

NOTICE OF REGULAR COUNCIL MEETING

NOTICE IS HEREBY GIVEN THAT THE CITY COUNCIL OF THE CITY OF ROSENBERG, FORT BEND COUNTY, TEXAS, WILL MEET IN REGULAR SESSION OPEN TO THE PUBLIC AS FOLLOWS:

DATE: Tuesday, January 21, 2014
TIME: 7:00 p.m.
PLACE: Rosenberg City Hall
City Hall Council Chamber
2110 4th Street
Rosenberg, Texas 77471
PURPOSE: Regular City Council Meeting, agenda as follows:

The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.

Call to order: City Hall Council Chamber

Invocation and Pledge of Allegiance. (Reverend Charles Surovik, New Covenant Fellowship, Rosenberg)

Presentation of Certificates of Appreciation to 2013 Gazebo Lighting Volunteers and Sponsors. (Lydia Acosta, Recreation Programs Coordinator)

Presentation of Certificates of Appreciation to 2013 Christmas in Rosenberg Volunteers. (Lydia Acosta, Recreation Programs Coordinator)

Presentation of Contest Award Winners and Sponsors of the Keep Rosenberg Beautiful 2013 Christmas Lighting and Decorating Contest Award Winners Benefitting the Fort Bend County Women's Center. (William Benton, Councilor)

GENERAL COMMENTS FROM THE AUDIENCE.

Citizens who desire to address the City Council with comments of a general nature will be received at this time. Each speaker is limited to three (3) minutes. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

COMMENTS FROM THE AUDIENCE FOR CONSENT AND REGULAR AGENDA ITEMS.

Citizens who desire to address the City Council with regard to matters on the Consent Agenda or Regular Agenda will be received at the time the item is considered. Each speaker is limited to three (3) minutes. Comments or discussion by the City Council Members will only be made at the time the agenda item is scheduled for consideration. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

CONSENT AGENDA

1. Review of Consent Agenda.
All Consent Agenda items listed are considered to be routine by the City Council and may be enacted by one (1) motion. There will be no separate discussion of Consent Agenda items unless a City Council Member has requested that the item be discussed, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Regular Agenda.
 - A. Consideration of and action on Special Meeting Minutes for December 16, 2013, Regular Meeting Minutes for December 17, 2013, and Special Meeting Minutes for December 18, 2013. (Cernosek)

REGULAR AGENDA

2. Receive public comment from Fort Bend County Municipal Utility District No. 162 regarding increase in monthly fire protection fee pursuant to the Restated and Amended Fire Protection Agreement. (Lenzsch)
3. Consideration of and action on a Resolution of the Rosenberg Planning Commission supporting the continuation of the Commission's established meeting schedule of the fourth Wednesday of each month, excluding November and December; and, supporting the ability of citizen volunteers serving each City Board, Committee, Commission, and Task Force to determine the best meeting date and time to perform the business of said Board, Committee, Commission, and Task Force. (Pavlovsky)

4. Consideration of and action on Ordinance No. 2014-03, an Ordinance amending the Code of Ordinances by deleting all of Section 29-269 (e), of Article VI of Chapter 29, Service Units; and substituting therefor a new Section 29-269 (e) of Article VI of Chapter 29, establishing the number of Living Unit Equivalents (LUEs) for water meter (taps) exclusively for landscape irrigation systems as zero and no fees shall be collected; and providing for severability. (Maresh)
5. Consideration of and action on Ordinance No. 2014-01, an Ordinance amending the Code of Ordinances by deleting Exhibits A, B, C, D, and E as referenced in Sections 29-267, 29-268, and 29-270 of Division 1, Section 29-301 of Division 2, and Section 29-321 of Division 3 of Article VI of Chapter 29 and substituting therefor new Exhibits A, B, C, D, and E concerning water and wastewater impact fees; adopting an updated service area map; adopting updated land use assumptions; adopting revised maximum and effective impact fees; adopting revised water and wastewater improvements plans; providing for conflicts; providing a severability clause and providing an effective date. (Maresh)
6. Consideration of and action on Ordinance No. 2014-02, an Ordinance authorizing and ordering the issuance of the City of Rosenberg, Texas, General Obligation Bonds, Series 2014; awarding the sale thereof; and containing matters incident thereto. (Vasut)
7. Review and discuss proposed Agreement for Video Streaming Services, and take action as necessary. (Fritz)
8. Review and discuss proposed installation of four-way stop signs at the intersection of Avenue L and Millie Street, and take action as necessary. (Benton)
9. Consider motion to adjourn for Executive Session.
10. Hold Executive Session pursuant to Texas Government Code Section 551.074 to deliberate the appointment of the Police Chief; and, for deliberations regarding economic development negotiations as authorized by Section 551.087 of the Texas Government Code.
11. Adjourn Executive Session, reconvene into Regular Session, and take action as necessary as a result of Executive Session.
12. Review and discuss Police Chief position, and take action as necessary. (Gracia)
13. Announcements.
14. Adjournment.

[EXECUTION PAGE TO FOLLOW]

DATED AND POSTED this the _____ day of _____ 2014, at _____ m.,

by _____.

Attest:
Christine Krahn, Acting City Secretary

Approved for Posting:
Robert Gracia, City Manager

Approved:
Vincent M. Morales, Jr., Mayor

Reasonable accommodation for the disabled attending this meeting will be available; persons with disabilities in need of special assistance at the meeting should contact the City Secretary at (832) 595-3340.

**Presentation of Certificates of Appreciation
to 2013 Gazebo Lighting Volunteers and
Sponsors.**

2013 Gazebo Lighting Volunteers & Sponsors

First United Methodist Church of Rosenberg

Girl Scout Troop 3503

St. Paul's Lutheran Church

Whataburger

City of Rosenberg

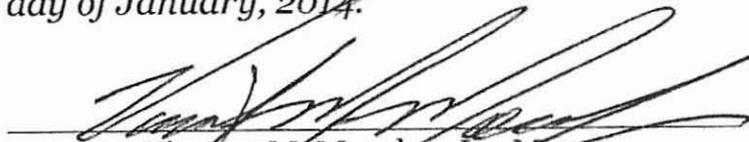
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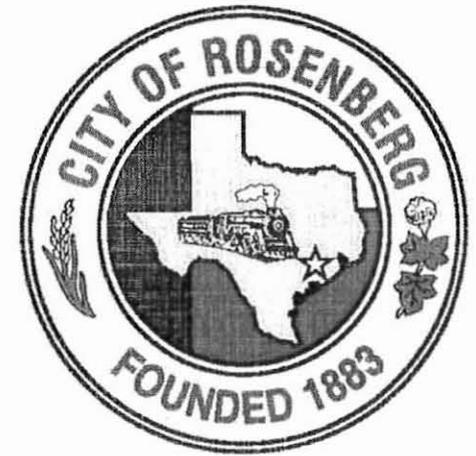
Presented to

First United Methodist Church

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at the annual Gazebo Lighting event at City Hall. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

In testimony whereof, witness my hand and Seal of the City of Rosenberg, this the 21st day of January, 2014.


Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



City of Rosenberg

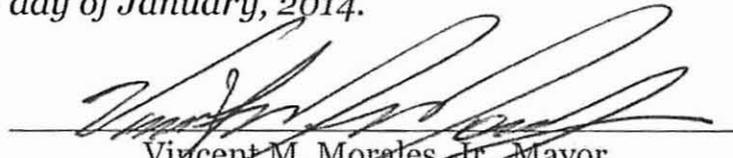
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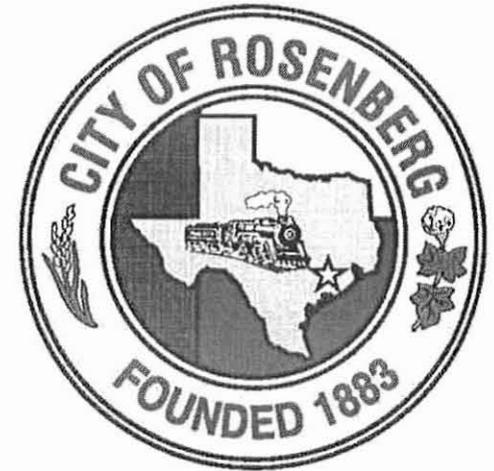
Presented to

Girl Scout Troop 3503

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at the annual Gazebo Lighting event at City Hall. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

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Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



City of Rosenberg

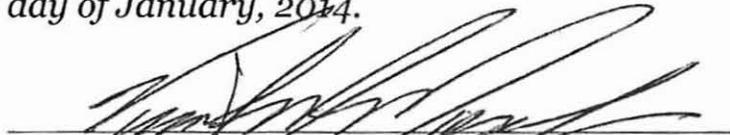
CERTIFICATE OF APPRECIATION

Presented to

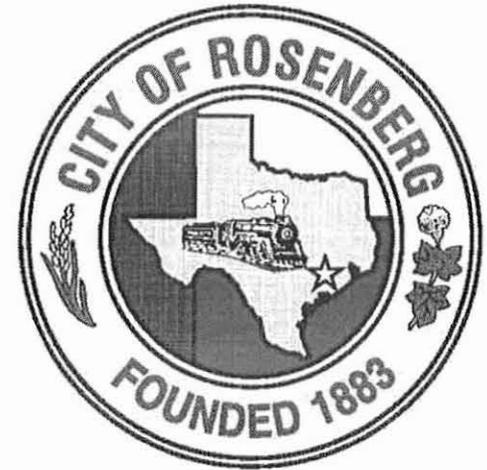
St. Paul's Lutheran Church

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at the annual Gazebo Lighting event at City Hall. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

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Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



City of Rosenberg

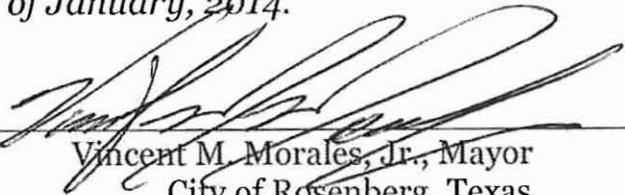
CERTIFICATE OF APPRECIATION

Presented to

Whataburger

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at the annual Gazebo Lighting event at City Hall. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

In testimony whereof, witness my hand and Seal of the City of Rosenberg, this the 21st day of January, 2014.



Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



**Presentation of Certificates of Appreciation
to 2013 Christmas in Rosenberg Volunteers.**

2013 Christmas in Rosenberg Volunteers

Teresa Bailey

Councilor Amanda Bolf

Rudy Guerero

Annalee Machemehl

Eric Ramirez

City of Rosenberg

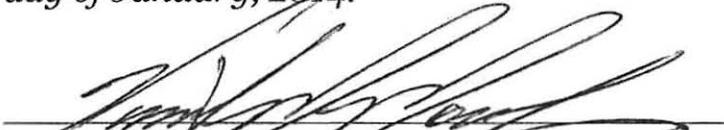
CERTIFICATE OF APPRECIATION

Presented to

Teresa Bailey

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at Christmas in Rosenberg in Historic Downtown Rosenberg. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

In testimony whereof, witness my hand and Seal of the City of Rosenberg, this the 21st day of January, 2014.


Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



City of Rosenberg

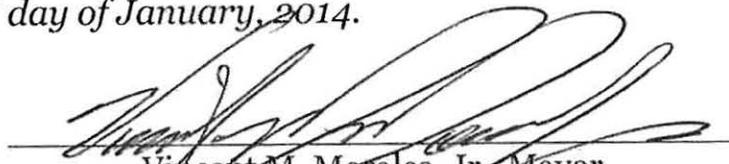
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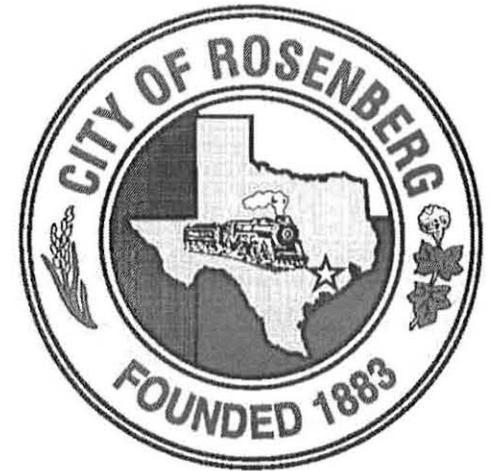
Presented to

Amanda Bolf

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at Christmas in Rosenberg in Historic Downtown Rosenberg. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

In testimony whereof, witness my hand and Seal of the City of Rosenberg, this the 21st day of January, 2014.


Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



City of Rosenberg

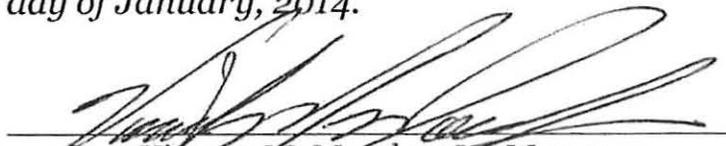
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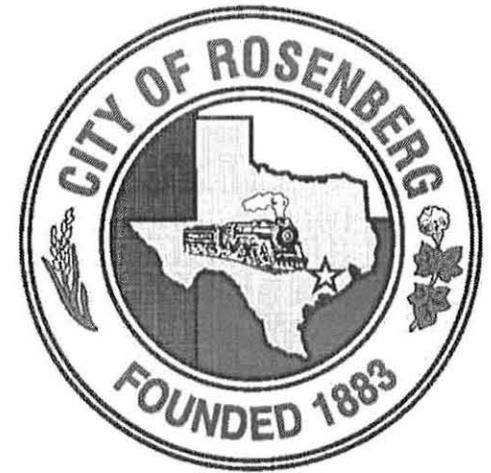
Presented to

Rudy Guerero

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at Christmas in Rosenberg in Historic Downtown Rosenberg. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

In testimony whereof, witness my hand and Seal of the City of Rosenberg, this the 21st day of January, 2014.


Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



City of Rosenberg

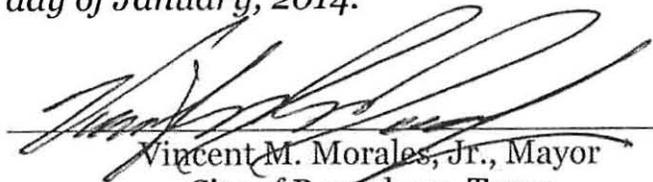
CERTIFICATE OF APPRECIATION

Presented to

Annalee Machemehl

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at Christmas in Rosenberg in Historic Downtown Rosenberg. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

In testimony whereof, witness my hand and Seal of the City of Rosenberg, this the 21st day of January, 2014.


Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



City of Rosenberg

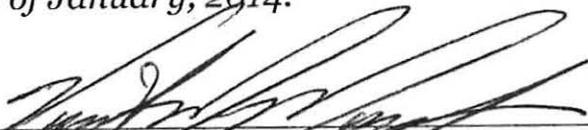
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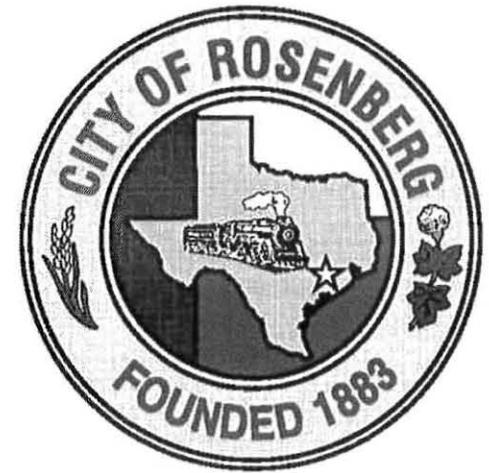
Eric Ramirez

In recognition of the outstanding performance in assisting the City of Rosenberg by volunteering your time and resources at Christmas in Rosenberg in Historic Downtown Rosenberg. Your dedication and selfless work for the good of others has earned you a place of high esteem in the hearts and minds of the people of this City.

In testimony whereof, witness my hand and Seal of the City of Rosenberg, this the 21st day of January, 2014.



Vincent M. Morales, Jr., Mayor
City of Rosenberg, Texas



**Presentation of Contest Award Winners and
Sponsors of the Keep Rosenberg Beautiful
2013 Christmas Lighting and Decorating
Contest Benefitting the Fort Bend County
Women's Center.**

City of Rosenberg

IMAGE COMMITTEE

Certificate of Recognition

Be it hereby known to all, that

Bonnie Burns

2904 Mons Avenue

have, on this 21st day of January 2014, been recognized for achievements by demonstrating your holiday spirit as a result of your exceptional Christmas decorations, and for your caring efforts at making this location in our community more appealing, and deserve the recognition and appreciation of the people of our City for their undertaking.



A handwritten signature in black ink, appearing to read 'Vincent M. Morales, Jr.'.

Vincent M. Morales, Jr., Mayor



City of Rosenberg

IMAGE COMMITTEE

Certificate of Recognition

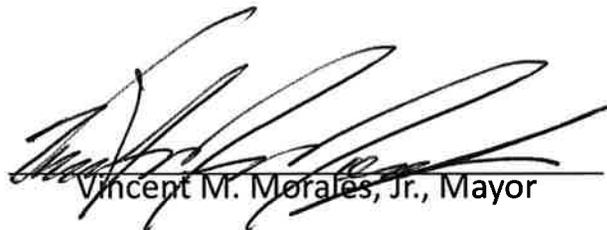
Be it hereby known to all, that

Vanessa Rodriguez

1419 Bell Ridge Lane

Representing The Reserve at Brazos Town Center

have, on this 21st day of January 2014, been recognized for achievements by demonstrating your holiday spirit as a result of your exceptional Christmas decorations, and for your caring efforts at making this location in our community more appealing, and deserve the recognition and appreciation of the people of our City for their undertaking.



Vincent M. Morales, Jr., Mayor



City of Rosenberg

IMAGE COMMITTEE

Certificate of Recognition

Be it hereby known to all, that

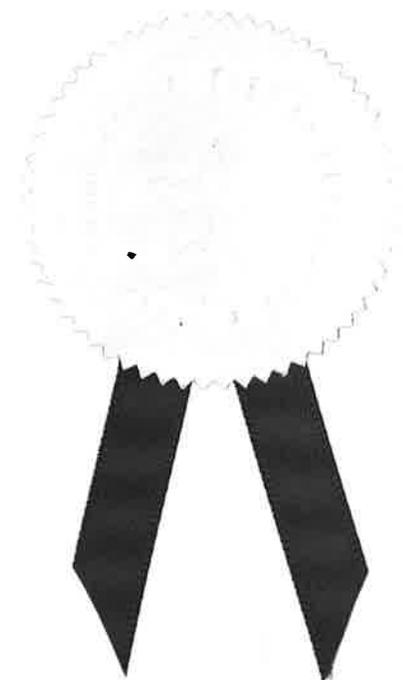
Tim Kaminski

2417 4th Street (Gingerbread House)

have, on this 21st day of January 2014, been recognized for achievements by demonstrating your holiday spirit as a result of your exceptional Christmas decorations, and for your caring efforts at making this location in our community more appealing, and deserve the recognition and appreciation of the people of our City for their undertaking.



Vincent M. Morales, Jr., Mayor



City of Rosenberg

IMAGE COMMITTEE

Certificate of Recognition

Be it hereby known to all, that

Mr. and Mrs. Bartos
3041 Muegge Road

have, on this 21st day of January 2014, been recognized for achievements by demonstrating your holiday spirit as a result of your exceptional Christmas decorations, and for your caring efforts at making this location in our community more appealing, and deserve the recognition and appreciation of the people of our City for their undertaking.



Vincent M. Morales, Jr., Mayor



City of Rosenberg

IMAGE COMMITTEE

Certificate of Recognition

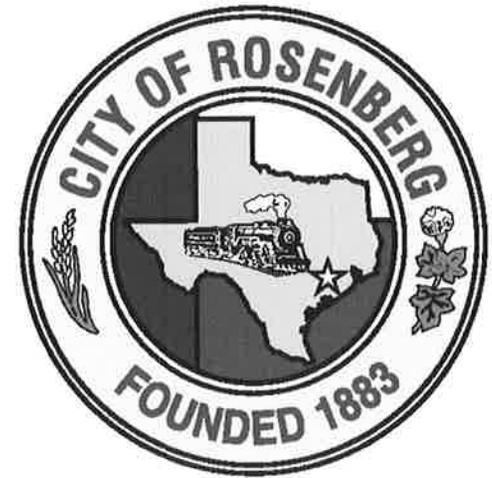
Be it hereby known to all, that

Fort Bend County Women's Center

have, on this 21st day of January 2014, been awarded a donation graciously provided by the sponsors and winners of the 2013 Keep Rosenberg Beautiful Christmas Lighting and Decorating Contest for your dedicated and unselfish commitment to the service and support of women and children in need of assistance and for the betterment of our community. You are deserving of this recognition and the appreciation of the people of our City.



Vincent M. Morales, Jr., Mayor



City of Rosenberg

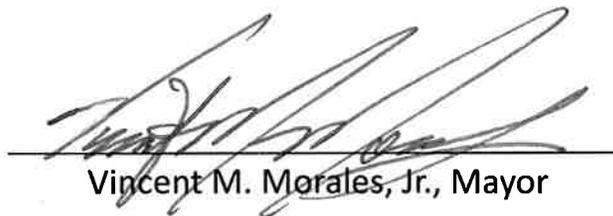
IMAGE COMMITTEE

Certificate of Recognition

Be it hereby known to all, that

Allegiance Roofing

have, on this 21st day of January 2014, been recognized for your generous contribution and unselfish commitment to the betterment of our community. Your efforts have also demonstrated your dedication to the success of the Keep Rosenberg Beautiful Christmas Lighting and Decorating Contest. You are deserving of this recognition and the appreciation of the people of our City.



Vincent M. Morales, Jr., Mayor



City of Rosenberg

IMAGE COMMITTEE

Certificate of Recognition

Be it hereby known to all, that

Paramount Printing

have, on this 21st day of January 2014, been recognized for your generous contribution and unselfish commitment to the betterment of our community. Your efforts have also demonstrated your dedication to the success of the Keep Rosenberg Beautiful Christmas Lighting and Decorating Contest. You are deserving of this recognition and the appreciation of the people of our City.



Vincent M. Morales, Jr., Mayor



City of Rosenberg

IMAGE COMMITTEE

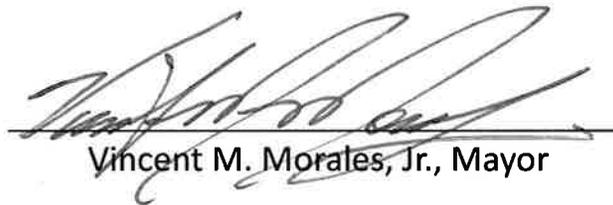
Certificate of Recognition

Be it hereby known to all, that

Living Waters Christian School

have, on this 21st day of January 2014, been recognized for your generous contribution and unselfish commitment to the betterment of our community. Your efforts have also demonstrated your dedication to the success of the Keep Rosenberg Beautiful Christmas Lighting and Decorating Contest. You are deserving of this recognition and the appreciation of the people of our City.




Vincent M. Morales, Jr., Mayor



City of Rosenberg

IMAGE COMMITTEE

Certificate of Recognition

Be it hereby known to all, that

*Keep Rosenberg Beautiful
Image Committee*

have, on this 21st day of January 2014, been recognized for your generous contribution and unselfish commitment to the betterment of our community. Your efforts have also demonstrated your dedication to the success of the Keep Rosenberg Beautiful Christmas Lighting and Decorating Contest. You are deserving of this recognition and the appreciation of the people of our City.



Vincent M. Morales, Jr., Mayor



General Comments from the Audience:

Citizens who desire to address the City Council with comments of a general nature will be received at this time. Each speaker is limited to three (3) minutes. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

Comments from the Audience for Consent and Regular Agenda Items:

Citizens who desire to address the City Council with regard to matters on the Consent Agenda or Regular Agenda will be received at the time the item is considered. Each speaker is limited to three (3) minutes. Comments or discussion by the City Council Members will only be made at the time the agenda item is scheduled for consideration. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

ITEM 1

Review of Consent Agenda.

All Consent Agenda items listed are considered to be routine by the City Council and may be enacted by one (1) motion. There will be no separate discussion of Consent Agenda items unless a City Council Member has requested that the item be discussed, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Regular Agenda.

ITEM A

Minutes:

- 1. Special City Council Meeting Minutes – December 16, 2013**
- 2. Regular City Council Meeting Minutes – December 17, 2013**
- 3. Special City Council Meeting Minutes – December 18, 2013**

**CITY OF ROSENBERG
CITY COUNCIL SPECIAL MEETING MINUTES**

*****DRAFT*****

On this the 16th day of December, 2013, the City Council of the City of Rosenberg, Fort Bend County, Texas, met in a Special Session, in the Rosenberg City Hall Council Chamber, located at 2110 4th Street, Rosenberg, Texas.

PRESENT

Vincent M. Morales, Jr.	Mayor
William Benton	Councilor at Large, Position 1
Cynthia McConathy	Councilor at Large, Position 2
Jimmie Pena	Councilor, District 1
Susan Euton	Councilor, District 2
Dwayne Grigar	Councilor, District 3
Amanda Bolf	Councilor, District 4

STAFF PRESENT

Robert Gracia	City Manager
Linda Cernosek	City Secretary
Lora Lenzsch	City Attorney
John Maresh	Assistant City Manager/Utilities Director
Jeff Trinker	Assistant to the City Manager
Joyce Vasut	Finance Director
Matt Fielder	Economic Development Director
Wade Goates	Fire Chief
Travis Tanner	Planning Director
Kaye Supak	Executive Assistant

The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.

CALL TO ORDER.

Mayor Morales called the meeting to order at 6:00 p.m.

GENERAL COMMENTS FROM THE AUDIENCE.

Citizens who desire to address the City Council with comments of a general nature will be received at this time. Each speaker is limited to three (3) minutes. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

COMMENTS FROM THE AUDIENCE FOR AGENDA ITEMS.

Citizens who desire to address the City Council with regard to matters on the Agenda will be received at this time. Each speaker is limited to three (3) minutes. Comments or discussion by the City Council Members will only be made at the time the agenda item is scheduled for consideration. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

AGENDA

- 1. CONSIDERATION OF AND ACTION ON PETITIONS TO INITIATE/PROPOSE LEGISLATION PURSUANT TO SECTION 7.02 OF THE CITY CHARTER STATED "THAT THE CITY SHALL NOT DONATE TO ANY PERSON OR ENTITY, INCLUDING TxDOT, THE REAL PROPERTY OWNED BY THE CITY, AND LOCATED IN THE CITY BETWEEN AVENUE H AND AVENUE I, AND DAMON AND LOUISE STREETS, FOR THE ROADWAY PROJECT KNOWN AS THE "ONE-WAY PAIRS" PROJECT. THE PROPERTY MAY ONLY BE SOLD IN THE FUTURE FOR FAIR MARKET VALUE, AS DETERMINED BY INDEPENDENT APPRAISAL."**

The following persons spoke on the Agenda Item No. 1:

- ***Adolph Sebesta, 1116 Tobola Street, Rosenberg, Texas:***
- He is a lifelong resident of Rosenberg. He has children and grandchildren who lived their entire lives in Rosenberg. He owned a business on Avenue H for many years. Tonight he is speaking in favor of the petition and he urges the City Council to call a special election. He feels they cannot afford to give away \$1M in real estate and especially for something like this. If TxDOT needs this property, they should pay for it. Thank you.
- ***Bob Ray, 719 Perry, Rosenberg, Texas (Business address: 2719 Avenue H, Rosenberg, Texas):***
- In September 2013 a large contingent of business owners spoke in favor of the one way pairs. Seventeen retail business owners spoke in favor of this project. The general public has been led to believe that the City is spending \$4-7 million dollars, whatever number is thrown out there. That is the amount TxDOT is spending, not Rosenberg. The truth is the City stands to lose a \$1.5M if this project does not go through. Does our fiscally conservative Council want to burn \$1.5M? H-GAC has two projects tied to this project to improve Avenue H. Because of the controversy, Rosenberg has already been blackballed on one of them. The access management study has been cut out between Frost on the west and the crossover on the east. Not one improvement in the one-way pairs segment. My business pays over \$8,000 in property taxes and a considerable amount in sales taxes each year, but since I live in the ETJ, it seems my voice falls on deaf ears. I believe that is called taxation without representation. At the September meeting a Council Member said and I quote, "Rosenberg and Avenue H will look just as ugly." It is sad to think that this is the perception of Rosenberg and no one wants to take advantage of turning it around. We cannot build on TxDOT proposal unless we work with them, instead of fighting them. Any H-GAC enhancements or any other improvements cannot happen without first accepting one-way pairs. The businesses have waited decades for help and improvements to Avenue H, one-way pairs if just the first step. Thank you.
- ***Helen Lev, 2009 Ward Street, Rosenberg, Texas:***
- She is a lifelong resident of Rosenberg. She understands the City is already in debt and that in particular does not make any sense to her because the City has grown by leaps and bounds the last seven to ten years. Where is all the money going? It seems like we are using money we don't have to purchase property for this project that the State wants to implement and without any thought as to what the citizens want. Keep in mind this was approved years ago before the growth started toward the freeway and the surrounding areas. Therefore, we have spent money we don't have to spend. We don't do that in our own life, why would we run our City that way? I have and will always feel that the voters need to have a say in what they want for the future of this town. Many citizens of this town have no idea what is going on in respect to the changes that are going to be made to the roadways and surrounding area and the confusion this may cause. I have lived in this town all my life and do not understand why the accident rate is so high. I hardly ever see an accident in the area they are planning to change, in fact, most of the traffic now is moving towards the freeway where all the stores are. Actually, the biggest problems I see are the trucks on Highway 36 wanting to get to the Katy and Fulshear area. I have seen streets in lots of towns that do not allow truck traffic through their town and that would probably be the possible solution to this problem. The main point of this is to let the citizens of Rosenberg decide what they want and put this out for the citizens and be honest with everyone and let them know that all this money of their tax dollars has already been spent and expect more money to be spent. Money that our City doesn't have. Should we get in a debt situation that we can't get out of? That happens to individual people and corporations all the time, but it should not happen to our City. That's why the City has financial advisors and planners. They should be able to plan and foresee what the future will hold—do their homework. It's sad that our government is in bad shape, but our community—this is just wrong. Thank you.
- ***Bobby McKinney, 2314 Jones, Rosenberg, Texas:***
- He is a taxpayer, and a registered voter in this town. He asks for this Council to call for special election to let the public voters decide on whether or not the City should donate a \$1M piece of property to TxDOT. How can a city that owes nearly \$70M in debt and one that had to borrow money to purchase property afford such an endowment to TxDOT? It was recently announced that the State of Texas has a nearly \$7 billion surplus in its rainy day fund. Between the State and Federal funds that TxDOT receives, they can well afford to purchase this property without the City giving away what taxpayers are having to buy. As a final note, regardless of whether Council approves a special election, I cordially ask that the City not donate this property to TxDOT. Thank you.

- ***Maria Camacho, 1802 Klauke Street, Rosenberg, Texas.***
- Her husband and she also own a business on Avenue H. She has lived here and raised two children lived here for over 30 years. She speaks on behalf of urging City Council to call a special election. She is against the one-way street project. It will affect our business and many other businesses in a negative way. If the City is already in debt over \$70M and has raised taxes in 2012, why are we giving away to TxDOT over \$1M in property? Like other citizens I urge the City Council to please vote for a special election to allow the voters to decide.
- ***Jose Camacho, 1802 Klauke Street, Rosenberg, Texas.***
- He and his wife have raised two children in Rosenberg. He has owned a business on Avenue H for ten years and worked in the same location for over 30 years. He disagrees with the one-way project. He signed the petition as well as others. Tonight, he speaks on behalf of the petition and the Council to call a special election. He feels the City cannot afford to give away over \$1M to the State, especially for something like this. If TxDOT needs the property, they should pay for it. Thank you.
- ***James Urbish, 2514 Cypress Lane, Rosenberg, Texas (business: 2404 Avenue I, Rosenberg):***
- He has been involved with the business in Rosenberg for sixty years. He is here to speak in favor of the petition to have a vote for this expenditure of money. He knows the City bought Baker out—he was in a bind—he couldn't sell, it was hanging over his head. The City bought Speedy Sticker Stop. I know you spent a lot of money on it, and I remember last year we were fighting over a penny in the budget trying to determine what a penny was worth—somewhere between \$160-\$170,000 and now we are talking about giving my money-your money to the State of Texas. When this project was put together originally, I guess about ten years ago, and it was determined that this is the only way to do it and we sent a letter from the City to the State and they took the ball and ran with it. When they came back and said they really can't fix the problem at FM 723. They came back and said it will be a safety issue, so we said it is a safety issue. Then they came back and were told well, it's the State of Texas and you don't want to get blackballed by the State of Texas and they are going to do what they are going to do. I think they need to pay us that \$1M back. I think money is tight—we can use it to pay down our debt. The more I look at this one-way pair deal, the more I don't like it and I don't like the idea of being sold down the river on it, but I think the whole way it's been done has been not undercover, but when you start something ten years earlier with a different council, and I don't even know that Council voted on it ten years ago, but the idea is it is going to affect our business-it is going to affect safety, and it's going to change the way Rosenberg is and I don't see the worthiness of it. That's why I am saying, if they want the project, it's a State highway, let them pay for it. If they are so concerned about that, and they knew about what's going on here, I don't know why we didn't have a bigger bridge going across the river, if the State of Texas is always right about everything. It also has to do with money, I understand, but this project started out with a lot of work on both ends. This one-way pairs—we needed to let them know how we are going to do it, so they can get the bridges right on the ends, so now the bridges won't be done until 2025, so if they have the money to mess up the streets and change our way of life, then they can buy that piece of land. Thank you.
- ***Glenn Johnson, 1102 Timberlane Drive, Rosenberg, Texas.***
- He lived in Rosenberg for 38 years. He raised his children here and they went to school here. He has had a business since 1985; unfortunately, it burned down last Saturday morning. He is here to speak on the one-way pairs. He personally has talked to over 100 people in the last six months concerning this project. I have only found one person and he can give you his name if he needs to, one person that was for the one-way streets. That is a staggering figure. I am not saying I talked to everyone in town, because I didn't. A lot of these people are businessmen, some were individual citizens—people he knows in town, but no one wanted it. I feel like it's been crammed down our throat, I have been against it from day one. I feel we definitely do not need to donate or give the land worth a \$1M to TxDOT. If they feel like it's that important, it's their street, they need to pay for it. I don't feel we need to use City funds to do that, especially, since the citizens have never voted on this. I think we need to call a special election and the citizens need to decide this. We need to put this on the ballot and let them decide. Thank you.
- ***Mike Parsons, 2635 Sequoia, Rosenberg, Texas.***
- Three minutes is not near enough time to discuss the validity of this project. I sat through several meetings where I thought was resolved. It is interesting to note that the debt of the City has risen from about \$62.4 million to \$70 million, since the budget was approved. Speaking of voting on spending, we do all realize that we have approved a budget in the amount of \$30,596,123 for

personnel, supplies, maintenance and service or a total of \$53,311,222. Should I assume that all the people in this room that want to vote on a \$1M piece of property, would also like to vote on the approval of the budget? We elect City Council to make decisions for us, we trust them. If we find the people on the City Council are making decisions not to our liking, their term limits are established by votes. I looked at the ad that Mr. Villagomez had put together and I find some real problems with that. First of all, we are talking about the value of the piece of property as \$1M. I am not sure anyone in this room would pony up and buy that piece of property for \$1M, in terms of where it is, and in terms of mobility to that piece of property. I already expressed current debt. This minimum of \$8M for the project, I am assuming is the entire project, not the one-way pairs. If you are talking about the one-way pairs, the amount of money that the City is going to put into this project is substantially lower than that, in fact, it may be a positive number, because the County has provided \$1.5M in mobility funds if the project is carried through. I certainly understand there will be disruption to business in the area. If disruption to business is going to be the criteria for us making a decision on this project, I guess we better need to turn down the widening of Highway 59, because it will certainly affect the businesses that are off Highway 59 while they widen that area. In a turn of adverse affect and safety, I think that anybody who has driven in downtown Houston fully knows that downtown Houston has been converted to nothing more than one-way pairs on either side of Main Street. Few people drive on Main Street because that's where they put the trolley cars. One-way pairs actually control the traffic because you have to go the speed limit in order to make all the green lights. If you want to get to one light faster than the other, it will cause you a problem with speed and time with your brakes. I hope this meeting tonight is the end of these meetings, so we can get on with doing our regular business. Thank you.

- **Ben Brink, 1833 Old Creek Drive, Rosenberg, Texas.**
- My comments also reflect those of my wife. I want to support the petition and I want to respectively request that the Council pass an Ordinance prohibiting the transfer with free gratis to TxDOT. I cannot say anything that has been said by preceding petitioners, except to say one thing and that is, that the overall U.S. economy and by extension of Texas economy is by no means as robust and free and secure as many would like to think it is. If this project goes through, this Council is indebting the City to an unknown amount of spending that could very easily be jeopardized by the overall economy or other decisions by TxDOT. If the arguments by Mr. Parsons and others that the project needs to go through are as valid as people seem to think they are I don't see why a full complete and exhausted discussion of the whole project isn't basically done. To do otherwise, is to say that outside interest, such as a trucking concerns, people who are to be involved in this, are going to make the decision and I would; therefore, like to suggest either go with the petition or prohibit the transfer without cause to TxDOT. Thank you.
- **Sergio Villagomez, 1119 5th Street, Rosenberg, Texas.**
- He appreciates everyone's input and everybody taking the time out. I know I and many other concerned citizens have put a lot into this. Council, Mayor, I would ask that consider to call a special election. I ask that you honor the petition and the people who signed the petition to not donate the property to TxDOT. Typically, I don't come with anything written down, I just go off the top of my head, but I feel pretty strong about the topic. I appreciate everyone's opinion, whether for or against, it's always good to hear both sides. When the City is faced with financial decisions that will impact the city and its residents, I highly suggest a special election is called. The whole point of a special election is to give the option of the people, so they can decide. What is the point of creating such a system, if we don't use it? Anytime we have a big issue, I feel that as a City Council, or as a person if I was on City Council is to call a special election. Yes, we do vote you in to make these decisions; however, I can remember at the time of Election Day, there were several people that were for or against several things, and now it seems their minds have changed. So, we will just leave that at that. Myself, and over 500 concerned citizens have a huge problem with the City throwing away over \$1M of real estate. The reasons go on and on, but in 2012, like the gentleman said, our taxes were raised. If we are struggling financially of course, we really don't have any business donating over \$1M of property. I should have been the first one to sign up because everybody said what I wanted to say. \$70M, \$62M, however many dollars that is a lot of money. That money can be put to good use. I understand there is a lot of logistics to go on with that; however, I am a hands on person. You think about it, put it on paper, you get it done. With \$1M you can get two or three miles of asphalt and curb and gutter for that amount of money, and I know there are a lot of streets that need that asphalt, curb and gutter. My biggest thing is that if you deny the petition and the election process, you are really turning your backs on democracy and not giving the people the chance to make the effort or commit to something. It's a \$1M and we should have the right to vote on it. I ask that you

consider the fact. My biggest thing is this transition-the one-way pair-some people like it, some people don't. I am to the point where it really doesn't matter, but we should have the option to vote on it and \$1M is a lot of money. Thank you.

- **Renee Butler, 1100 George Street, Rosenberg, Texas (business: 800 3rd Street, Rosenberg):**
- She has two questions: 1) How much is tonight costing the City of Rosenberg to have another special meeting over something we did in September 2013 that was stated it was not going to happen. 2) Did we not hear what the attorney said in September 2013 for those of us that were here? I understood. Maybe I am wrong, so did we not understand what the City Attorney said in September that is not even a conversation we should be having. I am so confused and I am so tired, please make a decision tonight. Thank you.
- **Eric Garcia, 1601 Cedar, Richmond, Texas (business: 1101 James Street, Rosenberg):**
- Had a business for the last 31 years. He and his wife put three children through Holy Rosary School. We have been parishioners at Holy Rosary for many years and have deep roots in Rosenberg. We are very concerned about the City giving away \$1M property to TxDOT. All the other speakers have already spoken eloquently on the reasons why. The only thing I can add is personally I feel having driving through that intersection twice a day; the traffic problem is more a north/south problem than east/west. I respectfully urge City Council to consider a special election to let the people decide whether to give away a \$1M property or not. Thank you.
- **Shanta Kuhl, 515 Olive Street, Wharton, Texas (president of the Fort Bend Central Chamber, 4120 Avenue H, Rosenberg):**
- She wanted to repeat something she said when she came to speak in September, and that was that our governmental affairs department met and held two separate meetings at their Chamber offices, both of those were to talk about the one-way pairs and invite the members we have to visit with the Chamber about the one-way pairs. At one of the meetings, we had TxDOT available to go over their plans and at both of these meetings we did not have any Chamber members that were against the one-way pairs. They all were there in support of the project and to find out further information about the construction and how the project was to take place. So, we felt this was a significant amount of support for the project. We have a very strong historic downtown Rosenberg division and numerous meetings that we held in the downtown area. We specifically have 43 members in the downtown district and almost 100 along both those corridors including the downtown district. At this point, we have not had anyone who has come to us and say they are against the one-way pairs. None of those business owners have come and expressed their concern over this. What our job is to provide information to them and make information accessible and also to hear their comments about the project. I wanted to report that to you. We felt like we did our due diligence many, many, months ago. We have encouraged people to come to the City's public meetings, holding our own meetings, and then meeting with our merchants and businesses in the downtown businesses. We urge you to vote in favor of the one-way pairs—let's get this finished. Thank you.
- **William Lafleur, 1024 Wilson Drive, Rosenberg, Texas:**
- He is in favor of the special election to give the people of Rosenberg the decision on selling the land.
- **Gregory Wheat, 2614 Bamore Road, Rosenberg, Texas:**
- He is against the one-way pairs. He doesn't think it will solve anything in the City and for the Council to consider a special election to let the people vote to donate the land. He thinks it should be the people's decision. Thank you.
- **Fran Naylor, 1424 Callendar Street, Rosenberg, Texas:**
- She is in favor of the petition to stop the donation of the land or at least allowing citizen input through a special election. She remembers the history of when this project began. There were a lot of other strings attached to it, such as the repairs and widening and repairs of the bridges coming between Richmond and Rosenberg and then leaving Rosenberg at the far end of town. Now, we are talking about turning Rosenberg around and making one-way streets and not having any citizen input. To me, this is something that is changing the face of our whole community. I have sat at the intersection and watched what goes on. I can't imagine how one-way streets are going to resolve this problem. You have a short stretch between Avenue H and I on Highway 36 that is going to end up being a bottle neck, no matter which way the traffic is going. So maybe we'll just push that traffic jam down a little bit further and then you can have the people from the Baptist Church and Hartz's Chicken coming here complaining about the cars that are backed up. I don't think anybody has seriously looked at options to fix this without totaling changing the face of our community. Once that interchange is built, it will end up being an

eyesore. Drive in Houston where you see the different turnarounds and passes, even at the small underpasses you have in Richmond and Rosenberg—that is always in need of repair and cleaning up. Here we are going to put this right in the middle of our town. I think the citizens of Rosenberg deserve better than that and more thought put behind it and I would hope you would take this back to the table and everybody that says they are afraid of TxDOT—we have State legislators, if we have to, let's get them involved. Their money comes from our pockets. Nobody can say that TxDOT is paying for this, because we pay for TxDOT. Thank you.

- **Chris McFarlon, 1046 Lindsey Drive, Rosenberg, Texas:**
- This is one of those topics that come up when you talk with relatives, friends and neighbors. City initiatives can be great things and this is one that I can't see the common sense behind it. When I think about the daily traffic patterns and somebody who goes through these intersections from time to time during that time of the day, it really seems to be an interesting prospect that maybe before Town Center was there, there was a scientific pattern that made it make sense. To give away a \$1M chunk of land, is an interesting prospect, but to do for a cause—I can't see the day to day impact. I respect that we have a multi-tens of millions dollar debt and if there will be a return that paid back a positive dividend that made up for the expense, that would make sense, but I don't see it. I would like to see the City not give away that chunk of land and I would like to see there would be public referendum or vote on it. It was interesting that the Chamber-I can't see 100 business owners agreeing on anything, so I think that is a pretty amazing statistic, because in my antidotal conversations with my family and friends, I have yet to find one that said yea that's a great idea, they should push that through. Thank you.
- **Rudolpho Pettia, 1709 Avenue H, Rosenberg (business) lives in Richmond:**
- Been in business since 1997 over 16 years at 1709 Avenue H. Very concerned about one-way project. Asking City not to give the property to TxDOT. Request that Council call a special election to let the voters decide. Thank you.
- **George Hyde, City legal counsel, with Denton Navarro Rocha:**
- Explained that he wanted to meet with City Council in Executive Session after his presentation to meet in private with the Council.
- George Hyde stated there have been some discussions before the Council with regard to our form of government as a democracy and that we are a democratic form of government. He clarified that we are a republic and in the pledge of allegiance, it is the republic to which we stand and a republic is a little bit different than a democracy, because a true democracy doesn't work anywhere if you get more than six or seven people because it requires all of the people to vote on every issue. A republic is which we do as a representative democracy, of which they use their vote to place you in office from which they place the duty and obligation upon you as a Council member and as an elected official to legislate for them and take those votes for them in any matter in which you have that authority. That's the republic in which we are designed, your Charter in essence is a constitution, you are an administrative and in City Council for many purposes you are, the legislative branch of this local government and you have the same type of governmental model as the United States does. In that republic, your representative form of government does place as a duty for you to take consideration of all the matters of all the constituents in your districts that have voted you into office. Democracy in the worst sense of the word can be considered a lynch mob. If you think of it, if there is a majority of the people that want to do something without those regulations in the republic issue, without those issues a lynch mob would be a true democracy under its definition. The Council and the public are also reminded that in a republic that is the first duty of the Council to represent and make those decisions as a representative of that organization. 2) This is one of the most provisions discussed here, is repeatedly I have heard that the public has a misperception that is a giveaway. That the City is giving away money to TxDOT for purposes of this project. Today, this afternoon, TxDOT assert there is a statutory obligation for the City to contribute 10% of the right-of-way costs for any farm-to-market and state highway project that occurs within the municipality. The original agreement with regards to this process is not a giveaway. It is not a giveaway at all. 1) It is an exchange as a waiver for the obligation to pay the 10% right of way and state farm to market and state highway costs for both the one-way pair project as well as a future elevated intersection project. I have not been aware of this other project or that the assertion was done until this afternoon, so I don't have any additional information. I don't have any reason to believe this is not true, is that any other of these widening or roadway widening projects if the State has the ability under State law to require you to contribute 10% of those costs, then the value of this property may either exceed or be woefully less than what that 10% amount would be. Here you are receiving consideration because you are receiving the waiver of the otherwise statutory cost

obligation which I don't know that you have budgeted for purposes of these two projects or when they would come forward. Additionally, if the future elevated intersection project that they have slated is paid in today's dollars, when that elevated project occurs, you would already be paid. Those elevated project costs in the future would likely increase in value, which would mean it would cost you more in the future to pay that debt, than if you pay it now with this right of way exchange. There is specific exchange of consideration related to this project. 2) under the bond provisions of Fort Bend, I was informed that the City would be entitled if it participates and conducts this project to approximately \$1M or more in water and wastewater infrastructure funds from the Fort Bend County bond project. So, there is an additional consideration that if you provide this property for purposes of this project, not only do you get the waiver of the 10% cost to the State, but you also receive \$1M or plus dollars under the Fort Bend County bond to take care of your water and wastewater issues. In just those two things, it would be over a million dollars roughly of value that the City would be receiving in exchange for this property. This is an important point for the City Council to consider as well as the public to understand that this is not a giveaway. It is an exchange for consideration. The issues that will go in Executive Session will also discuss the legislative versus the administrative powers of government, which are defined under the common law with regards to the ability of initiative and referendum and whether or not this is even something that is appropriate under State law. It is a very complicated area of the law and that's one of the issues we need to discuss in Executive Session. Finally, by antidotal evidence that you should consider just coincidentally, I am also the City Attorney in Pflugerville. In Pflugerville, Texas, in 2006 there were 17,000 population. Based on water connections, there are over 60,000 today in 2013. One of the differences there was State Highway 130 which connects to I-10, which was a diverter for heavy traffic. Those numbers have increased. 2) I am also the City Attorney for Bay City in Matagorda County, and we just completed and are finalizing our 380 agreements on an economic project participated in all levels of government all the way including the Texas Governor for a \$1.2 billion manufacturing project that includes for stainless steel manufacturing that will be going on in Matagorda County and they anticipate 600 trucks a day from that project. That will be here in roughly two years. Between those two, I am also the City Attorney in Garden Ridge, Texas. Garden Ridge, Texas is a small suburb of about 3500 people outside of San Antonio. The unique thing about Garden Ridge is that its geographic jurisdiction doubles with one industrial user, Hanson Aggregates. Hanson Aggregates through our mining operation negotiations has indicated to the City of Garden Ridge, in public session, that they anticipate in the next 3-6 months a 500% increase in aggregates. I know that the Hanson Aggregates is also somebody also near and dear to the City of Rosenberg, because they have a deposit in your city limits. I would anticipate you would likely receive a significant increase in heavy truck traffic related to aggregate deposits that occur at your rail station. There are a number of things outside the per view of the City of Rosenberg that are going to affect the City of Rosenberg's roadway and infrastructure that is a bigger picture analysis of this. The last anecdote, and I don't know how much traveling along Interstate 35 North, but as you get into Oklahoma and in Kansas, they have a unique process, where there are very wide medians on the interstate and the width of the two lane medians that go north and south are actually businesses, and they made left exits and they only built one rest area because it serves both sides and there are restaurants and convenience stores in the middle of the freeway considered a similar two pair process where they have the two lanes going north and the two lanes going south and they have the businesses in between. When I was contacted with regard to this project, it reminded me of that project where you are actually receiving is a doubling of your roadway and a reduction of what's called traffic conflicts, because you have less turns which reduce the conflict issues. I am not an engineer. I know your City Engineer, Charles Kalkomey, because he's also the City Engineer in Bay City, where I work as City Attorney as well. I don't know whether he has provided you specific information in the past in regard to this project, but from the experience we have in our office of eighteen attorneys that only do local government work and have for a quarter of a century. This type of project is one that does reduce what they call traffic conflicts, which increases speed and reduces congestion in your community. The concern that other people need to know is what if this is not necessary today? Well, you may not be building for today. You may be building for three years from today, when that Hanson Aggregate trucks are here and the Matagorda County trucks are coming through Rosenberg to get to I-10. It is a very simple process to get to here. Those are considerations that the public as well as the Council should consider when dealing with this issue. When dealing with this infrastructure, not only are you getting \$1M plus back from the Fort Bend County bonds, that would not be available to you unless you do this project and the 10% waiver from the State. So there is significant consideration for you to have. The other issue is what do you do when you

are the City of Austin, where on Sunday at 3:00 p.m. it takes about an hour and 23 minutes to go 9 miles on I-35; or north San Antonio that is finally under construction where it took 45 minutes to go 6 miles? That was for years that I personally experienced both situations. Another issue with eliminating truck traffic the City would not have the authority to limit truck traffic on a state highway without the state's permission and that is typically what state highways are for. In Garden Ridge we did a "no thru truck traffic" statement, but we have FM 2252 and FM 3009 and those are not subject to regulation for purposes of truck traffic because they are state highways and state funds are provided. When we go into these issues, there is a lot more for the Council to consider and I want to make sure the public was aware that this is not a giveaway. You are receiving significant consideration for this project.

- Mayor Morales asked each Council member if they had any questions.
- Councilor McConathy commented that we are here as a governing body to review the petitions and to hear your comments regarding the conveyance of land to TxDOT and the one-way pair project. Whether the petition is valid or invalid is the topic by agenda for discussion here today. The true issue; however, for discussion is whether this Council will act upon what is being asked of us from the many voices represented on the 64 pages of the petition. I believe the total is somewhere around 500, more than the number it took to put one Council member into office. If this number can determine whether a man or woman should sit in this position to govern in the City of Rosenberg, it should also settle the issue of whether this land should be given to TxDOT or sold as well. Many of these same voices previously attempted to have a say on whether the one-way pairs should happen at all, but they were deprived of this opportunity and pressured to change their minds, but they are here again through signature representation to say I have not given up, and I won't back down. I'll admit, I like a good debate. If it's a good one, both sides of the issue are equally represented and common ground is established in the middle. People involved can walk away respectfully disagreeing on the subject, but found collaborating in agreement on another subject. On this subject matter, I believe the voice of the people should prevail, and I stand with them tonight to take this to public vote.
- Councilor Benton thanked everyone that spoke tonight. I am a member of the Chamber and I don't remember being asked about the one-way pairs. I do have some questions of the attorney. You mentioned you work with Mr. Kalkomey and you are a City Attorney at several different places. I have a concern about some conflicts of interest in your position here actually sir. You say TxDOT can only give permission for 18 wheelers to use or not to use certain streets.
- George Hyde replied that State Highways are ultimately operated and managed by the State and therefore your regulatory ability to change the speed limit or to regulate state highways—farm to market roads is dependent upon the State of Texas.
- Councilor Benton stated he understands that. We have a representative here and I am sure he has enough clout with TxDOT if we would encourage 18 wheelers to use Spur 10 to avoid our avenues, I don't think that would be an impossible request. Regarding the mobility bonds that you mentioned, the \$1.5M, is what you are saying we would lose out of. If we sold the property for \$1M, we are now looking at a loss of \$500,000. If you would ask folks what the possible loss of income would be added up, I am sure most would agree it would be more than \$1M. It's not just money we are talking about, it's a way of life, it's an entire economy, not just the project – it's a bigger concern that just the focus of this project. You mention 10% - you alluded to a contract. George Hyde stated it is a statute. Councilor Benton stated that if this is part of a statute that would be pointed out to our folks when we made agreements with TxDOT in what we should cost share in this project. Lora, do we have any agreements that legally bind us to conveying this property.
- Lora Lenzsch, City Attorney, answered she is not aware of any contracts, only resolutions and discussions. She is not aware of any contracts.
- Councilor Benton stated to Mr. Hyde that you mentioned where we are a republic, one that subscribes to the Charter, which is upheld to the State and federal constitution—would you agree--correct?
- George Hyde stated he is not sure.
- Councilor Benton stated well, it hasn't been thrown out. I don't recall that there has been a federal mandate that has thrown out our Charter, so I am assuming that as long as it adheres to the state and federal laws and as time has gone by, there have probably been some challenges with it, and it's still here and we're still here.
- George Hyde replied the result is accurate; however, the premise that the constitutions of the state have to do with challenges, I can't speak to that.
- Councilor Benton asked Mr. Hyde, "Did you look at the Charter at Section 7.02, where it provides

- for the people to petition their council for an initiative”?
- George Hyde answered yes I did.
 - Councilor Benton asked if he sees a conflict with that.
 - George Hyde asked in what regard?
 - Councilor Benton stated in regard to this petition?
 - George Hyde stated there are a couple of issues with the petition he would like to discuss in Executive Session with the Council; however, the initiative petition seems to be processed in such a way that they had an intention to Section 7.02 when they did it.
 - Councilor Benton stated that Renee Butler had two questions and he hopes she can get an answer to her two questions. I'll defer my comments until after the Executive Session.
 - Councilor Bolf stated there is such a division on this subject, some people want us to give the land, some don't. Some think it will help downtown to have one-ways. I don't know if it will. I love downtown, I go downtown all the time to shop, eat there. My main contention that this was never put up for a public vote and this is such a huge change for this city—to donating the land, and fully understanding what that means and changing the direction. It's just such a huge thing for the City and I would support at this time, but I do have some questions for you in Executive Session, for a public vote. I think the public needs to have a say in this and this was kept quiet for so long, they were not given the opportunity.
 - Councilor Pena stated we are a republic and we are not totally socialistic as the rest of our government is turning to be, I think we are at a local government. These problems we are having now, it's great that we can come in here and meet and we can simulate the information before us, but it's a shame that things like this happen and we come—sixteen years, and we have been going on when something at the very beginning. When you vote, make sure these people represent you. The people that are calling me are telling me what they want, they are my constituents, they voted for me, they put me here, it's important that we listen to what they say. We keep talking about this problem on Avenue H and I. If we would have let the people speak on it, if they would have had the opportunity to say, let's do the one way pairs. How do you do that? You put it up to a vote. Now, we are battling over this and the people have decided they don't want to do this. Now, TxDOT is saying no one ever told us they didn't want to do this. We had tons of meetings, and I talked to people and they said they never knew about the meetings. Now, you are telling us we are going to have to eat the bullet and do this and that and it's not this Council telling you that. We are just sitting up here trying to do what you people want, and it's a shame that a lot of us missed all this and it has come to this. Now, I don't believe this City Council should make that decision with so much controversy and I think the people should get an opportunity whether they vote it in or out, but give them the opportunity to say their peace.
 - Councilor Euton reserves to change her opinion after Executive Session, but this has come to us not because of decisions we have made, but because of previous Council's decisions. Now, whether we are legally obligated to continue to do things that previous Councils have committed us to, that's the question. Can we undo what has been done—I don't know. We will respectfully listen to our attorneys and see what they say and we want to do what is best, but we don't want to go against our legal system. We want to honor the initiative if we can, but if we can't, we understand that we will have to do what is right in the eyes of the law.

CONSIDER MOTION TO ADJOURN FOR EXECUTIVE SESSION.

Action: Councilor McConathy made a motion, seconded by Councilor Euton to adjourn for Executive Session. The motion carried by a unanimous vote.

HOLD EXECUTIVE SESSION TO RECEIVE LEGAL ADVICE FROM CITY ATTORNEY ON PETITION TO INITIATE/PROPOSE LEGISLATION PURSUANT TO SECTION 7.02 OF THE CITY CHARTER STATING “THAT THE CITY SHALL NOT DONATE TO ANY PERSON OR ENTITY, INCLUDING TxDOT, THE REAL PROPERTY OWNED BY THE CITY, AND LOCATED IN THE CITY BETWEEN AVENUE H AND AVENUE I, AND DAMON AND LOUISE STREETS, FOR THE ROADWAY PROJECT KNOWN AS THE “ONE-WAY PAIRS” PROJECT.

An Executive Session was held pursuant to Texas Government Code Section 551.071 to receive legal advice from City Attorney on petition to initiate/propose legislation pursuant to Section 7.02 of the City Charter stating “that the City shall not donate to any person or entity, including TxDOT, the real property owned by the City, and located in the City between Avenue H and Avenue I, and Damon and Louise Streets, for the roadway project known as the “One-Way Pairs” Project.

ADJOURN EXECUTIVE SESSION, RECONVENE INTO SPECIAL SESSION, AND TAKE ACTION AS

NECESSARY AS A RESULT OF EXECUTIVE SESSION.

Mayor Morales adjourned the Executive Session and reconvened into Special Session.

Action: Councilor McConathy made a motion, seconded by Councilor Bolf to call a Special Election to be held in accordance with the State Law for adopting or rejecting the proposed legislature which reads, "that the City of Rosenberg shall not donate to any person or entity, including TxDOT, the real property owned by the City, and located in the City between Avenue H and Avenue I, and Damon and Louise Street, for the roadway project known as the "One-Way Pairs" project. The property may only be sold in the future for fair market value, as determined by independent appraisal."

Discussion:

- Councilor Euton stated that previously she was against the one-way pairs. When we had all the meetings and discussions, I believe the "one-way pairs" is the lesser of the two evils and it is the better project. However, I do see that the petition put before Council is a valid petition and we should uphold the petition and we should do what the voters asked us to do, but I would also ask that we go out and educate the public why this is a better choice to go ahead and do the one-way pairs, but this is only on the property and the question that we will be voting on.
- Councilor Grigar stated he is all for progress and the City is booming and our population is getting larger. I am all for planning for the future and it seems this is not just a quick fix or a band aid to a problem that exists but has been pointed out by TxDOT that the safety factor of this roadway is five times the average of the state. I know this is emotional for all of us. I have lived here all my life. It wasn't an easy decision. At the beginning, I was against the one-way pairs, but after hearing all the data and how much it would increase the safety in our town and our visitors to get around and making left turn lanes rather than all turns, increases the safety. The motion tonight as I understand is this property was bought by the City with the statute that we would give 10% right of way to TxDOT for the improvements. That would be upholding our end of the contract and I understand is throughout the State, it's not just a local thing; it's what is asked of all municipalities. So, it's not something that is dreamed up by them. Every city pays the 10%, if there are improvements to the roadway. However, I will say this meets the 10% plus the overpasses that would be constructed at a later time with a cost of twenty plus million dollars which would be in the forked area of Highways 36 and 90, and that donated property would go toward that right of way donation. I think it's a good deal and the second part of this project is also on the books for the overpass, but it is for a long term. We are all looking for long term, we are all looking for fixes, but we need a permanent solution. I know it's tough, we are creatures of habit, we don't like change, but I believe that we are upholding our end of the 10% of the donation of the right of way.
- Councilor Bolf stated she thinks it's a good thing we are going to honor the petition and let the citizens' vote. This is your time to get out and educate. It should have been voted on, in my mind, years ago. This is a major issue, whether you are for or against it, you have a right to vote on it. Everyone should get out there and educate the public, not just the people who have businesses on Highway 90, but everyone. Thank you.
- Councilor Benton stated you have an opportunity to vote on it. I see folks on both sides of the issue and everyone will have an opportunity to vote on it. If you are against it, vote against it. If you are for it, vote for it--calling the election is the right thing to do. I think that it gives the people a voice. I don't think we could have ignored the petition. I will accept the results no matter what it is.
- Councilor McConathy stated the election will be in May, 2014—get out and vote.
- Mayor Morales stated that what he had to decide tonight is looking at and listening to the facts. The facts are that TxDOT could still move forward without (this land donation). The only thing we are voting on tonight is the land that the City purchased in good faith over a period of time through resolutions by previous councils, to meet that 10% requirement, which TxDOT is leveraging those dollars. As far as not only today, this project, which has been pointed out as a solution to mobility and a solution to safety in that corridor, it also gives us the ability with those dollars, that 10%, as Councilor Grigar said, \$2M without any more out of pocket expense to the taxpayer. We are leveraging dollars that the County given us \$1.5M back if the project is completed, and we are also leveraging those dollars as far as allowing them the 10% for future as far as completion of the project. There are a lot of facts that tonight we will vote on whether the land can be given to TxDOT or not, but at the end of the day, my understanding from legal counsel, is that TxDOT could still move forward with the rest of the project. They could redesign the project and end up doing the project. All we are doing tonight is voting on whether we are using your tax dollars to have a special election to vote on whether you want to release that land

or not. But TxDOT, according to legal counsel, can move forward with this project. It's not a matter of we are stopping the project, it's a matter of just that one segment which is the piece of property. After saying all of that, you heard everyone here, we will vote on Councilor McConathy's motion, seconded by Councilor Bolf.

Upon voting, the motion carried by a 5-2 vote, as follows: **Ayes: Councilors Benton, McConathy, Pena, Euton and Bolf. Noes: Mayor Morales and Councilor Grigar.**

- Mayor Morales encouraged everyone to educate others and get out and vote in May 2014.

2. ADJOURNMENT.

There being no further business Mayor Morales adjourned the meeting at 8:45 p.m.

Linda Cernosek, TRMC, City Secretary

**CITY OF ROSENBERG
REGULAR COUNCIL MEETING MINUTES
DRAFT**

On this the 17th day of December, 2013, the City Council of the City of Rosenberg, Fort Bend County, Texas, met in a Regular Session, in the Rosenberg City Hall Council Chamber, located at 2110 4th Street, Rosenberg, Texas.

PRESENT

Vincent M. Morales, Jr.	Mayor
William Benton	Councilor at Large, Position 1
Cynthia McConathy	Councilor at Large, Position 2
Jimmie J. Pena	Councilor, District 1
Susan Euton	Councilor, District 2
Dwayne Grigar	Councilor, District 3
Amanda Bolf	Councilor, District 4

STAFF PRESENT

Robert Gracia	City Manager
Linda Cernosek	City Secretary
John Maresh	Assistant City Manager
Jeff Trinker	Assistant to the City Manager
Lora Lenzsch	City Attorney
Charles Kalkomey	City Engineer
Joyce Vasut	Finance Director
Matt Fielder	Economic Development Director
Dallis Warren	Interim Police Chief
Wade Goates	Fire Chief
Daryl Himly	Assistant Fire Chief
Danny Johnson	Fire Lieutenant
Justin Jurek	Fire Marshal
Tonya Palmer	Building Official
Travis Tanner	Planning Director
John Johnson	Police Officer
Angela Fritz	Communications Director
Kaye Supak	Executive Assistant

The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.

CALL TO ORDER.

Mayor Morales called the meeting to order at 7:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE.

Charles Kalkomey, City Engineer, gave the invocation and led the pledge of allegiance to the flag.

GENERAL COMMENTS FROM THE AUDIENCE.

Citizens who desire to address the City Council with comments of a general nature will be received at this time. Each speaker is limited to three (3) minutes. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

COMMENTS FROM THE AUDIENCE FOR CONSENT AND REGULAR AGENDA ITEMS.

Citizens who desire to address the City Council with regard to matters on the Consent Agenda or Regular Agenda will be received at the time the item is considered. Each speaker is limited to three (3) minutes. Comments or discussion by the City Council Members will only be made at the time the agenda item is scheduled for consideration. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

The following individuals addressed Council:

Michael Gutierrez, Sunrise Meadows, addressed Council, as follows:

- He addressed Council on behalf of Fort Bend MUD No. 162 which he is a Board Director and addressed the fire protection increase the City plans to implement on January 1st.
- When the district was approached to sign a fire protection plan agreement with the City, we were told some truths and many untruths by your previous management. Our attorney recently sent a letter to your City Attorney requesting a waiver of this increase and the response was not to our liking. That is the reason I am here today.
- I am asking the Council consider waiving the January 1st increase since Council has reconsidered continuing services to those residents outside the fire protection boundaries that are not contributing or paying into for these services. I would hope that Council would do the appropriate by waiving the increase. This will at least try to salvage and begin to rebuild the relationship that we would like to have with the City in the future. Thank you for your time and consideration.

Cowboy Bill, Rosenberg, addressed Council, as follows:

- He congratulated those that won. Our vote gives you the privilege to be up here and allow our trust. Chief Robert I have known you twenty years and I was totally appalled to all three of your ships. I trust this public apology in this quorum will be accepted by your department personnel. I wasn't bipolar, I was totally wrong. Every time I open up my email I see a plummeting budget. Obama states will have to cut back on senior citizens.
- In my home I cut back the cable for \$80.00 and \$39.00 on the net. I have asked for help but to no avail. This will be a savings of \$50.00. There are seven prerequisites for this assistance – only one is needed, I fulfill four and am still denied. I have contacted state, insurance and Congressman Pete Olson's office many times with naught. I even drove to Olson's office to drop off the documents pleading for help. I told him how important this would be to me. I had to go to an AT&T executive to get this number. I have been without phone service for going on three months.
- I have 68 years of information, forty of it is documented, twenty of it in Rosenberg, Texas. Accolades from sea to sea to the gulf, historical events. I am submitting this folder as evidence of abuse on me.

Vera Salinas, Sunrise Meadows, Board Member of MUD No. 162, addressed Council, as follows:

- My concern is with the fire protection fees in our area. When we agreed on the fire protection we were told that if we agreed to it and contributed we would have protection. If we did not then there was not guarantee that if someone's house burned they would actually service them.
- Now we were told you'll are going to basically help the ones that did not contribute and I would like for you'll to look into that and give us a chance to not pay for the month of January until we can resolve this matter. I appreciate your time.

Carlos Garcia, 2003 Briar Lane, Richmond, 3501 Avenue H (business address), addressed Council, as follows:

- I would like to present and submit a formal objection on the validity of the petition that was passed last night not to donate property for the one-way project. I am asking for a written legal opinion on the following matters:
 1. Is the Rosenberg Municipal Code Section 7.03 which is a referendum, which says "qualified voters of the City of Rosenberg may require that any ordinance or resolution passed by the City Council be submitted to the voters of the City for approval or disapproval by submitting a petition for this purpose within thirty days after the final passage of said ordinance or resolution". This is six years. I would like a written opinion on that.
 2. In addition, Resolution R-741 which states its current projects submitted for Fort Bend County Mobility Funds and the projected cost of \$18.4 million dollars. Rosenberg matching funds are \$1.5 million dollars which is not the \$8 million dollars that was presented in the advertisement in

one of the ads. It was discussed and clearly stated at the meetings this property, Speedy Shop would be donated to the State for what it was intended to be which is the cross-over.

3. Is Resolution R-1586 - whereas the City Council of Rosenberg deems the subject properties are needed in order to provide for future expansion of Texas Department of Transportation infrastructure through the purchase of certain real property (which is that address mentioned).
4. September 16th in the minutes it talks about legislative matters – the proposed resolution that was submitted to you'll last night is not a legislative matter in character and therefore should be excluded from the initiative process. I don't know if you'll discussed that last night, I wasn't here. In essence what it does is it makes the petition a non-binding resolution and you passed it.
5. I don't think we processed and validated all the signatures that were on the petition.

CONSENT AGENDA

1. REVIEW OF CONSENT AGENDA.

All Consent Agenda items listed are considered to be routine by the City Council and may be enacted by one (1) motion. There will be no separate discussion of Consent Agenda items unless a City Council Member has requested that the item be discussed, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Regular Agenda.

A. CONSIDERATION OF AND ACTION ON WORKSHOP MEETING MINUTES FOR NOVEMBER 26, 2013.

B. CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1738, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE, FOR AND ON BEHALF OF THE CITY, A GENERAL SERVICES CONTRACT EXTENSION, BY AND BETWEEN THE CITY AND BIO LANDSCAPE & MAINTENANCE, INC., FOR RIGHT-OF-WAY, OPEN ACREAGE, AND WASTEWATER TREATMENT PLANT MOWING, FOR A PERIOD OF ONE (1) YEAR, EFFECTIVE MARCH 01, 2014, IN AN AMOUNT OF \$121,257.90.

Executive Summary: On February 05, 2013, City Council approved Resolution No. R-1614 which awarded a General Services Contract (Contract) for right-of-way, open acreage, and wastewater treatment plant mowing. The Contract was awarded to Bio Landscape & Maintenance, Inc., (Contractor) in the amount of \$113,949.66. The initial term of the Contract was for a one (1) year period, with an option for the City to extend the Contract upon the same terms and conditions for up to two (2) additional one (1) year terms. The acreage amounts for each mowing category have been updated to account for the 2012 and 2013 annexation and other revisions from drainage and street projects that occurred during the past year. The right-of-way rough cut mowing acreage increased approximately 24 acres and finish cut mowing increased by approximately 0.2 acres, per mowing cycle. Based on the current acreage amounts, the total Contract amount is \$121,257.90.

Staff recommends approval of Resolution No. R-1738, a Resolution authorizing the City Manager to execute, for and on behalf of the City, a General Services Contract Extension, by and between the City and Bio Landscape & Maintenance, Inc., for right-of-way, open acreage, and wastewater treatment plant mowing, for a period of one (1) year, effective March 01, 2014.

C. CONSIDERATION OF AND ACTION ON A FINAL PLAT OF WALNUT CREEK SECTION FOUR, A SUBDIVISION OF 12.85 ACRES CONTAINING 41 LOTS, 3 BLOCKS, 2 RESTRICTED RESERVES OUT OF THE EUGENE WHEAT SURVEY, A-396, FORT BEND COUNTY, TEXAS.

Executive Summary: The proposed Final Plat of Walnut Creek Section Four is located off of Irby Cobb Boulevard, directly across the street from Cora Thomas Elementary School. It is in the City's Extraterritorial Jurisdiction (ETJ) and in Fort Bend County Municipal Utility District No. 152 (MUD No. 152).

The proposed subdivision contains forty-one (41) single-family residential lots and two (2) landscape reserves, with a total of 0.3 acres in reserves. The approved Land Plan for Walnut Creek, as amended in 2008, is attached for your reference and indicates a typical lot size of 60'x120' for this particular area. The typical lot size for the subdivision is 60'x120'. All proposed lots are a minimum

of 60' in width as measured at the front building line. Due to being cul-de-sac or "knuckle" lots, twelve (12) lots are less than 50' wide at the street right-of-way and are therefore noted as 50'+ lots in the Lot Area Summary Table. All lots are a minimum of 40' at the street right-of-way.

The Final Plat complies with the approved Land Plan and with the Preliminary Plat, which was approved by the Planning Commission on July 24, 2013. So far in this development, 529 lots have been platted. A total of 1,184 lots will have been platted at build-out, so the development is 45 percent built-out at this time. According to information provided by the developer, 58 percent of the lots will be 60' or greater in width at build-out.

The proposed Final Plat is consistent with the Development Agreement for MUD No. 152 and with the "Subdivision" Ordinance (Ch. 25, Code of Ordinances). It is also consistent with the approved Preliminary Plat. The Planning Commission recommended approval of the Final Plat on November 20, 2013. Staff recommends approval of the Final Plat of Walnut Creek Section Four.

D. CONSIDERATION OF AND ACTION ON THE FINAL PLAT OF WALNUT CREEK SECTION EIGHT, A SUBDIVISION OF 9.823 ACRES CONTAINING 44 LOTS, 2 BLOCKS, 1 RESTRICTED RESERVE OUT OF THE EUGENE WHEAT SURVEY, A-396, FORT BEND COUNTY, TEXAS.

Executive Summary: The Final Plat of Walnut Creek Section Eight is located off of Irby Cobb Boulevard at Cobb Creek Lane, in the northwest part of the Walnut Creek development. It is located in the City's Extraterritorial Jurisdiction (ETJ) and in Fort Bend County Municipal Utility District No. 152 (MUD No. 152). The plat consists of 9.8 acres, forty-four (44) single-family residential lots, and a 0.2-acre landscape reserve.

The proposed Plat is in compliance with the approved Land Plan for Walnut Creek. The Land Plan identifies this area of the development as typically consisting of fifty-five foot (55') lots. The majority of the proposed lots are 55' in width. A minimum of eight (8) lots are 60' or greater in width. Seven (7) of the lots are cul-de-sac lots and are 55'-60' as measured at the front building line and 40' at the right-of-way, indicating they are 50'-54' lots as described in the lot width table.

As discussed in the previous Agenda item, so far in the development, 529 lots have been platted. A total of 1,184 lots will have been platted at build-out, so the development is 45 percent built-out at this time. According to information provided by the developer, 58 percent of the lots will be 60' or greater in width at build-out.

The Preliminary Plat of Walnut Creek Section Eight was approved by the Planning Commission on March 27, 2013. The Final Plat is in compliance with the approved Preliminary Plat, with the Land Plan for MUD No. 152 (Walnut Creek) and with applicable provisions of the "Subdivision" Ordinance. The Planning Commission recommended approval of the Final Plat to City Council on May 22, 2013. Staff recommends approval of the Final Plat of Walnut Creek Section Eight.

Action: Councilor Benton made a motion, seconded by Councilor McConathy to approve the Consent Agenda with correction of a spelling error in Agenda Item B of street VFW Drainage Ditch and lists FM 529 rather than Spur 529. The motion carried by a unanimous vote.

REGULAR AGENDA

2. REVIEW AND DISCUSS THE SALE OF GENERAL OBLIGATION BONDS, AND TAKE ACTION AS NECESSARY.

Executive Summary: In November 2006, the voters approved \$11,500,000 in General Obligation Bonds for communications system, streets and sidewalks, parks and recreation, and drainage. \$9,935,000 has been issued since 2006 as follows:

- 2007 \$3,200,000
- 2009 4,100,000
- 2010 2,635,000

The remaining \$1,565,000 is currently needed to continue with the construction of the Dry Creek Drainage

Project. Staff is preparing to sell the General Obligation Bonds in the first quarter of 2014. A timetable for the sale is included for review.

No City Council action is required at this time.

Key discussion points:

- Joyce Vasut, Finance Director gave an overview of the item to make Council aware of the sale that will come through in January.
- The amounts have been dispersed according to voter's approval.
- No action was taken on the item.

3. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1735, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE, FOR AND ON BEHALF OF THE CITY, BUDGET AMENDMENT 14-02 IN THE AMOUNT OF \$88,778.00 FOR THE ADDITION OF A BUILDING INSPECTOR, ANIMAL CONTROL OFFICER, AND THREE (3) FULL-TIME FIREFIGHTER POSITIONS.**

Executive Summary: Budget Amendment 14-02, in the amount of \$88,778.00, is presented to allocate funding for the addition of five (5) full-time positions, as follows:

- Building Inspector for the Code Enforcement Department. The cost for the remainder of FY2014 (9 months) would be approximately \$40,562.00. This amount will be covered by excess building permit fees.
- Animal Control Officer for the remainder of FY2014 (9 months) would cost approximately \$39,216.00 which will be offset with excess sales tax revenues.
- Three (3) Firefighters which will replace a current full-time, part-time position. The additional cost for FY2014 would be approximately \$9,000.00 which will also be offset by sales tax revenues.

On Monday, November 18, 2013, staff met with the Finance/Audit Committee to discuss these personnel needs due to increased workloads in the specific Departments mentioned. The Finance/Audit Committee recommended approval of the positions and placing the item on a City Council Workshop Agenda.

On Tuesday, November 26, 2013, staff presented the personnel needs to City Council during the Workshop. City Council agreed with creating these positions. Therefore, Budget Amendment 14-02 is presented to fund all five (5) positions for the remainder of FY2014.

Budget Amendment 14-02 is included as Exhibit "A" to Resolution No. R-1735. Staff recommends approval of Resolution No. R-1735 as presented.

Key discussion points:

- Joyce Vasut read the Executive Summary regarding Resolution No. R-1735.

Action: Councilor Benton made a motion, seconded by Councilor McConathy made a motion to approve Resolution No. R-1735, a Resolution authorizing the City Manager to execute, for and on behalf of the City, Budget Amendment 14-02 in the amount of \$88,778.00 for the addition of a Building Inspector, Animal Control Officer, and three (3) full-time Firefighter positions. The motion carried by a unanimous vote.

4. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1736, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE, FOR AND ON BEHALF OF THE CITY, BUDGET AMENDMENT 14-03 IN THE AMOUNT OF \$68,983.34, TO INCREASE THE FY2014 BUDGET FOR OUTSTANDING PURCHASE ORDERS THAT WERE ROLLED-OVER FROM FY2013 TO FY2014.**

Executive Summary: At the end of each fiscal year, there are several purchase orders that remain outstanding at September 30th. Although Finance staff provides a cut-off date of September 1 for issuing purchase orders, there are issues that arise in which the supplies ordered or the services requested are not received or completed by September 30th. Since governmental accounting standards require expenses be recorded when items are received or services are performed, the expenses for these open purchase orders must be recorded in FY2014.

Staff has requested that ten (10) purchase orders with outstanding balances of \$68,983.34, be rolled-over into FY2014. Therefore, Budget Amendment 14-03 allocates the outstanding balances to the corresponding expense accounts and from the appropriate fund balances.

Budget Amendment 14-03 is included as Exhibit "A" to Resolution No. R-1736. Staff recommends approval of Resolution No. R-1736 as presented.

Key discussion points:

- Joyce Vasut gave an overview of the item and outlined the line items.

Questions/Comments:

- Councilor McConathy referenced the purchase order sheet in the packet. It lists a purchase order for Cantu Construction for the installation of a 2' x 3' concrete beam. Where was that installed?
- Joyce Vasut stated staff will get back with the information.
- Councilor Benton referenced the itemized items and asked if there should be dates tied to the items. He asked that in the future dates be provided.
- Joyce Vasut stated this report does not include dates. These are purchase orders during the fiscal year. That information can be provided.
- Councilor Benton referenced TRC - \$21,000.
- Joyce Vasut stated that is the recent impact fee study performed for the City. Council was given the presentation in November. The PO was issued when they started their work prior to September 30th. The work was not finished until after September 30th. We will have to pay them in fiscal year 2014.

Action: Councilor McConathy made a motion, seconded by Councilor Bolf to approve Resolution No. R-1736, a Resolution authorizing the City Manager to execute, for and on behalf of the City, Budget amendment 14-03 in the amount of \$68,983.34, to increase the FY2014 Budget for outstanding purchase orders that were rolled-over from FY2013 to FY2014. The motion carried by a unanimous vote.

5. **CONSIDERATION OF AND ACTION ON ORDINANCE NO. 2013-47, AN ORDINANCE AMENDING THE CODE OF ORDINANCES BY DELETING PARAGRAPH (A) OF SECTION 11-81 OF ARTICLE IV OF CHAPTER 11 THEREOF, AND SUBSTITUTING THEREFOR A NEW PARAGRAPH (A) OF SECTION 11-81, ADOPTING THE 2012 EDITION OF THE INTERNATIONAL FIRE CODE; AND, BY DELETING SECTION 11-82 OF ARTICLE IV OF CHAPTER 11 THEREOF, AND SUBSTITUTING THEREFOR A NEW SECTION 11-82, AMENDING SECTION 503.6 OF THE INTERNATIONAL FIRE CODE TO INCLUDE PROVISIONS FOR ELECTRONIC GATES AND RENUMBERING PREVIOUSLY AMENDED SECTIONS OF SAID INTERNATIONAL FIRE CODE; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED \$2,000 FOR VIOLATION OF ANY PROVISION HEREOF; AND PROVIDING FOR SEVERABILITY.**

Executive Summary: The City of Rosenberg has currently adopted the 2006 International Fire Code. The Building and Standards Board (Board) met and reviewed the 2012 International Fire Code (2012 Code) on February 19, March 26, and May 14, 2013. Staff is presenting their recommendations to the City Council regarding the adoption of the 2012 Code.

On February 19, 2013, the proposed amendment and significant changes to the 2012 Code were presented to the Board. At the March 26, 2013 meeting, the attached presentation regarding the proposed amendments and recommended changes was reviewed and discussed by the Board. The Board voted unanimously to adopt the 2012 Code with the new amendments at the May 14, 2013 meeting.

Staff presented the significant changes and proposed amendments to the 2012 Code, as approved and recommended by the Board, at the September 24, 2013 City Council Workshop meeting.

Staff respectfully requests approval of Ordinance No. 2013-47, adopting of the 2012 International Fire Code

with revisions as recommended by the Building and Standards Board.

Key discussion points:

- Justin Jurek, Fire Marshal gave an overview of the item regarding Ordinance No. 2013-47.

Action: Councilor Benton made a motion, seconded by Councilor McConathy to approve Ordinance No. 2013-47, an Ordinance amending the Code of Ordinances by deleting Paragraph (a) of Section 11-81 of Article IV of Chapter 11 thereof, and substituting therefor a new Paragraph (a) of Section 11-81, adopting the 2012 Edition of the International Fire Code; and, by deleting Section 11-82 of Article IV of Chapter 11 thereof, and substituting therefor a new Section 11-82, amending Section 503.6 of the International Fire Code to include provisions for electronic gates and renumbering previously amended sections of said International Fire Code; providing a penalty in an amount not to exceed \$2,000 for violation of any provision hereof; and providing for severability. The motion carried by a unanimous vote.

6. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1734, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE, FOR AND ON BEHALF OF THE CITY, AN INTERLOCAL AGREEMENT BETWEEN FORT BEND COUNTY AND CITY OF ROSENBERG FOR FIRE PROTECTION IN UNINCORPORATED FORT BEND COUNTY.**

Executive Summary: Resolution No. R-1734 provides the opportunity for City Council to approve an Interlocal Agreement (Agreement) with Fort Bend County to furnish fire protection, fire fighting, and assistance in emergency medical services to unincorporated areas of the County. The term of the Agreement, attached to Resolution No. R-1734 as Exhibit "A", is from October 01, 2013, through September 30, 2014.

In the memorandum included in the agenda packet, the County Fire Marshal outlines that the City of Rosenberg will receive a lump sum payment for \$109,905.79. This payment is based on the fact that the Rosenberg Fire Department responded to 7.47 percent of the total fire responses in the unincorporated areas of Fort Bend County during the 2012 calendar year.

Staff recommends approval of Resolution No. R-1734, providing authorization for the Mayor to execute, for and on behalf of the City of Rosenberg, an Interlocal Agreement by and between the City of Rosenberg, Texas, and Fort Bend County for fire protection, fire fighting, and assistance in emergency medical services in unincorporated Fort Bend County for the period beginning October 01, 2013, through September 30, 2014.

Key discussion points:

- Wade Goates explained the executive summary.
- Councilor Benton asked if this agreement will be better than the prior agreement. Wade Goates said yes, the old agreement had a date to end, but if no party objected, it continued on without any renewal. The only thing that changed was the way we were paid; there was a difference in the formula that was used. The new Fire Marshal is using a new formula, based on the percentage of the total number of calls in unincorporated Rosenberg. It is a different structure. This is the only way we can receive the funding for 2012. It outlines when we will meet and discuss when we are going to discuss the new formula. The agreement is based on the funding the City receives from the County.
- Councilor McConathy congratulated Fire Chief Goates on working with the County Fire Marshal to bring this back to Council.

Action: Councilor McConathy made a motion, seconded by Council Euton to approve Resolution No. R-1734, a Resolution authorizing the Mayor to execute, for and on behalf of the City, an Interlocal Agreement between Fort Bend County and the City of Rosenberg for Fire Protection in Unincorporated Fort Bend County. The motion carried by a unanimous vote.

7. **CONSIDERATION OF AND ACTION ON ORDINANCE NO. 2013-48, AN ORDINANCE AMENDING THE CODE OF ORDINANCES BY ADDING TO SECTION 28-71 OF DIVISION 4 OF ARTICLE II OF CHAPTER 28 THEREOF, A NEW PRIMA FACIE SPEED LIMIT OF TWENTY-FIVE (25) MILES PER**

HOUR ALONG HOMESTEAD ROAD FROM FM 2218, A DISTANCE OF APPROXIMATELY TWO-THOUSAND EIGHT-HUNDRED (2,800) FEET, A NEW PRIMA FACIE SPEED LIMIT OF TWENTY-FIVE (25) MILES PER HOUR ALONG RICHARD STREET BETWEEN READING ROAD AND HOMESTEAD ROAD, A NEW PRIMA FACIE SPEED LIMIT OF TWENTY-FIVE (25) MILES PER HOUR ALONG LAZY LANE BETWEEN READING ROAD AND HOMESTEAD ROAD, A NEW PRIMA FACIE SPEED LIMIT OF TWENTY-FIVE (25) MILES PER HOUR ALONG ALLWRIGHT STREET BETWEEN READING ROAD AND HOMESTEAD ROAD; AND REPEALING THE PRIMA FACIE SPEED LIMIT OF THIRTY (30) MILES PER HOUR ALONG HOMESTEAD ROAD FROM FM 2218, A DISTANCE OF APPROXIMATELY TWO-THOUSAND EIGHT-HUNDRED (2,800) FEET, REPEALING THE PRIMA FACIE SPEED LIMIT OF THIRTY (30) MILES PER HOUR ALONG RICHARD STREET BETWEEN READING ROAD AND HOMESTEAD ROAD, REPEALING THE PRIMA FACIE SPEED LIMIT OF THIRTY (30) MILES PER HOUR ALONG LAZY LANE BETWEEN READING ROAD AND HOMESTEAD ROAD, REPEALING THE PRIMA FACIE SPEED LIMIT OF THIRTY (30) MILES PER HOUR ALONG ALLWRIGHT STREET BETWEEN READING ROAD AND HOMESTEAD ROAD; MAKING CERTAIN FINDINGS; AUTHORIZING THE PLACEMENT OF SPEED LIMIT SIGNS ALONG SUCH STREETS; PROVIDING A PENALTY IN AN AMOUNT OF NOT LESS THAN \$1.00 OR MORE THAN \$200.00 FOR VIOLATION OF ANY PROVISION HEREOF; AND PROVIDING FOR SEVERABILITY.

Executive Summary: A traffic study was conducted along the streets located within the Suburban Estates Subdivision after the intersection at Homestead Road and FM 2218 was reopened to traffic on August 12, 2013. Under the direction of the City Engineer, a traffic engineer with Jones & Carter, Inc., reviewed the results of the traffic study and recommends the following speed limits be established within the subdivision:

- Homestead Road from FM 2218, approximately two-thousand eight hundred (2,800) feet – twenty-five (25) miles per hour.
- Richard Street between Reading Road and Homestead Road – twenty-five (25) miles per hour.
- Lazy Lane between Reading Road and Homestead Road – twenty-five (25) miles per hour.
- Allwright Street between Reading Road and Homestead Road – twenty-five (25) miles per hour.

Staff recommends approval of Ordinance No. 2013-48, establishing the aforementioned speed limits within the Suburban Estates Subdivision.

Speakers:

- **Carol Moore, 5914 Homestead Road, Rosenberg, Texas:**
- She respectfully requests that the Ordinance No. 2013-48 be approved for the safety of the school children. The most recent traffic study indicated 47% of traffic is cut through traffic.
- **Kay Carnahan, 2425 Allwright Street, Rosenberg, Texas:**
- Asked Council to support Ordinance No. 2013-48 and Ordinance No. 2013-49. Over the past two years Council has heard from many residents of Suburban Estates concerned about the safety and quality of life in their neighborhood. Growth in Rosenberg has pushed more traffic down their neighborhood roads which are narrow and in poor condition and not qualified to carry thoroughfare traffic. The traffic study she heard at a recent traffic study would justify these ordinances. She urged Council to pass the ordinances tonight. Thank you.

Key discussion points:

- Councilor Benton asked how many traffic studies were done in the Homestead Road area. He recalls two since he has been on Council.
- Charles Kalkomey answered a study was done before the FM 2218 construction was done and another study was done during the FM 2218 construction, one was done after the Homestead Road was closed and another count before school ended and another count after the Homestead Road was opened, and another count recently to see if anything had changed. Five or six counts were done in the area.
- Councilor Benton stated that in the future we don't have to take such expensive routes but is glad we are going to install these speed limits.

Action: Councilor Benton made a motion, seconded by Councilor Bolf to approve Ordinance No. 2013-

48, an Ordinance amending the Code of Ordinances by adding to Section 28-71 of Division 4 of Article II of Chapter 28 thereof, a new prima facie speed limit of twenty-five (25) miles per hour along Homestead Road from FM 2218, a distance of approximately two-thousand eight-hundred (2,800) feet, a new prima facie speed limit of twenty-five (25) miles per hour along Richard Street between Reading Road and Homestead Road, a new prima facie speed limit of twenty-five (25) miles per hour along Lazy Lane between Reading Road and Homestead Road, a new prima facie speed limit of twenty-five (25) miles per hour along Allwright Street between Reading Road and Homestead Road; and repealing the prima facie speed limit of thirty (30) miles per hour along Homestead Road from FM 2218, a distance of approximately two-thousand eight-hundred (2,800) feet, repealing the prima facie speed limit of thirty (30) miles per hour along Richard Street between Reading Road and Homestead Road, repealing the prima facie speed limit of thirty (30) miles per hour along Lazy Lane between Reading Road and Homestead Road, repealing the prima facie speed limit of thirty (30) miles per hour along Allwright Street between Reading Road and Homestead Road; making certain findings; authorizing the placement of speed limit signs along such streets; providing a penalty in an amount of not less than \$1.00 or more than \$200.00 for violation of any provision hereof; and providing for severability. The motion carried by a unanimous vote.

8. **CONSIDERATION OF AND ACTION ON ORDINANCE NO. 2013-49, AN ORDINANCE AMENDING THE CODE OF ORDINANCES BY DELETING ALL OF SECTION 28-41 (A) AND (C), STOP SIGNS DESIGNATED, OF ARTICLE II, DIVISION 2 OF CHAPTER 28, STOP STREETS; AND SUBSTITUTING A NEW SECTION 28-41 (A) AND (C) OF ARTICLE II, DIVISION 2 OF CHAPTER 28; PROVIDING A PENALTY IN AN AMOUNT OF NOT LESS THAN \$1.00 OR MORE THAN \$200.00 FOR VIOLATION OF ANY PROVISION HEREOF; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; AND PROVIDING SEVERABILITY.**

Executive Summary: During the December 03, 2013 meeting, City Council discussed traffic control device recommendations in the Suburban Estates Subdivision. City Council took action directing the installation of three-way stop signs at the following intersections:

- Homestead Road and Allwright Street
- Homestead Road and Lazy Lane
- Homestead Road and Richard Street

Staff has prepared an Ordinance that deletes the above listed intersections from the one-way stop sign designations and adds said intersections to the three-way stop sign designations.

Staff recommends approval of Ordinance No. 2013-49 as presented.

Speakers:

- **Carol Moore, 5914 Homestead Road, Rosenberg, Texas:**
- She respectfully requests that the Ordinance No. 2013-49 be approved. In the name of safety why would anyone object to stop signs? If this ordinance is approved to install three way stop signs, I too, will be inconvenienced to stopping two to three times on Homestead Road. If this creates a safer neighborhood, I am certainly 100% in favor of it. There are other streets in the City that have at least seven stop signs. I am a retired citizen; therefore, I spend a lot of time at home during the day. In reference to Homestead Road, I have observed that 40% of the traffic has avoided using Reading Road due to the 35 mile per hour speed limit posted there. I reside mid way between FM 2218 and Allwright Streets. These vehicles are ignoring our present 30 mph speed limit and racing from FM 2218 to Allwright Street. We critically need the three way stop signs at Lazy Lane, Richard Street, and Allwright Street to slow these vehicles down. City Council has wrestled with the traffic issues in this neighborhood for over two years. 90% of the residents have objected to Homestead Road being reopened. Now, that Homestead Road has been reopened the traffic study has been done, and the facts are in. Traffic calming devices need to be implemented. This will be a compromise for all residents such as those that wanted the road reopened and the rest of us that wanted the road to be permanently closed. This chapter should be closed tonight. The City of Rosenberg website states that the City offers you a round of entertainment that contributes to a quality of small town life. Our neighborhood has suffered for two years not having a small town quality of life. The website encourages people to visit

Rosenberg and see what makes living in Rosenberg so special. With the City Council help tonight, you can help me continue to believe that living in Rosenberg is special.

Key discussion points:

- Councilor Euton stated that Charles Kalkomey mentioned there could be some liability issues for the City without a traffic study.
- Charles Kalkomey stated there are no traffic warrants under the Uniform Traffic Code that have met these intersections. The issuance of tickets at these stop signs could be challenged and we run this risk.
- Councilor Grigar stated he is opposed to these stop signs, because the traffic study does not warrant these intersections and he feels we need to have a policy where we put stop signs and only put them where they are warranted. We need criteria for safety and need to be warranted before we put in signs where they are not warranted.
- Councilor Bolf is glad we can give these people some relief. She has heard from one citizen was concerned about the speed limits going in, and she is glad we are now doing something for them.
- Councilor Benton supports the stop signs. He hopes other types of traffic calming devices are used throughout Rosenberg where needed.
- Councilor McConathy supports the stop signs, but supports that for future traffic calming devices we need to have some criteria.

Action: Councilor McConathy made a motion, seconded by Councilor Benton to approve Ordinance No. 2013-49, An Ordinance amending the Code of Ordinances by deleting all of Section 28-41 (a) and (c), stop signs designated, of Article II, Division 2 of Chapter 28, stop streets; and substituting a new Section 28-41 (a) and (c) of Article II, Division 2 of Chapter 28; providing a penalty in an amount of not less than \$1.00 or more than \$200.00 for violation of any provision hereof; and repealing all ordinances or parts of ordinances inconsistent or in conflict herewith; and providing severability. The motion carried by a vote of 6-1, as follows: **Ayes: Mayor Morales, Councilors Benton, McConathy, Pena, Euton, and Bolf. Noes: Councilor Grigar.**

9. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1739, A RESOLUTION AWARDED BID NO. 2013-26 FOR THE AIRPORT AVENUE PHASE 1 RECONSTRUCTION PROJECT (WEST OF GRAEBER ROAD TO FM 2218); AND, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE, FOR AND ON BEHALF OF THE CITY, APPROPRIATE DOCUMENTS AND/OR AGREEMENTS REGARDING SAME.**

Executive Summary: Sealed bids were received on Wednesday, November 20, 2013, for the Airport Avenue Phase I Reconstruction Project (West of Graeber Road to FM 2218) which is included in the FY2014 Capital Improvements Projects. The bids were opened and tabulated as indicated on the attached bid summary. A total of seven (7) bids were received.

Staff recommends Bid No. 2013-26 be awarded to Gonzalez Construction Enterprise, Inc., of Rosenberg, Texas, for the base bid amount of \$2,495,372.85. The construction contract time is two hundred forty (240) calendar days. The attached correspondence from the Project Engineer, Sam Kruse with Costello, Inc., recommends same. Gonzalez Construction Enterprise, Inc. was also the contractor for the Bamore Road Phase II Improvement Project and is currently working on the CenterPoint Lateral Phase II Drainage Project, Bamore Road Phase III Project and the Seatex SH36 Drainage Project. Should the bid be awarded as recommended, the Gonzalez Construction Enterprise, Inc., proposal will be attached and will serve as Exhibit "A" to Resolution No. R-1739.

Staff recommends approval of Resolution No. R-1739 which will award Bid No. 2013-26 and provide authorization for the City Manager to negotiate and execute all required documents necessary to facilitate the project.

Key discussion points:

- John Maresh explained the executive summary as presented above and recommends approval of Resolution No. R-1739.

- Councilor Benton asked which road we were getting the roller coaster affect. John Maresh answered that was on Blume Road done by another contractor, Hurtado Construction.
- Councilor Grigar asked if the 240 calendar days were set, in which, John Maresh stated yes, it was set in the specifications.
- Councilor Pena stated he has a concern riding down Blume Road and he hopes we don't build roads like Blume Road. Hopefully, this road will be smooth.
- Councilor Euton asked if there is a penalty if they don't complete in time. John Maresh stated yes, there is a penalty.

Action: Councilor Bolf made a motion, seconded by Councilor McConathy to approve Resolution No. R-1739, A Resolution awarding Bid No. 2013-26 for the Airport Avenue Phase 1 Reconstruction Project (west of Graeber Road to FM 2218); and, authorizing the City Manager to negotiate and execute, for and on behalf of the City, appropriate documents and/or agreements regarding same. The motion carried by a unanimous vote.

10. **CONSIDERATION OF AND ACTION ON RECOMMENDATION TO AUTHORIZE THE CITY MANAGER TO NEGOTIATE SERVICES WITH SI ENVIRONMENTAL, LLC, FOR THE OPERATION OF THE CITY'S WASTEWATER TREATMENT PLANTS ON EMERGENCY BASIS FOR A PERIOD UP TO MAY 31, 2014.**

Executive Summary: Previously, City Council authorized the City Manager to negotiate services with Si Environmental, LLC, for the operation of the City's Wastewater Treatment Plants on an emergency basis for a period up to December 31, 2013, to provide continued operation of the facilities during the contract procurement process. On Thursday, November 21, 2013, the Professional Services/Engineering Project Review Committee (Committee) heard oral presentations from three (3) companies that provide these types of services. Based on the Statements of Qualifications and oral interviews, the Committee determined that all three (3) of the companies are qualified to submit a formal proposal. The Committee directed staff to proceed with the formal Request for Proposal phase of the procurement process.

Therefore, staff is recommending the Services Agreement with Si Environmental, LLC, be extended for a period up to May 31, 2014, to allow additional time to complete the procurement process and the contract negotiation and presentation to City Council for final consideration.

Key discussion points:

- John Maresh read the Executive Summary as presented above.
- Councilor Pena stated that Si Environmental does a very good job.
- Councilor Benton asked when the bidding process will wrap up? John Maresh stated we will publish after the first of the year and we will obtain proposals and go through the review process. Councilor Benton asked how often these are bid out. John Maresh stated it is typically every three years.
- Councilor McConathy stated that Si Environmental has done a very good job.

Action: Councilor McConathy made a motion, seconded by Councilor Grigar to authorize the City Manager to negotiate services with Si Environmental, LLC, for the operation of the City's Wastewater Treatment Plants on emergency basis for a period up to May 31, 2014. The motion carried by a unanimous vote.

11. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1740, A RESOLUTION AUTHORIZING THE RICHMOND-ROSENBERG LOCAL GOVERNMENT CORPORATION TO EXECUTE SUPPLEMENT AMENDMENT #2 – FINAL DESIGN AND BID PHASE SERVICES AGREEMENT FOR ENGINEERING SERVICES FOR THE FINAL DESIGN OF THE SURFACE WATER TREATMENT PLANT WITH HDR, INC.**

Executive Summary: On December 21, 2010, City Council approved Resolution No. R-1266 that authorized the Richmond-Rosenberg Local Government Corporation (RRLGC) to negotiate and execute an Agreement for engineering related services with HDR/eHT for the design and construction of the Surface Water Treatment Plant Project. Said Agreement was successfully negotiated.

On July 17, 2012, City Council approved Resolution No. R-1523, which authorized the negotiation and execution of Supplement Amendment No. 1 to the Agreement to accommodate the preparation of the Basis of Design Report (BODR). The BODR includes concepts, design criteria, process loadings and sizes, and space planning for all components of the Surface Water Treatment Plant Project. The BODR serves as a "blueprint" for final design of a surface water treatment plant. Authorization of the BODR phase was required in order to keep the cities on track to meet the 30% Groundwater Reduction mandate from the Fort Bend Subsidence District in 2016.

On Tuesday, November 12, 2013, the RRLGC Board of Directors took action approving Supplement Amendment #2 for engineering services for the final design of the surface water treatment plant with HDR Engineering, Inc. (HDR), in an amount not to exceed \$1,600,000.00, subject to approval by the Richmond City Commission and the Rosenberg City Council. Based on the alternative water capacity required by each City, Rosenberg will be responsible for sixty percent (60%) of the project expenses and Richmond will be responsible for forty percent (40%). Supplement Amendment #2 provides for the final design and bid phase for the construction of the surface water treatment plant. The final design phase will include the preparation of construction drawings and specification for the project contract documents; filing of the proper applications and permits through the TCEQ and ADA; preparation of the final engineer's opinion of probable construction costs; along with preparation oversight, and participation in the bidding phase.

Staff recommends approval of Resolution No. R-1740 authorizing the RRLGC to execute Supplement Amendment #2 – Final Design and Bid Phase Services Agreement, for engineering services for the final design of the surface water treatment plant with HDR, Inc.

Key discussion points:

- John Maresh asked that this item be tabled tonight.

Action: Councilor Benton made a motion, seconded by Councilor McConathy to table the item recommending Resolution No. R-1740, A Resolution authorizing the Richmond-Rosenberg Local Government Corporation to execute Supplement Amendment #2 – Final Design and Bid Phase Services Agreement for engineering services for the final design of the Surface Water Treatment Plant with HDR, Inc. The motion carried by a unanimous vote.

12. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1733, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE, FOR AND ON BEHALF OF THE CITY, A CONTRACT FOR ENGINEERING SERVICES FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR PHASE IX NORTH SIDE SANITARY SEWER IMPROVEMENTS, BY AND BETWEEN THE CITY AND KELLY R. KALUZA AND ASSOCIATES, INC., IN THE AMOUNT OF \$41,300.00.**

Executive Summary: At its meeting on Tuesday, November 21, 2013, the Professional Services/Engineering Project Review Committee (Committee) reviewed the Statements of Qualifications (SOQ) submitted to provide the engineering services for the City's Community Development Block Grant Fund (CDBG) Project. This is Phase IX of the North Side Sanitary Sewer Improvements Project.

The Committee voted to recommend approval of the proposal submitted by Kelly R. Kaluza and Associates, Inc. A copy of the SOQ submitted by Kelly R. Kaluza and Associates, Inc. is available for review in the City Secretary's office.

Staff recommends approval of Resolution No. R-1733, a Resolution authorizing the City Manager to execute a Contract for Engineering Services for the CDBG Phase IX North Side Sanitary Sewer Improvements Project, by and between the City and Kelly R. Kaluza and Associates, Inc., in the amount of \$41,300.00. A copy of the Agreement is attached to Resolution No. R-1733 as Exhibit "A".

Key discussion points:

- John Maresh read the executive summary as stated above.
- Councilor Euton asked how many phases we have planned for the north side. John Maresh stated we will have as many phases as we get funds for.

- Councilor Pena asked what the north side is defined as. John Maresh said the area is bound by 8th Street to the east, the Brazos River by the north; Elm Street to the west; and Walnut Street to the south.
- Councilor Grigar stated this does not qualify for the areas in the flood plain. He saw an area that is in the flood plain. John Maresh said the Comprehensive Plan should be shown to Council at the January workshop and we would have to find alternative funding for that area.

Action: Councilor McConathy made a motion, seconded by Councilor Benton to approve Resolution No. R-1733, A Resolution authorizing the City Manager to execute, for and on behalf of the City, a Contract for Engineering Services for the Community Development Block Grant for Phase IX North Side Sanitary Sewer Improvements, by and between the City and Kelly R. Kaluza and Associates, Inc., in the amount of \$41,300.00. The motion carried by a unanimous vote.

13. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1732, A RESOLUTION DESIGNATING A REPRESENTATIVE AND AN OFFICIAL ALTERNATE TO THE HOUSTON-GALVESTON AREA COUNCIL (H-GAC) GENERAL ASSEMBLY FOR THE YEAR 2014.**

Executive Summary: The Houston-Galveston Area Council (H-GAC) has requested the City's appointment of representatives to the H-GAC's 2014 General Assembly by January 01, 2014. Councilor McConathy and Mayor Morales currently serve as Rosenberg's representatives to the Assembly. The proposed Resolution No. R-1732 will designate the 2014 Representative and Official Alternate to serve in these positions. A copy of the letter of request from H-GAC and the proposed Resolution No. R-1732 designating the City's representatives was included in the agenda packet.

Key discussion points:

- Mayor Morales stated currently Councilor McConathy serves as the H-GAC representative, and Mayor Morales serves as the Alternate.

Motion: Councilor Euton made a motion, seconded by Councilor Grigar to approve Resolution No. R-1732, designating Councilor McConathy as the representative, and Mayor Morales as the Official Alternate to the Houston-Galveston Area Council (H-GAC) General Assembly for the Year 2014. The motion carried by a unanimous vote.

14. **CONSIDER MOTION TO ADJOURN FOR EXECUTIVE SESSION.**

Action: Councilor McConathy made a motion, seconded by Councilor Benton to adjourn for Executive Session.

15. **HOLD EXECUTIVE SESSION FOR CONSULTATION WITH CITY ATTORNEY TO SEEK OR RECEIVE ADVICE ON LEGAL MATTERS REGARDING PENDING OR CONTEMPLATED LITIGATION PURSUANT TO SECTION 551.071 OF THE TEXAS GOVERNMENT CODE.**

An Executive Session was held for consultation with City Attorney to seek or receive advice on legal matters regarding pending or contemplated litigation pursuant to Section 551.071 of the Texas Government Code.

16. **ADJOURN EXECUTIVE SESSION, RECONVENE INTO REGULAR SESSION, AND TAKE ACTION AS NECESSARY AS A RESULT OF EXECUTIVE SESSION.**

Mayor Morales adjourned the Executive Session and reconvened into Regular Session at 8:50 p.m.

17. **REVIEW AND DISCUSS PENDING LITIGATION REGARDING THE FORT BEND SUBSIDENCE DISTRICT, AND TAKE ACTION AS NECESSARY.**

Executive Summary: On November 20, 2013, the Fort Bend Subsidence District took formal action to deny the Motion for Rehearing on the 2013 District Regulatory Plan as filed by the cities of Richmond and Rosenberg. This item has been placed on the Agenda to allow City Council the opportunity to consider action as may be deemed appropriate regarding the Fort Bend Subsidence District Regulatory Plan and denial of the Motion for Rehearing.

Action: Councilor Pena made a motion, seconded by Councilor McConathy subject to City of Richmond

also filing suit, authorize the filing of suit on behalf of the City against the Fort Bend Subsidence District challenging its regulatory plan and authorizing the City Manager to retain the services of attorneys and experts to represent the City in the suit, including but not limited to hiring the law firms of Davidson, Troilo, Ream & Garza and also Dunbar Harder, as local counsel. The motion carried by a unanimous vote.

18. **REVIEW AND DISCUSS ELECTRO PURIFICATION, LLC, APPLICATIONS AND AGREEMENT, AND TAKE ACTION AS NECESSARY.**

Executive Summary: This item has been placed on the Agenda to allow City Council the opportunity to consider action as may be deemed appropriate regarding the Electro Purification, LLC, applications and Agreement.

Action: Councilor Benton made a motion, seconded by Councilor McConathy to table the Electro Purification, LLC, applications and Agreement. The motion carried by a unanimous vote.

19. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1737, A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE REAL PROPERTY DESCRIBED AS 0.165 ACRES KNOWN AS LOTS 1 AND 2, BLOCK 44, CITY OF ROSENBERG, FORT BEND COUNTY, TEXAS, AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.**

Executive Summary: Resolution No. R-1737 would authorize the City Manager to purchase the 0.165 acre tract located at the intersection of Avenue G and 4th Street for future use as a parking lot to serve the downtown area. This project was approved as part of the Rosenberg Development Corporation budget. The property in question was reviewed with the City Council in Executive Session on November 5, 2013. The owner of the property has been contacted and has agreed to sell the property at a cost of \$75,000.

Staff recommends approval of Resolution No. R-1737 authorizing the City Manager to purchase the property generally located at 2100 Avenue G, Rosenberg, Texas.

Key discussion points:

- Matt Fielder gave an overview of the item regarding Resolution No. R-1737.

Action: Councilor McConathy made a motion, seconded by Councilor Grigar to approve Resolution No. R-1737, a Resolution authorizing the City Manager to purchase real property described as 0.165 acres known as Lots 1 and 2, Block 44, City of Rosenberg, Fort Bend County, Texas, and containing other provisions relating to the subject. The motion carried by a unanimous vote.

20. **ANNOUNCEMENTS.**

- Mayor Morales announced that another meeting will be held on December 18, 2013.

21. **ADJOURNMENT.**

There being no further business Mayor Morales adjourned the meeting at 8:56 p.m.

Linda Cernosek, TRMC, City Secretary

**CITY OF ROSENBERG
CITY COUNCIL SPECIAL MEETING MINUTES
DRAFT**

On this the 18th day of December, 2013, the City Council of the City of Rosenberg, Fort Bend County, Texas, met in a Special Session, in the Rosenberg City Hall Council Chamber, located at 2110 4th Street, Rosenberg, Texas.

PRESENT

Vincent M. Morales, Jr.	Mayor
William Benton	Councilor at Large, Position 1
Cynthia McConathy	Councilor at Large, Position 2
Jimmie Pena	Councilor, District 1
Susan Euton	Councilor, District 2
Dwayne Grigar	Councilor, District 3
Amanda Bolf	Councilor, District 4

STAFF PRESENT

Robert Gracia	City Manager
Linda Cernosek	City Secretary
Lora Lenzsch	City Attorney
Jeff Trinker	Assistant to the City Manager
Matt Fielder	Economic Development Director
Travis Tanner	Planning Director
Kaye Supak	Executive Assistant

The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.

CALL TO ORDER.

Mayor Morales called the meeting to order at 6:30 p.m.

GENERAL COMMENTS FROM THE AUDIENCE.

Citizens who desire to address the City Council with comments of a general nature will be received at this time. Each speaker is limited to three (3) minutes. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

COMMENTS FROM THE AUDIENCE FOR AGENDA ITEMS.

Citizens who desire to address the City Council with regard to matters on the Agenda will be received at this time. Each speaker is limited to three (3) minutes. Comments or discussion by the City Council Members will only be made at the time the agenda item is scheduled for consideration. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

AGENDA

- 1. CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1742, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE, FOR AND ON BEHALF OF THE CITY, AMENDMENT NO. 3 TO THE TOWN CENTER, ROSENBERG, TEXAS, DEVELOPMENT AGREEMENT, BY AND BETWEEN THE CITY AND A-S 70 HWY 59-FM 762, L.P., A TEXAS LIMITED PARTNERSHIP.**

Executive Summary: The original Development Agreement for Brazos Town Center, dated December 07, 2004, contained an exhibit, Exhibit "B," consisting of the Developer's Conceptual Plan. The Conceptual Plan has since been amended twice, most recently in June 2011. The most recently approved version of the Conceptual Plan is attached in the agenda packet for reference.

NewQuest Properties recently approached City staff regarding an approximately 47-acre tract in Brazos Town Center. The tract is in the northeast portion of Brazos Town Center, north of Town Center Boulevard and abutting FM 762 and the railroad right-of-way. Per the Developer's current Conceptual Plan (updated by Resolution No. R-1329 in 2011), 45'x110' patio home lots are permitted on the property. The Developer indicated Perry Homes as a potential buyer for the tract; however, Perry Homes would intend to plat 50'x130' standard single-family residential lots on the property. This is an increase in lot size of over 30 percent (30%); however, it is a change in the product type from patio homes (zero lot line construction) to standard detached residences. As a result of this, staff believed the proposal would require an Amendment to the Conceptual Plan and approval by the Planning Commission and City Council.

The proposed Amendment would result in a reduction in density by 85 (eighty-five) lots, or 34 percent (34%), on the 47-acre tract, from 251 to 166 lots. Perry Homes has also provided sample elevations, which are attached. While not exact, it is expected that the development of this property will be substantially similar in terms of house size and exterior finishes to the attached elevations. Further, the Developer has suggested a minimum house size of 1,650 square feet with a minimum of 51 percent (51%) masonry exterior construction. While the current minimum lot size requirement is for sixty (60) foot lots, staff believes this Amendment is an improvement over what is currently allowed on the tract and staff supports the Amendment and revised Conceptual Plan. Staff recommends approval of Resolution No. R-1742 for Amendment No. 3 of the Brazos Town Center (Fort Bend County MUD No. 167) Development Agreement and Conceptual Plan.

Key discussion points:

- Travis Tanner, Planner, explained the above to the Council. [The Planning Commission met prior to this meeting and approved and recommended to the Council to authorize this agreement.]
 - Councilor Euton asked the finding of the Planning Commission which was a unanimous approval of the project.
 - Councilor Grigar stated he was around when the development agreement was originally planned and he thinks this is a good thing.
 - Councilor Benton stated it went from smaller lot size to larger lot size up against the train track and the canal is close to this. Travis Tanner said the density is decreasing they are losing lots from 251 to 166 lots for this 47 acres. The train track is on the northeast side, but the canal will not impact this property. Councilor Benton stated he likes Perry products and 51% masonry.
 - Councilor McConathy stated she likes the whole concept of the brick front.
2. **Action:** Councilor Benton made a motion, seconded by Councilor McConathy to approve Resolution No. R-1742, A Resolution authorizing the City Manager to execute, for and on behalf of the City, Amendment No. 3 to the Town Center, Rosenberg, Texas, Development Agreement, by and between the City and A-S 70 Hwy 59-FM 762, L.P., a Texas Limited Partnership. The motion carried by a unanimous vote.
3. **ADJOURNMENT.**
There being no further business Mayor Morales adjourned the meeting at 6:34 p.m.

Linda Cernosek, TRMC, City Secretary



CITY COUNCIL COMMUNICATION

January 21, 2014

ITEM #	ITEM TITLE
2	Receive Public Comment on MUD No. 162 Restated and Amended Fire Protection Agreement

ITEM/MOTION

Receive public comment from Fort Bend County Municipal Utility District No. 162 regarding increase in monthly fire protection fee pursuant to the Restated and Amended Fire Protection Agreement.

FINANCIAL SUMMARY

Annualized Dollars:

One-time
 Recurring
 N/A

Budgeted:

Yes No N/A

Source of Funds: N/A

ELECTION DISTRICT

District 1
 District 2
 District 3
 District 4
 City-wide
 N/A

MUD #: 162 (Sunrise Meadow)

SUPPORTING DOCUMENTS:

1. Lutz Email – 01-03-14
2. Restated and Amended Fire Protection Agreement (2012) – 09-04-12
3. Resolution No. R-1701 – 09-17-13
4. City Council Meeting Minute Excerpt – 09-17-13

APPROVALS

Submitted by:

Lora Lenzsch/rlm

Lora Lenzsch
 City Attorney

Reviewed by:

Finance Director
 City Attorney
 City Engineer
 Assistant City Manager
 Fire Chief *rlm*

Approved for Submittal to City Council:

Robert Gracia

Robert Gracia
 City Manager

EXECUTIVE SUMMARY

The Board of Directors for Municipal Utility District No. 162 (MUD No. 162) has requested an Agenda item to address City Council regarding the Restated and Amended Fire Protection Agreement (2012) as it relates to Resolution No. R-1701, which extended the compliance deadline for the provision of fire services to September 30, 2016.

Renee LeLaurin

From: Angela Lutz [alutz@abhr.com]
Sent: Friday, January 03, 2014 2:09 PM
To: llenzsch@yahoo.com; Kaye Supak
Cc: Michael Gutierrez (gutierrm@co.fort-bend.tx.us)
Subject: Fort Bend 162

Ms. Lenzsch and Ms. Supak –

The Directors of Fort Bend MUD 162 are requesting that a specific agenda item be placed on the next City of Rosenberg city council agenda to discuss the increase in the Rosenberg Fire Fee. Please let me know if you need anything further from me on this item. I am happy to help in any way I can.

Sincerely,
Angie Lutz
Attorney for FB MUD 162

..... CONFIDENTIALITY NOTICE

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RESTATED AND AMENDED FIRE PROTECTION AGREEMENT (2012)

This Restated and Amended Fire Protection Agreement (2012) (the "Agreement") is entered into this 4th day of September, 2012, by and between the City of Rosenberg, Texas (the "City") and Fort Bend County Municipal Utility District No. 162 (the "District"), a conservation and reclamation district created pursuant to Article XVI, Section 59 of the Texas Constitution.

RECITALS

The District is located within the extraterritorial jurisdiction of the City but outside its corporate limits. The District entered into a Fire Protection Agreement with the City dated July 18, 2007 (the "Original Agreement"). The parties now desire to terminate the Original Agreement and to enter into a new Amended and Restated Fire Protection Agreement (2012) for the City to provide services on a long-term basis. The District is entering into this Agreement pursuant to Section 49.351(e) of the Texas Water Code.

NOW, THEREFORE, the District and the City hereby covenant and agree as follows:

Section 1. Definitions. Unless the context indicates otherwise, the following words and phrases used in this Agreement shall have the meanings ascribed thereto:

"City" means the City of Rosenberg, Texas.

"Cost of Station Equipment/Furnishings" means the actual cost to equip and furnish Fire Station No.3 or as may be adjusted as provided in Section 6.

"Current Participating Districts" means the following districts: Fort Bend County Municipal Utility District No. 152, Fort Bend County Municipal Utility District No. 155, Fort Bend County Municipal Utility District No. 158 and Fort Bend County Municipal Utility District No. 162.

"District" means Fort Bend County Municipal Utility District No. 162.

"Equivalent Single-Family Connection" or "ESFC" means the daily amount of water and wastewater that is attributable to one single-family residential home, as determined by the City.

"Estimated Cost of Station Equipment/Furnishings" means the estimated cost to equip and furnish Fire Station No. 3. Such equipment and furnishings are generally identified and described in Exhibit "A" attached hereto and incorporated into this Agreement.

"Estimated Station Costs" means the estimated cost to design and construct Fire Station No. 3 as described on Exhibit "A," as may be adjusted as provided in Section 6.

"Fire Protection Services" means the type of fire suppression and rescue services regularly provided by the City of Rosenberg Fire Department within the City's boundaries at the time of this Agreement, except for the following: fire inspections of buildings and properties, code enforcement services, and arson investigations.

“Fire Station No. 3” means the fire station to be constructed on the tract more particularly described on Exhibit “B,” attached hereto and incorporated herein.

“Proportionate Share” means a percentage of the Station Costs, as calculated and described in Section 6(b), which may be adjusted only as provided herein.

“Service Area” means the area served by Fire Station No. 3, as identified and defined in Exhibit “C,” attached hereto and incorporated herein.

“Participating Entities” means the City, the Current Participating Districts, other municipal utility districts and other entities included or to be included in the Service Area, as such area may be expanded by the City from time to time, that execute a fire protection agreement with the City pursuant to which they pay a Proportionate Share or a Buy In Charge as provided in Section 6.

“Station Costs” means the actual cost to design and construct Fire Station No. 3, including the Cost of Station Equipment/Furnishings but excluding the costs to purchase the site for the station, extension of utilities to the site and construction of an entrance road.

“Station Equipment/Furnishings” means fire station furnishings and equipment reasonably necessary for the operation of Fire Station No. 3 to provide Fire Protection Services within the Service Area, including all necessary and appropriate fire trucks and related appurtenances.

“Total Service Area ESFCs” means the sum of all ESFCs in the Service Area, as it may be expanded by the City from time to time.

Section 2. Fire Protection Services.

(a) During the term of this Agreement, the City will provide Fire Protection Services to persons, buildings, and property located within the Service Area, including persons, buildings and property located with the District. The City will provide Fire Protection Services to the District in the same manner and with the same standard of care as it would to those residences and structures in the City limits. The City also agrees to provide to the District the City’s ISO rating as it may vary from time to time.

(b) The parties acknowledge that the City will respond to requests for Fire Protection Services within the corporate limits of the City and that the City has existing contracts and in its sole discretion may enter into additional contracts to provide Fire Protection Services to other entities. For any entities outside the City requesting Fire Protection Services and addition to the Service Area, the City shall require them to execute a fire protection agreement with the City on terms substantially identical to this Agreement. In providing Fire Protection Services to the District, the City will follow its adopted standard operating procedures without being in breach of this Agreement and without liability to the District or its occupants or residents, to determine:

- (1) whether Fire Protection Services are needed in a particular case;
- (2) whether and when personnel or equipment are available to respond to a request for Fire Protection Services;

(3) the order in which to respond to requests for Fire Protection Services; and

(4) the time in which to respond to a request for Fire Protection Services.

(c) The District assumes no responsibility for the reliability, promptness, or response time of the City. The District's sole obligation for provision of Fire Protection Services to areas within its boundaries is to make payments as described in this Agreement.

Section 3. Facilities and Equipment.

(a) As of the date of this Agreement, the City has two (2) existing fire stations. The City currently owns four (4) pumpers (engines that carry the water hoses), one (1) pumper/ladder truck, and one (1) boat for water rescues, and other necessary equipment for the operation of its stations and trucks and expects to purchase additional equipment for Fire Station No. 3. In providing Fire Protection Services to the District, the City shall be solely responsible for the operation and maintenance of its facilities and equipment.

(b) This Agreement shall not obligate the City to keep any fire stations, fire trucks, fire equipment or fire personnel within the District or to designate, reserve, or devote all or part of the City Fire Department's trucks, equipment, or personnel exclusively to or for the use of the District in carrying out this Agreement, but the City will use its best efforts to comply with State standards regarding fire suppression equipment.

(c) The parties acknowledge that in conducting fire suppression efforts on property located in the District, the City will use the fire hydrants, connections, and water supply and distribution systems (collectively the "water distribution system"), and water supply available in the District, but the City shall not be responsible for providing for, constructing, inspecting, maintaining, or repairing any part of the water distribution system in the District and the City shall not be liable to the District or any District occupant or resident for any deficiency or malfunction of the water distribution system located in the District.

(d) The District makes no representations and assumes no responsibility for the type, quality, sufficiency or qualifications of the City's Fire Protection Service equipment used to serve the District.

(e) The District hereby acknowledges that the City has executed or will execute a similar agreement with other entities in the extraterritorial jurisdiction of the City that are within or later included in the Service Area. The failure of one or more of the other entities to comply with their respective agreements shall not void this Agreement. However, the timing of various staffing levels by the City may vary as a result of one or more of the other districts failing to execute a similar agreement or failing to comply.

Section 4. Employees and Staffing. The City shall provide employees who meet or exceed minimum state qualifications to perform Fire Protection Services. The District assumes no responsibility for the actions of the City's employees in performing their fire protection duties. The District will make no recommendations and is in no way

responsible for the sufficiency or qualifications of the City's employees. Fire Station No. 3 shall be staffed consistently with, and not in excess of, other City fire stations.

Section 5. Fire Station Tract for Fire Station No. 3.

(a) The City plans to proceed with the design and construction of Fire Station No. 3 upon entering into new Fire Protection Agreements with the Current Participating Districts. The deadline for the Current Participating District to approve this Agreement and return two copies executed by the Current Participating District is September 4, 2012. The City has awarded a contract for the design and construction of Fire Station No. 3 and plans to take action on authorizing issuance of a notice to proceed for such contract by September 30, 2012, provided however, that if any one of the Current Participating Districts has not delivered to the City a signed Fire Protection Agreement by the deadline, the City may, but shall have no obligation to, proceed with Fire Station No. 3. The Station Equipment/Furnishings are not included in the design/build contract but will be acquired by the City under one or more transactions.

(b) The City has purchased the site for Fire Station No. 3, which tract is described on **Exhibit "B."** The purchase price for the site included the land, extension of utilities to the site and construction of an entrance road. The District will not bear any portion of the purchase price for the site and these costs.

Section 6. Station Design and Construction

(a) Fire Station No. 3 shall be designed and constructed to generally the standards for similar type fire stations.

(b) The Estimated Station Costs are currently \$2,850,000 with the station building estimated to be \$2,100,000 and the Station Equipment/Furnishings estimated to be \$750,000. The Estimated Station Costs are outlined and described in **Exhibit "A"**. Although it is understood and agreed by the parties that the Estimated Station Costs may require adjustment at the time of design, construction, and/or furnishing of Fire Station No. 3, the current estimated amount of each Participating District's Proportionate Share of the Estimated Station Cost is as follows:

	City	MUD No. 152	MUD No. 155	MUD No. 158	MUD No. 162
Proportionate Share of Estimated Station Costs (as of date of this Agreement)	\$1,339,215.00	\$338,295.00	\$499,890.00	\$286,140.00	\$386,460.00
	(3,462 ESFC) 46.99%	(875 ESFC) 11.87%	(1,293 ESFC) 17.54%	(740 ESFC) 10.04%	(1,000 ESFC) 13.56%

The City and the District understand that during the design phase, the Estimated Costs of the Station may change and that during the construction phase, there may be unanticipated field conditions or regulatory requirements that cause change orders that increase the Station Costs, which in turn, would increase the amount of the District's Proportionate Share of the Estimated Station Costs. However, the parties desire to cap the amount of increase in their costs without their approval. To such end, the parties

agree that they may not be required to pay more than the amounts set out below without their written consent (the "Maximum Participation").

	City	MUD No. 152	MUD No. 155	MUD No. 158	MUD No. 162
	46.99%	11.87%	17.54%	10.04%	13.56%
Costs under the Design/Build Contract for the Station Proportionate Share plus 5% contingency (Maximum Participation)	\$986,790	\$249,270	\$368,340	\$210,840	\$284,760
	\$49,340	\$12,464	\$18,417	\$10,542	\$14,238
	\$1,036,130	\$261,734	\$386,757	\$221,382	\$298,998
Costs for Station Equipment/Furnishings Proportionate Share plus 10% contingency (Maximum Participation)	\$352,425	\$89,025	\$131,550	\$75,300	\$101,700
	\$35,243	\$8,903	\$13,155	\$7,530	\$10,170
	\$387,668	\$97,928	\$144,705	\$82,830	111,870

(c) The City has or will have funds available for its Proportionate Share of the Station Costs. The District shall pay 20% of its Proportionate Share of the Estimated Station Costs to the City within 60 days of the District's approval of this Agreement, unless otherwise agreed between the parties. Any agreement between the parties as to payments shall be signed and attached to this Agreement as **Exhibit "D."**

(d) The City shall place the funds in a separate interest bearing account.

(e) The City shall proceed to have plans and specifications prepared and then the Estimated Station Costs revised, if needed, based on such plans and specifications and to have them delivered to the District for review and comment. The District agrees to deliver its written comments to the City within thirty (30) days of receipt of such information. After receipt and review of comments, the City will revise, if needed, and finalize plans and specifications. After finalization of the plans and specifications, the City will then revise the Estimated Station Costs, if needed, and deliver the new Estimated Station Costs to the District. The District will then pay to the City the remainder of its respective share of the final Estimated Station Costs within thirty (30) days of the District's receipt of the final Estimated Station Costs, taking into consideration the amount the District has already paid to the City for the Estimated Station Costs, unless the City and the District enter into an agreement in substantially the form of **Exhibit "D"** (the "Payment Agreement"). If the District has entered into a Payment Agreement, payments shall be made in accordance with such agreement. The City will then proceed with construction of Fire Station No. 3.

(f) The City will bid or purchase the Station Equipment/Furnishings separately from Fire Station No. 3 in one or more transactions in compliance with all laws applicable to the City. The City will determine the Costs of the Station Equipment/Furnishings through the appropriate procurement procedures (such as competitive bidding, cooperative purchasing programs, etc.) and prior to acquisition, the City will provide the District, for review and comment, a list, description, and the total

costs for the Station Equipment/Furnishings. The District acknowledges that the prices for some or all of the items may be guaranteed for a limited time. Therefore, the District agrees to deliver its written comments to the City within thirty (30) days of receipt of such list. If the Cost of Station Equipment/Furnishings do not exceed the Estimated Costs of Station Equipment/Furnishings, the City shall proceed with acquisition. If Costs of the Station Equipment/Furnishings exceed the Estimated Costs of the Station Equipment/Furnishings but are within the Maximum Participation, the City will give the District (a) notice of its Proportionate Share of the additional amount the District must pay to the City for the Costs of the Station Equipment/Furnishings and (b) the date by which such payment is due, which date shall be not less than thirty (30) days after the date of such notice. The District agrees to pay to the City such additional amount on or before the date such payment is due. If the parties have entered into a Payment Agreement, payments shall be made in accordance with such agreement in lieu of this section.

(g) As soon as possible, but not more than 90 days following the date of acquisition of the Station Equipment/Furnishings, the City shall install the Station Equipment/Furnishings, provide at the City's sole cost City personnel, and begin providing Fire Protection Services from Fire Station No. 3 within the boundaries of the District in accordance with this Agreement.

(h) Within 90 days following the date Fire Station No. 3 begins providing Fire Protection Services to the District, the City will provide each Participating District an accounting of the final actual costs to design, construct, furnish and equip Fire Station No. 3 including a calculation showing the total cost per ESFC (the "Final ESFC Fee"). The City agrees to return to the District any amounts the District paid in excess of the District's Proportionate Share of the actual costs, and the District agrees to pay the City any shortfall, subject to the provisions of this Agreement regarding the Maximum Participation, within forty-five (45) days of receipt of such final accounting.

(i) The City intends to request Fort Bend County (the "County") to provide an EMS Ambulance (the "Ambulance") to be operated by the County from Fire Station No. 3. Upon execution of an agreement with the County, the City will allow the Ambulance, Ambulance personnel, and related equipment to make use of and operate from Fire Station No. 3. Neither the City nor the District shall have any responsibility for the cost or expense to purchase, equip, operate, or maintain the Ambulance.

(j) The Fire Protection Services provided by the City from Fire Station No. 3 will be comparable to those provided by other City fire stations. The City shall own and operate Fire Station No. 3 in accordance with State standards regarding the operation of City-operated fire department and fire suppression equipment. The District shall have no responsibility for the maintenance or operation of such Fire Station, other than the payment of fees pursuant to this Agreement.

(k) If after September 4, 2012, the City desires to enlarge the Service Area to provide fire protection services to additional entities, to enter agreements with additional entities inside the Service Area to provide fire protection services from Fire Station No. 3 or to enter agreements to provide Fire Protection Services outside the Service Area through Fire Station No. 3 and its equipment and personnel, the City will require that such entities either "buy in" to the Station Costs or pay the non-participating rate for services. If the entity elects to buy in, such entity shall pay a buy in charge prior to the receipt of any fire protection services. The buy in charge will be the Final ESFC Fee times the number of ESFC to be served under such entity's agreement plus interest at the rate of 5% (five per cent) per annum, which interest shall accrue from November 1,

2012 to the date of payment of the buy in charge by such entity (the "Buy In Charge"). The Buy In Charge will then be distributed to those entities who were Participating Entities prior to the City's receipt of the Buy In Charge in question (the "Reimbursement"). The amount of the Reimbursement will be calculated as follows: the Buy In Charge times the percentage derived from dividing the ESFC served under the entity's Fire Protection Agreement by the sum of the ESFC for all entities entitled to Reimbursement. To clarify, upon receipt of the first Buy In Charge, the City and the Current Participating Districts will be reimbursed based on the percentages set out in Section 6. Upon the City's receipt of the second Buy In Charge, the entity that paid the first Buy In Charge as well as the City and the Current Participating Districts will be entitled to Reimbursement, but the percentages will be re-calculated. This obligation of the City to impose and collect the Buy In Charge shall continue until the tenth anniversary of the completion of Fire Station No. 3. If the entity elects not to pay the Buy In Charge, such entity shall pay a monthly rate for service that includes a 50% surcharge (the "Non-Contributing Rate") for service.

Section 7. Payment for Fire Protection Services.

(a) In consideration of the City providing Fire Protection Services, the District agrees to make monthly payments ("Monthly Payments") to the City as follows:

(1) Residential Properties. The District shall pay to the City a monthly charge of \$11.00 for each residential unit in the District that is connected to the public water supply system on or before the twentieth (20th) day of the immediately preceding month. A residential unit shall mean any building or part of a building designed for permanent occupancy by one family. (A detached single family residence is one residential unit; a duplex is two residential units; and each living unit in an apartment complex is one residential unit).

(2) Nonresidential Properties. The District shall also pay the City a monthly charge equal to \$11.00 per 2,000 square feet or part thereof of building floor area for every "improved nonresidential property" that is connected to the public water supply system on or before the twentieth (20th) day of the immediately preceding month.. "Improved nonresidential property" means any improved real property, whether or not such property is tax-exempt, on which there is located a building or structure that is not residential property. The square footage used to determine the charge shall be based on the records of the Fort Bend Central Appraisal District.

(3) Effective January 1, 2013, the monthly fee for both residential units and nonresidential units shall be \$17.00. Effective January 1, 2014, the fees shall increase to \$20.00.

(b) Bi-Annual Adjustment. Beginning on January 1, 2014, Monthly Payments will remain effective until changed by the City. The City shall have the right to adjust the Monthly Payments no more frequently than every two years, beginning with the fees to be effective January 1, 2016, based on the City's actual cost of service for the previous fiscal year; provided, however, that no increase will be effective unless and until the City provides 60 days written notice of the new Monthly Payment. If the City decides to increase the Monthly Payment, the City will prepare a cost of service report to determine its actual costs to provide fire protection services for the previous year. The City will then provide the new rates (the "Updated Rates") to the District with notice of

the date such rates will become effective, which date may not be sooner than sixty (60) days after the date the Updated Rates are provided to the District. If the District does not agree to the Updated Rates, the District shall have the right to terminate this Agreement upon thirty (30) days written notice to the City.

(c) Extraordinary Cost Changes and Termination. Notwithstanding any limitation in the preceding section, if any extraordinary event affects the City's costs to provide Fire Protection Services, the City may set a new rate effective upon sixty (60) days' notice to the District. The District shall have the right to terminate this Agreement if the District does not agree with such rate.

(d) All Monthly Payments shall be paid in advance and due on or before the last day of each month. All monthly payments shall be paid by the District to the City without notice for demand at the offices of the City located at 2110 4th Street, Rosenberg, Texas, unless the District is notified otherwise. All or part of any Monthly Payments paid by the District after the last day of the month is delinquent and shall be subject to a one-time late fee equal to ten percent (10%) of the delinquent amount.

Section 8. Fire Plan. The District represents that it has developed a Fire Plan and taken all steps, including holding an election, to have the Fire Plan become effective.

Section 9. Term and Termination. This Agreement will be in full force and effect upon the date first written above. The Agreement will continue in effect for twenty (20) years (the "Initial Term") and shall be automatically renewed thereafter for successive one-year terms. After the end of the Initial Term, either party may terminate this Agreement by giving written notice to the other at least one year prior to the date of termination, subject to the District's right to terminate as otherwise specifically provided in this Agreement.

Section 10. Default. Either party may declare a default hereunder if the other party fails, refuses, or neglects to comply with any of the terms of this Agreement. If a party declares a default of this Agreement, this Agreement shall terminate after notice and opportunity to cure as provided for herein. The party declaring a default shall notify the other party of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of default, and the party shall have thirty days from the receipt of such notice to cure any default, except when curing the default requires activity over a period of time in excess of 30 days, performance shall commence within 30 days after the receipt of notice, and such performance shall be diligently continued until the default is cured.

Section 11. Notice. All notices shall be in writing and given by certified mail with return receipt requested, with receipt as of the date of the signed receipt. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purpose of notice, the addresses of the parties shall, unless changed as hereinafter provided, be as follows:

If to the City: City of Rosenberg
 2110 4th Street
 Rosenberg, Texas 77471-0032
 Attn: City Manager

If to the District: Fort Bend County Municipal Utility District No. 162
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027
Attn: President, Board of Directors

The parties shall have the right to change their respective addresses and each shall have the right to specify their respective new addresses by at least fifteen days written notice to the other party.

Section 12. No Additional Waiver Implied. No waiver or waivers of any breach or default or any breaches or defaults by either party hereto of any term, covenant, condition, or liability hereunder, or of performance by the other party of any duty or obligation hereunder, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under any circumstances. The City and the District specifically reserve all defenses, immunities and privileges accorded by law.

Section 13. Modification. This Agreement shall be subject to change or modification only with the written mutual consent of the parties hereto.

Section 14. Severability. The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section or other part of this contract or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section or other part of this contract to other persons or circumstances shall not be affected thereby.

Section 15. Agreement Not for Benefit of Third Parties. This Agreement is not intended to benefit any party other than the parties to this Agreement or to impose any duty upon the City or the District toward any person or entity not a party hereto.

Section 16. Liability. The City shall not be liable to the District or any other person for its decisions in the manner or method of providing Fire Protection Services under this Agreement. This Agreement is not intended to waive or alter any defense, privilege or immunity the City or the District has under State law for claims arising from the performance of this Agreement, including the failure to provide or the method of providing Fire Protection Services under this Agreement.

Section 17. Superseding Agreement. This Agreement supersedes all prior agreements between the parties regarding the provision of fire protection services.

Section 18. Governing Law. This Agreement shall be governed by the laws of the State of Texas, and no lawsuit shall be prosecuted on this Agreement except in a court in Fort Bend County, Texas.

IN WITNESS WHEREOF, the parties have executed this Agreement in multiple copies, each of which shall be deemed an original as of the date and year first written above.

**FORT BEND COUNTY MUNICIPAL UTILITY
DISTRICT NO. 162**

By: 
Name: Gary Braxton
Title: President, Board of Directors

ATTEST:

By: 
Name: Randice Gremillion
Secretary, Board of Directors

CITY OF ROSENBERG, TEXAS



Vincent M. Morales, Jr., Mayor

ATTEST:



Linda Cernosek, City Secretary

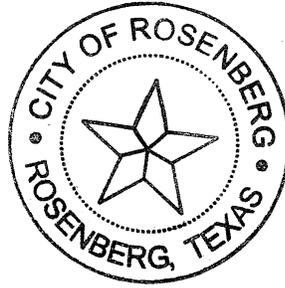
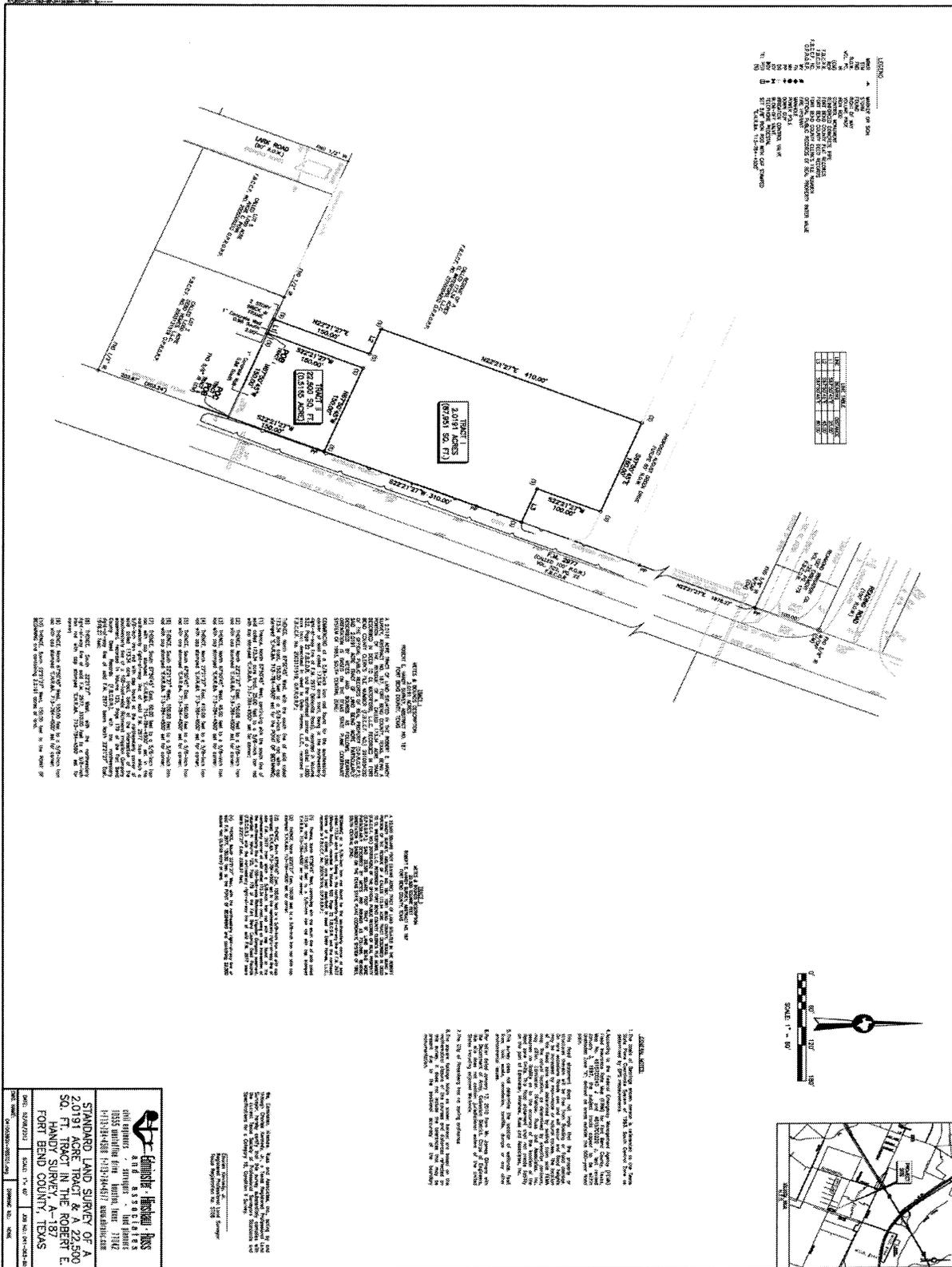


EXHIBIT A

Estimated Station Costs, including the Estimated Cost of Station Equipment/Furnishings

Design/Build Contract	\$2,100,000
Equipment/Furniture	\$200,000
Fire Pumper Truck	<u>\$550,000</u>
Total	\$2,850,000

EXHIBIT B Site for Fire Station No. 3



Standard Land Survey of A 2,0191 Acre Tract & A 22,500 Sq. Ft. Tract in the Robert E. Handy Survey, A-187 Fort Bend County, Texas

Engineer: Herbert Ross
 Civil Engineer & Surveyor
 11555 Bradford Drive, Suite 1100
 Houston, Texas 77042
 Telephone: (713) 861-1111
 Fax: (713) 861-1112

Surveyor: Herbert Ross
 Registered Professional Surveyor
 License No. 12345
 State of Texas

Scale: 1" = 80'
Sheet: 1 of 1
Drawing No.: 187-187-187

PAYMENT AGREEMENT (2012)

This Payment Agreement (2012) (the "Agreement") is entered into by and between the City of Rosenberg, Texas (the "City") and Fort Bend County Municipal Utility District No. 162 (the "District"), a conservation and reclamation district created pursuant to Article XVI, Section 59 of the Texas Constitution on the 4th day of September, 2012 (the "Effective Date").

RECITALS

On September 04, 2012, the City and the District entered an Amended and Restated Fire Protection Agreement (2012) (the "FPA") under which the City is to provide the District with fire protection services on the terms described herein.

This Agreement is considered material to the FPA and is included as an exhibit thereto.

AGREEMENT

This Agreement is supported by good and valuable consideration, the receipt and sufficiency of which are acknowledged by both Parties.

1. All capitalized terms not defined herein are used as defined in the FPA.
2. This Agreement shall be effective as of the Effective Date.
3. The City agrees that the District shall pay the amounts due under the FPA on the following schedule

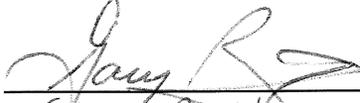
<u>Payment</u>	<u>Due Date</u>
20% Payment due under Section 6(c)	November 1, 2012
Remainder Payment under Section 6(e) is payable in two equal payments :	
First Payment	May 31, 2013
Second Payment	March 1, 2014

All othe payments will be make in accordance with the provision of the FPA.

4. Those payments due after November 1, 2012, shall incur simple interest shall accrue beginning on January 1, 2013, at a rate of interest at 3% per annum, calculated on twelve (12) months of thirty (30) days each to the date of payment. There will be no penalty for prepayment. Payments may be made by check or wire transfer.

IN WITNESS WHEREOF, the parties have executed this Payment Agreement (2012) in multiple copies, each of which shall be deemed an original as of the date and year first written above, to be effective as of the date specified above.

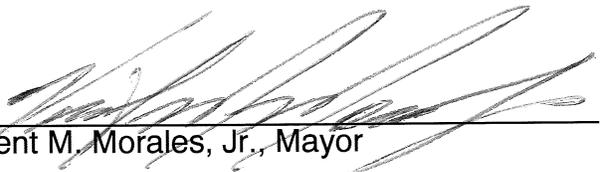
**FORT BEND COUNTY MUNICIPAL UTILITY
DISTRICT NO. 162**

By: 
Name: Gary Braxton
Title: President, Board of Directors

ATTEST:

By: 
Name: Kandice Gremillion
Secretary, Board of Directors

CITY OF ROSENBERG, TEXAS


Vincent M. Morales, Jr., Mayor

ATTEST:


Linda Cernosek, City Secretary



RESOLUTION NO. R-1701

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROSENBERG, TEXAS, EXTENDING A COMPLIANCE DEADLINE OF SEPTEMBER 30, 2013, TO SEPTEMBER 30, 2016, FOR THE PROVISION OF SERVICES BY THE ROSENBERG FIRE DEPARTMENT TO CERTAIN AREAS WITHIN THE CITY'S EXTRATERRITORIAL JURISDICTION AND/OR UNINCORPORATED AREAS OF FORT BEND COUNTY.

* * * * *

WHEREAS, the City of Rosenberg (City) provides Fire and First Responder Services to certain unincorporated areas in Fort Bend County; and,

WHEREAS, the City does receive funding from Fort Bend County for said services, but the funding level does not cover the actual costs for said services; and,

WHEREAS, the Rosenberg City taxpayers subsidize the deficit with their City property taxes and other revenues; and,

WHEREAS, the expanded Fire Services Area does increase the demands on the resources of the Rosenberg Fire Department which does reduce the availability of resources to respond to calls within the Rosenberg Corporate Limits; and,

WHEREAS, the City has established a deadline of September 30, 2013, to discontinue the provision of Fire Services to said areas; and,

WHEREAS, certain areas within the expanded Fire Services Area have been unable to secure fire protection services; and,

WHEREAS, the Fort Bend County Fire Marshal's Office has requested an extension of said deadline to allow for the establishment of an Emergency Services District (ESD) to provide Fire and First Responder Services to said areas; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROSENBERG:

Section 1. City Council has determined that the Rosenberg Fire Department shall not continue Fire Services and First Responder Services to unincorporated areas unless such areas provide for the equitable share of actual costs by executed Agreement or other binding legal commitment.

Section 2. The Rosenberg Fire Department shall extend the termination date for Fire and First Responder services to unincorporated areas to September 30, 2016.

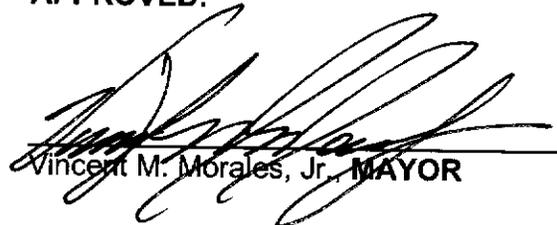
Section 3. The Interim City Manager shall notify Fort Bend County, other entities, and property owners that will be impacted of the deadline extension for the termination of Fire Services and First Responder Services by the Rosenberg Fire Department.

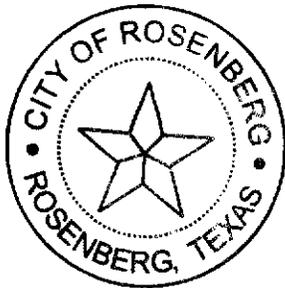
PASSED, APPROVED, AND RESOLVED this 17th day of September 2013.

ATTEST:


Linda Cernosek, CITY SECRETARY

APPROVED:


Vincent M. Morales, Jr., MAYOR



roof then it would come back to Council after the assessment. Matt Fielder will make Council aware of the findings and then Council will determine whether we go with that master plan that was presented and again Council would have to approve that.

- Councilor Bolf asked how long it will take to make that determination.
- Matt Fielder stated two to three weeks for the demolition, and then we bid the roof out and then come back with the roof. We want to check the structure before doing the roof. We will be able to come back and present Council with accurate numbers. Environmental remediation will be done and the true numbers will be available to make a decision to move forward or not.
- Councilor Bolf agreed that we need to finish some of the projects that have been started and finish all we can before we look at adding any projects.

Upon voting the motion carried by a unanimous vote of those present.

6. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1694, A RESOLUTION APPROVING THE FY2015-FY2018 CAPITAL IMPROVEMENT PLAN.**

Executive Summary: Based on City Council priorities, the deadline for compliance with the Fort Bend Subsidence District mandate, the availability of Fort Bend County Mobility Funds and other factors, staff has prepared a proposed schedule for Capital Projects in FY2015, FY2016, FY2017 and FY2018.

Staff recommends approval of Resolution No. R-1694.

Key discussion points:

- Joyce Vasut gave an overview of the item regarding Resolution No. R-1694.
- All of these projects come from the original list of items that Council voted on. If it was one the list Council voted on for three different projects staff put it somewhere on this five year plan.

Action: Councilor McConathy made a motion, seconded by Councilor Euton to approve Resolution No. R-1694, a Resolution approving the FY2015-FY2018 Capital Improvement Plan.

Questions/Comments:

- Councilor Euton asked for clarification that this does not obligate us to do these things in this order. This is a vision of what is to come.
- Joyce Vasut stated that is correct. With the County Mobility Bond Election, our upcoming bond election, and with the alternative water project there will be a lot of changes the next four years. We are also planning within the staff's strategic planning within our departments.
- Councilor Euton asked where Zone 8 Park Development is located.
- Matt Fielder stated Zone 8 Park is the regional detention facility off of Rohan Road.
- Councilor Benton asked if the Civic Center is anywhere on the list.
- Joyce Vasut stated it is on FY2018 and is a long way away. It was a project that was on the original ranking sheets.

Upon voting the motion carried by a unanimous vote.

7. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1701, A RESOLUTION EXTENDING A COMPLIANCE DEADLINE OF SEPTEMBER 30, 2013, TO SEPTEMBER 30, 2016, FOR THE PROVISION OF SERVICES BY THE ROSENBERG FIRE DEPARTMENT TO CERTAIN AREAS WITHIN THE CITY'S EXTRATERRITORIAL JURISDICTION AND/OR UNINCORPORATED AREAS OF FORT BEND COUNTY.**

Executive Summary: City Council has previously passed Resolution No. R-1307 which established a date of September 30, 2013, as a deadline for discontinuing fire service to certain areas within the City's Extraterritorial Jurisdiction (ETJ) and/or unincorporated areas of Fort Bend County. The new Fort Bend County Fire Marshal has requested an extension of the deadline to allow his office to develop a service plan for certain areas within the City's ETJ and/or unincorporated areas of Fort Bend County. A deadline extension to September 30, 2016, would allow staff to work with the County Fire Marshal's Office to develop a service plan for the areas that are affected by the deadline.

Staff recommends approval of Resolution No. R-1701.

Key discussion points:

- Wade Goates, Fire Chief gave an overview of the item regarding Resolution No. R-1701.
- In May 2011 Council passed a resolution to end fire services in unincorporated areas of the ETJ effective September 30, 2013. Since that time two things have happened. One was a measure that was put before the voters and was not successful with an ESD to the south of Rosenberg in some area that we cover. The other item is that Fort Bend County hired a new fire marshal that has been on the job about five months. During our discussions, we have determined that that area, since the ESD did not pass, does not have a current service plan. If we move forward with ending the fire protection service to that area we have no idea who will provide that protection. The request was made that we extend the deadline to September 30, 2016. That will give staff time to work with the County Fire Marshal and try to develop a fire service plan for the areas.

Action: Councilor McConathy made a motion, seconded by Councilor Benton to approve Resolution No. R-1701, a Resolution extending a compliance deadline of September 30, 2013, to September 30, 2016, for the provision of services by the Rosenberg Fire Department to certain areas within the City's Extraterritorial Jurisdiction and/or unincorporated areas of Fort Bend County.

Questions/Comments:

- Councilor McConathy referenced the Resolution and in part of that Resolution in Section 1 it says "that the City Council has determined that the Rosenberg Fire Department shall not continue fire services and first responders services to unincorporated areas unless such areas provide for the equitable share of actual cost by executing agreement or other binding legal commitment". How does delaying the cutoff change anything for folks in the ETJ that want fire service?
- Wade Goates stated he understands that three more years is to help the ETJ identify a source of funding if they choose to request our services at that time. There are a number of options they could go with for fire protection. Currently the problem is that that plan has not been addressed. South Rosenberg proposed ESD #6 and the measure failed but it was supported in our ETJ. The plan will probably come back through the County Fire Marshal's office and us.
- Lora Lenzsch, City Attorney clarified that wording was from the original resolution.
- Councilor McConathy stated out of concern for anyone that would call the County for service the County will reimburse the City or whoever performs that service. We will be covered in terms of funding for this resolution to be correct.
- Wade Goates stated yes. If we decide to extend the deadline, the County will provide us with an interlocal agreement that would determine reimbursement cost factor. That will be brought to Council.
- Councilor Benton asked to visit this historically. This led to annexation and a lot of hard feelings. Originally we discontinued service to these areas because of our cost. We told them in order to continue service we will need to annex the area.
- Wade Goates stated the discontinuation of service would not take place until September 30, 2013. When the resolution was enacted there were instructions to the City Manager's Office to provide notification and come up with other means so they could have fire service provided to them.
- Lora Lenzsch reiterated that the service was never discontinued.
- Councilor Benton stated they were told it was very costly to service these areas and we needed agreements. We either needed to annex them to provide that service or cancel them.
- Wade Goates stated there were several options. Creating an ESD, annexation in some areas that would not cause a difficulty for service, and seeking protection from another fire department. We had a section north of Rosenberg outside our ETJ we were responding to that has since been annexed into ESD #4.
- Councilor Benton asked if anyone asked the County for more supplement. Was that addressed?
- Wade Goates stated it was directed to the County Fire Marshal but he is not the decision maker for that. The Commissioner's Court is the final decision maker. Over the last decade they have been approached about funding and there have been some changes to it. One thing that remained in place was the interlocal agreement and how entities and fire departments were reimbursed.
- Councilor Benton asked if the Shady Oaks subdivision will be part of this.
- Wade Goates stated yes, we service them now and if Council decides to extend that measure we will continue to service them until another means comes into place.

- Councilor Benton asked if we will ask for more compensation in negotiations.
- Wade Goates stated we have to look at the interlocal agreement. The County Fire Marshal's budget has already been set so what is outlined in the first interlocal agreement is determined by that. The years after that could be discussed. The Fire Marshal answers to Commissioner's Court and it is up to them.
- Councilor Benton asked what compensation have we received for the last year.
- Wade Goates stated \$117,791.28.
- Councilor Benton stated that would go away if we did not renew this.
- Wade Goates stated simply yes. He has not discussed it with the Fire Marshal if we chose not to continue service. There is at least one year of back payment because of the formula used for reimbursement. History shows it has increased but it is based on the call volume we run in the County. Under the old interlocal agreement it was based on a different formula.
- Councilor Benton asked if it is a fair statement to say something that may have not seemed so attractive a year or so ago is now not so bad.
- Wade Goates stated on the tract we are on today and you broke it down using the Fire Department's budget we run about ten percent (10%) of our calls into the County. The cost using that method would run over \$300,000. We are still running about one-third of reimbursement as to projected cost.
- Councilor Euton stated she was on Council when those discussions took place and we did ask for more reimbursement. Commissioner's Court denied it. How will this affect the MUD agreements we already have?
- Wade Goates stated those were in affect before Council decided on the first resolution. That would have to be evaluated if they came to us and had any issue with us continuing on. Our service to the MUD was an independent contract well before the City had an idea of ceasing operations in the County due to cost.
- Councilor Euton asked if we decided not to do this would it go to Needville or Beasley.
- Wade Goates stated in speaking with the County Fire Marshal we don't know who it would go to. Communication would have to take place through his office.
- Councilor Pena stated he was at the last Mayor/Council Meeting at Weston Lakes. It was good to listen and he encouraged all of Council to listen to the dedication the fire department and staff have. The Commissioner, County Judge and all Mayors were present and we applaud them for what they do. The question was asked why we don't have more paramedics and ambulances. Paramedics burn out in about five to eight years. They are fire professionals and are very dedicated. We need to applaud these people and assist in any way we can. He promised his support to them in any way he can.
- Councilor Bolf referenced the ETJ and the annexed areas and asked if this is not continued does that affect the annexed areas.
- Wade Goates stated they are in the City limits. This applies to outside the City limits. If the measure was supported for an ESD again in different areas that involved our ETJ Council would have to give approval for the territory to be in the ESD.

Upon voting the motion carried by a unanimous vote of those present.

8. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1696, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE, FOR AND ON BEHALF OF THE CITY, A SECOND SUPPLEMENT TO AGREEMENTS REGARDING TERMINATION DATES OF SERVICE AGREEMENTS AND REBATES UNDER UTILITY CONTRACT, BY AND BETWEEN THE CITY AND FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 94.**

Executive Summary: In 1986, the City executed Agreements with Fort Bend County Municipal Utility District No. 94 (MUD No. 94) for water and sanitary sewer services. These Agreements contain provisions, among others, for capacities within the Southeast Trunk Sewer, the wastewater treatment plants, and the water production system and have been modified over time. The Agreements are available for review in the City Secretary's Office.

On June 17, 2008, City Council approved the Supplement to Agreements (Supplement), which clarified some of the ambiguities associated with the language in the previous Agreements and ratifies actions already taken by the City and MUD No. 94. The Supplement also clarified the number of Equivalent Single Family Connections (ESFC) and stated that should the City adopt Wastewater Impact Fees affecting MUD No. 94, that MUD No. 94 would be required to pay those fees instead of the fees established in the original Agreements for any connections requested after the adoption of the impact fees.



CITY COUNCIL COMMUNICATION

January 21, 2014

ITEM #	ITEM TITLE
3	Rosenberg Planning Commission Resolution Supporting Wednesday Meetings

ITEM/MOTION

Consideration of and action on a Resolution of the Rosenberg Planning Commission supporting the continuation of the Commission's established meeting schedule of the fourth Wednesday of each month, excluding November and December; and, supporting the ability of citizen volunteers serving each City Board, Committee, Commission, and Task Force to determine the best meeting date and time to perform the business of said Board, Committee, Commission, and Task Force.

FINANCIAL SUMMARY	ELECTION DISTRICT
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Annualized Dollars:

- One-time
- Recurring
- N/A

Budgeted:

- Yes No N/A

Source of Funds: N/A

- District 1
- District 2
- District 3
- District 4
- City-wide
- N/A

SUPPORTING DOCUMENTS:

1. Rosenberg Planning Commission Resolution – 12-18-13
2. City Council Meeting Minute Excerpt – 11-05-13
3. Planning Commission Meeting Draft Minute Excerpt – 12-18-13
4. Planning Commission Meeting Minute Excerpt – 11-20-13

MUD #: N/A

APPROVALS

Submitted by:

Pete Pavlovsky/rjm

Pete Pavlovsky
Planning Commission Chairperson

Reviewed by:

- Finance Director
- City Attorney
- City Engineer
- Assistant City Manager
- Planning Director *TLT*

Approved for Submittal to City Council:

Robert Gracia
City Manager

EXECUTIVE SUMMARY

On November 05, 2013, the City Council voted to discontinue holding City meetings on Wednesdays. The Rosenberg Planning Commission (Commission) is one volunteer group impacted by this change in policy as it meets on the fourth Wednesday of each month. In deference to the Commission's published meeting schedule and plat submittal deadlines, City Council has allowed the Commission to continue to meet as scheduled until June 2014.

In light of City Council's decision, staff scheduled a Commission Agenda item for November 20, 2013, for the Commission to consider alternative meeting days and times. The Commission discussed this policy change at its November meeting, and on December 18, 2013, and has prepared the attached Resolution in support of continuing to meet on its established meeting schedule and in support of all citizen volunteers serving the City to determine mutually agreeable meeting schedules for each group.

The Commission, while cognizant that its members serve at the pleasure of City Council, respectfully submits the attached Resolution and requests that the City Council revisit this policy change and let citizen volunteers determine their own group's meeting schedule.

A RESOLUTION OF THE ROSENBERG PLANNING COMMISSION

THE ROSENBERG PLANNING COMMISSION SUPPORTS THE CONTINUATION OF THE COMMISSION'S ESTABLISHED MEETING SCHEDULE OF THE FOURTH WEDNESDAY OF EACH MONTH, EXCLUDING NOVEMBER AND DECEMBER; AND, SUPPORTING THE ABILITY OF CITIZEN VOLUNTEERS SERVING EACH CITY BOARD, COMMITTEE, COMMISSION, AND TASK FORCE TO DETERMINE THE BEST MEETING DATE AND TIME TO PERFORM THE BUSINESS OF SAID BOARD, COMMITTEE, COMMISSION, AND TASK FORCE.

* * * * *

WHEREAS, on November 05, 2013, the City Council of the City of Rosenberg adopted a policy to discontinue holding all meetings of City Boards, Committees, Commissions, and Task Forces on Wednesdays; and,

WHEREAS, the Rosenberg Planning Commission (Commission) meets on the fourth Wednesday of each month, excluding the months of November and December in deference to the holiday seasons; and,

WHEREAS, the Commission was granted a deferral from this policy until June 2014 to determine and establish a revised meeting schedule and associated plat submittal deadlines; and,

WHEREAS, the Commission held discussion on the policy adoption by City Council regarding Wednesday meetings at its regular meeting of November 20, 2013; now, therefore,

BE IT RESOLVED BY PLANNING COMMISSION OF THE CITY OF ROSENBERG:

Section 1. That the Rosenberg Planning Commission supports the ability of each body of volunteer citizens serving the City of Rosenberg to determine the most mutually agreeable meeting schedule without restriction.

Section 2. That the Rosenberg Planning Commission supports the continuation of its regular meeting schedule on the fourth Wednesday of each month, with the exception of November and December, generally held the third Wednesday of said months.

PASSED, APPROVED, AND RESOLVED this 18th day of December 2013.

ATTEST:

APPROVED:


Wayne Poldrack
Planning Commission Secretary


Pete Pavlovsky
Planning Commission Chairman

CITY OF ROSENBERG

REGULAR COUNCIL MEETING MINUTES

On this the 5th day of November, 2013, the City Council of the City of Rosenberg, Fort Bend County, Texas, met in a Regular Session, in the Rosenberg City Hall Council Chamber, located at 2110 4th Street, Rosenberg, Texas.

PRESENT

Vincent M. Morales, Jr.	Mayor
William Benton	Councilor at Large, Position 1
Cynthia McConathy	Councilor at Large, Position 2
Jimmie Pena	Councilor, District 1
Susan Euton	Councilor, District 2
Dwayne Grigar	Councilor, District 3
Amanda Bolf	Councilor, District 4

STAFF PRESENT

Robert Gracia	Interim City Manager
Lora Lenzsch	City Attorney
Linda Cernosek	City Secretary
John Maresh	Assistant City Manager, Utilities
Jeff Trinker	Assistant to the City Manager
Charles Kalkomey	City Engineer
Joyce Vasut	Finance Director
Dallis Warren	Assistant Police Chief
Tracy Dunn	Police Lieutenant
Wade Goates	Fire Chief
Justin Jurek	Fire Marshal
Travis Tanner	Planning Director
Matt Fielder	Economic Development Director
Darren McCarthy	Parks and Recreation Director
Tonya Palmer	Building Official
Angela Fritz	Communications Director
Kaye Supak	Executive Assistant
John Johnson	Police Officer
John Delgado	Police Officer

The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.

CALL TO ORDER.

Mayor Morales called the meeting to order at 7:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE.

Reverend Jose Linares, Power and Faith Worship Center, Rosenberg gave the invocation and led the pledge of allegiance to the flag.

PRESENTATION OF ROSENBERG IMAGE COMMITTEE BEAUTIFICATION AND RENOVATION AWARDS.

Mayor Morales and Councilor Benton presented Rosenberg Image Committee Beautification and Renovation Awards to:

Present:

Juan and Mirna Valle	1202 Gerona Boulevard
E.P. Compean Funeral Directors	1223 6 th Street
Jimmy Echols	3412-3424 Avenue P

Not Present:

Henry and Sonia Sylva	5518 Taylan Lane
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COMMENTS FROM THE AUDIENCE FOR CONSENT AND REGULAR AGENDA ITEMS.

Citizens who desire to address the City Council with regard to matters on the Consent Agenda or Regular Agenda will be received at this time. Each speaker is limited to three (3) minutes. Comments or discussion by the City Council Members will only be made at the time the agenda item is scheduled for consideration. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

The following individuals addressed Council, as follows:

- **John Dorman, 2904 David Street, Rosenberg addressed Council regarding Item No. 8.**
- I come before you tonight not only representing the Parks Board but I also come representing all members of commissions and all volunteers that have volunteered for the City of Rosenberg.
- And I respectfully sit here tonight and ask you to vote "no" to Agenda Item No. 8. I would hope that when someone volunteers they look at when each commission or board meets and know when that board meets and whether they can actually come to meetings or not. But sometimes that does change as it did change on the Parks Board two weeks ago, but we followed the democratic rule. We followed the rules and put it on the agenda item. It was discussed in detail and everyone had their chance to say what they needed to say and it was voted down to not change the date. We meet on Wednesday nights and we have for the last ten years.
- I would respectfully ask all of you'll to think about your vote and remember that you do not know what our schedules are. Some of us are very busy, some of us are not. But, as a rule, it should stay on the committee level not be mandated by City Council. Please think about your vote. Please think about everyone that's on committees and think they have to look at their time and schedule and you do not know what our schedules are. Please do not mandate when we meet. Let it stay on the committee level and let us have our vote. Thank you very much.
- **Rufus Guebaro, 1515 Highway 36, Rosenberg, addressed Council regarding Item No. 8.**
- Everything the gentleman brought up is true. He quoted a scripture. I believe our city is still Christian and I love that. We still have a scripture everyday in our newspaper on the front page. He read Hebrews 10:24. Some of us that are new to boards are leadership in our churches and Wednesdays have been church meetings as well as Sundays. A group of us attend church on that day. I'm one of those people along with some others. I find it an honor to be here and I would like you to vote "yes" to that item No. 8 about changing the day from Wednesdays to another day. There are many other days of the week and again I think we can come up with something other than a day that society as a whole meets on Wednesdays as well as Sundays.
- **Pogo Reese, dessert storm veteran, addressed Council regarding Item No. 7.**
- I'm in qualification to run for president of the United States in 2016. I used to camp right across the street from this very building until maybe a month or so ago that Officer Roy and several other Officers relocated me to the Brazos River in Sugar Land.
- I put together a plan to start an Ivy League university but as to that imitation casino we have those in Louisiana and they don't work. My home town of Monroe, Louisiana has fought them off. My granddaddy's hometown in Alexander has fought them off and we don't need that kind of sin to creep in Rosenberg. He quoted from the scripture Romans 6:23. When we sit here as representatives of the people we have to know what the people want. Not what's best for our best interest on council but the citizens of Texas have already voted and said they do not want casinos here. That's what I have to say.
- **Eric Ramirez, 1811 City Hall Drive, Rosenberg, addressed Council regarding Item No. 8.**
- The reason I'm here is that I believe that when we want to serve our city in any circumstances we do it from our heart. We do it because we feel that we want to do it the way that God has us do. We don't do it to try to get our names in public. Church is one of his major priorities in life. When I get up every morning I thank God for my life and he wakes me up every morning. For me to say Lord I can't go to church this evening because I have a meeting to attend. I have to make a decision and I understand when I decided to get on a committee I saw the dates. I don't think that as Catholics or Christians everybody meets on different days. If some people are not able to meet on that day I think there is a reason why. I think on Wednesday I can't meet. So if I can't meet on a Wednesday then somebody else can't meet on a Tuesday or a Thursday. I think we can come up with an idea of how or when to meet. He asked Council to vote "yes" on Item No. 8.
- **George Zepeda, 4905 Greenwood, Rosenberg, addressed Council regarding Item No. 8.**
- I think that if you'll can make the recommendation to change the date for the simple reason that I serve on that Board and for the last two months I have missed church on two occasions. The last meeting ended at 7:10 and the other at 6:55. I'm in operations for Lakewood Church I have to be there early. I've been going to Lakewood Church for 18 years on Wednesday and Saturday for as long as I can remember. It is a volunteer job and I love to serve on the Parks Board but if it comes for me to step down from that committee I will pick going to church first and I would step down. Every day I look at the news and there's something going on in the world. There is nowhere else to run to but church. Kids are

making big decisions in church today and parents have to set the example. We have to set the example for the grandkids. I respect Mr. Dorman for what he said and how it's been done. But there have been two other situations that came to City Council first and then sent back to the Parks Board because they tried to by-pass the Parks Board. One was Guadalupe Church and it was called at a noon special meeting to make that decision about Sunset Park. I really wish you'll could consider changing that day to another time. You have four other days and I'm flexible for those four days.

- **Laurie Cook 1114 Dyer, Rosenberg, addressed Council regarding Item No. 8.**
- I've been on the Parks Board for approximately eight years. We have always met on Wednesdays. We meet one Wednesday out of the month, usually ten Wednesdays out of the year. Most of the time the meetings last thirty to forty minutes. The last couple of meetings were long because we have new members and we are trying to get them oriented into the Parks Program. Agenda items go quick and people can go on with their other duties. Monday, Tuesday, Thursday and Friday for me are busy. I have other civic organizations I spend a lot of time at. I'm also working late. Wednesdays worked out for me and that's why I applied for Parks. When I applied for RDC that came on Thursdays. I thought I really want to do that and the meeting starts at 4:00. That was my choice to be asked to be on that committee and I adjust my time. I have to take off so I can be at the meetings on time whether it's two or three hour meetings. So, I'm asking Council to consider this and think about it. Workshop it. Talk to other people on other committees and please consider saying "no". We need to stay on Wednesday meetings for some of us.
- **Alicia Casias, 1236 Louise Street, Rosenberg addressed Council regarding Item No. 8.**
- I'm on the Planning Commission. I didn't realize that it was as big of an issue as it is right now. I think as John Dorman stated, it should stay in the committee or commission level. The Planning Commission meets on Wednesdays and we have no issues with that and as Ms. Cook stated, when we volunteer for the committees we look at what date these meetings are being held. There has been no change. I totally appreciate the volunteers and people taking the hours and volunteering for the committees. I would ask that you leave it at the committee level or commission level and have them decide when they should meet. Thank you.

CONSENT AGENDA

1. REVIEW OF CONSENT AGENDA.

All Consent Agenda items listed are considered to be routine by the City Council and may be enacted by one (1) motion. There will be no separate discussion of Consent Agenda items unless a City Council Member has requested that the item be discussed, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Regular Agenda.

A. **CONSIDERATION OF AND ACTION ON SPECIAL MEETING MINUTES FOR SEPTEMBER 16, 2013, SPECIAL MEETING MINUTES FOR SEPTEMBER 24, 2013, WORKSHOP MEETING MINUTES FOR SEPTEMBER 24, 2013, REGULAR MEETING MINUTES FOR OCTOBER 15, 2013, AND WORKSHOP MEETING MINUTES FOR OCTOBER 22, 2013.**

B. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1714, A RESOLUTION AUTHORIZING THE CITY ENGINEER TO EXECUTE, FOR AND ON BEHALF OF THE CITY, THE ANNUAL REPORT FOR THE CITY OF ROSENBERG'S STORM WATER MANAGEMENT PLAN UNDER TPDES GENERAL PERMIT NO. TXR040272 TO REGULATE STORM WATER DISCHARGES FOR SMALL MUNICIPAL SEWER SYSTEMS (MS4) UNDER TPDES PHASE II MS4 GENERAL PERMIT (TXR040272).**

Executive Summary: The Texas Commission on Environmental Quality (TCEQ) has adopted the General Permit TXR040000 for the regulation of storm water discharges. Authorized by the Clean Water Act, Phase I regulations are in place for cities with a population in excess of 100,000. The Phase II General Permit for smaller cities located in Urbanized Areas was approved in November 2007.

The majority of the City of Rosenberg (City) lies within the Houston Urbanized Area as determined by the 2000 Census; therefore, the City has been identified as a Small Municipal Separate Sewer System (MS4), and complies with the requirements of the Clean Water Act by filing the General Permit.

The City submitted the Notice of Intent and the Storm Water Management Plan to the TCEQ in February 2008. For the past five (5) years, staff presented the Annual Report for the year, and authorized the City Engineer to execute the report and file it.

the licensing and regulation of game rooms and the use of "amusement redemption machines"; providing a penalty for violation of any provision hereof; and repealing all ordinances or parts of ordinances inconsistent or in conflict herewith. The motion carried by a unanimous vote.

8. **REVIEW AND DISCUSS A REQUEST THAT NO CITY BOARD, COMMISSION, OR COMMITTEE HOLD MEETINGS ON WEDNESDAY EVENINGS, AND TAKE ACTION AS NECESSARY.**

Executive Summary: At the request of some of the constituents in Council District 4, this item has been included to allow City Council the opportunity to discuss refraining from the scheduling of meetings for City Boards, Commissions, and Committees on Wednesday evenings.

Key discussion points:

- Councilor Bolf stated she has been surprised by the reaction of this. A lot of the comments made are all true in a lot of respects--some maybe not so much. Wednesday night has always been church night and I understand that when people sign up for the committees that they know what nights they meet. This was not just brought to her from the three gentlemen that spoke tonight that are on the committee. Other people mentioned it when we were encouraging citizens to sign up before selections were made. Several made comments to who are leaders in their church who can't miss even one Wednesday. They are leaders and have to be there, but that they would if it wasn't on Wednesday night. She thought it would be received with more respect than it has been. She was surprised that we have meetings on Wednesday night. UIL that sanctions athletic functions schedule nothing on Wednesday because it is church night. She was asked by other citizens to bring it up to see what the other Councilors thought. She would like to see it moved out of respect for the other citizens that want to join but who don't because it is on Wednesday. If we don't change it we leave the door closed to the very few, if we change it we open the door to the majority.
- Councilor Grigar stated he respects church night. His daughter goes to CCE on Wednesday nights and there are sometimes he can't make it but it is understood. He will miss that meeting. It is also understood that some of these committees he is on or if there are special meetings he can't make it on Mondays, they are bad for him. But, if the majority says to go ahead on Monday then he has to shift his schedule around or miss it. He commends all of the volunteers we have and want to be on committees but he feels that he does not want to get into micromanaging commissions, boards and committees. He is not the city manager and that is why we hire a city manager to do the day-to-day operations. He is against this.
- Councilor Pena stated he thinks it is a good point brought up by Councilor Bolf and he thinks we need to support this. Wednesdays are bad for a lot of people. When you are asked to serve on a committee you have to understand the dates they are held on. But, maybe that is also a good reason we don't get a lot of people to volunteer for these committees. He thinks Wednesday night is a problem. We keep getting the same people and that is indicative of something. Some people have the ability to change their schedules and a lot of people don't. If you are committed to something and committed to your church life that is a big commitment a lot of people will not postpone. He favors Councilor Bolf's proposal.
- Councilor Euton stated she was surprised when she first got into City Council that we had meetings on Wednesday nights. Since we have prayer and have observed some religious practices some cities do not do, it was surprising we had things on Wednesday night. There are a lot of people that are committed to their church and they are the ones involved civically. They need to be encouraged to volunteer and she believes to encourage more to people to sign up for committees we need to respect the church night and not meet on that night.
- Councilor McConathy commended Councilor Bolf for bringing this up. For many in the audience the timing seems to be bad, but since this Council was elected our primary focus the first few months was budget. This is the first time we are getting into the other matters of the city and she is glad this was brought up. She is a minister and was surprised there were meetings on Wednesdays although she accommodated that because she wanted to serve much like many of those in the audience. You sacrifice your time and schedule to volunteer for the committees or boards. She appreciates and respects the volunteer's time. But, on behalf of the staff, they would probably appreciate a Wednesday off as well as the general populous who like to volunteer on Wednesdays she supports this measure.
- Councilor Benton stated he does not have a problem with this suggestion. He wants to make sure we can accommodate all of our members of any committees that meet on Wednesday. The Planning Commission and Parks Board meet on Wednesdays. We need to talk to them and see what days they can meet. About a year and a half ago when we had different council members they did not mind micromanaging the Image Committee. It has been done. He does not consider

it micromanaging. He thinks we need to try to accommodate the general public and the committees are a part of that but there is a bigger general public we need to look at. While he supports the measure, he respects everybody that spoke. We need to find out what is best other than a Wednesday and let's work this out. We can accommodate everybody.

- Mayor Morales stated that he does not agree that we should be telling volunteer committees how they should schedule their time. He respects everyone's religious views but he believes that it is the board, commission or committee to decide among themselves. He has been on many committees where times had to be shifted whether that is at lunch, meet early in the morning or in the evening. Let the volunteers among themselves figure a time to meet. He does not believe it is Council's position to do this.

Action: Councilor McConathy made a motion, seconded by Councilor Bolf to approve a request that no City Board, Commission, or Committee hold meetings on Wednesday evenings. The motion carried by a vote of 5 to 2 as follows: **Yeses: Councilors Benton, McConathy, Pena, Euton and Bolf. Noes: Mayor Morales and Councilor Grigar.**

9. **REVIEW AND DISCUSS PROPOSED CANCELLATION OF THE DECEMBER 24, 2013 WORKSHOP MEETING, AND TAKE ACTION AS NECESSARY.**

Executive Summary: Traditionally, the December Workshop is cancelled because of the holidays. This year, the Workshop date falls on December 24, 2013.

It is recommended that the City Council consider cancelling the December 24, 2013 City Council Workshop meeting.

Key discussion points:

- Linda Cernosek, City Secretary read the Executive Summary regarding the item.

Action: Councilor Benton made a motion, seconded by Councilor McConathy to approve cancellation of the December 24, 2013 Workshop Meeting. The motion carried by a unanimous vote.

10. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1713, A RESOLUTION PROVIDING FOR THE AMENDMENT OF CITY COUNCIL RULES OF PROCEDURE (EIGHTH EDITION), NAMELY ARTICLE III, ENTITLED "ORDER OF BUSINESS", BY REVISING ITEM 2. CITY COUNCIL DISCUSSION BY REVISING THE ORDER OF DISCUSSION, MOTION, AND VOTE; AND, ARTICLE VII, ENTITLED "RULES GOVERNING COMMENTS FROM THE AUDIENCE", BY MOVING THE GENERAL COMMENTS FROM THE AUDIENCE TO THE PREAMBLE OF THE MEETING AND HEARING AGENDA ITEM COMMENTS AT THE TIME THE ITEM IS PRESENTED FOR DISCUSSION.**

Executive Summary: Pursuant to discussion held at the most recent City Council Workshop held on October 22, 2013, Resolution No. R-1713 is provided for your consideration. A redlined version of the City Council Rules of Procedure containing the revised language, along with an excerpt from the associated Workshop meeting minutes were included in the agenda packet for information and review.

Upon approval of Resolution No. R-1713, the General Comments from the Audience will be addressed in the preamble of the Regular City Council Meetings. Any person from the audience that wishes to comment on Agenda or general items shall register with the City Secretary. Those persons that wish to comment on a specific Agenda item will be addressed after the Mayor reads the item and after the executive summary is read. If a member of the audience wishes to speak on a Consent Agenda Item, the Consent Agenda Item will be addressed as a Regular Agenda item. The procedure on each Agenda item requiring action will be: the Mayor will call on each Council Member present for discussion. After discussion, the Mayor will call for the motion and a vote.

Key discussion points:

- Linda Cernosek read the Executive Summary regarding Resolution No. R-1713.

Action: Councilor McConathy made a motion, seconded by Councilor Benton to approve Resolution No. R-1713, a Resolution providing for the amendment of City Council Rules of Procedure (Eighth Edition), namely Article III, entitled "Order of Business", by revising Item 2. City Council Discussion by revising the order of discussion, motion, and vote; and, Article VII, entitled "Rules Governing Comments from the Audience", by moving the general comments from the audience to the preamble of the meeting and hearing agenda item comments at the time the item is presented for discussion. The motion carried by a unanimous vote.

The reason the infrastructure design is delayed slightly is due to it being a public-private partnership. Staff does expect an extension until June 2014 to be sufficient, however. The overall project continues to move forward, as the original Municipal Utility District for Wind Meadows (Fort Bend County MUD No. 150) was officially dissolved on Thursday, December 5, 2013. There being no further issues, staff recommends approval of the extension.

Key Discussion:

- Mr. Tanner presented the item and reviewed the executive summary.
- Commissioner Parsons inquired how long the extension would be.
- Mr. Tanner replied six months.

Action Taken: Vice Chairperson Phipps moved, seconded by Commissioner Parsons, to approve the request by IDS Engineering Group to grant a one-time extension of the Preliminary Plat approval of Business Park Drive and Park Court Street Dedication Plat/Rosenberg Business Park Street Dedication Plat for six (6) months, to now expire on June 21, 2014. The motion carried unanimously.

6. CONSIDERATION OF AND ACTION ON A RESOLUTION OF THE ROSENBERG PLANNING COMMISSION SUPPORTING THE CONTINUATION OF THE COMMISSION'S ESTABLISHED MEETING SCHEDULE OF THE FOURTH WEDNESDAY OF EACH MONTH, EXCLUDING NOVEMBER AND DECEMBER; AND, SUPPORTING THE ABILITY OF CITIZEN VOLUNTEERS SERVING EACH CITY BOARD, COMMITTEE, COMMISSION, AND TASK FORCE TO DETERMINE THE BEST MEETING DATE AND TIME TO PERFORM THE BUSINESS OF SAID BOARD, COMMITTEE, COMMISSION, AND TASK FORCE.

Executive Summary: At the regular November 18, 2013 Planning Commission Meeting, the Commission voted unanimously to present a Resolution to City Council regarding the newly adopted policy to discontinue City meetings on Wednesdays.

Staff has drafted the attached Resolution for the Commission's review and approval. Should the Commissioners approve the Resolution, this item will be placed on a January City Council Meeting Agenda. Staff recommends that a representative be selected to present said Resolution to City Council at a future meeting.

Key Discussion:

- Mr. Tanner presented the item and stated that the Commission had requested this item at the last meeting and staff recommends the Commission select a representative to present this Resolution to City Council at a future meeting.
- Vice Chairperson Phipps stated that when he originally applied for this Commission, he was not aware of what days the meetings were held. He agreed to serve at the pleasure of the City and the City Council. He is not in favor of trying to dictate to the City of when we can meet. There are also considerations of short-handedness and overworking of City employees and that needs to be taken into consideration as well.
- Commissioner Parsons replied that when he applied for his fourth term on this Commission, he was aware of when the meeting days were and took care to schedule around those dates. This Commission could agree to meet on any day that we want to meet but the point is that this Committee, a Charter Committee, does not need to be directed by Council as to when we can meet and when we cannot.

Action Taken: Commissioner Parsons moved, seconded by Commissioner Casias, to approve the Resolution of the Planning Commission regarding the continuation of the established meeting schedule of the fourth Wednesday of each month, excluding November and December, and supporting the ability of citizen volunteers to determine a mutually agreeable meeting schedule.

Additional Discussion:

- Chairperson Pavlovsky stated that he does not think we are dictating to Council as to when we meet, this Resolution is a recommendation and not a dictation.

Upon voting, the motion carried by a vote of five "ayes" to one "no". **Ayes:** *Chairperson Pavlovsky, Commissioners Casias, Parsons, Poldrack, and Urbish.* **No:** *Vice Chairperson Phipps.*

7. CONSIDERATION OF AND ACTION ON THE WORKS IN PROGRESS REPORT AND REQUESTS FOR FUTURE AGENDA ITEMS.

Executive Summary: The Works in Progress Report consists of projects that staff is currently working on, projects that staff anticipates working on in the near future, and projects that have recently been completed. Projects can be initiated by City Council, Planning Commission, or staff.

At this time, staff is seeking direction from the Planning Commission regarding the contents of this report. Rather than a list of previous agenda/discussion items, a staff report of current activities could be provided. This could include, but would not be limited to, updates on the Comprehensive Plan, new construction, population, etc.

This item also allows the Planning Commission the opportunity to request items be placed on future agendas.

Key Discussion:

- Mr. Tanner stated that staff is continuing to look at the submittals for the Comprehensive Plan Update and the Requests for Qualifications (RFQ) that went out recently. That is something that will come to this Commission in the future. Staff is working through the "Sign" Ordinance amendments with City Council and anticipates bringing another amendment to Council in January or February. Staff would like some input from the Commission on the current format of this report. Currently, we provide a list of pending items or items discussed in the past, many of which were discussed some time ago. We would like to see if you would prefer a more current report showing current activities.
- Commissioner Parsons stated that we have discussed this before, but this department is understaffed and the City is growing a great deal. We would hope that Council will soon consider increasing the Planning staff; as we have more activity, we need more help.
- Commissioner Parsons also stated that in terms of future Agenda items, he would like to return to the discussion regarding One-Way Pairs. He is not interested in the Commission's stand on whether or not an election should be held but he would like to get a feel from this group since we have some responsibility for looking after the use of property within the City of Rosenberg. He would like to consider a Resolution to either endorse or not endorse the One-Way Pairs Project, whichever way the vote may go. We have tried this once before and by the time we got to the item, the statement was made that the project was a "done deal," but that does not appear to be the case. He would like this added as a future discussion item.

No action taken.

8. ANNOUNCEMENTS.

Chairperson Pavlovsky wished those present a Merry Christmas.

9. ADJOURNMENT.

There being no further business, Chairperson Pavlovsky adjourned the Rosenberg Planning Commission Meeting at 6:12 p.m.

Renée LeLaurin-Moore
Secretary II

PLANNING COMMISSION MEETING MINUTES

On this the 20th day of November 2013, the Planning Commission of the City of Rosenberg, Fort Bend County, Texas, met in a regular meeting at the Rosenberg City Hall Council Chamber, 2110 4th Street, Rosenberg, Texas 77471.

COMMISSIONERS PRESENT

Pete Pavlovsky	Planning Commission Chairperson
Lester Phipps, Jr.	Planning Commission Vice Chairperson
Wayne Poldrack	Planning Commission Secretary
Alicia Casias	Planning Commissioner
Mike Parsons	Planning Commissioner
James Urbish	Planning Commissioner

STAFF PRESENT

Cynthia McConathy	Councilor, At Large Position Two
Travis Tanner	Planning Director
Charles Kalkomey, P.E.	City Engineer
Lora Lenzsch	City Attorney
Renée LeLaurin-Moore	Secretary II

CALL TO ORDER

Chairperson Pavlovsky called the meeting to order at 6:00 p.m.

AGENDA

1. CONSIDERATION OF AND ACTION ON MINUTES OF THE REGULAR PLANNING COMMISSION MEETING OF OCTOBER 23, 2013.

Action Taken: Commissioner Urbish moved, seconded by Commissioner Parsons, to approve the minutes of the October 23, 2013, Planning Commission meeting as written. The motion carried unanimously.

2. REVIEW AND DISCUSS FUTURE PLANNING COMMISSION MEETING DATES AND TIMES, AND TAKE ACTION AS NECESSARY.

Executive Summary: The City Council recently approved a request to discontinue meetings of City Boards, Committees, and Commissions on Wednesdays. This Agenda item has been included to allow the Planning Commission to consider alternate meeting dates and requisite plat submittal deadlines for same.

City Council has provided for the Planning Commission to continue meeting as scheduled through June 2014.

Key Discussion:

- Mr. Tanner reviewed the Executive Summary.
- Commissioner Parsons distributed copies to the Commissioners and read the following prepared statement into the record:
 - *"I find myself somewhat dismayed the City Council made the arbitrary decision to eliminate Wednesday as meeting day for voluntary Committees, Task Forces, and Commissions. It is my understanding that this was done at the request of a minority of the Parks Committee. It is also my understanding that when that request was posed at a Parks Committee Meeting the vote was 6 to 3 against changing the meeting day. Finally it is my understanding that this change may eliminate the ability of two longtime members to serve.*

It should be, in my humble opinion, that voluntary Committees, Task Forces and Commissions should be able, by majority vote, to establish when they should meet and after they are appointed, stick to that decision. Thereby making sure that those individuals who volunteer know when that will be for their term. City Council, who often praise the work of these volunteers, improving the quality of life for Rosenberg citizens (present and future), should not be micro managing their tasks.

Let's conclude that Mondays and Fridays are not really good travel days for those that travel. Let's then assume that Tuesday is out because of City Council Meetings and the inability of those Council persons who act as liaisons to the various groups to attend. You have now banned Wednesdays, which leaves Thursday as the only day left.

In addition, I feel that the City Charter calls for the Planning Commission to determine their own procedures (8.03(b)). Thus, setting the day and time of the meeting should be determined by a majority vote of that Commission before the term starts as stated in the aforementioned section. I therefore would request that the Planning Committee resolve, by majority vote, to allow them to establish the day of their meeting and not be subjected to an arbitrary vote of Council. All the current members knew that the meeting day has been Wednesday for years without a complaint or suggestion to change it.

I fully realize that some individuals have church or religious gatherings on Wednesday. That however is not the only day of the week that this occurs. Other than Saturday and Sunday where Jewish and Christian groups gather, there are other days where that occurs. As an example, the Knights of Columbus meet on Tuesdays. In equal deference to all religions, should Council eliminate Tuesday as a meeting date as well to treat all religions equally? I think not.

I have no idea what City Council was thinking when they made the decision they did regarding banning Wednesday as a meeting day without speaking to those that have met on Wednesday for years, but they should strongly consider revisiting that idea and allow volunteers to establish their own meeting dates, excluding Tuesday evenings due to regular City Council Meetings."

- Commissioner Parsons further stated that he would like the Commissioners to consider a Resolution from this group suggesting to Council that this Commission continue to be able to meet on Wednesdays as stated in the Charter. The Charter states that this Commission has the duty and ability and a right to set our own procedures. We can argue procedures but his interpretation is that this Commission is a separate group from the City Council and advises Council.
- Ms. Lenzsch replied that the Charter Section 8.03(b) is for rules and procedures. Granted, there can be various interpretations but it appears that the rules of procedures deal more with how the meetings are conducted. The only reference to meetings is that the Commission shall meet no less than once per month at City Hall unless published in a newspaper of general circulation. The Charter does not specifically reference a particular meeting date.
- Commissioner Parsons inquired who sets the dates and times of our meetings.
- Ms. Lenzsch replied that is a policy question. If Council makes that determination, it is up to them. If Council wants to delegate to another committee, it may also do that.
- Commissioner Parsons replied that after volunteers are appointed to the Commission, City Council has a right to change that body's meeting date at will which may inconvenience some of the people who serve.
- Ms. Lenzsch replied that the issue is purely policy, and is not a legal issue at all.
- Commissioner Parsons replied that he would suggest when City Council solicits members to be on volunteer committees, they should tell them that the date and time of such committee's meetings are subject to their approval.
- Councilor McConathy stated that the item before you is to set new meeting dates after June 2014. It does not affect the current term and appointments until June of next year.
- Commissioner Parsons replied that his issue is not how it affects this group, but the principle of the

determination. The other committees have agreed to serve, and at least two long serving members of the Parks Committee are impacted. One of which has already resigned and another has stated that it is impossible for her to meet on another date. What he is trying to establish and communicate to Council is that to arbitrarily change those dates is not in the best interest of getting candidates to serve on these committees. Council lauds these volunteers as part of the backbone of improving the City.

- Councilor McConathy replied that she acknowledges Commissioner Parsons's objection.

Action Taken: Commissioner Parsons moved, seconded by Commissioner Casias, to send a Resolution to City Council stating the Planning Commission's desire to retain Wednesdays as the regular meeting date for this body; and, in support of volunteer members' ability to determine the meeting schedule that best suits their availability.

Additional Discussion:

- Commissioner Poldrack stated that he agrees with Commissioner Parsons. If someone is unable to meet on the established meeting date, then they should not be on that committee. He does not believe that City Council should be micro-managing these committees. Each committee should sit down when they start the year to determine what meeting date is going to work with everyone's schedule rather than City Council making that decision for them.
- Commissioner Urbish stated that he believes part of the problem is that Council members and citizens that are church goers that attend Wednesday services who may wish to serve on committees. If someone has business before this Commission or wants to attend a meeting, they can miss church one day out of the month. He will meet on any night the Commission agrees to.
- Commissioner Parsons stated that this is not about Wednesday meetings but the principle that it should be the volunteers deciding when to meet and not have that decision made by Council.
- Commissioner Casias stated that she supports what Commissioner Parsons is saying as far as the Commission being able to set and attend our own meetings. It was said at the City Council meeting that volunteers submit their applications for committees knowing when the meetings are being held.
- Chairperson Pavlovsky stated that we would basically have two choices for meeting dates – Mondays or Thursdays. Thursday night is not a good night for him and he has other volunteer commitments on Thursday nights. Monday would work with his schedule. He also checked with Lamar CISD and there are many meetings at many schools each week; there are seven schools in this district that have meetings on Wednesday nights. The district allows each school to pick their own nights and the only caveat is that one night per week, they shut the school down to conserve energy but that is the only restriction. Each school has its choice of meeting nights with the exception of Tuesday nights for school board meetings. In his opinion, Wednesday nights work for this Commission. The only people who attend these meetings outside of staff are those that have business with the Commission. He would like to leave the meeting dates unchanged.
- Commissioner Phipps stated that he understands the point Commissioner Parsons is making but also understands that we serve at the pleasure of City Council. However, we should still be able to decide which date to meet on.

Action: Upon voting, the motion carried unanimously.

Additional Discussion:

- Ms. Lenzsch inquired if the motion for a Resolution means that something is presented in writing to City Council or a letter is prepared and each Commissioner signs it.
- Commissioner Parsons replied that all that is required is that City Council gets an official notice from this Commission that we have voted unanimously to retain Wednesday as the regular meeting date and supporting the ability of each volunteer committee to determine their preferred meeting date.
- Mr. Tanner replied that the advantage this group has is that a change is not needed until next June. Based on the legal opinion we have heard, it does not appear that more can be done.
- Commissioner Parsons replied that whether we have the extension through June or not, this body wants to retain Wednesdays.
- Chairperson Pavlovsky inquired how staff would be impacted by changing the meeting night.
- Mr. Tanner replied that part of the reason for granting the Planning Commission an extension

through June was to keep the adopted plat submittal deadlines. Plat submittal deadlines are not arbitrary and are determined by state law. The development community has this published schedule and they base their work and submittals by that date. From what we have heard from legal counsel, City Council may have the ability to determine our meeting dates but that does not mean we cannot submit your request to continue meeting on Wednesdays.

- Commissioner Parsons replied that when volunteers apply to serve, they know the established meeting dates and if those dates meet their own schedules. They should have the expectation that those dates are not arbitrarily changed by Council for whatever reason.
- Ms. Lenzsch stated that appropriate mechanism to get this before Council would be for a member of the Commission to present it to the City Council as a regular Agenda item. The minutes of this discussion would be included for additional support and information.
- Councilor McConathy stated that these minutes would need to be approved first before using them for supporting documentation.
- Commissioner Parsons stated that he would request that this group meet for ten minutes to approve the minutes from this meeting before the next regularly scheduled Council meeting.
- Councilor McConathy replied that would mean the item would be for a January City Council meeting. The minutes could be approved at the regular December meeting.

No further discussion.

3. REVIEW AND DISCUSS PLANNING COMMISSION PRIORITIES, AND TAKE ACTION AS NECESSARY.

Executive Summary: On October 23, 2013, the Planning Commission was given a list of items to rank in terms of priority. The items were proposed future agenda items that had been brought up by Commissioners in the past, but that have not been addressed by City staff at this time. The point of the exercise was to determine the order in which the Commission's priorities would be addressed and to try to address them on a quarterly basis.

We received a number of comments that Commissioners were dissatisfied with the list or with the overall process that is in place, which staff has taken into consideration. The Commissioner rankings were averaged anyway and are provided below for your information:

1. Subdivision Ordinance revisions – points of access & block length: 2.2 (avg. ranking)
2. Discussion of residential redevelopment incentives: 2.4
3. Residential street load limits – oversized vehicle parking: 3.6
4. Review of Parkland Dedication requirements: 3.8
5. Discussion of masonry ordinance: 4
6. Recommendation to City Council to revisit zoning: 5

Given the apparent issues with the items and with ranking them, staff would recommend that Commissioners compile their own priorities and contribute them during the Comprehensive Plan update process. The fact that the Comprehensive Plan must be approved by City Council would ensure the items staff is working on are priorities of both the Planning Commission and City Council.

Key Discussion:

- Mr. Tanner presented the item and stated that staff understands there was some dissatisfaction with some of the items that were brought forward. These items were brought up by Commissioners in the past. In consideration of the dissatisfaction, he suggests that the Commissioners compile their own areas of interest and staff will apply those to the Comprehensive Plan update process, which will be getting underway soon. The update the Comprehensive Plan will need to be approved by both the Planning Commission and the City Council. In this way, staff can focus on the priorities of this body and the Council and incorporate that work into the Comprehensive Plan.
- Commissioner Parsons stated that rather than do these priority rankings individually and then come up with an average, he would prefer that these items be discussed in an open meeting that the rankings are established in that open meeting. We can listen to each other and discuss items and reach a consensus. He would like to see these items discussed by the entire committee either in open or closed session, and then a consensus be reached for priorities.



CITY COUNCIL COMMUNICATION

January 21, 2014

ITEM #	ITEM TITLE
4	Ordinance No. 2014-03 - Landscape Irrigation Meter Impact Fee Collection

ITEM/MOTION

Consideration of and action on Ordinance No. 2014-03, an Ordinance amending the Code of Ordinances by deleting all of Section 29-269 (e), of Article VI of Chapter 29, Service Units; and substituting therefor a new Section 29-269 (e) of Article VI of Chapter 29, establishing the number of Living Unit Equivalents (LUEs) for water meter (taps) exclusively for landscape irrigation systems as zero and no fees shall be collected; and providing for severability.

FINANCIAL SUMMARY	ELECTION DISTRICT
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Annualized Dollars:

- One-time
 Recurring
 N/A

Budgeted:

- Yes No N/A

Source of Funds: N/A

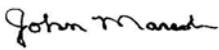
- District 1
 District 2
 District 3
 District 4
 City-wide
 ETJ

SUPPORTING DOCUMENTS:**MUD #:** ETJ MUDs

1. Ordinance No. 2014-03 – Redline
2. Ordinance No. 2014-03
3. City Council Meeting Draft Minute Excerpt – 01-07-14

APPROVALS

Submitted by:


 John Maresh
 Assistant City Manager

Reviewed by:

- Finance Director 
 City Attorney LL/rlm
 City Engineer
 Assistant City Manager
 (Other)

Approved for Submittal to City Council:


 Robert Gracia
 City Manager

EXECUTIVE SUMMARY

On January 07, 2014, City Council considered Ordinance No. 2014-01 that would adopt the updated land use assumptions, capital improvements plan and both the maximum and effective water and wastewater impact fees. After discussion regarding the collection of water impact fees for landscape irrigation meters, City Council took action to table the Ordinance.

Due to the complexity of the Ordinance provisions, staff determined the best of course of action would be to prepare a separate Ordinance to address the impact fees associated with landscape irrigation meters. Therefore, staff has prepared Ordinance No. 2014-03 which if adopted, would establish the number of living equivalent units (LUEs) for all water meters exclusively used for landscape irrigation systems as zero and subsequently no water impact fees would be collected. This provision is currently limited to landscape irrigation meters that serve only public rights-of-way and not privately owned property.

Ordinance No. 2014-01 that would adopt the updated land use assumptions, capital improvements plan and both the maximum and effective water and wastewater impact fees will again be considered as the next Agenda item.

ORDINANCE NO. 2014-03

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF ROSENBERG, TEXAS, BY DELETING ALL OF SECTION 29-269 (e), OF ARTICLE VI OF CHAPTER 29, SERVICE UNITS; AND SUBSTITUTING THEREFOR A NEW SECTION 29-269 (e) OF ARTICLE VI OF CHAPTER 29, ESTABLISHING THE NUMBER OF LIVING UNIT EQUIVALENT'S (LUE'S) FOR WATER METER (TAPS) EXCLUSIVELY FOR LANDSCAPE IRRIGATION SYSTEMS AS ZERO AND NO FEES SHALL BE COLLECTED; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City Council of the City, pursuant to Chapter 395 of the Texas Local Government Code, adopted a Water and Wastewater Impact Fee Ordinance (Article VI of Chapter 29 of the City's Code of Ordinances) on December 16, 2008; and,

WHEREAS, the City Council has proposed an amendment to the Water and Wastewater Impact Fee Ordinance by amending Section 29-269 of Article VI of Chapter 29 of the City's Code of Ordinances; and,

WHEREAS, the City Council has issued notice of and held a public hearing to discuss the proposed amendment to the Water and Wastewater Impact Fees Ordinance, in accordance with the requirements of Chapter 395; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ROSENBERG:

Section 1. The facts and recitations contained in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. The Code of Ordinances of the City of Rosenberg, Texas, is hereby amended by deleting all of Section 29-269 (e), Service Units; and substituting therefor a new Section 29-269 (e) of Article VI of Chapter 29 to provide as follows:

“CHAPTER 29 UTILITIES

ARTICLE VI. WATER AND WASTEWATER IMPACT FEES

Sec. 29-269. Service units.

* * *

- (e) If a landscape irrigation meter (tap) is purchased exclusively to provide water for an irrigation system ~~that is installed and irrigates completely within the boundaries of public rights-of-way~~, the number of LUE's shall be considered zero and no fees shall be collected.
- (1) If at any point in time, the meter is utilized for domestic purposes, which includes residential, commercial or industrial purposes, ~~or to provide landscape irrigation water to privately owned property~~, as evidenced by physical connections to the water meter piping or irrigation system piping; or as evidenced by the registration of consumption recorded on the City's meter-reading and billing systems, the then-owner of the water meter account and/or private property owner utilizing said meter shall be assessed the then-current impact fee based on the meter size installed, regardless if any of the meter capacity is still utilized to provide water to an irrigation system ~~installed within the boundaries of public rights-of-way~~.

* * *"

Section 3. This Ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City. This Ordinance shall not operate to repeal or affect any other ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such other ordinances are hereby repealed.

Section 4. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Rosenberg, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

Section 5. Any violation of this Ordinance can be enjoined by a suit filed in the name of the City in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this Ordinance or in the Code of the City.

PASSED AND APPROVED by a vote of _____ “ayes” in favor and _____ “noes” against on this first and final reading in full compliance with the provisions of Section 3.10 of the Charter of the City of Rosenberg on the _____ day of _____, 2014.

ATTEST:

APPROVED:

Linda Cernosek, **City Secretary**

Vincent M. Morales, Jr., **Mayor**

APPROVED AS TO FORM:

Lora Jean D. Lenzsch, **City Attorney**

ORDINANCE NO. 2014-03

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF ROSENBERG, TEXAS, BY DELETING ALL OF SECTION 29-269 (e), OF ARTICLE VI OF CHAPTER 29, SERVICE UNITS; AND SUBSTITUTING THEREFOR A NEW SECTION 29-269 (e) OF ARTICLE VI OF CHAPTER 29, ESTABLISHING THE NUMBER OF LIVING UNIT EQUIVALENT'S (LUE'S) FOR WATER METER (TAPS) EXCLUSIVELY FOR LANDSCAPE IRRIGATION SYSTEMS AS ZERO AND NO FEES SHALL BE COLLECTED; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City Council of the City, pursuant to Chapter 395 of the Texas Local Government Code, adopted a Water and Wastewater Impact Fee Ordinance (Article VI of Chapter 29 of the City's Code of Ordinances) on December 16, 2008; and,

WHEREAS, the City Council has proposed an amendment to the Water and Wastewater Impact Fee Ordinance by amending Section 29-269 of Article VI of Chapter 29 of the City's Code of Ordinances; and,

WHEREAS, the City Council has issued notice of and held a public hearing to discuss the proposed amendment to the Water and Wastewater Impact Fees Ordinance, in accordance with the requirements of Chapter 395; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ROSENBERG:

Section 1. The facts and recitations contained in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. The Code of Ordinances of the City of Rosenberg, Texas, is hereby amended by deleting all of Section 29-269 (e), Service Units; and substituting therefor a new Section 29-269 (e) of Article VI of Chapter 29 to provide as follows:

“CHAPTER 29 UTILITIES

ARTICLE VI. WATER AND WASTEWATER IMPACT FEES

Sec. 29-269. Service units.

* * *

- (e) If a landscape irrigation meter (tap) is purchased exclusively to provide water for an irrigation system, the number of LUE's shall be considered zero and no fees shall be collected.
 - (1) If at any point in time, the meter is utilized for domestic purposes, which includes residential, commercial or industrial purposes, as evidenced by physical connections to the water meter piping or irrigation system piping; or as evidenced by the registration of consumption recorded on the City's meter-reading and billing systems, the then-owner of the water meter account and/or private property owner utilizing said meter shall be assessed the then-current impact fee based on the meter size installed, regardless if any of the meter capacity is still utilized to provide water to an irrigation system.

* * *

Section 3. This Ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City. This Ordinance shall not operate to repeal or affect any other ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such other ordinances are hereby repealed.

Section 4. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Rosenberg, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

Section 5. Any violation of this Ordinance can be enjoined by a suit filed in the name of the City in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this Ordinance or in the Code of the City.

PASSED AND APPROVED by a vote of _____ “ayes” in favor and _____ “noes” against on this first and final reading in full compliance with the provisions of Section 3.10 of the Charter of the City of Rosenberg on the _____ day of _____, 2014.

ATTEST:

APPROVED:

Linda Cernosek, **City Secretary**

Vincent M. Morales, Jr., **Mayor**

APPROVED AS TO FORM:

Lora Jean D. Lenzsch, **City Attorney**

**CITY OF ROSENBERG
REGULAR COUNCIL MEETING MINUTES**

*****DRAFT*****

On this the 7th day of January, 2014, the City Council of the City of Rosenberg, Fort Bend County, Texas, met in a Regular Session, in the Rosenberg City Hall Council Chamber, located at 2110 4th Street, Rosenberg, Texas.

PRESENT

Vincent M. Morales, Jr.	Mayor
William Benton	Councilor at Large, Position 1
Cynthia McConathy	Councilor at Large, Position 2
Jimmie J. Pena	Councilor, District 1
Dwayne Grigar	Councilor, District 3

ABSENT

Susan Euton	Councilor, District 2
Amanda Bolf	Councilor, District 4

3. **CONSIDERATION OF AND ACTION ON ORDINANCE NO. 2014-01, AN ORDINANCE AMENDING THE CODE OF ORDINANCES BY DELETING EXHIBITS A, B, C, D, AND E AS REFERENCED IN SECTIONS 29-267, 29-268, AND 29-270 OF DIVISION 1, SECTION 29-301 OF DIVISION 2, AND SECTION 29-321 OF DIVISION 3 OF ARTICLE VI OF CHAPTER 29 AND SUBSTITUTING THEREFOR NEW EXHIBITS A, B, C, D, AND E CONCERNING WATER AND WASTEWATER IMPACT FEES; ADOPTING AN UPDATED SERVICE AREA MAP; ADOPTING UPDATED LAND USE ASSUMPTIONS; ADOPTING REVISED MAXIMUM AND EFFECTIVE IMPACT FEES; ADOPTING REVISED WATER AND WASTEWATER IMPROVEMENTS PLANS; PROVIDING FOR CONFLICTS; PROVIDING A SEVERABILITY CLAUSE AND PROVIDING AN EFFECTIVE DATE.**

Executive Summary: The final step in the process to complete the five (5) year update to the water and wastewater impact fees is the adoption of an Ordinance that includes the updated land use assumptions, capital improvements plan and both the maximum and effective water and wastewater impact fees. The fees are based upon system-wide land use assumptions and would be applied equally to all applicable properties located throughout the City Limits and Extraterritorial Jurisdiction. The fees are based upon living unit equivalents (LUE's) utilizing the water meter size. The Impact Fee Advisory Task Force Committee reviewed the updates as prepared by the consulting team and recommended adoption of the maximum fees in the amounts of \$3,471.27 for water and \$1,234.17 for wastewater, based upon a 5/8" X 3/4" water meter for a LUE. Using the maximum fees, the total fee amount for a single-family residential home using this size water meter would be \$4,705.44. The fees for larger water meters are adjusted upwards based upon a nationally recognized standard that is published by the American Water Works Association (AWWA). A copy of said recommendation was provided in the previous Agenda item for the public hearing. It should also be noted the Effective Impact Fee Schedule included under Exhibit "C" does round down the maximum fee to the nearest dollar, or \$0.50. Therefore, the effective impact fee for water is \$3,471.00 and \$1,234.00 for sewer making the total amount \$4,705.00 based upon a 5/8" X 3/4" water meter. An impact fee comparison survey from other area cities has also been included in the packet for reference.

The City Attorney has prepared Ordinance No. 2014-01 and staff recommends adoption of the Ordinance as presented.

Key discussion points:

- John Maresh, Assistant City Manager/Utilities Director read the Executive Summary regarding Ordinance No. 2014-01.

Questions/Comments:

- Councilor Benton stated he got a sprinkler meter at his office in Richmond in the early 2000's and it cost him \$300.00 and he had to pay for the water. They read the meter every month and it cost a minimum of \$20.00 to \$30.00 and they were happy because they picked up another customer.
- He has concern about charging \$3,000 to \$4,000 for residents to add a sprinkler meter in this city. We would be picking up an additional account if we did that and we would make money off of that and the water. Commercial and new development is one thing but for existing residences he does not see the logic in it.
- John Maresh stated the study is based upon the actual demand on the system. Every time a meter is added whether for residential, commercial or irrigation system that puts additional demand on the water system. We have to be able to supply a minimum amount of water based on TCEQ requirements. That takes well capacity, storage capacity, distribution lines, etc. Those numbers were all used in compiling what those costs will be for those capital improvements, therefore we have included it for all meters.
- Councilor Benton asked how you can know this if we don't know where we are in our water deal. We don't know what the future holds with our water source.
- John Maresh stated we do have the costs of those capital projects. We know if we go with the surface water plant we have a good idea of what those costs will be and looking at other comparable alternate sources we have an idea of what those costs will be and that is what was used to base these fees. That is the best information we have at this time.
- Councilor Benton stated he is not convinced we have to charge households \$4,000 for a sprinkler meter.
- John Maresh stated ultimately that is a Council decision. We know at some point we will have to do those capital improvements and the funds will have to come from some source. One avenue to collect those fees is the impact fees for the individuals that are using that and putting that demand on the utility. The other source would be issuing debt which the taxpayers would have to pay.
- Councilor Benton asked if there is a deadline that this has to be approved tonight.
- Lora Lenzsch, City Attorney stated it is thirty days (30) from when the public hearing is held. We still have time. There are other considerations. What John is implying that these rates are including those sprinkler fees. John Maresh stated yes, irrigation fees are included in what is proposed now.
- Councilor Benton stated he would like to hear what Councilor Bolf and Councilor Euton have to say.

Action: Councilor Benton made a motion to table the item until Councilors Bolf and Euton return to get their view.

Further comments:

- Councilor Benton stated that this would still put us in compliance with the thirty days (30) after the public hearing. Other than that, are there any TCEQ deadlines or anything else related to it.
- John Maresh stated the statutory deadline is the thirty day (30) window.
- Councilor Benton stated we could have another public hearing.
- Lora Lenzsch stated yes but we would have to republish it.
- John Maresh stated you start extending that period because when you pass a resolution calling a public hearing there has to be at least thirty days (30) between the date the resolution is approved before you can conduct that public hearing. At that point if you get out too far there is the possibility that someone could challenge those fees since we are beyond that five year window.
- Councilor Benton stated unless we republished for a new public hearing.
- Lora Lenzsch stated there are also provisions that need to have a public hearing within sixty days (60) of the updated plan. The process would start over.

- Councilor McConathy stated that Councilor Bolf and Euton got the same material we did. Did they mention any objections to what we reviewed tonight?
- Councilor Benton stated that Councilor Bolf did but he has not discussed it with Councilor Euton.
- Mayor Morales stated he did not get any information from either one of the Councilors.
- Councilor McConathy asked if the reason for tabling this is just to get Councilor Bolf's opinion as a public record.
- Councilor Benton stated to allow Councilors Bolf and Euton to be in on the discussion and vote.
- Councilor McConathy stated that Councilor Euton did not have any objections to the agenda. She talked to Councilor Euton.
- Councilor Benton stated we would still be in compliance with the deadline. He does not see why it could not wait until the next meeting in January.

Action: Councilor Pena seconded the original motion to table the item. **Upon voting the motion carried by a vote of 3 to 2 as follows: Yeses: Councilors Benton, McConathy and Pena. Noes: Mayor Morales and Councilor Grigar.**



CITY COUNCIL COMMUNICATION

January 21, 2014

ITEM #	ITEM TITLE
5	Ordinance No. 2014-01 - Updating the Water and Wastewater Impact Fee Ordinance

ITEM/MOTION

Consideration of and action on Ordinance No. 2014-01, an Ordinance amending the Code of Ordinances by deleting Exhibits A, B, C, D, and E as referenced in Sections 29-267, 29-268, and 29-270 of Division 1, Section 29-301 of Division 2, and Section 29-321 of Division 3 of Article VI of Chapter 29 and substituting therefor new Exhibits A, B, C, D, and E concerning water and wastewater impact fees; adopting an updated service area map; adopting updated land use assumptions, adopting revised maximum and effective impact fees; adopting revised water and wastewater improvements plans; providing for conflicts; providing a severability clause and providing an effective date.

FINANCIAL SUMMARY

Annualized Dollars:

One-time
 Recurring
 N/A

Budgeted:

Yes No N/A

Source of Funds: N/A

ELECTION DISTRICT

District 1
 District 2
 District 3
 District 4
 City-wide
 ETJ

SUPPORTING DOCUMENTS:

MUD #: ETJ MUDs

1. Ordinance No. 2014-01
2. Water and Wastewater Impact Fee Update – October 2013
3. Water/Wastewater Impact Fee Advisory Task Force Recommendation – 11-01-13
4. Water/Wastewater Impact Fee Comparison Survey
5. City Council Meeting Draft Minute Excerpt – 01-07-14 – Please refer to previous Agenda item

APPROVALS

Submitted by:

John Maresh

John Maresh
Assistant City Manager

Reviewed by:

Finance Director *[Signature]*
 City Attorney *LJL/rlm*
 City Engineer
 Assistant City Manager
 (Other)

Approved for Submittal to City Council:

Robert Gracia

Robert Gracia
City Manager

EXECUTIVE SUMMARY

The final step in the process to complete the five (5) year update to the water and wastewater impact fees is adoption of an Ordinance that includes the updated land use assumptions, capital improvements plan and both the maximum and effective water and wastewater impact fees. The fees are based upon system-wide land use assumptions and would be applied equally to all applicable properties located throughout the City Limits and Extraterritorial Jurisdiction. The fees are based upon living unit equivalents (LUE's) utilizing the water meter size. The Impact Fee Advisory Task Force Committee reviewed the updates as prepared by the consulting team and recommended adoption of the maximum fees in the amounts of \$3,471.27 for water and \$1,234.17 for wastewater, based upon a 5/8" X 3/4" water meter for a LUE. Using the maximum fees, the total fee amount for a single-family residential home using this size water meter would be \$4,705.44. The fees for larger water meters are adjusted upwards based upon a nationally recognized standard that is published by the American Water Works Association (AWWA). A copy of said recommendation is included in the packet. The Effective Impact Fee Schedule included under Exhibit "C" does round down the maximum fee to the nearest dollar, or \$0.50. Therefore, the effective impact fee for water is \$3,471.00 and \$1,234.00 for sewer making the total amount \$4,705.00 based upon a 5/8" X 3/4" water meter. An impact fee comparison survey from other area cities has also been included in the packet for reference.

This Ordinance was considered at the January 07, 2014 City Council Meeting after the required public hearing

was held and action was taken to table the item. Chapter 395.057 of the Local Government Code requires City Council to either approve or disapprove the amendments within thirty (30) days after the date of the public hearing held January 07, 2014.

Staff recommends adoption of Ordinance No. 2014-01 as presented.

ORDINANCE NO. 2014-01

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF ROSENBERG, TEXAS, BY DELETING EXHIBITS A, B, C, D, AND E AS REFERENCED IN SECTIONS 29-267, 29-268, AND 29-270 OF DIVISION 1, SECTION 29-301 OF DIVISION 2, AND SECTION 29-321 OF DIVISION 3 OF ARTICLE VI OF CHAPTER 29 AND SUBSTITUTING THEREFOR NEW EXHIBITS A, B, C, D, AND E CONCERNING WATER AND WASTEWATER IMPACT FEES; ADOPTING AN UPDATED SERVICE AREA MAP; ADOPTING UPDATED LAND USE ASSUMPTIONS; ADOPTING REVISED MAXIMUM AND EFFECTIVE IMPACT FEES; ADOPTING REVISED WATER AND WASTEWATER IMPROVEMENTS PLANS; PROVIDING FOR CONFLICTS; PROVIDING A SEVERABILITY CLAUSE AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Rosenberg, pursuant to Chapter 395 of the Texas Local Government Code, adopted a Water and Wastewater Impact Fee Ordinance (Article VI of Chapter 29 of the City's Code of Ordinances) on December 16, 2008; and,

WHEREAS, Chapter 395 provides procedures for updating land use assumptions, capital improvements plans and impact fees; and,

WHEREAS, Chapter 395, requires a City imposing an impact fee to update the land use assumptions and capital improvements plans at least every five years; and,

WHEREAS, pursuant to Chapter 395, the City retained qualified professionals to prepare land use assumptions, and water and wastewater improvements plans to calculate impact fees; and,

WHEREAS, in accordance with the requirements of Chapter 395, notice has been published, public hearings held and written recommendations prepared and

received by qualified professionals concerning the revised land use assumptions and impact fees for water improvements plan and wastewater improvements plan; and,

WHEREAS, the City Council finds that it is in the best interest of the citizens of the City to adopt the following: revised service area map; revised land use assumptions, revised maximum and effective impact fees; revised water improvements plan, revised wastewater improvements plan; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ROSENBERG:

Section 1. The facts and recitations contained in the preamble of this Ordinance are hereby found to be true and correct.

Section 2.

A. **Service Area Map.** The service area map for the City of Rosenberg is hereby updated as provided for in Section 29-267 of the City of Rosenberg Code of Ordinances, by replacing Exhibit “A” of Ordinance No. 2008-50 with Exhibit “A” of this amendatory ordinance, which updates the service area map for the City, and which is attached hereto and incorporated herein by reference as if fully set forth.

B. **Land Use Assumptions.** The land use assumptions for the City of Rosenberg are hereby updated, as provided in Section 29-268 of the City of Rosenberg Code of Ordinances, by replacing Exhibit “B” of Ordinance No. 2008-50 with Exhibit “B” of this amendatory ordinance, which updates the land use assumptions for the City, and which is attached hereto and incorporated herein by reference as if fully set forth.

C. **Impact Fees.** The maximum and effective impact fees for the City of Rosenberg are hereby updated, as provided in Section 29-270 of the City of Rosenberg Code of Ordinances, by replacing Exhibit “C” of Ordinance No. 2008-50 with Exhibit “C” of this amendatory ordinance, which updates the maximum and effective impact fees for the City, and which is attached hereto and incorporated herein by reference as if fully set forth.

D. **Water Improvements Plan.** The water improvements plan for the City of Rosenberg is hereby updated, as provided in Section 29-301 of the City of Rosenberg Code of Ordinances, by replacing Exhibit “D” of Ordinance No. 2008-50 with Exhibit “D” of this amendatory ordinance, which updates the water improvements plan for the City, and which is attached hereto and incorporated herein by reference as if fully set forth.

E. **Wastewater Improvements Plan.** The wastewater improvements plan for the City of Rosenberg is hereby updated, as provided in Section 29-321 of the City of Rosenberg Code of Ordinances, by replacing Exhibit “E” of Ordinance No. 2008-50 with Exhibit “E” of this amendatory ordinance, which updates the wastewater improvements plan for the City, and which is attached hereto and incorporated herein by reference as if fully set forth.

Section 3. This Ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City. This Ordinance shall not operate to repeal or affect any other ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such other ordinances are hereby repealed.

Section 4. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Rosenberg, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

Section 5. This ordinance shall be effective from and after January 21, 2014.

PASSED AND APPROVED by a vote of _____ “ayes” in favor and _____ “noes” against on this first and final reading in full compliance with the provisions of Section 3.10 of the Charter of the City of Rosenberg on the _____ day of _____, 2014.

ATTEST:

APPROVED:

Linda Cernosek, **City Secretary**

Vincent M. Morales, Jr., **Mayor**

APPROVED AS TO FORM:

Lora Jean D. Lenzsch, **City Attorney**

EXHIBIT A
SERVICE AREA MAP

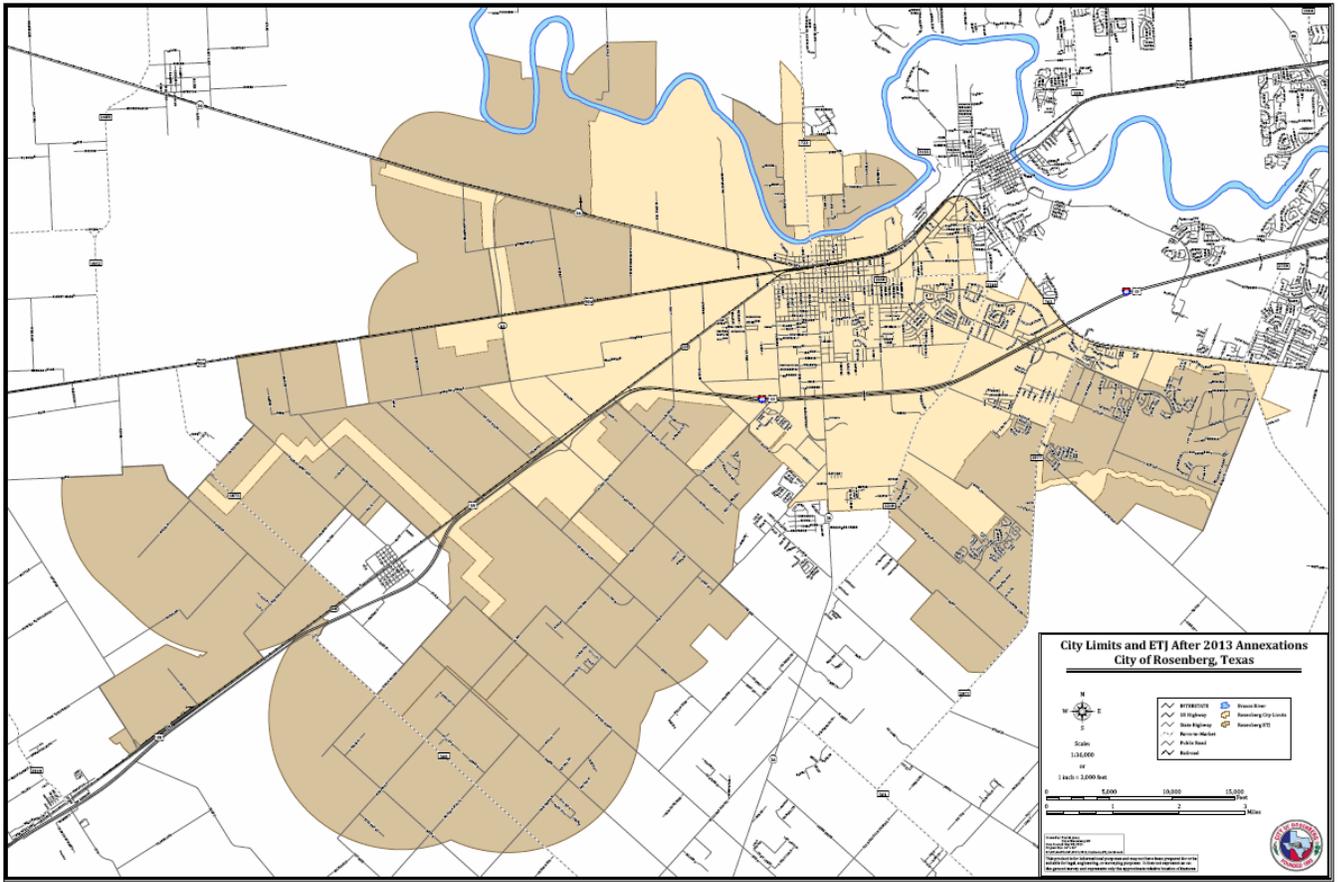


EXHIBIT B
LAND USE ASSUMPTIONS

TABLE 1
POPULATION AND LAND USE PROJECTIONS FOR THE CITY OF ROSENBERG
(INCLUDES CITY LIMITS AND ET J)

LAND USE	2013		2018		Full Buildout		LAND USE ACRES PER 100 POPULATION
	ACRES	%	ACRES	%	ACRES	%	
Single-Family Residential	12,508	18.10%	15,010	21.72%	42,957	62.17%	26.3
Multi-Family	150	0.22%	180	0.26%	515	0.75%	0.3
Commercial	2,094	3.03%	2,513	3.64%	7,192	10.41%	4.4
Industrial	1,946	2.82%	2,336	3.38%	6,683	9.67%	4.1
Public	3,422	4.95%	4,106	5.94%	11,752	17.01%	7.2
Undeveloped	48,980	70.88%	44,955	65.06%	0	0.00%	
TOTAL ACREAGE	69,100	100.00%	69,100	100.00%	69,100	100.00%	42.3
Population	47,533		57,201		163,247		
Water Service Population	35,434		42,641		163,247		
Sewer Service Population	31,505		37,912		163,247		
Water LUEs	16,769		20,179		77,254		
Sewer LUEs	14,909		17,941		77,254		
Population per Urban Acres	2.36		2.37		2.36		
Population per Total Acres	0.69		0.83		2.36		

Source: City of Rosenberg, May 20, 2013. Land Use & Population Projections.docx.

EXHIBIT C
MAXIMUM AND EFFECTIVE IMPACT FEES

**TABLE 13
DERIVATION OF MAXIMUM WATER AND WASTEWATER DEVELOPMENT FEES
THROUGH THE EQUITY RESIDUAL MODEL**

UTILITY / FACILITY TYPE	CONSTRUCTION COSTS	ALTERNATIVE ADJUSTMENT		MAXIMUM FEE AMOUNT		HIGHER OF A or B
		A Rate Credit	B 50% Adjustment *	A Rate Credit	B 50% Adjustment *	
<u>WATER UTILITY</u>						
Supply	\$2,630.47	\$65.69	\$1,315.24	\$2,564.78	\$1,315.24	\$2,564.78
Pumping	\$177.72	\$0.00	\$88.86	\$177.72	\$88.86	\$177.72
Treated Ground Storage	\$65.09	\$2.32	\$32.55	\$62.77	\$32.55	\$62.77
Treated Elevated Storage	\$202.82	\$1.66	\$101.41	\$201.16	\$101.41	\$201.16
Major Transmission	\$459.07	\$0.58	\$229.54	\$458.49	\$229.54	\$458.49
CIP/Study Costs	\$6.35	\$0.00	\$3.18	\$6.35	\$3.18	\$6.35
<i>Subtotal Water</i>	\$3,541.52	\$70.25	\$1,770.76	\$3,471.27	\$1,770.76	\$3,471.27
<u>WASTEWATER UTILITY</u>						
Treatment	\$685.74	\$77.31	\$342.87	\$608.43	\$342.87	\$608.43
Pumping	\$176.64	\$0.00	\$88.32	\$176.64	\$88.32	\$176.64
Major Collection	\$454.72	\$12.77	\$227.36	\$441.95	\$227.36	\$441.95
CIP/Study Costs	\$7.15	\$0.00	\$3.57	\$7.15	\$3.57	\$7.15
<i>Subtotal Wastewater</i>	\$1,324.25	\$90.08	\$662.12	\$1,234.17 [a]	\$662.12 [a]	\$1,234.17 [a]
TOTAL WATER AND WASTEWATER UTILITIES	\$4,865.77	\$160.33	\$2,432.89	\$4,705.44 [a]	\$2,432.89 [a]	\$4,705.44 [a]

* Totals may not add due to rounding.

(a) Feepayers requiring construction of additional new lift stations will also be charged the cost of their prorata share of the facilities.

TABLE 14
MAXIMUM IMPACT FEES FOR VARIOUS WATER METER SIZES
CITY OF ROSENBERG

METER TYPE	METER SIZE	MULTIPLIER	MAXIMUM IMPACT FEE		
			WATER	SEWER	BOTH
SIMPLE	5/8" x 3/4"	1.000	\$3,471.27	\$1,234.17	\$4,705.44
SIMPLE	3/4"	1.500	\$5,206.91	\$1,851.26	\$7,058.17
SIMPLE	1"	2.500	\$8,678.18	\$3,085.43	\$11,763.61
SIMPLE	1-1/2"	5.000	\$17,356.35	\$6,170.85	\$23,527.20
SIMPLE	2"	8.000	\$27,770.16	\$9,873.36	\$37,643.52
COMPOUND	2"	8.000	\$27,770.16	\$9,873.36	\$37,643.52
TURBINE	2"	10.000	\$34,712.70	\$12,341.70	\$47,054.40
COMPOUND	3"	16.000	\$55,540.32	\$19,746.72	\$75,287.04
TURBINE	3"	24.000	\$83,310.48	\$29,620.08	\$112,930.56
COMPOUND	4"	25.000	\$86,781.75	\$30,854.25	\$117,636.00
TURBINE	4"	42.000	\$145,793.34	\$51,835.14	\$197,628.48
COMPOUND	6"	50.000	\$173,563.50	\$61,708.50	\$235,272.00
TURBINE	6"	92.000	\$319,356.84	\$113,543.64	\$432,900.48
COMPOUND	8"	80.000	\$277,701.60	\$98,733.60	\$376,435.20
TURBINE	8"	160.000	\$555,403.20	\$197,467.20	\$752,870.40
COMPOUND	10"	115.000	\$399,196.05	\$141,929.55	\$541,125.60
TURBINE	10"	250.000	\$867,817.50	\$308,542.50	\$1,176,360.00
TURBINE	12"	330.000	\$1,145,519.10	\$407,276.10	\$1,552,795.20

TABLE 14
EFFECTIVE (COLLECTED) IMPACT FEES FOR VARIOUS WATER METER SIZES
CITY OF ROSENBERG

METER TYPE	METER SIZE	MULTIPLIER	EFFECTIVE (COLLECTED) IMPACT FEE		
			WATER	SEWER	BOTH
SIMPLE	5/8" x 3/4"	1.000	\$3,471.00	\$1,234.00	\$4,705.00
SIMPLE	3/4"	1.500	\$5,206.50	\$1,851.00	\$7,057.50
SIMPLE	1"	2.500	\$8,677.50	\$3,085.00	\$11,762.50
SIMPLE	1-1/2"	5.000	\$17,355.00	\$6,170.00	\$23,525.00
SIMPLE	2"	8.000	\$27,768.00	\$9,872.00	\$37,640.00
COMPOUND	2"	8.000	\$27,768.00	\$9,872.00	\$37,640.00
TURBINE	2"	10.000	\$34,710.00	\$12,340.00	\$47,050.00
COMPOUND	3"	16.000	\$55,536.00	\$19,744.00	\$75,280.00
TURBINE	3"	24.000	\$83,304.00	\$29,616.00	\$112,920.00
COMPOUND	4"	25.000	\$86,775.00	\$30,850.00	\$117,625.00
TURBINE	4"	42.000	\$145,782.00	\$51,828.00	\$197,610.00
COMPOUND	6"	50.000	\$173,550.00	\$61,700.00	\$235,250.00
TURBINE	6"	92.000	\$319,332.00	\$113,528.00	\$432,860.00
COMPOUND	8"	80.000	\$277,680.00	\$98,720.00	\$376,400.00
TURBINE	8"	160.000	\$555,360.00	\$197,440.00	\$752,800.00
COMPOUND	10"	115.000	\$399,165.00	\$141,910.00	\$541,075.00
TURBINE	10"	250.000	\$867,750.00	\$308,500.00	\$1,176,250.00
TURBINE	12"	330.000	\$1,145,430.00	\$407,220.00	\$1,552,650.00

EXHIBIT D
WATER IMPROVEMENTS PLAN

**TABLE 2
ASSUMPTIONS USED IN IMPACT FEE CALCULATION
WATER UTILITY**

FACTOR	VALUE	RATIONALE
<u>WATER DEMAND ASSUMPTIONS:</u>		
Peak Day Demand	409	gallons per capita daily
Persons per LUE	2.11	
Supply (Peak Day)	409	gallons/capita/daily
	864	gallons/LUE/daily (TCEQ Requirement)
Booster Pump Facilities (Peak Hr w/ Largest Pump Out of Service)	409	gallons/capita/daily
	864	gallons/LUE/daily (TCEQ Requirement)
Total Storage Facilities	95	gallons/capita
	200	gallons/LUE (TCEQ Requirement)
Elevated Storage Facilities	47	gallons/capita
	100	gallons/LUE (TCEQ Requirement)
Major Transmission	1,022	gallons/capita/daily
	2,160	gallons/LUE/daily (TRC Engineers)
<u>FUTURE BONDING ASSUMPTIONS:</u>		
Soft Costs	2.00%	of principal
Interest Rate	4.50%	annually, according to Joyce Vasut, City of Rosenberg
Term	20 years	according to Joyce Vasut, City of Rosenberg

**TABLE 5
METER COUNT AND ESTIMATION OF SERVICE UNITS EQUIVALENT
WATER UTILITY
CITY OF ROSENBERG**

METER SIZE Excluding Residential and Wholesale Master Meters	LUEs PER METER (a)	RETAIL, EXC. RES. MASTER METERS		WHOLESALE (Behind Master Meter)		TOTAL LUEs
		METERS	SUBTOTAL LUEs	METERS	SUBTOTAL LUEs	
5/8" and 3/4"	1.000	8,400	8,400	1,347	1,347	
3/4"	1.500		0		0	
1"	2.500	320	800	5	13	
1-1/4, 1-1/2	5.000	129	645	1	5	
2"	8.000	527	4,216	16	128	
3"	16.000	30	480		0	
4"	25.000	16	400	1	25	
6"	50.000	3	150		0	
8"	80.000	2	160		0	
10"	115.000		0		0	
12"	330.000		0		0	
Total		9,427	15,251	1,370	1,518	16,769
Population per LUE						2.11

(a) Derived from AWWA C700-C703 standards for continuous rated flow performance of meters scaled to 5/8" meter.

(b) Source: City of Rosenberg, #4 Active Meters.xlsx", 2013; for wholesale - Luis Garza, July 18 2013.

**TABLE 6
ESTIMATED SERVICE DEMAND BY FACILITY TYPE
WATER UTILITY**

FACILITY TYPE/LAND USE	VOLUME		
	2013	2018	BUILDOUT
<u>AVERAGE DEMAND (MGD) (a):</u>	14.488	17.435	66.747
Gallons per LUE daily	864	864	864
<u>TOTAL SERVICE UNITS (b)</u>	16,769	20,179	77,254
<u>WATER SUPPLY MGD (c):</u>			
Estimated Demand	14.488	17.435	66.747
Existing Capacity (g)	12.464	12.464	12.464
<i>Excess/(Deficiency)</i>	-2.024	-4.971	-54.283
<u>PUMPING MGD (d)</u>			
Estimated Demand	14.488	17.435	66.747
Existing Capacity (g)	24.013	24.013	24.013
<i>Excess/(Deficiency)</i>	9.525	6.578	-42.734
<u>GROUND STORAGE MG: (e)</u>			
Estimated Demand	1.677	2.018	7.725
Existing Capacity (g)	3.866	3.866	3.866
<i>Excess/(Deficiency)</i>	2.189	1.848	-3.859
<u>ELEVATED STORAGE MG: (f)</u>			
Estimated Demand	1.677	2.018	7.725
Existing Capacity (g)	1.850	1.850	1.850
<i>Excess/(Deficiency)</i>	0.173	-0.168	-5.875

(a) Average demand = 409 gals/capita/daily
864 gallons/LUE/daily

(b) 2013 LUE's based on count of equivalent meters. 2018 LUE's determined by 2013 persons per LUE:
LUE = 2.11 persons.

(c) Capacity Demand = 409 gals/capita/daily
864 gallons/LUE/daily

(d) Capacity Demand = 409 gals/capita/daily
864 gallons/LUE/daily

(e) Capacity Demand = 95 gals/capita/daily
200 gallons/LUE/daily

(f) Capacity Demand = 47 gals/capita/daily
100 gallons/LUE/daily

(g) Existing Capacity details are contained in

TABLE 8

TABLE 8
CIP INVENTORY AND COSTING
WATER UTILITY

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
WATER SUPPLY							
EXISTING FACILITIES							
			<u>AVE. MGD</u>				
Water Well No. 3	\$0	0.576	0.576	0.000	0.000	\$0	
Water Well No. 4	\$65,300	0.613	0.613	0.000	0.000	\$0	
Water Well No. 5A	\$822,176	2.592	2.592	0.000	0.000	\$0	
Water Well No. 6	\$27,000	2.448	2.448	0.000	0.000	\$0	
Water Well No. 7	\$0	2.621	2.621	0.000	0.000	\$0	
Water Well No. 8	\$484,500	1.022	1.022	0.000	0.000	\$0	
Water Well No. 9 (Reading Road)	\$934,650	2.592	2.592	0.000	0.000	\$0	
Subtotal Existing Supply	\$2,333,626	12.464	12.464	0.000	0.000	\$0	
FUTURE FACILITIES							
Water Plant No. 5 (Well No. 9A)	\$1,395,000	2.592	1.012	0.573	1.007	\$308,385	
Water Plant No. 10 (Well No. 10)	\$1,181,000	2.592	1.012	0.574	1.006	\$261,533	
Alternate Water Plant	\$14,000,000	3.000	0.000	1.800	1.200	\$8,400,000	
Subtotal Future Supply	\$16,576,000	8.184	2.024	2.947	3.213	\$8,969,919	
TOTAL WATER SUPPLY	\$18,909,626	20.648	14.488	2.947	3.213	\$8,969,919	\$2,630.47
PUMPING							
EXISTING FACILITIES							
			<u>PEAK MGD</u>				
Water Plant No. 1	\$20,000	1.189	1.189	0.000	0.000	\$0	
Water Plant No. 2	\$125,000	4.032	3.630	0.402	0.000	\$12,463	
Water Plant No. 3	\$158,592	2.880	2.880	0.000	0.000	\$0	
Water Plant No. 4	\$76,000	4.320	3.620	0.700	0.000	\$12,315	
Water Plant No. 5	\$100,000	1.152	0.576	0.250	0.326	\$21,701	
Water Plant No. 5 Expansion	\$1,392,373	1.080	0.000	0.250	0.830	\$322,309	
Water Plant No. 6	\$500,000	9.360	2.592	0.345	6.423	\$18,429	
Subtotal Existing Pumpage	\$2,371,965	24.013	14.487	1.947	7.579	\$387,217	
FUTURE FACILITIES							
Water Plant No. 7	\$726,000	2.448	0.000	0.500	1.948	\$148,284	
Water Plant No. 10	\$731,333	5.184	0.000	0.500	4.684	\$70,538	
Subtotal Future Pumpage	\$1,457,333	7.632	0.000	1.000	6.632	\$218,822	
TOTAL WATER PUMPAGE	\$3,829,298	31.645	14.487	2.947	14.211	\$606,039	\$177.72

**TABLE 8
CIP INVENTORY AND COSTING
WATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
<u>GROUND STORAGE</u>							
<u>EXISTING FACILITIES</u>							
			<u>MG</u>				
Water Plant No. 2	\$177,800	1.000	0.460	0.057	0.483	\$10,135	
Water Plant No. 3	\$104,220	1.000	0.460	0.057	0.483	\$5,941	
Water Plant No. 4	\$350,000	1.000	0.460	0.114	0.426	\$39,900	
Water Plant No. 5	\$595,000	0.566	0.033	0.000	0.533	\$0	
Water Plant No. 6	\$400,000	0.300	0.264	0.036	0.000	\$48,000	
Subtotal Existing Facilities	\$1,627,020	3.866	1.677	0.264	1.925	\$103,975	
<u>FUTURE FACILITIES</u>							
Water Plant No. 6	\$1,400,000	0.700	0.000	0.026	0.674	\$51,333	
Water Plant No. 7	\$401,000	0.270	0.000	0.026	0.244	\$38,120	
Water Plant No. 10	\$1,111,000	1.000	0.000	0.026	0.974	\$28,516	
Subtotal Future Facilities	\$2,912,000	1.970	0.000	0.077	1.893	\$117,969	
TOTAL GROUND STORAGE	\$4,539,020	5.836	1.677	0.341	3.818	\$221,944	\$65.09
<u>ELEVATED STORAGE</u>							
<u>EXISTING FACILITIES</u>							
			<u>MG</u>				
Water Plant No. 1	\$332,283	0.150	0.150	0.000	0.000	\$0	
Water Plant No. 3	\$159,028	0.200	0.200	0.000	0.000	\$0	
Elevated Storage Tank No. 3	\$90,222	0.500	0.500	0.000	0.000	\$0	
Water Plant No. 4	\$142,495	1.000	0.827	0.057	0.116	\$8,122	
Subtotal Existing Facilities	\$724,028	1.850	1.677	0.057	0.116	\$8,122	
<u>FUTURE FACILITIES</u>							
Water Plant No. 6 (FM2977)	\$2,435,500	1.000	0.000	0.244	0.756	\$594,262	
Water Plant No. 10	\$2,231,000	1.000	0.000	0.040	0.960	\$89,240	
Subtotal Future Facilities	\$4,666,500	2.000	0.000	0.284	1.716	\$683,502	
TOTAL ELEVATED STORAGE	\$5,390,528	3.850	1.677	0.341	1.832	\$691,624	\$202.82

**TABLE 8
CIP INVENTORY AND COSTING
WATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
MAJOR TRANSMISSION LINES							
EXISTING FACILITIES							
			<u>MGD</u>				
Hwy. 36 - Albis to Walnut St. (12")	\$150,000	2.538	0.709	0.020	1.810	\$1,162	
Ave. I - City Limit to Austin St. (12")	\$57,300	2.538	0.709	0.020	1.810	\$444	
Lane Drive - Ave. I to Westwood Dr. (12")	\$29,700	2.538	0.709	0.020	1.810	\$230	
Reading Rd. - Ave. I to Water Plant #6 (12")	\$70,200	2.538	0.709	0.020	1.810	\$544	
Town Center Blvd. - Radio Lane to Commercial Dr. (12")	\$70,200	2.538	0.709	0.020	1.810	\$544	
SH 36 - Albis to Walnut St. (12")	\$34,000	2.538	0.709	0.020	1.810	\$263	
FM2218 - US 59 to Richmond Interconnect (12")	\$58,800	2.538	0.709	0.020	1.810	\$455	
Vista Dr. - Town Center Blvd. to Reading Rd. (12")	\$34,800	2.538	0.709	0.020	1.810	\$270	
Commercial Dr. - Vista Dr. to Town Center Blvd. (12")	\$33,600	2.538	0.709	0.020	1.810	\$260	
Access Rd. Home Depot - Vista Dr. to Town Center Blvd. (12")	\$24,000	2.538	0.709	0.020	1.810	\$186	
Spacek Rd. - US 59 to Byran Rd. (12")	\$265,338	2.538	0.709	0.275	1.554	\$28,750	
Reading Center - US 59 to Spacek Rd. (12")	\$22,800	2.538	0.709	0.020	1.810	\$177	
Spacek Rd. - Reading Rd. to Brazos Crossing (12")	\$12,800	2.538	0.709	0.020	1.810	\$99	
Brazos Crossing - Spacek Rd. to Winding Lakes Lane (12")	\$83,000	2.538	0.709	0.020	1.810	\$643	
Winding Lakes Lane - Brazos Crossing to FM2977 (12")	\$11,000	2.538	0.709	0.020	1.810	\$85	
FM2977 - Reading Rd. to FM762 (12")	\$40,000	2.538	0.709	0.020	1.810	\$310	
Winding Lakes Lane - FM2977 to Summer Night (12")	\$11,000	2.538	0.709	0.020	1.810	\$85	
Summer Night - Winding Lakes Lane to Summer Shore (12")	\$9,900	2.538	0.709	0.020	1.810	\$77	
Summer Shore - Summer Night to Summer Mist (12")	\$14,300	2.538	0.709	0.020	1.810	\$111	
Summer Mist - Summer Shore to Reading Rd. (12")	\$13,200	2.538	0.709	0.020	1.810	\$102	
Reading Rd. - FM2977 to Reading Rd. (16")	\$165,000	4.512	1.260	0.275	2.977	\$10,057	
US 59 - Bamore Rd. to FM2218 (12")	\$162,000	2.538	0.709	0.275	1.554	\$17,553	
Ave. N - Radio Lane to Alamo St. (12")	\$23,400	2.538	0.709	0.020	1.810	\$181	
Alamo St. - Ave. N to Water Plant #2 (12")	\$4,200	2.538	0.709	0.020	1.810	\$33	
SH 36 - US 59 to J. Meyer Rd. (12")	\$84,000	2.538	0.709	0.020	1.810	\$651	
Band Rd. - SH 36 to City Limit (12")	\$54,000	2.538	0.709	0.020	1.810	\$418	
Bamore Rd. - Ave I to Wild Cotton Rd. (12")	\$200,000	2.538	0.709	0.020	1.810	\$1,549	
Grunwald Heights Blvd. - Bamore Rd. to Water Plant #3 (12")	\$7,200	2.538	0.709	0.020	1.810	\$56	
Magnolia Dr. - Bamore Rd. to Elevated Tank (12")	\$8,400	2.538	0.709	0.020	1.810	\$65	
Spur 529 - Bamore Rd. to City Limit (12")	\$66,000	2.538	0.709	0.020	1.810	\$511	
Rude Rd. - Spur 529 to US 90A (12")	\$19,200	2.538	0.709	0.020	1.810	\$149	
Seatex Ltd - US 90A to SH 36 (12")	\$20,400	2.538	0.709	0.020	1.810	\$158	
Walnut St. - SH 36 to Willow (12")	\$16,000	2.538	0.709	0.020	1.810	\$124	
Willow - Walnut to Ave. D (12")	\$11,000	2.538	0.709	0.020	1.810	\$85	
Austin St. - Ave. I to Water Plant #2 (12")	\$9,000	2.538	0.709	0.020	1.810	\$70	
Ave. I - Bamore Rd. to 2nd St. (12")	\$22,800	2.538	0.709	0.020	1.810	\$177	
Airport - FM2218 to Louise St. (12")	\$40,500	2.538	0.709	0.020	1.810	\$314	
J. Meyer Rd. - SH 36 to MUD 147E (12")	\$48,000	2.538	0.709	0.020	1.810	\$372	
Bryan Rd. - Spacek to FM2977 (16")	\$93,000	4.512	1.260	0.275	2.977	\$5,668	
FM2977 - Bryan Rd. to Irby Cobb (16")	\$45,000	4.512	1.260	0.275	2.977	\$2,743	
Irby Cobb - FM2977 to East (16")	\$180,000	4.512	1.260	0.276	2.976	\$11,011	
Rohan Rd. - Grand Rapids to Tori (12")	\$134,750	2.538	0.709	0.020	1.810	\$1,044	
Cottonwood Church Rd. - Water Plant #5 to US 59 (12")	\$12,000	2.538	0.709	0.020	1.810	\$93	
US 59 - Cottonwood Church Rd. to Spur 529 (12")	\$13,200	2.538	0.709	0.020	1.810	\$102	
Bryan Road - Dry Creek to Spacek Rd. (12")	\$312,661	2.538	0.709	0.020	1.810	\$2,422	
Louise Street - US 59 to Ave. N (12")	\$351,520	2.538	0.709	0.020	1.810	\$2,723	
Reading Road - Benton Rd. to East (12")	\$386,413	2.538	0.709	0.020	1.810	\$2,993	
Spur 529 US Hwy 59 to City Limit (12")	\$843,839	2.538	0.709	0.020	1.810	\$6,536	
Subtotal Existing Facilities	\$4,379,421	129.720	36.221	2.477	91.022	\$102,652	

**TABLE 8
CIP INVENTORY AND COSTING
WATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
FUTURE FACILITIES							
Alternate Water Transmission Lines (42", 36", 30" & 24")	\$5,495,200	31.023	0.000	1.800	29.223	\$318,840	
US Hwy 59-Spur 529 to Bamore Road (12")	\$953,000	2.538	0.000	0.313	2.225	\$117,529	
US 59 (Reading Road to Dry Creek to Bryan Rd) (8")	\$53,000	1.128	0.000	0.313	0.815	\$14,707	
US Hwy 90A-Spur 10 to Rude Road (12")	\$1,584,000	2.538	0.000	0.313	2.225	\$195,348	
West Distribution Line along Spur 10 (16")	\$3,159,000	4.512	0.000	0.313	4.199	\$219,142	
Water Plant #7 to FM2218 to US Hwy 59 (16")	\$1,601,000	4.512	0.000	0.313	4.199	\$111,062	
Water Plant #4 South to US Hwy 59 to Louise St. to FM 2218 (12")	\$635,000	2.538	0.000	0.313	2.225	\$78,312	
Benton Road to Reading Road to Irby Cobb Blvd. (16")	\$857,000	4.512	0.000	0.313	4.199	\$59,451	
North Distribution Line along SH 36 from NW Water Plant (16")	\$3,624,000	4.512	0.000	0.313	4.199	\$251,399	
Water Plant #5 to Cottonwood Church Rd Loop (12")	\$1,238,550	2.538	0.000	0.020	2.518	\$9,760	
Rohan Rd to Reading Rd along Benton (12" and 16")	\$371,100	2.538	0.000	0.313	2.225	\$45,766	
FM 2977 Water Line Extension (16")	\$592,000	4.512	0.000	0.316	4.196	\$41,461	
Subtotal Future Facilities	\$20,162,850	67.401	0.000	4.953	62.448	\$1,462,775	
TOTAL TRANSMISSION LINES	\$24,542,271	197.121	36.221	7.430	153.470	\$1,565,427	\$459.07
TOTALS	\$57,210,743					\$12,054,953	\$3,535.17

(a) Assumes the following gals to LUE conversion factors

Supply:	864 gals daily
Pumpage:	864 gals daily
Ground Storage:	100 gals
Elevated Storage:	100 gals
Transmission:	2,160 gals daily

**TABLE 11
CATEGORIZATION OF UTILITY DEBT
WATER UTILITY**

FACILITY TYPE / NAME	BOND ISSUE			FACILITY CAPACITY		TOTAL DEBT	
	ISSUANCE DATE	ISSUANCE AMOUNT (a)	REMAINING PRINCIPAL	TOTAL	FOR CURRENT CUSTOMERS	PER CURRENT LUE	
WATER SUPPLY							
Water Well No. 9 (Reading Road)	Refunding	2010	\$660,535	\$103,209	2.592	2.592	\$6.15
Water Plant No. 5 (Well No. 9A)	CO	2012	\$843,517	\$801,341	2.592	1.012	\$18.66
Water Plant No. 5 (Well No. 9A)	CO	2013	\$569,865	\$550,870	2.592	1.012	\$12.83
Water Plant No. 10 (Well No. 10)	Prospective		\$1,204,620	\$1,204,620	2.592	1.012	\$28.05
Alternate Water Plant	Prospective		\$14,280,000	\$14,280,000	3.000	0.000	\$0.00
Subtotal Supply			\$17,558,538	\$16,940,040			\$65.69
PUMPING							
Water Plant No. 5 Expansion	CO	2012	\$1,432,849	\$1,361,207	1.080	0.000	\$0.00
Water Plant No. 7	Prospective		\$740,520	\$740,520	2.448	0.000	\$0.00
Water Plant No. 10	Prospective		\$745,960	\$745,960	5.184	0.000	\$0.00
Subtotal Pumping			\$1,486,480	\$1,486,480			\$0.00
GROUND STORAGE							
Water Plant No. 5	CO	2012	\$612,297	\$581,682	0.566	0.033	\$2.02
Water Plant No. 6	Refunding	2010	\$282,688	\$44,170	0.300	0.264	\$2.32
Water Plant No. 6	Prospective		\$1,428,000	\$1,428,000	0.700	0.000	\$0.00
Water Plant No. 7	Prospective		\$409,020	\$409,020	0.270	0.000	\$0.00
Water Plant No. 10	Prospective		\$1,133,220	\$1,133,220	1.000	0.000	\$0.00
Subtotal Ground Storage			\$3,252,928	\$3,014,410			\$2.32
ELEVATED STORAGE							
Water Plant No. 1	Refunding	2010	\$178,196	\$27,843	0.150	0.150	\$1.66
Water Plant No. 6 (FM2977)	Prospective		\$2,484,210	\$2,484,210	1.000	0.000	\$0.00
Water Plant No. 10	Prospective		\$2,231,000	\$2,231,000	1.000	0.000	\$0.00
Subtotal Elevated Storage			\$4,893,406	\$4,743,053			\$1.66
MAJOR TRANSMISSION							
Reading Road Water	Refunding	2010	\$207,225	\$32,379	100.0%	27.9%	\$0.54
Reading Road Water	Refunding	2010	\$15,904	\$2,485	1.000	0.279	\$0.04
Alternate Water Transmission Lines (42", 36", 30" & 24")	Prospective		\$5,605,104	\$5,605,104	31.023	0.000	\$0.00
US Hwy 59-Spur 529 to Bamore Road (12")	Prospective		\$972,060	\$972,060	2.538	0.000	\$0.00
US 59 (Reading Road to Dry Creek to Bryan Rd) (8")	Prospective		\$54,060	\$54,060	1.128	0.000	\$0.00
US Hwy 90A-Spur 10 to Rude Road (12")	Prospective		\$1,615,680	\$1,615,680	2.538	0.000	\$0.00
West Distribution Line along Spur 10 (16")	Prospective		\$3,222,180	\$3,222,180	4.512	0.000	\$0.00
Water Plant #7 to FM2218 to US Hwy 59 (16")	Prospective		\$1,633,020	\$1,633,020	4.512	0.000	\$0.00
Water Plant #4 South to US Hwy 59 to Louise St. to FM2218 (12")	Prospective		\$647,700	\$647,700	2.538	0.000	\$0.00
Benton Road to Reading Road to Irby Cobb Blvd. (16")	Prospective		\$874,140	\$874,140	4.512	0.000	\$0.00
North Distribution Line along SH 36 from NW Water Plant (16")	Prospective		\$3,696,480	\$3,696,480	4.512	0.000	\$0.00
Water Plant #5 to Cottonwood Church Rd Loop (12")	Prospective		\$1,263,321	\$1,263,321	2.538	0.000	\$0.00
Rohan Rd to Reading Rd along Benton (12" and 16")	Prospective		\$378,522	\$378,522	2.538	0.000	\$0.00
FM2977 Water Line Extension (16")	Prospective		\$603,840	\$603,840	4.512	0.000	\$0.00
Subtotal Transmission Lines			\$20,789,236	\$20,600,971			\$0.58
WATER OUTSTANDING DEBT TOTAL			\$47,980,587	\$46,784,954			\$70.25

(a) Assume financing parameter:
over construction costs.
(b) Including soft costs.

4.50% interest &

20 years & bonding costs of

2.0%

2010 Refunding issue refunded 1998 and 2000 issues.

EXHIBIT E
WASTEWATER IMPROVEMENTS PLAN

**TABLE 3
ASSUMPTIONS USED IN IMPACT FEE CALCULATION
WASTEWATER UTILITY**

FACTOR	VALUE	RATIONALE
<u>WASTEWATER DEMAND ASSUMPTIONS:</u>		
Average day demand	120 gals/capita/daily	
Persons per LUE	2.11	
Wastewater Treatment Facilities (Average Day)	120 gallons/capita/daily	254 gallons/LUE/daily (TRC Engineers)
Wastewater Pumping Facilities (Existing Customers)	571 gallons/capita/daily	1,207 gallons/LUE/daily (TRC Engineers)
Wastewater Pumping Facilities (2013-2018 Growth)	365 gallons/capita/daily	770 gallons/LUE/daily (TRC Engineers)
<u>FUTURE BONDING ASSUMPTIONS:</u>		
Soft Costs	2.00% of principal	
Interest Rate	4.50% annually, according to Joyce Vasut, City of Rosenberg	
Term	20 years, according to Joyce Vasut, City of Rosenberg	

**TABLE 7
ESTIMATED SERVICE DEMAND BY FACILITY TYPE
WASTEWATER UTILITY**

FACILITY TYPE/LAND USE	VOLUME		
	2013	2018	BUILDOUT
<u>AVERAGE FLOW (MGD) (a):</u>	3.787	4.557	19.623
Gallons per LUE daily	254	254	254
<u>TOTAL LUE'S (b)</u>	14,909	17,941	77,254
<u>WASTEWATER TREATMENT AVERAGE MGD (c):</u>			
Estimated Demand	3.787	4.557	19.623
Existing Capacity (e)	6.550	6.550	6.550
<u>Excess/(Deficiency)</u>	2.763	1.993	-13.073
<u>WASTEWATER PUMPING (d):</u>			
Estimated Demand	18.000	20.335	93.269
Existing Capacity (e)	39.169	39.169	39.169
<u>Excess/(Deficiency)</u>	21.170	18.834	-54.099

(a) Average flow = 254 gallons/LUE/daily

(b) Same number of persons per LUE as water.

(c) Capacity Demand =
120 gals/capita/daily
254 gallons/LUE/daily

(d) Capacity Demand (Existing Customers) =
571 gals/capita/daily
1,207 gallons/LUE/daily

Capacity Demand (2013-2018 New Customers) =
365 gals/capita/daily
770 gallons/LUE/daily

(e) Existing Capacity details are contained in

TABLE 9

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
TREATMENT							
EXISTING FACILITIES							
WWTP No. 1A	\$2,361,311	2.000	<u>AVG MGD</u> 1.475	0.080	0.445	\$94,452	
WWTP No. 2	\$1,185,408	3.000	2.139	0.460	0.401	\$181,763	
WWTP No. 2 Expansion	\$11,758,281	1.500	0.166	0.230	1.104	\$1,802,936	
WWTP No. 3	\$275,000	0.050	0.006	0.000	0.044	\$0	
<i>Subtotal Existing Facilities</i>	<i>\$15,580,000</i>	<i>6.550</i>	<i>3.786</i>	<i>0.770</i>	<i>1.994</i>	<i>\$2,079,151</i>	
FUTURE FACILITIES							
<i>Subtotal Future Facilities</i>	<i>\$0</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>\$0</i>	
TOTAL WASTEWATER TREATMENT	\$15,580,000	6.550	3.786	0.770	1.994	\$2,079,151	\$685.74

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
PUMPING							
EXISTING FACILITIES							
			<u>MGD</u>				
Lift Station No. 1 (1820 3rd Street)	\$120,636	1.807	0.500	0.150	1.157	\$10,013	
Lift Station No. 2 (3600 Avenue F)	\$297,450	10.080	3.229	0.083	6.769	\$2,449	
Lift Station No. 3 (1002 Wilson Drive)	\$111,450	1.728	1.645	0.083	0.000	\$5,385	
Lift Station No. 4 (1814 Jones Street)	\$245,321	1.584	1.584	0.000	0.000	\$0	
Lift Station No. 5 (1115 Avenue D)	\$62,000	0.540	0.540	0.000	0.000	\$0	
Lift Station No. 6 (406 Mulchay Street)	\$30,000	0.079	0.079	0.000	0.000	\$0	
Lift Station No. 7 (2615 Mons Avenue)	\$75,000	2.088	0.651	0.000	1.437	\$0	
Lift Station No. 8 (3102 West Street)	\$398,000	1.800	0.796	0.000	1.004	\$0	
Lift Station No. 9 (2311 Avenue B)	\$138,000	0.360	0.360	0.000	0.000	\$0	
Lift Station No. 10 (1911 Avenue A)	\$67,550	0.118	0.118	0.000	0.000	\$0	
Lift Station No. 11 (2809 B. F. Terry Boulevard)	\$405,000	3.456	0.752	0.150	2.554	\$17,578	
Lift Station No. 12 (4431 Airport Avenue)	\$2,168	0.000	0.000	0.000	0.000	\$0	
Lift Station No. 13 (4120 Airport Avenue)	\$10,000	0.072	0.072	0.000	0.000	\$0	
Lift Station No. 14 (2811 Airport Avenue)	\$85,950	1.248	1.000	0.248	0.000	\$17,073	
Lift Station No. 15 (2119 Avenue B)	\$392,000	2.131	1.035	0.000	1.096	\$0	
Lift Station No. 16 (1900 FM 2218)	\$40,000	2.808	0.840	0.150	1.818	\$2,137	
Lift Station No. 17 (100 Rude Road)	\$50,000	0.292	0.292	0.000	0.000	\$0	
Lift Station No. 18 (451 Hwy 36 West)	\$10,000	0.101	0.101	0.000	0.000	\$0	
Lift Station No. 19 (5630 Bryan Road)	\$96,956	1.001	1.001	0.000	0.000	\$0	
Lift Station No. 20 (3301 Vista Ridge)	\$100,000	0.792	0.334	0.000	0.458	\$0	
Lift Station No. 21 (1205 Spur 529)	\$210,600	0.504	0.504	0.000	0.000	\$0	
Lift Station No. 22 (2102 First Street)	\$1,600	0.072	0.072	0.000	0.000	\$0	
Lift Station No. 23 (1302 Cotton Wood School Road)	\$310,000	1.162	1.050	0.112	0.000	\$29,899	
Lift Station No. 24 (7707 Reading Road)	\$506,283	1.152	0.334	0.000	0.818	\$0	
Lift Station No. 25 (2230 J. Meyer Road)	\$330,313	0.720	0.720	0.000	0.000	\$0	
Lift Station No. 26 (5028 Bryan Road)	\$25,000	0.058	0.058	0.000	0.000	\$0	
Lift Station No. 27 (Brazos Town Center Lift Station)	\$471,000	1.742	0.333	0.759	0.650	\$205,170	
North Benton Road Lift Station	\$361,235	0.693	0.000	0.000	0.693	\$0	
South Benton Road Lift Station	\$642,189	0.980	0.000	0.000	0.980	\$0	
Subtotal Existing Facilities	\$5,595,701	39.169	18.000	1.736	19.434	\$289,705	
FUTURE FACILITIES							
Lift Station No. 11 Upgrade	\$250,000	1.800	0.000	0.200	1.600	\$27,778	
Lift Station No. 19 Upgrade	\$1,892,800	2.311	0.000	0.200	2.111	\$163,794	
Lift Station (US Hwy 59/Spur 10)	\$469,000	1.728	0.000	0.200	1.528	\$54,282	
Localized Lift Stations	(b)						
Subtotal Future Facilities	\$2,611,800 (b)	5.839	0.000	0.600	5.239	\$245,854 (b)	
TOTAL WASTEWATER PUMPAGE	\$8,207,501 (b)	45.008	18.000	2.336	24.673	\$535,559 (b)	\$176.64 (a,b)

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)			2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST
MAJOR COLLECTION LINES						
EXISTING FACILITIES						
			<u>MGD</u>			
Basin 1						
Damon - Ave. H to Old Richmond Rd. (12")	\$43,200	1.015	0.259	0.000	0.756	\$0
Old Richmond Rd. - Damon to 8th Street (12")	\$71,100	1.015	0.259	0.000	0.756	\$0
8th Street - Old Richmond Rd. to Ave. E (15")	\$21,375	1.586	0.259	0.000	1.327	\$0
Ave. E - 8th Street to 7th Street (15")	\$13,500	1.586	0.259	0.000	1.327	\$0
7th Street - Ave. E to Ave. D (15")	\$10,125	1.586	0.259	0.000	1.327	\$0
Ave. D - 7th to 5 1/2 St. (15")	\$19,125	1.586	0.259	0.000	1.327	\$0
5 1/2 St. - Ave. D to Lift Station #15 (15")	\$36,000	1.586	0.259	0.000	1.327	\$0
Houston St. - Ave. I to Walnut (12")	\$45,000	1.015	0.259	0.000	0.756	\$0
Walnut - Houston to 1st St. (12")	\$10,800	1.015	0.259	0.000	0.756	\$0
1st St. - Walnut to Ave. B (12")	\$46,800	1.015	0.259	0.000	0.756	\$0
Ave. B - 1st St. to 1 1/2 St. (12")	\$4,500	1.015	0.259	0.000	0.756	\$0
1 1/2 St. - Ave. B to Ave. A (12")	\$10,800	1.015	0.259	0.000	0.756	\$0
Ave. A - 1 1/2 St. to Lift Station #15 (12")	\$42,300	1.015	0.259	0.000	0.756	\$0
Ave. D - 1 1/2 St. to 3rd St. (15")	\$307,000	1.586	0.259	0.000	1.327	\$0
5th St. - Ave. K to Ave. D (12")	\$92,700	1.015	0.259	0.000	0.756	\$0
5th St. - Ave. D to Lift Station #15 (15")	\$224,536	1.586	0.259	0.000	1.327	\$0
Ave. M - 2 1/2 to 5th St. (24")	\$59,400	4.061	0.259	0.000	3.802	\$0
5th Street - Ave. M to Lift Station #15 (24")	\$293,400	4.061	0.259	0.000	3.802	\$0
Basin 2						
Airport - Graeber to alley between Alamo/Lory (12")	\$58,800	1.015	0.651	0.000	0.364	\$0
Alley between Alamo/Lory - Airport to Mons Ave. (12")	\$11,340	1.015	0.651	0.000	0.364	\$0
Mons Ave. - Alley to Lift Station #7 (12")	\$10,500	1.015	0.651	0.000	0.364	\$0
Mons Ave. - Cedar Lane to SH.36 (21")	\$51,450	3.109	0.500	0.250	2.359	\$4,137
4th Street - Main to Parrott (12")	\$22,680	1.015	0.500	0.050	0.465	\$1,117
Easement - Parrott to Lift Station #1 (12")	\$8,400	1.015	0.500	0.050	0.465	\$414
Basin 3						
Reading Rd. - Apartments to Herndon (12")	\$13,680	1.015	1.015	0.000	0.000	\$0
Herndon - Reading Rd. to US 90A (12")	\$3,240	1.015	1.015	0.000	0.000	\$0
US 90A - Herndon to Cole (15")	\$19,350	1.586	1.586	0.000	0.000	\$0
US 90A - Cole to Lift Station #2 (18")	\$49,680	2.284	2.214	0.071	0.000	\$1,544
Ave. H - Silverado to Lift Station #2 (12")	\$10,800	1.015	1.015	0.000	0.000	\$0
Miles - South of Ave. I to Ave. H (12")	\$15,840	1.015	1.015	0.000	0.000	\$0
Pleasant Gully - South of Ave. I to Ave. H (12")	\$24,480	1.015	1.015	0.000	0.000	\$0

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
Basin 4							
Spacek Rd. - US 59 to Lift Station #19 (12")	\$291,780	1.015	0.501	0.270	0.245	\$77,616	
Bryan Rd. - US 59 to 2400' East (21")	\$50,820	3.109	0.500	0.270	2.339	\$4,413	
Summer Shore - Lake Commons to Blue Lake Drive (15")	\$12,100	1.586	0.167	0.110	1.309	\$839	
Summer Crest Dr. - Summer Shore to Lift Station #24 (18")	\$28,600	2.284	0.334	0.110	1.840	\$1,377	
Winding Lake - FM 2977 to Summer Night (12")	\$16,940	1.015	0.167	0.110	0.738	\$1,836	
Summer Night - Winding Lake to Summer Shore (12")	\$26,620	1.015	0.167	0.110	0.738	\$2,885	
Summer Shore - Summer Night to Summer Crest Dr. (12")	\$36,300	1.015	0.167	0.110	0.738	\$3,934	
Town Center Blvd. - Commercial to access Home Depot (12")	\$9,900	1.015	0.167	0.000	0.848	\$0	
Home Depot - Town Center Blvd. to Lift Station #20 (15")	\$30,525	1.586	0.167	0.000	1.419	\$0	
Vista - Town Center Blvd. to 600' South (12")	\$11,220	1.015	0.167	0.000	0.848	\$0	
Vista - 600' South to Lift Station #20 (15")	\$12,375	1.586	0.167	0.000	1.419	\$0	
Town Center Blvd. - Reserve to FM 2218 (15")	\$25,575	1.586	0.150	0.110	1.326	\$1,774	
Town Center Blvd. - Village Ct Dr to Reading Rd (15")	\$42,075	1.586	0.400	0.110	1.076	\$2,918	
Town Center Blvd. - Reading Rd. to Section 5 Detention (18")	\$19,800	2.284	0.600	0.220	1.464	\$1,907	
Town Center Blvd. - Section 5 Detention to FM 2218 (21")	\$19,635	3.109	0.600	0.220	2.289	\$1,389	
Lane Dr. - Mustang to Ave. I (12")	\$15,180	1.015	0.200	0.110	0.705	\$1,645	
Reading Rd. - Ave. I to Town Center Blvd. (12")	\$13,200	1.015	0.200	0.110	0.705	\$1,431	
East Town Center Sect. 1 - Dry Creek to Town Center Blvd. (12")	\$17,160	1.015	0.400	0.110	0.505	\$1,860	
FM 2218 - Town Center Blvd. to Lift Station #16 (21")	\$18,480	3.109	0.840	0.210	2.059	\$1,248	
Greenwood - Red Bud North to Ave. N (12")	\$11,220	1.015	0.326	0.170	0.519	\$1,879	
Alley between Allwright & Richard - Reading Rd to Homestead (12")	\$14,520	1.015	0.326	0.170	0.519	\$2,432	
FM 2218 - Ave. N to Lift Station #11 (12")	\$7,920	1.015	0.426	0.170	0.419	\$1,327	
FM 2218 - Talberts to Lift Station #11 (12")	\$30,360	1.015	0.326	0.170	0.519	\$5,085	
Bryan Rd. - Roseranch to Lift Station #19 (18")	\$46,530	2.284	0.501	0.000	1.784	\$0	
Basin 5							
Southeast Trunk Sewer - FM 2218 to WWTP #2 (42"-54")	\$2,350,758	20.558	5.465	0.868	14.225	\$99,254	
US 59 - Bamore to Fairgrounds Rd. (12")	\$21,120	1.015	1.015	0.000	0.000	\$0	
Fairgrounds Rd. - US 59 to WWTP #2 (12")	\$13,860	1.015	1.015	0.000	0.000	\$0	
SH 36 - US 59 to Southeast Trunk Sewer (30")	\$46,200	6.345	2.733	0.434	3.179	\$3,160	
Southeast Trunk Sewer - SH 36 to WWTP #2 (36")	\$63,360	9.137	2.733	0.434	5.970	\$3,010	
J. Meyer Rd. - Park Thicket to Lift Station #25 (12")	\$8,580	1.015	0.360	0.000	0.655	\$0	
J. Meyer Rd. - Silverstone to Lift Station #25 (12")	\$5,280	1.015	0.360	0.000	0.655	\$0	
J. Meyer Rd. - School to SH 36 (18")	\$8,910	2.284	0.720	0.434	1.130	\$1,693	
SH 36 - J. Meyer Rd. to Band Rd. (18")	\$255,233	2.284	1.720	0.434	0.130	\$48,499	
SH 36 - Band Rd. to Fairgrounds Rd. (24")	\$255,233	4.061	2.733	0.434	0.894	\$27,277	
SH 36 - Fairgrounds Rd. to Southeast Trunk Sewer (30")	\$255,233	6.345	2.733	0.434	3.178	\$17,458	
Band Rd. - Stella to SH 36 (12")	\$10,560	1.015	1.013	0.000	0.002	\$0	
SH 36 - J. Meyer Rd. to South (15")	\$193,537	1.586	1.000	0.000	0.586	\$0	

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
Basin 6							
Bamore - Ave. I to South of Wilburn (12")	\$64,260	1.015	0.300	0.000	0.715	\$0	
Blume - Spur 529 to Seabourne Creek (12")	\$58,860	1.015	0.300	0.000	0.715	\$0	
Connector - Blume to Bamore (15")	\$37,125	1.586	0.300	0.000	1.286	\$0	
Bamore - South of Wilburn to Grunwald Hts Blvd (15")	\$15,525	1.586	0.600	0.000	0.986	\$0	
Grunwald Hts. Blvd. - Bamore to West (15")	\$24,975	1.586	0.600	0.000	0.986	\$0	
West - Grunwald Hts. Blvd. to Lift Station #8 (15")	\$17,550	1.586	0.700	0.000	0.886	\$0	
West - Bernie to Grunwald Hts. Blvd. (12")	\$3,780	1.015	0.100	0.000	0.915	\$0	
West - US 59 to Walenta (12")	\$29,565	1.015	0.500	0.050	0.465	\$1,456	
Walenta - West to SH 36 (18")	\$32,400	2.284	0.500	0.050	1.734	\$709	
Spur 529 - City Limits to Lift Station #21 (12")	\$2,400	1.015	0.504	0.000	0.511	\$0	
Rude Rd. - US 90A to Lift Station #17 (12")	\$13,500	1.015	0.292	0.000	0.723	\$0	
North of RR - Rude Rd. to 800' West (12")	\$4,320	1.015	0.292	0.000	0.723	\$0	
Harley Davidson - Bamore to Lift Station #8 (12")	\$129,488	1.015	0.096	0.000	0.919	\$0	
SH 36 - Mons to Walenta (21")	\$3,780	3.109	0.500	0.330	2.279	\$401	
SH 36 - Walenta to US 59 (30")	\$98,550	6.345	0.500	0.330	5.515	\$5,126	
Basin McDonald's							
WWTP #3 to US 59 (12")	\$18,000	1.015	0.038	0.000	0.977	\$0	
US 59 to Spur 529 (12")	\$6,000	1.015	0.038	0.000	0.977	\$0	
Basin X							
Louise Street - Halfway from Airport to Mons (12")	\$117,173	1.015	0.000	0.330	0.685	\$38,096	
Louise Street - Mons to US 59 (15")	\$117,173	1.586	0.000	0.330	1.256	\$24,380	
Louise Street - US 59 to Southeast Trunk Sewer (15")	\$117,173	1.586	0.000	0.330	1.256	\$24,380	
Subtotal Existing Facilities	\$6,860,197	172.886	54.710	8.613	109.564	\$419,907	
FUTURE FACILITIES							
Sewer - Spacek Rd -US 59 to Bryan Rd (15", 21" & 24")	\$1,135,000	3.046	0.501	0.700	1.845	\$260,834	
Sewer - Spur 10 -WWTP #5 to SH 36 (24" & 54")	\$4,380,000	6.218	0.000	0.350	5.868	\$246,542	
Sewer - Spur 10-WWTP #5 to US Hwy 59 (24", 36", & 42")	\$3,808,000	9.137	0.000	0.350	8.787	\$145,868	
Sewer - FM Hwy 2218 South of US Hwy 59 (12")	\$587,000	1.015	0.000	0.350	0.665	\$202,414	
Sewer - WWTP #2 to Cottonwood School Road (18")	\$673,000	2.284	0.000	0.350	1.934	\$103,130	
Subtotal Future Facilities	\$10,583,000	21.700	0.501	2.100	19.099	\$958,789	
TOTAL COLLECTION LINES	\$17,443,197	194.586	55.211	10.713	128.663	\$1,378,696	\$454.72
WASTEWATER CONSTRUCTION COST TOTAL	\$41,230,698					\$3,993,406	\$1,317.10

(a) Assumes the following gals to LUE conversion fact

Treatment: 254 gals daily
Pumpage: 1,207 gals daily (Existing Customers)
770 gals daily (2013-2018 New Customers)
Collection: 1,207 gals daily

**TABLE 12
CATEGORIZATION OF UTILITY DEBT
WASTEWATER UTILITY**

FACILITY TYPE / NAME	BOND ISSUE			FACILITY CAPACITY		TOTAL DEBT	
	ISSUANCE DATE	ISSUANCE AMOUNT (a)	REMAINING PRINCIPAL	TOTAL	FOR CURRENT CUSTOMERS	PRINCIPAL PER CURRENT LUE	
TREATMENT							
Trailer Mounted Centrifuge for WWTP 1A, 2	Refunding	2010	\$58,454	\$9,134	5.000	3.614	\$0.44
WWTP No. 2 Expansion, First Phase	CO	2006	\$4,565,000	\$3,575,000	1.500	0.166	\$26.54
WWTP No. 2 Expansion, Second Phase	CO	2007	\$4,570,000	\$3,820,000	1.500	0.166	\$28.36
WWTP No. 2 Expansion, Final Phase	CO	2008	\$3,545,000	\$2,960,000	1.500	0.166	\$21.97
Subtotal Wastewater Treatment			\$12,738,454	\$10,364,134			\$77.31
PUMPING							
Lift Station No. 11 Upgrade	Prospective		\$255,000	\$255,000	1.800	0.000	\$0.00
Lift Station No. 19 Upgrade	Prospective		\$1,930,656	\$1,930,656	2.311	0.000	\$0.00
Lift Station (US Hwy 59/Spur 10)	Prospective		\$478,380	\$478,380	1.728	0.000	\$0.00
Subtotal Wastewater Pumping			\$2,664,036	\$2,664,036			\$0.00
MAJOR COLLECTION							
Sewer - Spacek Rd -US 59 to Bryan Rd (15", 21" & 24")	Prospective		\$1,157,700	\$1,157,700	3.046	0.501	\$12.77
Sewer - Spur 10 -WWTP #5 to SH 36 (24" & 54")	Prospective		\$4,467,600	\$4,467,600	6.218	0.000	\$0.00
Sewer - Spur 10-WWTP #5 to US Hwy 59 (24", 36", & 42")	Prospective		\$3,884,160	\$3,884,160	9.137	0.000	\$0.00
Sewer - FM Hwy 2218 South of US Hwy 59 (12")	Prospective		\$598,740	\$598,740	1.015	0.000	\$0.00
Sewer - WWTP #2 to Cottonwood School Road (18")	Prospective		\$686,460	\$686,460	2.284	0.000	\$0.00
Subtotal Wastewater Collection			\$10,794,660	\$10,794,660			\$12.77
WASTEWATER OUTSTANDING DEBT TOTAL			\$26,197,150	\$23,822,830			\$90.08

(a) Assume financing parameter:
over construction costs.

4.50% interest &

20 years & bonding costs of

2.0%

(b) Including soft costs.

2010 Refunding issue refunded 1998 and 2000 issues.

RIMROCK

Consulting Company

WATER AND WASTEWATER IMPACT FEE UPDATE

The City of Rosenberg, Texas



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WATER AND WASTEWATER IMPACT FEE UPDATE

The City of Rosenberg, Texas



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October, 2013

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WATER AND WASTEWATER IMPACT FEE UPDATE

The City of Rosenberg

1.0 INTRODUCTION

The 70th Texas Legislature passed Senate Bill 336 (subsequently Chapter 395 of the Local Government Code) regulating various types of utility fees, defined in the legislation as "impact fees". Such fees include not only traditional impact fees, but also lot, acreage, frontage and other typical utility fees, as well as facility dedication requirements. The legislation laid out very specific requirements for the technical development of impact fees as well as the procedures necessary for enactment of impact fee programs. Rosenberg initiated its program of water and wastewater impact fees in 2008. This report represents an update of these programs (as required by Chapter 395 every five years) midway through the 2008-2018 planning period.

Section 2.0 of this report contains the technical data which is the basis for the 2013-2018 fee calculation: land use and planning data, unit usage statistics and capital improvements plan. Actual fee calculation is shown in **Section 3.0**. That discussion presents a particular fee development model - the Equity Residual Model -- which responds to the requirements of Chapter 395 and constitutional issues. **Section 4.0** contains recommendations from the consultants and the Advisory Committee. **Section 5.0** contains a copy of Chapter 395 of the Texas Local Government Code, and **Section 6.0** contains various administrative documents such as resolutions, public notices, public information packets, etc.. Finally, references are provided in **Section 7.0**.

2.0 TECHNICAL BASIS FOR FEE CALCULATION

This chapter presents water and wastewater impact fee technical development.

2.1 LAND USE AND PLANNING ASSUMPTIONS

Chapter 395 requires the following in the land use and planning assumptions:

- Definition of the service area
- Projections in changes in land uses, densities, intensities and population within the service area for the next 10 years and full buildout
- Land use assumptions differentiated by at least residential, commercial and industrial land uses

The following sections provide a discussion of these assumptions.

2.1.1 Service Area Definition

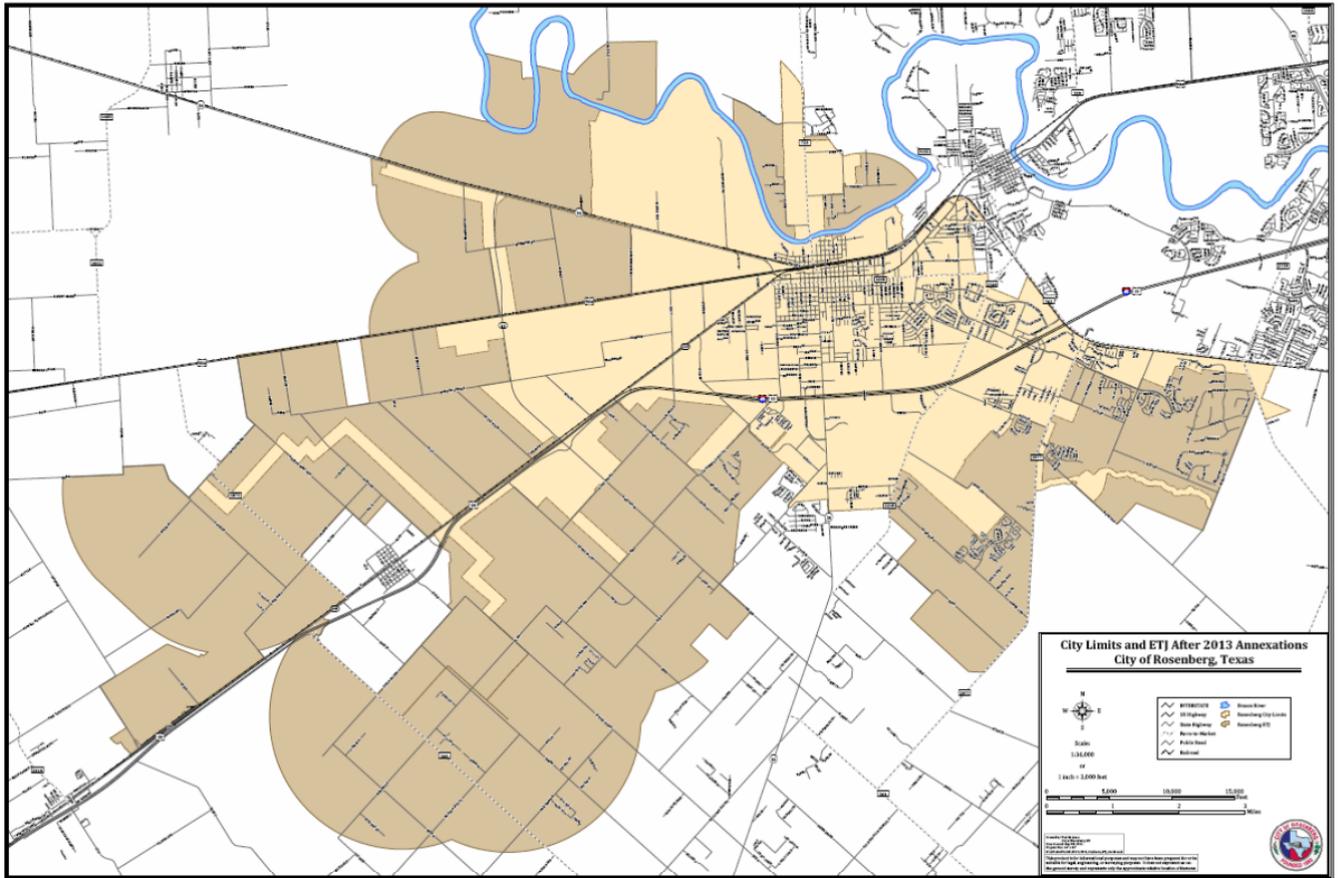
Figure 2-1 illustrates the impact fee service area for both fees, which is the City and its extraterritorial jurisdiction (ETJ). The service areas represent the general geographic basis for planning the utility capital improvement programs, used to formulate the fees.

2.1.2 Land Use Assumptions

Table 2-1 shows current and projected land use assumptions for the impact service area. City Staff calculated the approximate current acreages of land uses for residential, commercial and industrial land uses as well as various other land uses. Existing wholesale customers, the municipal utility districts (MUDs) served by the City, are also included in the land use assumptions.

Since the City does not serve the entirety of properties within the service area, City Staff determined the “service population” for each utility, which is the figure used for utility service planning and CIP development.

Figure 2-1: Impact Fee Service Area



**TABLE 1
POPULATION AND LAND USE PROJECTIONS FOR THE CITY OF ROSENBERG
(INCLUDES CITY LIMITS AND ETJ)**

LAND USE	2013		2018		Full Buildout		LAND USE ACRES PER 100 POPULATION
	ACRES	%	ACRES	%	ACRES	%	
Single-Family Residential	12,508	18.10%	15,010	21.72%	42,957	62.17%	26.3
Multi-Family	150	0.22%	180	0.26%	515	0.75%	0.3
Commercial	2,094	3.03%	2,513	3.64%	7,192	10.41%	4.4
Industrial	1,946	2.82%	2,336	3.38%	6,683	9.67%	4.1
Public	3,422	4.95%	4,106	5.94%	11,752	17.01%	7.2
Undeveloped	48,980	70.88%	44,955	65.06%	0	0.00%	
TOTAL ACREAGE	69,100	100.00%	69,100	100.00%	69,100	100.00%	42.3
Population	47,533		57,201		163,247		
Water Service Population	35,434		42,641		163,247		
Sewer Service Population	31,505		37,912		163,247		
Water LUEs	16,769		20,179		77,254		
Sewer LUEs	14,909		17,941		77,254		
Population per Urban Acres	2.36		2.37		2.36		
Population per Total Acres	0.69		0.83		2.36		

Source: City of Rosenberg, May 20, 2013. Land Use & Population Projections.docx.

2.2 CAPITAL IMPROVEMENTS PROGRAM PLAN

Chapter 395 requires the following elements be included in the Capital Improvements Plan (CIP) used as the basis for impact fees:

- Table of service usage for each category of capital improvements and a conversion table of service units per acre (or other measure) of at least residential, commercial and industrial land uses
- Projections of total service units for new development, within the service area:
 - ≡ At full buildout
 - ≡ Within 10 years or less
- Description of existing capital improvements, including:
 - ≡ Existing capital improvements within the service area
 - ≡ Analysis of total capacity of existing improvements
 - ≡ Analysis of current usage of existing improvements
 - ≡ Analysis of commitments for usage of existing capacity
 - ≡ Costs to upgrade, update, improve, expand or replace for existing needs
- Description of capital improvements needed to serve new development within the next 10 years or less (based on adopted service area, land use and unit usage assumptions), including:
 - ≡ All or portions of the existing CIP
 - ≡ All or portions of the future CIP
 - ≡ Costs associated with both existing and future CIP facilities needed for new development

In addition, the legislation provides that the CIP may include construction price, survey and engineering fees, land acquisition costs (including "soft" costs), and the costs of consulting work to develop Chapter 395 fees.

This section provides those components of the impact fee study.

2.2.1 Table of Service Usage

Chapter 395 requires:

“a definitive table establishing the specific level or quantity of use, consumption, generation, or discharge of a service unit for each category of capital improvements or facility expansions”.

These figures constitute design standards and are shown in **Table 2** (water) and **Table 3** (sewer).

**TABLE 2
ASSUMPTIONS USED IN IMPACT FEE CALCULATION
WATER UTILITY**

FACTOR	VALUE	RATIONALE
<u>WATER DEMAND ASSUMPTIONS:</u>		
Peak Day Demand	409	gallons per capita daily
Persons per LUE	2.11	
Supply (Peak Day)	409 gallons/capita/daily	864 gallons/LUE/daily (TCEQ Requirement)
Booster Pump Facilities (Peak Hr w/ Largest Pump Out of Service)	409 gallons/capita/daily	864 gallons/LUE/daily (TCEQ Requirement)
Total Storage Facilities	95 gallons/capita	200 gallons/LUE (TCEQ Requirement)
Elevated Storage Facilities	47 gallons/capita	100 gallons/LUE (TCEQ Requirement)
Major Transmission	1,022 gallons/capita/daily	2,160 gallons/LUE/daily (TRC Engineers)
<u>FUTURE BONDING ASSUMPTIONS:</u>		
Soft Costs	2.00%	of principal
Interest Rate	4.50%	annually, according to Joyce Vasut, City of Rosenberg
Term	20 years,	according to Joyce Vasut, City of Rosenberg

**TABLE 3
ASSUMPTIONS USED IN IMPACT FEE CALCULATION
WASTEWATER UTILITY**

FACTOR	VALUE	RATIONALE
<u>WASTEWATER DEMAND ASSUMPTIONS:</u>		
Average day demand	120 gals/capita/daily	
Persons per LUE	2.11	
Wastewater Treatment Facilities (Average Day)	120 gallons/capita/daily 254 gallons/LUE/daily (TRC Engineers)	
Wastewater Pumping Facilities (Existing Customers)	571 gallons/capita/daily 1,207 gallons/LUE/daily (TRC Engineers)	
Wastewater Pumping Facilities (2013-2018 Growth)	365 gallons/capita/daily 770 gallons/LUE/daily (TRC Engineers)	
<u>FUTURE BONDING ASSUMPTIONS:</u>		
Soft Costs	2.00% of principal	
Interest Rate	4.50% annually, according to Joyce Vasut, City of Rosenberg	
Term	20 years, according to Joyce Vasut, City of Rosenberg	

2.2.2 Conversion Tables

Section 395.014(a)(4) of the Impact Fee Act requires:

. . . an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, and industrial . . . (Chapter 395.014(a)(4))

That conversion table is shown in **Table 4**. This table shows how demand may be expressed in living units equivalent (LUE's) based on water meter size. The City's smallest typical water meter (5/8") is used as the base, and demand by other meter sizes is scaled upward proportionate to the ratio of the larger meter's continuous duty maximum flow to that of the smallest meter.

**TABLE 4
LUE EQUIVALENCIES FOR VARIOUS TYPES AND SIZES OF WATER METERS**

METER TYPE	METER SIZE	CONTINUOUS DUTY	
		MAXIMUM RATE (GPM)	RATIO TO 5/8" METER
SIMPLE	5/8" x 3/4"	10	1.000
SIMPLE	3/4"	15	1.500
SIMPLE	1"	25	2.500
SIMPLE	1-1/2"	50	5.000
SIMPLE	2"	80	8.000
COMPOUND	2"	80	8.000
TURBINE	2"	100	10.000
COMPOUND	3"	160	16.000
TURBINE	3"	240	24.000
COMPOUND	4"	250	25.000
TURBINE	4"	420	42.000
COMPOUND	6"	500	50.000
TURBINE	6"	920	92.000
COMPOUND	8"	800	80.000
TURBINE	8"	1600	160.000
COMPOUND	10"	1150	115.000
TURBINE	10"	2500	250.000
TURBINE	12"	3300	330.000

Source: AWWA Standards C700, C701, C702, C703.

Current water LUE's were tabulated based on a count of active water meters by size, with the conversion factors in **Table 4** applied to the count of various meter sizes. That result is shown in **Table 5**. For wholesale customers, the master meters are not shown; instead a count was made, by meter size, for all customer meters behind the wholesale master meter.

Although the water meter size may be used as the determinant of wastewater LUE's, there are sometimes circumstances in which water meter size overestimates wastewater flow -- such as in consumptive commercial uses or industrial processes. For these reasons, it is advisable to include a provision in the impact fee ordinance permitting the Utility manager to establish an appropriate number of wastewater LUE's for an individual customer when presented with documentation from a professional engineer regarding the likely wastewater flow of a particular project.

**TABLE 5
METER COUNT AND ESTIMATION OF SERVICE UNITS EQUIVALENT
WATER UTILITY
CITY OF ROSENBERG**

METER SIZE Excluding Residential and Wholesale Master Meters	LUEs PER METER (a)	RETAIL, EXC. RES. MASTER METERS		WHOLESALE (Behind Master Meter)		TOTAL LUEs
		METERS	SUBTOTAL LUEs	METERS	SUBTOTAL LUEs	
5/8" and 3/4"	1.000	8,400	8,400	1,347	1,347	
3/4"	1.500		0		0	
1"	2.500	320	800	5	13	
1-1/4, 1-1/2"	5.000	129	645	1	5	
2"	8.000	527	4,216	16	128	
3"	16.000	30	480		0	
4"	25.000	16	400	1	25	
6"	50.000	3	150		0	
8"	80.000	2	160		0	
10"	115.000		0		0	
12"	330.000		0		0	
Total		9,427	15,251	1,370	1,518	16,769
Population per LUE						2.11

(a) Derived from AWWA C700-C703 standards for continuous rated flow performance of meters scaled to 5/8" meter.
 (b) Source: City of Rosenberg, #4 Active Meters.xlsx, 2013; for wholesale - Luis Garza, July 18 2013.

2.2.3 Projected Service Units for New Development

Section 395.014 requires the City to show:

“the total number of projected service units necessitated by and attributable to new development within the service area based on the approved land use assumptions and calculated in accordance with generally accepted engineering or planning criteria; and . . . the projected demand for capital improvements or facility expansions required by new service units projected over a reasonable period of time, not to exceed 10 years.” (Chapter 395.014 (a)(5), (6))

Table 6 (water) and **Table 7** (sewer) present information on projected service units and facility needs within the next ten years. As required by the legislation, projections are shown for both 2018 and ultimate buildout.

**TABLE 6
ESTIMATED SERVICE DEMAND BY FACILITY TYPE
WATER UTILITY**

FACILITY TYPE/LAND USE	VOLUME		
	2013	2018	BUILDOUT
AVERAGE DEMAND (MGD) (a):	14.488	17.435	66.747
Gallons per LUE daily	864	864	864
TOTAL SERVICE UNITS (b)	16,769	20,179	77,254
WATER SUPPLY MGD (c):			
Estimated Demand	14.488	17.435	66.747
Existing Capacity (g)	12.464	12.464	12.464
Excess/(Deficiency)	-2.024	-4.971	-54.283
PUMPING MGD (d)			
Estimated Demand	14.488	17.435	66.747
Existing Capacity (g)	24.013	24.013	24.013
Excess/(Deficiency)	9.525	6.578	-42.734
GROUND STORAGE MG: (e)			
Estimated Demand	1.677	2.018	7.725
Existing Capacity (g)	3.866	3.866	3.866
Excess/(Deficiency)	2.189	1.848	-3.859
ELEVATED STORAGE MG: (f)			
Estimated Demand	1.677	2.018	7.725
Existing Capacity (g)	1.850	1.850	1.850
Excess/(Deficiency)	0.173	-0.168	-5.875

(a) Average demand = 409 gals/capita/daily
864 gallons/LUE/daily

(b) 2013 LUE's based on count of equivalent meters. 2018 LUE's determined by 2013 persons per LUE:
LUE = 2.11 persons.

(c) Capacity Demand = 409 gals/capita/daily
864 gallons/LUE/daily

(d) Capacity Demand = 409 gals/capita/daily
864 gallons/LUE/daily

(e) Capacity Demand = 95 gals/capita/daily
200 gallons/LUE/daily

(f) Capacity Demand = 47 gals/capita/daily
100 gallons/LUE/daily

(g) Existing Capacity details are contained in **TABLE 8**

**TABLE 7
ESTIMATED SERVICE DEMAND BY FACILITY TYPE
WASTEWATER UTILITY**

FACILITY TYPE/LAND USE	VOLUME		
	2013	2018	BUILDOUT
<u>AVERAGE FLOW (MGD) (a):</u>	3.787	4.557	19.623
Gallons per LUE daily	254	254	254
<u>TOTAL LUE'S (b)</u>	14,909	17,941	77,254
<u>WASTEWATER TREATMENT AVERAGE MGD (c):</u>			
Estimated Demand	3.787	4.557	19.623
Existing Capacity (e)	6.550	6.550	6.550
<i>Excess/(Deficiency)</i>	2.763	1.993	-13.073
<u>WASTEWATER PUMPING (d):</u>			
Estimated Demand	18.000	20.335	93.269
Existing Capacity (e)	39.169	39.169	39.169
<i>Excess/(Deficiency)</i>	21.170	18.834	-54.099

- (a) Average flow = 254 gallons/LUE/daily
- (b) Same number of persons per LUE as water.
- (c) Capacity Demand = 120 gals/capita/daily
254 gallons/LUE/daily
- (d) Capacity Demand (Existing Customers) = 571 gals/capita/daily
1,207 gallons/LUE/daily

Capacity Demand (2013-2018 New Customers) = 365 gals/capita/daily
770 gallons/LUE/daily
- (e) Existing Capacity details are contained in **TABLE 9**

2.2.4 CIP Development for Existing and Future Needs

The City's engineer was required to perform an inventory of existing and future utility facilities, including facility description, cost, total capacity, capacity needed by existing customers, capacity needed by customers within the next ten years, and remaining capacity. (Chapter 395.014 (a)(1-3). Impact fees are calculated based on the cost of facilities required to serve new development within a ten year period (2008-2018). The last five years of the current program are shown in the CIP included in this study.

Given the demand projections in **Table 6** and **Table 7**, a capital improvements plan (CIP) was developed for each utility, including existing facilities, retrofit and upgrade facilities, and future facilities, as required by the legislation. Then, as further required by Chapter 395, the needs of existing customers were separated from those of customers in the next ten years, and costs were weighted accordingly. (In some facilities, there was capacity for customers beyond the ten year horizon as well.) These results are shown in **Table 8** for the water utility and **Table 9** for the wastewater utility. Costs for 2013-2018 growth were then expressed on a per-LUE basis for each category of customers.

**TABLE 8
CIP INVENTORY AND COSTING
WATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
WATER SUPPLY							
EXISTING FACILITIES							
			AVE. MGD				
Water Well No. 3	\$0	0.576	0.576	0.000	0.000	\$0	
Water Well No. 4	\$65,300	0.613	0.613	0.000	0.000	\$0	
Water Well No. 5A	\$822,176	2.592	2.592	0.000	0.000	\$0	
Water Well No. 6	\$27,000	2.448	2.448	0.000	0.000	\$0	
Water Well No. 7	\$0	2.621	2.621	0.000	0.000	\$0	
Water Well No. 8	\$484,500	1.022	1.022	0.000	0.000	\$0	
Water Well No. 9 (Reading Road)	\$934,650	2.592	2.592	0.000	0.000	\$0	
Subtotal Existing Supply	\$2,333,626	12.464	12.464	0.000	0.000	\$0	
FUTURE FACILITIES							
Water Plant No. 5 (Well No. 9A)	\$1,395,000	2.592	1.012	0.573	1.007	\$308,385	
Water Plant No. 10 (Well No. 10)	\$1,181,000	2.592	1.012	0.574	1.006	\$261,533	
Alternate Water Plant	\$14,000,000	3.000	0.000	1.800	1.200	\$8,400,000	
Subtotal Future Supply	\$16,576,000	8.184	2.024	2.947	3.213	\$8,969,919	
TOTAL WATER SUPPLY	\$18,909,626	20.648	14.488	2.947	3.213	\$8,969,919	\$2,630.47
PUMPING							
EXISTING FACILITIES							
			PEAK MGD				
Water Plant No. 1	\$20,000	1.189	1.189	0.000	0.000	\$0	
Water Plant No. 2	\$125,000	4.032	3.630	0.402	0.000	\$12,463	
Water Plant No. 3	\$158,592	2.880	2.880	0.000	0.000	\$0	
Water Plant No. 4	\$76,000	4.320	3.620	0.700	0.000	\$12,315	
Water Plant No. 5	\$100,000	1.152	0.576	0.250	0.326	\$21,701	
Water Plant No. 5 Expansion	\$1,392,373	1.080	0.000	0.250	0.830	\$322,309	
Water Plant No. 6	\$500,000	9.360	2.592	0.345	6.423	\$18,429	
Subtotal Existing Pumpage	\$2,371,965	24.013	14.487	1.947	7.579	\$387,217	
FUTURE FACILITIES							
Water Plant No. 7	\$726,000	2.448	0.000	0.500	1.948	\$148,284	
Water Plant No. 10	\$731,333	5.184	0.000	0.500	4.684	\$70,538	
Subtotal Future Pumpage	\$1,457,333	7.632	0.000	1.000	6.632	\$218,822	
TOTAL WATER PUMPAGE	\$3,829,298	31.645	14.487	2.947	14.211	\$606,039	\$177.72

**TABLE 8
CIP INVENTORY AND COSTING
WATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
<u>GROUND STORAGE</u>							
EXISTING FACILITIES							
			MG				
Water Plant No. 2	\$177,800	1.000	0.460	0.057	0.483	\$10,135	
Water Plant No. 3	\$104,220	1.000	0.460	0.057	0.483	\$5,941	
Water Plant No. 4	\$350,000	1.000	0.460	0.114	0.426	\$39,900	
Water Plant No. 5	\$595,000	0.566	0.033	0.000	0.533	\$0	
Water Plant No. 6	\$400,000	0.300	0.264	0.036	0.000	\$48,000	
Subtotal Existing Facilities	\$1,627,020	3.866	1.677	0.264	1.925	\$103,975	
FUTURE FACILITIES							
Water Plant No. 6	\$1,400,000	0.700	0.000	0.026	0.674	\$51,333	
Water Plant No. 7	\$401,000	0.270	0.000	0.026	0.244	\$38,120	
Water Plant No. 10	\$1,111,000	1.000	0.000	0.026	0.974	\$28,516	
Subtotal Future Facilities	\$2,912,000	1.970	0.000	0.077	1.893	\$117,969	
TOTAL GROUND STORAGE	\$4,539,020	5.836	1.677	0.341	3.818	\$221,944	\$65.09
<u>ELEVATED STORAGE</u>							
EXISTING FACILITIES							
			MG				
Water Plant No. 1	\$332,283	0.150	0.150	0.000	0.000	\$0	
Water Plant No. 3	\$159,028	0.200	0.200	0.000	0.000	\$0	
Elevated Storage Tank No. 3	\$90,222	0.500	0.500	0.000	0.000	\$0	
Water Plant No. 4	\$142,495	1.000	0.827	0.057	0.116	\$8,122	
Subtotal Existing Facilities	\$724,028	1.850	1.677	0.057	0.116	\$8,122	
FUTURE FACILITIES							
Water Plant No. 6 (FM2977)	\$2,435,500	1.000	0.000	0.244	0.756	\$594,262	
Water Plant No. 10	\$2,231,000	1.000	0.000	0.040	0.960	\$89,240	
Subtotal Future Facilities	\$4,666,500	2.000	0.000	0.284	1.716	\$683,502	
TOTAL ELEVATED STORAGE	\$5,390,528	3.850	1.677	0.341	1.832	\$691,624	\$202.82

**TABLE 8
CIP INVENTORY AND COSTING
WATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
MAJOR TRANSMISSION LINES							
EXISTING FACILITIES							
			MGD				
Hwy. 36 - Albis to Walnut St. (12")	\$150,000	2.538	0.709	0.020	1.810	\$1,162	
Ave. I - City Limit to Austin St. (12")	\$57,300	2.538	0.709	0.020	1.810	\$444	
Lane Drive - Ave. I to Westwood Dr. (12")	\$29,700	2.538	0.709	0.020	1.810	\$230	
Reading Rd. - Ave. I to Water Plant #6 (12")	\$70,200	2.538	0.709	0.020	1.810	\$544	
Town Center Blvd. - Radio Lane to Commercial Dr. (12")	\$70,200	2.538	0.709	0.020	1.810	\$544	
SH 36 - Albis to Walnut St. (12")	\$34,000	2.538	0.709	0.020	1.810	\$263	
FM 2218 - US 59 to Richmond Interconnect (12")	\$58,800	2.538	0.709	0.020	1.810	\$455	
Vista Dr. - Town Center Blvd. to Reading Rd. (12")	\$34,800	2.538	0.709	0.020	1.810	\$270	
Commercial Dr. - Vista Dr. to Town Center Blvd. (12")	\$33,600	2.538	0.709	0.020	1.810	\$260	
Access Rd. Home Depot - Vista Dr. to Town Center Blvd. (12")	\$24,000	2.538	0.709	0.020	1.810	\$186	
Spacek Rd. - US 59 to Byran Rd. (12")	\$265,338	2.538	0.709	0.275	1.554	\$28,750	
Reading Center - US 59 to Spacek Rd. (12")	\$22,800	2.538	0.709	0.020	1.810	\$177	
Spacek Rd. - Reading Rd. to Brazos Crossing (12")	\$12,800	2.538	0.709	0.020	1.810	\$99	
Brazos Crossing - Spacek Rd. to Winding Lakes Lane (12")	\$83,000	2.538	0.709	0.020	1.810	\$643	
Winding Lakes Lane - Brazos Crossing to FM 2977 (12")	\$11,000	2.538	0.709	0.020	1.810	\$85	
FM 2977 - Reading Rd. to FM 762 (12")	\$40,000	2.538	0.709	0.020	1.810	\$310	
Winding Lakes Lane - FM 2977 to Summer Night (12")	\$11,000	2.538	0.709	0.020	1.810	\$85	
Summer Night - Winding Lakes Lane to Summer Shore (12")	\$9,900	2.538	0.709	0.020	1.810	\$77	
Summer Shore - Summer Night to Summer Mst (12")	\$14,300	2.538	0.709	0.020	1.810	\$111	
Summer Mst - Summer Shore to Reading Rd. (12")	\$13,200	2.538	0.709	0.020	1.810	\$102	
Reading Rd. - FM 2977 to Reading Rd. (16")	\$165,000	4.512	1.260	0.275	2.977	\$10,057	
US 59 - Bamore Rd. to FM 2218 (12")	\$162,000	2.538	0.709	0.275	1.554	\$17,553	
Ave. N - Radio Lane to Alamo St. (12")	\$23,400	2.538	0.709	0.020	1.810	\$181	
Alamo St. - Ave. N to Water Plant #2 (12")	\$4,200	2.538	0.709	0.020	1.810	\$33	
SH 36 - US 59 to J. Meyer Rd. (12")	\$84,000	2.538	0.709	0.020	1.810	\$651	
Band Rd. - SH 36 to City Limit (12")	\$54,000	2.538	0.709	0.020	1.810	\$418	
Bamore Rd. - Ave I to Wild Cotton Rd. (12")	\$200,000	2.538	0.709	0.020	1.810	\$1,549	
Grunwald Heights Blvd. - Bamore Rd. to Water Plant #3 (12")	\$7,200	2.538	0.709	0.020	1.810	\$56	
Magnolia Dr. - Bamore Rd. to Elevated Tank (12")	\$8,400	2.538	0.709	0.020	1.810	\$65	
Spur 529 - Bamore Rd. to City Limit (12")	\$66,000	2.538	0.709	0.020	1.810	\$511	
Rude Rd. - Spur 529 to US 90A (12")	\$19,200	2.538	0.709	0.020	1.810	\$149	
Seatex Ltd - US 90A to SH 36 (12")	\$20,400	2.538	0.709	0.020	1.810	\$158	
Walnut St. - SH 36 to Willow (12")	\$16,000	2.538	0.709	0.020	1.810	\$124	
Willow - Walnut to Ave. D (12")	\$11,000	2.538	0.709	0.020	1.810	\$85	
Austin St. - Ave. I to Water Plant #2 (12")	\$9,000	2.538	0.709	0.020	1.810	\$70	
Ave. I - Bamore Rd. to 2nd St. (12")	\$22,800	2.538	0.709	0.020	1.810	\$177	
Airport - FM 2218 to Louise St. (12")	\$40,500	2.538	0.709	0.020	1.810	\$314	
J. Meyer Rd. - SH 36 to MUD 147E (12")	\$48,000	2.538	0.709	0.020	1.810	\$372	
Bryan Rd. - Spacek to FM 2977 (16")	\$93,000	4.512	1.260	0.275	2.977	\$5,668	
FM 2977 - Bryan Rd. to Irby Cobb (16")	\$45,000	4.512	1.260	0.275	2.977	\$2,743	
Irby Cobb - FM 2977 to East (16")	\$180,000	4.512	1.260	0.276	2.976	\$11,011	
Rohan Rd. - Grand Rapids to Tori (12")	\$134,750	2.538	0.709	0.020	1.810	\$1,044	
Cottonwood Church Rd. - Water Plant #5 to US 59 (12")	\$12,000	2.538	0.709	0.020	1.810	\$93	
US 59 - Cottonwood Church Rd. to Spur 529 (12")	\$13,200	2.538	0.709	0.020	1.810	\$102	
Bryan Road - Dry Creek to Spacek Rd. (12")	\$312,661	2.538	0.709	0.020	1.810	\$2,422	
Louise Street - US 59 to Ave. N (12")	\$351,520	2.538	0.709	0.020	1.810	\$2,723	
Reading Road - Benton Rd. to East (12")	\$386,413	2.538	0.709	0.020	1.810	\$2,993	
Spur 529 US Hwy 59 to City Limit (12")	\$843,839	2.538	0.709	0.020	1.810	\$6,536	
Subtotal Existing Facilities	\$4,379,421	129.720	36.221	2.477	91.022	\$102,652	

**TABLE 8
CIP INVENTORY AND COSTING
WATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
FUTURE FACILITIES							
Alternate Water Transmission Lines (42", 36", 30" & 24")	\$5,495,200	31.023	0.000	1.800	29.223	\$318,840	
US Hwy 59-Spur 529 to Bamore Road (12")	\$953,000	2.538	0.000	0.313	2.225	\$117,529	
US 59 (Reading Road to Dry Creek to Bryan Rd) (8")	\$53,000	1.128	0.000	0.313	0.815	\$14,707	
US Hwy 90A-Spur 10 to Rude Road (12")	\$1,584,000	2.538	0.000	0.313	2.225	\$195,348	
West Distribution Line along Spur 10 (16")	\$3,159,000	4.512	0.000	0.313	4.199	\$219,142	
Water Plant #7 to FM 2218 to US Hwy 59 (16")	\$1,601,000	4.512	0.000	0.313	4.199	\$111,062	
Water Plant #4 South to US Hwy 59 to Louise St. to FM 2218 (12")	\$635,000	2.538	0.000	0.313	2.225	\$78,312	
Benton Road to Reading Road to Irby Cobb Blvd. (16")	\$857,000	4.512	0.000	0.313	4.199	\$59,451	
North Distribution Line along SH 36 from NW Water Plant (16")	\$3,624,000	4.512	0.000	0.313	4.199	\$251,399	
Water Plant #5 to Cottonwood Church Rd Loop (12")	\$1,238,550	2.538	0.000	0.020	2.518	\$9,760	
Rohan Rd to Reading Rd along Benton (12" and 16")	\$371,100	2.538	0.000	0.313	2.225	\$45,766	
FM2977 Water Line Extension (16")	\$592,000	4.512	0.000	0.316	4.196	\$41,461	
Subtotal Future Facilities	\$20,162,850	67.401	0.000	4.953	62.448	\$1,462,775	
TOTAL TRANSMISSION LINES	\$24,542,271	197.121	36.221	7.430	153.470	\$1,565,427	\$459.07
TOTALS	\$57,210,743					\$12,054,953	\$3,535.17

(a) Assumes the following gals to LUE conversion facts

Supply:	864 gals daily
Pumpage:	864 gals daily
Ground Storage:	100 gals
Elevated Storage:	100 gals
Transmission:	2,160 gals daily

TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
TREATMENT							
EXISTING FACILITIES							
			<u>AVG MGD</u>				
WWTP No. 1A	\$2,361,311	2.000	1.475	0.080	0.445	\$94,452	
WWTP No. 2	\$1,185,408	3.000	2.139	0.460	0.401	\$181,763	
WWTP No. 2 Expansion	\$11,758,281	1.500	0.166	0.230	1.104	\$1,802,936	
WWTP No. 3	\$275,000	0.050	0.006	0.000	0.044	\$0	
Subtotal Existing Facilities	\$15,580,000	6.550	3.786	0.770	1.994	\$2,079,151	
FUTURE FACILITIES							
Subtotal Future Facilities	\$0	0.000	0.000	0.000	0.000	\$0	
TOTAL WASTEWATER TREATMENT	\$15,580,000	6.550	3.786	0.770	1.994	\$2,079,151	\$685.74

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
<u>PUMPING</u>							
EXISTING FACILITIES							
			<u>MGD</u>				
Lift Station No. 1 (1820 3rd Street)	\$120,636	1.807	0.500	0.150	1.157	\$10,013	
Lift Station No. 2 (3600 Avenue F)	\$297,450	10.080	3.229	0.083	6.769	\$2,449	
Lift Station No. 3 (1002 Wilson Drive)	\$111,450	1.728	1.645	0.083	0.000	\$5,385	
Lift Station No. 4 (1814 Jones Street)	\$245,321	1.584	1.584	0.000	0.000	\$0	
Lift Station No. 5 (1115 Avenue D)	\$62,000	0.540	0.540	0.000	0.000	\$0	
Lift Station No. 6 (406 Mulchay Street)	\$30,000	0.079	0.079	0.000	0.000	\$0	
Lift Station No. 7 (2615 Mons Avenue)	\$75,000	2.088	0.651	0.000	1.437	\$0	
Lift Station No. 8 (3102 West Street)	\$398,000	1.800	0.796	0.000	1.004	\$0	
Lift Station No. 9 (2311 Avenue B)	\$138,000	0.360	0.360	0.000	0.000	\$0	
Lift Station No. 10 (1911 Avenue A)	\$67,550	0.118	0.118	0.000	0.000	\$0	
Lift Station No. 11 (2809 B. F. Terry Boulevard)	\$405,000	3.456	0.752	0.150	2.554	\$17,578	
Lift Station No. 12 (4431 Airport Avenue)	\$2,168	0.000	0.000	0.000	0.000	\$0	
Lift Station No. 13 (4120 Airport Avenue)	\$10,000	0.072	0.072	0.000	0.000	\$0	
Lift Station No. 14 (2811 Airport Avenue)	\$85,950	1.248	1.000	0.248	0.000	\$17,073	
Lift Station No. 15 (2119 Avenue B)	\$392,000	2.131	1.035	0.000	1.096	\$0	
Lift Station No. 16 (1900 FM 2218)	\$40,000	2.808	0.840	0.150	1.818	\$2,137	
Lift Station No. 17 (100 Rude Road)	\$50,000	0.292	0.292	0.000	0.000	\$0	
Lift Station No. 18 (451 Hwy 36 West)	\$10,000	0.101	0.101	0.000	0.000	\$0	
Lift Station No. 19 (5630 Bryan Road)	\$96,956	1.001	1.001	0.000	0.000	\$0	
Lift Station No. 20 (3301 Vista Ridge)	\$100,000	0.792	0.334	0.000	0.458	\$0	
Lift Station No. 21 (1205 Spur 529)	\$210,600	0.504	0.504	0.000	0.000	\$0	
Lift Station No. 22 (2102 First Street)	\$1,600	0.072	0.072	0.000	0.000	\$0	
Lift Station No. 23 (1302 Cotton Wood School Road)	\$310,000	1.162	1.050	0.112	0.000	\$29,899	
Lift Station No. 24 (7707 Reading Road)	\$506,283	1.152	0.334	0.000	0.818	\$0	
Lift Station No. 25 (2230 J. Meyer Road)	\$330,313	0.720	0.720	0.000	0.000	\$0	
Lift Station No. 26 (5028 Bryan Road)	\$25,000	0.058	0.058	0.000	0.000	\$0	
Lift Station No. 27 (Brazos Town Center Lift Station)	\$471,000	1.742	0.333	0.759	0.650	\$205,170	
North Benton Road Lift Station	\$361,235	0.693	0.000	0.000	0.693	\$0	
South Benton Road Lift Station	\$642,189	0.980	0.000	0.000	0.980	\$0	
Subtotal Existing Facilities	\$5,595,701	39.169	18.000	1.736	19.434	\$289,705	
FUTURE FACILITIES							
Lift Station No. 11 Upgrade	\$250,000	1.800	0.000	0.200	1.600	\$27,778	
Lift Station No. 19 Upgrade	\$1,892,800	2.311	0.000	0.200	2.111	\$163,794	
Lift Station (US Hwy 59/Spur 10)	\$469,000	1.728	0.000	0.200	1.528	\$54,282	
Localized Lift Stations	(b)						
Subtotal Future Facilities	\$2,611,800 (b)	5.839	0.000	0.600	5.239	\$245,854 (b)	
TOTAL WASTEWATER PUMPAGE	\$8,207,501 (b)	45.008	18.000	2.336	24.673	\$535,559 (b)	\$176.64 (a,b)

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
MAJOR COLLECTION LINES							
EXISTING FACILITIES							
<u>MGD</u>							
Basin 1							
Damon - Ave. H to Old Richmond Rd. (12")	\$43,200	1.015	0.259	0.000	0.756	\$0	
Old Richmond Rd. - Damon to 8th Street (12")	\$71,100	1.015	0.259	0.000	0.756	\$0	
8th Street - Old Richmond Rd. to Ave. E (15")	\$21,375	1.586	0.259	0.000	1.327	\$0	
Ave. E - 8th Street to 7th Street (15")	\$13,500	1.586	0.259	0.000	1.327	\$0	
7th Street - Ave. E to Ave. D (15")	\$10,125	1.586	0.259	0.000	1.327	\$0	
Ave. D - 7th to 5 1/2 St. (15")	\$19,125	1.586	0.259	0.000	1.327	\$0	
5 1/2 St. - Ave. D to Lift Station #15 (15")	\$36,000	1.586	0.259	0.000	1.327	\$0	
Houston St. - Ave. I to Walnut (12")	\$45,000	1.015	0.259	0.000	0.756	\$0	
Walnut - Houston to 1st St. (12")	\$10,800	1.015	0.259	0.000	0.756	\$0	
1st St. - Walnut to Ave. B (12")	\$46,800	1.015	0.259	0.000	0.756	\$0	
Ave. B - 1st St. to 1 1/2 St. (12")	\$4,500	1.015	0.259	0.000	0.756	\$0	
1 1/2 St. - Ave. B to Ave. A (12")	\$10,800	1.015	0.259	0.000	0.756	\$0	
Ave. A - 1 1/2 St. to Lift Station #15 (12")	\$42,300	1.015	0.259	0.000	0.756	\$0	
Ave. D - 1 1/2 St. to 3rd St. (15")	\$307,000	1.586	0.259	0.000	1.327	\$0	
5th St. - Ave. K to Ave. D (12")	\$92,700	1.015	0.259	0.000	0.756	\$0	
5th St. - Ave. D to Lift Station #15 (15")	\$224,536	1.586	0.259	0.000	1.327	\$0	
Ave. M - 2 1/2 to 5th St. (24")	\$59,400	4.061	0.259	0.000	3.802	\$0	
5th Street - Ave. M to Lift Station #15 (24")	\$293,400	4.061	0.259	0.000	3.802	\$0	
Basin 2							
Airport - Graeber to alley between Alamo/Lory (12")	\$58,800	1.015	0.651	0.000	0.364	\$0	
Alley between Alamo/Lory - Airport to Mons Ave. (12")	\$11,340	1.015	0.651	0.000	0.364	\$0	
Mons Ave. - Alley to Lift Station #7 (12")	\$10,500	1.015	0.651	0.000	0.364	\$0	
Mons Ave. - Cedar Lane to SH 36 (21")	\$51,450	3.109	0.500	0.250	2.359	\$4,137	
4th Street - Main to Parrott (12")	\$22,680	1.015	0.500	0.050	0.465	\$1,117	
Easement - Parrott to Lift Station #1 (12")	\$8,400	1.015	0.500	0.050	0.465	\$414	
Basin 3							
Reading Rd. - Apartments to Herndon (12")	\$13,680	1.015	1.015	0.000	0.000	\$0	
Herndon - Reading Rd. to US 90A (12")	\$3,240	1.015	1.015	0.000	0.000	\$0	
US 90A - Herndon to Cole (15")	\$19,350	1.586	1.586	0.000	0.000	\$0	
US 90A - Cole to Lift Station #2 (18")	\$49,680	2.284	2.214	0.071	0.000	\$1,544	
Ave. H - Silverado to Lift Station #2 (12")	\$10,800	1.015	1.015	0.000	0.000	\$0	
Miles - South of Ave. I to Ave. H (12")	\$15,840	1.015	1.015	0.000	0.000	\$0	
Pleasant Gully - South of Ave. I to Ave. H (12")	\$24,480	1.015	1.015	0.000	0.000	\$0	

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
Basin 4							
Spacek Rd. - US 59 to Lift Station #19 (12")	\$291,780	1.015	0.501	0.270	0.245	\$77,616	
Bryan Rd. - US 59 to 2400' East (21")	\$50,820	3.109	0.500	0.270	2.339	\$4,413	
Summer Shore - Lake Commons to Blue Lake Drive (15")	\$12,100	1.586	0.167	0.110	1.309	\$839	
Summer Crest Dr. - Summer Shore to Lift Station #24 (18")	\$28,600	2.284	0.334	0.110	1.840	\$1,377	
Winding Lake - FM2977 to Summer Night (12")	\$16,940	1.015	0.167	0.110	0.738	\$1,836	
Summer Night - Winding Lake to Summer Shore (12")	\$26,620	1.015	0.167	0.110	0.738	\$2,885	
Summer Shore - Summer Night to Summer Crest Dr. (12")	\$36,300	1.015	0.167	0.110	0.738	\$3,934	
Town Center Blvd. - Commercial to access Home Depot (12")	\$9,900	1.015	0.167	0.000	0.848	\$0	
Home Depot - Town Center Blvd. to Lift Station #20 (15")	\$30,525	1.586	0.167	0.000	1.419	\$0	
Vista - Town Center Blvd. to 600' South (12")	\$11,220	1.015	0.167	0.000	0.848	\$0	
Vista - 600' South to Lift Station #20 (15")	\$12,375	1.586	0.167	0.000	1.419	\$0	
Town Center Blvd. - Reserve to FM2218 (15")	\$25,575	1.586	0.150	0.110	1.326	\$1,774	
Town Center Blvd. - Village Ct Dr to Reading Rd (15")	\$42,075	1.586	0.400	0.110	1.076	\$2,918	
Town Center Blvd. - Reading Rd. to Section 5 Detention (18")	\$19,800	2.284	0.600	0.220	1.464	\$1,907	
Town Center Blvd. - Section 5 Detention to FM2218 (21")	\$19,635	3.109	0.600	0.220	2.289	\$1,389	
Lane Dr. - Mustang to Ave. I (12")	\$15,180	1.015	0.200	0.110	0.705	\$1,645	
Reading Rd. - Ave. I to Town Center Blvd. (12")	\$13,200	1.015	0.200	0.110	0.705	\$1,431	
East Town Center Sect. 1 - Dry Creek to Town Center Blvd. (12")	\$17,160	1.015	0.400	0.110	0.505	\$1,860	
FM2218 - Town Center Blvd. to Lift Station #16 (21")	\$18,480	3.109	0.840	0.210	2.059	\$1,248	
Greenwood - Red Bud North to Ave. N (12")	\$11,220	1.015	0.326	0.170	0.519	\$1,879	
Alley between Allwright & Richard - Reading Rd to Homestead (12")	\$14,520	1.015	0.326	0.170	0.519	\$2,432	
FM2218 - Ave. N to Lift Station #11 (12")	\$7,920	1.015	0.426	0.170	0.419	\$1,327	
FM2218 - Talberts to Lift Station #11 (12")	\$30,360	1.015	0.326	0.170	0.519	\$5,085	
Bryan Rd. - Roseranch to Lift Station #19 (18")	\$46,530	2.284	0.501	0.000	1.784	\$0	
Basin 5							
Southeast Trunk Sewer - FM2218 to WWTP #2 (42"-54")	\$2,350,758	20.558	5.465	0.868	14.225	\$99,254	
US 59 - Bamore to Fairgrounds Rd. (12")	\$21,120	1.015	1.015	0.000	0.000	\$0	
Fairgrounds Rd. - US 59 to WWTP #2 (12")	\$13,860	1.015	1.015	0.000	0.000	\$0	
SH 36 - US 59 to Southeast Trunk Sewer (30")	\$46,200	6.345	2.733	0.434	3.179	\$3,160	
Southeast Trunk Sewer - SH 36 to WWTP #2 (36")	\$63,360	9.137	2.733	0.434	5.970	\$3,010	
J. Meyer Rd. - Park Thicket to Lift Station #25 (12")	\$8,580	1.015	0.360	0.000	0.655	\$0	
J. Meyer Rd. - Silverstone to Lift Station #25 (12")	\$5,280	1.015	0.360	0.000	0.655	\$0	
J. Meyer Rd. - School to SH 36 (18")	\$8,910	2.284	0.720	0.434	1.130	\$1,693	
SH 36 - J. Meyer Rd. to Band Rd. (18")	\$255,233	2.284	1.720	0.434	0.130	\$48,499	
SH 36 - Band Rd. to Fairgrounds Rd. (24")	\$255,233	4.061	2.733	0.434	0.894	\$27,277	
SH 36 - Fairgrounds Rd. to Southeast Trunk Sewer (30")	\$255,233	6.345	2.733	0.434	3.178	\$17,458	
Band Rd. - Stella to SH 36 (12")	\$10,560	1.015	1.013	0.000	0.002	\$0	
SH 36 - J. Meyer Rd. to South (15")	\$193,537	1.586	1.000	0.000	0.586	\$0	

**TABLE 9
CIP INVENTORY AND COSTING
WASTEWATER UTILITY**

FACILITY TYPE / NAME	TOTAL CONSTRUCTION COST	FACILITY CAPACITY (mgd or gals)				2013-2018	
		TOTAL	CURRENT CUSTOMERS	2013-2018 GROWTH	POST-2018 GROWTH	CAPITAL COST	COST PER LUE (a)
Basin 6							
Bamore - Ave. I to South of Wilburn (12")	\$64,260	1,015	0.300	0.000	0.715	\$0	
Blume - Spur 529 to Seabourne Creek (12")	\$58,860	1,015	0.300	0.000	0.715	\$0	
Connector - Blume to Bamore (15")	\$37,125	1,586	0.300	0.000	1.286	\$0	
Bamore - South of Wilburn to Grunwald Hts Blvd (15")	\$15,525	1,586	0.600	0.000	0.986	\$0	
Grunwald Hts. Blvd. - Bamore to West (15")	\$24,975	1,586	0.600	0.000	0.986	\$0	
West - Grunwald Hts. Blvd. to Lift Station #8 (15")	\$17,550	1,586	0.700	0.000	0.886	\$0	
West - Bernie to Grunwald Hts. Blvd. (12")	\$3,780	1,015	0.100	0.000	0.915	\$0	
West - US 59 to Walenta (12")	\$29,565	1,015	0.500	0.050	0.465	\$1,456	
Walenta - West to SH 36 (18")	\$32,400	2,284	0.500	0.050	1.734	\$709	
Spur 529 - City Limits to Lift Station #21 (12")	\$2,400	1,015	0.504	0.000	0.511	\$0	
Rude Rd. - US 90A to Lift Station #17 (12")	\$13,500	1,015	0.292	0.000	0.723	\$0	
North of RR - Rude Rd. to 800' West (12")	\$4,320	1,015	0.292	0.000	0.723	\$0	
Harley Davidson - Bamore to Lift Station #8 (12")	\$129,488	1,015	0.096	0.000	0.919	\$0	
SH 36 - Mons to Walenta (21")	\$3,780	3,109	0.500	0.330	2.279	\$401	
SH 36 - Walenta to US 59 (30")	\$98,550	6,345	0.500	0.330	5.515	\$5,126	
Basin McDonald's							
WWTP #3 to US 59 (12")	\$18,000	1,015	0.038	0.000	0.977	\$0	
US 59 to Spur 529 (12")	\$6,000	1,015	0.038	0.000	0.977	\$0	
Basin X							
Louise Street - Halfway from Airport to Mons (12")	\$117,173	1,015	0.000	0.330	0.685	\$38,096	
Louise Street - Mons to US 59 (15")	\$117,173	1,586	0.000	0.330	1.256	\$24,380	
Louise Street - US 59 to Southeast Trunk Sewer (15")	\$117,173	1,586	0.000	0.330	1.256	\$24,380	
Subtotal Existing Facilities	\$6,860,197	172.886	54.710	8.613	109.564	\$419,907	
FUTURE FACILITIES							
Sewer - Spacek Rd -US 59 to Bryan Rd (15", 21" & 24")	\$1,135,000	3,046	0.501	0.700	1.845	\$260,834	
Sewer - Spur 10 -WWTP #5 to SH 36 (24" & 54")	\$4,380,000	6,218	0.000	0.350	5.868	\$246,542	
Sewer - Spur 10-WWTP #5 to US Hwy 59 (24", 36", & 42")	\$3,808,000	9,137	0.000	0.350	8.787	\$145,868	
Sewer - FM Hwy 2218 South of US Hwy 59 (12")	\$587,000	1,015	0.000	0.350	0.665	\$202,414	
Sewer - WWTP #2 to Cottonwood School Road (18")	\$673,000	2,284	0.000	0.350	1.934	\$103,130	
Subtotal Future Facilities	\$10,583,000	21.700	0.501	2.100	19.099	\$958,789	
TOTAL COLLECTION LINES	\$17,443,197	194.586	55.211	10.713	128.663	\$1,378,696	\$454.72
WASTEWATER CONSTRUCTION COST TOTAL	\$41,230,698					\$3,993,406	\$1,317.10

(a) Assumes the following gals to LUE conversion factc

Treatment:	254 gals daily
Pumpage:	1,207 gals daily (Existing Customers) 770 gals daily (2013-2018 New Customers)
Collection:	1,207 gals daily

2.2.5 Summary of CIP Analysis and Capital Cost Allocation

Capital costs for each area are summarized in **Table 10**. In addition to capital costs, the City is permitted to add the costs of the study to the fee amount, as is shown in the table.

**TABLE 10
CIP INVENTORY AND COSTING
SUMMARY**

UTILITY/ FACILITY TYPE	COST PER LUE
<u>WATER</u>	
Supply	\$2,630.47
Pumping	\$177.72
Ground Storage	\$65.09
Elevated Storage	\$202.82
Major Transmission	\$459.07
Study Costs	<u>\$6.35</u>
Total Water Capital Costs	\$3,541.52
<u>SEWER</u>	
Treatment	\$685.74
Pumping	\$176.64
Collection	\$454.72
Study Costs	<u>\$7.15</u>
Total Wastewater Capital Costs	\$1,324.25
TOTAL WATER AND WASTEWATER CAPITAL COSTS	<u>\$4,865.77</u>

3.0 FEE CALCULATION

Chapter 395 states that the maximum fee amount may not exceed the full capital cost per unit. The statute also requires:

a credit for the portion of ad valorem tax and utility service revenues generated by new service units during the program period that is used for the payment of improvements, including the payment of debt, that are included in the capital improvements plan; or in the alternative, a credit equal to 50 percent of the total projected cost of implementing the capital improvements plan.

The Equity Residual Model described in Section 4.0 of Rosenberg’s 2008 impact fee study was used in fee calculation for the water and sewer utilities. That methodology essentially allows the feepayers to finance a portion of his or her costs through City financing, similar to the amount of principal owed by each existing customer, thus establishing fairness between existing and future customers. **Table 11** contains calculations of rate credits for the water utility, and **Table 12** shows similar calculations for the wastewater utility. These tables show the dollar amount of capital debt service payback proportionately attributed to each LUE of existing service. This amount is used as a credit for future feepayers.

Table 13 shows the remainder of the fee calculation process. According to Chapter 395, the City may either calculate actual rate credits, or it may simply reduce the construction costs by 50% to approximate a fee credit. **Table 13** performs both fee calculations for each type of facility, for each utility. The higher fee between the two credit approaches is then shown in the right-most column as the maximum allowable fees.

Table 14 shows maximum fee amounts for various sizes of water meters, using the maximum fee amounts shown in **Table 13**. The City Council may set fees at the maximum or at any lesser amount.

**TABLE 11
CATEGORIZATION OF UTILITY DEBT
WATER UTILITY**

FACILITY TYPE / NAME	BOND ISSUE			FACILITY CAPACITY		TOTAL DEBT	
	ISSUANCE DATE	ISSUANCE AMOUNT (a)	REMAINING PRINCIPAL	TOTAL	FOR CURRENT CUSTOMERS	PRINCIPAL PER CURRENT LUE	
WATER SUPPLY							
Water Well No. 9 (Reading Road)	Refunding	2010	\$660,535	\$103,209	2.592	2.592	\$6.15
Water Plant No. 5 (Well No. 9A)	CO	2012	\$843,517	\$801,341	2.592	1.012	\$18.66
Water Plant No. 5 (Well No. 9A)	CO	2013	\$569,865	\$550,870	2.592	1.012	\$12.83
Water Plant No. 10 (Well No. 10)	Prospective		\$1,204,620	\$1,204,620	2.592	1.012	\$28.05
Alternate Water Plant	Prospective		\$14,280,000	\$14,280,000	3.000	0.000	\$0.00
Subtotal Supply			\$17,558,538	\$16,940,040			\$65.69
PUMPING							
Water Plant No. 5 Expansion	CO	2012	\$1,432,849	\$1,361,207	1.080	0.000	\$0.00
Water Plant No. 7	Prospective		\$740,520	\$740,520	2.448	0.000	\$0.00
Water Plant No. 10	Prospective		\$745,960	\$745,960	5.184	0.000	\$0.00
Subtotal Pumping			\$1,486,480	\$1,486,480			\$0.00
GROUND STORAGE							
Water Plant No. 5	CO	2012	\$612,297	\$581,682	0.566	0.033	\$2.02
Water Plant No. 6	Refunding	2010	\$282,688	\$44,170	0.300	0.264	\$2.32
Water Plant No. 6	Prospective		\$1,428,000	\$1,428,000	0.700	0.000	\$0.00
Water Plant No. 7	Prospective		\$409,020	\$409,020	0.270	0.000	\$0.00
Water Plant No. 10	Prospective		\$1,133,220	\$1,133,220	1.000	0.000	\$0.00
Subtotal Ground Storage			\$3,252,928	\$3,014,410			\$2.32
ELEVATED STORAGE							
Water Plant No. 1	Refunding	2010	\$178,196	\$27,843	0.150	0.150	\$1.66
Water Plant No. 6 (FM2977)	Prospective		\$2,484,210	\$2,484,210	1.000	0.000	\$0.00
Water Plant No. 10	Prospective		\$2,231,000	\$2,231,000	1.000	0.000	\$0.00
Subtotal Elevated Storage			\$4,893,406	\$4,743,053			\$1.66
MAJOR TRANSMISSION							
Reading Road Water	Refunding	2010	\$207,225	\$32,379	100.0%	27.9%	\$0.54
Reading Road Water	Refunding	2010	\$15,904	\$2,485	1.000	0.279	\$0.04
Alternate Water Transmission Lines (42", 36", 30" & 24")	Prospective		\$5,605,104	\$5,605,104	31.023	0.000	\$0.00
US Hwy 59-Spur 529 to Bamore Road (12")	Prospective		\$972,060	\$972,060	2.538	0.000	\$0.00
US 59 (Reading Road to Dry Creek to Bryan Rd) (8")	Prospective		\$54,060	\$54,060	1.128	0.000	\$0.00
US Hwy 90A-Spur 10 to Rude Road (12")	Prospective		\$1,615,680	\$1,615,680	2.538	0.000	\$0.00
West Distribution Line along Spur 10 (16")	Prospective		\$3,222,180	\$3,222,180	4.512	0.000	\$0.00
Water Plant #7 to FM2218 to US Hwy 59 (16")	Prospective		\$1,633,020	\$1,633,020	4.512	0.000	\$0.00
Water Plant #4 South to US Hwy 59 to Louise St. to FM2218 (12")	Prospective		\$647,700	\$647,700	2.538	0.000	\$0.00
Benton Road to Reading Road to Irby Cobb Blvd. (16")	Prospective		\$874,140	\$874,140	4.512	0.000	\$0.00
North Distribution Line along SH 36 from NW Water Plant (16")	Prospective		\$3,696,480	\$3,696,480	4.512	0.000	\$0.00
Water Plant #5 to Cottonwood Church Rd Loop (12")	Prospective		\$1,263,321	\$1,263,321	2.538	0.000	\$0.00
Rohan Rd to Reading Rd along Benton (12" and 16")	Prospective		\$378,522	\$378,522	2.538	0.000	\$0.00
FM2977 Water Line Extension (16")	Prospective		\$603,840	\$603,840	4.512	0.000	\$0.00
Subtotal Transmission Lines			\$20,789,236	\$20,600,971			\$0.58
WATER OUTSTANDING DEBT TOTAL			\$47,980,587	\$46,784,954			\$70.25

(a) Assume financing parameter:
over construction costs.
(b) Including soft costs.

4.50% interest &

20 years & bonding costs of

2.0%

2010 Refunding issue refunded 1998 and 2000 issues.



**TABLE 12
CATEGORIZATION OF UTILITY DEBT
WASTEWATER UTILITY**

FACILITY TYPE / NAME	BOND ISLUE			FACILITY CAPACITY		TOTAL DEBT	
	ISSUANCE DATE	ISSUANCE AMOUNT (a)	REMAINING PRINCIPAL	TOTAL	FOR CURRENT CUSTOMERS	PRINCIPAL PER CURRENT LUE	
TREATMENT							
Trailer Mounted Centrifuge for WWTP 1A, 2	Refunding	2010	\$58,454	\$9,134	5.000	3.614	\$0.44
WWTP No. 2 Expansion, First Phase	CO	2006	\$4,565,000	\$3,575,000	1.500	0.166	\$26.54
WWTP No. 2 Expansion, Second Phase	CO	2007	\$4,570,000	\$3,820,000	1.500	0.166	\$28.36
WWTP No. 2 Expansion, Final Phase	CO	2008	\$3,545,000	\$2,960,000	1.500	0.166	\$21.97
Subtotal Wastewater Treatment			\$12,738,454	\$10,364,134			\$77.31
PUMPING							
Lift Station No. 11 Upgrade	Prospective		\$255,000	\$255,000	1.800	0.000	\$0.00
Lift Station No. 19 Upgrade	Prospective		\$1,930,656	\$1,930,656	2.311	0.000	\$0.00
Lift Station (US Hwy 59/Spur 10)	Prospective		\$478,380	\$478,380	1.728	0.000	\$0.00
Subtotal Wastewater Pumping			\$2,664,036	\$2,664,036			\$0.00
MAJOR COLLECTION							
Sewer - Spacek Rd -US 59 to Bryan Rd (15", 21" & 24")	Prospective		\$1,157,700	\$1,157,700	3.046	0.501	\$12.77
Sewer - Spur 10 -WWTP #5 to SH 36 (24" & 54")	Prospective		\$4,467,600	\$4,467,600	6.218	0.000	\$0.00
Sewer - Spur 10-WWTP #5 to US Hwy 59 (24", 36", & 42")	Prospective		\$3,884,160	\$3,884,160	9.137	0.000	\$0.00
Sewer - FM Hwy 2218 South of US Hwy 59 (12")	Prospective		\$598,740	\$598,740	1.015	0.000	\$0.00
Sewer - WWTP #2 to Cottonwood School Road (18")	Prospective		\$686,460	\$686,460	2.284	0.000	\$0.00
Subtotal Wastewater Collection			\$10,794,660	\$10,794,660			\$12.77
WASTEWATER OUTSTANDING DEBT TOTAL			\$26,197,150	\$23,822,830			\$90.08

(a) Assume financing parameter:
over construction costs.
(b) Including soft costs.

4.50% interest &

20 years & bonding costs of

2.0%

2010 Refunding issue refunded 1998 and 2000 issues.

**TABLE 13
DERIVATION OF MAXIMUM WATER AND WASTEWATER DEVELOPMENT FEES
THROUGH THE EQUITY RESIDUAL MODEL**

UTILITY / FACILITY TYPE	CONSTRUCTION COSTS	ALTERNATIVE ADJUSTMENT		MAXIMUM FEE AMOUNT		HIGHER OF A or B
		A Rate Credit	B 50% Adjustment *	A Rate Credit	B 50% Adjustment *	
<u>WATER UTILITY</u>						
Supply	\$2,630.47	\$65.69	\$1,315.24	\$2,564.78	\$1,315.24	\$2,564.78
Pumping	\$177.72	\$0.00	\$88.86	\$177.72	\$88.86	\$177.72
Treated Ground Storage	\$65.09	\$2.32	\$32.55	\$62.77	\$32.55	\$62.77
Treated Elevated Storage	\$202.82	\$1.66	\$101.41	\$201.16	\$101.41	\$201.16
Major Transmission	\$459.07	\$0.58	\$229.54	\$458.49	\$229.54	\$458.49
CIP/Study Costs	\$6.35	\$0.00	\$3.18	\$6.35	\$3.18	\$6.35
Subtotal Water	\$3,541.52	\$70.25	\$1,770.76	\$3,471.27	\$1,770.76	\$3,471.27
<u>WASTEWATER UTILITY</u>						
Treatment	\$685.74	\$77.31	\$342.87	\$608.43	\$342.87	\$608.43
Pumping	\$176.64	\$0.00	\$88.32	\$176.64	\$88.32	\$176.64
Major Collection	\$454.72	\$12.77	\$227.36	\$441.95	\$227.36	\$441.95
CIP/Study Costs	\$7.15	\$0.00	\$3.57	\$7.15	\$3.57	\$7.15
Subtotal Wastewater	\$1,324.25	\$90.08	\$662.12	\$1,234.17 [a]	\$662.12 [a]	\$1,234.17 [a]
TOTAL WATER AND WASTEWATER UTILITIES	\$4,865.77	\$160.33	\$2,432.89	\$4,705.44 [a]	\$2,432.89 [a]	\$4,705.44 [a]

* Totals may not add due to rounding.

(a) Feepayers requiring construction of additional new lift stations will also be charged the cost of their prorata share of the facilities.



TABLE 14
MAXIMUM IMPACT FEES FOR VARIOUS WATER METER SIZES
CITY OF ROSENBERG

METER TYPE	METER SIZE	MULTIPLIER	MAXIMUM IMPACT FEE		
			WATER	SEWER	BOTH
SIMPLE	5/8" x 3/4"	1.000	\$3,471.27	\$1,234.17	\$4,705.44
SIMPLE	3/4"	1.500	\$5,206.91	\$1,851.26	\$7,058.17
SIMPLE	1"	2.500	\$8,678.18	\$3,085.43	\$11,763.61
SIMPLE	1-1/2"	5.000	\$17,356.35	\$6,170.85	\$23,527.20
SIMPLE	2"	8.000	\$27,770.16	\$9,873.36	\$37,643.52
COMPOUND	2"	8.000	\$27,770.16	\$9,873.36	\$37,643.52
TURBINE	2"	10.000	\$34,712.70	\$12,341.70	\$47,054.40
COMPOUND	3"	16.000	\$55,540.32	\$19,746.72	\$75,287.04
TURBINE	3"	24.000	\$83,310.48	\$29,620.08	\$112,930.56
COMPOUND	4"	25.000	\$86,781.75	\$30,854.25	\$117,636.00
TURBINE	4"	42.000	\$145,793.34	\$51,835.14	\$197,628.48
COMPOUND	6"	50.000	\$173,563.50	\$61,708.50	\$235,272.00
TURBINE	6"	92.000	\$319,356.84	\$113,543.64	\$432,900.48
COMPOUND	8"	80.000	\$277,701.60	\$98,733.60	\$376,435.20
TURBINE	8"	160.000	\$555,403.20	\$197,467.20	\$752,870.40
COMPOUND	10"	115.000	\$399,196.05	\$141,929.55	\$541,125.60
TURBINE	10"	250.000	\$867,817.50	\$308,542.50	\$1,176,360.00
TURBINE	12"	330.000	\$1,145,519.10	\$407,276.10	\$1,552,795.20

4.0 CONCLUSIONS AND RECOMMENDATIONS

4.1 CONCLUSIONS AND RECOMMENDATIONS OF THE CONSULTANTS

This report represents the technical compliance activities of the City responsive to Chapter 395 of the Texas Local Government Code. In addition to the adoption of the fees calculated herein, the Consultants recommended:

- Use of fee revenues to avoid future bonding, whenever possible.
- As a second-best option, fee proceeds should be used for early retirement of the growth-related portion of existing bonds for growth-related capacity in the CIP.
- Only when the two options immediately above are infeasible should fee proceeds be used for debt service for future customers.
- The Consultants recommend that the City maintain separate dedicated accounts for water fee revenues, respectively, and retain accrued interest in the account, as stipulated in Chapter 395.

The Consultants also recommend that the City's records include the following information for each impact fee payment made:

- Date of final plat (i.e., date of fee assessment)
- Ordinance number (date) by which property is assessed an impact fee
- Date of tap purchase
- Size of water meter
- Number of water and sewer LUE's for which an impact fee is assessed
- Amount of impact fees paid
- Date of payment of impact fees
- Special conditions or exceptions, if any
- Sufficient locational information, consistent with city or county deed records, to enable the City to establish ownership of property for which fees have been paid

4.2 RECOMMENDATIONS AND CONCLUSIONS OF ADVISORY COMMITTEE

The Committee's written comments filed prior to the fee update hearing are shown below.

5.0 CHAPTER 395 OF THE TEXAS LOCAL GOVERNMENT CODE

CHAPTER 395. FINANCING CAPITAL IMPROVEMENTS REQUIRED BY NEW DEVELOPMENT IN MUNICIPALITIES, COUNTIES, AND CERTAIN OTHER LOCAL GOVERNMENTS

SUBCHAPTER A. GENERAL PROVISIONS

§ 395.001. Definitions

In this chapter:

(1) "Capital improvement" means any of the following facilities that have a life expectancy of three or more years and are owned and operated by or on behalf of a political subdivision:

(A) water supply, treatment, and distribution facilities; wastewater collection and treatment facilities; and storm water, drainage, and flood control facilities; whether or not they are located within the service area; and

(B) roadway facilities.

(2) "Capital improvements plan" means a plan required by this chapter that identifies capital improvements or facility expansions for which impact fees may be assessed.

(3) "Facility expansion" means the expansion of the capacity of an existing facility that serves the same function as an otherwise necessary new capital improvement, in order that the existing facility may serve new development. The term does not include the repair, maintenance, modernization, or expansion of an existing facility to better serve existing development.

(4) "Impact fee" means a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development. The term includes amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction, and any other fee that functions as described by this definition. The term does not include:

(A) dedication of land for public parks or payment in lieu of the dedication to serve park needs;

(B) dedication of rights-of-way or easements or construction or dedication of on-site or off-site water distribution, wastewater collection or drainage facilities, or streets, sidewalks, or curbs if the dedication or construction is required by a valid ordinance and is necessitated by and attributable to the new development;

(C) lot or acreage fees to be placed in trust funds for the purpose of reimbursing developers for oversizing or constructing water or sewer mains or lines; or

(D) other pro rata fees for reimbursement of water or sewer mains or lines extended by the political subdivision.

However, an item included in the capital improvements plan may not be required to be constructed except in accordance with Section 395.019(2), and an owner may not be required to construct or dedicate facilities and to pay impact fees for those facilities.

(5) "Land use assumptions" includes a description of the service area and projections of changes in land uses, densities, intensities, and population in the service area over at least a 10-year period.

(6) "New development" means the subdivision of land; the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure; or any use or extension of the use of land; any of which increases the number of service units.

(7) "Political subdivision" means a municipality, a district or authority created under Article III, Section 52, or Article XVI, Section 59, of the Texas Constitution, or, for the purposes set forth by Section 395.079, certain counties described by that section.

(8) "Roadway facilities" means arterial or collector streets or roads that have been designated on an officially adopted roadway plan of the political subdivision, together with all necessary appurtenances. The term includes the political subdivision's share of costs for roadways and associated improvements designated on the federal or Texas highway system, including local matching funds and costs related to utility line relocation and the establishment of curbs, gutters, sidewalks, drainage appurtenances, and rights-of-way.

(9) "Service area" means the area within the corporate boundaries or extraterritorial jurisdiction, as determined under Chapter 42, of the political subdivision to be served by the capital improvements or facilities expansions specified in the capital improvements plan, except roadway facilities and storm water, drainage, and flood control facilities. The service area, for the purposes of this chapter, may

include all or part of the land within the political subdivision or its extraterritorial jurisdiction, except for roadway facilities and storm water, drainage, and flood control facilities. For roadway facilities, the service area is limited to an area within the corporate boundaries of the political subdivision and shall not exceed six miles. For storm water, drainage, and flood control facilities, the service area may include all or part of the land within the political subdivision or its extraterritorial jurisdiction, but shall not exceed the area actually served by the storm water, drainage, and flood control facilities designated in the capital improvements plan and shall not extend across watershed boundaries.

(10) "Service unit" means a standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards and based on historical data and trends applicable to the political subdivision in which the individual unit of development is located during the previous 10 years.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1989, 71st Leg., ch. 566, § 1(e), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 1, eff. Sept. 1, 2001.

SUBCHAPTER B. AUTHORIZATION OF IMPACT FEE

§ 395.011. Authorization of Fee

(a) Unless otherwise specifically authorized by state law or this chapter, a governmental entity or political subdivision may not enact or impose an impact fee.

(b) Political subdivisions may enact or impose impact fees on land within their corporate boundaries or extraterritorial jurisdictions only by complying with this chapter, except that impact fees may not be enacted or imposed in the extraterritorial jurisdiction for roadway facilities.

(c) A municipality may contract to provide capital improvements, except roadway facilities, to an area outside its corporate boundaries and extraterritorial jurisdiction and may charge an impact fee under the contract, but if an impact fee is charged in that area, the municipality must comply with this chapter.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.012. Items Payable by Fee

(a) An impact fee may be imposed only to pay the costs of constructing capital improvements or facility expansions, including and limited to the:

(1) construction contract price;

(2) surveying and engineering fees;

(3) land acquisition costs, including land purchases, court awards and costs, attorney's fees, and expert witness fees; and

(4) fees actually paid or contracted to be paid to an independent qualified engineer or financial consultant preparing or updating the capital improvements plan who is not an employee of the political subdivision.

(b) Projected interest charges and other finance costs may be included in determining the amount of impact fees only if the impact fees are used for the payment of principal and interest on bonds, notes, or other obligations issued by or on behalf of the political subdivision to finance the capital improvements or facility expansions identified in the capital improvements plan and are not used to reimburse bond funds expended for facilities that are not identified in the capital improvements plan.

(c) Notwithstanding any other provision of this chapter, the Edwards Underground Water District or a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may use impact fees to pay a staff engineer who prepares or updates a capital improvements plan under this chapter.

(d) A municipality may pledge an impact fee as security for the payment of debt service on a bond, note, or other obligation issued to finance a capital improvement or public facility expansion if:

(1) the improvement or expansion is identified in a capital improvements plan; and

(2) at the time of the pledge, the governing body of the municipality certifies in a written order, ordinance, or resolution that none of the impact fee will be used or expended for an improvement or expansion not identified in the plan.

(e) A certification under Subsection (d)(2) is sufficient evidence that an impact fee pledged will not be used or expended for an improvement or expansion that is not identified in the capital improvements plan.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1995, 74th Leg., ch. 90, § 1, eff. May 16, 1995.

§ 395.013. Items Not Payable by Fee

Impact fees may not be adopted or used to pay for:

(1) construction, acquisition, or expansion of public facilities or assets other than capital improvements or facility expansions identified in the capital improvements plan;

(2) repair, operation, or maintenance of existing or new capital improvements or facility expansions;

(3) upgrading, updating, expanding, or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental, or regulatory standards;

(4) upgrading, updating, expanding, or replacing existing capital improvements to provide better service to existing development;

(5) administrative and operating costs of the political subdivision, except the Edwards Underground Water District or a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may use impact fees to pay its administrative and operating costs;

(6) principal payments and interest or other finance charges on bonds or other indebtedness, except as allowed by Section 395.012.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.014. Capital Improvements Plan

(a) The political subdivision shall use qualified professionals to prepare the capital improvements plan and to calculate the impact fee. The capital improvements plan must contain specific enumeration of the following items:

(1) a description of the existing capital improvements within the service area and the costs to upgrade, update, improve, expand, or replace the improvements to meet existing needs and usage and stricter safety, efficiency, environmental, or regulatory standards, which shall be prepared by a qualified professional engineer licensed to perform the professional engineering services in this state;

(2) an analysis of the total capacity, the level of current usage, and commitments for usage of capacity of the existing capital improvements, which shall be prepared by a qualified professional engineer licensed to perform the professional engineering services in this state;

(3) a description of all or the parts of the capital improvements or facility expansions and their costs necessitated by and attributable to new development in the service area based on the approved land use assumptions, which shall be prepared by a qualified professional engineer licensed to perform the professional engineering services in this state;

(4) a definitive table establishing the specific level or quantity of use, consumption, generation, or discharge of a service unit for each category of capital improvements or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, and industrial;

(5) the total number of projected service units necessitated by and attributable to new development within the service area based on the approved land use assumptions and calculated in accordance with generally accepted engineering or planning criteria;

(6) the projected demand for capital improvements or facility expansions required by new service units projected over a reasonable period of time, not to exceed 10 years; and

(7) a plan for awarding:

(A) a credit for the portion of ad valorem tax and utility service revenues generated by new service units during the program period that is used for the payment of improvements, including the payment of debt, that are included in the capital improvements plan; or

(B) in the alternative, a credit equal to 50 percent of the total projected cost of implementing the capital improvements plan.

(b) The analysis required by Subsection (a)(3) may be prepared on a systemwide basis within the service area for each major category of capital improvement or facility expansion for the designated service area.

(c) The governing body of the political subdivision is responsible for supervising the implementation of the capital improvements plan in a timely manner.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 2, eff. Sept. 1, 2001.

§ 395.015. Maximum Fee Per Service Unit

(a) The impact fee per service unit may not exceed the amount determined by subtracting the amount in Section 395.014(a)(7) from the costs of the capital improvements described by Section 395.014(a)(3) and dividing that amount by the total number of projected service units described by Section 395.014(a)(5).

(b) If the number of new service units projected over a reasonable period of time is less than the total number of new service units shown by the approved land use assumptions at full development of the service area, the maximum impact fee per service unit shall be calculated by dividing the costs of the part of the capital improvements necessitated by and attributable to projected new service units described by Section 395.014(a)(6) by the projected new service units described in that section.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 3, eff. Sept. 1, 2001.

§ 395.016. Time for Assessment and Collection of Fee

(a) This subsection applies only to impact fees adopted and land platted before June 20, 1987. For land that has been platted in accordance with Subchapter A, Chapter 212, or the subdivision or platting procedures of a political subdivision before June 20, 1987, or land on which new development occurs or is proposed without platting, the political subdivision may assess the impact fees at any time

during the development approval and building process. Except as provided by Section 395.019, the political subdivision may collect the fees at either the time of recordation of the subdivision plat or connection to the political subdivision's water or sewer system or at the time the political subdivision issues either the building permit or the certificate of occupancy.

(b) This subsection applies only to impact fees adopted before June 20, 1987, and land platted after that date. For new development which is platted in accordance with Subchapter A, Chapter 212, or the subdivision or platting procedures of a political subdivision after June 20, 1987, the political subdivision may assess the impact fees before or at the time of recordation. Except as provided by Section 395.019, the political subdivision may collect the fees at either the time of recordation of the subdivision plat or connection to the political subdivision's water or sewer system or at the time the political subdivision issues either the building permit or the certificate of occupancy.

(c) This subsection applies only to impact fees adopted after June 20, 1987. For new development which is platted in accordance with Subchapter A, Chapter 212, or the subdivision or platting procedures of a political subdivision before the adoption of an impact fee, an impact fee may not be collected on any service unit for which a valid building permit is issued within one year after the date of adoption of the impact fee.

(d) This subsection applies only to land platted in accordance with Subchapter A, Chapter 212, or the subdivision or platting procedures of a political subdivision after adoption of an impact fee adopted after June 20, 1987. The political subdivision shall assess the impact fees before or at the time of recordation of a subdivision plat or other plat under Subchapter A, Chapter 212, or the subdivision or platting ordinance or procedures of any political subdivision in the official records of the county clerk of the county in which the tract is located. Except as provided by Section 395.019, if the political subdivision has water and wastewater capacity available:

(1) the political subdivision shall collect the fees at the time the political subdivision issues a building permit;

(2) for land platted outside the corporate boundaries of a municipality, the municipality shall collect the fees at the time an application for an individual meter connection to the municipality's water or wastewater system is filed; or

(3) a political subdivision that lacks authority to issue building permits in the area where the impact fee applies shall collect the fees at the time an application is filed for an individual meter connection to the political subdivision's water or wastewater system.

(e) For land on which new development occurs or is proposed to occur without platting, the political subdivision may assess the impact fees at any time during the development and building process and may collect the fees at either the time of recordation of the subdivision plat or connection to the political subdivision's water or sewer system or at the time the political subdivision issues either the building permit or the certificate of occupancy.

(f) An "assessment" means a determination of the amount of the impact fee in effect on the date of occurrence provided in this section and is the maximum amount that can be charged per service unit of such development. No specific act by the political subdivision is required.

(g) Notwithstanding Subsections (a)–(e) and Section 395.017, the political subdivision may reduce or waive an impact fee for any service unit that would qualify as affordable housing under 42 U.S.C. Section 12745, as amended, once the service unit is constructed. If affordable housing as defined by 42 U.S.C. Section 12745, as amended, is not constructed, the political subdivision may reverse its decision to waive or reduce the impact fee, and the political subdivision may assess an impact fee at any time during the development approval or building process or after the building process if an impact fee was not already assessed.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1997, 75th Leg., ch. 980, § 52, eff. Sept. 1, 1997.

Amended by Acts 2001, 77th Leg., ch. 345, § 4, eff. Sept. 1, 2001.

§ 395.017. Additional Fee Prohibited; Exception

After assessment of the impact fees attributable to the new development or execution of an agreement for payment of impact fees, additional impact fees or increases in fees may not be assessed against the tract for any reason unless the number of service units to be developed on the tract increases. In the event of the increase in the number of service units, the impact fees to be imposed are limited to the amount attributable to the additional service units.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.018. Agreement With Owner Regarding Payment

A political subdivision is authorized to enter into an agreement with the owner of a tract of land for which the plat has been recorded providing for the time and method of payment of the impact fees.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.019. Collection of Fees if Services Not Available

Except for roadway facilities, impact fees may be assessed but may not be collected in areas where services are not currently available unless:

(1) the collection is made to pay for a capital improvement or facility expansion that has been identified in the capital improvements plan and the political subdivision commits to commence construction within two years, under duly awarded and executed contracts or commitments of staff time covering substantially all of the work required to provide service, and to have the service available within a reasonable period of time considering the type of capital improvement or facility expansion to be constructed, but in no event longer than five years;

(2) the political subdivision agrees that the owner of a new development may construct or finance the capital improvements or facility expansions and agrees that the costs incurred or funds advanced will be credited against the impact fees otherwise due from the new development or agrees to reimburse the owner for such costs from impact fees paid from other new developments that will use such capital improvements or facility expansions, which fees shall be collected and reimbursed to the owner at the time the other new development records its plat; or

(3) an owner voluntarily requests the political subdivision to reserve capacity to serve future development, and the political subdivision and owner enter into a valid written agreement.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.020. Entitlement to Services

Any new development for which an impact fee has been paid is entitled to the permanent use and benefit of the services for which the fee was exacted and is entitled to receive immediate service

from any existing facilities with actual capacity to serve the new service units, subject to compliance with other valid regulations.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.021. Authority of Political Subdivisions to Spend Funds to Reduce Fees

Political subdivisions may spend funds from any lawful source to pay for all or a part of the capital improvements or facility expansions to reduce the amount of impact fees.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.022. Authority of Political Subdivision to Pay Fees

(a) Political subdivisions and other governmental entities may pay impact fees imposed under this chapter.

(b) A school district is not required to pay impact fees imposed under this chapter unless the board of trustees of the district consents to the payment of the fees by entering a contract with the political subdivision that imposes the fees. The contract may contain terms the board of trustees considers advisable to provide for the payment of the fees.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2007, 80th Leg., eff. May 11, 2007.

§ 395.023. Credits Against Roadway Facilities Fees

Any construction of, contributions to, or dedications of off-site roadway facilities agreed to or required by a political subdivision as a condition of development approval shall be credited against roadway facilities impact fees otherwise due from the development.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.024. Accounting For Fees and Interest

(a) The order, ordinance, or resolution levying an impact fee must provide that all funds collected through the adoption of an impact fee shall be deposited in interest-bearing accounts clearly identifying the category of capital improvements or facility expansions within the service area for which the fee was adopted.

(b) Interest earned on impact fees is considered funds of the account on which it is earned and is subject to all restrictions placed on use of impact fees under this chapter.

(c) Impact fee funds may be spent only for the purposes for which the impact fee was imposed as shown by the capital improvements plan and as authorized by this chapter.

(d) The records of the accounts into which impact fees are deposited shall be open for public inspection and copying during ordinary business hours.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.025. Refunds

(a) On the request of an owner of the property on which an impact fee has been paid, the political subdivision shall refund the impact fee if existing facilities are available and service is denied or the political subdivision has, after collecting the fee when service was not available, failed to commence construction within two years or service is not available within a reasonable period considering the type of capital improvement or facility expansion to be constructed, but in no event later than five years from the date of payment under Section 395.019(1).

(b) Repealed by Acts 2001, 77th Leg., ch. 345, § 9, eff. Sept. 1, 2001.

(c) The political subdivision shall refund any impact fee or part of it that is not spent as authorized by this chapter within 10 years after the date of payment.

(d) Any refund shall bear interest calculated from the date of collection to the date of refund at the statutory rate as set forth in Section 302.002, Finance Code, or its successor statute.

(e) All refunds shall be made to the record owner of the property at the time the refund is paid. However, if the impact fees were paid by another political subdivision or governmental entity, payment shall be made to the political subdivision or governmental entity.

(f) The owner of the property on which an impact fee has been paid or another political subdivision or governmental entity that paid the impact fee has standing to sue for a refund under this section.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1997, 75th Leg., ch. 1396, § 37, eff. Sept. 1, 1997.

Amended by Acts 1999, 76th Leg., ch. 62, § 7.82, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 345, § 9, eff. Sept. 1, 2001.

SUBCHAPTER C. PROCEDURES FOR ADOPTION OF IMPACT FEE

§ 395.041. Compliance With Procedures Required

Except as otherwise provided by this chapter, a political subdivision must comply with this subchapter to levy an impact fee.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.0411. Capital Improvements Plan

The political subdivision shall provide for a capital improvements plan to be developed by qualified professionals using generally accepted engineering and planning practices in accordance with Section 395.014.

Added by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.042. Hearing on Land Use Assumptions and Capital Improvements Plan

To impose an impact fee, a political subdivision must adopt an order, ordinance, or resolution establishing a public hearing date to consider the land use assumptions and capital improvements plan for the designated service area.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.043. Information About Land Use Assumptions and Capital Improvements Plan Available to Public

On or before the date of the first publication of the notice of the hearing on the land use assumptions and capital improvements plan, the political subdivision shall make available to the public its land use assumptions, the time period of the projections, and a description of the capital improvement facilities that may be proposed.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.044. Notice of Hearing on Land Use Assumptions and Capital Improvements Plan

(a) Before the 30th day before the date of the hearing on the land use assumptions and capital improvements plan, the political subdivision shall send a notice of the hearing by certified mail to any person who has given written notice by certified or registered mail to the municipal secretary or other designated official of the political subdivision requesting notice of the hearing within two years preceding the date of adoption of the order, ordinance, or resolution setting the public hearing.

(b) The political subdivision shall publish notice of the hearing before the 30th day before the date set for the hearing, in one or more newspapers of general circulation in each county in which the political subdivision lies. However, a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may publish the required newspaper notice only in each county in which the service area lies.

(c) The notice must contain:

(1) a headline to read as follows:

"NOTICE OF PUBLIC HEARING ON LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN RELATING TO POSSIBLE ADOPTION OF IMPACT FEES"

(2) the time, date, and location of the hearing;

(3) a statement that the purpose of the hearing is to consider the land use assumptions and capital improvements plan under which an impact fee may be imposed; and

(4) a statement that any member of the public has the right to appear at the hearing and present evidence for or against the land use assumptions and capital improvements plan.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.045. Approval of Land Use Assumptions and Capital Improvements Plan Required

(a) After the public hearing on the land use assumptions and capital improvements plan, the political subdivision shall determine whether to adopt or reject an ordinance, order, or resolution approving the land use assumptions and capital improvements plan.

(b) The political subdivision, within 30 days after the date of the public hearing, shall approve or disapprove the land use assumptions and capital improvements plan.

(c) An ordinance, order, or resolution approving the land use assumptions and capital improvements plan may not be adopted as an emergency measure.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.0455. Systemwide Land Use Assumptions

(a) In lieu of adopting land use assumptions for each service area, a political subdivision may, except for storm water, drainage, flood control, and roadway facilities, adopt systemwide land use

assumptions, which cover all of the area subject to the jurisdiction of the political subdivision for the purpose of imposing impact fees under this chapter.

(b) Prior to adopting systemwide land use assumptions, a political subdivision shall follow the public notice, hearing, and other requirements for adopting land use assumptions.

(c) After adoption of systemwide land use assumptions, a political subdivision is not required to adopt additional land use assumptions for a service area for water supply, treatment, and distribution facilities or wastewater collection and treatment facilities as a prerequisite to the adoption of a capital improvements plan or impact fee, provided the capital improvements plan and impact fee are consistent with the systemwide land use assumptions.

Added by Acts 1989, 71st Leg., ch. 566, § 1(b), eff. Aug. 28, 1989.

§ 395.047. Hearing on Impact Fee

On adoption of the land use assumptions and capital improvements plan, the governing body shall adopt an order or resolution setting a public hearing to discuss the imposition of the impact fee. The public hearing must be held by the governing body of the political subdivision to discuss the proposed ordinance, order, or resolution imposing an impact fee.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.049. Notice of Hearing on Impact Fee

(a) Before the 30th day before the date of the hearing on the imposition of an impact fee, the political subdivision shall send a notice of the hearing by certified mail to any person who has given written notice by certified or registered mail to the municipal secretary or other designated official of the political subdivision requesting notice of the hearing within two years preceding the date of adoption of the order or resolution setting the public hearing.

(b) The political subdivision shall publish notice of the hearing before the 30th day before the date set for the hearing, in one or more newspapers of general circulation in each county in which the political subdivision lies. However, a river authority that is authorized elsewhere by state law to charge

fees that function as impact fees may publish the required newspaper notice only in each county in which the service area lies.

(c) The notice must contain the following:

(1) a headline to read as follows:

"NOTICE OF PUBLIC HEARING ON ADOPTION OF IMPACT FEES"

(2) the time, date, and location of the hearing;

(3) a statement that the purpose of the hearing is to consider the adoption of an impact fee;

(4) the amount of the proposed impact fee per service unit; and

(5) a statement that any member of the public has the right to appear at the hearing and present evidence for or against the plan and proposed fee.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.050. Advisory Committee Comments on Impact Fees

The advisory committee created under Section 395.058 shall file its written comments on the proposed impact fees before the fifth business day before the date of the public hearing on the imposition of the fees.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.051. Approval of Impact Fee Required

(a) The political subdivision, within 30 days after the date of the public hearing on the imposition of an impact fee, shall approve or disapprove the imposition of an impact fee.

(b) An ordinance, order, or resolution approving the imposition of an impact fee may not be adopted as an emergency measure.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.052. Periodic Update of Land Use Assumptions and Capital Improvements Plan Required

(a) A political subdivision imposing an impact fee shall update the land use assumptions and capital improvements plan at least every five years. The initial five-year period begins on the day the capital improvements plan is adopted.

(b) The political subdivision shall review and evaluate its current land use assumptions and shall cause an update of the capital improvements plan to be prepared in accordance with Subchapter B.¹

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 6, eff. Sept. 1, 2001.

§ 395.053. Hearing on Updated Land Use Assumptions and Capital Improvements Plan

The governing body of the political subdivision shall, within 60 days after the date it receives the update of the land use assumptions and the capital improvements plan, adopt an order setting a public hearing to discuss and review the update and shall determine whether to amend the plan.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.054. Hearing on Amendments to Land Use Assumptions, Capital Improvements Plan, or Impact Fee

A public hearing must be held by the governing body of the political subdivision to discuss the proposed ordinance, order, or resolution amending land use assumptions, the capital improvements plan, or the impact fee. On or before the date of the first publication of the notice of the hearing on the amendments, the land use assumptions and the capital improvements plan, including the amount of any proposed amended impact fee per service unit, shall be made available to the public.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.055. Notice of Hearing on Amendments to Land Use Assumptions, Capital Improvements Plan, or Impact Fee

(a) The notice and hearing procedures prescribed by Sections 395.044(a) and (b) apply to a hearing on the amendment of land use assumptions, a capital improvements plan, or an impact fee.

(b) The notice of a hearing under this section must contain the following:

(1) a headline to read as follows:

"NOTICE OF PUBLIC HEARING ON AMENDMENT OF IMPACT FEES"

(2) the time, date, and location of the hearing;

(3) a statement that the purpose of the hearing is to consider the amendment of land use assumptions and a capital improvements plan and the imposition of an impact fee; and

(4) a statement that any member of the public has the right to appear at the hearing and present evidence for or against the update.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 7, eff. Sept. 1, 2001.

§ 395.056. Advisory Committee Comments on Amendments

The advisory committee created under Section 395.058 shall file its written comments on the proposed amendments to the land use assumptions, capital improvements plan, and impact fee before the fifth business day before the date of the public hearing on the amendments.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.057. Approval of Amendments Required

(a) The political subdivision, within 30 days after the date of the public hearing on the amendments, shall approve or disapprove the amendments of the land use assumptions and the capital improvements plan and modification of an impact fee.

(b) An ordinance, order, or resolution approving the amendments to the land use assumptions, the capital improvements plan, and imposition of an impact fee may not be adopted as an emergency measure.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.0575. Determination That No Update of Land Use Assumptions, Capital Improvements Plan or Impact Fees is Needed

(a) If, at the time an update under Section 395.052 is required, the governing body determines that no change to the land use assumptions, capital improvements plan, or impact fee is needed, it may, as an alternative to the updating requirements of Sections 395.052–395.057, do the following:

(1) The governing body of the political subdivision shall, upon determining that an update is unnecessary and 60 days before publishing the final notice under this section, send notice of its determination not to update the land use assumptions, capital improvements plan, and impact fee by certified mail to any person who has, within two years preceding the date that the final notice of this matter is to be published, give written notice by certified or registered mail to the municipal secretary or other designated official of the political subdivision requesting notice of hearings related to impact fees. The notice must contain the information in Subsections (b)(2)-(5).

(2) The political subdivision shall publish notice of its determination once a week for three consecutive weeks in one or more newspapers with general circulation in each county in which the political subdivision lies. However, a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may publish the required newspaper notice only in each county in which the service area lies. The notice of public hearing may not be in the part of the paper in which legal notices and classified ads appear and may not be smaller than one-quarter page of a standard size or tabloid-size newspaper, and the headline on the notice must be in 18-point or larger type.

(b) The notice must contain the following:

(1) A headline to read as follows:

"NOTICE OF DETERMINATION NOT TO UPDATE

LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS

PLAN, OR IMPACT FEES";

(2) a statement that the governing body of the political subdivision has determined that no change to the land use assumptions, capital improvements plan, or impact fee is necessary;

(3) an easily understandable description and a map of the service area in which the updating has been determined to be unnecessary;

(4) a statement that if, within a specified date, which date shall be at least 60 days after publication of the first notice, a person makes a written request to the designated official of the political subdivision requesting that the land use assumptions, capital improvements plan, or impact fee be updated, the governing body must comply with the request by following the requirements of Sections 395.052–395.057; and

(5) a statement identifying the name and mailing address of the official of the political subdivision to whom a request for an update should be sent.

(c) The advisory committee shall file its written comments on the need for updating the land use assumptions, capital improvements plans, and impact fee before the fifth business day before the earliest notice of the government's decision that no update is necessary is mailed or published.

(d) If, by the date specified in Subsection (b)(4), a person requests in writing that the land use assumptions, capital improvements plan, or impact fee be updated, the governing body shall cause an update of the land use assumptions and capital improvements plan to be prepared in accordance with Sections 395.052–395.057.

(e) An ordinance, order, or resolution determining the need for updating land use assumptions, a capital improvements plan, or an impact fee may not be adopted as an emergency measure.

Added by Acts 1989, 71st Leg., ch. 566, § 1(d), eff. Aug. 28, 1989.

§ 395.058. Advisory Committee

(a) On or before the date on which the order, ordinance, or resolution is adopted under Section 395.042, the political subdivision shall appoint a capital improvements advisory committee.

(b) The advisory committee is composed of not less than five members who shall be appointed by a majority vote of the governing body of the political subdivision. Not less than 40 percent of the membership of the advisory committee must be representatives of the real estate, development, or building industries who are not employees or officials of a political subdivision or governmental entity. If the political subdivision has a planning and zoning commission, the commission may act as the advisory committee if the commission includes at least one representative of the real estate, development, or building industry who is not an employee or official of a political subdivision or governmental entity. If no such representative is a member of the planning and zoning commission, the commission may still act as the advisory committee if at least one such representative is appointed by the political subdivision as an ad hoc voting member of the planning and zoning commission when it acts as the advisory committee. If the impact fee is to be applied in the extraterritorial jurisdiction of the political subdivision, the membership must include a representative from that area.

(c) The advisory committee serves in an advisory capacity and is established to:

(1) advise and assist the political subdivision in adopting land use assumptions;

(2) review the capital improvements plan and file written comments;

(3) monitor and evaluate implementation of the capital improvements plan;

(4) file semiannual reports with respect to the progress of the capital improvements plan and report to the political subdivision any perceived inequities in implementing the plan or imposing the impact fee; and

(5) advise the political subdivision of the need to update or revise the land use assumptions, capital improvements plan, and impact fee.

(d) The political subdivision shall make available to the advisory committee any professional reports with respect to developing and implementing the capital improvements plan.

(e) The governing body of the political subdivision shall adopt procedural rules for the advisory committee to follow in carrying out its duties.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

SUBCHAPTER D. OTHER PROVISIONS

§ 395.071. Duties to be Performed Within Time Limits

If the governing body of the political subdivision does not perform a duty imposed under this chapter within the prescribed period, a person who has paid an impact fee or an owner of land on which an impact fee has been paid has the right to present a written request to the governing body of the political subdivision stating the nature of the unperformed duty and requesting that it be performed within 60 days after the date of the request. If the governing body of the political subdivision finds that the duty is required under this chapter and is late in being performed, it shall cause the duty to commence within 60 days after the date of the request and continue until completion.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.072. Records of Hearings

A record must be made of any public hearing provided for by this chapter. The record shall be maintained and be made available for public inspection by the political subdivision for at least 10 years after the date of the hearing.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.073. Cumulative Effect of State and Local Restrictions

Any state or local restrictions that apply to the imposition of an impact fee in a political subdivision where an impact fee is proposed are cumulative with the restrictions in this chapter.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.074. Prior Impact Fees Replaced by Fees Under This Chapter

An impact fee that is in place on June 20, 1987, must be replaced by an impact fee made under this chapter on or before June 20, 1990. However, any political subdivision having an impact fee that has not been replaced under this chapter on or before June 20, 1988, is liable to any party who, after June 20, 1988, pays an impact fee that exceeds the maximum permitted under Subchapter B by more than 10 percent for an amount equal to two times the difference between the maximum impact fee allowed and the actual impact fee imposed, plus reasonable attorney's fees and court costs.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.075. No Effect on Taxes or Other Charges

This chapter does not prohibit, affect, or regulate any tax, fee, charge, or assessment specifically authorized by state law.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.076. Moratorium on Development Prohibited

A moratorium may not be placed on new development for the purpose of awaiting the completion of all or any part of the process necessary to develop, adopt, or update land use assumptions, a capital improvements plan, or an impact fee.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 441, § 2, eff. Sept. 1, 2001.

§ 395.077. Appeals

(a) A person who has exhausted all administrative remedies within the political subdivision and who is aggrieved by a final decision is entitled to trial de novo under this chapter.

(b) A suit to contest an impact fee must be filed within 90 days after the date of adoption of the ordinance, order, or resolution establishing the impact fee.

(c) Except for roadway facilities, a person who has paid an impact fee or an owner of property on which an impact fee has been paid is entitled to specific performance of the services by the political subdivision for which the fee was paid.

(d) This section does not require construction of a specific facility to provide the services.

(e) Any suit must be filed in the county in which the major part of the land area of the political subdivision is located. A successful litigant shall be entitled to recover reasonable attorney's fees and court costs.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.078. Substantial Compliance With Notice Requirements

An impact fee may not be held invalid because the public notice requirements were not complied with if compliance was substantial and in good faith.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.079. Impact Fee for Storm Water, Drainage, and Flood Control in Populous County

(a) Any county that has a population of 3.3 million or more or that borders a county with a population of 3.3 million or more, and any district or authority created under Article XVI, Section 59, of the Texas Constitution within any such county that is authorized to provide storm water, drainage, and flood control facilities, is authorized to impose impact fees to provide storm water, drainage, and flood control improvements necessary to accommodate new development.

(b) The imposition of impact fees authorized by Subsection (a) is exempt from the requirements of Sections 395.025, 395.052–395.057, and 395.074 unless the political subdivision proposes to increase the impact fee.

(c) Any political subdivision described by Subsection (a) is authorized to pledge or otherwise contractually obligate all or part of the impact fees to the payment of principal and interest on bonds, notes, or other obligations issued or incurred by or on behalf of the political subdivision and to the payment of any other contractual obligations.

(d) An impact fee adopted by a political subdivision under Subsection (a) may not be reduced if:

(1) the political subdivision has pledged or otherwise contractually obligated all or part of the impact fees to the payment of principal and interest on bonds, notes, or other obligations issued by or on behalf of the political subdivision; and

(2) the political subdivision agrees in the pledge or contract not to reduce the impact fees during the term of the bonds, notes, or other contractual obligations.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 669, § 107, eff. Sept. 1, 2001.

§ 395.080. Chapter Not Applicable to Certain Water-Related Special Districts

(a) This chapter does not apply to impact fees, charges, fees, assessments, or contributions:

(1) paid by or charged to a district created under Article XVI, Section 59, of the Texas Constitution to another district created under that constitutional provision if both districts are required by law to obtain approval of their bonds by the Texas Natural Resource Conservation Commission; or

(2) charged by an entity if the impact fees, charges, fees, assessments, or contributions are approved by the Texas Natural Resource Conservation Commission.

(b) Any district created under Article XVI, Section 59, or Article III, Section 52, of the Texas Constitution may petition the Texas Natural Resource Conservation Commission for approval of any proposed impact fees, charges, fees, assessments, or contributions. The commission shall adopt rules for reviewing the petition and may charge the petitioner fees adequate to cover the cost of processing and considering the petition. The rules shall require notice substantially the same as that required by this chapter for the adoption of impact fees and shall afford opportunity for all affected parties to participate.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1995, 74th Leg., ch. 76, § 11.257, eff. Sept. 1, 1995.

§ 395.081. Fees for Adjoining Landowners in Certain Municipalities

(a) This section applies only to a municipality with a population of 105,000 or less that constitutes more than three-fourths of the population of the county in which the majority of the area of the municipality is located.

(b) A municipality that has not adopted an impact fee under this chapter that is constructing a capital improvement, including sewer or waterline or drainage or roadway facilities, from the municipality to a development located within or outside the municipality's boundaries, in its discretion, may allow a landowner whose land adjoins the capital improvement or is within a specified distance from the capital improvement, as determined by the governing body of the municipality, to connect to the capital improvement if:

(1) the governing body of the municipality has adopted a finding under Subsection (c); and

(2) the landowner agrees to pay a proportional share of the cost of the capital improvement as determined by the governing body of the municipality and agreed to by the landowner.

(c) Before a municipality may allow a landowner to connect to a capital improvement under Subsection (b), the municipality shall adopt a finding that the municipality will benefit from allowing the landowner to connect to the capital improvement. The finding shall describe the benefit to be received by the municipality.

(d) A determination of the governing body of a municipality, or its officers or employees, under this section is a discretionary function of the municipality and the municipality and its officers or employees are not liable for a determination made under this section.

Added by Acts 1997, 75th Leg., ch. 1150, § 1, eff. June 19, 1997.

§ 395.082. Certification of Compliance Required

(a) A political subdivision that imposes an impact fee shall submit a written certification verifying compliance with this chapter to the attorney general each year not later than the last day of the political subdivision's fiscal year.

(b) The certification must be signed by the presiding officer of the governing body of a political subdivision and include a statement that reads substantially similar to the following: "This statement certifies compliance with Chapter 395, Local Government Code."

(c) A political subdivision that fails to submit a certification as required by this section is liable to the state for a civil penalty in an amount equal to 10 percent of the amount of the impact fees erroneously charged. The attorney general shall collect the civil penalty and deposit the amount collected to the credit of the housing trust fund.

Added by Acts 2001, 77th Leg., ch. 345, § 8, eff. Sept. 1, 2001.

<http://www.capitol.state.tx.us/statutes/lg/lg0039500toc.html>

6.0 ADMINISTRATIVE INSTRUMENTS

**RESOLUTION OF THE
CITY OF ROSENBERG, TEXAS
CALLING FOR A PUBLIC HEARING
ON AMENDMENT OF WATER AND WASTEWATER IMPACT FEES**

The City Council of the City of Rosenberg, Texas hereby adopts by resolution a call for a public hearing to be held during the regular Council session on January 7, 2014 at 7:00 p.m. in the City Council Chambers at 2110 4th Street, Rosenberg, Texas. The purpose of this public hearing is to receive public comment concerning the amendment of land use assumptions and a capital improvements plan and the imposition of impact fees for the water and sewer utilities.

Public notice of such hearing will be made at least 30 days in advance of the hearing according to legal criteria set forth in Chapter 395.055 of the Texas Local Government Code.

PASSED AND APPROVED:

Date

§
§
§
§

Mayor

APPROVED: _____
City Attorney

ATTEST: _____
City Secretary

PUBLIC NOTICE REQUIREMENTS

The City shall publish notice of the hearing at least 31 days before the date set for the hearing, in one or more newspapers of general circulation in each county in which the City lies.

CERTIFIED MAIL NOTICE

At least 31 days before the hearing, the City shall send a notice of the hearing by certified mail to any person who has given written notice by certified or registered mail to the City Secretary or other designated official of the City requesting notice of such hearing within two years preceding the date of the adoption of the resolution or order setting the public hearing.

NOTICE OF PUBLIC HEARING ON AMENDMENT OF IMPACT FEES

A public hearing of the City of Rosenberg, Texas will be held on January 7, 2014 at 7:00 p.m. at the City Council Chambers, 2110 4th Street, Rosenberg, Texas to consider the amendment of land use assumptions and a capital improvements plan and the imposition of water and wastewater impact fees. The base impact fee is projected to be \$3,471.25 for water and \$1,234.16 for wastewater for a typical detached single-family residential service connection. Higher fees would be charged for larger utility service demands. These fees will not apply to existing City water customers who do not request significant expansions of service.

Copies of the capital improvements plan and potential impact fee schedule are available at the offices of the City Secretary, 2110 4th Street, Rosenberg, Texas. Any member of the public has the right to appear at the hearing and present evidence for or against the land use assumptions and capital improvements plan.

7.0 REFERENCES

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City of Rosenberg. 2013. Series 2010.pdf.

City of Rosenberg. 2013. Water & Wastewater Debt Service.xls.

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November 01, 2013

Honorable Mayor and City Council
City of Rosenberg
2110 4th Street
Rosenberg, Texas 77471

RE: Recommendation to Revise the Water and Wastewater Impact Fees in the City of Rosenberg

Dear Honorable Mayor and City Council:

On October 21, 2013, the Water/Wastewater Impact Fee Advisory Task Force (Task Force) met to review an updated report on the current land use assumptions, Capital Improvement Plan, and a recommended change to the water impact fee and wastewater impact fee based upon the updated data.

The Task Force recommends that the impact fees for Equivalent Single-Family Connection (ESFC), based on water meter size, for the City of Rosenberg be updated as follows:

	<u>Current Fee:</u>	<u>Recommended Fee:</u>
Water Impact Fee:	\$3,215.86	\$3,471.27
Wastewater Impact Fee:	\$1,317.89	\$1,234.17
Total Impact Fees:	\$4,533.75	\$4,705.44

A complete copy of the current and recommended fee schedules for all water meter sizes are attached.

Additionally, the Task Force recommends a public hearing be held to receive comment on the recommended water/wastewater impact fees on January 07, 2014, at a Regular City Council Meeting, in compliance with state requirements.

Sincerely,



Karl Baumgartner
Chairperson, Water/Wastewater Impact Advisory Task Force

KB/JM/rlm

attach: Ordinance No. 2008-50 Exhibit C Excerpt – Maximum Impact Fees for Various Water Meter Sizes
Water/Wastewater Impact Fee Update Report Excerpt – Table 14

xc: Robert Gracia, Interim City Manager
John Maresh, Assistant City Manager
Joyce Vasut, Finance Director
Charles A. Kalkomey, P.E., City Engineer

CURRENT FEE

**MAXIMUM IMPACT FEES FOR VARIOUS WATER METER SIZES
 CITY OF ROSENBERG**

METER TYPE	METER SIZE	MULTIPLIER	MAXIMUM IMPACT FEE		
			WATER	SEWER	BOTH
SIMPLE	5/8" x 3/4"	1.0	\$3,215.86	\$1,317.89	\$4,533.75
SIMPLE	3/4"	1.5	\$4,823.79	\$1,976.84	\$6,800.63
SIMPLE	1"	2.5	\$8,039.65	\$3,294.73	\$11,334.38
SIMPLE	1-1/2"	5.0	\$16,079.30	\$6,589.45	\$22,668.75
SIMPLE	2"	8.0	\$25,726.88	\$10,543.12	\$36,270.00
COMPOUND	2"	8.0	\$25,726.88	\$10,543.12	\$36,270.00
TURBINE	2"	10.0	\$32,158.60	\$13,178.90	\$45,337.50
COMPOUND	3"	16.0	\$51,453.76	\$21,086.24	\$72,540.00
TURBINE	3"	24.0	\$77,180.64	\$31,629.36	\$108,810.00
COMPOUND	4"	25.0	\$80,396.50	\$32,947.25	\$113,343.75
TURBINE	4"	42.0	\$135,066.12	\$55,351.38	\$190,417.50
COMPOUND	6"	50.0	\$160,793.00	\$65,894.50	\$226,687.50
TURBINE	6"	92.0	\$295,859.12	\$121,245.88	\$417,105.00
COMPOUND	8"	80.0	\$257,268.80	\$105,431.20	\$362,700.00
TURBINE	8"	160.0	\$514,537.60	\$210,862.40	\$725,400.00
COMPOUND	10"	115.0	\$369,823.90	\$151,557.35	\$521,381.25
TURBINE	10"	250.0	\$803,965.00	\$329,472.50	\$1,133,437.50
TURBINE	12"	330.0	\$1,061,233.80	\$434,903.70	\$1,496,137.50

RECOMMENDED FEE



TABLE 14
 MAXIMUM IMPACT FEES FOR VARIOUS WATER METER SIZES
 CITY OF ROSENBERG

METER TYPE	METER SIZE	MULTIPLIER	MAXIMUM IMPACT FEE		
			WATER	SEWER	BOTH
SIMPLE	5/8" x 3/4"	1.000	\$3,471.27	\$1,234.17	\$4,705.44
SIMPLE	3/4"	1.500	\$5,206.91	\$1,851.26	\$7,058.17
SIMPLE	1"	2.500	\$8,678.18	\$3,085.43	\$11,763.61
SIMPLE	1-1/2"	5.000	\$17,356.35	\$6,170.85	\$23,527.20
SIMPLE	2"	8.000	\$27,770.16	\$9,873.36	\$37,643.52
COMPOUND	2"	8.000	\$27,770.16	\$9,873.36	\$37,643.52
TURBINE	2"	10.000	\$34,712.70	\$12,341.70	\$47,054.40
COMPOUND	3"	16.000	\$55,540.32	\$19,746.72	\$75,287.04
TURBINE	3"	24.000	\$83,310.48	\$29,620.08	\$112,930.56
COMPOUND	4"	25.000	\$86,781.75	\$30,854.25	\$117,636.00
TURBINE	4"	42.000	\$145,793.34	\$51,835.14	\$197,628.48
COMPOUND	6"	50.000	\$173,563.50	\$61,708.50	\$235,272.00
TURBINE	6"	92.000	\$319,356.84	\$113,543.64	\$432,900.48
COMPOUND	8"	80.000	\$277,701.60	\$98,733.60	\$376,435.20
TURBINE	8"	160.000	\$555,403.20	\$197,467.20	\$752,870.40
COMPOUND	10"	115.000	\$399,196.05	\$141,929.55	\$541,125.60
TURBINE	10"	250.000	\$867,817.50	\$308,542.50	\$1,176,360.00
TURBINE	12"	330.000	\$1,145,519.10	\$407,276.10	\$1,552,795.20

Water/Wastewater Impact Fee 2013 Survey of Current Fees

		*Water	*Wastewater	*Total
<u>Rosenberg</u> – Current Fee Equivalent Single-family Connection - 3/4" x 5/8" meter Water impact fee required for landscape irrigation	Yes	\$3,215.86	\$1,317.89	\$4,533.25
<u>Sugar Land</u> – Equivalent Single-family Unit Water impact fee required for landscape irrigation	No	\$3,581.00	\$2,089.00	\$5,670.00
<u>Richmond</u> – Equivalent Single-family Unit Water impact fee required for landscape irrigation	No	\$2,208.50	\$2,016.00	\$4,224.50
<u>League City</u> – Equivalent Single-family Connection – 3/4" x 5/8" meter Water impact fee required for landscape irrigation	No	\$1,406.77	\$2,621.48	\$4,028.25
<u>Jersey Village</u> (Area 1) – Equivalent Single-family Unit Water impact fee required for landscape irrigation	No	\$1,638.83	\$1,939.25	\$3,578.08
<u>Pearland</u> – Equivalent Single-family Unit Water impact fee required for landscape irrigation	No			\$2,968.00
<u>Proposed Rosenberg</u> – Maximum Impact Fees Based on Updated Report for 3/4" x 5/8" meter Water impact fee required for landscape irrigation	Yes	\$3,471.00	\$1,234.00	\$4,705.00

*Estimated Impact Fees for the construction of a single-family residential home.

12-21-13



CITY COUNCIL COMMUNICATION

January 21, 2014

ITEM #	ITEM TITLE
6	Ordinance No. 2014-02 – Authorizing and Ordering the Issuance of General Obligation Bonds, Series 2014
ITEM/MOTION	
Consideration of and action on Ordinance No. 2014-02, an Ordinance authorizing and ordering the issuance of the City of Rosenberg, Texas, General Obligation Bonds, Series 2014; awarding the sale thereof; and containing matters incident thereto.	
FINANCIAL SUMMARY	ELECTION DISTRICT

Annualized Dollars:

- One-time
- Recurring
- N/A

Budgeted:

- Yes No N/A

Source of Funds: N/A

- District 1
- District 2
- District 3
- District 4
- City-wide
- N/A

SUPPORTING DOCUMENTS:

MUD #: N/A

1. Ordinance No. 2014-02
2. City Council Meeting Draft Minute Excerpt – 12-17-13

APPROVALS

Submitted by:

Joyce Vasut
Finance Director

Reviewed by:

- Finance Director
- Assistant City Manager
- City Attorney
- City Engineer
- City Bond Counsel **MD/jv**

Approved for Submittal to City Council:

Robert Gracia
City Manager

EXECUTIVE SUMMARY

In November 2006, the voters approved \$11,500,000 in General Obligation Bonds for communications system, streets and sidewalks, parks and recreation, and drainage. \$9,935,000 has been issued since 2006 as follows:

- 2007 \$3,200,000
- 2009 4,100,000
- 2010 2,635,000

The remaining \$1,565,000 is currently needed to continue with the construction of the Dry Creek Drainage Project. On December 17, 2013, City staff presented the schedule for the bond sale and discussed the use of the funds that had previously been issued.

Ordinance No. 2014-02 authorizes the issuance of the Bonds and approves the results of the bidding process and sale of the Bonds. The Ordinance also sets forth the procedures for the finalization of the sale and delivery of the proceeds to the City. Joe Morrow of First Southwest Company and Marcus Deitz with Fulbright & Jaworski LLP, representing the City as Bond Counsel, will be present at the meeting to review the results of the sale with City Council.

Staff recommends approval of Ordinance No. 2014-02, an Ordinance authorizing and ordering the issuance of the City of Rosenberg, Texas, General Obligation Bonds, Series 2014; awarding the sale thereof; and containing matters incident thereto.

ORDINANCE NO. 2014- 02

AN ORDINANCE AUTHORIZING AND ORDERING THE ISSUANCE OF THE CITY OF ROSENBERG, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2014; AWARDING THE SALE THEREOF; AND CONTAINING MATTERS INCIDENT THERETO

WHEREAS, the City of Rosenberg City, Texas (the “City”), acting through its City Council, is authorized by Article X of its Home Rule Charter and the Constitution and laws of the State of Texas, particularly Chapter 1331 of the Texas Government Code, as amended, to issue bonds for the purpose of making permanent public improvements;

WHEREAS, the issuance of bonds in the aggregate principal amount of \$11,500,000 was approved by the voters of the City at an election held for such purpose on November 7, 2006 (the “Election”) for the following purposes: (i) \$450,000 to upgrade and expand the City’s 911 emergency communications center and equipment; (ii) \$3,550,000 to build streets, sidewalk and drainage improvements; (iii) \$3,500,000 to acquire, renovate, construct and equip additions and improvements to parks and recreational facilities; and (iv) \$4,000,000 to acquire and construct drainage and detention improvements throughout the City;

WHEREAS, the City has previously issued three series of bonds pursuant to the Election, in the aggregate principal amount of \$9,665,000 as follows: (i) \$450,000 to upgrade and expand the City’s 911 emergency communications center and equipment; (ii) \$3,550,000 to build streets, sidewalk and drainage improvements; (iii) \$3,500,000 to acquire, renovate, construct and equip additions and improvements to parks and recreational facilities; and (iv) \$2,435,000 to acquire and construct drainage and detention improvements throughout the City;

WHEREAS, the City now desires to issue a fourth installment of bonds in the aggregate principal amount of \$1,565,000, to acquire, construct and improve certain public works;

WHEREAS, following the issuance of such bonds, there will remain \$0 of voted authorization remaining pursuant to the Election in the following amounts: (i) \$0 to upgrade and expand the City’s 911 emergency communications center and equipment; (ii) \$0 to build streets, sidewalk and drainage improvements; (iii) \$0 to acquire, renovate, construct and equip additions and improvements to parks and recreational facilities; and (iv) \$0 to acquire and construct drainage and detention improvements throughout the City;

WHEREAS, the City Council is of the opinion and hereby affirmatively finds that it is in the best interest of the City to issue bonds in the amounts and for the purposes herein stated, now therefore;

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ROSENBERG:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.1: Definitions. As used herein, the following terms shall have the meanings specified, unless the context clearly indicates otherwise:

“Act” shall mean Chapter 1331, Texas Government Code, as amended.

“Attorney General” shall mean the Attorney General of the State of Texas.

“Bond” or “Bonds” shall mean any or all of the City of Rosenberg, Texas General Obligation Bonds, Series 2014, authorized by this Ordinance.

“City” shall mean the City of Rosenberg, Texas and, where appropriate, its City Council.

“City Council” shall mean the governing body of the City.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Comptroller” shall mean the Comptroller of Public Accounts of the State of Texas.

“Construction Fund” shall mean the General Obligation Bonds, Series 2014 Construction Fund established by the City and described in Section 4.3 of this Ordinance.

“DTC” shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

“DTC Participant” shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Debt Service Fund” shall mean the General Obligation Bonds, Series 2014 Debt Service Fund established by the City and described in Section 4.2 of this Ordinance.

“Fiscal Year” shall mean the City’s then designated fiscal year, which currently is the twelve-month period beginning on the first day of October of a calendar year and ending on the last day of September of the next succeeding calendar year and each such period may be designated with the number of the calendar year in which such period ends.

“Interest Payment Date,” when used in connection with any Bond, shall mean September 1, 2014, and each March 1 and September 1 thereafter until maturity or earlier redemption of such Bond.

“Ordinance” shall mean this Ordinance and all amendments hereof and supplements hereto.

“Outstanding,” when used with reference to the Bonds, shall mean, as of a particular date, all Bonds theretofore and thereupon delivered pursuant to this Ordinance except: (a) any Bonds canceled by or on behalf of the City at or before such date; (b) any Bonds defeased pursuant to the defeasance provisions of this Ordinance or otherwise defeased as permitted by applicable law; and (c) any Bonds in lieu of or in substitution for which a replacement Bond shall have been delivered pursuant to this Ordinance.

“Paying Agent/Registrar” shall mean Wells Fargo Bank, N.A., Dallas, Texas, and its successors in that capacity.

“Purchaser” shall mean the entity or entities specified in Section 6.1 hereof.

“Record Date” shall mean the close of business on the fifteenth calendar day of the calendar month immediately preceding the applicable Interest Payment Date.

“Register” shall mean the registration books for the Bonds kept by the Paying Agent/Registrar in which are maintained the names and addresses of, and the principal amounts registered to, each Registered Owner of Bonds.

“Registered Owner” shall mean the person or entity in whose name any Bond is registered in the Register.

“Election” shall mean the election held November 7, 2006, which authorized the issuance of \$11,500,000 in bonds for necessary public improvements.

Section 1.2: Interpretations. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the levy of ad valorem taxes to pay the principal of and interest on the Bonds.

Section 1.3: Recitals Incorporated. The recitals to this Ordinance are hereby approved by the City Council and incorporated into and made a part of this Ordinance.

ARTICLE II

TERMS OF THE BONDS

Section 2.1: Amount, Purpose and Authorization. The Bonds shall be issued in fully registered form, without coupons, under and pursuant to the authority of the City’s Home Rule Charter and the Act in the total authorized aggregate principal amount of ONE MILLION FIVE HUNDRED SIXTY FIVE THOUSAND AND NO/100 DOLLARS (\$1,565,000) for the purpose of providing all or part of the funds to acquire, construct and improve certain public works. Proceeds of the Bonds also will be used to pay costs of issuance of the Bonds and other professional services related thereto.

Section 2.2: Designation, Date and Interest Payment Dates. The Bonds shall be designated as the “City of Rosenberg, Texas General Obligation Bonds, Series 2014,” and shall be dated February 1, 2014. The Bonds shall bear interest at the rates set forth in Section 2.3 below, from the later of February 1, 2014 or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on September 1, 2014, and each March 1 and September 1 thereafter until maturity or earlier redemption.

If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Paying Agent/Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Paying Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the City. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Registered Owner as of the close of business on the day prior to mailing of such notice.

Section 2.3: Numbers, Denomination, Interest Rates and Maturities. The Bonds shall be issued bearing the numbers, in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Ordinance. The Bonds shall mature on March 1 in each of the years and in the amounts set out in such schedule. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

<u>Bond Number</u>	<u>Maturity (March 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
R-1	2015	\$80,000	%
R-2	2016	80,000	
R-3	2017	80,000	
R-4	2018	80,000	
R-5	2019	80,000	
R-6	2020	80,000	
R-7	2021	80,000	
R-8	2022	80,000	
R-9	2023	80,000	
R-10	2024	80,000	
R-11	2025	80,000	
R-12	2026	80,000	
R-13	2027	80,000	
R-14	2028	75,000	
R-15	2029	75,000	
R-16	2030	75,000	
R-17	2031	75,000	
R-18	2032	75,000	

<u>Bond Number</u>	<u>Maturity (March 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
R-19	2033	\$75,000	%
R-20	2034	75,000	

Section 2.4: Redemption Prior to Maturity. (a) The City reserves the right, at its option, to redeem prior to maturity the Bonds maturing on or after March 1, 2024, in whole or in part, in principal installments of \$5,000 or any integral multiple thereof, on March 1, 2023, or any date thereafter, at a price equal to the principal amount of the Bonds or portions thereof called for redemption plus accrued interest to the date of redemption.

(b) Bonds may be redeemed in part only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, each Bond shall be treated as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. Upon presentation and surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of this Ordinance, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(c) Notice of any redemption, identifying the Bonds or portions thereof to be redeemed, shall be sent by United States mail, first class, postage prepaid, to the Registered Owners thereof at their addresses as shown on the Register, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the redemption price of the Bonds called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being Outstanding except for the purpose of being paid with the funds so provided for such payment.

Section 2.5: Manner of Payment, Characteristics, Execution and Authentication. The Paying Agent/Registrar is hereby appointed the paying agent for the Bonds. The Bonds shall be payable, shall have the characteristics and shall be executed, sealed, registered and authenticated, all as provided and in the manner indicated in the FORM OF BONDS set forth in Article III of this Ordinance. If any officer of the City whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of the Bonds or before the delivery of the Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

The approving legal opinion of Fulbright & Jaworski LLP, Houston, Texas, Bond Counsel, may be printed on the back of the Bonds over the certification of the City Secretary, which may be executed in facsimile. CUSIP numbers also may be printed on the Bonds, but errors or omissions in the printing of either the opinion or the numbers shall have no effect on the validity of the Bonds.

Section 2.6: Authentication. Except for the Bonds to be initially issued, which need not be authenticated by the Paying Agent/Registrar, only such Bonds as shall bear thereon a certificate of authentication, substantially in the form provided in Article III of this Ordinance, manually executed by an authorized representative of the Paying Agent/Registrar, shall be entitled to the benefits of this Ordinance or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Bond so authenticated was delivered by the Paying Agent/Registrar hereunder.

Section 2.7: Ownership. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and interest thereon and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Bond in accordance with this Section shall be valid and effective and shall discharge the liability of the City and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 2.8: Registration, Transfer and Exchange. The Paying Agent/Registrar is hereby appointed the registrar for the Bonds. So long as any Bond remains Outstanding, the Paying Agent/Registrar shall keep the Register at its office in Texas in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of the Bonds in accordance with the terms of this Ordinance.

Each Bond shall be transferable only upon the presentation and surrender thereof at the office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Bond for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented and surrendered.

All Bonds shall be exchangeable upon the presentation and surrender thereof at the office of the Paying Agent/Registrar for a Bond or Bonds, maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered by the Paying Agent/Registrar in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

All Bonds issued in transfer or exchange shall be delivered to the Registered Owners thereof at the office of the Paying Agent/Registrar or sent by United States mail, first class, postage prepaid.

The City or the Paying Agent/Registrar may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in

connection with the transfer or exchange of such Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the City.

The Paying Agent/Registrar shall not be required to transfer or exchange any Bond called for redemption in whole or in part during the forty-five (45) day period immediately prior to the date fixed for redemption; provided, however, that this restriction shall not apply to the transfer or exchange by the Registered Owner of the unredeemed portion of a Bond called for redemption in part.

Section 2.9: Book-Entry Only System. The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 2.11 hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption or (c) the payment to any DTC Participant or any other person, other than a Bondholder as shown in the Register, of any amount with respect to principal of Bonds, premium, if any, or interest on the Bonds.

Except as provided in Section 2.10 hereof, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of Bonds, premium, if any, and interest on the Bonds only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an owner shall receive a Bond evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance.

Section 2.10: Payments and Notices to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, as long as any Bonds are registered in the name of Cede & Co.,

as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on the Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

Section 2.11: Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (b) notify DTC of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 2.12: Replacement Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond, of the same maturity, interest rate and principal amount bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Registered Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar and the City.

If any Bond is lost, apparently destroyed or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and ordinances of the City, and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute, and the Paying Agent/Registrar shall authenticate and deliver, a replacement Bond of the same maturity, interest rate and principal amount bearing a number not contemporaneously outstanding, provided that the Registered Owner thereof shall have:

- (a) furnished to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (b) furnished such security or indemnity as may be required by the Paying Agent/Registrar and the City to save and hold them harmless;
- (c) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and

- (d) met any other reasonable requirements of the City and the Paying Agent/Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrong-fully taken Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a replacement Bond, authorize the Paying Agent/Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 2.13: Cancellation. All Bonds paid or redeemed in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Bonds.

ARTICLE III

FORM OF BONDS

The form of the Bonds, including the Form of Comptroller's Registration Certificate, Form of Paying Agent/Registrar's Authentication Certificate and Form of Assignment shall be, respectively, substantially as shown in Exhibit A hereto, with such additions, deletions and variations, including an insurance legend or statement, if any, as may be necessary or desirable and not prohibited by this Ordinance.

ARTICLE IV

SECURITY FOR THE BONDS

Section 4.1: Pledge and Levy of Taxes. (a) To provide for the payment of principal of and interest on the Bonds, there is hereby levied, within the limits prescribed by law, for the current year and each succeeding year thereafter, while the Bonds or any part of the principal thereof and the interest thereon remain outstanding and unpaid, an ad valorem tax upon all taxable property within the City sufficient to pay the interest on the Bonds and to create and provide a sinking fund of not less than 2% of the principal amount of the Bonds or not less than the principal payable out of such tax, whichever is greater, with full allowance being made for tax delinquencies and the costs of tax collection, and such taxes, when collected, shall be applied

to the payment of principal of and interest on the Bonds by deposit to the Debt Service Fund and to no other purpose.

(b) The City hereby declares its purpose and intent to provide and levy a tax legally sufficient to pay the principal of and interest on the Bonds, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax. As long as any Bonds remain outstanding, all moneys on deposit in, or credited to, the Debt Service Fund shall be secured by a pledge of security, as provided by law for cities in the State of Texas.

Section 4.2: Debt Service Fund. The General Obligation Bonds, Series 2014 Debt Service Fund (the “Debt Service Fund”) is hereby created as a special fund solely for the benefit of the Bonds. The City shall establish and maintain such fund at an official City depository and shall keep such fund separate and apart from all other funds and accounts of the City. Any amount on deposit in the Debt Service Fund shall be maintained by the City in trust for the Registered Owners of the Bonds. Such amount, plus any other amounts deposited by the City into such fund and any and all investment earnings on amounts on deposit in such fund, shall be used only to pay the principal of, premium, if any, and interest on the Bonds.

Section 4.3: Construction Fund. The General Obligation Bonds, Series 2014 Construction Fund (the “Construction Fund”) is hereby created as a special fund of the City. Money in deposit in the Construction Fund shall be used only for the purposes set forth in Section 2.1 of this Ordinance. Money on deposit in the Construction Fund may, at the option of the City, be invested as permitted by Texas law, provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Construction Fund will be available at the proper time or times.

All interest and income derived from such deposits and investments shall remain in the Construction Fund, except that, to the extent required by law, such interest and income may be applied to make such payments to the United States of America as shall be required to assure that interest on the Bonds is exempt from federal income taxation. Upon the completion of the purposes set forth in Section 2.1 of this Ordinance, any surplus funds on deposit in the Construction Fund shall be transferred into the Debt Service Fund.

Section 4.4: Appropriation. The City hereby appropriates from current funds on hand an amount of money sufficient, when added to the accrued interest received from the sale of the Bonds, to pay the debt service payments scheduled to come due on the Bonds on September 1, 2014.

Section 4.5: Further Proceedings. After the Bonds to be initially issued have been executed, it shall be the duty of the Mayor to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General for examination and approval. After the Bonds to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Bonds to be initially issued, the Comptroller (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller’s registration certificate prescribed herein to be affixed or

attached to the Bonds to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

ARTICLE V

CONCERNING THE PAYING AGENT/REGISTRAR

Section 5.1: Acceptance. Wells Fargo Bank, N.A., Dallas, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Bonds pursuant to the terms and provisions of the Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar. The Paying Agent/Registrar Agreement shall be substantially in the form attached hereto as Exhibit B, the terms and provisions of which are hereby approved, and the Mayor is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement on behalf of the City in multiple counterparts and the City Secretary is hereby authorized to attest thereto and affix the City's seal. Such initial Paying Agent/Registrar and any successor Paying Agent/Registrar, by undertaking the performance of the duties of the Paying Agent/Registrar hereunder, and in consideration of the payment of any fees pursuant to the terms of any contract between the Paying Agent/Registrar and the City and/or the deposits of money pursuant to this Ordinance, shall be deemed to accept and agree to abide by the terms of this Ordinance.

Section 5.2: Trust Funds. All money transferred to the Paying Agent/Registrar in its capacity as Paying Agent/Registrar for the Bonds under this Ordinance (except any sums representing Paying Agent/Registrar's fees) shall be held in trust for the benefit of the City, shall be the property of the City and shall be disbursed in accordance with this Ordinance.

Section 5.3: Bonds Presented. Subject to the provisions of Section 5.4, all matured Bonds presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the City. Such Bonds shall be canceled as provided herein.

Section 5.4: Unclaimed Funds Held by the Paying Agent/Registrar. Funds held by the Paying Agent/Registrar that represent principal of and interest on the Bonds remaining unclaimed by the Registered Owner thereof after the expiration of three years from the date such funds have become due and payable (a) shall be reported and disposed of by the Paying Agent/Registrar in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent such provisions are applicable to such funds, or (b) to the extent such provisions do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the City upon receipt by the Paying Agent/Registrar of a written request therefor from the City.

The Paying Agent/Registrar shall have no liability to the Registered Owners of the Bonds by virtue of actions taken in compliance with this Section.

Section 5.5: Paying Agent/Registrar May Own Bonds. The Paying Agent/Registrar in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent/Registrar.

Section 5.6: Successor Paying Agents/Registrars. The City covenants that at all times while any Bonds are Outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar for the Bonds. The City

reserves the right to change the Paying Agent/Registrar for the Bonds on not less than sixty (60) days' written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Registered Owner, by United States mail, first class, postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Ordinance.

ARTICLE VI

PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF BONDS

Section 6.1: Sale and Delivery of Bonds. The sale of the Bonds to _____ (the "Purchaser") at a price of par, plus a premium in the amount of \$_____, plus accrued interest on the Bonds, is hereby approved, and delivery of the Bonds to the Purchaser shall be made upon payment therefor in accordance with the terms of sale and the terms and conditions of the Purchaser's bid attached hereto as Exhibit C. It is hereby officially found, determined and declared that the Purchaser is the highest bidder for the Bonds as a result of invitations for competitive bids. It is further officially found, determined and declared that the Bonds have been sold at public sale to the bidder offering the lowest net interest cost, which is hereby determined to be a net effective interest rate of _____%, after receiving sealed bids pursuant to an Official Notice of Sale and Preliminary Official Statement prepared and distributed in connection with the sale of the Bonds. The Initial Bonds shall be registered in the name of the Purchaser.

Section 6.2: Approval, Registration and Delivery. The Mayor is hereby authorized to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the Mayor and other officers and employees of the City are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Bonds by the Comptroller. Upon registration of the Bonds, the Comptroller (or the Comptroller's certificates clerk or an assistant certificates clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificates prescribed herein to be attached or affixed to each Bond initially delivered and the seal of the Comptroller shall be impressed or printed or lithographed thereon.

Section 6.3: Offering Documents; Ratings. The City hereby approves the form and contents of the Preliminary Official Statement, attached hereto as Exhibit D and the final Official Statement, attached hereto as Exhibit E, dated as of the date hereof, relating to the Bonds, and any addenda, supplement or amendment thereto, and ratifies and approves the distribution of such Preliminary Official Statement and Official Statement in the offer and sale of the Bonds and in the reoffering of the Bonds by the Purchaser, with such changes therein or additions thereto as the officials executing same may deem advisable, such determination to be conclusively

evidenced by their execution thereof. The Mayor is hereby authorized and directed to execute, and the City Secretary is hereby authorized and directed to attest, the final Official Statement. It is further hereby officially found, determined and declared that the statements and representations contained in the Preliminary Official Statement and final Official Statement are true and correct in all material respects, to the best knowledge and belief of the City Council, and that, as of the date thereof, the Preliminary Official Statement was an official statement of the City with respect to the Bonds that was deemed “final” by an authorized official of the City except for the omission of no more than the information permitted by subsection (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.

Further, the City Council hereby ratifies, authorizes and approves the actions of the Mayor, the City’s financial advisor and other consultants in seeking ratings on the Bonds from Moody’s Investors Service, Inc. and such actions are hereby ratified and confirmed.

Section 6.4: Application of Proceeds of Bonds; Appropriation. Proceeds from the sale of the Bonds shall, promptly upon receipt by the City, be applied as follows:

- (1) Accrued interest, if any, shall be deposited into the Debt Service Fund created in Section 4.2 of this Ordinance;
- (2) A portion of the proceeds shall be applied to pay expenses arising in connection with the issuance of the Bonds, including the Underwriter’s discount;

The remaining proceeds shall be deposited into the Construction Fund created in Section 4.3 of this Ordinance.

Section 6.5: Tax Exemption.

- (1) Definitions. When used in this Section, the following terms have the following meanings:

“Closing Date” shall mean the first date of physical delivery of the initial Bonds in exchange for the payment therefor.

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“Computation Date” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“Investment” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of

(i) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(ii) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(2) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Certificate to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Certificate, the City shall comply with each of the specific covenants in this Section.

(3) No Private Use or Private Payments. Except to the extent that it will not cause the Bonds to become “private activity bonds” within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last stated maturity of Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and

instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

- (4) No Private Loan. Except to the extent that it will not cause the Bonds to become “private activity bonds” within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take or pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.
- (5) Not to Invest at Higher Yield. Except to the extent that it will not cause the Bonds to become “arbitrage bonds” within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final stated maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Bonds.
- (6) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.
- (7) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.
- (8) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Certificate is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the purchasers thereof and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the Debt Service Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

- (9) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection 8 of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the

transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

- (10) Elections. The City hereby directs and authorizes the Mayor, the City Secretary, the City Manager, the City's Financial Director and the City's legal advisor, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document. Such elections shall be deemed to be made on the Closing Date.

Section 6.6: Qualified Tax-Exempt Obligations. In accordance with the provisions of paragraph (3) of subsection (b) of Section 265 of the Code, the City will designate the Bonds to be "qualified tax exempt obligations" in that the Bonds are not "private activity bonds" as defined in the Code and the reasonably anticipated amount of "tax exempt obligations" to be issued by the City (including all subordinate entities of the City) for the calendar year 2014 will not exceed \$10,000,000.

Section 6.7: Related Matters. In order that the City shall satisfy in a timely manner all of its obligations under this Ordinance, the Mayor, City Secretary and all other appropriate officers, agents, representatives and employees of the City are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance and delivery of the Bonds, including, without limitation, executing and delivering on behalf of the City all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the City's obligations under this Ordinance and to direct the transfer and application of funds of the City consistent with the provisions of this Ordinance.

ARTICLE VII

CONTINUING DISCLOSURE UNDERTAKING

Section 7.1: Continuing Disclosure Undertaking. The City shall provide annually to the MSRB, within six (6) months after the end of each fiscal year and in an electronic format prescribed by the MSRB, financial information and operating data with respect to the City of the general type described in the Official Statement, being the information described in Exhibit F attached hereto. Any financial statements so to be provided shall be (a) prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, as such principles may be changed from time to time to comply with state or federal law or regulation and (b) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available at the time the financial information and operating data must be provided, then the City shall provide unaudited financial statements for the applicable fiscal year to the MSRB and shall provide to the MSRB audited financial statements, when and if the same become available.

If the City changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Article.

The financial information and operating data to be provided pursuant to this Article may be set forth in full in one or more documents or may be included by specific reference to documents (i) available to the public on the MSRB's internet web site or (ii) filed with the SEC.

Section 7.2: Material Event Notices. The City shall file notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax exempt status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

- (14) Appointment of a successor or additional Paying Agent/Registrar or the change of name of a Paying Agent/Registrar, if material.

For these purposes, any event described in the immediately preceding paragraph (l) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 7.3: Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by Section 7.2 of any Bond calls and defeasance that cause the City to be no longer such an “obligated person.”

The provisions of this Article are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, principal statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Article shall constitute a breach of or default under the Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities law.

The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change, legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the Holders and beneficial owners of the Bonds. If the City so amends the provisions of this Article it shall include with any amended financial information or operating data next provided in accordance with Section 7.1 an explanation in narrative form of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Section 7.4: Information Format. The City information required under this Article shall be filed with the MSRB through EMMA in such format and accompanied by such identifying information as may be specified from time to time thereby. Under the current rules of the MSRB, continuing disclosure documents submitted to EMMA must be in word-searchable portable document format (PDF) files that permit the document to be saved, viewed, printed, and retransmitted by electronic means and the series of obligations to which such continuing disclosure documents relate must be identified by CUSIP number or numbers.

Financial information and operating data to be provided pursuant to this Article may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public through EMMA or filed with the SEC.

ARTICLE VIII

MISCELLANEOUS

Section 8.1: Defeasance. The City may defease the provisions of this Ordinance and discharge its obligations to the Registered Owners of any or all of the Bonds to pay the principal of and interest thereon in any manner now or hereafter permitted by law, including by depositing with the Paying Agent/Registrar or with the State Treasurer of the State of Texas either:

- (a) cash in an amount equal to the principal amount of such Bonds plus interest thereon to the date of maturity or redemption; or

- (b) pursuant to an escrow or trust agreement, cash and/or (i) direct noncallable obligations of United States of America, including obligations that are unconditionally guaranteed by the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; or (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, which, in the case of (i), (ii) or (iii), may be in book-entry form, and the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such escrow at the same time and available for such purpose, shall be sufficient to provide for the timely payment of the principal of and interest thereon to the date of maturity or earlier redemption;

provided, however, that if any of the Bonds are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in this Ordinance. Upon such deposit, such Bonds shall no longer be regarded to be Outstanding or unpaid. Any surplus amounts not required to accomplish such defeasance shall be returned to the City.

Section 8.2: Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Registered Owners from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Registered Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Registered Owners who own in the aggregate 51% of the principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Registered Owners of Outstanding Bonds, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required to be held by Registered Owners for consent to any such amendment, addition, or rescission.

Section 8.3: Legal Holidays. In any case where the date interest accrues and becomes payable on the Bonds or principal of the Bonds matures or the date fixed for redemption of any

Bonds or a Record Date shall be in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal need not be made on such date, or the Record Date shall not occur on such date, but payment may be made or the Record Date shall occur on the next succeeding day which is not in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close with the same force and effect as if (i) made on the date of maturity or the date fixed for redemption and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment or (ii) the Record Date had occurred on the fifteenth day of that calendar month.

Section 8.4: No Recourse Against City Officials. No recourse shall be had for the payment of principal of or interest on any Bonds or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Bonds.

Section 8.5: Further Proceedings. The Mayor, City Secretary and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Ordinance. The Mayor, City Secretary and other appropriate officials of the City are each hereby authorized to execute, attest and impress the City's seal to such other agreements, assignments, bonds, certificates, contracts, documents, licenses, instruments, releases, financing statements, letters of instruction, notices of acceptance, notices of final payment, written requests and other documents, and to take all actions and to do all things whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Ordinance and the Bonds.

Section 8.6: Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 8.7: Open Meeting. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at City Hall for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 8.8: Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 8.9: Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below.

Section 8.10: Preamble. The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct.

[signature page follows]

PASSED AND APPROVED by a vote of _____ “ayes” in favor and _____ “no’s” against on this first and final reading in full compliance with the provisions of Section 3.10 of the Charter of the City of Rosenberg on this, the 21st day of January, 2014.

CITY OF ROSENBERG, TEXAS

Mayor

ATTEST

APPROVED AS TO FORM:

City Secretary

City Attorney

(SEAL)

Exhibits:

- Exhibit A – Form of Bond
- Exhibit B – Paying Agent/Registrar Agreement
- Exhibit C – Winning Bid
- Exhibit D – Preliminary Official Statement
- Exhibit E – Official Statement
- Exhibit F – Description of Annual Financial Information

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF ROSENBERG, TEXAS
GENERAL OBLIGATION BOND, SERIES 2014

NUMBER DENOMINATION
¹R- \$ _____
REGISTERED REGISTERED

²INTEREST DATED ²MATURITY
RATE: DATE: DATE: ²CUSIP:
_____ % February 1, 2014 March 1, _____

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

³THE CITY OF ROSENBERG, TEXAS, a municipal corporation of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on the maturity date specified above (or on earlier redemption as herein provided), upon presentation and surrender of this Bond at the office of Wells Fargo Bank, N.A., Dallas, Texas or its successor (the "Paying Agent/Registrar"), the principal amount identified above payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the Dated Date identified above or the

¹ Initial Bond shall be numbered T-1.

² Omitted from the Initial Bond.

³ The first sentence of the Initial Bond shall read as follows:

"THE CITY OF ROSENBERG, TEXAS, a municipal corporation of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on March 1 of each of the years and in the principal amounts set forth in the following schedule: [Insert information regarding years of maturity, principal amounts and interest rates from Section 2.3 of the Ordinance], upon presentation and surrender of this Bond at the office of Wells Fargo Bank, N.A., Dallas, Texas or its successor (the "Paying Agent/Registrar"), payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360 day year composed of twelve 30 day months, from the later of the Dated Date identified above or the most recent interest payment date to which interest has been paid or duly provided for."

most recent interest payment date to which interest has been paid or duly provided for. Interest on this Bond is payable on September 1, 2014, and each March 1 and September 1 thereafter until maturity or earlier redemption of this Bond, by check sent by United States mail, first class, postage prepaid, by the Paying Agent/Registrar to the Registered Owner of record as of the close of business on the fifteenth calendar day of the calendar month immediately preceding the applicable interest payment date, as shown on the registration books kept by the Paying Agent/Registrar. Any accrued interest payable at maturity or earlier redemption shall be paid upon presentation and surrender of this Bond at the office of the Paying Agent/Registrar.

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS (the "Bonds") in the aggregate principal amount of \$1,565,000 issued pursuant to an ordinance adopted by the City Council of the City on January 21, 2014 (the "Ordinance") for the purpose of providing funds for permanent public improvements in the City, under and pursuant to the authority of Chapter 1331, Texas Government Code, as amended, the City's Home Rule Charter, and an election held on November 7, 2006. Proceeds of the Bonds will also be used to pay costs of issuance of the Bonds and other professional services related thereto.

⁴THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Bond is authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE CITY RESERVES THE RIGHT, at its option, to redeem, prior to their maturity, Bonds maturing on and after March 1, 2024, in whole or in part, on March 1, 2023, or any date thereafter, at par plus accrued interest to the date fixed for redemption.

BONDS MAY BE REDEEMED IN PART only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, each Bond shall be treated as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of the Ordinance, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

NOTICE OF ANY SUCH REDEMPTION, identifying the Bonds or portions thereof to be redeemed, shall be sent by United States mail, first class, postage prepaid, to the Registered Owners thereof at their addresses as shown on the books of registration kept by the Paying Agent/Registrar, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the redemption price of the Bonds called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they

⁴ In the Initial Bond, this paragraph shall read: "THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Bond is registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto."

shall not be regarded as being outstanding except for the purpose of being paid with the funds so provided for such payment.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or its authorized representative, subject to the terms and conditions of the Ordinance.

THIS BOND IS EXCHANGEABLE at the office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance.

THE PAYING AGENT/REGISTRAR is not required to accept for transfer or exchange any Bond called for redemption, in whole or in part, during the forty-five (45) day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Registered Owner of an unredeemed portion of a Bond called for redemption in part.

THE CITY OR PAYING AGENT/REGISTRAR may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of a Bond. Any fee or charge of the Paying Agent/Registrar for a transfer or exchange shall be paid by the City.

THE REGISTERED OWNER of this Bond by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Ordinance.

IT IS HEREBY DECLARED AND REPRESENTED that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; that the Bonds do not exceed any constitutional or statutory limitation; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied, within the limits prescribed by law, against all taxable property in the City and have been irrevocably pledged for such payment.

REFERENCE IS HEREBY MADE TO THE ORDINANCE, a copy of which is filed with the Paying Agent/Registrar, for the full provisions thereof, to all of which the Registered Owners of the Bonds assent by acceptance of the Bonds.

IN WITNESS WHEREOF, the City has caused its corporate seal to be impressed or placed in facsimile hereon and this Bond to be signed by the Mayor and countersigned by the City Secretary by their manual, lithographed or printed facsimile signatures.

CITY OF ROSENBERG, TEXAS

Mayor

(SEAL)

COUNTERSIGNED:

City Secretary

* * *

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

The following form of Comptroller's Registration Certificate shall be attached or affixed to each of the Bonds initially delivered:

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
THE STATE OF TEXAS §

I hereby certify that this bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

* * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

The following form of authentication certificate shall be printed on the face of each of the Bonds other than those initially delivered:

AUTHENTICATION CERTIFICATE

This Bond is one of the Bonds described in and delivered pursuant to the within mentioned Ordinance; and, except for the Bonds initially delivered, this Bond has been issued in exchange for or replacement of a Bond, Bonds, or a portion of a Bond or Bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

WELLS FARGO BANK, N.A.
as Paying Agent/Registrar

By _____
Authorized Signature
Date of Authentication: _____

* * *

FORM OF ASSIGNMENT

The following form of assignment shall be printed on each of the Bonds:

ASSIGNMENT

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

_____ (Please print or type name, address, and zip code of Transferee)

_____ (Please insert Social Security or Taxpayer Identification Number of Transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer such bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond to the name of the Registered Owner as shown on the face of this bond in every particular, without any alteration, enlargement or change whatsoever.

EXHIBIT B

PAYING AGENT/REGISTRAR AGREEMENT

SEE TAB NUMBER ___

EXHIBIT C

WINNING BID

SEE TAB NUMBER __

EXHIBIT D
PRELIMINARY OFFICIAL STATEMENT

SEE TAB NUMBER __

EXHIBIT E
OFFICIAL STATEMENT

SEE TAB NUMBER __

EXHIBIT F

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 7.1 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The audited financial statements of the City, but for the most recently concluded fiscal year, and, to the extent that such statements are not completed and available, unaudited financial statements for such fiscal year.
2. The all quantitative financial information and operating data with respect to the City of the general type included in this Official Statement under Tables numbered 1 through 5 and 7 through 14 and in Appendix B.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.

of 60' in width as measured at the front building line. Due to being cul-de-sac or "knuckle" lots, twelve (12) lots are less than 50' wide at the street right-of-way and are therefore noted as 50'+ lots in the Lot Area Summary Table. All lots are a minimum of 40' at the street right-of-way.

The Final Plat complies with the approved Land Plan and with the Preliminary Plat, which was approved by the Planning Commission on July 24, 2013. So far in this development, 529 lots have been platted. A total of 1,184 lots will have been platted at build-out, so the development is 45 percent built-out at this time. According to information provided by the developer, 58 percent of the lots will be 60' or greater in width at build-out.

The proposed Final Plat is consistent with the Development Agreement for MUD No. 152 and with the "Subdivision" Ordinance (Ch. 25, Code of Ordinances). It is also consistent with the approved Preliminary Plat. The Planning Commission recommended approval of the Final Plat on November 20, 2013. Staff recommends approval of the Final Plat of Walnut Creek Section Four.

D. CONSIDERATION OF AND ACTION ON THE FINAL PLAT OF WALNUT CREEK SECTION EIGHT, A SUBDIVISION OF 9.823 ACRES CONTAINING 44 LOTS, 2 BLOCKS, 1 RESTRICTED RESERVE OUT OF THE EUGENE WHEAT SURVEY, A-396, FORT BEND COUNTY, TEXAS.

Executive Summary: The Final Plat of Walnut Creek Section Eight is located off of Irby Cobb Boulevard at Cobb Creek Lane, in the northwest part of the Walnut Creek development. It is located in the City's Extraterritorial Jurisdiction (ETJ) and in Fort Bend County Municipal Utility District No. 152 (MUD No. 152). The plat consists of 9.8 acres, forty-four (44) single-family residential lots, and a 0.2-acre landscape reserve.

The proposed Plat is in compliance with the approved Land Plan for Walnut Creek. The Land Plan identifies this area of the development as typically consisting of fifty-five foot (55') lots. The majority of the proposed lots are 55' in width. A minimum of eight (8) lots are 60' or greater in width. Seven (7) of the lots are cul-de-sac lots and are 55'-60' as measured at the front building line and 40' at the right-of-way, indicating they are 50'-54' lots as described in the lot width table.

As discussed in the previous Agenda item, so far in the development, 529 lots have been platted. A total of 1,184 lots will have been platted at build-out, so the development is 45 percent built-out at this time. According to information provided by the developer, 58 percent of the lots will be 60' or greater in width at build-out.

The Preliminary Plat of Walnut Creek Section Eight was approved by the Planning Commission on March 27, 2013. The Final Plat is in compliance with the approved Preliminary Plat, with the Land Plan for MUD No. 152 (Walnut Creek) and with applicable provisions of the "Subdivision" Ordinance. The Planning Commission recommended approval of the Final Plat to City Council on May 22, 2013. Staff recommends approval of the Final Plat of Walnut Creek Section Eight.

Action: Councilor Benton made a motion, seconded by Councilor McConathy to approve the Consent Agenda with correction of a spelling error in Agenda Item B of street VFW Drainage Ditch and lists FM 529 rather than Spur 529. The motion carried by a unanimous vote.

REGULAR AGENDA

2. REVIEW AND DISCUSS THE SALE OF GENERAL OBLIGATION BONDS, AND TAKE ACTION AS NECESSARY.

Executive Summary: In November 2006, the voters approved \$11,500,000 in General Obligation Bonds for communications system, streets and sidewalks, parks and recreation, and drainage. \$9,935,000 has been issued since 2006 as follows:

- 2007 \$3,200,000
- 2009 4,100,000
- 2010 2,635,000

The remaining \$1,565,000 is currently needed to continue with the construction of the Dry Creek Drainage

Project. Staff is preparing to sell the General Obligation Bonds in the first quarter of 2014. A timetable for the sale is included for review.

No City Council action is required at this time.

Key discussion points:

- Joyce Vasut, Finance Director gave an overview of the item to make Council aware of the sale that will come through in January.
- The amounts have been dispersed according to voter's approval.
- No action was taken on the item.

3. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1735, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE, FOR AND ON BEHALF OF THE CITY, BUDGET AMENDMENT 14-02 IN THE AMOUNT OF \$88,778.00 FOR THE ADDITION OF A BUILDING INSPECTOR, ANIMAL CONTROL OFFICER, AND THREE (3) FULL-TIME FIREFIGHTER POSITIONS.**

Executive Summary: Budget Amendment 14-02, in the amount of \$88,778.00, is presented to allocate funding for the addition of five (5) full-time positions, as follows:

- Building Inspector for the Code Enforcement Department. The cost for the remainder of FY2014 (9 months) would be approximately \$40,562.00. This amount will be covered by excess building permit fees.
- Animal Control Officer for the remainder of FY2014 (9 months) would cost approximately \$39,216.00 which will be offset with excess sales tax revenues.
- Three (3) Firefighters which will replace a current full-time, part-time position. The additional cost for FY2014 would be approximately \$9,000.00 which will also be offset by sales tax revenues.

On Monday, November 18, 2013, staff met with the Finance/Audit Committee to discuss these personnel needs due to increased workloads in the specific Departments mentioned. The Finance/Audit Committee recommended approval of the positions and placing the item on a City Council Workshop Agenda.

On Tuesday, November 26, 2013, staff presented the personnel needs to City Council during the Workshop. City Council agreed with creating these positions. Therefore, Budget Amendment 14-02 is presented to fund all five (5) positions for the remainder of FY2014.

Budget Amendment 14-02 is included as Exhibit "A" to Resolution No. R-1735. Staff recommends approval of Resolution No. R-1735 as presented.

Key discussion points:

- Joyce Vasut read the Executive Summary regarding Resolution No. R-1735.

Action: Councilor Benton made a motion, seconded by Councilor McConathy made a motion to approve Resolution No. R-1735, a Resolution authorizing the City Manager to execute, for and on behalf of the City, Budget Amendment 14-02 in the amount of \$88,778.00 for the addition of a Building Inspector, Animal Control Officer, and three (3) full-time Firefighter positions. The motion carried by a unanimous vote.

4. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1736, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE, FOR AND ON BEHALF OF THE CITY, BUDGET AMENDMENT 14-03 IN THE AMOUNT OF \$68,983.34, TO INCREASE THE FY2014 BUDGET FOR OUTSTANDING PURCHASE ORDERS THAT WERE ROLLED-OVER FROM FY2013 TO FY2014.**

Executive Summary: At the end of each fiscal year, there are several purchase orders that remain outstanding at September 30th. Although Finance staff provides a cut-off date of September 1 for issuing purchase orders, there are issues that arise in which the supplies ordered or the services requested are not received or completed by September 30th. Since governmental accounting standards require expenses be recorded when items are received or services are performed, the expenses for these open purchase orders must be recorded in FY2014.



CITY COUNCIL COMMUNICATION

January 21, 2014

ITEM #	ITEM TITLE
7	Video Recording/Streaming Agreement Discussion
ITEM/MOTION	
Review and discuss proposed Agreement for Video Streaming Services, and take action as necessary.	
FINANCIAL SUMMARY	ELECTION DISTRICT

Annualized Dollars:

- One-time
- Recurring
- N/A

Budgeted:

- Yes No N/A

Source of Funds:

- 228-1950-540-7040
- 101-1950-540-5710

- District 1
- District 2
- District 3
- District 4
- City-wide
- N/A

MUD #: N/A**SUPPORTING DOCUMENTS:**

1. Proposed Agreement for Video Streaming Services – Swagit Productions, LLC
2. Sole Source Provider Letter – Swagit Productions, LLC – 03-12-13

APPROVALS**Submitted by:**Angela Fritz
Communications Director**Reviewed by:**

- Finance Director
- City Attorney *LL/aef*
- City Engineer
- Assistant City Manager
- (Other)

Approved for Submittal to City Council:Robert Gracia
City Manager**EXECUTIVE SUMMARY**

Video recording and streaming of City Council meetings was funded in the FY2014 Budget. In addition to adding recording equipment in the City Council Chamber, project implementation will require several additional improvements including: upgrading existing municipal channel design and broadcast equipment (ongoing); executing an Agreement for the installation of recording, production, and dissemination of meeting videos (Agreement attached for discussion here); and, possible additional improvements to Council Chamber technology to better facilitate communications for the public, City Council, and staff.

Project implementation will require an up-front investment in equipment (both for recording/streaming, and for municipal channel station management) which will be funded via the Public, Education, Government (PEG) Capital Fund; as well as ongoing fees for production and streaming services (funded through the General Fund). The Agreement attached for City Council's review and comment is for the video recording/streaming portion of the project. The Agreement includes: \$24,453 for video recording equipment and installation; \$6,719 for streaming equipment; and a recurring \$1,135/month (\$13,620/year) for on-demand, live video streaming, and remote-switching (off-site production, indexing, etc.).

The Agreement will be finalized and brought back for final consideration at a future meeting. Once the Agreement is finalized, staff will work with Swagit Productions, LLC, to develop a more detailed implementation schedule in conjunction with the other items that must be completed for implementation.

**AGREEMENT FOR
VIDEO STREAMING SERVICES**

**CITY OF ROSENBERG
and
SWAGIT PRODUCTIONS, LLC**

This Agreement for Video Streaming Services ("Agreement") is made by and between the City of Rosenberg, Texas ("City"), a municipal corporation with offices at 2110 4th Street, Rosenberg, Texas 77471, and Swagit Productions, LLC, ("Provider") a Texas Limited Liability Company, with offices at 850 Central Parkway E., Suite 100, Plano, Texas 75074 effective as of the date written below.

RECITALS

- A. The City desires to enter into this Agreement in order to obtain video streaming services for scheduled Council meetings as outlined in the Scope of Services attached as Exhibit "A"; and
- B. Provider has available and offers to provide the personnel necessary to provide said services in accordance with the Scope of Services included in this Agreement (see Exhibit A attached hereto and incorporated herein); and
- C. Provider is in the business of providing video streaming services for businesses and governmental entities, and represents and warrants that it has the skills, qualifications, expertise and experience necessary to perform the work and services to provide and implement video streaming services as described herein in an efficient, cost-effective manner with a high degree of quality and responsiveness and has performed and continues to perform the same and similar services for other buyers; and
- D. On the basis of and in reliance upon such representations by Provider and others made herein and in Provider's proposal, the City desires to engage Provider to provide the work and services described herein under the terms and conditions of this Agreement.

For the reasons recited above, and in consideration of the mutual covenants contained in this Agreement, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Provider agree as follows:

1. SERVICES TO BE PERFORMED BY PROVIDER

Provider agrees to perform the following work and services for the City:

- 1.1 Provider agrees to provide the work and services as set forth in the Scope of Services.

1.2 Without limiting the foregoing provisions of Section 1.1, the services to be provided by Provider include the installation (“Installation”) by Provider of all hardware, software, cameras, wiring, and related equipment and materials identified and described in the Scope of Services (collectively, the “Equipment”) within the City of Rosenberg City Council Chamber located at Rosenberg City Hall, 2110 4th Street, Rosenberg, Texas, 77471 (the “Site”). Before installing the same, Provider shall deliver to the City’s Communications Director (the “Director”), for review and consideration of approval, drawings or plans and specifications for such Installation. The City’s approval of any Installation or related plans does not and shall not constitute a representation or warranty by the City that the Installation or related plans comply with any specifications therefor or with any applicable governmental laws, rules, codes, standards, or regulations.

2. COMPENSATION OF PROVIDER

2.1 Provider agrees to provide all of the services and Equipment set forth in the Scope of Services and as described herein for the following amounts:

(a) A one-time charge not to exceed:

(i) **Six Thousand Seven Hundred Nineteen and No/100 Dollars** (\$6,719.00) for Swagit EASE hardware/software and other related (including, without limitation, Installation) costs (as identified and detailed on the attached Exhibit “A”, page 3, “Streaming Video Hardware”); and

(ii) **Twenty-Four Thousand Four Hundred Fifty-Three and No/100 Dollars** (\$24,453.00) for broadcast system hardware/software and other related (including, without limitation, Installation) costs (as identified and detailed on the attached Exhibit “A”, page 5, “Cosmos Broadcast System”); and

(b) Following the Installation at the Site of all Equipment by Provider and the acceptance thereof by the Director, the City shall pay to provider a monthly fee in the amount of **One Thousand One Hundred Thirty-Five and No/100 Dollars** (\$1,135.00) for on-demand, live video streaming and remote switching (as identified and described on the attached Exhibit “A”, page 3, “*Streaming Video Monthly Managed Services*”).

2.2 (a) Payment for the work, services, and Equipment described in Section 2.1(a)(i) and 2.1(a)(ii), above, shall be due and payable following the completion of the Installation of the Equipment by Provider, the acceptance thereof by the Director, and the receipt by the City of an invoice from Provider for such work, service and Equipment; provided, however that with respect to the work, service and Equipment described in Section 2.1(a)(ii), fifty percent (50%) of the not-to-exceed amount set forth therein (or \$12,226.50) shall be due and payable not later than ten (10) days following the date Agreement has been signed by both parties.

(b) Payment balance for the work, services, and Equipment described in

Section 2.1(a)(ii) shall be due and payable following the completion of the Installation of the Equipment by Provider and the acceptance thereof by the Director.

- (c) Except as set forth herein, payments will be processed on a monthly basis with payment available within 30 days after receipt of an invoice for the previous month's service. All payments pursuant to this Agreement shall be paid in accordance with the Texas Prompt Payment Act, Texas Gov't Code Chapter 2251.
- (d) Should the City fail to pay any invoice that is outstanding more than 60 days, a 5% service fee will be applied to the total amount of that invoice, not including any shipping or sales tax.

3. RIGHTS, OBLIGATIONS AND REPRESENTATIONS OF PROVIDER

3.1 Independent Contractor. The parties agree that Provider performs specialized services and that Provider enters into this Agreement with the City as an independent contractor. Nothing in this Agreement shall be construed to constitute Provider or any of Provider's agents or employees as an agent, employee or representative of the City. Further, nothing in this Agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, a joint enterprise, or to allow the City to exercise discretion or control over the manner in which Provider performs the work and services, which are the subject matter of this Agreement. As an independent contractor, Provider is solely responsible for all labor and expenses in connection with this Agreement and for any and all damages arising out of Provider's performance under this Agreement.

3.2 Provider's Control of Work. All services to be provided by Provider shall be performed in accordance with the Scope of Services. Provider shall furnish the qualified personnel, materials, equipment and other items necessary to carry out the terms of this Agreement. Provider shall be responsible for and in full control of the work of all such personnel. Provider warrants and represents that all Equipment and other goods and materials provided by Provider shall be safe, fully operational, and will not cause injury or damage to any person or property, and that all persons provided by Provider to perform the work and services under this Agreement shall be adequately trained and capable of performing the work and services.

3.3 Reports to the City. Although Provider is responsible for control and supervision of work and services performed under this Agreement, the work and services provided shall be acceptable to the City and shall be subject to a general right of inspection and supervision to ensure satisfactory completion. This right of inspection and supervision shall include, but not be limited to, all reports to be provided by Provider to the City and the right of the City, as set forth in the Scope of Services.

3.4 Compliance with All Laws. Provider shall comply with all applicable laws, statutes, ordinances, rules, regulations, standards, codes, and executive orders of the federal, state

and local government, which may affect the performance of this Agreement.

3.5 Organization and Authorization. Provider warrants and represents that: (i) it is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Texas, and which shall remain in good standing throughout the term of this Agreement; (ii) it has the requisite power and authority to carry on its business as it is now being conducted; (iii) it has the legal capacity to enter into this Agreement; (iv) the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement have been authorized and approved by all action required on the part of Provider; (v) has the right and authority to sell the hardware and software to the City; (vi) all hardware and software shall be in good working order; and, (vii) all licenses and warranties regarding the software and hardware shall be conveyed to the City.

3.6 No Conflict. Provider warrants and represents that the execution and delivery of this Agreement and ancillary agreements hereto by Provider does and will not: (i) conflict with, or result in any violation or breach of, any provision of Provider's charter documents; (ii) result in any violation or breach of, or constitute a default under, or require a consent or waiver under, any of the terms, conditions or provisions of any license, contract or other agreement to which Provider is a party; or (iii) conflict with or violate any franchise, license, judgment, order, statute, law, rule or regulation applicable to Provider.

3.7 Camera and Broadcast Operations. Although Provider is responsible for control and supervision of work and services performed under this Agreement, the City understands that the operation of the camera and broadcast system can be done remotely. Such remote operation requires access via inbound TCP port 2001, outbound TCP ports 21, 80, 443, 1935, 5721, and outbound UDP ports 53, 123. The City will need to supply the Provider with access to such TCP and UDP ports with respect to the City's Internet connection. If, such access is not given or the City's Internet connection fails during operations, the Provider will not be held responsible for remote camera operations. Additionally, in the event the Provider decides to operate such system manually, the City shall provide access to the equipment (as identified and described in the Scope of Services, page 5, "*Cosmos Broadcast System*") at the Site described in Section 1.2, above.

3.8 Warranty. Provider warrants that: (i) any streaming server hardware provided by Swagit not in good working order and used under normal operating conditions, will be fully replaced for a period of three (3) years; (ii) thereafter, all costs of streaming server hardware replacement due to any failure or caused by normal wear and tear, shall be at the City's expense; (iii) all operating and proprietary software for any streaming server shall be fully replaced or upgraded, at no cost to the City, for the life of the contract; and, (iv) all hardware and software for the broadcasting equipment (as identified and described in the Scope of Services, page 5, "*Cosmos Broadcast System*"), shall be replaced or fixed with respect to each components manufacturer's warranties.

4. NOTICE PROVISIONS

Notice. Any notice concerning this Agreement shall be in writing and (i) sent by certified or registered mail, return receipt requested, postage prepaid, (ii) delivered personally, or (iii) placed in the custody of Federal Express Corporation or other nationally recognized carrier to be delivered overnight; and addresses for such notice are as follows:

To the City's Authorized Representative: To Provider:

Angela Fritz
Communications Director
City of Rosenberg
P.O. Box 32
Rosenberg, TX 77471
832/595-3524

David Owusu
Director of Streaming
Swagit Productions, LLC
850 Central Parkway E., Ste 100
Plano, Texas 75074
800/573-3160

Notice shall be deemed given upon receipt by the party to whom it is sent.

5. INDEMNIFICATION

PROVIDER'S INDEMNITY OBLIGATION. PROVIDER COVENANTS, AGREES TO, AND SHALL DEFEND (WITH COUNSEL REASONABLY ACCEPTABLE TO THE CITY), INDEMNIFY, AND HOLD HARMLESS THE CITY OF ROSENBERG, TEXAS, AND THE ELECTED OFFICIALS, THE OFFICERS, EMPLOYEES, REPRESENTATIVES, AND VOLUNTEERS OF THE CITY OF ROSENBERG, TEXAS, INDIVIDUALLY OR COLLECTIVELY, IN BOTH THEIR OFFICIAL AND PRIVATE CAPACITIES (THE CITY OF ROSENBERG, TEXAS, AND THE ELECTED OFFICIALS, THE OFFICERS, EMPLOYEES, REPRESENTATIVES, AND VOLUNTEERS OF THE CITY OF ROSENBERG, TEXAS, EACH BEING A "ROSENBERG PERSON" AND COLLECTIVELY THE "ROSENBERG PERSONS"), FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, JUDGMENTS, LAWSUITS, DEMANDS, HARM, LOSSES, DAMAGES, PROCEEDINGS, SUITS, ACTIONS, CAUSES OF ACTION, LIENS, FEES, FINES, PENALTIES, EXPENSES, OR COSTS, OF ANY KIND AND NATURE WHATSOEVER MADE UPON OR INCURRED BY THE CITY OF ROSENBERG, TEXAS AND/OR ANY OTHER ROSENBERG PERSON, WHETHER DIRECTLY OR INDIRECTLY, (THE "CLAIMS"), THAT ARISE OUT OF, RESULT FROM, OR RELATE TO: (I) ANY OF THE WORK AND SERVICES OF THE PROVIDER AS DESCRIBED IN SECTION 1 OF THIS AGREEMENT, (II) ANY REPRESENTATIONS AND/OR WARRANTIES BY PROVIDER UNDER THIS AGREEMENT, AND/OR (III) ANY ACT OR OMISSION UNDER, IN PERFORMANCE OF, OR IN CONNECTION WITH THIS AGREEMENT BY PROVIDER, OR BY ANY OF PROVIDER'S OWNERS, DIRECTORS, OFFICERS, SHAREHOLDERS, MANAGERS, PARTNERS, EMPLOYEES, AGENTS, ENGINEERS, ARCHITECTS, CONSULTANTS, CONTRACTORS, SUBCONTRACTORS, INVITEES, PATRONS, GUESTS, CUSTOMERS,

TENANTS, SUBTENANTS, LICENSEE, SUBLICENSEE, CONCESSIONAIRES, OR ANY OTHER PERSON OR ENTITY FOR WHOM PROVIDER IS LEGALLY RESPONSIBLE, AND THEIR RESPECTIVE OWNERS, DIRECTORS, OFFICERS, SHAREHOLDERS, MANAGERS, PARTNERS, EMPLOYEES, AGENTS, ENGINEERS, ARCHITECTS, CONSULTANTS, CONTRACTORS, SUBCONTRACTORS, INVITEES, PATRONS, GUESTS, CUSTOMERS, PROVIDERS, AND CONCESSIONAIRES. SUCH DEFENSE, INDEMNITY AND HOLD HARMLESS SHALL AND DOES INCLUDE CLAIMS ALLEGED OR FOUND TO HAVE BEEN CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OR GROSS NEGLIGENCE OF ANY ROSENBERG PERSON, OR CONDUCT BY ANY ROSENBERG PERSON THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND.

PROVIDER SHALL PROMPTLY ADVISE THE CITY IN WRITING OF ANY CLAIM OR DEMAND AGAINST ANY ROSENBERG PERSON RELATED TO OR ARISING OUT OF PROVIDER'S ACTIVITIES UNDER THIS AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT PROVIDER'S SOLE COST AND EXPENSE. THE ROSENBERG PERSONS SHALL HAVE THE RIGHT, AT THE ROSENBERG PERSONS' OPTION AND OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING PROVIDER OF ANY OF ITS OBLIGATIONS HEREUNDER. THE DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATIONS SET FORTH HEREIN SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

6. INSURANCE

Provider and its subcontractors shall procure and maintain in a company or companies lawfully authorized to do business in Texas and until all of their obligations have been discharged and satisfied (and including during any warranty periods under this Agreement), insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the services and work hereunder by Provider, its agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits contained herein are sufficient to protect Provider from liabilities that may arise out of the performance of the services and work under this Agreement by Provider, its agents, representatives, employees or subcontractors and Provider is free to purchase additional insurance as may be determined necessary.

A. Minimum Scope and Limits of Insurance. Provider shall provide coverage at least as broad and with limits of liability not less than those stated below.

1. Commercial General Liability - Occurrence Form
(Form CG 0001, ed. 10/93 or any replacements thereof)

General Aggregate	\$2,000,000
Products-Completed Operations Aggregate	\$1,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (Any one fire)	\$ 50,000
Medical Expense (Any one person)	Optional
(This coverage must be amended to provide for an each-project aggregate limit of insurance)	

2. Workers' Compensation and Employer's Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	\$ 500,000
Disease-Each Employee	\$ 500,000
Disease-Policy Limit	\$ 500,000

3. Professional Liability

\$1,000,000

(This coverage must be maintained for at least two (2) years after the project is completed; if coverage is written on a claims-made basis, a policy retroactive date equivalent to the inception date of the contract (or earlier) must be maintained during the full term of this Agreement)

B. OTHER INSURANCE REQUIREMENTS: The foregoing insurance policies shall be endorsed to contain the following provisions:

1. The City of Rosenberg, its officers, officials, agents, employees and volunteers shall be named as additional insureds with respect to general liability, including liability arising out of activities performed by, or on behalf of, the Provider; products and completed operations of the Provider, and automobiles owned, leased, hired or borrowed by the Provider.
2. The Provider's insurance shall contain broad form contractual liability coverage.
3. The City of Rosenberg, its officers, officials, agents, employees and volunteers shall be additional named insureds to the full limits of liability purchased by the Provider even if those limits of liability are in excess of those required by this Agreement.
4. The Provider's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, and employees (and must be endorsed to read as primary coverage regardless of the application of other insurance). Any insurance or self-insurance maintained by the City, its officers, officials, agents, employees, or volunteers shall be in excess to the coverage of the Provider's insurance and shall not contribute to it.

5. The Provider's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 6. Coverage provided by the Provider shall not be limited to the liability assumed under the indemnification provisions of this Agreement.
 7. The policies shall contain a waiver of subrogation in favor of the City, its officers, officials, agents, and employees.
 8. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions applicable to the claims of the City of Rosenberg.
 9. All insurance policies shall be endorsed to require the insurer to immediately notify the City of Rosenberg, Texas, of any material change in the insurance coverage.
 10. Provider may maintain reasonable and customary deductibles, subject to approval of the City.
 11. Insurance must be purchased from insurers that are financially acceptable to the City and licensed to do business in the State of Texas.
- 6.1 Notice of Cancellation. Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided or canceled, or not renewed, except after sixty (60) days prior written notice has been given to the City, except when cancellation is for non-payment of premium, then at least ten (10) days prior notice shall be given to the City. Such notice shall be sent directly to:
- Angela Fritz, Communications Director**
City of Rosenberg
P.O. Box 32
Rosenberg, TX 77471
- 6.2 Acceptability of Insurers. Insurance shall be placed with insurers duly licensed or authorized to do business in the State of Texas and with an "A.M. Best" rating of not less than A- VII, or receiving prior approval by the City. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect Provider from potential insurer insolvency. All insurance must be written on forms filed with and approved by the Texas Department of Insurance.
- 6.3 Verification of Coverage. Prior to commencing work or services, Provider shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Agreement (and update the same as needed to

comply with this Agreement). The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf.

Certificates of Insurance shall:

1. List each insurance coverage described and required herein. Such certificates will also include a copy of the endorsements necessary to meet the requirements and instructions contained herein.
2. Specifically set forth the notice-of-cancellation or termination provisions to the City of Rosenberg.

All certificates and any required endorsements shall be received and approved by the City before work commences. Each insurance policy required by this Agreement shall be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of this Agreement. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal shall constitute a material breach of contract.

All certificates required by this Agreement shall be sent directly to **Angela Fritz, Communications Director, City of Rosenberg, P.O. Box 32, Rosenberg, TX 77471**. The City reserves the right to request and receive within ten (10) days, complete copies of all insurance policies (certified to be true and correct by the insurance carrier) required by this Agreement at any time. The City shall not be obligated, however, to review same or to advise Provider of any deficiencies in such policies and endorsements, and such receipt shall not relieve Provider from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Provider's obligations under this Agreement.

- 6.4 Subcontractors. Providers' certificate(s) shall include all subcontractors as additional insureds under its policies or Provider shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements and all provisions identified above.
- 6.5 Approval. Any modification or variation from the insurance requirements in this Agreement shall be made by the City's risk manager, whose decision shall be final. Such action shall not require a formal amendment to this Agreement, but may be made by administrative action.

7. DEFAULT AND TERMINATION

Events of Default Defined. The following shall be Events of Default under this Agreement:

7.1.1 Any material misrepresentation made by Provider to the City;

7.1.2 Any failure by Provider to perform its obligations under this Agreement including, but not limited to, the following:

7.1.2.1 Failure to commence work at the time(s) specified in this Agreement due to a reason or circumstance within Provider's reasonable control;

7.1.2.2 Failure to perform the work with sufficient personnel and equipment or with sufficient equipment to ensure completion of the work within the specified time due to a reason or circumstance within Provider's reasonable control;

7.1.2.3 Failure to perform the work in a manner reasonably satisfactory to the City;

7.1.2.4 Failure to promptly correct or re-perform within a reasonable time work that was rejected by the City as unsatisfactory or erroneous;

7.1.2.5 Discontinuance of the work for reasons not beyond Provider's reasonable control;

7.1.2.6 Failure to comply with a material term of this Agreement, including, but not limited to, the provision of insurance; and

7.1.2.7 Any other acts specifically stated in this Agreement as constituting a default or a breach of this Agreement.

7.2 Remedies. The following shall be remedies under this agreement.

7.2.1 Upon the occurrence of any Event of Default, the City may declare Provider in default under this Agreement. The City shall provide written notification of the Event of Default and any intention of the City to terminate this Agreement. Upon the giving of notice, the City may invoke any or all of the following remedies:

7.2.1.1 The right to cancel this Agreement as to any or all of the services yet to be performed;

7.2.1.2 The right of specific performance, an injunction or any other appropriate equitable remedy;

7.2.1.3 The right to monetary damages;

7.2.1.4 The right to withhold all or any part of Provider's compensation under this Agreement;

7.2.1.5 The right to deem Provider non-responsive in future contracts to be awarded by the City; and

7.2.1.6 The right to seek recoupment of public funds spent for impermissible purposes.

7.2.2 The City may elect not to declare an Event of Default or default under this Agreement or to terminate this Agreement upon the occurrence of an Event of Default. The parties acknowledge that this provision is solely for the benefit of the City, and that if the City allows Provider to continue to provide the Services despite the occurrence of one or more Events of Default, Provider shall in no way be relieved of any of its responsibilities or obligations under this Agreement, nor shall the City be deemed to waive or relinquish any of its rights under this Agreement.

7.3 Right to Offset. Any excess costs incurred by the City in the event of termination of this Agreement for default, or in the event the City exercises any of the remedies available to it under this Agreement, may be offset by use of any payment due for services completed before termination of this Agreement for default or the exercise of any remedies. If the offset amount is insufficient to cover excess costs, Provider shall be liable for and shall remit promptly to the City the balance upon written demand from the City.

8. GENERAL PROVISIONS

8.1 Headings. The section and subsection headings contained herein are for convenience only and shall not be used in interpretation of this Agreement and are not intended to define or limit the scope of any provision of this Agreement.

8.2 Governing Law and Venue. This Agreement shall be governed by and administered and interpreted under the laws of the State of Texas, without regard to any conflict of laws provisions. Venue for any action, cause or action or proceeding under this Agreement lies exclusively in the State District Court of Fort Bend County, Texas, and the parties agree to submit to the personal and subject matter jurisdiction of said court.

8.3 Severability. The sections, paragraphs, sentences, phrases, words, and all other provisions of this Agreement are severable, and if any part of this Agreement is determined by a court of competent jurisdiction to be illegal, unlawful, unconstitutional, or void for any reason, the parties intend that the remaining provisions of this Agreement shall remain in full force and effect unless the stricken provision leaves the remaining Agreement unenforceable.

8.4 Attorney's Fees. If suit or action is initiated in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, or in event of appeal as allowed by the appellate court.

8.5 Assignment. This Agreement is binding on the heirs, successors and assigns of the parties hereto. This Agreement may not be sold, assigned, pledged, subcontracted, transferred or otherwise conveyed by any means whatsoever by either the City or Provider without prior written consent of the other, and any sale, assignment, pledge, subcontract,

transfer or other conveyance by either party without the other party's prior written consent shall be null and void.

8.6 Conflict of Interest. Provider covenants that Provider presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of the work and services required to be performed under this Agreement. Provider further covenants that in the performance of this Agreement, Provider shall not engage any employee or apprentice having any such interest.

8.7 Authority to Contract. The undersigned officers and/or representatives of the parties hereto are the properly authorized persons and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that it has taken all actions necessary to authorize entering into this Agreement.

8.8 Integration; Modification. This Agreement represents the entire understanding of City and Provider as to those matters contained in this Agreement, and no prior oral or written understanding shall be of any force or effect with respect to those matters. This Agreement may not be modified or altered except in writing signed by duly authorized representatives of the parties.

8.9 Non-appropriation. If the City Council does not appropriate funds to continue this Contract and pay for charges hereunder, the City may terminate this Agreement at the end of the then current fiscal year, or at the time that funds are no longer available to meet the City's payment obligations hereunder. The City agrees to give written notice of termination to the Provider at least sixty (60) days prior to any termination for non-appropriation of funds and will pay the Provider in accordance with this Agreement through the date of termination of this Agreement.

8.10 Subcontractors. This Agreement or any portion hereof shall not be sub-contracted without the prior approval of the City. No subcontractor shall, under any circumstances, relieve Provider of its liability and obligation under this Agreement. The City shall deal through Provider and any subcontractor shall be dealt with as a worker and representative of Provider. Provider assumes responsibility to the City for the proper performance of the work and service of all subcontractors and any acts and omissions in connection with such performance. Nothing in this Agreement shall, or is intended or deemed to, create any legal, contractual or other relationship between the City and any subcontractor or sub-subcontractor.

8.11 No Waiver. The failure by the City to exercise any right, power, or option given to it by this Agreement, or to insist upon strict compliance with the terms of this Agreement, shall not constitute a waiver of the terms and conditions of this Agreement for any reason whatsoever, including with respect to any such right, power or option or to such compliance or to any other or subsequent default or breach hereof, nor a waiver by the City of its rights at any time to exercise any such right, power or option or to require exact and strict compliance with all the terms hereof. Any rights and remedies the City may have arising out of this Agreement shall survive the cancellation, expiration or termination of this Agreement.

8.12 No Third Party Beneficiaries. This Agreement and all of its provisions are solely for the benefit of Provider and the City and are not intended to and shall not create or grant any rights, contractual or otherwise, to any third person or entity.

8.13 "Includes". For purposes of this Agreement, "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded.

8.14 Incorporation of Recitals and Exhibits. The Exhibits and Recitals to this Agreement are incorporated herein and made a part hereof for all purposes.

9. DISCLOSURE OF AGREEMENT; INTERLOCAL ARRANGEMENTS.

9.1 Disclosure of Agreement Terms. The terms and conditions of this Agreement may be disclosed by either party to other public agencies for the purpose of such other agencies purchasing services under this Agreement pursuant to an interlocal or cooperative arrangement with the City. In addition, Provider may disclose the terms and conditions of this Agreement in an effort to show that the terms offered to another public agency are fair and reasonable or to determine the best value. It is understood that the Provider shall not be precluded from disclosing the terms and conditions of its form of Service Agreement to any other third party at Swagit's sole discretion and for any reason.

9.2 Included Parties; Interlocal Agreement. Pursuant to any interlocal, intergovernmental, or other such cooperative agreement with the City, Provider will accept orders from, and will furnish the Provider's Software, Hardware, Professional Services, and Managed Services as outlined in the Proposal to any governmental agency or other public entity authorized by the City to use the Proposal, based upon substantially the same terms and conditions of this Agreement, with the exception of price schedules.

9.3 Political Subdivision Participation. The Provider agrees to supply, sell, and contract separately with other similar or related political subdivisions (i.e., colleges, school districts, counties, cities, etc.) of the City, based upon substantially the same terms and conditions of this Agreement, with the exception of price schedules, in an effort to establish the terms and conditions as fair and reasonable.

10. DURATION

This Agreement shall become effective on the last day of execution by the parties, and shall continue in force for an initial term of twelve (12) months, unless sooner terminated as provided above. All pricing is to remain firm during the contract period. This Agreement will automatically renew for additional one-year terms unless this Agreement is terminated by either party providing written notice of its intent to terminate the Agreement to the other party not less than sixty (60) days prior to the end of the then current term.

11. 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.

12. 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.

City of Rosenberg

Swagit Productions, LLC

Robert Gracia, City Manager

Bryan R. Halley, President

Attest:

City Secretary

Approved as to form:

City Attorney

Date of Execution:

EXHIBIT A

SCOPE OF SERVICES

DRAFT

Scope of Services – Exhibit A

EASE Solution

Built upon years of industry experience, Extensible Automated Streaming Engine (EASE) is a software framework comprised of foundation and extension modules that work together to automate many otherwise manually intensive tasks. This completely hands-off solution meets the current and future needs of your entity without creating any additional work for clerks or webmasters.

- **Video Capture and Encoding**

EASE Encoder records content according to your broadcast schedule and transfer the recorded audio/video to the Swagit Content Network via a secure Virtual Private Network (VPN) connection, making it available for live and/or on-demand streaming.

- **Indexing and Cross Linking**

Using your published meeting agendas as a guide, Swagit's Managed Service Division (SMSD) indexes the meetings without any work from the city. SMSD will annotate your content by adding jump-to points with specific item headings, giving users the greatest flexibility to find the specific content they need. With these jump-to points, users can step through video by searching for or clicking specific items.

- **Agenda Management Integration**

If meeting packets or other related information is available online, SMSD will link them directly to the video player for easy access.

Swagit's EASE solution integrates with all Document/Agenda Management solutions.

- **Archiving**

Client audio/video can be stored securely on the Swagit Content Network indefinitely. Fault tolerance and high availability is assured through replication of audio/video content to multiple, geographically redundant, Storage Area Networks (SAN). Our standard packages include 80GB of storage, enough for approximately three full years of city council meetings.

- **Presentation**

By navigating through the video library, users can view a list of meetings chronologically and once in a selected meeting you can unleash the power of the jump-to markers to search for specific points within individual audio/video clips.

- **Delivery**

In order to deliver on-demand content to end users in a format that is native to their computer's operating system, Swagit can deliver content in all major streaming video formats: HTML5, Flash, Windows Media, QuickTime and Real. Swagit is proud to support HTML5 and Flash as its default formats, which has proven itself as the format of choice from such vendors as YouTube, Google Video, Facebook, ABC and NBC/Universal.

EASE Solution

•Monitoring

Swagit is monitoring all aspects of the Swagit Content Network to ensure its health and availability. This monitoring extends to cover remote Swagit EASE Encoders deployed on client premises. In the rare event of trouble our engineers are promptly notified so that they may dispatch a swift response in accordance with our support procedures.

•Statistics

Swagit collates log files from our streaming servers monthly and processes them with the industry recognized Google Analytics. Google Analytics generates reports ranging from high-level, executive overviews to in depth quality of service statistics. These reports help to highlight growth trends and identify popular content.

•Support

Beyond our proactive monitoring and response, Swagit offers ongoing, 24/7 technical support for any issues our clients may encounter. While our choice of quality hardware vendors and a thorough pre-installation testing phase go a long way toward ensuring trouble free operation of our EASE Encoders, we do recognize that occasionally unforeseen issues arise. In the event that our engineers detect a fault, they will work to diagnose the issue. If necessary, next business day replacement of parts will be completed. Swagit offers continual software updates and feature enhancements to our services and products for the life of your managed services contract.



Investment-Streaming Video

Streaming Video Hardware

Item Description	Type	Up-front Cost
Hardware/Software/Provisioning	1U	\$6,719.00
Swagit Standard Encoder, Viewcast Osprey 260e Video Capture Card with Simulstream Software, Microsoft Windows, OS Installation, Swagit EASE Tools, Encoder Software Installation, System Burn-in, Branded Video Library Design, Rackmount Kit, Branded Player Design, Remote Installation.		

Streaming Video Monthly Managed Services

Item Description	Monthly Cost
Package 1: Up To 40 Indexed Meetings per year (EASE) - Includes Media On-Demand, 24/7 LIVE Stream, and up to 10 hours of additional specialty content per month (No staff involvement—Hands Free). With Remote Switching Included (Up To 40 Meetings per year)	\$1,135.00

Optional Services/Overages/Individual Pricing

Item Description	Cost
Each Additional Edited and Indexed On-Demand Meeting	\$150.00
Each Year of Storage Beyond 36 Month Window	\$180.00/year
Programming, Development or Design Implementation	\$120.00/hour
Each Additional Remote Switched Meeting or Event	\$120.00/event

Broadcast System- Cosmos

Built upon years of industry experience, Cosmos is a complete package of cameras and pro video-switching equipment that enables any client to fully outsource the production and operation of a multiple camera broadcast system to Swagit.

During the meetings or events, Swagit personnel will operate the Cosmos system remotely from their facility in Plano, Texas. The Cosmos system enables Swagit to control and switch from camera to camera depending on events taking place. When bundled with Swagit EASE, Cosmos can offer a full end-to-end “hands-free” solution that requires no client staff involvement for the operation, broadcast and streaming of an event or meeting content.

Cosmos enables detailed direct camera positioning (pan, tilt, zoom, focus, and more), preset-positions, and video settings (white balance, backlight, brightness) for the robotic cameras. Additionally, Cosmos communicates with the switcher to allow direct operation of the 'wipe' function from the camera control GUI. With this powerful package you or Swagit can control all your cameras individually and switch video sources on a video switcher locally or remotely. Cosmos is an invaluable integration of camera-control with switcher operations for use with live production setups like city chambers, churches, meeting rooms, and more.

Cosmos includes 2-4+ robotic (computer-controllable pan/tilt/zoom) cameras and you can choose from two main types: either single-chip (Sony EVI-D80) or 3-chip (Sony BRC-300) depending on your needs and budget. These popular Sony robotic cameras have excellent

video quality and performance. The EVI-D80 and BRC-300 has the ability for panning through wide angles of motion, tilting through large ranges with superb optical zoom, and dual video output of Y/C and composite. They also support both RS232 and RS422 (long distance over 1000 meters) control signals. In addition the EVI-D80 cameras can be mounted either 'up' or 'hanging upside down' for your convenience (they have built-in reversal of the picture and left/right/up/down motion controls).



Investment – Cosmos Broadcast System

QTY	Item Description	Price
3	Sony- EVI-D90 - high quality CCD cameras	
3	Sony- WM-30B - Wall Mount for Sony EVI-D90	
4	Sony- EVI DS-Cable- to daisy chain cameras	
1	Dell Optiplex 7010 with Windows 7, Intel Core i3 CPU (3.30GHz 3MB Cache), 4GB Ram	
1	Video + Audio extender via CAT5 up to 600 feet Model	
1	Compact unit to convert visual output from a PC to TV	
1	Datavideo SE-500 KIT –NTSC Video Switcher with TLM-702 Dual 7" Monitor and monitor holder (HS-500 option)	
2	Osprey 260e Without Simulstream	
1	APC Battery Backup	
1	Cosmos 5.3 software	
1	APC UPS Remote Power Switch and Management	
1	19" Widescreen Black LCD	
1	All Cable, Connectors and Hardware necessary for installation	
1	Labor required to install, hook-up and provisioning	
Total Cost for Camera System & Installation*		\$24,453.00

*There may be additional installation costs incurred based on the building/fire code for the jurisdiction, any unknown cabling requirements or impediments to the installation such as fire walls, lack of a drop ceiling, conduit requirements, etc., along with other accessibility issues. For final installation costs we would need to engage in further discussions, receive a detailed site plan of rooms involved along with pictures or possibly conduct a physical site visit.

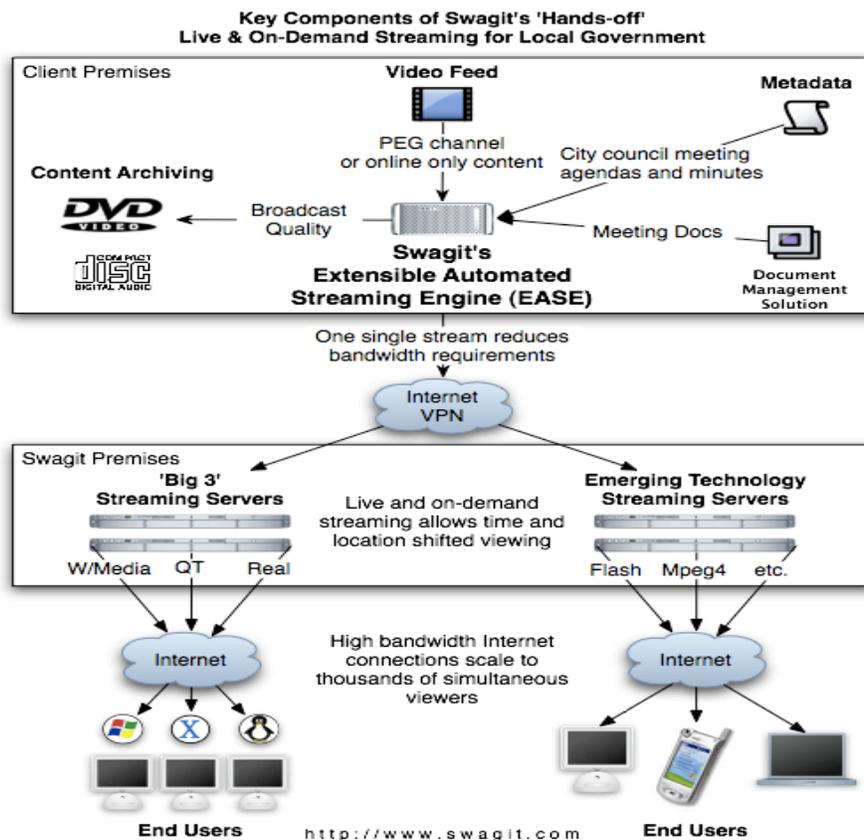
Cameras can be controlled locally by the client or remotely by Swagit’s staff.



March 12, 2013

Angela Fritz
Communications Director
City of Rosenberg, TX

This letter is to provide notification that Swagit Productions, LLC, a Texas Limited Liability Company, with offices at 850 Central Parkway East., Ste. 100, Plano, Texas 75075, is the sole source provider of Swagit's Extensible Automated Streaming Engine (EASE) software framework. The EASE application is manufactured, leased and distributed by Swagit alone. No other company offers a competing service and all in one solution that combines an automated editing and indexing tool (EASE) in combination with a "hands-free" broadcast system, agenda integration, and the ability to stream video live or on-demand via the Internet. What sets Swagit's solution apart from other vendors is the ability of Swagit's system to require no city staff involvement for the operation, service and running of any equipment from Broadcast to Streaming, offering a true "hands-free" solution.





City of Concord, CA Streaming Video - Windows Internet Explorer

Concord

Agenda Report Share

1. **Study Session** - Update on the status of the community process to develop a Reuse Plan for the Concord Naval Weapons Station. Report by Michael Wright, Reuse Project Director.

ADJOURNMENT - to reconvene at 6:30 p.m. (or as soon thereafter as possible) in regular meeting in the Council Chamber.

6:30 p.m. - Regular Meeting Council Chamber

ROLL CALL

PLEDGE TO THE FLAG - Councilmember Hoffmeister

PUBLIC COMMENT PERIOD
MAYOR: I will now open the Public Comment Period. Members of the audience may address the Council on any matter that is not on tonight's agenda.

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Duration: 80 min. 34 sec.

ATN

City Council on Demand
Guitars and Celllars
Live Green Videos
City of Plano Videos on Demand

City of Plano - Bowling for Soup - Windows Internet Explorer

Keeping You Connected **ATN**

Current Archive Share Subscribe

Podcast

RSS

- City Council
- Planning and Zoning
- Specialty
 - Guitars and Celllars
 - Journeys from Plano
 - Live Green
 - Plano Wired
 - PSAs

RSS Instructions

RSS feeds allow you to see when websites have added new content. You can get the latest headlines and video in one place, as soon as its published, without having to visit the websites you have taken the feed from.

Duration: 3 min. 13 sec.

Powered by Swagit.com © 2008

If you desire additional information on any products or services, don't hesitate to contact my or any member of our sales staff for a consultation.

Regards,

Michael Osuna
Swagit Productions, LLC
michael@swagit.com
(214) 432-5905
www.swagit.com



CITY COUNCIL COMMUNICATION

January 21, 2014

ITEM #	ITEM TITLE
8	Four-Way Stop Signs at Intersection of Avenue L and Millie Street

ITEM/MOTION

Review and discuss proposed installation of four-way stop signs at the intersection of Avenue L and Millie Street, and take action as necessary.

FINANCIAL SUMMARY

ELECTION DISTRICT

Annualized Dollars:

One-time
 Recurring
 N/A

Budgeted:

Yes No N/A

Source of Funds: N/A

District 1
 District 2
 District 3
 District 4
 City-wide
 N/A

MUD #: N/A

SUPPORTING DOCUMENTS:

1. None

APPROVALS

Submitted by:

William Benton/rlm

William Benton
Councilor, At Large Position One

Reviewed by:

Finance Director
 City Attorney
 City Engineer
 Assistant City Manager
 (Other)

Approved for Submittal to City Council:

Robert Gracia
City Manager

EXECUTIVE SUMMARY

This item has been included on the Agenda to allow City Council the opportunity to discuss the proposed addition of four-way stop signs at the intersection of Avenue L at Millie Street.

ITEM 9

Consider motion to adjourn for Executive Session.

ITEM 10

Hold Executive Session pursuant to Texas Government Code Section 551.074 to deliberate the appointment of the Police Chief; and, for deliberations regarding economic development negotiations as authorized by Section 551.087 of the Texas Government Code.

ITEM 11

Adjourn Executive Session, reconvene into Regular Session, and take action as necessary as a result of Executive Session.



CITY COUNCIL COMMUNICATION

January 21, 2014

ITEM #	ITEM TITLE
12	Police Chief Position Discussion

ITEM/MOTION

Review and discuss Police Chief position, and take action as necessary.

FINANCIAL SUMMARY

Annualized Dollars:

One-time
 Recurring
 N/A

Budgeted:

Yes No N/A

Source of Funds: N/A

District 1
 District 2
 District 3
 District 4
 City-wide
 N/A

MUD #: N/A

SUPPORTING DOCUMENTS:

1. None

APPROVALS

Submitted by:

Robert Gracia
City Manager

Reviewed by:

Finance Director
 City Attorney
 City Engineer
 Assistant City Manager
 (Other)

Approved for Submittal to City Council:

Robert Gracia
City Manager

EXECUTIVE SUMMARY

This Agenda item has been included for City Council to take action if deemed necessary following Executive Session.

ITEM 13

Announcements.

ITEM 14

Adjournment.