the applicable Grant amount within 45 days of receipt of the Use Tax Receipts as required herein covered by a valid Use Tax Certificate issued by Company or fails to cure this breach within an additional 30 days and so long as the Company is not in default, or
- (h) expiration of the term, or any subsequent renewal of the term.

The rights, responsibilities and liabilities of the parties under this Agreement shall be extinguished upon the termination of this Agreement except for any rights, responsibilities and/or liabilities that accrued prior to such termination.

## **ARTICLE VI INDEMNIFICATION**

**THE COMPANY AGREES TO DEFEND, INDEMNIFY AND HOLD THE CITY AND ITS RESPECTIVE OFFICERS, OFFICIALS, REPRESENTATIVES, CONSULTANTS, AGENTS AND EMPLOYEES (COLLECTIVELY FOR THE PURPOSE OF THIS PARAGRAPH, THE "CITY") HARMLESS FROM AND AGAINST ANY AND ALL REASONABLE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGMENTS, ATTORNEY FEES, COSTS, EXPENSES, AND DEMANDS BY THE STATE OF TEXAS THAT THE CITY HAS BEEN PAID ERRONEOUSLY, OVER-PAID OR INCORRECTLY ALLOCATED USE TAX RECEIPTS ATTRIBUTED TO THE SALE AND/OR USE OF TAXABLE ITEMS BY COMPANY CONSUMMATED WITHIN THE CORPORATE BOUNDARIES AND EXTRATERRITORIAL JURISDICTION OF THE CITY FOR ANY PERIOD DURING THE TERM OF THIS AGREEMENT OR DURING ANY TAX REPORTING PERIOD (COLLECTIVELY, A "CLAIM"). IT BEING THE INTENTION OF THE PARTIES THAT THE COMPANY SHALL BE RESPONSIBLE FOR THE REPAYMENT OF ANY USE TAX GRANTS PAID TO THE COMPANY HEREIN BY THE CITY THAT INCLUDES USE TAX RECEIPTS THAT THE STATE OF TEXAS HAS DETERMINED WERE PAID ERRONEOUSLY, COLLECTED, DISTRIBUTED, OR ALLOCATED TO THE CITY. THIS INDEMNIFICATION SHALL NOT APPLY TO ANY LIABILITY RESULTING SOLELY FROM THE ERRORS OR OMISSIONS OF THE CITY. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE TERMINATION OF THIS AGREEMENT. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND DO NOT CREATE ANY OBLIGATIONS FROM OR GRANT ANY CONTRACTUAL OR OTHER RIGHTS TO ANY OTHER PERSON OR ENTITY, OTHER THAN OBLIGATIONS, IF ANY, THAT ARISE FROM COMPANY TO THE CITY TO PERFORM OBLIGATIONS CREATED BY THIS PARAGRAPH.**

## **ARTICLE VII MISCELLANEOUS**

7.01 Binding Agreement. The terms and conditions of this Agreement are binding upon the parties to this agreement and their respective successors and permitted assigns. This Agreement may not be assigned without the express written consent of City, which consent shall not be unreasonably withheld or delayed.

7.02 Limitation on Liability. It is understood and agreed between the parties that the Company and City, in satisfying the conditions of this Agreement, have acted independently, and City assumes no responsibilities or liabilities to third parties in

connection with these actions. The Company agrees to indemnify and hold harmless the City from all such claims, suits, and causes of actions, liabilities and expenses, including reasonable attorney's fees, of any nature whatsoever by a third party arising out of the Company's performance of the conditions under this Agreement.

7.03 Employment of Undocumented Workers. During the term of this Agreement, Company agrees not to knowingly employ any undocumented workers. In the event Company is convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay the amount of the Grant received from the City as of the date of such violation within one hundred and twenty (120) business days after the date Company is notified by the City of such violation, plus interest at the rate of 6% compounded annually from the date of violation until paid.

7.04 No Joint Venture. It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture between the parties.

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

7.06 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered sent via fax or via email at the email address provided below.

If intended for City, to:

Attn: Kim Dobbs  
City Administrator  
P.O. Box 340  
120 School Road  
Lavon, TX 75166  
Email: [kdobbs@lavontx.gov](mailto:kdobbs@lavontx.gov)

With a copy to:

Attn: Julie Fort  
Messer, Fort, & McDonald PLLC  
6371 Preston Rd., Suite 200  
Frisco, TX 75034  
Email: [julie@txmunicipallaw.com](mailto:julie@txmunicipallaw.com)

If intended for the Company:

Attn: Jed Dolson  
Chief Operating Office  
TSHH, LLC  
2805 Dallas Parkway, Suite 400  
Plano, TX 75093  
Email: [jdolson@greenbrickpartners.com](mailto:jdolson@greenbrickpartners.com)

With a copy to:

Attn: Neal Suit  
General Counsel  
TSHH, LLC  
2805 Dallas Parkway, Suite 400  
Plano, TX 75093  
Email: [nsuit@greenbrickpartners.com](mailto:nsuit@greenbrickpartners.com)

7.07 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to Force Majeure, to perform its obligations under this Agreement, then the obligations affected by the Force Majeure shall be temporarily suspended. Within ten (10) days after the occurrence of a Force Majeure, the Party claiming the right to temporarily suspend its performance, shall give notice to all the Parties that includes a detailed explanation of the Force Majeure, a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time, and the length of time needed to resume full performance. Any other Party may object in writing to the length of time claimed to be needed to resume performance by the Party suffering the event of Force Majeure if it provides a commercially reasonable explanation regarding how full performance could be reasonably resumed at an earlier date, in which case full performance shall resume at the earlier date.

7.08 Entire Agreement. This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. No representation, warranty, condition, understanding or agreement of any kind with respect to this subject matter shall be relied upon by the Parties except those expressly stated herein. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement.

7.09 Governing Law. The laws of the State of Texas shall govern the Agreement; and this Agreement is fully performable in Lavon, Collin County, Texas with exclusive venue for any action concerning this Agreement being in a court of competent jurisdiction in Collin County, Texas.

7.10 No Presumption. This Agreement was prepared with the input of all parties and shall be construed without regard to any presumption or other rule requiring construction against the party causing the Agreement to be drafted. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

7.11 Amendment. This Agreement may only be amended by the mutual written agreement of the parties.

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

7.13 Recitals. The recitals to this Agreement are incorporated as if fully set forth herein and relied upon by the Parties in deciding to enter into this Agreement.

7.14 No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

7.15 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument and any such counterparts shall be deemed to be incorporated herein.

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

7.17 Sovereign Immunity. The parties agree that the City has not waived its sovereign immunity by entering into and performing its obligations under this Agreement.

7.18 Dispute Resolution. Any controversy or claim arising from or relating to this Agreement, or a breach thereof shall be subject to non-binding mediation, as a condition precedent to the institution of legal or equitable proceedings by any party unless the institution of such legal or equitable proceeding is necessary to avoid the running of an applicable statute of limitation. The parties shall endeavor to resolve their claims by mediation. City and Company shall share the costs of mediation equally and shall jointly select the mediator. The mediation shall be held in Lavon, Texas, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

7.19 Report Agreement to Comptroller's Office. City covenants and agrees to report this Agreement to the State Comptroller's office within fourteen (14) days of the Effective Date of this Agreement, in accordance with Section 380.004 of the Texas Government Code, as added by Texas House Bill 2404, 87th Tex. Reg. Session (2021) (effective September 1, 2021).

**[SIGNATURE PAGES FOLLOW]**

EXECUTED as of the \_\_\_\_ day of \_\_\_\_\_, 2021.

THE CITY OF LAVON, TEXAS

By: \_\_\_\_\_  
Vicki Sanson, Mayor

ATTEST:

\_\_\_\_\_  
Rae Norton, City Secretary

By: \_\_\_\_\_

EXECUTED as of the \_\_\_\_ day of \_\_\_\_\_, 2021.

By: TSHH, LLC  
a Texas limited liability company

By: \_\_\_\_\_  
Name: Jed Dolson  
Title: Chief Operating Officer

ACKNOWLEDGMENTS

STATE OF TEXAS           §  
                                     §  
COUNTY OF COLLIN       §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2021 by Vicki Sanson, Mayor of The City of Lavon, Texas, on behalf of said city.

Name: \_\_\_\_\_

Notary Public, State of Texas

My commission expires: \_\_\_\_\_

STATE OF TEXAS           §  
                                     §  
CITY OF PLANO           §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2021 by Jed Dolson, Chief Operating Officer of TSHH, LLC, a Texas limited liability company, on behalf of said company.

Name: \_\_\_\_\_

Notary Public - State of Texas

My commission expires: \_\_\_\_\_



## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 9 – A

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**Item:**

Discussion and action regarding Resolution No. 2021-09-07 approving and authorizing the Mayor to execute a Development Agreement with the owners/developer of the Elevon project, which agreement anticipates, among other things, creation of a Public Improvement District under Chapter 372 of the Texas Local Government Code, creation of a Tax Increment Reinvestment Zone under Chapter 311 of the Texas Tax Code, establishment of land use development design regulations and providing terms for annexation; being approximately 1268.695 acres of land situated in the Samuel M. Ranier Survey, Abstract No. 740, the Drury Anglin Survey, Abstract No. 2, and the James. P. Davis Survey, Abstract No. 249 and generally located southeast of the intersection of SH 78 and FM 6 and within the extraterritorial jurisdiction and/or corporate limits of the City of Lavon, Texas.

**Background:**

For more than four years, representatives of the City have been in discussions with John Marlin, MA Partners, LLC regarding a proposed project on an estimated 1,500 acres of which a small portion is located in the city limits and the balance in the extraterritorial jurisdiction of the City. Mr. Marlin has presented proposed concept plans and development design guidelines to the City Council in several posted open meetings during that time period.

In addition to the city staff, the City's team of professionals who have worked on the project include the city attorney, public improvement district administrator and SAP consultant, bond counsel, financial advisor, city engineer, and a professional planner. The city team and developer team have worked through many issues to prepare a development agreement for this project. The City's professional consultants will attend the City Council meeting to review and answer questions relating to the proposed development agreement.

Attachment:           1) Proposed Resolution  
                              2) Location Exhibit

**CITY OF LAVON, TEXAS**

**RESOLUTION NO. 2021-09-07**

Development Agreement - Elevon

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A DEVELOPMENT AGREEMENT WITH THE OWNERS/DEVELOPER OF THE ELEVON PROJECT, WHICH AGREEMENT ANTICIPATES, AMONG OTHER THINGS, CREATION OF A PUBLIC IMPROVEMENT DISTRICT UNDER CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE, CREATION OF A TAX INCREMENT REINVESTMENT ZONE UNDER CHAPTER 311 OF THE TEXAS TAX CODE, ESTABLISHMENT OF LAND USE DEVELOPMENT DESIGN REGULATIONS AND PROVIDING TERMS FOR ANNEXATION; BEING APPROXIMATELY 1268.695 ACRES OF LAND SITUATED IN THE SAMUEL M. RANIER SURVEY, ABSTRACT NO. 740, THE DRURY ANGLIN SURVEY, ABSTRACT NO. 2, AND THE JAMES. P. DAVIS SURVEY, ABSTRACT NO. 249 AND GENERALLY LOCATED SOUTHEAST OF THE INTERSECTION OF SH 78 AND FM 6 AND WITHIN THE EXTRATERRITORIAL JURISDICTION AND/OR CORPORATE LIMITS OF THE CITY OF LAVON, TEXAS.**

**WHEREAS**, the parties have the authority to enter into this Agreement pursuant to Section 212.171 *et seq.* of the Texas Local Government Code; and

**WHEREAS**, the parties intend that this Agreement be a development agreement as provided for by Section 212.172 of the Texas Local Government Code; and

**WHEREAS**, the City Council finds that approving the Development Agreement serves the best interest of the City and the public health, safety, and welfare of the City.

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

**SECTION 1.** The findings set forth in the recitals of this Resolution are found to be true and correct.

**SECTION 2.** The City Council hereby approves and authorizes the Mayor to execute a Development Agreement with MA Partners, LLC; Petro-Hunt, LLC; Far East Lavon, LLC; 78 Straddle, LP; East Lavon Partners, LP; and World Land Developers, LP for approximately 1268.695 acres of property situated in the corporate limits and extraterritorial jurisdiction of the City of Lavon, attached hereto as Exhibit "A"

**SECTION 3.** This Resolution shall become effective from and after its date of passage in accordance with law.

**DULY PASSED AND APPROVED** by the City Council of the City of Lavon, Texas on the 21<sup>st</sup> day of September 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

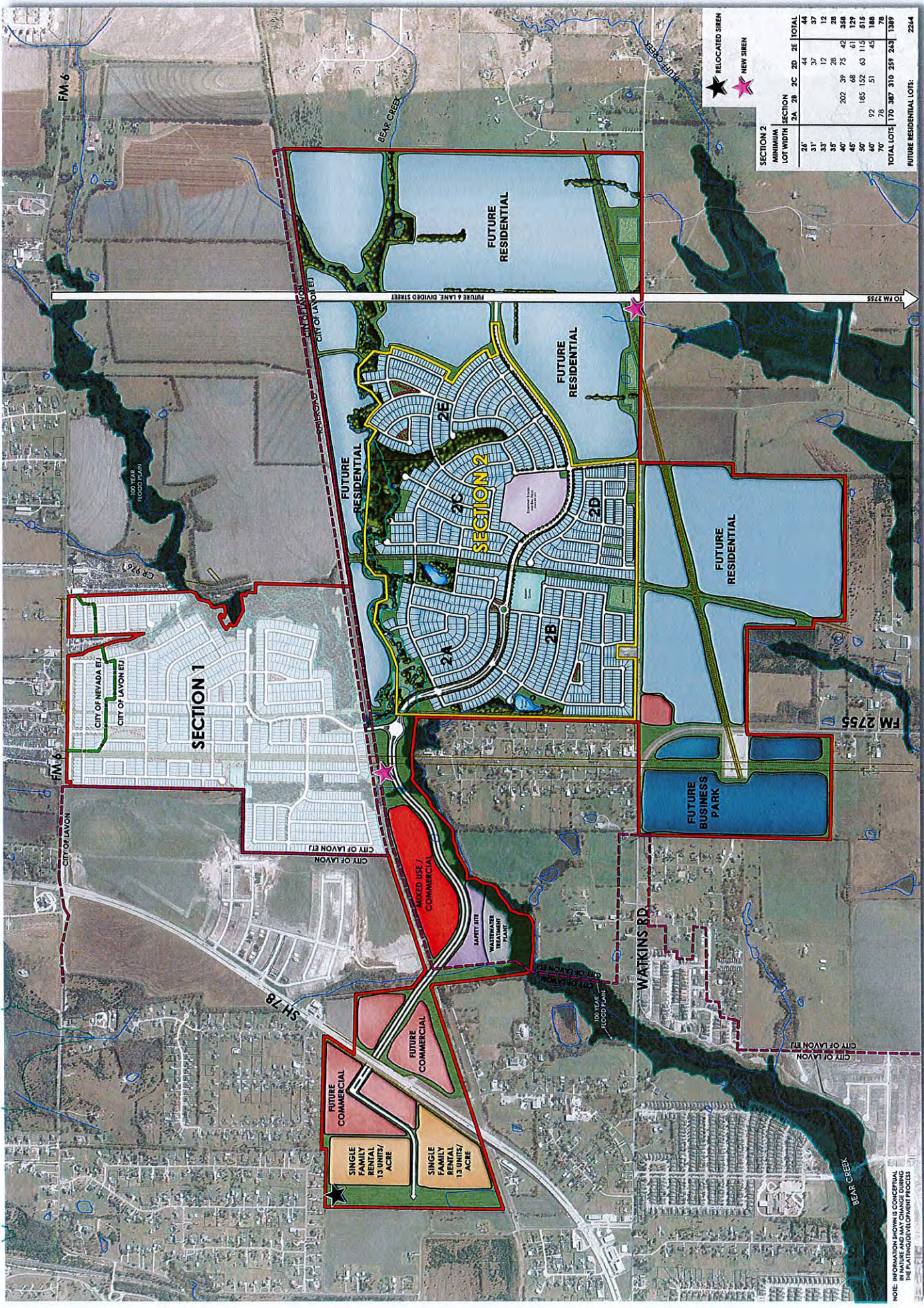
**ATTEST:**

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

---

Development Agreement



SECTION 2		SECTION					TOTAL
MINIMUM LOT WIDTH	SECTION	2A	2B	2C	2D	2E	TOTAL
24'		202	39	75	42	358	816
31'		185	152	63	115	515	515
33'		92				45	188
35'						78	78
40'							
45'							
50'							
60'							
70'							
	TOTAL LOTS	170	387	310	257	233	1387
	FUTURE RESIDENTIAL LOTS:						2264



## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 9 – B

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**Item:**

Discussion and action regarding Resolution No. **2021-09-08** setting a public hearing under Sec. 372.009 of the Texas Local Government Code for the creation of the Elevon Public Improvement District within the extraterritorial jurisdiction of the City of Lavon, Texas; and authorizing the issuance of notice by the City Secretary of Lavon, Texas regarding the public hearing. The property, Elevon Addition, is approximately 982.719 acres of land situated in the Samuel M. Ranier Survey, Abstract No. 740, the Drury Anglin Survey, Abstract No. 2, and the James. P. Davis Survey, Abstract No. 249 and generally located southeast of the intersection of SH 78 and FM 6 and within the extraterritorial jurisdiction and/or corporate limits of the City of Lavon, Texas.

**Background:**

Submission of a petition by property owners requesting the creation of a public improvement district ("PID") is the first step for creation of a PID. Attached is a schedule showing the steps for the creation of a PID and for the levy of assessments on property within the PID.

After the City Council determines that a valid petition has been filed, the City Council may adopt a resolution accepting the petition and calling a public hearing on the creation of the PID.

Notice of the public hearing must be published in a newspaper and mailed to each property owner in the proposed PID at least 15 days prior to the date of the public hearing.

The public hearing may be adjourned from time to time. After the conclusion of public hearing, the City Council has up to 6 months to adopt a resolution authorizing the creation of the PID. After adoption, the creation resolution must be published in a newspaper. The date of publication is the effective date of the creation of the PID.

Actual construction of the public improvements to be funded by the PID may not begin until after the 20<sup>th</sup> day following the effective date of the creation of the PID. Construction of the public improvements may not begin if during the 20-day period a written protest is signed by at least two-thirds of the owners of record of property within the PID or by the owners of record of property comprising at least two-thirds of the total area of the PID.

Attachment:           1) Proposed Resolution  
                              2) Sample Schedule

**CITY OF LAVON, TEXAS**

**RESOLUTION NO. 2021-09-08**

Elevon Development – PID Petition

**A RESOLUTION SETTING A PUBLIC HEARING UNDER SEC. 372.009 OF THE TEXAS LOCAL GOVERNMENT CODE FOR THE CREATION OF THE ELEVON PUBLIC IMPROVEMENT DISTRICT WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF LAVON, TEXAS; AND AUTHORIZING THE ISSUANCE OF NOTICE BY THE CITY SECRETARY OF LAVON, TEXAS REGARDING THE PUBLIC HEARING.**

**WHEREAS**, the City of Lavon, Texas (the “City”), is authorized under Chapter 372 of the Texas Local Government Code (the “Act”), to create a public improvement district within its corporate limits and its extraterritorial jurisdiction (the “ETJ”); and

**WHEREAS**, on September 20, 2021, the owners of (1) taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located and (2) record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal (the “Petitioners”), submitted and filed with the City Secretary of Lavon (the “City Secretary”) a petition (“Petition”), attached as **Exhibit A**, requesting the establishment of a public improvement district for property within the ETJ of the City; and

**WHEREAS**, the City Council of Lavon, Texas (the “City Council”) will hold a public hearing in accordance with Section 372.009 of the Act regarding the establishment of a public improvement district in the ETJ of the City in accordance with the Petition; and

**WHEREAS**, in order to hold a public hearing for the creation of a public improvement district, notice must be given in a newspaper of general circulation in the municipality and the ETJ of the municipality before the 15<sup>th</sup> day before the date of the hearing, and written notice must be mailed to the current address of each owner, as reflected on the tax rolls, of property that would be subject to assessment under the proposed public improvement district; and

**WHEREAS**, both newspaper notice and mailed notice must contain the information required for notice as provided for in Section 372.009 of the Act; and

**WHEREAS**, the City Council has determined to hold a public hearing on *October 19, 2021* on the creation of a public improvement district; and

**WHEREAS**, the City Council finds that the passage of this Resolution is in the best interest of the citizens of the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL:**

**Section 1:** All of the above recitals are hereby found to be true and correct factual determinations of the City and are hereby approved and incorporated by reference as though fully set forth herein.

**Section 2:** City Staff reviewed the Petition and determined that the same complied with the requirements of the Act and the City Council accepts the Petition.

**Section 3:** That a public hearing is hereby called for *October 19, 2021, at 7:00 p.m., in the City Council Chamber, at Lavon City Hall, 120 School Road, Lavon, Texas 75166*, for the purpose of hearing public testimony with respect to the creation of a public improvement district.

**Section 4:** At such time and place the City Council will hear testimony regarding the creation of the proposed public improvement district and consider the adoption of a resolution authorizing the creation of the public improvement district.

**Section 5:** Attached hereto as **Exhibit A** is the Petition for the Creation of a Public Improvement District within the Extraterritorial Jurisdiction of the City of Lavon, Texas for the Elevon Public Improvement District, which includes a legal description of the approximately 982.719 acres of property to be included in the proposed public improvement district.

**Section 6:** Attached here to as **Exhibit B** is a form of the Notice of Public Hearing (the "Notice") the form and substance of which is here by adopted and approved.

**Section 7:** The City Secretary is hereby authorized and directed to cause said Notice to be published in substantially the form attached hereto, in a newspaper of general circulation in the City and in the ETJ of the City, and to notify any affected landowners within the boundaries of the proposed public improvement district as required by law. The City Secretary shall provide notice **on or before October 3, 2021**, which is before the 15<sup>th</sup> day before the *October 19, 2021* hearing.

**Section 8:** If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the City Council hereby determines that it would have adopted this Resolution without the invalid provision.

**Section 9:** This Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

**[continued on next page]**

**PASSED AND APPROVED ON THIS 21ST DAY OF SEPTEMBER, 2021.**

\_\_\_\_\_  
Vicki Sanson, Mayor

ATTEST:

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

**Petition for the Creation of a Public Improvement District**

**PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT  
WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF LAVON,  
TEXAS FOR THE ELEVON PUBLIC IMPROVEMENT DISTRICT**

This petition ("Petition") is submitted and filed with the City Secretary of the City of Lavon, Texas ("City"), by Petro-Hunt; LLC, a Texas limited liability company and Far East Lavon, LP, a Texas limited partnership (the "Petitioners"), the owners of approximately 982.719 acres of real property located within the proposed boundaries of the District, as hereinafter defined. Acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), the Petitioners request that the City create a public improvement district (the "District"), to include property located within the extraterritorial jurisdiction of the City (the "Property"), more particularly described by a metes and bounds description and depicted in **Exhibit A**. In support of this Petition, the Petitioners would present the following:

**Section 1. General Nature of the Authorized Improvements.** The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) projects similar to those listed in subsections (i) - (iv) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vi) special supplemental services for improvement and promotion of the district; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (vi) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (vi) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

**Section 2. Estimated Cost of the Authorized Improvements.** The estimated cost to design, acquire, and construct the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in the establishment, administration, and operation of the District, is \$250,000,000.00. The City will pay none of the costs of the proposed improvements from funds other than such assessments. The remaining costs of the proposed improvements will be paid from sources other than the City or assessments of property owners.

**Section 3. Boundaries of the Proposed District.** The District is proposed to include the Property.

**Section 4. Proposed Method of Assessment.** The City shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. All assessments may be paid in full at any time (including interest and principal), and certain assessments may be paid in annual installments (including interest and principal). If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessment, and must continue for a period necessary to retire the indebtedness of those Authorized Improvements (including interest).

**Section 5. Proposed Apportionment of Costs between the District and the City.** The City will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on the District and possible tax increment reinvestment zone revenue. No municipal property in the public improvement district shall be assessed. The Petitioners may also pay certain costs of the improvements from other funds available to the Petitioners.

**Section 6. Management of the District.** The Petitioners propose that the District be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

**Section 7. The Petitioners Request Establishment of the District.** The persons signing this Petition requests the establishment of the District and is duly authorized to execute and deliver the Petition.

**Section 8. Advisory Board.** The Petitioners propose that the District be established and managed without the creation of an advisory board. If an advisory board is created, the Petitioners request that a representative of the Petitioners be appointed to the advisory board.

**Section 9. Landowner.** This Petition has been signed by (1) the owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and (2) the record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that are liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.

This Petition is hereby filed with the City Secretary of the City, or other officer performing the functions of the municipal secretary, in support of the creation of the District by the City Council of the City as herein provided. The undersigned requests that the City Council of the City call a public hearing on the advisability of the Authorized Improvements, give notice thereof as provided by law, grant all matters requested in this Petition, and grant such other relief, at law or in equity, to which Petitioners may show themselves to be entitled.

RESPECTFULLY SUBMITTED, on this the \_\_\_\_\_ day of September, 2021.

**PETITIONERS:**

**PETRO-HUNT, L.L.C.,**

a Texas limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE STATE OF TEXAS           §

COUNTY OF DALLAS           §

This instrument was acknowledged before me on this the \_\_\_\_\_ day of September, 2021,  
by \_\_\_\_\_, \_\_\_\_\_ of Petro-Hunt, LLC, a Texas  
limited liability company.

\_\_\_\_\_  
Notary Public in and for  
the State of Texas

**FAR EAST LAVON, LP,**  
a Texas limited partnership

By: Pitman Investments, LLC,  
a Texas limited liability company,  
its general partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE STATE OF TEXAS           §

COUNTY OF DALLAS           §

This instrument was acknowledged before me on this the \_\_\_\_\_ day of September, 2021,  
by \_\_\_\_\_, \_\_\_\_\_ of Pitman Investments, LLC,  
general partner of Far East Lavon, LP, a Texas limited partnership.

\_\_\_\_\_  
Notary Public in and for  
the State of Texas

**EXHIBIT A**

**Metes and Bounds Description and Depiction**



## EXHIBIT B

### CITY OF LAVON, TEXAS

#### NOTICE OF PUBLIC HEARING REGARDING THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT

Pursuant to Section 372.009(c) and (d) of the Texas Local Government Code, as amended (the "Act"), notice is hereby given that the City Council of the City of Lavon, Texas ("City"), will hold a public hearing to accept public comments and discuss the petition (the "Petition"), filed by certain property owners within the extraterritorial jurisdiction of the City (the "Petitioners"), requesting that the City create the Elevon Public Improvement District (the "District") to include property owned by the Petitioners.

**Time and Place of the Hearing.** The public hearing will start at 7:00 p.m. on October 19, 2021, in the City Council Chamber, at Lavon City Hall, 120 School Road, Lavon, Texas 75166.

**General Nature of the Proposed Authorized Improvements.** The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) projects similar to those listed in subsections (i) - (iv) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vi) special supplemental services for improvement and promotion of the district; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (vi) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (vi) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

**Estimated Cost of the Authorized Improvements.** The estimated cost to design, acquire and construct the Authorized Improvements is not to exceed \$250,000,000.00. The City will pay none of the costs of the Authorized Improvements, supplemental services or operation and maintenance costs from funds other than assessments levied on property within the District and/or from revenues received from a tax increment reinvestment zone ("TIRZ") established by the City that shall include the property within the District. The remaining costs of the proposed improvements will be paid from sources other than those described above.

**Proposed District Boundaries.** The District is proposed to include approximately 982.719 acres of land generally located east of Highway 78 and being wholly located within the extraterritorial jurisdiction of the City and as more particularly described by a metes and bounds description available at Lavon City Hall and available for public inspection.

**Proposed Method of Assessment.** The City shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. All assessments may be paid in full at any time (including interest and principal), and certain assessments may be paid in annual installments (including interest and principal). If an assessment is allowed to be

paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessment, and must continue for a period necessary to retire the indebtedness of those Authorized Improvements (including interest).

**Proposed Apportionment of Cost between the District and the City.** The City will not be obligated to provide any funds to finance the Authorized Improvements, except for public improvement district assessments levied on real property within the District or revenue received by the City pursuant to a TIRZ applicable to the property within the District, if any. All of the costs of the Authorized Improvements will be paid from assessments and from other sources of funds, if any, available to the Petitioners.

During the public hearing, any interested person may speak for or against the establishment of the District and the advisability of the improvements to be made for the benefit of the property within the District.

**Schedule of Events for the Creation of a Public Improvement District  
and Levy of Assessments**  
Chapter 372, Local Government Code (the "Act")

Creation:

1. Petition of Property Owners to create PID is filed with the City Secretary (petition may be initiated by City or property owners)
2. Verification by City Secretary that Petition meets requirements of the Act
3. City Council receives petition and calls public hearing
4. Notice of public hearing published (before the 15<sup>th</sup> day before the date of the hearing)
5. Notice of public hearing mailed to property owners (before the 15<sup>th</sup> day before the date of the hearing)
6. Public hearing on creation of PID<sup>(1)</sup>
7. Resolution creating PID<sup>(1)</sup>
8. Publication of Resolution (in its entirety) (20 day, from date of publication, referendum period before construction of PID funded improvements may begin)

Assessment:

9. Appraisal of benefits
10. Preparation of proposed assessment roll
11. Proposed assessment roll approved by City Council and filed with City Secretary
12. City Council calls public hearing on assessment roll<sup>(1)</sup>
13. Notice of public hearing published (before the 10<sup>th</sup> day before the date of the hearing)
14. Notice of public hearing mailed to property owners by City Secretary upon filing of proposed assessment roll (before the 10<sup>th</sup> day before the date of the hearing)
15. Public hearing on proposed assessment roll<sup>(2)</sup>
16. Ordinance levying assessments<sup>(2)</sup>
17. Assessment ordinance filed in County real property records

(1) May be scheduled and occur at the same meeting.

(2) May be scheduled and occur at the same meeting.



## CITY OF LAVON Agenda Brief

**MEETING:** September 21, 2021

**ITEM:** 9 – C

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**Item:**

Discussion and action regarding Resolution No. 2021-09-09 , setting a public hearing under Section 311.003 of the Texas Tax Code for the creation of a Tax Increment Reinvestment Zone containing approximately 1292.19 acres of land generally located east of Highway 78 and being wholly located within the corporate limits and extraterritorial jurisdiction of the City of Lavon, Texas; authorizing the issuance of notice by the City Secretary of the City of Lavon, Texas, regarding the public hearing; and directing the City of Lavon, Texas to prepare a Preliminary Reinvestment Zone Financing Plan.

**Background:**

In conjunction with the proposed development proposal and agreement, the owners and developer of the Elevon development project have requested the creation of a Tax Increment Reinvestment Zone (TIRZ) to finance public improvements in the development.

**Attachments:** Proposed Resolution

**CITY OF LAVON, TEXAS**  
**RESOLUTION NO. 2021-09-09**

Calling a Public Hearing for a TIRZ - Elevon

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS, SETTING A PUBLIC HEARING UNDER SECTION 311.003 OF THE TEXAS TAX CODE FOR THE CREATION OF A TAX INCREMENT REINVESTMENT ZONE CONTAINING APPROXIMATELY 1,292.19 ACRES OF LAND GENERALLY LOCATED EAST OF HIGHWAY 78 AND BEING WHOLLY LOCATED WITHIN THE CORPORATE LIMITS AND EXTRATERRITORIAL JURISDICTION OF THE CITY OF LAVON, TEXAS; AUTHORIZING THE ISSUANCE OF NOTICE BY THE CITY SECRETARY OF THE CITY OF LAVON, TEXAS, REGARDING THE PUBLIC HEARING; AND DIRECTING THE CITY OF LAVON, TEXAS TO PREPARE A PRELIMINARY REINVESTMENT ZONE FINANCING PLAN.**

**WHEREAS**, the City of Lavon, Texas (the "City"), is authorized under Chapter 311 of the Texas Tax Code, as amended (the "Act"), to create a tax increment reinvestment zone within its corporate limits and extraterritorial jurisdiction; and

**WHEREAS**, the City Council of the City (the "City Council") wishes to hold a public hearing in accordance with Section 311.003 of the Act regarding the establishment of a tax increment reinvestment zone containing approximately 1,292.19 acres of land generally located east of Highway 78 and being wholly located within the corporate limits and extraterritorial jurisdiction of the City (the "Zone"), with the boundaries of the Zone being generally depicted in **Exhibit A** attached hereto and made a part hereof for all purposes; and

**WHEREAS**, in order to hold a public hearing for the creation of the Zone, notice must be given in a newspaper of general circulation in the City no later than the 7th day before the date of the hearing in accordance with Section 311.003 of the Act; and

**WHEREAS**, the City Council has determined to hold a public hearing on October 19, 2021, on the creation of the Zone.

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

SECTION I. That a public hearing is hereby called for October 19, 2021, at 7:00 p.m., in the City Council Chamber, at Lavon City Hall, 120 School Road, Lavon, Texas 75166, for the purpose of hearing any interested person speak for or against: (i) the inclusion of property within the Zone; (ii) the creation of the Zone; (iii) the boundaries of the Zone; and/or (iv) the concept of tax increment financing.

SECTION 2. That at such time and place the City Council will hear testimony regarding (i) the inclusion of property within the Zone; (ii) the creation of the Zone; (iii) the boundaries of the Zone; and/or (iv) the concept of tax increment financing and will provide a reasonable opportunity for the owner of any property within the proposed Zone to protest the inclusion of their property within the Zone. Upon closing the public hearing, the City Council will consider the adoption of an ordinance creating the Zone and other related matters.

SECTION 3. That attached hereto as **Exhibit B** is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved.

SECTION 4. That the City Secretary is hereby authorized and directed to cause said notice to be published in substantially the form attached hereto as **Exhibit B** in a newspaper of general circulation in the City no later than the 7th day before the date of the hearing on October 19, 2021.

SECTION 5. That before the October 19, 2021, hearing concerning the Zone, the City shall prepare a preliminary reinvestment zone project and finance plan.

SECTION 6. That this resolution shall be in full force and effect from and after its passage and it is accordingly so resolved.

DULY RESOLVED by the City Council of the City of Lavon, Texas, on the 21st day of September, 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

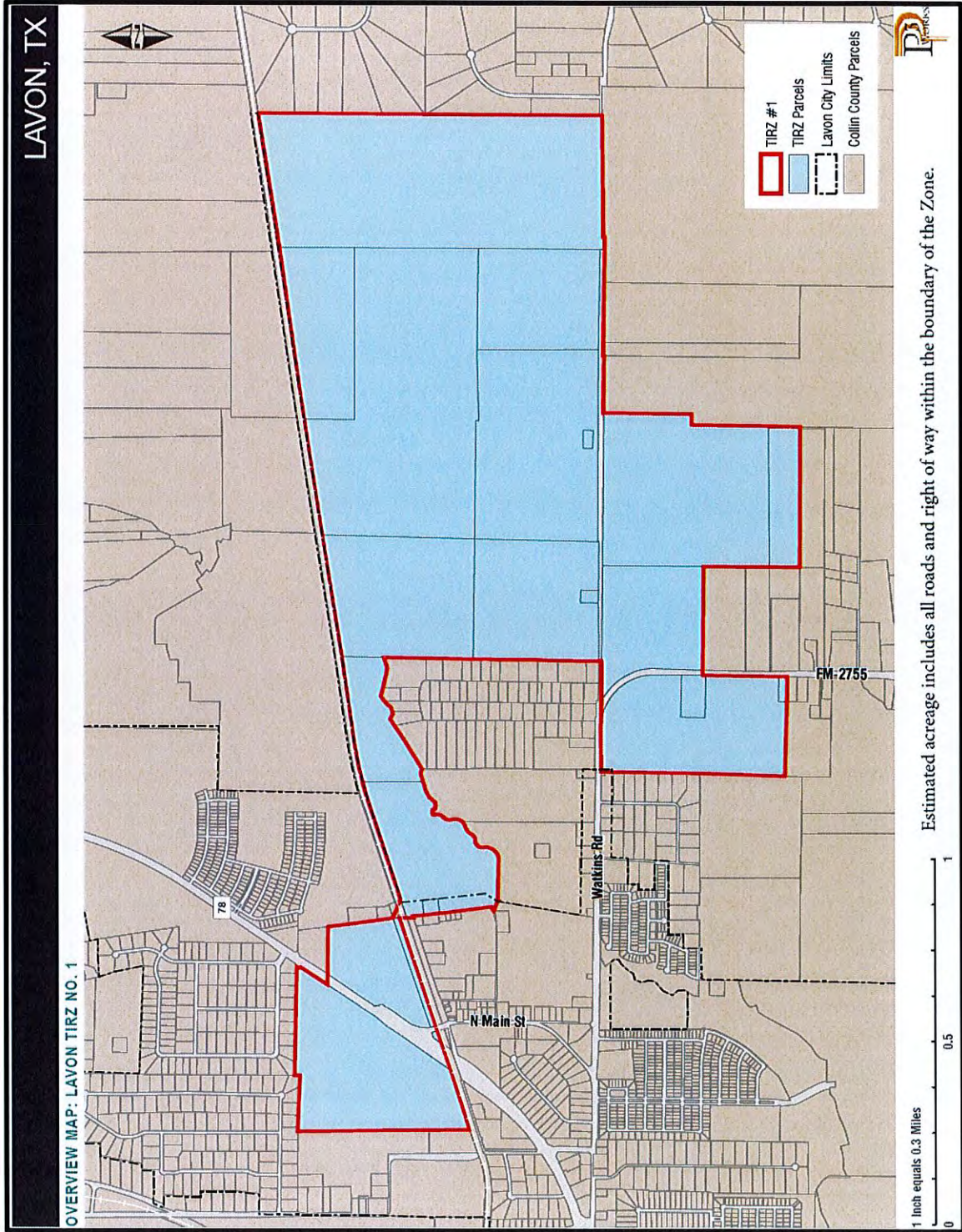
ATTEST:

APPROVED:

\_\_\_\_\_  
Rae Norton, City Secretary

\_\_\_\_\_  
City Attorney

Exhibit A – Depiction of the Proposed Zone



**Exhibit B**

**CITY OF LAVON CITY COUNCIL  
NOTICE OF PUBLIC HEARING  
ON CREATION OF A REINVESTMENT ZONE**

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THE CITY OF LAVON CITY COUNCIL WILL HOLD A PUBLIC HEARING ON OCTOBER 19, 2021 AT 7:00 P.M. IN THE CITY COUNCIL CHAMBER LOCATED AT LAVON CITY HALL, 120 SCHOOL ROAD, LAVON, TEXAS 75166, ON THE CREATION OF A REINVESTMENT ZONE AND ITS BENEFITS TO THE CITY OF LAVON AND TO PROVIDE A REASONABLE OPPORTUNITY FOR ANY OWNER OF PROPERTY WITHIN THE PROPOSED ZONE TO PROTEST THE INCLUSION OF THEIR PROPERTY WITHIN THE PROPOSED ZONE, WHICH PROPOSED REINVESTMENT ZONE CONTAINS APPROXIMATELY 1,292.19 ACRES OF LAND GENERALLY LOCATED EAST OF HIGHWAY 78 AND BEING WHOLLY LOCATED WITHIN THE CORPORATE LIMITS AND EXTRATERRITORIAL JURISDICTION OF THE CITY OF LAVON, TEXAS. A MAP DEPICTING THE BOUNDARIES OF THE PROPOSED REINVESTMENT ZONE IS AVAILABLE IN THE OFFICE OF THE CITY SECRETARY AT 120 SCHOOL ROAD, LAVON, TEXAS 75166, AND IS AVAILABLE FOR PUBLIC INSPECTION. AT THE PUBLIC HEARING, ANY INTERESTED PERSON MAY SPEAK FOR OR AGAINST THE INCLUSION OF PROPERTY WITHIN THE PROPOSED REINVESTMENT ZONE, THE CREATION OF THE PROPOSED REINVESTMENT ZONE, ITS BOUNDARIES AND/OR THE CONCEPT OF TAX INCREMENT FINANCING. FOLLOWING THE PUBLIC HEARING, THE CITY COUNCIL WILL CONSIDER ADOPTION OF AN ORDINANCE CREATING THE REINVESTMENT ZONE AND OTHER RELATED MATTERS.





## CITY OF LAVON Agenda Brief

**MEETING:** September 21, 2021

**ITEM:** 9 – D

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**Item:**

Discussion and action regarding Resolution No. 2021-09-10 approving and authorizing the Mayor to execute a professional services agreement with P3 Works LLC for the provision of public improvement district administration and service and assessment plan and tax increment reinvestment zone (TIRZ) creation and administration consultant services for the Elevon development project; and providing an effective date.

**Background:**

P3 Works has been engaged to represent the City on several projects and is uniquely qualified and familiar with the City and the City's development goals. It is recommended that the City engage P3 Works to perform the professional administration and consulting services associated with the proposed Elevon public improvement district (PID) and TIRZ.

**Financial Implications:**

The PID and TIRZ reimburse the City's costs for the professional services related to the services. There is no direct financial implication for the City.

**Staff Notes:**

The City Attorney has reviewed and approved the engagement letter. Approval is recommended.

**Attachments:** Proposed Resolution and Letter of Engagement

**CITY OF LAVON, TEXAS**  
**RESOLUTION NO. 2021-09-10**

P3 Works PSA - Elevon PID and TIRZ

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH P3 WORKS LLC FOR THE PROVISION OF PUBLIC IMPROVEMENT DISTRICT ADMINISTRATION AND SERVICE AND ASSESSMENT PLAN AND TAX INCREMENT REINVESTMENT ZONE (TIRZ) CREATION AND ADMINISTRATION CONSULTANT SERVICES FOR THE ELEVON DEVELOPMENT PROJECT; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, a petition to form the Elevon Public Improvement District (PID) and Elevon TIRZ have been submitted for property in the corporate limits of and extraterritorial jurisdiction adjacent to the City of Lavon; and

**WHEREAS**, the City Council has considered and determined that it is necessary and in the best interests of City of Lavon to engage P3 Works for the provision of public improvement district administration and service and assessment plan and tax increment reinvestment zone (TIRZ) creation and administration consultant services.

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

**SECTION 1.** The City Council hereby approves and authorizes the Mayor to execute a professional services agreement with P3 Works LLC for the provision of public improvement district administration and service and assessment plan and tax increment reinvestment zone (TIRZ) creation and administration consultant services for the Elevon development project., 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 21<sup>st</sup> day of September 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

ATTEST:

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

Professional Services Agreement

**AGREEMENT FOR PUBLIC IMPROVEMENT DISTRICT (PID) AND TAX INCREMENT  
REINVESTMENT ZONE (TIRZ) CREATION AND  
ADMINISTRATION SERVICES**

This Agreement for Public Improvement District ("PID") and Tax increment Reinvestment Zone ("TIRZ") Creation and Administration Services ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between P3Works, LLC ("P3Works"), and the City of Lavon, Texas ("City").

**RECITALS**

WHEREAS, the City Council passed Resolution No. \_\_\_\_\_ on \_\_\_\_\_, 20\_\_\_, approving and authorizing the creation of the Elevon Public Improvement District No. \_\_\_ ("PID No. \_\_\_" or "District") to finance the costs of certain public improvements for the benefit of property within the District; and

WHEREAS, the City may consider issuing bonds to fund certain improvements in the PID as authorized by the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended; and

WHEREAS, the City may consider creating a Tax Increment Reinvestment Zone ("TIRZ"), in which the boundary will commiserate with the boundary of the District, to fund certain improvements as authorized by the Tax Increment Financing Act, of the Texas Tax Code, Chapter 311, as amended; and

WHEREAS, the City requires specialized services related to the creation, revision and updating of the Service and Assessment Plan ("Service and Assessment Plan"), bond issuance, and the administration of the District; the creation, revision and updating of the Final Project and Finance Plan ("Final Plan") and the Annual Reporting of the TIRZ as more fully set forth in this Agreement; and

WHEREAS, P3Works has the expertise to properly establish and administer the District and ensure compliance with Texas Local Government Code Chapter 372, and Texas Tax Code 311; and

WHEREAS, the City desires to retain P3Works to provide District and TIRZ creation and administration services;

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, P3Works and the City agree as follows:

**ARTICLE I**

TERM OF AGREEMENT

1.0 The Agreement shall be effective as of its approval by all parties, and shall be for a period of three (3) years and shall automatically continue on a year to year basis until terminated pursuant to Article IV of this Agreement.

## ARTICLE II

### SERVICES TO BE PROVIDED BY P3WORKS

2.0 The scope and timing of services to be performed by P3Works are set forth in Exhibits A and B, which are attached hereto and incorporated into this Agreement by this reference.

2.1 P3Works agrees that its services pursuant to this Agreement shall at all times be subject to the control and supervision of the City and that nothing in this Agreement shall constitute an assignment of any right or obligation of the City under any applicable contract, agreement, or law. P3Works shall not represent to any property owner or any other person that it or any of its employees are acting as the City or employees of the City.

2.2 No substantial changes in the scope of services shall be made without the prior written approval of P3Works and the City.

2.3 P3Works shall supply all tools and means necessary to perform the services and production of the work product described in Exhibits A and B.

## ARTICLE III

### PAYMENT TERMS AND CONDITIONS

3.0 In consideration for the services to be performed by P3Works, the City agrees to pay P3Works the fees for all services and related costs and expenses set forth in Exhibit A and B, beginning the first day of the month following the execution of this Agreement. Once District assessments have been levied the Monthly Collection Fees will begin, and then the February 1 following the levy of District assessments, and each February 1 thereafter, the fees shall increase by 2%.

3.1 Monthly invoices shall be submitted to the City for work completed. City agrees to pay the amount due to P3Works upon receipt of each invoice.

3.2 Copies of all invoices to P3Works for expenses, materials, or services provided to P3Works will accompany the invoice to the City. P3Works will pass any third-party cost through to the City without markup and will not incur any expense in excess of \$200 without written consent of the City.

3.3 The only source of payment for P3Works' fees and services shall be the District or funds advanced by the developer. The City general fund shall never be used to pay for any expenses relating to P3Works' administration of the District. In the event there is insufficient District funds in a given year to pay P3Works' fees and expenses, P3Works agrees to defer the fees and expenses until such time as there are sufficient District funds or funds advanced by the developer.

## ARTICLE IV

### TERMINATION OF THIS AGREEMENT

4.0 Notwithstanding any other provisions of this Agreement, either party may terminate this Agreement at any time by giving sixty (60) days written notice to the other party without penalty and without limitation of its right to seek damages. City shall pay P3Works, within 30 days of such termination, all of P3Works' fees and expenses actually accrued or incurred to and including the date of termination, including any amount incurred or accrued in connection with work in progress.

## ARTICLE V

### LIABILITY AND INDEMNIFICATION.

**5.0 LIABILITY - P3WORKS SHALL BE LIABLE AND RESPONSIBLE FOR ANY AND ALL PROPERTY LOSS, PROPERTY DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF ANY KIND OR CHARACTER, WHETHER REAL OR ASSERTED, TO THE EXTENT CAUSED BY THE NEGLIGENT ACT(S) OR OMISSION(S), MALFEASANCE OR INTENTIONAL MISCONDUCT OF P3WORKS, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES RELATED TO THIS AGREEMENT.**

**5.1 GENERAL INDEMNIFICATION - P3WORKS HEREBY COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS AND DEFEND THE CITY, ITS OFFICERS, AGENTS, SERVANTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS OR LAWSUITS OF ANY KIND OR CHARACTER, WHETHER REAL OR ASSERTED, FOR EITHER PROPERTY DAMAGE OR LOSS (INCLUDING ALLEGED DAMAGE OR LOSS TO P3WORKS'S BUSINESS AND ANY RESULTING LOST PROFITS) AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OR MALFEASANCE OF P3WORKS, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES RELATED TO THIS AGREEMENT.**

## ARTICLE VI

### GENERAL PROVISIONS

6.0 This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to rendering of services by P3Works for the City related to the District and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party of this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party which are not embodied herein and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

6.1 This Agreement shall be administered and interpreted under the laws of the State of Texas. This Agreement shall not be construed for or against any party by reason of who drafted the provisions set forth herein. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall remain in full force and effect.

6.2 It is expressly understood and agreed that P3Works shall operate as an independent consultant as to all rights and privileges granted herein, and not as agent, representative or employee of the City. Subject to and in accordance with the conditions and provisions of this Agreement, P3Works shall have the exclusive right to control the details of its operations and activities and be solely responsible for the acts and omissions of its officers, agents, servants, employees, consultants and subcontractor. P3Works acknowledges that the doctrine of respondeat superior shall not apply as between the City, its officers, agents, servants and employees, and P3Works, its officers, agents, employees, servants, consultants and subcontractor. P3Works further agrees that nothing herein shall be construed as the creation of a partnership or joint enterprise between City and P3Works. Neither P3Works, nor any of P3Works's employees or agents, shall be entitled to any benefits accorded to City's employees, including without limitation worker's compensation, disability insurance, vacation or sick pay.

6.3 Neither this Agreement or any duties or obligations under this Agreement may be assigned by P3Works without the prior written consent of the City.

6.4 P3Works is a PID Administration firm, does not provide financial advice, and is not an Independent Registered Municipal Advisor under the SEC and MSRB Rules, therefore, P3Works will request an IRMA Exemption Letter if not already provided on the City's website, and then provide to the City an IRMA Exemption acceptance letter in the general form attached as Exhibit C upon execution of the Agreement.

6.5 The waiver by either party of a breach or violation of any provision of this Agreement will not operate as or be construed to be a waiver of any subsequent breach thereof.

6.6 All records, reports, and other documents prepared by P3Works for the purposes of providing the services described in this Agreement shall be property of the City. All such documents shall be made available to the City during the course of performance of this Agreement. Any reports, studies, photographs, negatives, or other documents or drawings prepared by P3Works in the performance of its obligations under this Agreement shall be the exclusive property of the City and all such materials shall be remitted to the City by P3Works upon completion, termination, or cancellation of this Agreement.

6.7 The City acknowledges P3Works' ownership of its software, programs, inventions, know-how, trade secrets, confidential knowledge, source code, or other proprietary information relating to products, processes, services, software, formulas, developmental or experimental work, business plans, financial information, or other subject matter ("Confidential Information") pertaining to the business of P3Works. This Agreement shall not in any way give rise to any requirement or obligation for P3Works to disclose or release any Confidential Information.

6.8 The headings and article titles of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

6.9 Should either party commence any legal action or proceeding against the other based upon this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees and costs.

6.10 All notices, requests, demands, and other communications which are required to be given under this agreement shall be in writing and shall be deemed to have been duly given upon the

delivery by registered or certified mail, return receipt requested, postage prepaid thereon, as follows:

To P3Works:

Mary V. Petty  
Managing Partner  
P3Works, LLC  
9284 Huntington Square, Ste. 100  
North Richland Hills, Texas 76182

To City:

Kim Dobbs  
City Administrator  
City of Lavon  
P.O. Box 340  
Lavon, Texas 75166

6.11 The parties hereby warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

*(Signatures on Next Page)*

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_:

P3Works, LLC

BY:

  
Mary V. Petty  
Managing Partner

City of Lavon, Texas

BY:

\_\_\_\_\_  
Vicki Sanson  
Mayor

**EXHIBIT A**  
**PUBLIC IMPROVEMENT DISTRICT SERVICES TO BE PROVIDED**

**PID FORMATION, SERVICE AND ASSESSMENT PLAN PREPARATION, AND BOND ISSUANCE SUPPORT SERVICES**

*Billed at P3Works' prevailing hourly rates, which are currently as follows:*

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Senior Associate</i>	<i>\$160</i>
<i>Associate</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

*\*P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of PID Plan of Finance

1. P3Works will review project information and review the plan of finance for the proposed transaction, including
2. Assessed value schedules, value to lien analysis, and overall structuring to achieve City goals and objectives
3. Identify areas of risk and with the City's Financial Advisor, solutions to mitigate the risks,
4. Bond sizing and bond phasing by improvement area,
5. Sources and uses of funds by improvement area,
6. Debt service schedules, and;
7. Assessment allocation and associated estimated annual installment by lot type for each improvement area.

Preparation of Service and Assessment Plan

1. P3Works will prepare a complete and final Service and Assessment Plan to be adopted by City Council and included in the Official Statement for the Bonds based on the Plan of Finance.
2. P3Works will present the Service and Assessment Plan to City Council and request approval of Assessment Roll.

Bond Issuance Support

1. P3Works will ensure bond documents, including the PID financing agreement, bond indenture, and official statement are all consistent with the Service and Assessment Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.

## **BASIC DISTRICT ADMINISTRATION SERVICES**

MONTHLY COLLECTION FEES WILL BEGIN ONCE ASSESSMENTS ARE LEVIED

*If no bonds are sold:*

*Monthly Fee = \$1,500 beginning the first of the month following execution of this Agreement for the first improvement area; and \$1,000 per month for each improvement area thereafter. (Proration will occur for any partial month if not begun on the 1<sup>st</sup> day of the month.)*

*If bonds are sold:*

*Monthly Fee amounts will be \$2,500 for the first improvement area beginning the first month following the issuance of bonds; and \$1,250 per month for each improvement area thereafter.*

*For PIDs that P3Works did not create: Monthly Collection Fees will not begin until the first Annual SAP Update is drafted by P3Works and approved by Council, therefore all work completed to that point will be billed hourly.*

*See Section below related to "Consulting Services Relating to Future Improvement Areas and related Bond Issuance" for hourly fees if bonds are contemplated.*

### Prepare Annual Service and Assessment Plan Update

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for District improvements, and update service and assessment plan text and tables.
2. Update service and assessment plan text and tables as necessary to account for any changes in development plan or land uses.
3. Update annual District assessment roll.
4. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to the levy of special assessments.
5. Review maps of tax parcels to compile/audit list of parcels that are within the District for the upcoming bond year. Classify each parcel pursuant to the approved service and assessment plan.
6. Identify any parcels dedicated to any property types classified as exempt by the service and assessment plan.
7. Update District database with newly subdivided parcels and property type classifications.
8. Calculate annual special assessment for each parcel. Verify the sum of annual installments for all parcels in the District is sufficient to meet the annual debt service requirement, administration expenses, and any provisions for delinquency or prepayment reserves.
9. Calculate other funds available, such as reserve fund income, capitalized interest, and interest income. Reduce annual assessment based on findings according to approved service and assessment plan.
10. Present preliminary annual assessment roll to City. Upon approval by City, submit final annual assessment roll to County Tax Collector.

### Administration of Bond Funds (if bonds are sold)

1. Review and reconcile the account statements for the funds maintained by the trustee. Ensure annual special assessment calculation is compliant with Indenture as it relates to each fund.
2. Provide annual summary of all District accounts maintained by Trustee at the time the annual service and assessment plan update is performed.

#### Provide Public Information Request Support

1. If requested, P3Works will respond to any calls and or emails relating to the District. P3Works will only provide technical answers relating to the annual assessments or the District generally. P3Works will not provide any commentary on City policy relating to PIDs.
2. If the City receives a notice from a property owner alleging an error in the calculation of any matters related to the annual assessment roll for the District, P3Works will review and provide a written response to the City. If a calculation error occurred, P3Works will take corrective action as required to correct the error.

#### Delinquency Management

1. After the end of the annual assessment installment collection period, P3Works will prepare a delinquent special assessment report, which details which parcels are delinquent and the amount of delinquency.
2. P3Works will advise the City what action must be taken relating to delinquent parcels, if any, to remain in compliance with the District bond documents.

#### Website Setup

1. Prepare for the P3Works website database searchable by property tax ID for use by property owners, title companies, mortgage companies, or other interested parties. The search results will provide assessment information, including outstanding principal, annual installment amount, payment information, and a breakdown of the assessment installment by use (principal, interest, reserve fund accounts, administrations, etc.)
2. Prepare "District Information" page for website. Information will include a background of the District formation and bond issuance process, District boundary map, and description of improvements. In additions, P3Works will provide a link to District documents.

### **DISTRICT ADMINISTRATION SETUP SERVICES (Required for any existing PID not created by P3Works.)**

*\$7,500 One Time Lump Sum Fee*

1. Prepare District Administration Manual
2. P3Works will review the full bond transcript and identify all requirements of the City relating to District administration and/or disclosure requirements.
3. Prepare written summary of all City administration and disclosure requirements.
4. Prepare calendar of all relevant dates and deadlines for District administration and disclosure requirements.
5. Meet with County Assessor's office to establish procedure for obtaining parcel information for assessment roll.
6. Meet with County Tax Office to establish procedure to include District assessment roll on property tax bill.
7. Meet with City representatives to finalize policies and procedures relating to District Administration.

### **ADDITIONAL DISTRICT SERVICES**

*Billed at P3Works' prevailing hourly rates, which are currently as follows:*

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Senior Associate</i>	<i>\$160</i>
<i>Associate</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

*\*P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. Travel will be billed at the hourly rates.*

#### Continuing Disclosure Services

1. P3Works will prepare the form of the annual report as required by the continuing disclosure agreements and work with the City and the Developer to complete.
2. P3Works will request from developer the reports due pursuant to the developer disclosure agreement and disseminate these reports pursuant to the disclosure agreement; including Seller's Disclosures.
3. Upon notification by any responsible party or if P3Works independently becomes aware of such knowledge, P3Works will prepare notices of material events covering the events enumerated in the disclosure agreements.
4. P3Works will coordinate with the Trustee or the City's dissemination agent to disseminate the annual reports, quarterly reports from the developer, and notice of significant events to the Municipal Securities Rulemaking Board (MSRB) and any other parties required in the continuing disclosure agreement.

#### Developer Payment Request Administration

1. P3Works will review all developer payment requests to ensure the request complies with the PID Financing Agreement, the District service and assessment plan, and any other relevant provisions contained in the District documents.
2. P3Works will audit the developer payment request to ensure there is proper backup documentation and that the accounting is accurate.
3. P3Works will coordinate with the City's designated representative to ensure the improvements were built to the standards of the accepting governing body.
4. P3Works will ensure improvements to be dedicated are free and clear of all liens and encumbrances.

#### Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will update the Service and Assessment Plan to comply with Bond documents.
2. P3Works will prepare an updated Assessment Roll including the future Improvement Area
3. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

#### Development Agreement Review Specific to the PID/TIRZ Boundary

1. Participate in meetings or calls at City Manager's, or his/her designee, direction.
2. Review and comment on Development Agreement drafts.
3. Prepare Ad hoc analysis as requested.

**EXHIBIT B**  
**TAX INCREMENT REINVESTMENT ZONE SERVICES TO BE PROVIDED**

**TIRZ FORMATION, PRELIMINARY AND FINAL PROJECT AND FINANCE PLAN PREPARATION SERVICES**

*Billed at P3Works' prevailing hourly rates, which are currently as follows:*

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Senior Associate</i>	<i>\$160</i>
<i>Associate</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

*\*P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of TIRZ Project and Finance Plan

1. P3Works will review project information and prepare a Preliminary Plan for the proposed creation, including:
  - a) Assessed value schedules and overall structuring to achieve City goals and objectives.
  - b) Drafting the TIRZ Agreement.
  - c) At the direction of Staff, facilitate presentations to the Council and the TIRZ Board.
2. Estimated annual TIRZ Credit by lot type for each improvement area.

Preparation of Preliminary and Final Project Plan

1. P3Works will prepare a Preliminary Project and Finance Plan ("PPFP") and a Final Project and Finance Plan ("FPFP") to be adopted by the TIRZ Board and the City Council and included in the Official Statement for the PID Bonds based on the Plan of Finance.
2. P3Works will prepare a draft TIRZ Agreement to be adopted by the TIRZ Board
3. P3Works will present the PPFP to the Council at the creation of the TIRZ and request approval of TIRZ Creation Ordinance.
4. P3Works will present the FPFP to the Council after conducting all necessary steps for public hearings and notifications and request approval of TIRZ FPFP.
5. P3Works will file the necessary creation forms with the Secretary of the State of Texas after the creation of the TIRZ.

Bond Issuance Support

1. P3Works will ensure bond documents, including the bond indenture and official statement are all consistent with the TIRZ Final Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.
2. If requested by the City, P3Works will respond to any calls and or emails relating to the

TIRZ.

3. P3Works will only provide technical answers relating to the annual TIRZ Credit or the TIRZ generally.
4. P3Works will not provide any commentary on City policy relating to TIRZs.

## **BASIC DISTRICT ADMINISTRATION SERVICES**

*Billed at P3Works' prevailing hourly rates, which are currently as follows:*

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Senior Associate</i>	<i>\$160</i>
<i>Associate</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

*Preparation of the Annual Report to be filed with the Secretary of State and then presented to the TIRZ Board and City Council for approval.*

*See Section below related to "Consulting Services Relating to Future Improvement Areas and related Bond Issuance" for hourly fees if future TIRZ changes are contemplated.*

### Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
2. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

### Prepare Annual Report

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for TIRZ improvements
2. Update Annual Report as necessary to account for any changes in development plan or land uses.
3. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to anticipated estimate of Tax Increment to be generated.
4. Calculate annual TIRZ Credit for each parcel.
5. Present preliminary Annual Report to TIRZ Board. Upon approval by TIRZ Board, submit final Annual Report to the Texas Secretary of State.

**EXHIBIT C**  
IRMA EXEMPTION LETTER



P3Works, LLC.  
9284 Huntington Sq.  
Suite 100  
North Richland Hills,  
Texas 76182

Mary V. Petty  
Managing Partner  
+1.817.393-0353 Phone  
[Admin@P3-Works.com](mailto:Admin@P3-Works.com)

July 22, 2021

Kim Dobbs  
City Administrator  
PO Box 340  
120 School Road  
Lavon, Texas 75166

RE: IRMA Exemption/Acceptance Letter

To Whom It May Concern:

We have received your written representation, dated \_\_\_\_\_, 20\_\_, that the City of Lavon (the "City") has engaged and is represented by \_\_\_\_\_, an independent registered Municipal Advisor ("IRMA"). In accordance with Section 15Ba1-1(d)(3)(vi) of the Securities Exchange Act of 1934 ("Securities Exchange Act"), we understand and intend for the City to rely on IRMA's advice in evaluating recommendations brought forward by P3Works, LLC that constitute "advice" as defined in the Securities Exchange Act ("IRMA Exemption").

Furthermore, P3Works, LLC has conducted reasonable due diligence and is confirming that to the best of our knowledge, the IRMA is independent from P3Works, LLC, that P3Works, LLC is not a municipal advisor and is not subject to the fiduciary duty to municipal entities that the Security and Exchange Act imposes on municipal advisors, and that P3Works, LLC has a reasonable basis for relying on the IRMA Exemption. We will advise you, in writing, if we become aware of any changes.

P3Works, LLC provides PID Administration as consult services to Cities and Counties.

As required by the relevant sections of the Securities Exchange Act regarding Municipal Advisors, we are informing your identified IRMA of these facts.

Mary V. Petty  
Managing Partner  
P3Works, LLC

Jon Snyder  
Managing Partner  
P3Works, LLC





## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 9 – E

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**Item:**

Discussion and action regarding Resolution No. **2021-09-11** approving and authorizing the Mayor to execute a Development Agreement with the owners/developer of the Trails of Lavon project, which agreement anticipates, among other things, creation of a Public Improvement District under Chapter 372 of the Texas Local Government Code, establishment of land use development design regulations and providing terms for annexation; being approximately 205.503 acres of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County and generally located east and southwest of the intersection of CR 485 and CR 484, northeast of the intersection of CR 484 and CR 483 within the extraterritorial jurisdiction of City of Lavon, Texas.

**Background:**

Meritage Homes, LLC has proposed a development agreement for the development of 205.503 acres in the ETJ of the City. The City's team of professionals that have worked on the project include the city attorney, public improvement district administrator and SAP consultant, bond counsel, financial advisor, city engineer, and a professional planner. The city team and developer team have worked through many issues to finalize a development agreement for this project.

The City's professional consultants will attend the City Council meeting to review and answer questions relating to the proposed development agreement.

Attachment:           1) Proposed Resolution  
                              2) Location Exhibit

**CITY OF LAVON, TEXAS**

**RESOLUTION NO. 2021-09-11**

Development Agreement – Trails of Lavon

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A DEVELOPMENT AGREEMENT WITH THE OWNERS/DEVELOPER OF THE TRAILS OF LAVON PROJECT, WHICH AGREEMENT ANTICIPATES, AMONG OTHER THINGS, CREATION OF A PUBLIC IMPROVEMENT DISTRICT UNDER CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE, ESTABLISHMENT OF LAND USE DEVELOPMENT DESIGN REGULATIONS AND PROVIDING TERMS FOR ANNEXATION; BEING APPROXIMATELY 205.503 ACRES OF LAND SITUATED IN THE S. ROBERTS SURVEY, ABSTRACT NO. 773 AND THE D. ANGLIN SURVEY, ABSTRACT NO. 2, COLLIN COUNTY AND GENERALLY LOCATED EAST AND SOUTHWEST OF THE INTERSECTION OF CR 485 AND CR 484, NORTHEAST OF THE INTERSECTION OF CR 484 AND CR 483 WITHIN THE EXTRATERRITORIAL JURISDICTION OF CITY OF LAVON, TEXAS.**

**WHEREAS**, the parties have the authority to enter into this Agreement pursuant to Section 212.171 *et seq.* of the Texas Local Government Code; and

**WHEREAS**, the parties intend that this Agreement be a development agreement as provided for by Section 212.172 of the Texas Local Government Code; and

**WHEREAS**, the City Council finds that approving the Development Agreement serves the best interest of the City and the public health, safety, and welfare of the City.

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

**SECTION 1.** The findings set forth in the recitals of this Resolution are found to be true and correct.

**SECTION 2.** The City Council hereby approves and authorizes the Mayor to execute a Development Agreement with Meritage Homes of Texas, LLC for approximately 205.503 acres of property situated in the extraterritorial jurisdiction of the City of Lavon, attached hereto as Exhibit "A"

**SECTION 3.** This Resolution shall become effective from and after its date of passage in accordance with law.

**DULY PASSED AND APPROVED** by the City Council of the City of Lavon, Texas on the 21<sup>st</sup> day of September 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

**ATTEST:**

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

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Development Agreement





## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 9 – F

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**Item:**

Discussion and action regarding Resolution No. 2021-09-12 accepting a petition to create a Public Improvement District, calling for a public hearing and directing the statutory notices to be given. The property, Trails of Lavon Addition, is approximately ±190.774 acres of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County and generally located east and southwest of the intersection of CR 485 and CR 484, northeast of the intersection of CR 484 and CR 483 within the extraterritorial jurisdiction of City of Lavon, Texas.

**Background:**

Submission of a petition by property owners requesting the creation of a public improvement district ("PID") is the first step for creation of a PID. Attached is a schedule showing the steps for the creation of a PID and for the levy of assessments on property within the PID.

After the City Council determines that a valid petition has been filed, the City Council may adopt a resolution accepting the petition and calling a public hearing on the creation of the PID.

Notice of the public hearing must be published in a newspaper and mailed to each property owner in the proposed PID at least 15 days prior to the date of the public hearing.

The public hearing may be adjourned from time to time. After the conclusion of public hearing, the City Council has up to 6 months to adopt a resolution authorizing the creation of the PID. After adoption, the creation resolution must be published in a newspaper. The date of publication is the effective date of the creation of the PID.

Actual construction of the public improvements to be funded by the PID may not begin until after the 20<sup>th</sup> day following the effective date of the creation of the PID. Construction of the public improvements may not begin if during the 20-day period a written protest is signed by at least two-thirds of the owners of record of property within the PID or by the owners of record of property comprising at least two-thirds of the total area of the PID.

Attachment:           1) Proposed Resolution  
                              2) Sample Schedule

**CITY OF LAVON, TEXAS**  
**RESOLUTION NO. 2021-09-12**

Trails of Lavon Development – PID Petition

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS, ACCEPTING A PETITION TO CREATE THE TRAILS OF LAVON PUBLIC IMPROVEMENT DISTRICT AND CALLING FOR A PUBLIC HEARING.**

**WHEREAS**, Chapter 372 of the Texas Local Government Code (the “*Act*”) authorizes the creation of public improvement districts; and

**WHEREAS**, on or before September 21, 2021, the owners of real property delivered to the City of Lavon, Texas a petition (the “*Petition*”, which is attached as **Exhibit A**) meeting the requirements of the Act and indicating: (i) the owners of more than fifty percent (50%) of the appraised value of the taxable real property liable for assessment, and (ii) record owners of real property liable for assessment under the proposal who: (A) constitute more than fifty percent (50%) of all record owners of property that is liable for assessment; or (B) own taxable real property that constitutes more than fifty percent (50%) of the area of all taxable real property that is liable for assessment within the District have executed the Petition requesting that the City Council create the Trails of Lavon Public Improvement District (the “*District*”); and

**WHEREAS**, the Act states that the Petition is sufficient if signed by owners of more than fifty percent (50%) of the taxable real property, according to appraised value, and either of the following: more than fifty percent (50%) of the area of all taxable real property liable for assessment under the proposal, or more than fifty percent (50%) of all record owners of property liable for assessment; and

**WHEREAS**, the Act further requires that prior to the adoption of the resolution creating the District, the City Council must hold a public hearing on the advisability of the improvements, the nature of the improvements contemplated, the estimated costs of the improvements, the boundaries of the District, the method of assessment, and the apportionment, if any, of the costs between the District and the City.

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

**Section 1.** The findings set forth in the recitals of this Resolution are found to be true and correct.

**Section 2.** City staff reviewed the Petition and determined that same complied with the requirements of the Act and the City Council accepts the Petition. The Petition is filed with the office of the City Secretary and is available for public inspection.

**Section 3.** The City Council calls a public hearing to be scheduled at or after 7:00 p.m. on October 19, 2021 to be held at Lavon City Hall, 120 School Road, Lavon, Texas on the advisability of the improvements, the nature of the improvements contemplated, the estimated costs of the improvements, the boundaries of the District, the method of assessment, and the apportionment, if any, of the costs between the District and the City. Attached hereto as **Exhibit B** is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and speak on the creation of the District.

**Section 4.** The Public Hearing may be adjourned from time to time. Upon the closing of the Public Hearing, the City Council may consider the adoption of a resolution creating the proposed District or may defer the adoption of such a resolution for up to six months. The creation of the proposed District is within the sole discretion of the City Council.

**Section 5.** The City Council hereby authorizes and directs the City Secretary, on or before October 3, 2021, in accordance with the Act, to: (a) publish notice of the public hearing in a newspaper of general circulation in the City and in the part of the extraterritorial jurisdiction of the City in which the District is to be located; and (b) mail notice of the public hearing to the owners of property located in the proposed District as reflected on the tax rolls.

*[Remainder of page left blank intentionally.]*

**PASSED AND APPROVED THIS THE 21ST DAY OF SEPTEMBER, 2021.**

**CITY OF LAVON, TEXAS**

---

**VICKI SANSON, MAYOR**

**ATTEST:**

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**RAE NORTON, CITY SECRETARY**

**EXHIBIT A**  
**PETITION FOR CREATION**

**PETITION FOR THE CREATION OF A  
PUBLIC IMPROVEMENT DISTRICT BY  
THE CITY OF LAVON, TEXAS,  
FOR THE TRAILS OF LAVON DEVELOPMENT**

This petition (the "Petition") is submitted and filed with the City Secretary of the City of Lavon, Texas (the "City"), by Carolyn McCartney Culbert, Janet McCartney Johnson, Blake Boyd McCartney, Roy Brian Webb, and Andrea Kay Campbell (collectively, the "Owners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), requesting that the City create a public improvement district (the "District") to include property collectively owned by the Owners and located within the extraterritorial jurisdiction or corporate limits of the City (the "Property"), more particularly described in Exhibit A and depicted in Exhibit B. In support of this Petition, the Owners would present the following:

1. General Nature of the Authorized Improvements. The purposes of the District include the design, acquisition, and construction of public improvement projects authorized by §372.003(b) of the Act that are necessary for development of the Property, which public improvements will include, but not be limited to, water and wastewater system improvements, drainage improvements, streets, roadway improvements, sidewalks, right-of-way acquisition, utility easement acquisition, and other improvement projects (collectively, the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the Property.

2. Estimated Cost of the Authorized Improvements. The Owners estimate that the cost to design, acquire, and construct the Authorized Improvements is \$40,000,000.

3. Boundaries of the Proposed District. The District is proposed to include the Property.

4. Proposed Method of Assessment. The City shall levy an assessment on each residential lot within the District to pay the cost of the Authorized Improvements in a manner that results in imposing equal shares of the cost on property similarly benefited. Each assessment may be paid in full at any time (including accrued and unpaid interest) or may be paid in annual installments (including interest and debt). The assessments must be paid in amounts necessary to meet annual costs for the Authorized Improvements and must continue for a period necessary to retire the indebtedness on the Authorized Improvements.

5. Proposed Apportionment of Cost between the District and the City. The City shall not be obligated to provide any funds to finance the Authorized Improvements. The cost of the Authorized Improvements will be paid from (i) the proceeds of bonds to be issued by the District, which bonds will be repaid from the assessments, and (ii) other sources of funds, if any, available to the Owners.

6. Management of the District. The Owners propose that the District be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

7. Owners Request Establishment of the District. The person signing this Petition requests the establishment of the District.

8. Advisory Board. The Owners propose that the District be established and managed without the creation of any advisory body.

This Petition has been signed by (1) the owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and (2) record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.

This Petition is hereby filed with the City Secretary of the City in support of the creation of the District by the City Commission as herein provided. The undersigned requests that the City Commission grant its consent as above stated.

*[Signature pages follow]*

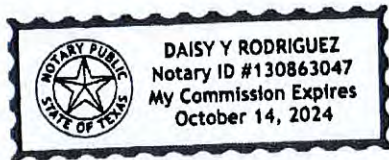
RESPECTFULLY SUBMITTED, on this the 2 day of September, 2021.

**OWNERS:**

Carolyn McCartney Culbert  
Carolyn McCartney Culbert

STATE OF TEXAS           §  
  §  
COUNTY OF Dallas       §

This instrument was acknowledged before me, on the 2<sup>nd</sup> day of September, 2021, by Carolyn McCartney Culbert, an individual.



Daisy Rodriguez  
Notary Public in and for the State of Texas

[SEAL]

[Signature pages follow]

RESPECTFULLY SUBMITTED, on this the \_\_\_\_ day of \_\_\_\_\_, 2021.

**OWNERS:**

Carolyn McCartney Culbert

STATE OF TEXAS            §  
   §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me, on the \_\_\_\_ day of \_\_\_\_\_, 2021, by Carolyn McCartney Culbert, an individual.

Notary Public in and for the State of Texas

[SEAL]

*Janet McCartney Johnson*  
Janet McCartney Johnson

STATE OF TEXAS            §  
   §  
COUNTY OF Hunt §

This instrument was acknowledged before me, on the 2 day of Sept., 2021, by Janet McCartney Johnson, an individual.

Blake B. McCartney  
Blake Boyd McCartney

STATE OF TEXAS           §  
  §  
COUNTY OF Dallas       §

This instrument was acknowledged before me, on the 2<sup>nd</sup> day of September, 2021, by Blake Boyd McCartney, an individual.



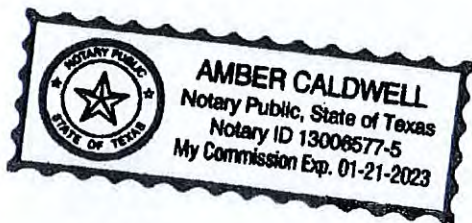
Kathy L. Phillips  
Notary Public in and for the State of Texas

[SEAL]

Roy Brian Webb  
Roy Brian Webb

STATE OF TEXAS           §  
  §  
COUNTY OF Ellis       §

This instrument was acknowledged before me, on the 3 day of September, 2021, by Roy Brian Webb, an individual.



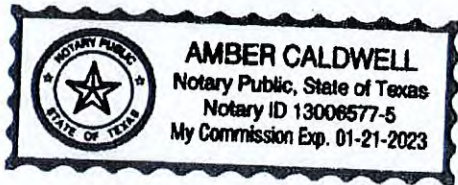
[SEAL]

Amber Caldwell  
Notary Public in and for the State of Texas

Andrea Kay Campbell  
Andrea Kay Campbell

STATE OF TEXAS           §  
  §  
COUNTY OF Ellis       §

This instrument was acknowledged before me, on the 3 day of September, 2021, by Andrew Kay Campbell, an individual.



Amber Caldwell  
Notary Public in and for the State of Texas

[SEAL]

### Exhibit A

**BEING** a tract of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County, Texas and being all of a called 30.000 acre tract of land described as Parcel No. 1 – Tract 5 – Monkey Run West and portion of a called 112.5 acre tract of land described as Parcel No. 1 – Tract 6 – Monkey Run East in a Partition Deed to O'Reda Boyd McCartney, as recorded in Volume 816, Page 651 of the Deed Records of Collin County, Texas, and also being the remainder of a called 90 acre tract of land described as Tract 1 (Lavon Place) in a Special Warranty Deed to Roy Brian Webb and Andrea Kay Campbell, as recorded in Volume 4761, Page 200 of the Land Records of Collin County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2 inch iron rod found for the northwest corner of said Tract 6, common to the southwest corner of a called 5.000 acre tract of land described in a deed to Thomas Moon, as recorded in Instrument No. 96-0085000 of the Official Public Records of Collin County, Texas, being on the easterly line of a called 10.239 acre tract of land described in a deed to Scott Goodwin and Kathy Goodwin, as recorded in Instrument No. 95-0043368 of the Land Records of Collin County, Texas, and in County Road No. 484, a variable width right-of-way, no record found;

**THENCE** North 79°37'10" East, departing said County Road No. 484 and the easterly line of said 10.239 acre tract, along the northerly line of said Tract 6 and the southerly line of said 5.000 acre tract, a distance of 614.28 feet to a 1/2 inch iron rod found for corner;

**THENCE** North 77°36'57" East, continuing along the northerly line of said Tract 6 and the southerly line of said 5.000 acre tract, a distance of 441.96 feet to a 1/2 inch iron rod found for the southeast corner of said 5.000 acre tract, common to the southwest corner of a called 75.249 acre tract of land described in a deed to Starlight Homes of Texas, LLC, as recorded in Instrument No. 20180518000609060 of the Official Public Records of Collin County, Texas;

**THENCE** North 78°41'41" East, continuing along the northerly line of said Tract 6 and the southerly line of said 75.249 acre tract, a distance of 313.41 feet to a 1/2 inch iron rod found for the northerly northeast corner of said Tract 6, same being on northerly line of said 90 acre tract;

**THENCE** North 76°51'00" East, along the northerly line of said 90 acre tract and the southerly line of said 75.249 acre tract, a distance of 1088.75 feet to a 1/2 inch iron rod found for the southeast corner of said 75.249 acre tract, common to the southwest corner of a called 92.267 acre tract of land described in a deed to Bloomfield Homes, LP, as recorded in Instrument No. 20180713000870110 of the Official Public Records of Collin County, Texas;

**THENCE** North 76°50'07" East, continuing along the northerly line of said 90 acre tract and along the southerly line of said 92.267 acre tract, a distance of 1358.12 feet to a 1/2 inch iron rod found for the northeast corner of said 90 acre tract, common to an ell corner of said 92.267 acre tract;

**THENCE** South 2°49'59" East, along the easterly line of said 90 acre tract and the southerly line of said 92.267 acre tract, a distance of 7.53 feet to a 1/2 inch iron rod found for an exterior corner

of said 92.267 acre tract, common to the northwest corner of a called 57.075 acre tract of land described as Tract 1 in a deed to Bloomfield Homes, LP, as recorded in Instrument No. 2018050000655680 of the Official Public Records of Collin County, Texas, same being on the westerly right-of-way line of County Road No. 483, a variable width right-of-way, no record found;

**THENCE** South 0°33'28" West, continuing along the easterly line of said 90 acre tract, along the westerly line of said 57.075 acre tract and the westerly right-of-way line of said County Road No. 483, a distance of 1473.51 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said 90 acre tract, common to the northerly southwest corner of said 57.075 acre tract, being on the northerly line of Meadow Creek Estates, according to the plat thereof recorded in Cabinet G, Page 485 of the Plat Records of Collin County, Texas;

**THENCE** North 89°18'33" West, departing the westerly right-of-way line of said County Road No. 483, along the southerly line of said 90 acre tract and the northerly line of said Meadow Creek Estates, a distance of 2327.88 feet to a 1/2 inch iron rod found for the northwest corner of said Meadow Creek Estates, common to the southerly northeast corner of aforesaid 112.5 acre tract;

**THENCE** South 1°01'04" West, departing the southerly line of said 90 acres, along the easterly line of said Tract 6 and the westerly line of said Meadow Creek Estates, a distance of 2529.75 feet to a point for corner on the southerly line of a 170 foot wide Texas Municipal Power Agency Electric Easement, as recorded in Volume 1365, Page 407 of the Deed Records of Collin County, Texas;

**THENCE** North 70°13'50" West, departing the easterly line of said Tract 6 and the westerly line of said Meadow Creek Estates, and crossing said Tract 6 and along the southerly line of said easement, a distance of 1492.31 feet to a point for corner on the westerly line of said Tract 6, the easterly line of a called 35.191 acre tract of land described as Tract 1 in a deed to Bear Camp Residential, LP, as recorded in Instrument No. 20210115000095820 of the Official Public Records of Collin County, Texas, and in the approximate centerline of aforesaid County Road No. 484;

**THENCE** North 1°04'28" East, departing the southerly line of said easement, along the westerly line of said Tract 6, the easterly line of said 35.191 acre tract, and said County Road No. 484, a distance of 556.09 feet to a mag nail set for the northeast corner of said Tract 1, common to the southeast corner of aforesaid Tract 5;

**THENCE** North 88°54'08" West, departing the approximate centerline of said County Road No. 483 and the westerly line of said Tract 6, along the southerly line of said Tract 5 and the northerly line of said Tract 1, a distance of 1175.53 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southwest corner of said Tract 5;

**THENCE** North 1°44'46" East, departing the northerly line of said Tract 1, along the westerly line of said Tract 5, passing at a distance of 0.68 feet the southeast corner of a called 3.68 acre tract of land described as Tract I in a deed to Johnny E. Sorrells, as recorded in Instrument No. 20120302000248200 of the Official Public Records of Collin County, Texas, and continuing

along the same course and along the easterly line of said Tract I, passing at a distance of 1040.21 feet a 5/8 inch iron rod found for witness, and continuing along the same course, for a total distance of 1070.21 feet to a mag nail set for the northwest corner of said Tract 5, common to the northeast corner of said Tract I, being in the centerline of County Road No. 485, a variable width right-of-way, no record found;

**THENCE** South 89°00'14" East, along the northerly line of said Tract 5 and the centerline of said County Road No. 485, a distance of 1170.83 feet to a mag nail set for the northeast corner of said Tract 5, being on the westerly line of said Tract 6 and in the centerline of said County Road No. 484;

**THENCE** North 1°29'36" East, along the westerly line of said Tract 6 and the centerline of said County Road No. 484, a distance of 1026.04 feet to the **POINT OF BEGINNING** and containing 190.774 acres (8,310,121 square feet) of land, more or less.

**Exhibit B**

BEING a tract of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County, Texas and being all of a called 30.000 acre tract of land described as Parcel No. 1 - Tract 5 - Monkey Run West and portion of a called 112.5 acre tract of land described as Parcel No. 1 - Tract 8 - Monkey Run East in a Partition Deed to O'Reda Boyd McCartney, as recorded in Volume 818, Page 651 of the Deed Records of Collin County, Texas, and also being the remainder of a called 90 acre tract of land described as Tract 1 (Laron Place) in a Special Warranty Deed to Roy Brian Webb and Andrea Kay Campbell, as recorded in Volume 4781, Page 200 of the Land Records of Collin County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2 inch iron rod found for the northwest corner of said Tract 8, common to the southwest corner of a called 5.000 acre tract of land described in a deed to Thomas Moon, as recorded in Instrument No. 96-0085000 of the Official Public Records of Collin County, Texas, being on the easterly line of a called 10.239 acre tract of land described in a deed to Scott Goodwin and Kathy Goodwin, as recorded in Instrument No. 95-0043368 of the Land Records of Collin County, Texas, and in County Road No. 484, a variable width right-of-way, no record found;

**THENCE** North 76°37'10" East, departing said County Road No. 484 and the easterly line of said 10.239 acre tract, along the northerly line of said Tract 8 and the southerly line of said 5.000 acre tract, a distance of 814.28 feet to a 1/2 inch iron rod found for corner;

**THENCE** North 77°38'57" East, continuing along the northerly line of said Tract 8 and the southerly line of said 5.000 acre tract, a distance of 441.96 feet to a 1/2 inch iron rod found for the southeast corner of said 5.000 acre tract, common to the southwest corner of a called 75.249 acre tract of land described in a deed to Starlight Homes of Texas, LLC, as recorded in Instrument No. 20180518000806060 of the Official Public Records of Collin County, Texas;

**THENCE** North 78°41'41" East, continuing along the northerly line of said Tract 8 and the southerly line of said 75.249 acre tract, a distance of 313.41 feet to a 1/2 inch iron rod found for the northerly northeast corner of said Tract 8, same being on northerly line of said 90 acre tract;

**THENCE** North 78°51'00" East, along the northerly line of said 90 acre tract and the southerly line of said 75.249 acre tract, a distance of 1088.75 feet to a 1/2 inch iron rod found for the southeast corner of said 75.249 acre tract, common to the southwest corner of a called 92.267 acre tract of land described in a deed to Bloomfield Homes, LP, as recorded in Instrument No. 20180713000870110 of the Official Public Records of Collin County, Texas;

**THENCE** North 79°50'07" East, continuing along the northerly line of said 90 acre tract and along the southerly line of said 92.267 acre tract, a distance of 1358.12 feet to a 1/2 inch iron rod found for the northeast corner of said 90 acre tract, common to an ell corner of said 92.267 acre tract;

**THENCE** South 2°49'58" East, along the easterly line of said 90 acre tract and the southerly line of said 92.267 acre tract, a distance of 7.53 feet to a 1/2 inch iron rod found for an exterior corner of said 92.267 acre tract, common to the northeast corner of a called 57.075 acre tract of land described as Tract 1 in a deed to Bloomfield Homes, LP, as recorded in Instrument No. 2018050008658890 of the Official Public Records of Collin County, Texas, same being on the westerly right-of-way line of County Road No. 483, a variable width right-of-way, no record found;

**THENCE** South 0°33'28" West, continuing along the easterly line of said 90 acre tract, along the westerly line of said 57.075 acre tract and the westerly right-of-way line of said County Road No. 483, a distance of 1473.51 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said 90 acre tract, common to the northerly southwest corner of said 57.075 acre tract, being on the northerly line of Meadow Creek Estates, according to the plat thereof recorded in Cabinet 3, Page 485 of the Plat Records of Collin County, Texas;

Continued on Sheet 2

**190.774 ACRES**  
**S. ROBERTS SURVEY, ABSTRACT NO. 773**  
**D. ANGLIN SURVEY, ABSTRACT NO. 2**  
**COLLIN COUNTY, TEXAS**

<b>Kimley»Horn</b>					
8100 Victoria Parkway Suite 210 Frisco, Texas 75034		P.O. Box 100000 Dallas, Texas 75210		Tel. No. 972.350.2600 Fax No. 972.350.3770	
<b>State</b>	<b>Drawn by</b>	<b>Checked by</b>	<b>Date</b>	<b>Project No.</b>	<b>Sheet No.</b>
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Continued from Sheet 1

THENCE North 89°18'33" West, departing the westerly right-of-way line of said County Road No. 483, along the southerly line of said 90 acre tract and the northerly line of said Meadow Creek Estates, a distance of 2327.88 feet to a 1/2 inch iron rod found for the northwest corner of said Meadow Creek Estates, common to the southerly northeast corner of aforesaid 112.5 acre tract.

THENCE South 1°01'04" West, departing the southerly line of said 90 acres, along the easterly line of said Tract 6 and the westerly line of said Meadow Creek Estates, a distance of 2529.75 feet to a point for corner on the southerly line of a 170 foot wide Texas Municipal Power Agency Electric Easement, as recorded in Volume 1369, Page 407 of the Deed Records of Collin County, Texas;

THENCE North 70°13'50" West, departing the easterly line of said Tract 6 and the westerly line of said Meadow Creek Estates, and crossing said Tract 6 and along the southerly line of said easement, a distance of 1492.31 feet to a point for corner on the westerly line of said Tract 6, the easterly line of a called 36.191 acre tract of land described as Tract 1 in a deed to Bear Camp Residential, LP, as recorded in Instrument No. 2021011500095820 of the Official Public Records of Collin County, Texas, and in the approximate centerline of aforesaid County Road No. 484;

THENCE North 1°04'28" East, departing the southerly line of said easement, along the westerly line of said Tract 5, the easterly line of said 35.191 acre tract, and said County Road No. 484, a distance of 536.09 feet to a mag nail set for the northeast corner of said Tract 1, common to the southeast corner of aforesaid Tract 5;

THENCE North 88°54'08" West, departing the approximate centerline of said County Road No. 483 and the westerly line of said Tract 6, along the southerly line of said Tract 6 and the northerly line of said Tract 1, a distance of 1175.63 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southwest corner of said Tract 5;

THENCE North 1°44'46" East, departing the northerly line of said Tract 1, along the westerly line of said Tract 5, passing at a distance of 0.68 feet the southeast corner of a called 3.68 acre tract of land described as Tract 1 in a deed to Johnny E. Somells, as recorded in Instrument No. 20120302000248200 of the Official Public Records of Collin County, Texas, and continuing along the same course and along the easterly line of said Tract 1, passing at a distance of 1040.21 feet a 5/8 inch iron rod found for witness, and continuing along the same course, for a total distance of 1070.21 feet to a mag nail set for the northwest corner of said Tract 5, common to the northeast corner of said Tract 1, being in the centerline of County Road No. 485, a variable width right-of-way, no record found;

THENCE South 80°00'14" East, along the northerly line of said Tract 5 and the centerline of said County Road No. 485, a distance of 1170.63 feet to a mag nail set for the northeast corner of said Tract 5, being on the westerly line of said Tract 6 and in the centerline of said County Road No. 484.

THENCE North 1°29'30" East, along the westerly line of said Tract 6 and the centerline of said County Road No. 484, a distance of 1026.04 feet to the POINT OF BEGINNING and containing 160.774 acres (8,310,121 square feet) of land, more or less.

**PRELIMINARY**  
THIS DOCUMENT SHALL  
NOT BE RECORDED FOR  
ANY PURPOSE AND  
SHALL NOT BE USED OR  
VIEWED OR RELIED  
UPON AS A FINAL  
SURVEY DOCUMENT

SYLVIANA GUNAWAN  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 6461  
E 168 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3560  
sylviana.gunawan@kimley-horn.com

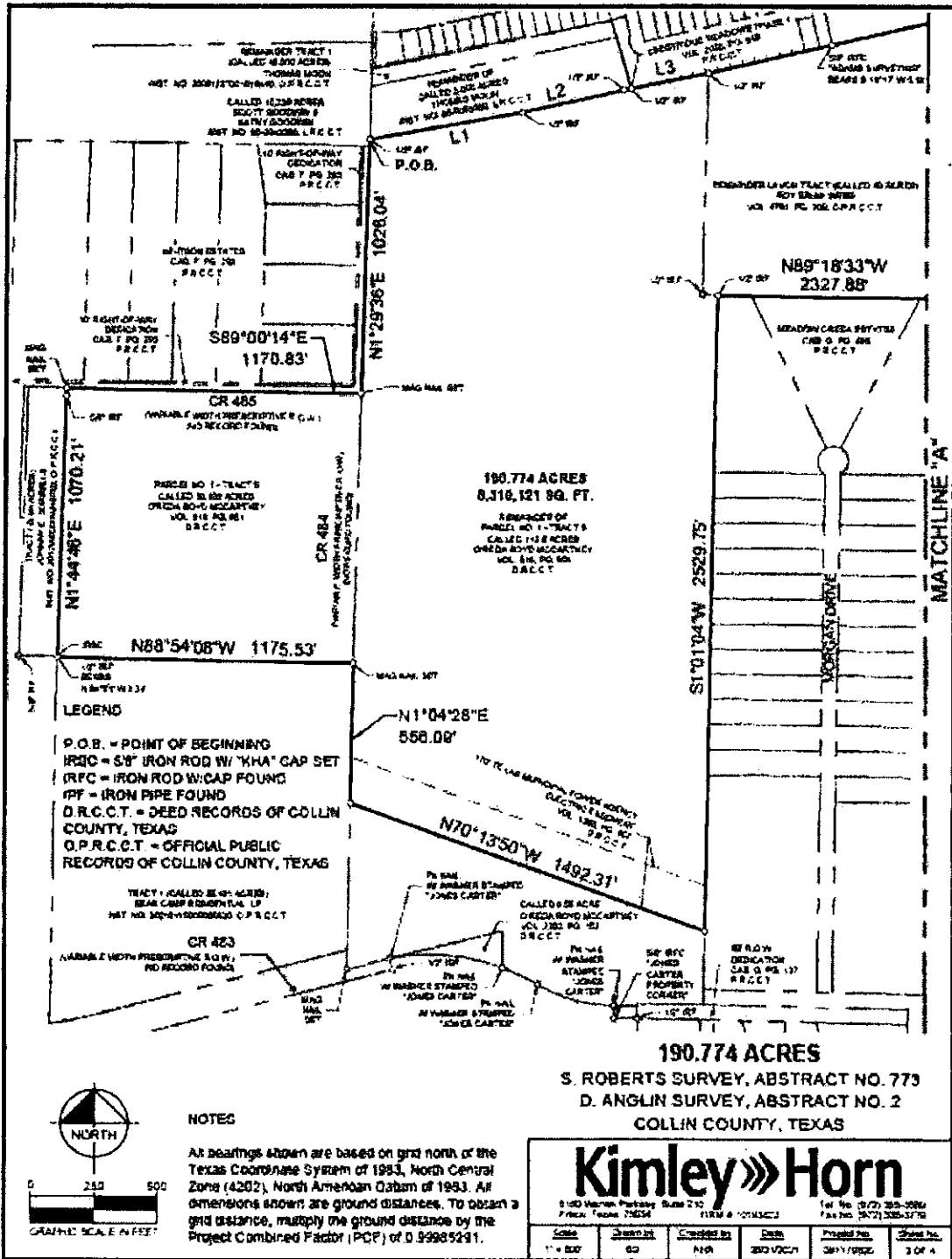
**190.774 ACRES**  
S. ROBERTS SURVEY, ABSTRACT NO. 773  
D. ANGLIN SURVEY, ABSTRACT NO. 2  
COLLIN COUNTY, TEXAS

**Kimley»Horn**

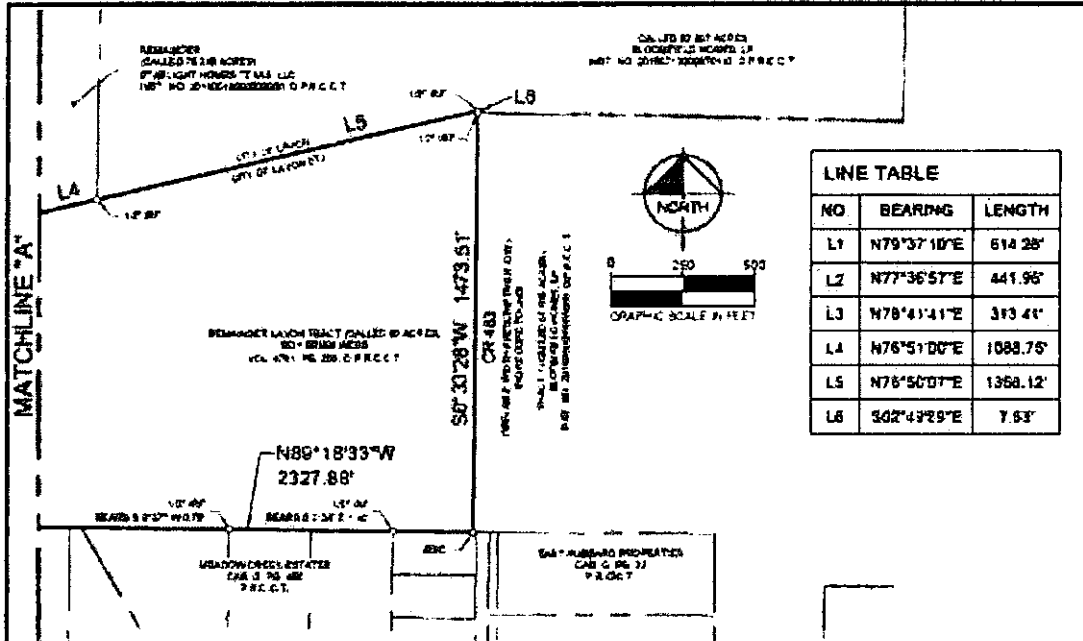
6160 Kimley-Horn Parkway, Suite 210 Frisco, Texas 75034 FAX # 972-335-3560 Tel. No. (972) 335-3560 Fax No. (972) 335-3776

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
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SECTION 34, T12N, R10E, CO. 10, TEXAS. SURVEYED BY KIMLEY-HORN FOR THE ROBERTS FAMILY LIMITED PARTNERSHIP



**PRELIMINARY**

THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

SYLVIANA GUNAWAN  
 REGISTERED PROFESSIONAL  
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190.774 ACRES  
 S. ROBERTS SURVEY, ABSTRACT NO 773  
 D. ANGLIN SURVEY, ABSTRACT NO. 2  
 COLLIN COUNTY, TEXAS

**Kimley»Horn**

<small>1900 Highway Parkway Suite 210          Frisco, Texas 75034</small>	<small>1970 S 10th Street          Suite 1000          Frisco, Texas 75034</small>	<small>Tel. No. 972-335-3580          Fax No. 972-335-3715</small>
<small>Scale          1" = 500'</small>	<small>Drawn by          SB</small>	<small>Checked by          NHR</small>
<small>Date          08/11/2009</small>	<small>Project No.          081170000</small>	<small>Sheet No.          4 OF 4</small>

## EXHIBIT B

### CITY OF LAVON, TEXAS NOTICE OF PUBLIC HEARING REGARDING THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT

Pursuant to Section 372.009(c) and (d) of the Texas Local Government Code, as amended, notice is hereby given that the City Council of the City of Lavon, Texas (“Lavon”), will hold a public hearing to accept public comments and discuss the petition (the “Petition”), filed by Carolyn McCartney Culbert, Janet McCartney Johnson, Blake Boyd McCartney, Roy Brian Webb and Andrea Kay Campbell (collectively, the “Petitioners”), requesting that Lavon create the Trails of Lavon Public Improvement District (the “District”) to include property owned by the Petitioners.

**Time and Place of the Hearing.** The public hearing will start at or after 7:00 p.m. on October 19, 2021 at Lavon City Hall, 120 School Road, Lavon, Texas 75166.

**General Nature of the Proposed Authorized Improvements.** The purposes of the District include the design, acquisition, construction, and improvement of public improvement projects authorized by the Public Improvement District Assessment Act, codified as Chapter 372, Texas Local Government Code, as amended (the “Act”), that are necessary for the development of the property within the District, which public improvements may include, but not be limited to: water and wastewater system improvements, drainage improvements, street, roadway and sidewalk improvements, right-of-way acquisition, utility easement acquisition, and other improvement projects; payment of costs associated with operating and maintaining the public improvements listed above; payment of costs associated with developing and financing the public improvements listed above; and costs of establishing, administering, and operating the District (the “Authorized Improvements”).

**Estimated Cost of the Authorized Improvements.** The estimated cost to design, acquire and construct the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in establishment, administration and operation of the District is \$40,000,000.

**Proposed District Boundaries.** The District is proposed to include approximately ±190.774 acres of land in Lavon’s extraterritorial jurisdiction situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County, State of Texas, and generally located east and southwest of the intersection of CR 485 and CR 484, northeast of the intersection of CR 484 and CR 483, and as more particularly described by a metes and bounds description available at Lavon City Hall located at 120 School Road, Lavon, Texas 75166 and available for public inspection.

**Proposed Method of Assessment.** Lavon shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. All assessments may be paid in full at any time (including interest and debt), and certain assessments may be paid in annual installments (including interest and debt). If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessment, and must continue for a period necessary to retire the indebtedness issued to finance or refinance those Authorized Improvements (including interest).

**Proposed Apportionment of Cost between the District and Lavon.** Lavon will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on the District property. The Petitioners may also pay certain costs of the improvements from other funds available to it as developer of the District.

**Schedule of Events for the Creation of a Public Improvement District  
and Levy of Assessments  
Chapter 372, Local Government Code (the "Act")**

**Creation:**

1. Petition of Property Owners to create PID is filed with the City Secretary (petition may be initiated by City or property owners)
2. Verification by City Secretary that Petition meets requirements of the Act
3. City Council receives petition and calls public hearing
4. Notice of public hearing published (before the 15<sup>th</sup> day before the date of the hearing)
5. Notice of public hearing mailed to property owners (before the 15<sup>th</sup> day before the date of the hearing)
6. Public hearing on creation of PID<sup>(1)</sup>
7. Resolution creating PID<sup>(1)</sup>
8. Publication of Resolution (in its entirety) (20 day, from date of publication, referendum period before construction of PID funded improvements may begin)

**Assessment:**

9. Appraisal of benefits
10. Preparation of proposed assessment roll
11. Proposed assessment roll approved by City Council and filed with City Secretary
12. City Council calls public hearing on assessment roll<sup>(1)</sup>
13. Notice of public hearing published (before the 10<sup>th</sup> day before the date of the hearing)
14. Notice of public hearing mailed to property owners by City Secretary upon filing of proposed assessment roll (before the 10<sup>th</sup> day before the date of the hearing)
15. Public hearing on proposed assessment roll<sup>(2)</sup>
16. Ordinance levying assessments<sup>(2)</sup>
17. Assessment ordinance filed in County real property records

(1) May be scheduled and occur at the same meeting.

(2) May be scheduled and occur at the same meeting.





## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 9 - G

**Item:**

Discussion and action regarding Resolution No. **2021-09-13** accepting a Petition Requesting Annexation By Area Landowners and approving and authorizing the Mayor to execute a Municipal Services Agreement with the landowners for the purpose of offering municipal services for property described as 205.503 acres of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, and the portions of County Road 485, County Road 484, and County Road 483, and adjacent right-of-way abutting the property, Collin County, Texas to be voluntarily annexed into the corporate limits of the City of Lavon, Texas; calling for a public hearing; and providing an effective date.

**Background:**

Together, the owners of the property proposed as the Trails of Lavon development own property consisting of 205.503 acres adjacent to and in the extraterritorial jurisdiction (ETJ) of the City of Lavon. The property owner desires to annex into the City of Lavon and have submitted a petition to do so. The state law provides that a city may annex property on the request of the owner, the provisions of which are detailed in the Texas Local Government Code.

***Code Excerpt:***

**TEXAS LOCAL GOVERNMENT CODE**

**SUBCHAPTER C-3. ANNEXATION OF AREA ON REQUEST OF OWNERS:**

Sec. 43.0671. AUTHORITY TO ANNEX AREA ON REQUEST OF OWNERS. Notwithstanding Subchapter C-4 or C-5, a municipality may annex an area if each owner of land in the area requests the annexation.

Sec. 43.0672. WRITTEN AGREEMENT REGARDING SERVICES. (a) The governing body of the municipality that elects to annex an area under this subchapter must first negotiate and enter into a written agreement with the owners of land in the area for the provision of services in the area.

(b) The agreement must include:

- (1) a list of each service the municipality will provide on the effective date of the annexation; and
- (2) a schedule that includes the period within which the municipality will provide each service that is not provided on the effective date of the annexation.

(c) The municipality is not required to provide a service that is not included in the agreement.

Sec. 43.0673. PUBLIC HEARING. (a) Before a municipality may adopt an ordinance annexing an area under this subchapter, the governing body of the municipality must conduct one public hearing.

(c) During the public hearing, the governing body:

- (1) must provide persons interested in the annexation the opportunity to be heard; and
- (2) may adopt an ordinance annexing the area.

(d) The municipality must post notice of the hearing on the municipality's Internet website if the municipality has an Internet website and publish notice of the hearing in a newspaper of general circulation in the municipality and in the area proposed for annexation. The notice for the hearing must be:

- (1) published at least once on or after the 20th day but before the 10th day before the date of the hearing; and
- (2) posted on the municipality's Internet website on or after the 20th day but before the 10th day before the date of the hearing and must remain posted until the date of the hearing.

The landowners have agreed to and executed a Municipal Services Agreement that sets out the provision of municipal services to the annexed area.

The City Council may direct that a public hearing be scheduled for the regular meeting on October 19, 2021. The annexation ordinance may be adopted after the public hearing on October 19, 2021.

An application to consider a zoning change from temporary Agricultural (A) to Planned Development (PD) is scheduled to be considered concurrently with the annexation proceeding. The application is consistent with the Comprehensive Plan and Future Land Use Plan.

**Financial Implication:**

The cost related to the provision of services to the property can be accomplished within current budget parameters and with the provisions of a proposed development agreement. The property will be subject to the same taxes and fees that are applicable within the city.

**Staff Notes:**

Approval is recommended.

- Attachments:**
1. Proposed Resolution including Municipal Services Agreement
  2. Petition for Annexation from Landowner

**CITY OF LAVON, TEXAS**  
**RESOLUTION NO. 2021-09-13**

Petition for annexation of 205.503 acres – Trails of Lavon

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS, ACCEPTING A PETITION REQUESTING ANNEXATION BY AREA LANDOWNERS AND APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A MUNICIPAL SERVICES AGREEMENT WITH THE LANDOWNERS FOR THE PURPOSE OF OFFERING MUNICIPAL SERVICES FOR PROPERTY DESCRIBED AS 205.503 ACRES OF LAND SITUATED IN THE S. ROBERTS SURVEY, ABSTRACT NO. 773 AND THE D. ANGLIN SURVEY, ABSTRACT NO. 2, AND THE PORTIONS OF COUNTY ROAD 485, COUNTY ROAD 484, AND COUNTY ROAD 483, AND ADJACENT RIGHT-OF-WAY ABUTTING THE PROPERTY, COLLIN COUNTY, TEXAS TO BE VOLUNTARILY ANNEXED INTO THE CORPORATE LIMITS OF THE CITY OF LAVON, TEXAS; CALLING FOR A PUBLIC HEARING; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Carolyn McCartney Culbert, Janet McCartney Johnson, Blake Boyd McCartney, Roy Brian Webb, and Andrea Kay Campbell (collectively, the "Owners"), own a parcel of real property described as the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, containing 205.503 acres located in the extraterritorial jurisdiction of the City of Lavon, Collin County, Texas ("Property"); and

**WHEREAS**, the City Council of the City of Lavon, Texas ("City Council") has received a petition for voluntary annexation from the Owners requesting that the City of Lavon, Texas ("City") initiate annexation proceedings on the Property; and

**WHEREAS**, the City and Owners desire to enter into a Municipal Services Agreement pursuant to Section 43.0672 of the Texas Local Government Code to address the provision of municipal services to be offered to the Owner's Property on the date of annexation, and a schedule that includes the period within which the City will provide any municipal service that is not provided on the effective date of annexation; and

**WHEREAS**, Section 43.106 of the Texas Local Government Code requires a municipality to annex the entire width of a county road and adjacent right of way on both sides when the property abuts a county road; and

**WHEREAS**, before the City may adopt an ordinance annexing Property under Chapter 43 of the Texas Local Government Code, the City Council must conduct a public hearing to provide persons interested in the annexation the opportunity to be heard.

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

**SECTION 1: Recitals Incorporated.** The findings recited above are incorporated as if fully set forth in the body of this Resolution.

SECTION 2: Authorization to Execute. The Mayor of the City is hereby authorized and directed, on behalf of the City Council of Lavon, Texas, to execute a Municipal Services Agreement by and between the City of Lavon and Collin County, a copy of which is attached hereto as Exhibit "A".

SECTION 3: Public Hearing Called. The City Council will call for a public hearing to be scheduled to provide persons interested in the annexation of the Property an opportunity to be heard. The City Secretary is directed to post notice of the public hearing on the City's website and publish notice of the public hearing to receive comments on the proposed annexation. The notice for the hearing must be published at least once on or after the 20th day but before the 10th day before the date of the hearing. The notice for the hearing must be posted on the City's website on or after the 20th day but before the 10th day before the date of the hearing and must remain posted until the date of the hearing.

SECTION 4: Effective Date. This Resolution shall take effect immediately upon its passage.

**DULY PASSED AND APPROVED** by the City Council of the City of Lavon, Texas on the 21<sup>st</sup> day of September 2021.

---

Vicki Sanson  
Mayor

ATTEST:

---

Rae Norton  
City Secretary

**EXHIBIT A**

Trails of Lavon

Municipal Services Agreement

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

STATE OF TEXAS            )  
  )  
COUNTY OF COLLIN        )

**CHAPTER 43 TEXAS LOCAL GOVERNMENT CODE  
MUNICIPAL SERVICES AGREEMENT**

This Municipal Services Agreement ("Agreement") is entered into pursuant to Section 43.0672 of the Texas Local Government Code by and between the City of Lavon, Texas (the "City") and the undersigned property owner(s) (the "Owner"). The term "Owner" includes all owners of the Property. City and Owner may be referred individually as a "Party" and collectively referred to as the "Parties."

**WHEREAS**, the Owner owns a parcel of real property (the "Property") in Collin County, Texas, legally described as \_\_\_\_\_, and more particularly described on Exhibit "A" attached hereto; and

**WHEREAS**, the Parties desire to enter into this Agreement pursuant to Section 43.0672 of the Texas Local Government Code in order to address the provision of municipal services to be offered to the Property on the date of annexation, and a schedule that includes the period within which the City will provide any municipal service that is not provided on the effective date of annexation, as shown in Exhibit "B" attached hereto; and

**WHEREAS**, the Owner and the City acknowledge that this Agreement is binding upon the City and the Owner and their respective successors and assigns for the term (defined below) of this Agreement; and

**WHEREAS**, this Agreement is to be recorded in the Real Property Records of Collin County.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the Parties hereto agree as follows:

**Section 1.** The City acknowledges and agrees that it shall provide the municipal services listed in Exhibit "B" to the Property pursuant to Chapter 43 of Texas Local Government Code upon annexation of the Property.

**Section 2.** The Owner acknowledges that each and every owner of the Property must sign this Agreement in order for the Agreement to take full effect, and the Owner who signs this Agreement covenants and agrees, jointly and severably, to indemnify, hold harmless, and defend the City against any and all legal claims, by any person claiming an ownership interest in the Property who has not signed the Agreement, arising in any way from the City's reliance on this Agreement.

**Section 3.** The Owner agrees and stipulates that such annexation of the Property is voluntary, and the Owner has submitted a petition for such annexation to the City. Furthermore, the Owner hereby waives any and all vested rights and claims that they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any actions Owner has taken. Owner acknowledges and stipulates that this Agreement is not a permit, as defined in Texas Local Government Code, Section 245.001(1), required by the City.

**Section 4.** The Parties acknowledge and agree that nothing in this Agreement shall require the City to provide a uniform level of full municipal services to each area of the City, including the annexed Property, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of municipal service. Furthermore, the Parties acknowledge and agree that this Agreement will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

**Section 5.** The Owner acknowledges that the City's codes, ordinances, regulations and policies ("Regulations") that apply throughout the City, including the Property, may be reviewed at City Hall and at [www.cityoflavon.com](http://www.cityoflavon.com) and shall adhere to all such regulations in development of the Property.

**Section 6.** This Agreement shall be valid for a term of ten (10) years. Renewal of the Agreement shall be at the discretion of the City Council and must be approved by ordinance. The Owner agrees that this Agreement may be amended without the written consent or knowledge of the Owner if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Agreement unworkable or obsolete. Furthermore, the Owner acknowledges and agrees that the City Council may amend the services provided under this Agreement without the written consent of the Owner in order to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances existing pursuant to the Local Government Code or other Texas or Federal laws that make this Agreement unworkable, obsolete or unlawful.

**Section 7.** Owner acknowledges and agrees that the Property to be annexed will initially be zoned AG – Agricultural pursuant to the City's Code of Ordinances, pending determination of the property's permanent zoning in accordance with the provisions of applicable law and the City's Code of Ordinances. Owner acknowledges and agrees that any subsequent rezoning of the Property will be pursuant to the Regulations of the City.

**Section 8.** Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the Party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such Party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the Parties shall be as follows:

To City:

City of Lavon  
Attn: City Administrator  
P.O. Box 340  
Lavon, TX 75166

With Copy to:

Messer, Rockefeller & Fort, P.L.L.C.  
Attn: Wm. Andrew Messer  
6371 Preston Road, Suite 200  
Frisco, Texas 75034

To Owner:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Section 9.** A certified copy of this Agreement shall be recorded in the real property records of Collin County, Texas, and this Agreement shall constitute a covenant that runs with the Property.

**Section 10.** If a court of competent jurisdiction determines that any covenant of this Agreement is void or unenforceable, including the covenants regarding involuntary annexation, then the remainder of this Agreement shall remain in full force and effect.

**Section 11.** This Agreement may be enforced by any Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. Notwithstanding the preceding terms of this section, the City does not waive immunity from suit or liability. Owner acknowledges and agrees that the only recourse against the City for breach or default of the Agreement is disannexation for failure to provide services pursuant to Chapter 43 of the Texas Local Government Code.

**Section 12.** Owner and City acknowledge and expressly agree that no subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's ability to annex the properties covered herein pursuant to the terms of this Agreement.

**Section 13.** The validity of this Agreement and any of its terms and provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be only in Collin County, Texas.

**Section 14.** This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

**Section 15.** This Agreement shall survive its termination to the extent necessary for the implementation of the provisions of Sections 2, 3, 4 and 11 herein.

**Section 16.** This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written, previous and contemporary agreements between the Parties and relating to the matters in this Agreement and except as otherwise provided herein, cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

**Section 17.** The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.

**Section 18.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

SIGNATURES ON FOLLOWING PAGE(S)

**CITY OF LAVON**

By: \_\_\_\_\_  
Name: Vicki Sanson  
Title: Mayor  
Date: \_\_\_\_\_

THE STATE OF TEXAS           §  
  §  
COUNTY OF COLLIN           §

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by Vicki Sanson, Mayor of the City of Lavon, Texas on behalf of said City.

\_\_\_\_\_  
Notary Public in and for the State of Texas

[SEAL]

**OWNERS:**

By: Carolyn McCartney Culbert  
Name: Carolyn McCartney Culbert  
Title:  
Date: 9/13/2021

THE STATE OF TEXAS           §  
  §  
COUNTY OF Dallas           §

This instrument was acknowledged before me on September 13, 2021, by Carolyn McCartney Culbert, owner of said Property.

D. Patterson  
\_\_\_\_\_  
Notary Public in and for the State of Texas

[SEAL]



By: \_\_\_\_\_  
Name: Vicki Sanson  
Title: Mayor  
Date: \_\_\_\_\_

THE STATE OF TEXAS       §  
  §  
COUNTY OF COLLIN       §

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by Vicki Sanson, Mayor of the City of Lavon, Texas on behalf of said City.

Notary Public in and for the State of Texas

[SEAL]

**OWNERS:**

By: \_\_\_\_\_  
Name: Carolyn McCartney Culbert  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

THE STATE OF TEXAS       §  
  §  
COUNTY OF \_\_\_\_\_       §

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by Carolyn McCartney Culbert, owner of said Property.

Notary Public in and for the State of Texas

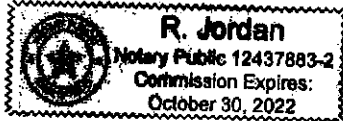
[SEAL]

By:   
Name: Janet McCartney Johnson

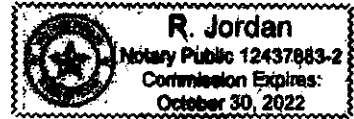
Title: owner  
Date: 9-13-21

THE STATE OF TEXAS           §  
   §  
COUNTY OF Hunt           §

This instrument was acknowledged before me on September 13, 2021, by Janet McCartney Johnson, owner of said Property.



*R Jordan*  
Notary Public in and for the State of Texas



[SEAL]

By: \_\_\_\_\_  
Name: Blake Boyd McCartney  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

THE STATE OF TEXAS           §  
   §  
COUNTY OF \_\_\_\_\_       §

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by Blake Boyd McCartney, owner of said Property.

Notary Public in and for the State of Texas

[SEAL]

By: \_\_\_\_\_  
Name: Roy Brian Webb  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Janet McCartney Johnson  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

THE STATE OF TEXAS           §  
  §  
COUNTY OF \_\_\_\_\_       §

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by Janet McCartney Johnson, owner of said Property.

\_\_\_\_\_  
Notary Public in and for the State of Texas

[SEAL]

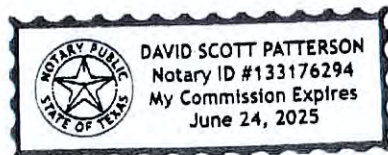
By: Blake Boyd McCartney  
Name: Blake Boyd McCartney  
Title: \_\_\_\_\_  
Date: 9-13-21

THE STATE OF TEXAS           §  
  §  
COUNTY OF Dallas         §

This instrument was acknowledged before me on September 13, 2021, by Blake Boyd McCartney, owner of said Property.

D. Patterson  
\_\_\_\_\_  
Notary Public in and for the State of Texas

[SEAL]



By: Roy Brian Webb  
Name: Roy Brian Webb  
Title: owner  
Date: 9/15/2021

THE STATE OF TEXAS           §  
  §  
COUNTY OF JENNIFER       §

This instrument was acknowledged before me on September 15, 2021, by Roy Brian Webb, owner of said Property.

Stacey Sloan  
\_\_\_\_\_  
Notary Public in and for the State of Texas



By: \_\_\_\_\_  
Name: Andrea Kay Campbell  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

THE STATE OF TEXAS           §  
  §  
COUNTY OF \_\_\_\_\_       §

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by Andrea Kay Campbell, owner of said Property.

\_\_\_\_\_  
Notary Public in and for the State of Texas

[SEAL]

By: \_\_\_\_\_  
Name: Roy Brian Webb  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

THE STATE OF TEXAS §  
§  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by Roy Brian Webb, owner of said Property.

\_\_\_\_\_  
Notary Public in and for the State of Texas

[SEAL]

By: Andrea Kay Campbell  
Name: Andrea Kay Campbell  
Title: Owner  
Date: 9-15-2021

THE STATE OF <sup>Virginia</sup> ~~TEXAS~~ §  
§  
COUNTY OF Chesapeake §

This instrument was acknowledged before me on September 15, 2021, by Andrea Kay Campbell, owner of said Property.

JENNIFER MICHELLE KANTOWSKI  
NOTARY PUBLIC  
REG. #7847062  
COMMONWEALTH OF VIRGINIA  
MY COMMISSION EXPIRES MARCH 31, 2023

Jennifer Michelle Kantowski  
Notary Public in and for the State of ~~Texas~~ Virginia

[SEAL]

**EXHIBIT "A"**  
**Property Description and Depiction**

**TRACT 1:**

**BEING** a tract of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County, Texas and being all of a called 30.000 acre tract of land described as Parcel No. 1 – Tract 5 – Monkey Run West and all of a called 112.5 acre tract of land described as Parcel No. 1 – Tract 6 – Monkey Run East in a Partition Deed to O'Reda Boyd McCartney, as recorded in Volume 816, Page 651 of the Deed Records of Collin County, Texas, and also being all of a called 0.55 acre tract of land described in a Warranty Deed to O'Reda Boyd McCartney, as recorded in Volume 2262, Page 152 of the Deed Records of Collin County, Texas and being more particularly described as follows:

**BEGINNING** at a 1/2 inch iron rod found for the northwest corner of said Tract 6, common to the southwest corner of a called 5.000 acre tract of land described in a deed to Thomas Moon, as recorded in Instrument No. 96-0085000 of the Official Public Records of Collin County, Texas, being on the easterly line of a called 10.239 acre tract of land described in a deed to Scott Goodwin and Kathy Goodwin, as recorded in Instrument No. 95-0043368 of the Land Records of Collin County, Texas, and in County Road No. 484, a variable width right-of-way, no record found;

**THENCE** North 79°37'10" East, departing said County Road No. 484 and the easterly line of said 10.239 acre tract, along the northerly line of said Tract 6 and the southerly line of said 5.000 acre tract, a distance of 614.28 feet to a 1/2 inch iron rod found for corner;

**THENCE** North 77°36'57" East, continuing along the northerly line of said Tract 6 and the southerly line of said 5.000 acre tract, a distance of 441.96 feet to a 1/2 inch iron rod found for the southeast corner of said 5.000 acre tract, common to the southwest corner of Crestridge Meadows Phase 1, according to the plat thereof recorded in Volume 2020, Page 649 of the Plat Records of Collin County, Texas;

**THENCE** North 78°41'41" East, continuing along the northerly line of said Tract 6 and the southerly line of said Crestridge Meadows Phase 1, a distance of 313.41 feet to a 1/2 inch iron rod found for the northerly northeast corner of said Tract 6;

**THENCE** South 1°11'56" West, departing the southerly line of said Crestridge Meadows Phase 1 and along the easterly line of said Tract 6, a distance of 892.93 feet to a 1/2 inch iron rod found for an ell corner of said Tract 6, being on the southerly line of a called 90 acre tract of land described in a deed to Roy Brian Webb, as recorded in Volume 4761, Page 200 of the Official Public Records of Collin County, Texas;

**THENCE** South 86°58'25" East, continuing along the easterly line of said Tract 6 and along the southerly line of said 90 acre tract, a distance of 59.71 feet to a 1/2 inch iron rod found for the southerly northeast corner of said Tract 6, common to the northwest corner of Meadow Creek Estates, as recorded in Cabinet G, Page 485 of the Plat Records of Collin County, Texas;

**THENCE** South 1°01'04" West, departing the southerly line of said 90 acres, along the easterly line of said Tract 6 and the westerly line of said Meadow Creek Estates, passing at a distance of 2765.15 feet a 1/2 inch iron rod found for the southwest corner of said Meadow Creek Estates, being on the northerly right-of-way line of County Road No. 483, a variable width right-of-way, no record found, and continuing along the same course and crossing said County Road No. 483, for a total distance of 2825.15 feet to a mag nail set in the approximate centerline of said County Road No. 483, and on the northerly line of a 60 foot wide right-of-way dedicated in the plat of Caddo Creek Estates, as recorded in Cabinet Q, Page 137 of the Plat Records of Collin County, Texas;

**THENCE** North 88°52'26" West, along the approximate centerline of said County Road No. 483 and the northerly line of said 60 foot wide right-of-way dedication, a distance of 263.30 feet to a mag nail set for the northwest corner of said 60 foot wide right-of-way dedication;

**THENCE** South 0°24'43" East, continuing the approximate centerline of said County Road No. 483 and along the west line of said 60 foot wide right-of-way dedication, a distance of 9.91 feet to a mag nail set for the northeast corner of a called 38.87 acre tract of land described as Sixth Tract in a deed to Lumpkin Family Partnership, Ltd., as recorded in Instrument No. 98-0114379 of the Land Records of Collin County, Texas;

**THENCE** North 89°37'23" West, departing the westerly line of said 60 foot wide right-of-way dedication, continuing along the approximate centerline of said County Road No. 483, and along the northerly line of said 38.87 acre tract and the northerly line of a called 292.141 acre tract of land described as Tract 2 in a deed to Bear Camp Residential, LP, as recorded in Instrument No. 20210115000095820 of the Official Public Records of Collin County, Texas, a distance of 93.64 feet to a PK nail with washer stamped "Jones Carter" found at the beginning of a tangent curve to the right having a central angle of 30°21'31", a radius of 600.00 feet, a chord bearing and distance of North 74°26'37" West, 314.21 feet;

**THENCE** in a northwesterly direction, with said curve to the right, continuing along the southerly line of said Tract 2 and the approximate centerline of said County Road No. 483, an arc distance of 317.92 feet to a PK nail with washer stamped "Jones Carter" found at the beginning of a reverse curve to the left having a central angle of 10°50'27", a radius of 800.00 feet, a chord bearing and distance of North 64°41'04" West, 151.14 feet;

**THENCE** continuing in a northwesterly direction, with said curve to the left, continuing along the northerly line of said Tract 2 and the approximate centerline of said County Road No. 483, an arc distance of 151.37 feet to a PK nail with washer stamped "Jones Carter" found for the southeast corner of aforesaid 0.55 acre tract, and at the beginning of a non-tangent curve to the left having a central angle of 32°28'27", a radius of 800.00 feet, a chord bearing and distance of North 85°15'11" West, 447.38 feet;

**THENCE** continuing in a northwesterly direction, with said curve to the left, continuing along the northerly line of said Tract 2 and the approximate centerline of said County Road No. 483, and along the southerly line of said 0.55 acre tract, an arc distance of 453.42 feet to a PK nail with washer stamped "Jones Carter" found for a northwest corner of said Tract 2, common to the southwest corner of said 0.55 acre tract, same being on the southerly line of said Tract 6;

**THENCE** South 76°01'59" West, continuing along the approximate centerline of said County Road No. 483 and along the southerly line of said Tract 6, a distance of 174.67 feet to a mag nail set for the southwest corner of said Tract 6, being in aforesaid County Road No. 484;

**THENCE** North 1°04'28" East, departing the approximate centerline of said County Road No. 483, along the westerly line of said Tract 6, the easterly line of a called 35.191 acre tract of land described as Tract 1 in said deed to Bear Camp Residential, LP, and along said County Road No. 484, a distance of 1216.68 feet to a mag nail set for the northeast corner of said Tract 1, common to the southeast corner of aforesaid Tract 5;

**THENCE** North 88°54'08" West, departing the approximate centerline of said County Road No. 483 and the westerly line of said Tract 6, along the southerly line of said Tract 5 and the northerly line of said Tract 1, a distance of 1175.53 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southwest corner of said Tract 5;

**THENCE** North 1°44'46" East, departing the northerly line of said Tract 1, along the westerly line of said Tract 5, passing at a distance of 0.68 feet the southeast corner of a called 3.68 acre tract of land described as Tract I in a deed to Johnny E. Sorrells, as recorded in Instrument No. 20120302000248200 of the Official Public Records of Collin County, Texas, and continuing along the same course and along the easterly line of said Tract I, passing at a distance of 1040.21 feet a 5/8 inch iron rod found for witness, and continuing along the same course, for a total distance of 1070.21 feet to a mag nail set for the northwest corner of said Tract 5, common to the northeast corner of said Tract I, being in the centerline of County Road No. 485, a variable width right-of-way, no record found;

**THENCE** South 89°00'14" East, along the northerly line of said Tract 5 and the centerline of said County Road No. 485, a distance of 1170.83 feet to a mag nail set for the northeast corner of said Tract 5, being on the westerly line of said Tract 6 and in the centerline of said County Road No. 484;

**THENCE** North 1°29'36" East, along the westerly line of said Tract 6 and the centerline of said County Road No. 484, a distance of 1026.04 feet to the **POINT OF BEGINNING** and containing 140.551 acres (6,122,385 square feet) of land, more or less.

**TRACT 2:**

**BEING** a tract of land situated in the D. Anglin Survey, Abstract No. 2, Collin County, Texas, and being the remainder of a called 90 acre tract of land described as Tract 1 (Lavon Place) in a Special Warranty Deed to Roy Brian Webb and Andrea Kay Campbell, as recorded in Volume 4761, Page 200 of the Land Records of Collin County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2 inch iron rod found for the northeast corner of said 90 acre tract, common to an ell corner of a called 92.267 acre tract of land described in a deed to Bloomfield Homes, LP, as recorded in Instrument No. 20180713000870110 of the Official Public Records of Collin County, Texas;

**THENCE** South 2°49'59" East, along the easterly line of said 90 acre tract and the southerly line of said 92.267 acre tract, a distance of 7.53 feet to a 1/2 inch iron rod found for an exterior corner of said 92.267 acre tract, common to the northwest corner of a called 57.075 acre tract of land described as Tract 1 in a deed to Bloomfield Homes, LP, as recorded in Instrument No. 2018050000655680 of the Official Public Records of Collin County, Texas, same being on the westerly right-of-way line of County Road No. 483, a variable width right-of-way, no record found;

**THENCE** South 0°33'28" West, continuing along the easterly line of said 90 acre tract, along the westerly line of said 57.075 acre tract and the westerly right-of-way line of said County Road No. 483, a distance of 1473.51 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said 90 acre tract, common to the northerly southwest corner of said 57.075 acre tract being on the northerly line of the Meadow Creek Estates, according to the plat thereof recorded in Cabinet G, Page 485 of the Plat Records of Collin County, Texas;

**THENCE** North 89°18'33" West, departing the westerly right-of-way line of said County Road No. 483, along the southerly line of said 90 acre tract and the northerly line of said Meadow Creek Estates, a distance of 2327.88 feet to a 1/2 inch iron rod found for the northwest corner of said Meadow Creek Estates, common to the southerly northeast corner of a called 112.5 acre tract of land described as Parcel No. 1 – Tract 6 – Monkey Run East in a Partition Deed to O'Reda Boyd McCartney, as recorded in Volume 816, Page 651 of the Deed Records of Collin County, Texas;

**THENCE** North 86°58'25" West, continuing along the southerly line of said 90 acre tract and along a northerly line of said Tract 6, a distance of 59.71 feet to a 1/2 inch iron rod found for an ell corner of said Tract 6;

**THENCE** North 1°11'56" East, departing the southerly line of said 90 acre tract and along an easterly line of said Tract 6, a distance of 892.93 feet to a 1/2 inch iron rod found for the northerly northeast corner of said Tract 6, being on the northerly line of said 90 acre tract and the southerly line of a called 75.249 acre tract of land described in a deed to Starlight Homes of Texas, LLC, as recorded in Instrument No. 20180518000609060 of the Official Public Records of Collin County, Texas;

**THENCE** North 76°51'00" East, along the northerly line of said 90 acre tract and the southerly line of said 75.249 acre tract, a distance of 1088.75 feet to a 1/2 inch iron rod

found for the southeast corner of said 75.249 acre tract, common to the southwest corner of said 92.267 acre tract;

**THENCE** North  $76^{\circ}50'07''$  East, continuing along the northerly line of said 90 acre tract and along the southerly line of said 92.267 acre tract, a distance of 1358.12 feet to the **POINT OF BEGINNING** and containing 64.952 acres (2,829,296 square feet) of land, more or less.





**EXHIBIT "B"**  
**Municipal Service Plan**

**CITY OF LAVON**  
**ANNEXATION SERVICE PLAN**

**PUBLIC SAFETY SERVICES**

---

**FIRE SERVICES**

**Existing Services:** Lavon Fire Department

**Services to be Provided:** On the effective date of annexation, fire suppression will be available to the area at the same or similar level as is provided to other areas of the City. Primary fire response will be provided by the Lavon Fire Department (LFD). Adequate fire suppression activities can be afforded to the annexed area within current budget appropriation. Fire prevention activities will be provided by the Fire Marshal's office as needed. The LFD is party to several Mutual Aid Agreements with area volunteer departments that will provide back-up service as appropriate.

**POLICE SERVICES**

**Existing Services:** Currently, the area is under the jurisdiction of the Collin County Sheriff's Office.

**Services to be Provided:** On the effective date of annexation, the City of Lavon Police Department will extend regular and routine patrol and police services to the area. It is anticipated that the implementation of police patrol activities can be effectively accommodated within the current budget and staff appropriation.

**EMERGENCY MEDICAL SERVICES**

**Existing Services:** AMR

**Services to be Provided:** On the effective date of annexation, the area will become a part of the area served by the Southeast Collin County EMS/Ambulance Coalition and ambulance service will be provided pursuant to the City's contract for services. Services can be provided within the current budget appropriation.

**CODE ENFORCEMENT SERVICES**

**Existing Services:** None

**Services to be Provided:** On the effective date of annexation, any inspection services now provided by the City (building, electrical, plumbing, gas, housing, health, etc.) will be provided in the annexed area. Services can be provided within the current budget appropriation.

**MUNICIPAL SERVICES**

---

**PLANNING & ZONING SERVICES**

**Existing Services:** None

**Services to be Provided:** On the effective date of annexation, the planning and zoning jurisdiction of the City will extend to the annexed area. City planning will thereafter

encompass the annexed area. Services can be provided within the current budget appropriation.

### **STORM DRAINAGE SERVICES**

**Existing Services:** None

**Services to be Provided:** On the effective date of annexation, the City of Lavon will include the annexed area in its service area for drainage services at the same or similar level as is provided to other areas of the City, considering different characteristics of topography, land uses and population density. Services will include but are not limited to routine review and monitoring of culverts and storm sewers; flood plain design and assistance; and engineering review as the area relates to the City as a whole. Services can be provided within the current budget appropriation.

### **STREET SERVICES**

**Existing Services:** None

**Services to be Provided:** On the effective date of annexation, the City of Lavon will provide maintenance for streets in accordance with existing City ordinances, resolutions, and regulations. Municipal services will include, but are not limited to routine maintenance, street lighting, ice and snow monitoring of major thoroughfares, and assessment of street conditions for long-term maintenance scheduling. As streets are constructed in undeveloped portions of the annexed area, the appropriate City ordinances, resolutions, and regulations of the City shall apply. Services can be provided within the current budget appropriation.

### **TRANSPORTATION AND TRAFFIC SERVICES**

**Existing Services:** None

**Services to be Provided:** On the effective date of annexation, the City of Lavon will join Collin County and the State of Texas Department of Transportation in providing transportation-planning services to the annexed area. The area will be included in the City of Lavon's Thoroughfare Plan and will receive an enhanced voice in the Transportation Planning Process through the City of Lavon's representation on regional planning teams. Services can be provided within the current budget appropriation.

### **PARKS SERVICES**

**Existing Services:** None

**Services to be Provided:** On the effective date of annexation, all the city's parks and recreation facilities shall be available for use by residents of the annexed area. The annexed area will be included in the park planning processes. Services can be provided within the current budget appropriation.

## **UTILITY SERVICES**

### **SOLID WASTE COLLECTION SERVICES**

**Existing Services:** None

**Services to be Provided:** On the effective date of annexation, the City of Lavon will provide solid waste collection and recycling services. Service is provided in accordance with City regulations and is provided as a fee-based service per contract with a private provider. Service requests and billing are administered through the City. Service shall comply with existing City policies.

## **WATER SERVICES**

**Existing Services:** Bear Creek Special Utility District

**Services to be Provided:** Water service shall continue to be provided to the annexed area by a special utility district in accordance with existing State laws, City ordinances, resolutions, regulations, and policies. Construction of water utility-related facilities will be built in accordance with the City of Lavon construction standards.

## **SANITARY SEWER SERVICES**

**Existing Services:** None

**Services to be Provided:** On the effective date of annexation, sanitary sewer service will be provided in accordance with applicable codes and departmental policy. Upon the completion of extension, construction, and dedication of sanitary sewer facilities, including off-site facilities, the City shall assume maintenance and service responsibilities for the sanitary sewer system in the annexed area in accordance with existing City ordinances, resolutions regulations and policies.

## **MISCELLANEOUS SERVICES**

On the effective date of annexation, all other applicable municipal services will be provided to the area in accordance with the City of Lavon's established policies governing extension of municipal services to newly annexed areas.

**PETITION REQUESTING ANNEXATION BY AREA LANDOWNER(S)**

TO THE MAYOR OF THE GOVERNING BODY OF THE CITY OF LAVON, TEXAS:

Pursuant to Texas Local Government Code, Section 43.0671, the undersigned owner(s) of the hereinafter described tract of land, petition your honorable Body to extend the present city limits so as to include as part of the City of Lavon, Texas, the following described territory, to wit:

**TRACT 1:**

**BEING** a tract of land situated in the S. Roberts Survey, Abstract No. 773 and the D. Anglin Survey, Abstract No. 2, Collin County, Texas and being all of a called 30.000 acre tract of land described as Parcel No. 1 – Tract 5 – Monkey Run West and all of a called 112.5 acre tract of land described as Parcel No. 1 – Tract 6 – Monkey Run East in a Partition Deed to O'Reda Boyd McCartney, as recorded in Volume 816, Page 651 of the Deed Records of Collin County, Texas, and also being all of a called 0.55 acre tract of land described in a Warranty Deed to O'Reda Boyd McCartney, as recorded in Volume 2262, Page 152 of the Deed Records of Collin County, Texas and being more particularly described as follows:

**BEGINNING** at a 1/2 inch iron rod found for the northwest corner of said Tract 6, common to the southwest corner of a called 5.000 acre tract of land described in a deed to Thomas Moon, as recorded in Instrument No. 96-0085000 of the Official Public Records of Collin County, Texas, being on the easterly line of a called 10.239 acre tract of land described in a deed to Scott Goodwin and Kathy Goodwin, as recorded in Instrument No. 95-0043368 of the Land Records of Collin County, Texas, and in County Road No. 484, a variable width right-of-way, no record found;

**THENCE** North 79°37'10" East, departing said County Road No. 484 and the easterly line of said 10.239 acre tract, along the northerly line of said Tract 6 and the southerly line of said 5.000 acre tract, a distance of 614.28 feet to a 1/2 inch iron rod found for corner;

**THENCE** North 77°36'57" East, continuing along the northerly line of said Tract 6 and the southerly line of said 5.000 acre tract, a distance of 441.96 feet to a 1/2 inch iron rod found for the southeast corner of said 5.000 acre tract, common to the southwest corner of Crestridge Meadows Phase 1, according to the plat thereof recorded in Volume 2020, Page 649 of the Plat Records of Collin County, Texas;

**THENCE** North 78°41'41" East, continuing along the northerly line of said Tract 6 and the southerly line of said Crestridge Meadows Phase 1, a distance of 313.41 feet to a 1/2 inch iron rod found for the northerly northeast corner of said Tract 6;

**THENCE** South 1°11'56" West, departing the southerly line of said Crestridge Meadows Phase 1 and along the easterly line of said Tract 6, a distance of 892.93 feet to a 1/2 inch iron rod found for an ell corner of said Tract 6, being on the southerly line of a called 90 acre tract of land

described in a deed to Roy Brian Webb, as recorded in Volume 4761, Page 200 of the Official Public Records of Collin County, Texas;

**THENCE** South  $86^{\circ}58'25''$  East, continuing along the easterly line of said Tract 6 and along the southerly line of said 90 acre tract, a distance of 59.71 feet to a 1/2 inch iron rod found for the southerly northeast corner of said Tract 6, common to the northwest corner of Meadow Creek Estates, as recorded in Cabinet G, Page 485 of the Plat Records of Collin County, Texas;

**THENCE** South  $1^{\circ}01'04''$  West, departing the southerly line of said 90 acres, along the easterly line of said Tract 6 and the westerly line of said Meadow Creek Estates, passing at a distance of 2765.15 feet a 1/2 inch iron rod found for the southwest corner of said Meadow Creek Estates, being on the northerly right-of-way line of County Road No. 483, a variable width right-of-way, no record found, and continuing along the same course and crossing said County Road No. 483, for a total distance of 2825.15 feet to a mag nail set in the approximate centerline of said County Road No. 483, and on the northerly line of a 60 foot wide right-of-way dedicated in the plat of Caddo Creek Estates, as recorded in Cabinet Q, Page 137 of the Plat Records of Collin County, Texas;

**THENCE** North  $88^{\circ}52'26''$  West, along the approximate centerline of said County Road No. 483 and the northerly line of said 60 foot wide right-of-way dedication, a distance of 263.30 feet to a mag nail set for the northwest corner of said 60 foot wide right-of-way dedication;

**THENCE** South  $0^{\circ}24'43''$  East, continuing the approximate centerline of said County Road No. 483 and along the west line of said 60 foot wide right-of-way dedication, a distance of 9.91 feet to a mag nail set for the northeast corner of a called 38.87 acre tract of land described as Sixth Tract in a deed to Lumpkin Family Partnership, Ltd., as recorded in Instrument No. 98-0114379 of the Land Records of Collin County, Texas;

**THENCE** North  $89^{\circ}37'23''$  West, departing the westerly line of said 60 foot wide right-of-way dedication, continuing along the approximate centerline of said County Road No. 483, and along the northerly line of said 38.87 acre tract and the northerly line of a called 292.141 acre tract of land described as Tract 2 in a deed to Bear Camp Residential, LP, as recorded in Instrument No. 20210115000095820 of the Official Public Records of Collin County, Texas, a distance of 93.64 feet to a PK nail with washer stamped "Jones Carter" found at the beginning of a tangent curve to the right having a central angle of  $30^{\circ}21'31''$ , a radius of 600.00 feet, a chord bearing and distance of North  $74^{\circ}26'37''$  West, 314.21 feet;

**THENCE** in a northwesterly direction, with said curve to the right, continuing along the southerly line of said Tract 2 and the approximate centerline of said County Road No. 483, an arc distance of 317.92 feet to a PK nail with washer stamped "Jones Carter" found at the beginning of a reverse curve to the left having a central angle of  $10^{\circ}50'27''$ , a radius of 800.00 feet, a chord bearing and distance of North  $64^{\circ}41'04''$  West, 151.14 feet;

**THENCE** continuing in a northwesterly direction, with said curve to the left, continuing along the northerly line of said Tract 2 and the approximate centerline of said County Road No. 483, an arc distance of 151.37 feet to a PK nail with washer stamped "Jones Carter" found for the

southeast corner of aforesaid 0.55 acre tract, and at the beginning of a non-tangent curve to the left having a central angle of 32°28'27", a radius of 800.00 feet, a chord bearing and distance of North 85°15'11" West, 447.38 feet;

**THENCE** continuing in a northwesterly direction, with said curve to the left, continuing along the northerly line of said Tract 2 and the approximate centerline of said County Road No. 483, and along the southerly line of said 0.55 acre tract, an arc distance of 453.42 feet to a PK nail with washer stamped "Jones Carter" found for a northwest corner of said Tract 2, common to the southwest corner of said 0.55 acre tract, same being on the southerly line of said Tract 6;

**THENCE** South 76°01'59" West, continuing along the approximate centerline of said County Road No. 483 and along the southerly line of said Tract 6, a distance of 174.67 feet to a mag nail set for the southwest corner of said Tract 6, being in aforesaid County Road No. 484;

**THENCE** North 1°04'28" East, departing the approximate centerline of said County Road No. 483, along the westerly line of said Tract 6, the easterly line of a called 35.191 acre tract of land described as Tract I in said deed to Bear Camp Residential, LP, and along said County Road No. 484, a distance of 1216.68 feet to a mag nail set for the northeast corner of said Tract 1, common to the southeast corner of aforesaid Tract 5;

**THENCE** North 88°54'08" West, departing the approximate centerline of said County Road No. 483 and the westerly line of said Tract 6, along the southerly line of said Tract 5 and the northerly line of said Tract 1, a distance of 1175.53 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southwest corner of said Tract 5;

**THENCE** North 1°44'46" East, departing the northerly line of said Tract 1, along the westerly line of said Tract 5, passing at a distance of 0.68 feet the southeast corner of a called 3.68 acre tract of land described as Tract I in a deed to Johnny E. Sorrells, as recorded in Instrument No. 20120302000248200 of the Official Public Records of Collin County, Texas, and continuing along the same course and along the easterly line of said Tract I, passing at a distance of 1040.21 feet a 5/8 inch iron rod found for witness, and continuing along the same course, for a total distance of 1070.21 feet to a mag nail set for the northwest corner of said Tract 5, common to the northeast corner of said Tract I, being in the centerline of County Road No. 485, a variable width right-of-way, no record found;

**THENCE** South 89°00'14" East, along the northerly line of said Tract 5 and the centerline of said County Road No. 485, a distance of 1170.83 feet to a mag nail set for the northeast corner of said Tract 5, being on the westerly line of said Tract 6 and in the centerline of said County Road No. 484;

**THENCE** North 1°29'36" East, along the westerly line of said Tract 6 and the centerline of said County Road No. 484, a distance of 1026.04 feet to the **POINT OF BEGINNING** and containing 140.551 acres (6,122,385 square feet) of land, more or less.

**TRACT 2:**

**BEING** a tract of land situated in the D. Anglin Survey, Abstract No. 2, Collin County, Texas, and being the remainder of a called 90 acre tract of land described as Tract 1 (Lavon Place) in a Special Warranty Deed to Roy Brian Webb and Andrea Kay Campbell, as recorded in Volume 4761, Page 200 of the Land Records of Collin County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2 inch iron rod found for the northeast corner of said 90 acre tract, common to an ell corner of a called 92.267 acre tract of land described in a deed to Bloomfield Homes, LP, as recorded in Instrument No. 20180713000870110 of the Official Public Records of Collin County, Texas;

**THENCE** South 2°49'59" East, along the easterly line of said 90 acre tract and the southerly line of said 92.267 acre tract, a distance of 7.53 feet to a 1/2 inch iron rod found for an exterior corner of said 92.267 acre tract, common to the northwest corner of a called 57.075 acre tract of land described as Tract 1 in a deed to Bloomfield Homes, LP, as recorded in Instrument No. 2018050000655680 of the Official Public Records of Collin County, Texas, same being on the westerly right-of-way line of County Road No. 483, a variable width right-of-way, no record found;

**THENCE** South 0°33'28" West, continuing along the easterly line of said 90 acre tract, along the westerly line of said 57.075 acre tract and the westerly right-of-way line of said County Road No. 483, a distance of 1473.51 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said 90 acre tract, common to the northerly southwest corner of said 57.075 acre tract being on the northerly line of the Meadow Creek Estates, according to the plat thereof recorded in Cabinet G, Page 485 of the Plat Records of Collin County, Texas;

**THENCE** North 89°18'33" West, departing the westerly right-of-way line of said County Road No. 483, along the southerly line of said 90 acre tract and the northerly line of said Meadow Creek Estates, a distance of 2327.88 feet to a 1/2 inch iron rod found for the northwest corner of said Meadow Creek Estates, common to the southerly northeast corner of a called 112.5 acre tract of land described as Parcel No. 1 - Tract 6 - Monkey Run East in a Partition Deed to O'Reda Boyd McCartney, as recorded in Volume 816, Page 651 of the Deed Records of Collin County, Texas;

**THENCE** North 86°58'25" West, continuing along the southerly line of said 90 acre tract and along a northerly line of said Tract 6, a distance of 59.71 feet to a 1/2 inch iron rod found for an ell corner of said Tract 6;

**THENCE** North 1°11'56" East, departing the southerly line of said 90 acre tract and along an easterly line of said Tract 6, a distance of 892.93 feet to a 1/2 inch iron rod found for the northerly northeast corner of said Tract 6, being on the northerly line of said 90 acre tract and the southerly line of a called 75.249 acre tract of land described in a deed to Starlight Homes of Texas, LLC, as recorded in Instrument No. 20180518000609060 of the Official Public Records of Collin County, Texas;

**THENCE** North 76°51'00" East, along the northerly line of said 90 acre tract and the southerly line of said 75.249 acre tract, a distance of 1088.75 feet to a 1/2 inch iron rod found for the southeast corner of said 75.249 acre tract, common to the southwest corner of said 92.267 acre tract;

**THENCE** North 76°50'07" East, continuing along the northerly line of said 90 acre tract and along the southerly line of said 92.267 acre tract, a distance of 1358.12 feet to the **POINT OF BEGINNING** and containing 64.952 acres (2,829,296 square feet) of land, more or less.

I/We certify that the above-described tract of land is contiguous and adjacent to the City of Lavon, Texas, is not more than one-half mile in width [only limited by Local Government Code Section 43.028], and that this petition is signed and duly acknowledged by each and every person having an interest in said land.

By: Carolyn McCartney Culbert

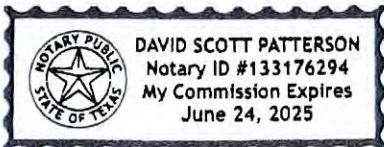
Printed: Carolyn McCartney Culbert

THE STATE OF TEXAS

COUNTY OF Dallas

BEFORE ME, the undersigned authority, on this day personally appeared Carolyn McCartney Culbert known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 13<sup>th</sup> day of September, 2021.



D. S. Patterson  
Notary Public in and for  
Dallas County, Texas.

THENCE North 76°50'07" East, continuing along the northerly line of said 90 acre tract and along the southerly line of said 92.267 acre tract, a distance of 1358.12 feet to the POINT OF BEGINNING and containing 64.952 acres (2,829,296 square feet) of land, more or less.

I/We certify that the above-described tract of land is contiguous and adjacent to the City of Lavon, Texas, is not more than one-half mile in width [only limited by Local Government Code Section 43.028], and that this petition is signed and duly acknowledged by each and every person having an interest in said land.

By: \_\_\_\_\_

Printed: Carolyn McCartney Culbert

THE STATE OF TEXAS

COUNTY OF \_\_\_\_\_

BEFORE ME, the undersigned authority, on this day personally appeared Carolyn McCartney Culbert known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Notary Public in and for

\_\_\_\_\_ County, Texas.

By: \_\_\_\_\_

Printed: Janet McCartney Johnson

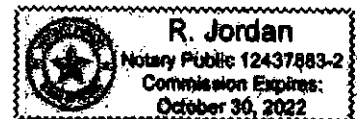
*Janet McCartney Johnson*

THE STATE OF TEXAS

COUNTY OF Hunt

BEFORE ME, the undersigned authority, on this day personally appeared Janet McCartney Johnson known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 13th day of September, 20 21



*R. Jordan*  
Notary Public in and for Hunt County Texas

By: Blake Boyd McCartney  
Printed: Blake Boyd McCartney

THE STATE OF TEXAS

COUNTY OF Dallas

BEFORE ME, the undersigned authority, on this day personally appeared Blake Boyd McCartney known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 13<sup>th</sup> day of September, 2021.



David Patterson  
Notary Public in and for  
Dallas County, Texas.

By: Roy Brian Webb

Printed: Roy Brian Webb

THE STATE OF TEXAS

COUNTY OF JOHNSON

BEFORE ME, the undersigned authority, on this day personally appeared Roy Brian Webb known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 15<sup>th</sup> day of September, 2021.



Stacey Sloan  
Notary Public in and for  
JOHNSON County, Texas.

By: Andrea Kay Campbell

Printed: Andrea Kay Campbell

THE STATE OF ~~TEXAS~~ <sup>Virginia</sup>

COUNTY OF Chesapeake

BEFORE ME, the undersigned authority, on this day personally appeared Andrea Kay Campbell known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 15<sup>th</sup> day of September, 2021.

JENNIFER MICHELLE KANTOWSKI  
NOTARY PUBLIC  
REG. #7647082  
COMMONWEALTH OF VIRGINIA  
MY COMMISSION EXPIRES MARCH 31, 2023

Jennifer Michelle Kantowski  
Notary Public in and for  
Chesapeake County, Texas.  
Chesapeake, Virginia



## CITY OF LAVON Agenda Brief

**MEETING:** September 21, 2021

**ITEM:** 9 – H

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**Item:**

Discussion and action regarding Resolution No. 2021-09-14 approving and authorizing the Mayor to execute a professional services agreement with P3 Works LLC for the provision of public improvement district administration and service and assessment plan consultant services for the Trails of Lavon development project; and providing an effective date.

**Background:**

P3 Works has been engaged to represent the City on several projects and is uniquely qualified and familiar with the City and the City's development goals. It is recommended that the City engage P3 Works for the provision of public improvement district administration and service and assessment plan consultant services for the proposed Trails of Lavon PID.

**Financial Implications:**

The PID will reimburse the City's costs for the professional administration and consultant services. There is no direct financial implication for the City.

***Staff Notes:***

The City Attorney has reviewed and approved the engagement letter. Approval is recommended.

**Attachments:** Proposed Resolution and Agreement

**CITY OF LAVON, TEXAS**  
**RESOLUTION NO. 2021-09-14**

P3 Works PSA - Trails of Lavon PID Administration

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH P3 WORKS, LLC FOR THE PROVISION OF PUBLIC IMPROVEMENT DISTRICT ADMINISTRATION AND SERVICE AND ASSESSMENT PLAN CONSULTANT SERVICES FOR THE TRAILS OF LAVON DEVELOPMENT PROJECT; AND PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, a petition to form the Trails of Lavon Public Improvement District (PID) has been submitted for property in the extraterritorial jurisdiction of and adjacent to the City of Lavon; and

**WHEREAS**, the City Council has considered and determined that it is necessary and in the best interests of City of Lavon to engage professional services for PID administration and service and assessment plan consultant services.

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

**SECTION 1.** The City Council hereby approves and authorizes the Mayor to execute a professional services agreement with P3 Works LLC for the provision of public improvement district administration and service and assessment plan consultant services for the Trails of Lavon development project, 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 21<sup>st</sup> day of September 2021.

\_\_\_\_\_  
Vicki Sanson, Mayor

ATTEST:

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

Professional Services Agreement

**AGREEMENT FOR PUBLIC IMPROVEMENT DISTRICT  
ADMINISTRATION SERVICES**

This Agreement for Public Improvement District Administration Services ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by and between P3Works, LLC ("P3Works"), and the City of Lavon, Texas ("City").

**RECITALS**

WHEREAS, the City Council passed Resolution No. \_\_\_\_\_ on \_\_\_\_\_, approving and authorizing the creation of Meritage Public Improvement District ("PID" or "District") to finance the costs of certain public improvements for the benefit of property within the District; and

WHEREAS, the City may consider issuing bonds to fund certain improvements in the PID as authorized by the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended; and

WHEREAS, the City requires specialized services related to the revision and updating of the Service and Assessment Plan ("Service and Assessment Plan"), bond issuance, and the administration of the District, as more fully set forth in this Agreement; and

WHEREAS, P3Works has the expertise to properly establish and administer the District and ensure compliance with Texas Local Government Code Chapter 372; and

WHEREAS, the City desires to retain P3Works to provide District administration services;

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, P3Works and the City agree as follows:

**ARTICLE I**

**TERM OF AGREEMENT**

1.0 The Agreement shall be effective as of its approval by all parties and shall be for a period of three (3) years and shall automatically continue on a year to year basis until terminated pursuant to Article IV of this Agreement.

**ARTICLE II**

**SERVICES TO BE PROVIDED BY P3WORKS**

2.0 The scope and timing of services to be performed by P3Works are set forth in Exhibit A, which is attached hereto and incorporated into this Agreement by this reference.

2.1 P3Works agrees that its services pursuant to this Agreement shall at all times be subject to the control and supervision of the City and that nothing in this Agreement shall constitute an assignment of any right or obligation of the City under any applicable contract, agreement, or law. P3Works shall not represent to any property owner or any other person that it or any of its employees are acting as the City or employees of the City.

2.2 No substantial changes in the scope of services shall be made without the prior written approval of P3Works and the City.

2.3 P3Works shall supply all tools and means necessary to perform the services and production of the work product described in Exhibit A.

### ARTICLE III

#### PAYMENT TERMS AND CONDITIONS

3.0 In consideration for the services to be performed by P3Works, the City agrees to pay P3Works the fees for all services and related costs and expenses set forth in Exhibit A, beginning the first day of the month following the execution of this Agreement. Once District assessments have been levied, the Monthly Collection Fees will begin, and then the February 1 following the levy of District assessments, and each February 1 thereafter, the fees shall increase by 2%.

3.1 Monthly invoices shall be submitted to the City for work completed. City agrees to pay the amount due to P3Works upon receipt of each invoice.

3.2 Copies of all invoices to P3Works for expenses, materials, or services provided to P3Works will accompany the invoice to the City. P3Works will pass any third-party cost through to the City without markup and will not incur any expense in excess of \$200 without prior written consent of the City.

3.3 The only source of payment for P3Works' fees and services shall be the District or funds advanced by the developer. The City general fund shall never be used to pay for any expenses relating to P3Works' administration of the District. In the event there is insufficient District funds in a given year to pay P3Works' fees and expenses, P3Works agrees to defer the fees and expenses until such time as there are sufficient District funds or funds advanced by the developer.

### ARTICLE IV

#### TERMINATION OF THIS AGREEMENT

4.0 Notwithstanding any other provisions of this Agreement, either party may terminate this Agreement at any time by giving sixty (60) days written notice to the other party without penalty and without limitation of its right to seek damages. City shall pay P3Works, within thirty (30) days of such termination, all of P3Works' fees and expenses actually accrued or incurred to and including the date of termination, including any amount incurred or accrued in connection with work in progress.

### ARTICLE V

## **LIABILITY AND INDEMNIFICATION.**

**5.0 LIABILITY - P3WORKS SHALL BE LIABLE AND RESPONSIBLE FOR ANY AND ALL PROPERTY LOSS, PROPERTY DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF ANY KIND OR CHARACTER, WHETHER REAL OR ASSERTED, TO THE EXTENT CAUSED BY THE NEGLIGENT ACT(S) OR OMISSION(S), MALFEASANCE OR INTENTIONAL MISCONDUCT OF P3WORKS, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES RELATED TO THIS AGREEMENT.**

**5.1 GENERAL INDEMNIFICATION - P3WORKS HEREBY COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS AND DEFEND THE CITY, ITS OFFICERS, AGENTS, SERVANTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS OR LAWSUITS OF ANY KIND OR CHARACTER, WHETHER REAL OR ASSERTED, FOR EITHER PROPERTY DAMAGE OR LOSS (INCLUDING ALLEGED DAMAGE OR LOSS TO P3WORKS'S BUSINESS AND ANY RESULTING LOST PROFITS) AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OR MALFEASANCE OF P3WORKS, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES RELATED TO THIS AGREEMENT.**

## **ARTICLE VI**

### **GENERAL PROVISIONS**

6.0 This Agreement supersedes any and all agreements, including the Original PID Administration Agreement, either oral or written, between the parties hereto with respect to rendering of services by P3Works for the City related to the District and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party of this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party which are not embodied herein and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

6.1 This Agreement shall be administered and interpreted under the laws of the State of Texas. This Agreement shall not be construed for or against any party by reason of who drafted the provisions set forth herein. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall remain in full force and effect.

6.2 It is expressly understood and agreed that P3Works shall operate as an independent consultant as to all rights and privileges granted herein, and not as agent, representative or employee of the City. Subject to and in accordance with the conditions and provisions of this Agreement, P3Works shall have the exclusive right to control the details of its operations and activities and be solely responsible for the acts and omissions of its officers, agents, servants, employees, consultants and subcontractor. P3Works acknowledges that the doctrine of respondeat superior shall not apply as between the City, its officers, agents, servants and employees, and P3Works, its officers, agents, employees, servants, consultants and subcontractor. P3Works further agrees that nothing herein shall be construed as the creation of a partnership or joint enterprise between City and P3Works. Neither P3Works, nor any of P3Works's employees or agents, shall be entitled to any benefits accorded to City's employees, including without limitation worker's compensation, disability insurance, vacation or sick pay.

6.3 Neither this Agreement or any duties or obligations under this Agreement may be assigned by P3Works without the prior written consent of the City.

6.4 P3Works is a PID Administration firm, does not provide financial advice, and is not an Independent Registered Municipal Advisor under the SEC and MSRB Rules, therefore, P3Works will request an IRMA Exemption Letter if not already provided on the City's website, and then will provide to the City an IRMA Exemption Acceptance Letter in the general form attached as Exhibit B upon execution of the Agreement.

6.5 The waiver by either party of a breach or violation of any provision of this Agreement will not operate as or be construed to be a waiver of any subsequent breach thereof.

6.6 All records, reports, and other documents prepared by P3Works for the purposes of providing the services described in this Agreement shall be property of the City. All such documents shall be made available to the City during the course of performance of this Agreement. Any reports, studies, photographs, negatives, or other documents or drawings prepared by P3Works in the performance of its obligations under this Agreement shall be the exclusive property of the City and all such materials shall be remitted to the City by P3Works upon completion, termination, or cancellation of this Agreement.

6.7 The City acknowledges P3Works' ownership of its software, programs, inventions, know-how, trade secrets, confidential knowledge, source code, or other proprietary information relating to products, processes, services, software, formulas, developmental or experimental work, business plans, financial information, or other subject matter ("Confidential Information") pertaining to the business of P3Works. This Agreement shall not in any way give rise to any requirement or obligation for P3Works to disclose or release any Confidential Information.

6.8 The headings and article titles of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

6.9 Should either party commence any legal action or proceeding against the other based upon this Agreement, the prevailing party shall, to the extent permitted by law, be entitled to an award of reasonable attorney's fees and costs.

6.10 All notices, requests, demands, and other communications which are required to be given under this agreement shall be in writing and shall be deemed to have been duly given upon the delivery by registered or certified mail, return receipt requested, postage prepaid thereon, as follows:

To P3Works:

Mary V. Petty  
Managing Partner  
P3Works, LLC  
9284 Huntington Square, Ste. 100  
North Richland Hills, Texas 76182

To City:

Kim Dobbs  
City Administrator  
City of Lavon  
P.O. Box 340  
Lavon, Texas 75166

With a copy to:  
Julie Fort  
Messer, Fort & McDonald, PLLC  
6371 Preston Rd., Ste. 200  
Frisco, TX 75034  
Facsimile: 972-668-6414  
Email: Julie@txmunicipallaw.com

6.11 The parties hereby warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, 2021:

P3Works, LLC

BY:   
Mary V. Petty  
Managing Partner

City of Lavon, Texas

BY: \_\_\_\_\_  
Vicki Sanson  
Mayor

**EXHIBIT A  
SERVICES TO BE PROVIDED**

**PID FORMATION, SERVICE AND ASSESSMENT PLAN PREPARATION, AND BOND ISSUANCE SUPPORT SERVICES**

*Billed at P3Works' prevailing hourly rates, which are currently as follows:*

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Senior Associate</i>	<i>\$160</i>
<i>Associate</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

*\*P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of PID Plan of Finance

1. P3Works will review project information and review the plan of finance for the proposed transaction, including
2. Assessed value schedules, value to lien analysis, and overall structuring to achieve City goals and objectives
3. Identify areas of risk with the City's Financial Advisor, and solutions to mitigate the risks,
4. Bond sizing and bond phasing by improvement area,
5. Sources and uses of funds by improvement area,
6. Debt service schedules, and;
7. Assessment allocation and associated estimated annual installment by lot type for each improvement area.

Preparation of Service and Assessment Plan

1. P3Works will prepare a complete and final Service and Assessment Plan to be adopted by City Council and included in the Official Statement for the Bonds based on the Plan of Finance.
2. P3Works will present the Service and Assessment Plan to City Council and request approval of Assessment Roll.

Bond Issuance Support

1. P3Works will ensure bond documents, including the PID financing agreement, bond indenture, and official statement are all consistent with the Service and Assessment Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.

## **BASIC DISTRICT ADMINISTRATION SERVICES**

MONTHLY COLLECTION FEES WILL BEGIN ONCE ASSESSMENTS ARE LEVIED

*If no bonds are sold:*

*Monthly Fee = \$1,500 beginning the first of the month following execution of this Agreement for the first improvement area; and \$1,000 per month for each improvement area thereafter. (Proration will occur for any partial month if not begun on the 1<sup>st</sup> day of the month.)*

*If bonds are sold:*

*Monthly Fee amounts will be \$2,500 for the first improvement area beginning the first month following the issuance of bonds; and \$1,250 per month for each improvement area thereafter.*

*For PIDs that P3Works did not create: Monthly Collection Fees will not begin until the first Annual SAP Update is drafted by P3Works and approved by Council, therefore all work completed to that point will be billed hourly.*

*See Section below related to "Consulting Services Relating to Future Improvement Areas and related Bond Issuance" for hourly fees if bonds are contemplated.*

### Prepare Annual Service and Assessment Plan Update

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for District improvements, and update service and assessment plan text and tables.
2. Update service and assessment plan text and tables as necessary to account for any changes in development plan or land uses.
3. Update annual District assessment roll.
4. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to the levy of special assessments.
5. Review maps of tax parcels to compile/audit list of parcels that are within the District for the upcoming bond year. Classify each parcel pursuant to the approved service and assessment plan.
6. Identify any parcels dedicated to any property types classified as exempt by the service and assessment plan.
7. Update District database with newly subdivided parcels and property type classifications.
8. Calculate annual special assessment for each parcel. Verify the sum of annual installments for all parcels in the District is sufficient to meet the annual debt service requirement, administration expenses, and any provisions for delinquency or prepayment reserves.
9. Calculate other funds available, such as reserve fund income, capitalized interest, and interest income. Reduce annual assessment based on findings according to approved service and assessment plan.
10. Present preliminary annual assessment roll to City. Upon approval by City, submit final annual assessment roll to County Tax Collector.

### Administration of Bond Funds (if bonds are sold)

1. Review and reconcile the account statements for the funds maintained by the trustee. Ensure annual special assessment calculation is compliant with Indenture as it relates to each fund.
2. Provide annual summary of all District accounts maintained by Trustee at the time the annual service and assessment plan update is performed.

#### Provide Public Information Request Support

1. If requested, P3Works will respond to any calls and or emails relating to the District. P3Works will only provide technical answers relating to the annual assessments or the District generally. P3Works will not provide any commentary on City policy relating to PIDs.
2. If the City receives a notice from a property owner alleging an error in the calculation of any matters related to the annual assessment roll for the District, P3Works will review and provide a written response to the City. If a calculation error occurred, P3Works will take corrective action as required to correct the error.

#### Delinquency Management

1. After the end of the annual assessment installment collection period, P3Works will prepare a delinquent special assessment report, which details which parcels are delinquent and the amount of delinquency.
2. P3Works will notify the City what action must be taken relating to delinquent parcels, if any, to remain in compliance with the District bond documents.

#### Website Setup

1. Prepare for the P3Works website database searchable by property tax ID for use by property owners, title companies, mortgage companies, or other interested parties. The search results will provide assessment information, including outstanding principal, annual installment amount, payment information, and a breakdown of the assessment installment by use (principal, interest, reserve fund accounts, administrations, etc.)
2. Prepare "District Information" page for website. Information will include a background of the District formation and bond issuance process, District boundary map, and description of improvements. In additions, P3Works will provide a link to District documents.

#### **DISTRICT ADMINISTRATION SETUP SERVICES (Required for any existing PID not created by P3Works.)**

##### *\$7,500 One Time Lump Sum Fee*

1. Prepare District Administration Manual
2. P3Works will review the full bond transcript and identify all requirements of the City relating to District administration and/or disclosure requirements.
3. Prepare written summary of all City administration and disclosure requirements.
4. Prepare calendar of all relevant dates and deadlines for District administration and disclosure requirements.
5. Meet with County Assessor's office to establish procedure for obtaining parcel information for assessment roll.
6. Meet with County Tax Office to establish procedure to include District assessment roll on property tax bill.
7. Meet with City representatives to finalize policies and procedures relating to District Administration.

**ADDITIONAL DISTRICT ADMINISTRATION SERVICES**

*Billed at P3Works' prevailing hourly rates, which are currently as follows:*

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Senior Associate</i>	<i>\$160</i>
<i>Associate</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

*\*P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. Travel will be billed at the hourly rates.*

Continuing Disclosure Services

1. P3Works will prepare the form of the annual report as required by the continuing disclosure agreements and work with the City and the Developer to complete.
2. P3Works will request from developer the reports due pursuant to the developer disclosure agreement and disseminate these reports pursuant to the disclosure agreement; including Seller's Disclosures.
3. Upon notification by any responsible party or if P3Works independently becomes aware of such knowledge, P3Works will prepare notices of material events covering the events enumerated in the disclosure agreements.
4. P3Works will coordinate with the Trustee or the City's dissemination agent to disseminate the annual reports, quarterly reports from the developer, and notice of significant events to the Municipal Securities Rulemaking Board (MSRB) and any other parties required in the continuing disclosure agreement.

Developer Payment Request Administration

1. P3Works will review all developer payment requests to ensure the request complies with the PID Financing Agreement, the District service and assessment plan, and any other relevant provisions contained in the District documents.
2. P3Works will audit the developer payment request to ensure there is proper backup documentation and that the accounting is accurate.
3. P3Works will coordinate with the City's designated representative to ensure the improvements were built to the standards of the accepting governing body.
4. P3Works will ensure improvements to be dedicated are free and clear of all liens and encumbrances.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will update the Service and Assessment Plan to comply with Bond documents.
2. P3Works will prepare an updated Assessment Roll including the future Improvement Area
3. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

Development Agreement Review Specific to the PID Boundary

1. Participate in meetings or calls at City Manager's, or his/her designee, direction.
2. Review and comment on Development Agreement drafts.
3. Prepare Ad hoc analysis as requested.

**EXHIBIT B**  
**IRMA EXEMPTION LETTER**



P3Works, LLC.  
9284 Huntington Sq.  
Suite 100  
North Richland Hills,  
Texas 76182

Mary V. Petty  
Managing Partner  
+1.817.393-0353 Phone  
[Admin@P3-Works.com](mailto:Admin@P3-Works.com)

July 14, 2021

Kim Dobbs  
City Administrator  
PO Box 340  
120 School Road  
Lavon, Texas 75166

RE: IRMA Exemption/Acceptance Letter

To Whom It May Concern:

We have received your written representation, dated \_\_\_\_\_, 20\_\_, that the City of Lavon (the "City") has engaged and is represented by \_\_\_\_\_, an independent registered Municipal Advisor ("IRMA"). In accordance with Section 15Ba1-1(d)(3)(vi) of the Securities Exchange Act of 1934 ("Securities Exchange Act"), we understand and intend for the City to rely on IRMA's advice in evaluating recommendations brought forward by P3Works, LLC that constitute "advice" as defined in the Securities Exchange Act ("IRMA Exemption").

Furthermore, P3Works, LLC has conducted reasonable due diligence and is confirming that to the best of our knowledge, the IRMA is independent from P3Works, LLC, that P3Works, LLC is not a municipal advisor and is not subject to the fiduciary duty to municipal entities that the Security and Exchange Act imposes on municipal advisors, and that P3Works, LLC has a reasonable basis for relying on the IRMA Exemption. We will advise you, in writing, if we become aware of any changes.

P3Works, LLC provides PID Administration as consult services to Cities and Counties.

As required by the relevant sections of the Securities Exchange Act regarding Municipal Advisors, we are informing your identified IRMA of these facts.

Mary V. Petty  
Managing Partner  
P3Works, LLC

Jon Snyder  
Managing Partner  
P3Works, LLC



## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 9 - 1

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**Item:**

Discussion and action regarding Resolution No. 2021-09-15 determining the costs of certain authorized improvements to be financed by the LakePointe Public Improvement District; approving a preliminary amended and restated Service Plan and Assessment Plan, including proposed Improvement Area #2 Assessment Roll; calling a meeting and noticing a public hearing for November 16, 2021 to consider an ordinance levying assessments on property located within the LakePointe Public Improvement District; directing the filing of the proposed Improvement Area #2 Assessment Roll with the city secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto.

**Background:**

On August 22, 2019, the City Council approved the Original Service and Assessment Plan and levied Assessments to finance the Authorized Improvements to be constructed for the benefit of the Assessed Property within the District by approving Ordinance No. 2019-08-02. The Original Service and Assessment Plan identified the Authorized Improvements to be provided by the District, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the District for the costs of the Authorized Improvements. The City also adopted an Assessment Roll identifying the Assessment on each Lot within the District, based on the method of assessment identified in the Original Service and Assessment Plan.

On June 16, 2020, the City Council approved the 2020 Annual Service Plan Update by adopting Resolution No. 2020-06-04, which updated the Assessment Roll for 2020 and on August 3, 2021, the City Council approved the 2021 Annual Service Plan Update by adopting Resolution No. 2021-08-03, which updated the Assessment Roll for 2021.

This Amended and Restated Service and Assessment Plan serves to amend and restate the Original Service and Assessment Plan, including the 2020 Annual Service Plan Update, and the 2021 Annual Service Plan Update, in its entirety for the purposes of (1) levying the Improvement Area #2 Assessments; (2) issuing the Improvement Area #2 Bonds; (3) subdividing the Major Improvement Area into Improvement Area #2 and Improvement Area #3; and (4) updating the Assessment Rolls.

Mary Petty, PID Administrator P3 Works will attend the City Council meeting to present and answer questions regarding the matter.

***Staff Notes:***

The City's bond counsel has reviewed the Resolution and Plan. Approval is recommended.

**Attachments:**        Resolution  
                              Proposed Preliminary Amended and Restated Service and Assessment Plan  
                              Sample Schedule

**CITY OF LAVON, TEXAS**

**RESOLUTION NO. 2021-09-15**

Calling Public Hearing – LakePointe PID IA#2

**A RESOLUTION OF THE CITY OF LAVON, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED BY THE LAKEPOINTE PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY AMENDED SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING PROPOSED IMPROVEMENT AREA #2 ASSESSMENT ROLL; CALLING A MEETING AND NOTICING A PUBLIC HEARING FOR *NOVEMBER 16, 2021* TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE LAKEPOINTE PUBLIC IMPROVEMENT DISTRICT; DIRECTING THE FILING OF THE PROPOSED IMPROVEMENT AREA #2 ASSESSMENT ROLL WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.**

**RECITALS**

**WHEREAS**, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act") authorizes the governing body (the "City Council") of the City of Lavon, Texas (the "City") to create a public improvement district within the City and its exterritorial jurisdiction; and

**WHEREAS**, on March 19, 2019 the City Council conducted a public hearing to consider a petition received by the City on or before January 14, 2019 titled "Petition for the Creation of a Public Improvement District Within the City of Lavon, Texas, for the LakePointe Development" requesting the creation of a public improvement district; and

**WHEREAS**, on March 19, 2019, after due notice and a public hearing, the City Council approved Resolution No. 2019-03-04 (the "Original Authorization Resolution"), authorizing, establishing and creating the LakePointe Public Improvement District (the "District") and determining the advisability of the improvement; and

**WHEREAS**, on July 16, 2019, the City Council approved Resolution No. 2019-07-03 amending the Original Authorization Resolution (as amended, the "Authorization Resolution")

regarding the estimated costs of authorized improvements to be assessed against the property in the District; and

**WHEREAS**, the City authorized the creation of the District and the issuance of up to \$25,000,000.00 in bonds for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the "Authorized Improvements"); and

**WHEREAS**, on August 22, 2019, the City Council adopted Ordinance No. 2019-08-02, which approved the LakePointe Public Improvement District Service and Assessment Plan dated August 22, 2019 (the "SAP"); and

**WHEREAS**, in addition to approving the SAP, Ordinance No. 2019-08-02 levied assessments against property within the District; and

**WHEREAS**, the property is being developed in phases, the first of which included approximately 53.425 acres and the second of which includes approximately 74.979 acres ("Improvement Area #2"); and

**WHEREAS**, the City desires to amend the SAP to reflect the Improvement Area #2 Improvements construction of and development of Improvement Area #2 of the District; and

**WHEREAS**, the City Council and the City staff have been presented an "Amended and Restated LakePointe Public Improvement District Preliminary Service and Assessment Plan", including the proposed Improvement Area #2 assessment roll (the "Proposed Improvement Area #2 Assessment Roll"), dated September 21, 2021 (collectively, the "Preliminary Amended SAP"), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

**WHEREAS**, the anticipated levy and assessment amount for the Improvement Area #2 Improvements (as defined in the Preliminary Amended SAP) is approximately \$6,601,957 as referenced in the Preliminary Amended SAP; and

**WHEREAS**, the Preliminary Amended SAP sets forth the estimated total costs of certain Improvement Area #2 Improvements to be financed by the District for the second phase of development and the Proposed Improvement Area #2 Assessment Roll states the assessments

proposed to be levied against each parcel of land in Improvement Area #2 of the District as determined by the method of assessment and apportionment chosen by the City; and

**WHEREAS**, the Act requires that the Proposed Improvement Area #2 Assessment Roll be filed with the City Secretary of the City (the "City Secretary") and be subject to public inspection; and

**WHEREAS**, the Act requires that a public hearing (the "Assessment Hearing") be called to consider the Preliminary Amended SAP and proposed assessments and requires the City Council to hear and pass on any objections to the Preliminary Amended SAP and proposed assessments at, or on the adjournment of, the Assessment Hearing; and

**WHEREAS**, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City before the tenth (10th) day before the date of the Assessment Hearing.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS AS FOLLOWS:**

**SECTION 1.** THAT the recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

**SECTION 2.** THAT the City Council does hereby accept the Preliminary Amended SAP, dated September 7, 2021, for the District, including the Proposed Improvement Area #2 Assessment Roll, a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary Amended SAP.

**SECTION 3.** THAT the City Council hereby determines that the total estimated costs of the Improvement Area #2 Improvements to be financed by the District are set forth in the Preliminary Amended SAP, which costs do include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds.

**SECTION 4.** THAT the City Council's final determination and approval of the estimated costs of the Improvement Area #2 Improvements, or any portion thereof, shall be subject to and contingent upon City Council approval of a final Amended and Restated LakePointe Public Improvement District Service and Assessment Plan which will include the final Improvement Area #2 Assessment Roll, after the properly noticed and held Assessment Hearing.

**SECTION 5.** THAT the Proposed Improvement Area #2 Assessment Roll states the assessment proposed to be levied against each parcel of land in Improvement Area #2 of the District as determined by the method of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary Amended SAP.

**SECTION 6.** THAT the City Council hereby authorizes and directs the filing of the Proposed Improvement Area #2 Assessment Roll with the City Administrator and the same shall be available for public inspection.

**SECTION 7.** THAT the City Council hereby authorizes, and calls, a meeting and a public hearing (the Assessment Hearing as defined above) to be held on *November 16, 2021 at 7:00 p.m. at Lavon City Hall, 120 School Road, Lavon, Texas 75166*, at which the City Council shall, among other actions, hear and pass on any objections to the proposed assessments; and, upon the adjournment of the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property within the District (which ordinance shall specify the method of payment of the assessments).

**SECTION 8.** THAT the City Council hereby authorizes and directs the City Secretary to publish notice of the Assessment Hearing to be held on *November 16, 2021*, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general circulation in the City, before the tenth (10th) day before the date of the Assessment Hearing, as required by Section 372.016(b) of the Act.

**SECTION 9.** THAT when the Proposed Improvement Area #2 Assessment Roll is filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on *November 16, 2021* as required by Section 372.016(c) of the Act.

**SECTION 10.** THAT City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the *November 16, 2021* meeting of the City Council.

**SECTION 11.** THAT this Resolution shall become effective from and after its date of passage in accordance with law.

**PASSED AND APPROVED** on this the 21<sup>st</sup> day of September 2021.

ATTEST:

\_\_\_\_\_  
Vicki Sanson, Mayor

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

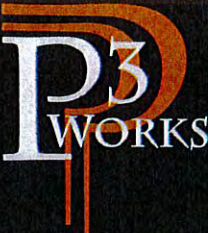
**PRELIMINARY AMENDED SERVICE AND ASSESSMENT PLAN**

# LakePointe Public Improvement District

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PRELIMINARY AMENDED AND RESTATED  
SERVICE AND ASSESSMENT PLAN

SEPTEMBER 21, 2021



AUSTIN, TX | NORTH RICHLAND HILLS, TX

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## INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this Amended and Restated Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section,” an “Exhibit,” or an “Appendix” shall be a reference to a Section of this Amended and Restated Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this Amended and Restated Service and Assessment Plan for all purposes.

On March 19, 2019, the City Council passed and approved Resolution No. 2019-03-04 authorizing the establishment of the District in accordance with the PID Act, and on July 16, 2019, the City Council passed and approved Resolution No. 2019-07-13 amending Resolution No. 2019-03-04, which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 173.037 acres located within the corporate limits of the City, as described by the legal description on **Exhibit N-1** and depicted on **Exhibit A-1**.

On August 22, 2019, the City Council approved the Original Service and Assessment Plan and levied Assessments to finance the Authorized Improvements to be constructed for the benefit of the Assessed Property within the District by approving Ordinance No. 2019-08-02. The Original Service and Assessment Plan identified the Authorized Improvements to be provided by the District, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the District for the costs of the Authorized Improvements. The City also adopted an Assessment Roll identifying the Assessment on each Lot within the District, based on the method of assessment identified in the Original Service and Assessment Plan.

On June 16, 2020, the City Council approved the 2020 Annual Service Plan Update by adopting Resolution No. 2020-06-04, which updated the Assessment Roll for 2020.

On August 3, 2021, the City Council approved the 2021 Annual Service Plan Update by adopting Resolution No. 2021-08-03, which updated the Assessment Roll for 2021.

This Amended and Restated Service and Assessment Plan services to amend the restate the Original Service and Assessment Plan, including the 2020 Annual Service Plan Update, and the 2021 Annual Service Plan Update, in its entirety for the purposes of (1) levying the Improvement Area #2 Assessments; (2) levying the Improvement Area #3 Assessments; (3) subdividing the Major Improvement Area into Improvement Area #2 and Improvement Area #3; and (4) updating the Assessment Rolls.

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Assessment Roll for the Major Improvement Area is included as **Exhibit E-1**. The Assessment Roll for Improvement Area #1 is included as **Exhibit F-1**. The Assessment Roll for Improvement Area #2 is included as **Exhibit G-1**. The Assessment Roll for Improvement Area #3 is included as **Exhibit H-1**.

See the City Secretary to view the entire

LakePointe Public Improvement District

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Preliminary Amended and Restated Service and Assessment  
Plan

**EXHIBIT B**  
**CITY OF LAVON, TEXAS**  
**NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of Lavon, Texas on *November 16, 2021 at 7:00 p.m. at Lavon City Hall, 120 School Road, Lavon, Texas 75166*. The public hearing will be held to consider proposed assessments to be levied against the assessable property within Improvement Area #2 of the LakePointe Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements (collectively, the "Improvement Area #2 Improvements") may include: water and wastewater system improvements, drainage improvements, street, roadway and sidewalk improvements, including related drainage, utility relocation, signalization, landscaping, lighting and signage, right-of-way acquisition, utility easement acquisition, projects similar to those listed above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; payment of costs associated with operating and maintaining the public improvements listed above; payment of costs associated with developing and financing the public improvements listed above; and costs of establishing, administering, and operating the District. These Improvement Area #2 Improvements shall promote the interests of the City and confer a special benefit upon the Property.

The total estimated costs of the Improvement Area #2 Improvements is \$ 9,669,182.00. The term of the assessments, to the extent payable on an annual basis, will be 30 years in the Preliminary Amended Service and Assessment Plan.

The boundaries of the District include approximately 173.037 acres of land generally situated in the Samuel M. Ranier Survey, Abstract No. 470, Collin County, State of Texas, and generally located east of SH 78, south of FM 6 and north/northeast of Bois D'arc Road, located within the City of Lavon, Texas and as more particularly described by a metes and bounds description available at Lavon City Hall and available for public inspection. Improvement Area #2 includes approximately 74.979 acres of land identified in the Preliminary Amended Service and Assessment Plan.

All written or oral objections on the proposed assessment within the District will be considered at the public hearing.

A copy of the Improvement Area #2 Assessment Roll relating to the Improvement Area #2 Improvements (the "Improvement Area #2 Assessment Roll"), which Improvement Area #2 Assessment Roll includes the assessments to be levied against each parcel in Improvement Area #2 of the District for the Improvement Area #2 Improvements, is available for public inspection at the office of the City Secretary, Lavon City Hall, 120 School Road, Lavon, Texas 75166.

**Schedule of Events for the Creation of a Public Improvement District  
and Levy of Assessments**  
Chapter 372, Local Government Code (the "Act")

**Creation:**

1. Petition of Property Owners to create PID is filed with the City Secretary (petition may be initiated by City or property owners)
2. Verification by City Secretary that Petition meets requirements of the Act
3. City Council receives petition and calls public hearing
4. Notice of public hearing published (before the 15<sup>th</sup> day before the date of the hearing)
5. Notice of public hearing mailed to property owners (before the 15<sup>th</sup> day before the date of the hearing)
6. Public hearing on creation of PID<sup>(1)</sup>
7. Resolution creating PID<sup>(1)</sup>
8. Publication of Resolution (in its entirety) (20 day, from date of publication, referendum period before construction of PID funded improvements may begin)

**Assessment:**

9. Appraisal of benefits
10. Preparation of proposed assessment roll
11. Proposed assessment roll approved by City Council and filed with City Secretary
12. City Council calls public hearing on assessment roll<sup>(1)</sup>
13. Notice of public hearing published (before the 10<sup>th</sup> day before the date of the hearing)
14. Notice of public hearing mailed to property owners by City Secretary upon filing of proposed assessment roll (before the 10<sup>th</sup> day before the date of the hearing)
15. Public hearing on proposed assessment roll<sup>(2)</sup>
16. Ordinance levying assessments<sup>(2)</sup>
17. Assessment ordinance filed in County real property records

(1) May be scheduled and occur at the same meeting.

(2) May be scheduled and occur at the same meeting.



## CITY OF LAVON Agenda Brief

MEETING: September 21, 2021

ITEM: 9 - J

---

**Item:**

Discussion and action regarding Resolution No. 2021-09-16 determining the costs of certain authorized improvements to be financed by the LakePointe Public Improvement District; approving a preliminary amended and restated Service Plan and Assessment Plan, including proposed Improvement Area #3 Assessment Roll; calling a meeting and noticing a public hearing for November 16, 2021 to consider an ordinance levying assessments on property located within the LakePointe Public Improvement District; directing the filing of the proposed Improvement Area #3 Assessment Roll with the city secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto.

**Background:**

On August 22, 2019, the City Council approved the Original Service and Assessment Plan and levied Assessments to finance the Authorized Improvements to be constructed for the benefit of the Assessed Property within the District by approving Ordinance No. 2019-08-02. The Original Service and Assessment Plan identified the Authorized Improvements to be provided by the District, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the District for the costs of the Authorized Improvements. The City also adopted an Assessment Roll identifying the Assessment on each Lot within the District, based on the method of assessment identified in the Original Service and Assessment Plan.

On June 16, 2020, the City Council approved the 2020 Annual Service Plan Update by adopting Resolution No. 2020-06-04, which updated the Assessment Roll for 2020 and on August 3, 2021, the City Council approved the 2021 Annual Service Plan Update by adopting Resolution No. 2021-08-03, which updated the Assessment Roll for 2021.

This Amended and Restated Service and Assessment Plan serves to amend and restate the Original Service and Assessment Plan, including the 2020 Annual Service Plan Update, and the 2021 Annual Service Plan Update, in its entirety for the purposes of (1) levying the Improvement Area #2 Assessments; (2) issuing the Improvement Area #2 Bonds; (3) subdividing the Major Improvement Area into Improvement Area #2 and Improvement Area #3; and (4) updating the Assessment Rolls.

Mary Petty, PID Administrator P3 Works will attend the City Council meeting to present and answer questions regarding the matter.

***Staff Notes:***

The City's bond counsel has reviewed the Resolution and Plan. Approval is recommended.

**Attachments:** Resolution  
Proposed Preliminary Amended and Restated Service and Assessment Plan  
Sample Schedule

**CITY OF LAVON, TEXAS**

**RESOLUTION NO. 2021-09-16**

Calling Public Hearing – LakePointe PID IA#3

**A RESOLUTION OF THE CITY OF LAVON, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED BY THE LAKEPOINTE PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY AMENDED SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING PROPOSED IMPROVEMENT AREA #3 ASSESSMENT ROLL; CALLING A MEETING AND NOTICING A PUBLIC HEARING FOR *NOVEMBER 16, 2021* TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE LAKEPOINTE PUBLIC IMPROVEMENT DISTRICT; DIRECTING THE FILING OF THE PROPOSED IMPROVEMENT AREA #3 ASSESSMENT ROLL WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.**

**RECITALS**

**WHEREAS**, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act") authorizes the governing body (the "City Council") of the City of Lavon, Texas (the "City") to create a public improvement district within the City and its exterritorial jurisdiction; and

**WHEREAS**, on March 19, 2019 the City Council conducted a public hearing to consider a petition received by the City on or before January 14, 2019 titled "Petition for the Creation of a Public Improvement District Within the City of Lavon, Texas, for the LakePointe Development" requesting the creation of a public improvement district; and

**WHEREAS**, on March 19, 2019, after due notice and a public hearing, the City Council approved Resolution No. 2019-03-04 (the "Original Authorization Resolution"), authorizing, establishing and creating the LakePointe Public Improvement District (the "District") and determining the advisability of the improvement; and

**WHEREAS**, on July 16, 2019, the City Council approved Resolution No. 2019-07-03 amending the Original Authorization Resolution (as amended, the "Authorization Resolution")

regarding the estimated costs of authorized improvements to be assessed against the property in the District; and

**WHEREAS**, the City authorized the creation of the District and the issuance of up to \$25,000,000.00 in bonds for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the "Authorized Improvements"); and

**WHEREAS**, on August 22, 2019, the City Council adopted Ordinance No. 2019-08-02, which approved the LakePointe Public Improvement District Service and Assessment Plan dated August 22, 2019 (the "SAP"); and

**WHEREAS**, in addition to approving the SAP, Ordinance No. 2019-08-02 levied assessments against property within the District; and

**WHEREAS**, the property is being developed in phases, the first of which included approximately 53.425 acres, the second of which includes approximately 74.979 acres, and the third of which includes approximately 44.633 acres ("Improvement Area #3"); and

**WHEREAS**, the City desires to amend the SAP to reflect the Improvement Area #3 Improvements construction of and development of Improvement Area #3 of the District; and

**WHEREAS**, the City Council and the City staff have been presented an "Amended and Restated LakePointe Public Improvement District Preliminary Service and Assessment Plan", including the proposed Improvement Area #3 assessment roll (the "Proposed Improvement Area #3 Assessment Roll"), dated September 20, 2021 (collectively, the "Preliminary Amended SAP"), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

**WHEREAS**, the anticipated levy and assessment amount for the Improvement Area #3 Improvements (as defined in the Preliminary Amended SAP) is approximately \$5,293,043 as referenced in the Preliminary Amended SAP; and

**WHEREAS**, the Preliminary Amended SAP sets forth the estimated total costs of certain Improvement Area #3 Improvements to be financed by the District for the second phase of development and the Proposed Improvement Area #3 Assessment Roll states the assessments

proposed to be levied against each parcel of land in Improvement Area #3 of the District as determined by the method of assessment and apportionment chosen by the City; and

**WHEREAS**, the Act requires that the Proposed Improvement Area #3 Assessment Roll be filed with the City Secretary of the City (the "City Secretary") and be subject to public inspection; and

**WHEREAS**, the Act requires that a public hearing (the "Assessment Hearing") be called to consider the Preliminary Amended SAP and proposed assessments and requires the City Council to hear and pass on any objections to the Preliminary Amended SAP and proposed assessments at, or on the adjournment of, the Assessment Hearing; and

**WHEREAS**, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City before the tenth (10th) day before the date of the Assessment Hearing.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS AS FOLLOWS:**

**SECTION 1.** THAT the recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

**SECTION 2.** THAT the City Council does hereby accept the Preliminary Amended SAP, dated September 7, 2021, for the District, including the Proposed Improvement Area #3 Assessment Roll, a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary Amended SAP.

**SECTION 3.** THAT the City Council hereby determines that the total estimated costs of the Improvement Area #3 Improvements to be financed by the District are set forth in the Preliminary Amended SAP, which costs do include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds.

**SECTION 4.** THAT the City Council's final determination and approval of the estimated costs of the Improvement Area #3 Improvements, or any portion thereof, shall be subject to and contingent upon City Council approval of a final Amended and Restated LakePointe Public Improvement District Service and Assessment Plan which will include the final Improvement Area #3 Assessment Roll, after the properly noticed and held Assessment Hearing.

**SECTION 5.** THAT the Proposed Improvement Area #3 Assessment Roll states the assessment proposed to be levied against each parcel of land in Improvement Area #3 of the District as determined by the method of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary Amended SAP.

**SECTION 6.** THAT the City Council hereby authorizes and directs the filing of the Proposed Improvement Area #3 Assessment Roll with the City Administrator and the same shall be available for public inspection.

**SECTION 7.** THAT the City Council hereby authorizes, and calls, a meeting and a public hearing (the Assessment Hearing as defined above) to be held on *November 16, 2021 at 7:00 p.m. at Lavon City Hall, 120 School Road, Lavon, Texas 75166*, at which the City Council shall, among other actions, hear and pass on any objections to the proposed assessments; and, upon the adjournment of the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property within the District (which ordinance shall specify the method of payment of the assessments).

**SECTION 8.** THAT the City Council hereby authorizes and directs the City Secretary to publish notice of the Assessment Hearing to be held on *November 16, 2021*, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general circulation in the City, before the tenth (10th) day before the date of the Assessment Hearing, as required by Section 372.016(b) of the Act.

**SECTION 9.** THAT when the Proposed Improvement Area #3 Assessment Roll is filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on *November 16, 2021* as required by Section 372.016(c) of the Act.

**SECTION 10.** THAT City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the *November 16, 2021* meeting of the City Council.

**SECTION 11.** THAT this Resolution shall become effective from and after its date of passage in accordance with law.

**PASSED AND APPROVED** on this the 21<sup>st</sup> day of September 2021.

ATTEST:

\_\_\_\_\_  
Vicki Sanson, Mayor

\_\_\_\_\_  
Rae Norton, City Secretary

**EXHIBIT A**

**PRELIMINARY AMENDED SERVICE AND ASSESSMENT PLAN**

# LakePointe Public Improvement District

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PRELIMINARY AMENDED AND RESTATED  
SERVICE AND ASSESSMENT PLAN

SEPTEMBER 21, 2021



AUSTIN, TX | NORTH RICHLAND HILLS, TX

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## INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this Amended and Restated Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section,” an “Exhibit,” or an “Appendix” shall be a reference to a Section of this Amended and Restated Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this Amended and Restated Service and Assessment Plan for all purposes.

On March 19, 2019, the City Council passed and approved Resolution No. 2019-03-04 authorizing the establishment of the District in accordance with the PID Act, and on July 16, 2019, the City Council passed and approved Resolution No. 2019-07-13 amending Resolution No. 2019-03-04, which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 173.037 acres located within the corporate limits of the City, as described by the legal description on **Exhibit N-1** and depicted on **Exhibit A-1**.

On August 22, 2019, the City Council approved the Original Service and Assessment Plan and levied Assessments to finance the Authorized Improvements to be constructed for the benefit of the Assessed Property within the District by approving Ordinance No. 2019-08-02. The Original Service and Assessment Plan identified the Authorized Improvements to be provided by the District, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the District for the costs of the Authorized Improvements. The City also adopted an Assessment Roll identifying the Assessment on each Lot within the District, based on the method of assessment identified in the Original Service and Assessment Plan.

On June 16, 2020, the City Council approved the 2020 Annual Service Plan Update by adopting Resolution No. 2020-06-04, which updated the Assessment Roll for 2020.

On August 3, 2021, the City Council approved the 2021 Annual Service Plan Update by adopting Resolution No. 2021-08-03, which updated the Assessment Roll for 2021.

This Amended and Restated Service and Assessment Plan services to amend the restate the Original Service and Assessment Plan, including the 2020 Annual Service Plan Update, and the 2021 Annual Service Plan Update, in its entirety for the purposes of (1) levying the Improvement Area #2 Assessments; (2) levying the Improvement Area #3 Assessments; (3) subdividing the Major Improvement Area into Improvement Area #2 and Improvement Area #3; and (4) updating the Assessment Rolls.

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Assessment Roll for the Major Improvement Area is included as **Exhibit E-1**. The Assessment Roll for Improvement Area #1 is included as **Exhibit F-1**. The Assessment Roll for Improvement Area #2 is included as **Exhibit G-1**. The Assessment Roll for Improvement Area #3 is included as **Exhibit H-1**.

See the City Secretary to view the entire

LakePointe Public Improvement District

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Preliminary Amended and Restated Service and Assessment  
Plan

**EXHIBIT B**  
**CITY OF LAVON, TEXAS**  
**NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of Lavon, Texas on *November 16, 2021 at 7:00 p.m. at Lavon City Hall, 120 School Road, Lavon, Texas 75166*. The public hearing will be held to consider proposed assessments to be levied against the assessable property within Improvement Area #3 of the LakePointe Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements (collectively, the "Improvement Area #3 Improvements") may include: water and wastewater system improvements, drainage improvements, street, roadway and sidewalk improvements, including related drainage, utility relocation, signalization, landscaping, lighting and signage, right-of-way acquisition, utility easement acquisition, projects similar to those listed above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; payment of costs associated with operating and maintaining the public improvements listed above; payment of costs associated with developing and financing the public improvements listed above; and costs of establishing, administering, and operating the District. These Improvement Area #3 Improvements shall promote the interests of the City and confer a special benefit upon the Property.

The total estimated costs of the Improvement Area #3 Improvements is \$8,111,407.00. The term of the assessments, to the extent payable on an annual basis, will be 30 years in the Preliminary Amended Service and Assessment Plan.

The boundaries of the District include approximately 173.037 acres of land generally situated in the Samuel M. Ranier Survey, Abstract No. 470, Collin County, State of Texas, and generally located east of SH 78, south of FM 6 and north/northeast of Bois D'arc Road, located within the City of Lavon, Texas and as more particularly described by a metes and bounds description available at Lavon City Hall and available for public inspection. Improvement Area #3 includes approximately 44.633 acres of land identified in the Preliminary Amended Service and Assessment Plan.

All written or oral objections on the proposed assessment within the District will be considered at the public hearing.

A copy of the Improvement Area #3 Assessment Roll relating to the Improvement Area #3 Improvements (the "Improvement Area #3 Assessment Roll"), which Improvement Area #3 Assessment Roll includes the assessments to be levied against each parcel in Improvement Area #3 of the District for the Improvement Area #3 Improvements, is available for public inspection at the office of the City Secretary, Lavon City Hall, 120 School Road, Lavon, Texas 75166.

**Schedule of Events for the Creation of a Public Improvement District  
and Levy of Assessments**  
Chapter 372, Local Government Code (the "Act")

**Creation:**

1. Petition of Property Owners to create PID is filed with the City Secretary (petition may be initiated by City or property owners)
2. Verification by City Secretary that Petition meets requirements of the Act
3. City Council receives petition and calls public hearing
4. Notice of public hearing published (before the 15<sup>th</sup> day before the date of the hearing)
5. Notice of public hearing mailed to property owners (before the 15<sup>th</sup> day before the date of the hearing)
6. Public hearing on creation of PID<sup>(1)</sup>
7. Resolution creating PID<sup>(1)</sup>
8. Publication of Resolution (in its entirety) (20 day, from date of publication, referendum period before construction of PID funded improvements may begin)

**Assessment:**

9. Appraisal of benefits
10. Preparation of proposed assessment roll
11. Proposed assessment roll approved by City Council and filed with City Secretary
12. City Council calls public hearing on assessment roll<sup>(1)</sup>
13. Notice of public hearing published (before the 10<sup>th</sup> day before the date of the hearing)
14. Notice of public hearing mailed to property owners by City Secretary upon filing of proposed assessment roll (before the 10<sup>th</sup> day before the date of the hearing)
15. Public hearing on proposed assessment roll<sup>(2)</sup>
16. Ordinance levying assessments<sup>(2)</sup>
17. Assessment ordinance filed in County real property records

(1) May be scheduled and occur at the same meeting.

(2) May be scheduled and occur at the same meeting.



# CITY OF LAVON

## Agenda Brief

**MEETING: September 21, 2021**

**ITEM: 9 - K**

---

**Item:**

Discussion and action regarding orders and regulations, programming, city facilities and operations related to COVID-19.

**Background:**

This standing item is continued on the agenda to allow for the City Council to discuss and act without delay on updates relating to COVID-19 orders and regulations.

**REGULATORY UPDATE**

Latest Executive Order was issued on August 25, 2021, when Governor Greg Abbott issued Executive Order No. GA-39 relating to prohibiting vaccine mandates and vaccine passports subject to legislative action.

**Collin County reveals plan for new facilities using ARPA funds.** (*The Wylie News-Volume 74 Issue 20, September 15, 2021*)

Collin County recently announced plans for ARPA funds, noting they would be used in part to build and upgrade county facilities including an infirmary for the county detention center, a health care services building and parking garage and a medical examiner building.

**American Rescue Plan Act Funds** - *excerpt from TML COVID-19 Update (No. 202)*

The state of Texas received the first tranche of ARPA funds from the U.S. Treasury, and TML is hearing from cities that are beginning to receive the first half of their allotted ARPA/CLFRF funds.

Keep in mind that “non-entitlement units of local government” (NEUs are generally cities under 50,000 population) must register with the [Texas Division of Emergency Management](#) (“TDEM”) to receive ARPA funds. TDEM maintains its [Coronavirus Local Fiscal Recovery Fund FAQ](#) which includes a link to the [CLFRF Timeline Check-in document](#) and step-by-step instructions on registering your city with the [TDEM Grant Management System](#). Cities serving a population over 50,000 need to [apply for funding directly to the U.S. Treasury](#). [Looking at the NEU spreadsheet](#), it appears that 50 cities have not applied for the funds. If your city has not yet registered but wants to participate in the ARPA funding opportunities, register now. TDEM has also [updated its CLFRF page](#) with allocation information, spreadsheets, and maps that could be useful.

**ARPA FAQs**

The U.S. Treasury Department’s Coronavirus State and Local Fiscal Recovery Funds FAQ contains a number of questions and answers related to eligibility for recovery funds and eligible uses of recovery funds. The entire FAQ can be accessed [here](#).

The National League of Cities also maintains an ARPA-related FAQ which can be found [here](#).

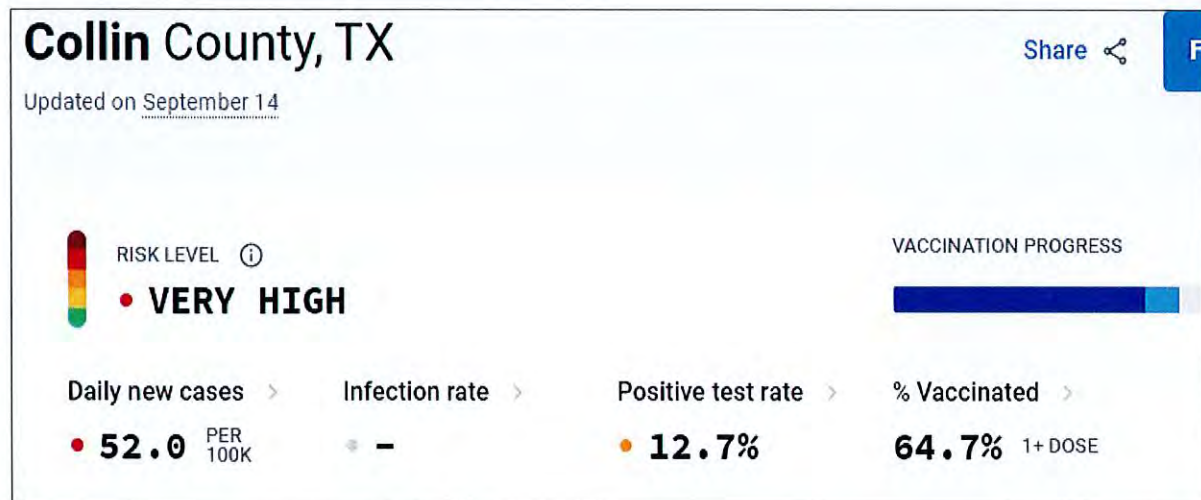
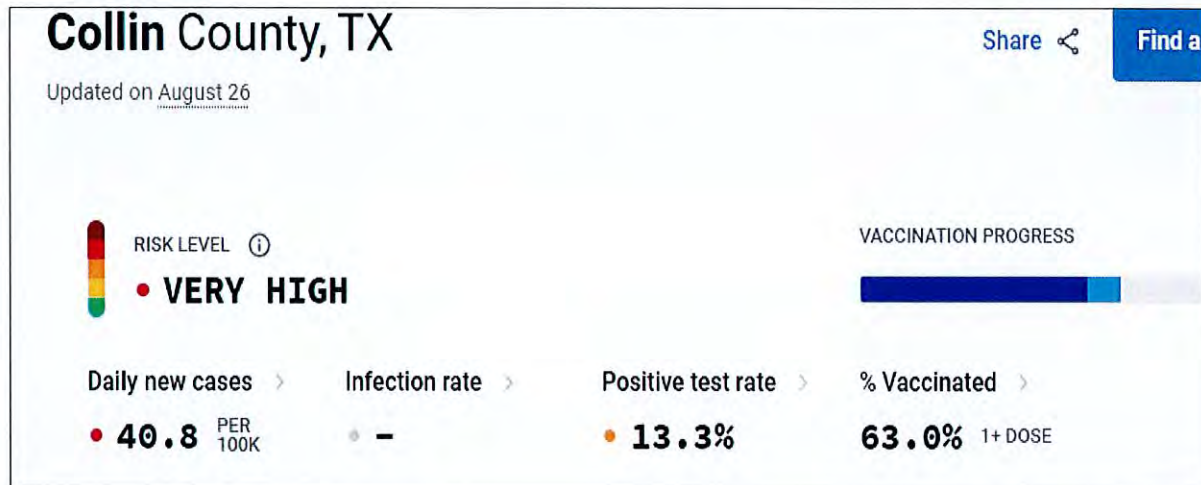
Given the rising numbers of COVID-19 cases across the state, staff will monitor to determine if the plan for the September 1 expiration may be modified.

The [Office of Governor’s website](#) provides information regarding orders, proclamation, press releases and updates. The Governor’s Office website also contains a TDEM [link to testing locations](#) and a TSHS [link with vaccination information](#).

The City Attorney continues to monitor the Orders and commentaries to ensure that the City regulations in the form of Ordinance No. [2020-04-01](#) and Ordinance No. [2020-04-05](#) are sufficient and appropriate. The severability clauses in the city’s ordinances contemplate provisions that may be precluded by updated Orders and Proclamations.

### CASE UPDATE

Information from [Covid Act Now](#) relating to case, tests and vaccinations in Collin County:



As of September 15, 2021, the Collin County Risk Level was classified as **VERY HIGH** due to a significant increase in daily new cases reported and in positive test rates. Also on the site:

## Recommendations



**Masks** are not required in most indoor and outdoor settings for vaccinated people, except by local regulation e.g., from businesses, workplaces or local government. Unvaccinated people should continue to mask in all public spaces. See [guidance on masks](#)



**Schools** can safely offer in-person learning only when [these infection control measures](#) are in place.

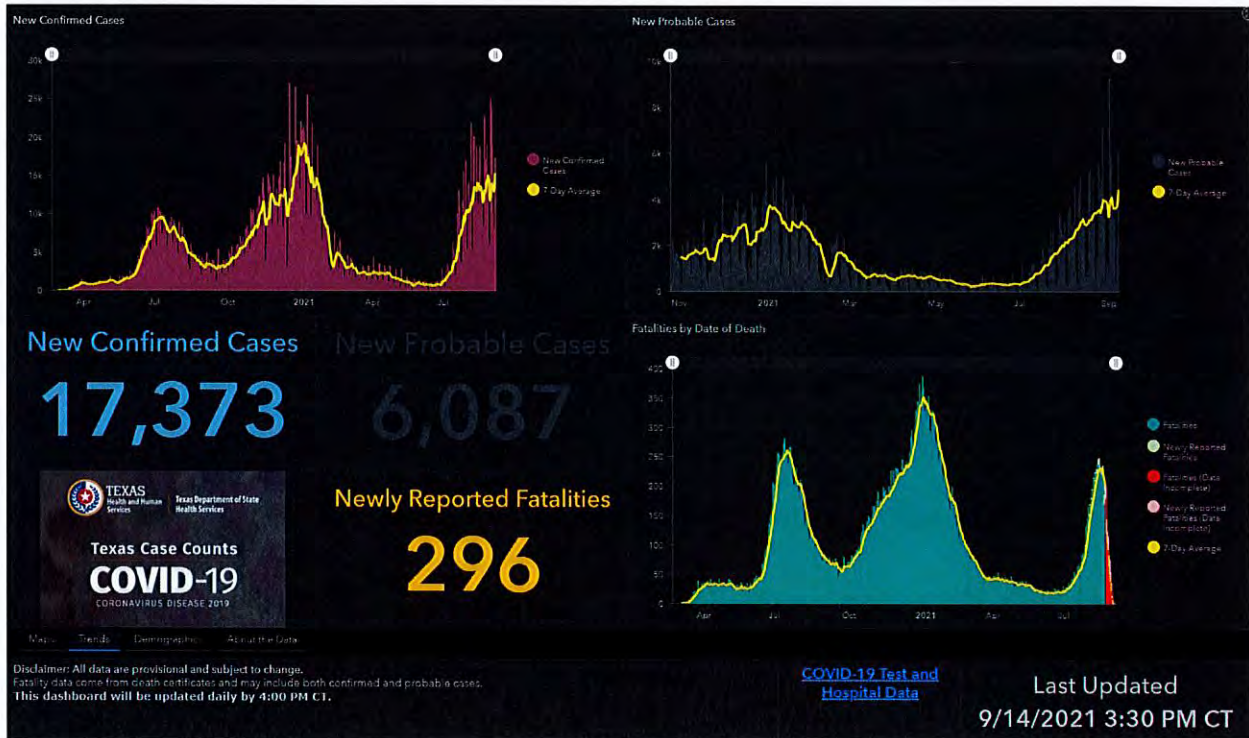


**Indoor gatherings** should be avoided with people outside the immediate household, unless you are fully vaccinated. See [guidance for vaccinated individuals](#). Outdoor gatherings with masks and distancing are a safer alternative.



**Travel** should be avoided unless it is necessary or you are fully vaccinated.

**Source:** Tx Dept of Health and Human Services-Cases are statewide (Collin County had 96,845 confirmed cases with 4999 estimated active cases)



## OPERATIONS UPDATE

### CDC Updated Health Precautions: excerpt from the TML COVID-19 Update (No. 198)

Given the sharp rise in COVID-19 cases due to the Delta-variant of the virus, on July 27, 2021, the Centers for Disease Control and Prevention (CDC) updated their [guidance related to health precautions for fully-vaccinated individuals](#). To reduce the risk of being infected with the Delta variant and possibly spreading it to others, the CDC recommends wearing a mask indoors in public if the individual is in an area of substantial or high transmission, even if the person is fully-vaccinated. The [CDC recommendations for unvaccinated individuals](#) remains substantially unchanged, including recommendations to get vaccinated, maintain physical distance from others, wear masks, and avoid crowds.

With the increase in cases, Governor Abbott issued a series of directives for the provision of health care services. A press release is attached.

## **Vaccinations & Testing**

Collin County Health Care Services is providing mobile vaccination teams that allow Collin County residents to receive a COVID-19 vaccine right at their doorstep for no cost. Information is attached. The City is exploring opportunities to increase options for Lavon residents to obtain testing and vaccinations as close to home as possible.

Collin County Healthcare Services: [information and registration link](#)

Collin CARES: [information for testing](#)

**Attachments:**



## CITY OF LAVON Agenda Brief

**MEETING:** September 21, 2021

**ITEM:** 10

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**Item:**

**DEPARTMENT REPORTS**

*The City Council may receive and discuss the reports.*

- A. Police Services – Service, activity, programs, and administration report.
- B. Fire Services – Service, activity, programs, and administration report.
- C. Public Works Services – Utilities, capital projects and public works, street maintenance report including projects, right of way maintenance; and code enforcement report.
- D. Administration Services – Building Permits; CWD Service; Collin County Tax Collection; Financial Update; Sales Tax; and administration and staff report.



**LAVON POLICE**

501B Lincoln Ave  
P.O. Box 340  
Lavon, Texas 75166  
(972)-843-4219

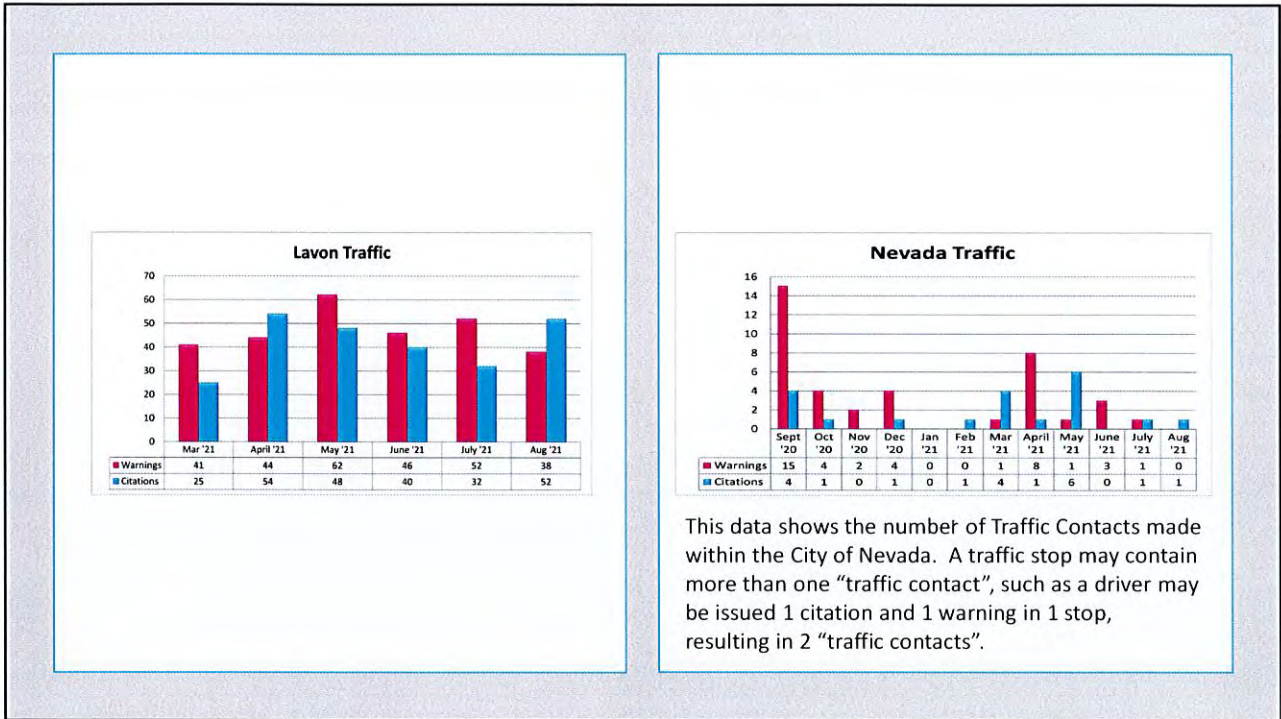


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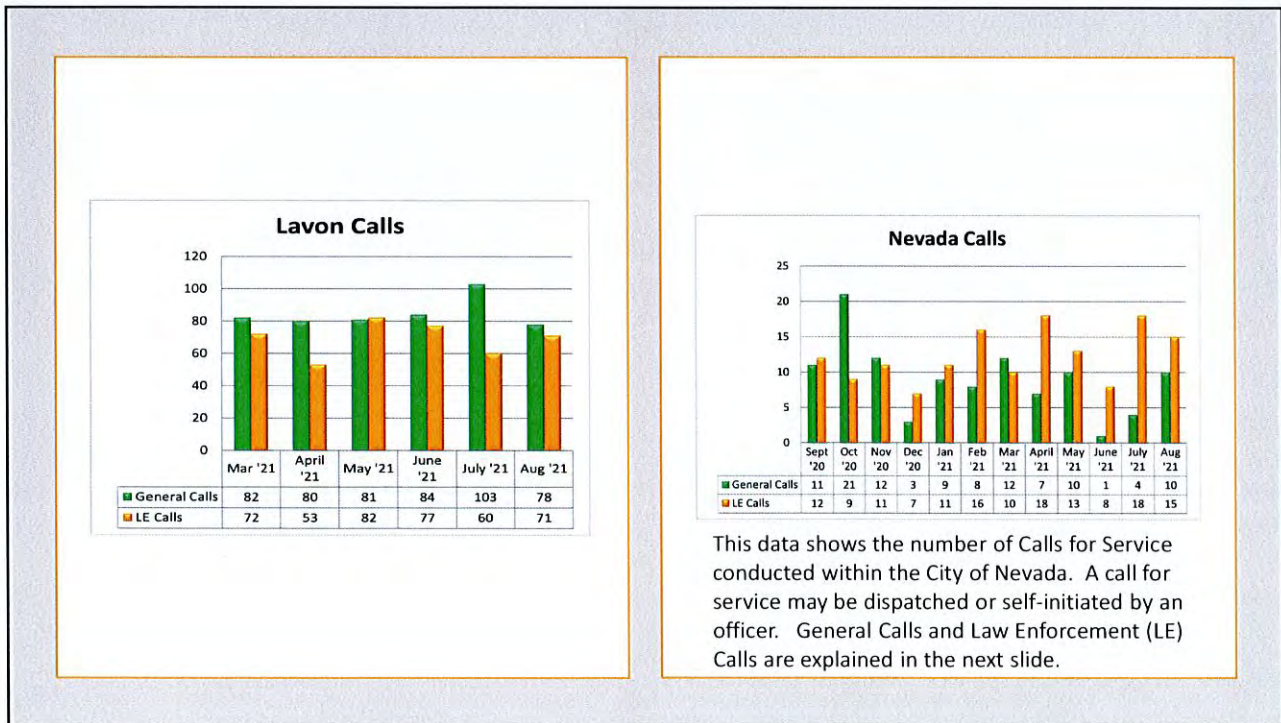
**LAVON & NEVADA**

August 2021  
Activity Report

2



3



4

## General Calls versus Law Enforcement Calls

General Calls – Typically a non-priority call that presents little to no danger to the responding officer and could be handled by another City Services department, County Services department or a professional in another field who is specially trained to handle certain types of situations.

*\* A law enforcement officer should always be available to anyone responding to these calls, should the situation escalate beyond the responding person's capability.*

Law Enforcement (LE) Calls – Typically a priority call that has the potential to present an increased amount of danger to the responding officer and/or the public. These calls are generally either crimes being committed, about to be committed, or have already been committed. They also generally include an offense report being taken.

In some instances, another City Services department, County Services department or a professional in another field who is specially trained to handle certain types of situations can be useful to assist, but should not respond alone to the initial call.

*\* Crimes that have been committed and are a delay in reporting or present a low amount of danger (walk in to the Police Department) could be handled by a desk officer or a member of the Police Volunteer Support Unit.*

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### Traditionally General Calls

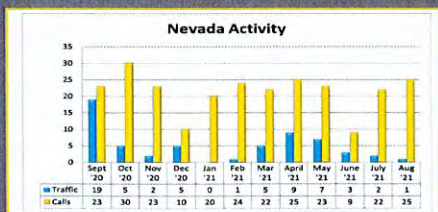
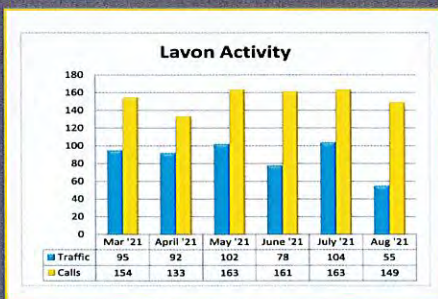
Abandoned Vehicle	Parking Complaint
Animal Problem – Animal Ordinance	Moving the Speed Trailer
Animal Problem – Other Animal Calls	Traffic Hazard
Fire Alarm	Welfare Check
Assist Other Agency (AOA) Fire	Civil Problem
Assist Other Agency (AOA) Medical	Juvenile Problem
Assist Citizen	Mental Health
Assist Motorist	Ordinance Violation
Construction Noise	Lost Property
Fireworks Complaint	Public Service
Loud Music	Traffic Control
Noise Complaint	Traffic Hazard

6

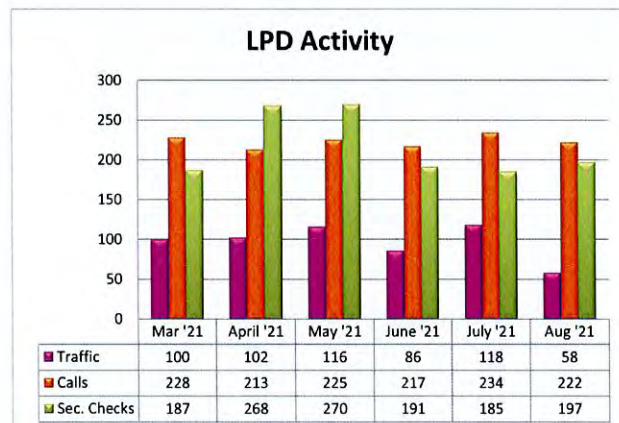
### Traditionally Law Enforcement Related Calls

- 911 Hang-up
- Burglary Alarm
- Other Alarm (Audible alarm heard in the area)
- Simple Assault
- Burglary
- Burglary, Forced Entry Non-residence
- Burglary, Forced Entry Residence
- Assist Other Agency (AOA) Law Enforcement (LE)
- Firearm Complaint
- Narcotic Investigation
- Non-Family Disturbance
- Unsecure Building
- Criminal Mischief
- Damaged Property, Vehicle
- Family Violence / Domestic Disturbance
- Driving While Intoxicated
- Fraud, Illegal Use Credit Cards
- Fraud Impersonation
- Juvenile Problem – Curfew
- Juvenile Problem – Runaway
- Obstruct Police – False Police Report
- Sexual Assault – Strong Arm
- Suspicious Activity
- Suspicious Person
- Suspicious Vehicle
- Theft
- Traffic Accident
- (Injury, Private Property Damage, Vehicle Damage)*
- Traffic Problem
- (Dangerous Driver, Reckless Driver, Traffic Offense)*

7

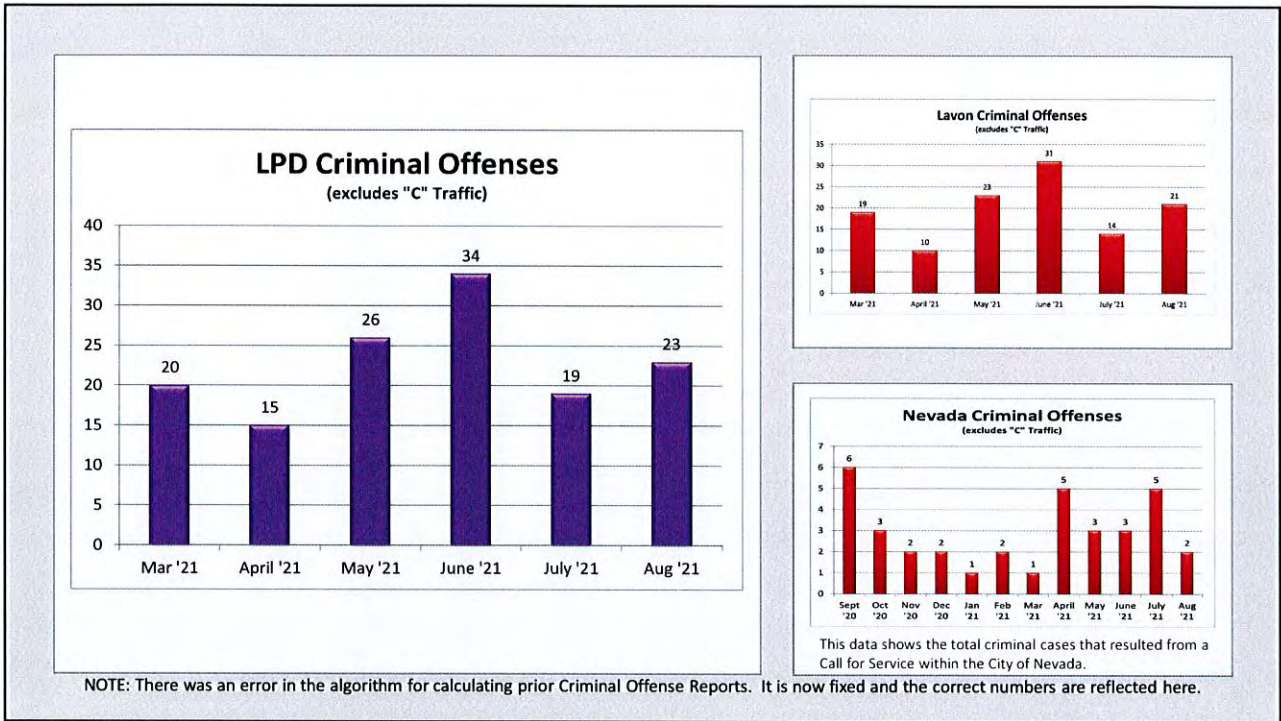


This data shows the total number of both Traffic Contacts and total Calls for Service conducted within the City of Nevada. The purpose of this graph is to give a visual comparison of total activity month to month.

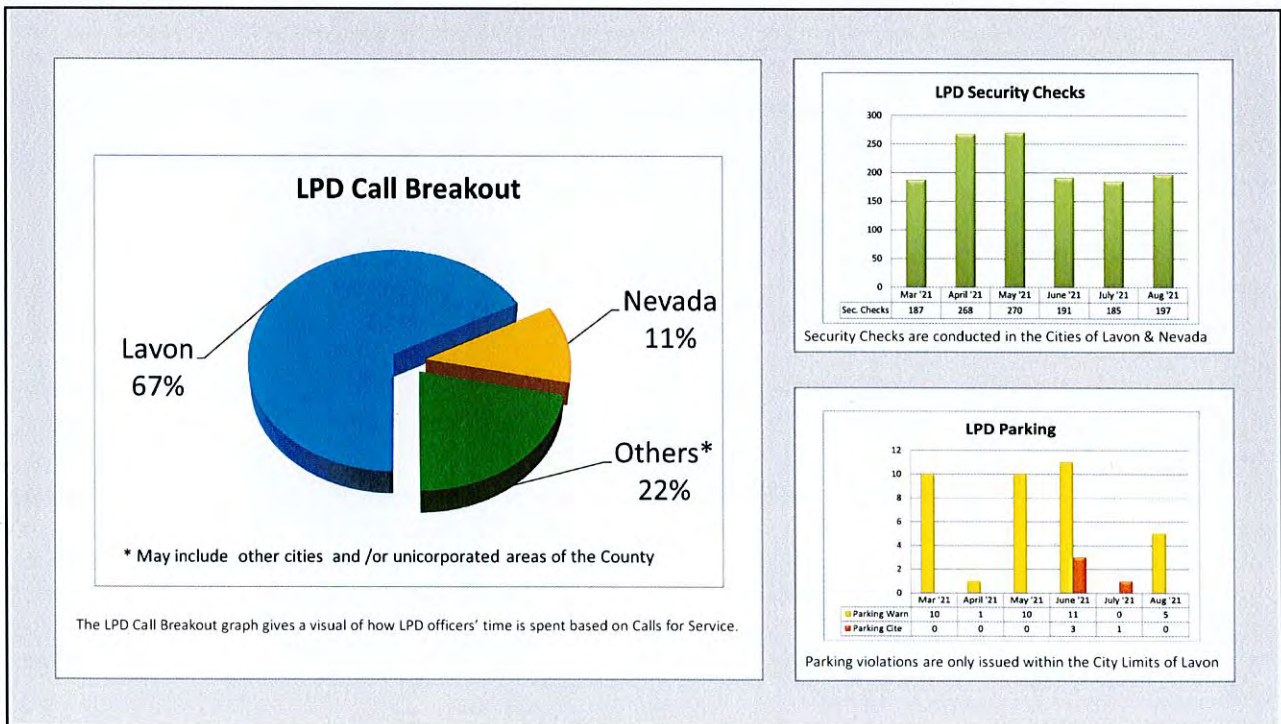


This data shows the total activity for the Lavon Police Department and includes Traffic Contacts, Calls for Service and Security Checks which are conducted in the City of Lavon, the City of Nevada and backing up the Collin County Sheriff's Office. The purpose of this graph is to give a visual comparison of total activity month to month.

8

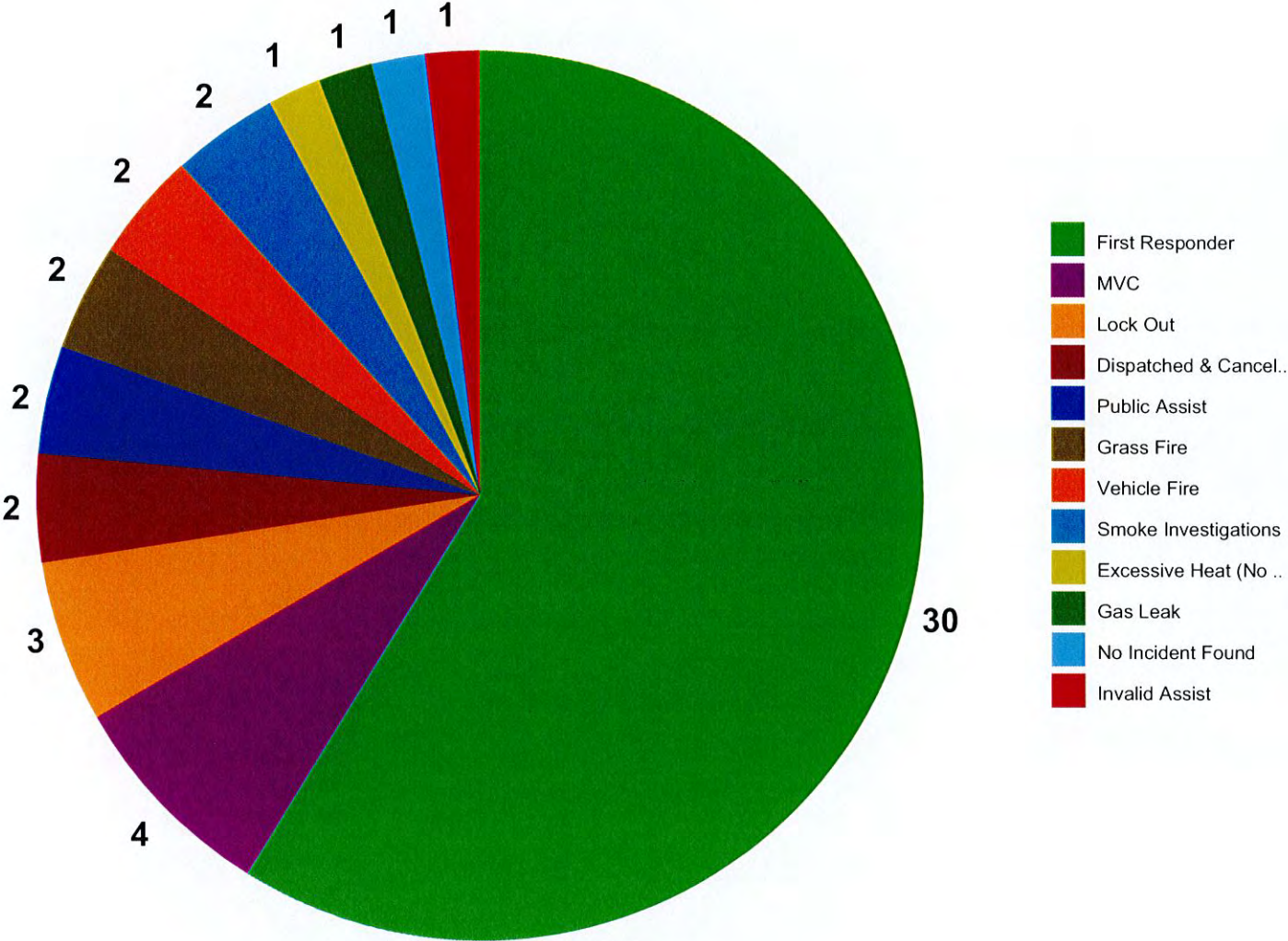


9



10

August Calls 2021



51 Total Calls

**CITY OF LAVON  
BUILDING PERMITS  
CALENDAR YEAR 2020-2021**

PERMITS	August - 21	Calendar Year 2021	Permit Valuations	August - 20	Calendar Year 2020	Permit Valuations
	NUMBER	NUMBER	Permit Fee's	NUMBER	NUMBER	Permit Fee's
COMMERCIAL	1	20	\$22,810.00	6	24	\$4,594.00
SINGLE FAMILY	23	271	\$863,269.17	34	82	\$309,895.21
POOLS	2	6	\$2,400.00	1	2	\$800.00
OTHERS	46	463	\$46,198.07	32	180	\$23,891.64
<b>TOTAL</b>	<b>72</b>	<b>760</b>	<b>\$934,677.24</b>	<b>73</b>	<b>288</b>	<b>\$339,180.85</b>



# Community Waste Disposal Monthly Report to the City of Lavon

Nicole Roemer *Municipal Coordinator*





# Municipal Recycling Program



## Single Stream Recycling

Participation in the Residential Curbside Recycling Program continues to demonstrate that residents of the City of Lavon are dedicated to the preservation of the Texas environment for future generations.

The chart below details the statistics of the CWD Residential Curbside Recycling Program.

	Aug-2021	Jul-2021	Jun-2021	May-2021	Apr-2021	Mar-2021	Feb-2021	Jan-2021	Dec-2020	Nov-2020	Oct-2020	Sep-2020
<b>Homes</b>	1,751	1,720	1,692	1,619	1,619	1,521	1,521	1,510	1,510	1,510	1,475	1,458
<b>Resi Rcy Tonnage</b>	23.81	19.33	27.15	24.33	26.40	36.12	24.40	22.07	36.07	20.17	14.92	32.15
<b>Pounds / Home / Month</b>	27.20	22.48	32.09	30.06	32.61	47.50	32.08	29.23	47.77	26.72	20.23	44.10



# Municipal Service Inquiries



## Residential Solid Waste Services

The Solid Waste Industry has a standard service inquiry ratio of 1.0 inquiries per 1,000 service opportunities.

**\*\* February 2021 grievance data is unavailable due to reporting issues. \*\***

	Aug-2021	Jul-2021	Jun-2021	May-2021	Apr-2021	Mar-2021	Feb-2021	Jan-2021	Dec-2020	Nov-2020	Oct-2020	Sep-2020
Service Opportunities	15,163	14,895	14,652	14,020	14,020	13,171	0	13,076	13,076	13,076	12,773	12,626
Service Inquiries	13	25	9	5	9	2	0	3	4	2	2	4
Per 1,000 Service Opps	0.86	1.68	0.61	0.36	0.64	0.15	0.00	0.23	0.31	0.15	0.16	0.32



# Customer Service Inquiries - Detail



## Good Service is Good Business

CWD's Customer Service Community is available to provide solutions via phone or online. Our efficient team is here to support the City of Lavon and we continually strive for top-notch performance to ensure residents receive the most value out of their waste and recycling services.

### City Account Grievances for the Period of 08/01/2021 - 08/31/2021

Date	Account	Address	Service Type	Service Code
08/25/2021	105627-671	779 FANNIN DR		
				<b>Total : 1</b>
08/19/2021	105627-666	529 GRANT LN	RESI-BULK	RESI R/L BULK
				<b>Total RESI-BULK: 1</b>
08/19/2021	105627-669	1030 SHEPARD LANE	RESI-RECYCLE	SERVICE RCYCART
				<b>Total RESI-RECYCLE: 1</b>
08/02/2021	105627-570	130 BROOKVIEW DR	RESI-TRASH	SERVICE TRASH CART
08/06/2021	105627-660	923 CROCKETT DR	RESI-TRASH	SERVICE TRASH CART
08/12/2021	105627-661	737 FANNIN DR	RESI-TRASH	SERVICE TRASH CART
08/12/2021	105627-662	237 ORBIT DR	RESI-TRASH	SERVICE TRASH CART
08/12/2021	105627-662	237 ORBIT DR	RESI-TRASH	SERVICE TRASH CART
08/19/2021	105627-669	1030 SHEPARD LANE	RESI-TRASH	SERVICE TRASH CART
08/19/2021	105627-670	341 CYPRUS GROVE DR	RESI-TRASH	SERVICE TRASH CART
08/25/2021	105627-191	660 LAKE SHADOW DR	RESI-TRASH	SERVICE TRASH CART
08/26/2021	105627-673	507 EISENHOWER LN	RESI-TRASH	SERVICE TRASH CART
08/30/2021	105627-670	341 CYPRUS GROVE DR	RESI-TRASH	SERVICE TRASH CART
				<b>Total RESI-TRASH: 10</b>

**Kenneth L. Maun  
Tax Assessor Collector  
Collin County  
2300 Bloomdale Rd  
P.O. Box 8046  
McKinney, Texas 75070  
972- 547-5020  
Metro 424-1460 Ext.5020  
Fax 972-547-5040**

**September 10, 2021**

**Mayor Vicki Sanson  
City of Lavon  
P. O. Box 340  
Lavon, Texas 75166**

**Dear Mayor Sanson,**

**Enclosed is the Monthly Collection Report for:  
The City of Lavon tax collections for the month were:**

**August 2021  
1,567.49**

**Sincerely,**



**Kenneth L. Maun  
Tax Assessor Collector**

**Attachment**

**cc: Kim Dobbs, City Administrator/City Secretary**

**KM:jd**

Kenneth L Maun  
 Tax Assessor/Collector  
 Collin County  
 P O Box 8046  
 McKinney Tx 75070

Monthly Collection Status Report  
 August 2021

City of Lavon #18

	Collections Month of August	Cumulative Total 10/1/20 thru 8/31/21	% of Collections
<b>Current Tax Year Collections</b>			
Base M&O	938.06	1,119,642.81	99.87%
Base I&S	635.11	758,069.79	
Late Renditon Penalty	0.00	101.00	
P&I M&O	10.88	1,899.24	
P&I I&S	7.39	1,280.39	
P&I I&S Bond			
Attorney Fee	2.85	602.77	
Other	0.00	0.00	
<b>Subtotal</b>	<b>1,594.29</b>	<b>1,881,596.00</b>	<b>100.08%</b>
<b>Delinquent TaxYears Collections</b>			
Base M&O	(13.97)	1,268.32	
Base I&S	(9.98)	1,048.09	
Late Rendition Penalty	0.00	0.00	
P&I M&O	0.00	684.27	
P&I I&S	0.00	546.09	
P&I I&S Bond			
Attorney Fee	0.00	818.93	
Other	0.00	0.00	
<b>Subtotal</b>	<b>(23.95)</b>	<b>4,345.70</b>	<b>0.23%</b>
<b>Combined Current &amp; Delinquent:</b>			
Base M&O	924.09	1,120,911.13	
Base I&S	625.13	759,117.88	
Late Rendition Penalty	0.00	101.00	
P&I M&O	10.88	2,563.51	
P&I I&S	7.39	1,826.48	
P&I I&S Bond			
Attorney Fee	2.85	1,421.70	
Other	0.00	0.00	
<b>Total Collections</b>	<b>1,570.34</b>	<b>1,885,941.70</b>	<b>100.31%</b>
<b>Original 2020 Tax Levy</b>		<b>1,880,093.82</b>	<b>100.00%</b>

Kenneth L Maun  
 Tax Assessor/Collector  
 Collin County  
 P O Box 8046  
 McKinney Tx 75070

Cumulative Comparative Collection Status Report  
 August 2021

City of Lavon #18

	Collections thru August 2021		Collections thru August 2020	
		% Collections		% Collections
<b>Current Tax Year Collections</b>				
Base M&O	1,877,712.60	99.87%	1,772,669.99	99.80%
Late Renditon Penalty	101.00		184.53	
P&I M&O	3,179.63		1,807.03	
Attorney Fee	602.77		282.48	
Other	0.00		0.00	
Subtotal	<u>1,881,596.00</u>	100.08%	<u>1,774,944.03</u>	99.93%
<b>Delinquent Tax Years Collections</b>				
Base M&O	2,316.41		3,254.56	
Late Renditon Penalty	0.00		0.00	
P&I M&O	1,210.36		1,054.28	
Attorney Fee	818.93		395.46	
Other Fees	0.00		0.00	
Subtotal	<u>4,345.70</u>	0.23%	<u>4,704.30</u>	0.26%
<b>Combined Current &amp; Delinquent:</b>				
Base M&O	1,880,029.01		1,775,924.55	
P&I M&O	4,389.99		2,861.31	
Late Rendition Penalty	101.00		184.53	
Attorney Fee	1,421.70		677.94	
Other	0.00		0.00	
Total Collections	<u>1,885,941.70</u>	100.31%	<u>1,779,648.33</u>	100.19%
Adjusted 2019 Tax Levy			<u>1,776,199.64</u>	100.00%
Original 2020 Tax Levy	<u>1,880,093.82</u>	100.00%		

Kenneth L. Maun  
 Tax Assessor/Collector  
 Collin County  
 P O Box 8046  
 McKinney Tx 75070

Levy Outstanding Status Report  
 August 2021

City of Lavon #18

	Current Tax Year	Delinquent Tax Years
Current Month:		
Tax Levy Remaining as of 7/30/21	3,740.09	5,035.13
Base M&O Collections	1,573.17	(23.95)
Supplement/Adjustments	(143.68)	(23.95)
Write-Off	0.00	0.00
Remaining Levy as of 8/31/21	<u>2,023.24</u>	<u>5,035.13</u>
Cumulative (From 10/01/20 thru 8/31/21)		
Original 2020 Tax Levy (as of 10/01/20)	1,880,093.82	8,314.01
Base M&O Collections	1,877,712.60	2,316.41
Supplement/Adjustments	(357.98)	(962.47)
Write-Off	0.00	0.00
Remaining Levy as of 8/31/21	<u>2,023.24</u>	<u>5,035.13</u>

Kenneth L. Maun  
 Tax Assessor/Collector  
 Collin County  
 P O Box 8046  
 McKinney Tx 75070

Monthly Distribution Report  
 August 2021

City of Lavon #18

	Distribution Month of August	Distribution 10/1/20 thru 8/31/21
Weekly Remittances:		
Week Ending 8/6/21	1,356.81	168,543.18
Week Ending 8/13/21	0.00	219,458.01
Week Ending 8/20/21	0.00	287,332.51
Week Ending 8/27/21	210.68	201,311.40
Week Ending 8/31/21	0.00	1,007,752.44
Total Weekly Remittances	<u>1,567.49</u>	<u>1,884,397.54</u>
Overpayment from Prior Month	0.00	117.41
Excess Refund Remittance Repaid to Entity	0.00	0.00
Commission Paid Delinquent Attorney	2.85	1,421.70
Entity Collection Fee	0.00	0.00
Judgement Interest	0.00	0.00
5% CAD Rendition Penalty	0.00	5.05
Total Disbursements	<u><u>1,570.34</u></u>	<u><u>1,885,941.70</u></u>
Carryover to Next Month	0.00	0.00

## 2833 - Lavon, City of (General Obligation Debt)

Report - Lavon, City of (General Obligation Debt) / Sales Tax Data

The charts below contain sales tax revenue allocated each month by the Texas State Comptroller. Please contact and search the [Texas Comptroller's website](#) if you notice an incorrect amount.

For example, the February allocations reflect December sales, collected in January and allocated in February.

\*Excludes any sales tax retained by the municipality and not remitted to the Comptroller.

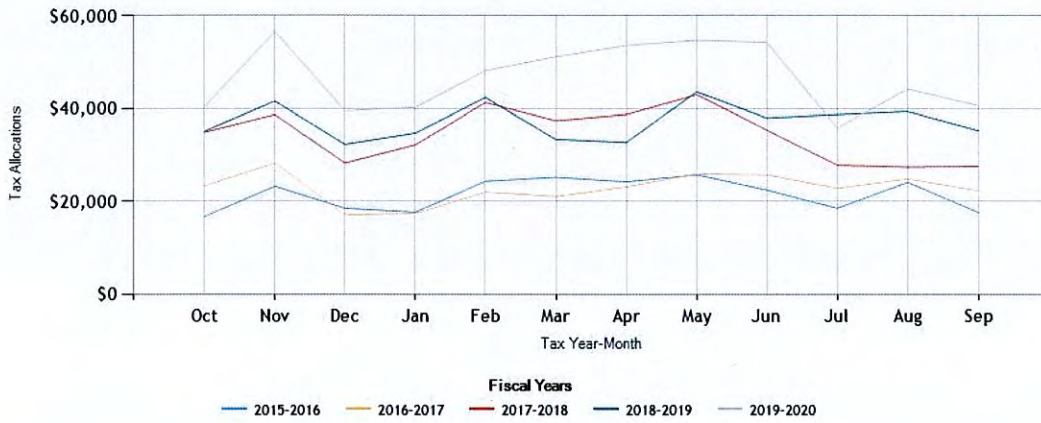
- [View Grid Based on Fiscal Year](#)
- [View Grid With All Years](#)

[Download to Excel](#)

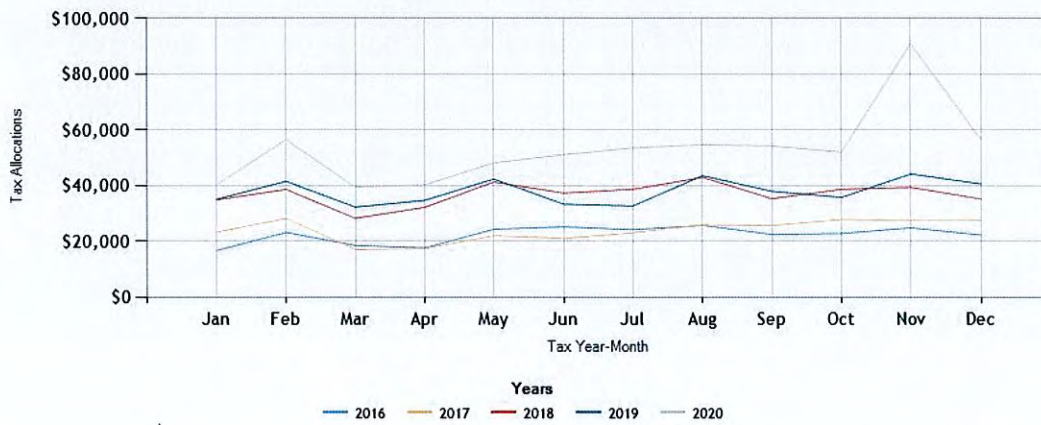
By Calendar Year													
Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2021	\$58,898	\$80,039	\$56,878	\$48,350	\$69,834	\$70,944	\$63,068	\$73,676	\$68,987	\$0	\$0	\$0	\$590,674
2020	\$40,349	\$56,602	\$39,533	\$40,351	\$48,207	\$51,191	\$53,631	\$54,745	\$54,314	\$52,096	\$90,909	\$56,718	\$638,645
2019	\$35,116	\$41,596	\$32,296	\$34,749	\$42,410	\$33,403	\$32,771	\$43,642	\$37,975	\$35,846	\$44,260	\$40,667	\$454,732
2018	\$34,883	\$38,663	\$28,296	\$32,210	\$41,357	\$37,397	\$38,763	\$43,030	\$35,374	\$38,730	\$39,419	\$35,260	\$443,381
2017	\$23,334	\$28,270	\$17,054	\$17,410	\$22,051	\$21,074	\$23,146	\$25,990	\$25,733	\$27,837	\$27,458	\$27,603	\$286,962
2016	\$16,738	\$23,265	\$18,517	\$17,691	\$24,381	\$25,242	\$24,250	\$25,789	\$22,468	\$22,849	\$24,877	\$22,304	\$268,372
2015	\$15,458	\$20,264	\$16,418	\$15,845	\$20,890	\$16,999	\$18,497	\$23,514	\$20,100	\$18,554	\$24,151	\$17,624	\$228,313
2014	\$11,898	\$19,981	\$12,109	\$11,920	\$21,846	\$14,703	\$14,625	\$18,397	\$14,846	\$16,213	\$17,336	\$16,025	\$189,898
2013	\$10,998	\$14,996	\$8,945	\$11,649	\$14,195	\$13,186	\$13,097	\$14,801	\$13,139	\$12,032	\$14,975	\$11,935	\$153,947
2012	\$10,525	\$12,667	\$8,695	\$11,343	\$13,292	\$12,186	\$12,749	\$13,134	\$11,847	\$11,166	\$15,054	\$12,518	\$145,177

1 2 3 >

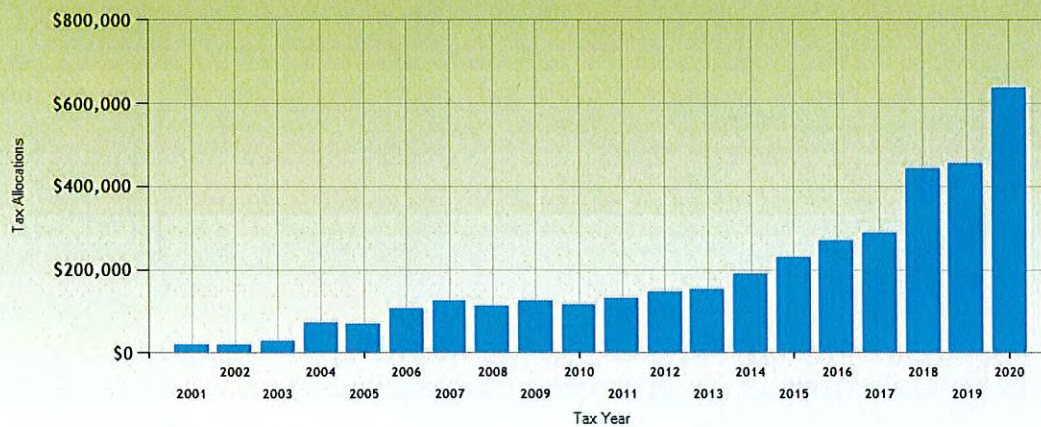
Monthly - Sales Tax Allocations - By Fiscal Year 10/01 - 09/30

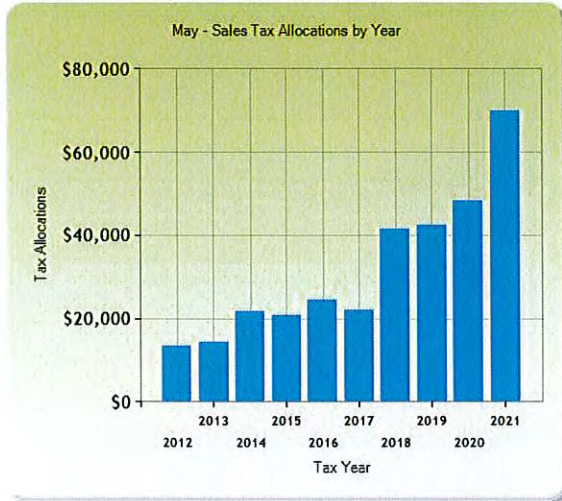
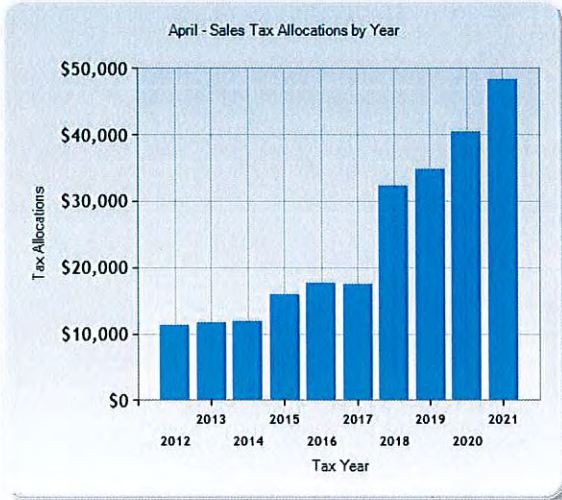
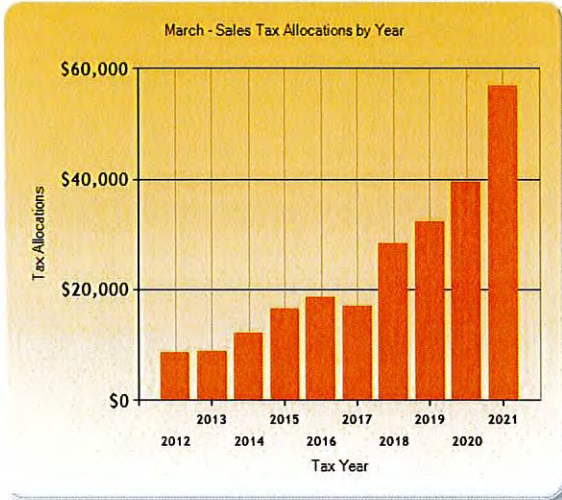
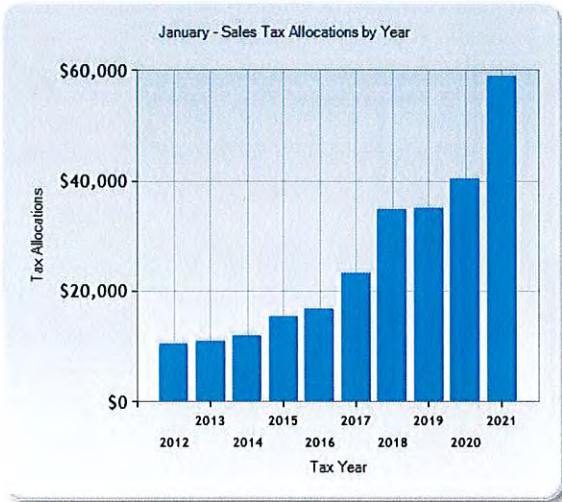


Monthly - Sales Tax Allocations - By Calendar Year

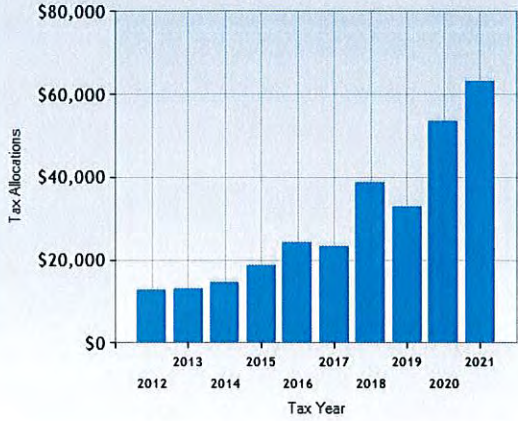


Yearly - Sales Tax Allocations - Past 20 Years

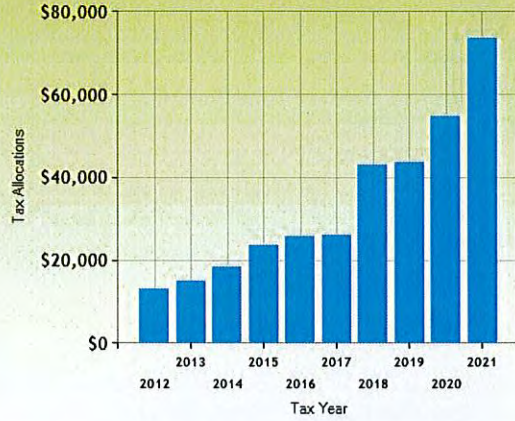




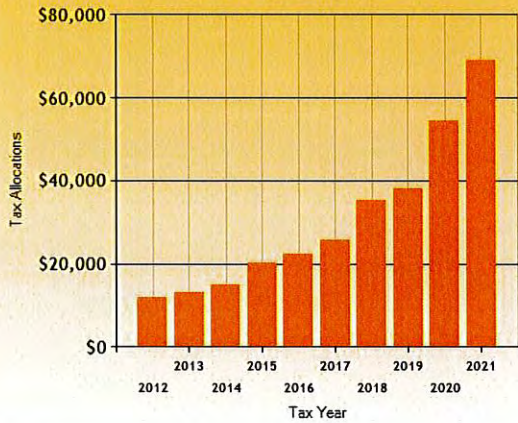
July - Sales Tax Allocations by Year



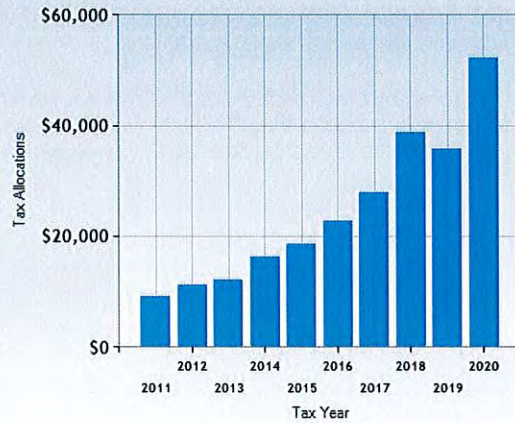
August - Sales Tax Allocations by Year



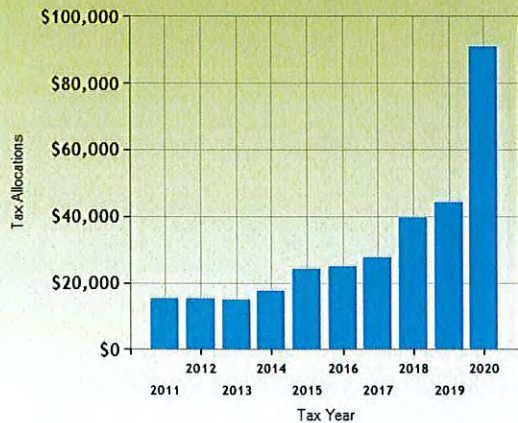
September - Sales Tax Allocations by Year



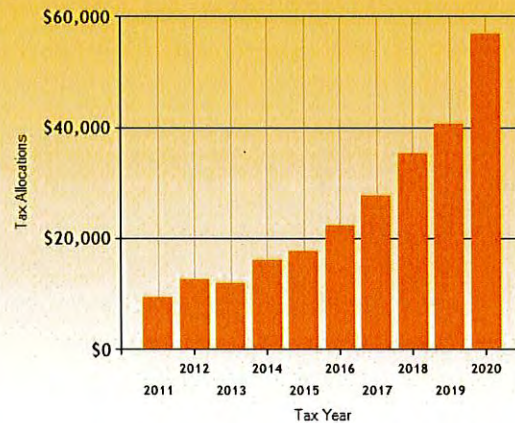
October - Sales Tax Allocations by Year



November - Sales Tax Allocations by Year



December - Sales Tax Allocations by Year





**MONTHLY  
NEWSLETTER  
AUGUST  
2021**



## PERFORMANCE

### As of August 31, 2021

Current Invested Balance	\$8,945,411,473.29
Weighted Average Maturity (1)	50 Days
Weighted Average Life (2)	71 Days
Net Asset Value	1.000063
Total Number of Participants	955
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$484,103.67
Management Fee Collected	\$407,093.35
% of Portfolio Invested Beyond 1 Year	0.88%
Standard & Poor's Current Rating	AAAm

Rates reflect historical information and are not an indication of future performance.

### August Averages

Average Invested Balance	\$9,067,340,125.32
Average Monthly Yield, on a simple basis	0.0100%
Average Weighted Maturity (1)	52 Days
Average Weighted Life (2)	74 Days

#### Definition of Weighted Average Maturity (1) & (2)

(1) This weighted average maturity calculation uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instruction to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.  
(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

The maximum management fee authorized for the TexSTAR Cash Reserve Fund is 12 basis points. This fee may be waived in full or in part in the discretion of the TexSTAR co-administrators at any time as provided for in the TexSTAR Information Statement.

## NEW PARTICIPANTS

We would like to welcome the following entities who joined the TexSTAR program in August:

- |  |   |
|--|---|
| * Fort Bend County Levee Improvement District No. 6  | * Fort Bend County Municipal Utility District No. 39  |
| * Fort Bend County Municipal Utility District No. 49 | * Fort Bend County Municipal Utility District No. 207 |
| * City of Gatesville                                 | * Harris County Municipal Utility District No. 152    |

## HOLIDAY REMINDER

In observance of **Columbus Day**, **TexSTAR will be closed on Monday, October 11, 2021**. All ACH transactions initiated on Friday, October 8th will settle on Tuesday, October 12th. Please plan accordingly for your liquidity needs.

## ECONOMIC COMMENTARY

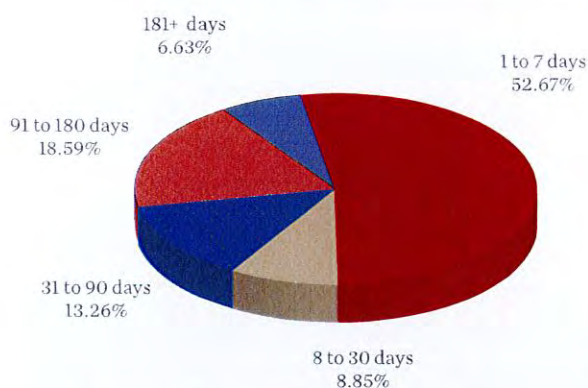
### Market review

Recent economic data prints suggested a constructive macro outlook despite Delta variant concerns. Fed policy continued to remain accommodative, and risk markets marched higher as investors focused on news of the FDA's full approval of the Pfizer vaccine. Within fixed income markets, longer term U.S. Treasury note yields rose at the end of the month as Fed tapering expectations continued to be priced in, while Treasury bill yields were relatively unchanged. Strong data prints and easy monetary policy continued to provide a tailwind for economic growth, despite growth momentum having already peaked. August's flash purchasing managers' indices (PMIs) printed at 61.2 and 55.4 for manufacturing and services, respectively. Inflation has now well surpassed the FOMC's 2% target, as the headline PCE price index rose +0.4% month-over-month (m/m) and +4.2% year-over-year (y/y) in July. The core PCE deflator also rose to +0.3% m/m and +3.6% y/y, with the latter slightly above market expectations. The July CPI report showed consumer prices rising at their fastest 12-month rate in more than a decade, but the moderation in the month-over-month pace signaled that some of the drivers of much higher inflation are beginning to subside. Headline CPI for July rose +0.5% m/m, from 0.9% in June, and +5.4% y/y, while consumer prices excluding food and energy rose +0.3% m/m and +4.3% y/y.

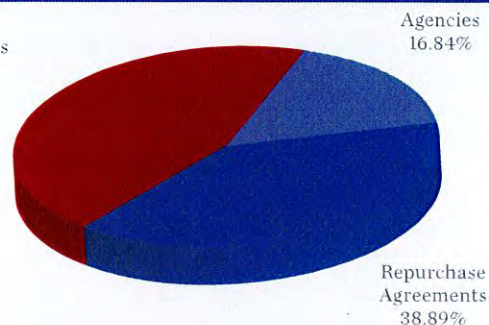
(continued page 4)

## INFORMATION AT A GLANCE

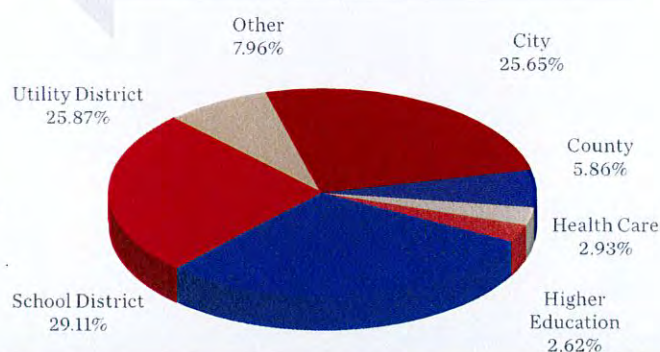
### PORTFOLIO BY TYPE OF INVESTMENT AS OF AUGUST 31, 2021



Treasuries  
44.27%



### PORTFOLIO BY MATURITY AS OF AUGUST 31, 2021 (1)



### DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF AUGUST 31, 2021

## HISTORICAL PROGRAM INFORMATION

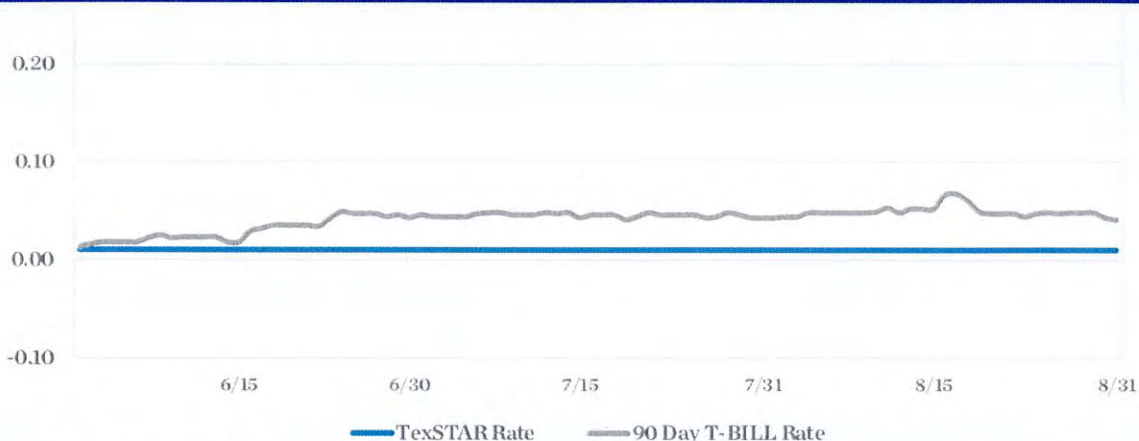
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)	WAL (2)	NUMBER OF PARTICIPANTS
Aug 21	0.0100%	\$8,945,411,473.29	\$8,945,978,474.21	1,000,063	52	74	955
Jul 21	0.0100%	9,139,785,043.86	9,140,404,119.19	1,000,071	41	68	949
Jun 21	0.0100%	9,172,985,137.74	9,173,600,615.43	1,000,084	40	71	943
May 21	0.0100%	9,216,832,522.03	9,217,901,991.74	1,000,116	46	82	938
Apr 21	0.0113%	8,986,711,365.42	8,987,836,525.94	1,000,131	40	78	936
Mar 21	0.0216%	9,103,231,627.43	9,104,638,524.44	1,000,154	47	86	935
Feb 21	0.0334%	9,576,230,496.50	9,577,678,764.35	1,000,151	46	87	934
Jan 21	0.0583%	9,443,485,770.86	9,445,046,065.21	1,000,165	38	84	934
Dec 20	0.0676%	8,682,050,804.34	8,683,648,113.09	1,000,183	42	96	933
Nov 20	0.0944%	8,910,228,194.78	8,911,909,859.79	1,000,188	46	104	933
Oct 20	0.1150%	9,083,922,054.96	9,085,783,748.92	1,000,203	42	100	933
Sep 20	0.1339%	9,297,135,540.13	9,299,528,645.66	1,000,257	39	101	932

## PORTFOLIO ASSET SUMMARY AS OF AUGUST 31, 2021

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ (2,743.43)	\$ (2,743.43)
Accrual of Interest Income	1,266,047.56	1,266,047.56
Interest and Management Fees Payable	(508,165.43)	(508,165.43)
Payable for Investment Purchased	(149,982,937.50)	(149,982,937.50)
Repurchase Agreement	3,536,889,999.74	3,536,889,999.74
Government Securities	5,557,749,272.35	5,558,316,273.27
<b>TOTAL</b>	<b>\$ 8,945,411,473.29</b>	<b>\$ 8,945,978,474.21</b>

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of TexSTAR. The only source of payment to the Participants are the assets of TexSTAR. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact TexSTAR Participant Services.

## TEXSTAR VERSUS 90-DAY TREASURY BILL



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness may be subject to change. The TexSTAR management fee may be waived in full or in part at the discretion of the TexSTAR co-administrators and the TexSTAR rate for the period shown reflects waiver of fees. This table represents historical investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment of \$1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the TexSTAR pool to the T-Bill Yield, you should know that the TexSTAR pool consists of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-Day T-Bill. The TexSTAR yield is calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940 as promulgated from time to time by the federal Securities and Exchange Commission.

### DAILY SUMMARY FOR AUGUST 2021

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)	WAL DAYS (2)
8/1/2021	0.0100%	0.000000274	\$9,139,785,043.86	1.000071	53	76
8/2/2021	0.0100%	0.000000274	\$9,151,162,913.67	1.000075	52	76
8/3/2021	0.0100%	0.000000274	\$9,185,379,328.13	1.000072	52	76
8/4/2021	0.0100%	0.000000274	\$9,186,464,956.26	1.000072	52	75
8/5/2021	0.0100%	0.000000274	\$9,216,656,732.26	1.000068	52	76
8/6/2021	0.0100%	0.000000274	\$9,318,049,214.46	1.000075	50	73
8/7/2021	0.0100%	0.000000274	\$9,318,049,214.46	1.000075	50	73
8/8/2021	0.0100%	0.000000274	\$9,318,049,214.46	1.000075	50	73
8/9/2021	0.0100%	0.000000274	\$9,246,210,452.22	1.000075	51	74
8/10/2021	0.0100%	0.000000274	\$9,245,761,350.97	1.000071	51	73
8/11/2021	0.0100%	0.000000274	\$9,266,389,770.51	1.000068	53	75
8/12/2021	0.0100%	0.000000274	\$9,146,796,007.22	1.000068	54	77
8/13/2021	0.0100%	0.000000274	\$9,058,732,498.74	1.000071	53	76
8/14/2021	0.0100%	0.000000274	\$9,058,732,498.74	1.000071	53	76
8/15/2021	0.0100%	0.000000274	\$9,058,732,498.74	1.000071	53	76
8/16/2021	0.0100%	0.000000274	\$9,093,189,217.50	1.000073	53	75
8/17/2021	0.0100%	0.000000274	\$9,097,924,038.68	1.000078	53	75
8/18/2021	0.0100%	0.000000274	\$9,149,047,036.58	1.000074	52	74
8/19/2021	0.0100%	0.000000274	\$9,079,467,542.63	1.000081	52	74
8/20/2021	0.0100%	0.000000274	\$8,949,895,457.46	1.000076	51	74
8/21/2021	0.0100%	0.000000274	\$8,949,895,457.46	1.000076	51	74
8/22/2021	0.0100%	0.000000274	\$8,949,895,457.46	1.000076	51	74
8/23/2021	0.0100%	0.000000274	\$9,000,805,560.38	1.000069	51	73
8/24/2021	0.0100%	0.000000274	\$8,880,419,613.23	1.000080	53	75
8/25/2021	0.0100%	0.000000274	\$8,909,070,093.24	1.000078	52	74
8/26/2021	0.0100%	0.000000274	\$8,896,171,040.23	1.000080	52	74
8/27/2021	0.0100%	0.000000274	\$8,814,718,340.57	1.000074	51	73
8/28/2021	0.0100%	0.000000274	\$8,814,718,340.57	1.000074	51	73
8/29/2021	0.0100%	0.000000274	\$8,814,718,340.57	1.000074	51	73
8/30/2021	0.0100%	0.000000274	\$8,827,245,180.44	1.000079	51	73
8/31/2021	0.0100%	0.000000274	\$8,945,411,473.29	1.000063	50	71
<b>Average</b>	<b>0.0100%</b>	<b>0.000000274</b>	<b>\$9,067,340,125.32</b>		<b>52</b>	<b>74</b>



## *ECONOMIC COMMENTARY (cont.)*

While inflation remained at elevated levels, July's figures signaled that some of the "transitory" components of much higher inflation are finally beginning to moderate. While this should give the Fed some confidence in their transitory argument, the rise in prices has certainly been stronger and more sustained than they predicted earlier this year. At the highly anticipated Federal Reserve's annual Jackson Hole summit, Chairman Powell's speech depicted a clearer outlook for tapering asset purchases. In his view, the inflation criteria for tapering asset purchases has now been met and while there is still "much ground to cover" before the economy reaches full employment, he broadly hinted tapering could begin before the end of the year. In line with this, we believe the Fed will announce a timetable for tapering later this fall, and begin to taper the pace of its purchases in December. He reaffirmed his view that current inflation levels are transitory and stressed that interest rate hikes are not imminent. After showing strong improvement in July, hiring momentum in August slowed sharply as the Delta variant curbed in-person consumer activity and businesses continued to grapple with chronic labor shortages. However, despite the slowdown in hiring, robust wage growth suggested the weakness is primarily supply-side driven. Total nonfarm payrolls increased by a meager +235,000 in August, falling well short of consensus expectations, but saw meaningful upward revisions to the June and July readings. The leisure and hospitality sector, which had been the powerhouse for job gains this year, significantly disappointed with zero net job creation. The leisure and hospitality sector is the most vulnerable to a demand slowdown from renewed pandemic worries, but they also have the lowest-paid workers and as such, are most impacted by acute labor shortages.

In contrast, the unemployment rate fell to 5.2% from 5.4% in July, while the labor force participation rate remained at 61.7%. Additionally, wages spiked higher as average hourly earnings, albeit a noisy series, continued to demonstrate robust improvement, rising 0.6% m/m and 4.3% y/y. It is clear the Delta variant and ongoing supply shortages have taken some steam out of the recovery. Still, the large jump in wages suggests the economy's issues are primarily supply-side driven. While August's job gain figure represents a significant drop in momentum in the labor market recovery, we do not believe this will derail the Fed's plans to taper by the end of the year. In terms of the U.S. federal budget, more questions remain as House Democrats passed the \$3.5 trillion budget resolution. Now, it remains within the Senate where there is strong sentiment for a smaller bill. House Speaker Nancy Pelosi committed to holding a vote on the infrastructure bill by September 27th. This should allow for both wings of the Democratic Party to agree on the contents of the reconciliation bill, which will likely be smaller than the \$3.5 trillion proposed. Once this is complete, then the end of September could, surprisingly, see the passage of the infrastructure bill, the reconciliation bill and an increase in the debt ceiling. With this backdrop, Treasury bill yields were relatively unchanged. The three-month Treasury bill yield ended the month at 0.04%, and the 12-month Treasury bill yield ended at 0.06%.

### **Outlook**

The Delta variant continues to pose a risk to the recovery. While uncertainty has increased, it is unlikely to derail the recovery. In his Jackson Hole speech, Fed Chairman Jerome Powell gave some fairly clear signals on how and when the Fed expects to taper bond purchases and begin to raise short-term interest rates. When the Fed begins to taper purchases, it is beginning to look more likely that they will reduce them by \$15 billion per month, \$10 billion from Treasuries and \$5 billion from mortgage backed securities, reducing the total monthly pace of accumulation from \$120 billion in November 2021 to zero by July 2022. This would allow the Fed to take some time following the end of asset purchases before considering raising the federal funds rate, which they may want to do by the end of 2022, but will likely do in the beginning of 2023. Finally, it is now looking more likely that the Fed will make their tapering announcement in November rather than September. The stated reasons for this seem reasonable: The Fed wants to see how the Delta variant is impacting the economy and whether it will wane in the weeks ahead. They also want to see further signs of progress in the labor market after federal enhanced unemployment benefits come to an end next week.

This information is an excerpt from an economic report dated August 2021 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.



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