



AMENDED AGENDA

City of Lucas

City Council Meeting

March 5, 2020

7:00 PM

City Hall – Council Chambers

665 Country Club Road – Lucas, Texas

Notice is hereby given that a meeting of the Lucas City Council will be held on Thursday, March 5, 2020 at 7:00 pm at Lucas City Hall, 665 Country Club Road, Lucas, Texas 75002-7651 at which time the following agenda will be discussed. As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any item on the agenda at any time during the meeting.

Call to Order

- Roll Call
- Determination of Quorum
- Reminder to turn off or silence cell phones
- Pledge of Allegiance

Citizen Input

The Citizen Input portion of the agenda is an opportunity for the public to address the City Council on any subject. By completing a "Request to Speak" form and submitting to the City Secretary, citizens have an opportunity to speak at the City Council meeting. However, in accordance with the Texas Open Meetings Act, the City Council cannot discuss issues raised or make any decisions but may refer items to City Staff for research and possible inclusion on a future agenda.

1. Citizen Input (Mayor Jim Olk)

Community Interest

Pursuant to Section 551.0415 of the Texas Government Code, the City Council may report on the following items: 1) expression of thanks, congratulations or condolences; 2) information about holiday schedules; 3) recognition of individuals; 4) reminders about upcoming City Council events; 5) information about community events; and 6) announcements involving imminent threat to public health and safety.

2. Items of Community Interest. (Mayor Jim Olk)

Consent Agenda

All items listed under the consent agenda are considered routine and are recommended to the City Council for a single vote approval. If discussion is desired, an item may be removed from the consent agenda for a separate vote.

3. Consent Agenda:
 - A) Approval of the minutes of the February 20, 2020 City Council meeting.
 - B) Consider amending the Fiscal Year 19/20 budget to reallocate funds totaling \$5,182,213.74 for capital improvements and operating costs previously approved in Fiscal Year 18/19.

- C) Approval of the City of Lucas Investment Report for quarter ending December 31, 2019.
- D) Approval of Resolution R 2020-03-00498 accepting the voluntary annexation petition submitted by McCreary Donihoo Partners LTD for the Estates of Stinson Highlands annexing a territory currently in the City's extraterritorial jurisdiction consisting of approximately 30.6018 acres of land more or less located in the John Gray Survey, Abstract 349 located at the southwest corner of Stinson Road and Highland Drive.
- E) Approval of Resolution R 2020-03-00499 accepting the termination to abandon a license agreement with Justine and Angela Himmelreich to use a Right of Way dedicated to the City by the Lucas Creek Estates Plat for use as a driveway for 2515 Orr Road.

Regular Agenda

- 4. Consider a request by the Forest Creek Estates Architectural Control Committee to:
 - A) leave the two Forest Creek Estates subdivision signs currently located on City right-of-way at the intersection of Blondy Jhune Road and Mary Lee Lane; and
 - B) to replace the existing Forest Creek Park sign and fund half the cost of the new park signage. **(Forest Creek Estates Architectural Control Committee Member Andre Guillemaud and Development Services Director Joe Hilbourn)**
- 5. Consider the acceptance and approval of the City of Lucas Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2018-2019 presented by Brooks Watson & Co. **(Finance Director Liz Exum)**
- 6. Consider authorizing the City Manager to amend the scope of the professional services agreement between Birkhoff, Hendricks & Carter and the City of Lucas dated April 1, 2019, for the drainage analysis of the Reid Branch Tributary 1, which includes the Lemontree Country Estates and Kingswood Estates neighborhoods including flow maps and findings associated with neighborhood site visits in the amount not to exceed \$9,585.00 from the FY 19-20 budget account Professional Fees 11-6209-309 using General Fund Reserves. **(City Engineer Stanton Foerster)**
- 7. Consider reallocating funds in the amount of \$270,000 in account 11-8210-420 associated with the purchase of a Gradall, to fund the purchase a Skid Steer in the amount of \$97,983 and a Crack Pro Road Sealing Machine in the amount of \$62,578. **(Development Services Director Joe Hilbourn)**
- 8. Discuss and provide direction to staff on proposed updates to the City of Lucas Trails Master Plan by adding a trail along the east side of Winningkoff Road which would connect to East Winningkoff Road and to the trail proposed along East Lucas Road and discuss any other proposed revisions to the Plan. **(Development Services Director Joe Hilbourn)**

9. Discuss and consider 1) an update on the Customer City Coalition activities relating to the North Texas Municipal Water District; 2) next steps with the Coalition; and (3) authorizing the Mayor to write the Public Utility Commission (PUC) expressing the City of Lucas' position on the rate case submitted by the Cities of Garland, Mesquite, Plano and Richardson and authorizing expenditures up to \$50,000 for potential legal fees regarding the rate case.
(City Councilmember Wayne Millsap)

Executive Session Agenda

Pursuant to Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney regarding any item on the agenda at any time during the meeting. This meeting is closed to the public as provided in the Texas Government Code.

10. Executive Session:

An Executive Session is not scheduled for this meeting.

As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney regarding any item on the agenda at any time during the meeting. This meeting is closed to the public as provided in the Texas Government Code.

11. Reconvene from Executive Session and take any action necessary as a result of the Executive Session.
12. Adjournment.

Certification

I do hereby certify that the above notice was posted in accordance with the Texas Open Meetings Act on the bulletin board at Lucas City Hall, 665 Country Club Road, Lucas, TX 75002 and on the City's website at www.lucastexas.us on or before 5:00 p.m. on February 28, 2020.


Stacy Henderson, City Secretary

In compliance with the American with Disabilities Act, the City of Lucas will provide for reasonable accommodations for persons attending public meetings at City Hall. Requests for accommodations or interpretive services should be directed to City Secretary Stacy Henderson at 972.912.1211 or by email at shenderson@lucastexas.us at least 48 hours prior to the meeting.



City of Lucas

City Council Agenda Request

March 5, 2020

Item No. 01

Requester: Mayor Jim Olk

Agenda Item Request

Citizen Input

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas

Council Agenda Request

March 5, 2020

Requester: Mayor Jim Olk

Agenda Item Request

2. Items of Community Interest.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas Council Agenda Request March 5, 2020

Item No. 03

Requester: City Secretary Stacy Henderson
Finance Director Liz Exum
Development Services Director Joe Hilbourn

Agenda Item Request

3. Consent Agenda:
- A) Approval of the minutes of the February 20, 2020 City Council meeting.
 - B) Consider amending the Fiscal Year 19/20 budget to reallocate funds totaling \$5,182,213.74 for capital improvements and operating costs previously approved in Fiscal Year 18/19.
 - C) Approval of the City of Lucas Investment Report for quarter ending December 31, 2019.
 - D) Approval of Resolution R 2020-03-00498 accepting the voluntary annexation petition submitted by McCreary Donihoo Partners LTD for the Estates of Stinson Highlands annexing a territory currently in the City's extraterritorial jurisdiction consisting of approximately 30.6018 acres of land more or less located in the John Gray Survey, Abstract 349 located at the southwest corner of Stinson Road and Highland Drive.
 - E) Approval of Resolution R 2020-03-00499 accepting the termination to abandon a license agreement with Justine and Angela Himmelreich to use a Right of Way dedicated to the City by the Lucas Creek Estates Plat for use as a driveway for 2515 Orr Road.

Background Information

Agenda Item 3B:

The attached spreadsheet details outstanding contract balances by vendor, account number and funding source. Each of these contracts were previously budgeted during Fiscal Year 18-19. Reallocation is necessary to properly encumber outstanding contract balances in Fiscal Year 19-20.

Attachments/Supporting Documentation

- 1. Minutes of the February 20, 2020 City Council meeting
- 2. Reallocated Funding for Capital Projects
- 3. Quarterly Investment Report
- 4. Resolution R 2020-03-00498 Accepting Voluntary Annexation Petition
- 5. Resolution R 2020-03-00499 License Agreement Termination



City of Lucas Council Agenda Request March 5, 2020

Item No. 03

Budget/Financial Impact

NA

Recommendation

City Staff recommends approval of the Consent Agenda.

Motion

I make a motion to approve the Consent Agenda as presented.



**City of Lucas
City Council Meeting
February 20, 2020
7:00 P.M.**

City Hall - 665 Country Club Road – Lucas Texas

MINUTES

Call to Order

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

City Councilmembers Present:

Mayor Jim Olk
Mayor Pro Tem Kathleen Peele
Councilmember Wayne Millsap
Councilmember Tim Baney
Councilmember Steve Duke
Councilmember Debbie Fisher

City Staff Present:

City Manager Joni Clarke
City Secretary Stacy Henderson
Development Services Director Joe Hilbourn
City Engineer Stanton Foerster
Fire Chief Ted Stephens

City Councilmember Absent:

Councilmember Philip Lawrence

Mayor Olk determined that a quorum was present. Everyone was reminded to silence their cell phones and the Pledge of Allegiance was recited.

Citizen Input

1. Citizen Input.

John Ballis, 1820 Winningkoff, expressed his concern about safety on Winningkoff Road due to excessive speeding and asked that an item be placed on a future City Council agenda to address this concern. He also asked when the study would be completed to determine if a stop sign was warranted at Blondy Jhune and Winningkoff.

Mayor Olk asked that Mr. Ballis speak with the City Engineer to discuss further the roadway improvements proposed for Winningkoff Road and when the study for the stop sign would be completed.

Community Interest

2. Items of Community Interest.

Mayor Olk noted the following upcoming events:

- The City's cleanup event, along with electronic recycling and paper shredding would be held on Saturday, April 4 from 8 am to 12 pm.

- The City's Parks and Open Space Board will be hosting Movie in the Park on Friday, April 17 at 7pm.
- The first farmers market for 2020 will be held on April 25 from 8 am to 12 pm at the Community Park.
- The City is host early voting and Election Day voting at the Community Center for the Presidential Primary Election on March 3.

City Manager Joni Clarke stated that Mayor Olk and Councilmembers Millsap and Fisher would be attending the NTMWD meeting on February 28 to discuss issues regarding the regional system and customer cities and will report back an overview from that meeting.

Councilmember Fisher noted that April 1 was Census Day and explained that redistricting would most likely take place after the census was completed and new numbers were reported.

Consent Agenda

3. Consent Agenda:

- A. Approval of the minutes of the February 6, 2020 City Council meeting.

MOTION: A motion was made by Councilmember Fisher, seconded by Mayor Pro Tem Peele, to approve the Consent Agenda as presented. The motion passed unanimously by a 6 to 0 vote.

Regular Agenda

4. Consider approving the Technology Committee's recommendation to acquire the services of a consultant to conduct a broadband network design and financial model and appropriate \$56,625 from unrestricted general fund reserves to the Technology Fund (Fund No. 12) line item 12-6800-309 professional services.

Assistant to the City Manager Kent Souriyasak gave a presentation discussing the timeline of the broadband study, the RFP proposals received, and the ranking of the proposals. Mr. Souriyasak stated that the top two proposals were Magellan Advisors and Fujitsu Network Communications.

Paul Rathgeb, Chairman of the Technology Committee explained that the Committee reviewed all the proposals received and scored them independently. From that review, the Technology Committee recommended Magellan Advisors.

Mayor Pro Tem Peele asked if there was anything significantly different between the top two proposals that made Magellan Advisors stand out.

Troy Dechant, Technology Committee member, stated that the RFP asked for a model that the City could use based on analysis and Magellan demonstrated everything that they would do for the City and was easy to follow. Fujitsu Network discussed their proprietary items and that they would generate reports but were not as flexible as what the City may need. Mr. Dechant noted that Fujitsu was a manufacturer of the products the City may end up acquiring and because of the proprietary nature, could affect the proposal.

Jamie Gibson, Technology Committee member stated that should the City Council not choose Magellan Advisors, the Committee would like to review the second and third proposal for further recommendations.

Councilmember Millsap stated that should the City proceed; this would be considered a utility function and the utility fund should be used rather than the general fund.

Councilmember Fisher suggested that legal advice should be obtained before switching from the general fund to the utility fund given the City had not designated internet use as a utility function.

MOTION: A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Duke to approve City staff to acquire the services of Magellan Advisors to conduct a broadband network design and financial model and appropriate \$56,625 from unrestricted general fund reserves to the Technology Fund, line item 12-6800-309 professional services. The motion passed unanimously by a 6 to 0 vote.

5. Consider authorizing the City Manager to enter into a contract with TexasBit/APAC for FY 19-20 roadway maintenance in the amount not to exceed \$483,228 and identify priority streets.

City Engineer Stanton Foerster discussed potential roadway and crack seal projects that could be considered as part of the FY 19-20 roadway maintenance and that higher volume roadways were the focus. Mr. Foerster recommended moving forward with funding of Forest Grove Road from Stonegate to Orr Road and West Lucas Road as paving projects, as well as the crack seal projects on Blondy Jhune Road, Christian Lane, Edgefield Lane, Estelle Lane, Forest Grove Road from Country Club to Stonegate, Snider Lane, Stinson Road from West Lucas Road to Bentwater and Winningkoff from the reverse curve to East Lucas Road.

Mr. Foerster discussed how the road would be constructed, including milling procedures.

The City Council discussed roadways in need of repair, roads that would require complete reconstruction, and roadways that may require being placed on the capital improvement plan.

Harold Freshcoln, 4 Cimarron suggested that the City Council submit a claim against Sinacola Construction as they were the contractor for TxDOT on the Parker Road project and have destroyed portions of the road on Santa Fe, Cimarron and Chisholm. Mr. Freshcoln shared pictures with the Council showing the damage.

Mr. Foerster stated that staff received a complaint and did witness the damage to the staging area.

MOTION: A motion was made by Councilmember Baney, seconded by Councilmember Millsap to approve authorizing the City Manager to enter into a contract with TexasBit/APAC for the FY 19-20 roadway maintenance 11-8209-301 for a total amount not to exceed \$483,228 for the crack sealing projects and paving of Forest Grove Road and West Lucas Road. The motion passed unanimously by a 6 to 0 vote.

6. Consider approving Resolution 2020-02-00497 supporting the City of Lucas applying for the FY 2019-2020 Staffing for Adequate Fire and Emergency Response (SAFER) Grant.

Fire Chief Ted Stephens stated that he was asking for approval to apply for the SAFER grant. If the City were approved for the grant, the SAFER grant would pay for costs for an entry level firefighter for the first two years, and 35% of the cost in year three. The City would be responsible for all costs starting in year four.

The City Council was in agreement that the grant could be applied for; however, should the grant be approved, and the City determined that funding future positions was not available, the funds could be denied.

MOTION: A motion was made by Councilmember Millsap, seconded by Councilmember Duke to approve Resolution R 2020-02-00497 supporting applying for the FY 2019-2020 SAFER grant. The motion passed unanimously by a 6 to 0 vote.

- 7. Consider entering into an Interlocal Agreement with Collin County regarding the Collin County Parks and Open Space Project Funding Assistance Program Grant in the amount of \$100,000 to fund for professional engineering design services associated with the Community Trail Project and appropriate \$123,339 from unrestricted general fund reserves to line item 11-6211-417 park improvements.**

Development Services Director Joe Hilbourn stated that the City applied for a Collin County Parks and Open Space Project Funding Assistance Grant in the amount of \$111,669 to fund engineering services for the Community Trail project. The City was awarded a grant in the amount of \$100,000. However, the City also applied for a corresponding TxDOT Safe Routes to School grant but was not chosen to receive this grant. Staff recommends declining the Collin County Parks and Open Spaces grant funds totaling \$100,000 in lieu of not receiving the TxDOT grant.

MOTION: A motion was made by Councilmember Duke, seconded by Mayor Pro Tem Peele, to decline the funding of \$100,000 awarded by the Collin County Parks and Open Space Project Funding Assistance program grant. The motion passed unanimously by a 6 to 0 vote.

Executive Session

8. Executive Session.

The City Council will convene into closed Executive Session as permitted under the Texas Government Code, Section 551.072 to deliberate the purchase, sale, exchange, lease or value of real property located within the City of Lucas.

The City Council convened into Executive Session at 8:09 pm.

9. Reconvene from Executive Session.

The City Council reconvened from Executive Session at 8:44 pm. There was no action taken as a result of the Executive Session.

Adjournment

10. Adjournment.

MOTION: A motion was made by Councilmember Millsap, seconded by Councilmember Duke to adjourn the meeting at 8:44 pm. The motion passed unanimously by a 6 to 0 vote.

APPROVED:

ATTEST:

Mayor Jim Olk

Stacy Henderson, City Secretary

City of Lucas

Fiscal Year 2019-2020

Re-allocated Funding for Capital Projects & Operating Accounts

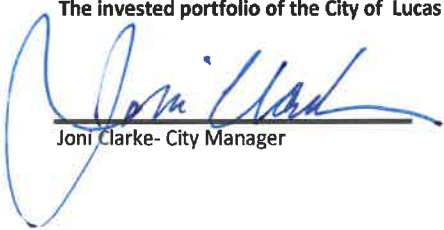
Account No	Vendor	Project	Budgeted through Fiscal Year 18/19	Paid through Fiscal Year 18/19	Reclassification Fiscal Year 19/20	Reallocated Budget Fiscal Year 19/20
By Contract - Capital Projects						
21-8210-490-124	Lakes Engineering	Prog Mgmt North Pump Station Water #125	\$ 34,973.00	\$ -		\$ 34,973.00
21-8210-490-125	BW2	Elevated Water Tower Design	\$ 72,880.00	\$ -		\$ 72,880.00
21-8210-490-125	TBD	Elevated Water Tower Construction	\$ 2,677,240.00	\$ -	\$ (1,603,029.00)	\$ 1,074,211.00
21-8210-490-127	TBD	SCADA Water System	\$ 100,000.00			\$ 100,000.00
21-8210-491-126	Birkhoff	West Lucas Road/Country Club Intersection	\$ 27,396.61	\$ 1,443.00		\$ 25,953.61
21-8210-491-126	TBD Construction	West Lucas Road/Country Club Intersection	\$ 267,300.39			\$ 267,300.39
21-8210-491-127	Birkhoff	Winningkoff Road Reverse Curve to Snider Lane	\$ 108,982.83	\$ 30,201.06		\$ 78,781.77
21-8210-491-127	Mcmahon Contracting	Winningkoff Road Reverse Curve to Snider Lane	\$ 1,615,176.78	\$ -		\$ 1,615,176.78
21-8210-491-127	Contingency	Winningkoff Road Reverse Curve to Snider Lane	\$ 80,758.84	\$ 2,880.00		\$ 77,878.84
21-8210-491-128	Mcmahon Contracting	Stinson Road Parker Road to Bristol Park	\$ 2,554,723.56	\$ 1,513,859.20		\$ 1,040,864.36
21-8210-491-128	Contingency	Stinson Road Parker Road to Bristol Park	\$ 127,736.18	\$ 9,840.00		\$ 117,896.18
21-8210-491-129	Lakes Engineering	Blondy Jhune Road West Bridge to Winningkoff Road	\$ 10,815.00	\$ 10,590.00		\$ 225.00
21-8210-491-129	Mcmahon Contracting	Blondy Jhune Road West Bridge to Winningkoff Road	\$ 2,605,334.80	\$ 2,095,849.19		\$ 509,485.61
21-8210-491-129	Contingency	Blondy Jhune Road West Bridge to Winningkoff Road	\$ 130,266.98	\$ 47,138.00		\$ 83,128.98
21-8210-491-131	Lakes Engineering	Prog Mgmt Winningkoff Road Reverse # 127				\$ -
21-8210-491-132	Lakes Engineering	Prog Mgmt Stinson Rd # 128	\$ 104,918.00	\$ 139,502.85		\$ (34,584.85)
21-8210-491-133	Lakes Engineering	Prog Mgmt Blondy Jhune # 129	\$ 139,890.00	\$ 131,711.82		\$ 8,178.18
21-8210-491-500	Birkhoff	Brockdale Estates/Hillwood	\$ 38,795.00	\$ 4,725.00		\$ 34,070.00
Total Capital Projects			\$ 10,697,187.97	\$ 3,987,740.12		\$ 5,106,418.85
Operating Accounts:						
11-6209-309	Birkhoff	Lemontree Drainage	\$ 29,980.00	\$ 17,276.57		\$ 12,703.43
11-8209-301	TBD	Emergency Bridge Repairs 8-1-19	\$ 100,000.00	\$ 42,688.54		\$ 57,311.46
11-6300-232	DFW Camper	Topper/Stripping from hail damage 3-25-19	\$ 5,780.00			\$ 5,780.00
Total Operating			\$ 135,760.00	\$ 59,965.11	\$ -	\$ 75,794.89
Grand Total			\$ 10,832,947.97	\$ 4,047,705.23	\$ -	\$ 5,182,213.74
Re-allocation summary by account number		Description	Funding Source			
21-8210-490-124		Prog Mgmt North Pump Station Water #125	\$ 34,973.00	2017 Certificates of Obligation		
21-8210-490-125		Elevated Water Tower	\$ 1,147,091.00	2017 Certificates of Obligation		
21-8210-490-127		SCADA System	\$ 100,000.00	2017 Certificates of Obligation		
21-8210-491-126		West Lucas Road/Country Club Intersection	\$ 293,254.00	2019 Certificates of Obligation/Impact Fees/Restricted Reserves		
21-8210-491-127		Winningkoff Road Reverse Curve to Snider Lane	\$ 1,771,837.39	2019 Certificates of Obligation/Impact Fees/Restricted Reserves		
21-8210-491-128		Stinson Road Parker Road to Bristol Park	\$ 1,158,760.54	2019 Certificates of Obligation/Impact Fees/Restricted Reserves		
21-8210-491-129		Blondy Jhune Road West Bridge to Winningkoff Road	\$ 592,839.59	2019 Certificates of Obligation/Impact Fees/Restricted Reserves		
21-8210-491-132		Prog Mgmt Stinson Rd # 128	\$ (34,584.85)	2019 Certificates of Obligation/Impact Fees/Restricted Reserves		
21-8210-491-133		Prog Mgmt Blondy Jhune # 129	\$ 8,178.18	2019 Certificates of Obligation/Impact Fees/Restricted Reserves		
21-8210-491-500		Brockdale Estates/Hillwood	\$ 34,070.00	Brockdale Funding		
11-6209-309		Professional Services Lemontree drainage	\$ 12,703.43	FY 19-20 excess revenue over expense		
11-8209-301		Roadway Improvements Emergency Bridge Repair	\$ 57,311.46	FY 19-20 excess revenue over expense		
11-6300-232		Auto Maintenance Topper/stripping hailstorm damage	\$ 5,780.00	FY 19-20 excess revenue over expense		
			\$ 5,182,213.74			

CITY OF LUCAS QUARTERLY INVESTMENT REPORT

Quarter Ended
December, 2019

Bank Account Name	Rating	September 30, 2019	December 31, 2019	Changes	Total Portfolio
ANB Pooled Cash	AAAm	\$3,613,208.44	\$5,011,281.23	\$1,398,072.79	14.79%
ANB - Reserve General Fund	AAAm	\$3,000,000.00	\$3,000,000.00	\$0.00	8.85%
Total Bank Accounts		\$6,613,208.44	\$8,011,281.23	\$1,398,072.79	23.64%
Interest Rate		0.20%	0.20%	\$0.00	
Weighted Average Life/Days(Balances assumed to have a one day maturity)		1	1	0	
Pools					
Logic - General Fund	AAAm	\$4,791,875.91	\$4,814,941.94	\$23,066.03	14.21%
Logic - Water Fund	AAAm	\$5,195,205.52	\$5,220,213.01	\$25,007.49	15.40%
Logic 2017 CO - General Fund	AAAm	\$1,869,589.04	\$857,052.05	-\$1,012,536.99	2.53%
Logic 2017 CO - Water Fund	AAAm	\$2,396,978.46	\$2,406,734.71	\$9,756.25	7.10%
Logic 2019 CO - General Fund	AAAm	\$7,565,837.68	\$7,602,256.41	\$36,418.73	22.43%
Logic 2019 CO - Water Fund	AAAm	\$1,453,041.67	\$1,460,036.02	\$6,994.35	4.31%
Interest Rate		2.1733%	1.8173%	-\$0.003560	
Weighted Average Life/Days(Balances assumed to have a one day maturity)		1	1	0	
Lone Star Invest - General Fund	AAAm	\$2,033,045.34	\$2,041,995.16	\$8,949.82	6.03%
Lone Star Invest- Water Fund	AAAm	\$763,791.81	\$767,154.16	\$3,362.35	2.26%
Interest Rate		2.0963%	1.6207%	-\$0.00476	
Weighted Average Life/Days(Balances assumed to have a one day maturity)		1	1	0	
Tex Pool - Debt Service Fund	AAAm	\$1,118,630.95	\$705,249.49	-\$413,381.46	2.08%
Interest Rate		2.1635%	1.6226%	-\$0.00541	
Weighted Average Life/Days(Balances assumed to have a one day maturity)		1	1	0	
Total Pools		\$27,187,996.38	\$25,875,632.95	-\$1,312,363.43	76.36%
Total Bank Acct. and Pools		\$33,801,204.82	\$33,886,914.18	\$85,709.36	100.00%

The invested portfolio of the City of Lucas is in compliance with the Public Funds Investment Act and the City's Investment Policy and Strategies


Joni Clarke- City Manager


Liz Exum - Finance Director



RESOLUTION NO. R 2020-03-00498
[Accepting Voluntary Annexation Petition of McCreary
Donihoo Partners, Ltd.]

A RESOLUTION OF THE CITY COUNSEL OF THE CITY OF LUCAS, TEXAS, ACCEPTING A VOLUNTARY ANNEXATION PETITION AND AUTHORIZING THE SETTING OF A DATE, TIME, AND PLACE FOR A PUBLIC HEARING ON THE CONTEMPLATED ANNEXATION DESCRIBED IN EXHIBIT “A” AND DEPICTED IN EXHIBIT “B” ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES (“ANNEXATION AREA”), BY THE CITY OF LUCAS, TEXAS; AUTHORIZING AND DIRECTING CITY STAFF TO PUBLISH NOTICE OF SUCH HEARINGS, WITH THE INSTITUTION OF THE ANNEXATION PROCEEDINGS, BY ADOPTION OF THE ANNEXATION ORDINANCE TO OCCUR AT A REGULAR CALLED CITY COUNCIL SESSION, AND TO PREPARE A SERVICE PLAN FOR THE ANNEXATION AREA; SAID ANNEXATION AREA BEING MORE PARTICULARLY DESCRIBED IN EXHIBIT “A” AND DEPICTED IN EXHIBIT “B”; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lucas has received a petition for voluntary annexation for the Annexation Area described and depicted in Exhibit “A” and Exhibit “B” from McCreary Donihoo Partners, Ltd.; and

WHEREAS, the Lucas City Council believes it is in the best interest of the City to annex certain properties into the City of Lucas; and

WHEREAS, the Annexation Area is adjacent to and within the extraterritorial jurisdiction of the City of Lucas, Texas, under the terms of Chapter 43 of the Texas Local Government Code; and

WHEREAS, the Annexation Area is economically and geographically within the natural growth pattern of the City of Lucas, Texas, and adaptable for future development under the master development plan for the City; and

WHEREAS, the Annexation Area described and depicted in Exhibit “A” and Exhibit “B” is exempt from the Municipal Annexation Plan; and

WHEREAS, the Lucas City Council wishes for all interested persons to be heard in a manner prescribed by state law before said annexation action is considered; and

WHEREAS, the Lucas City Council wishes to inform all citizens and interested persons so that the impacts of said annexation is well understood by all interested parties prior to a final decision to annex the Annexation Area;

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

SECTION 1. On the 19th day of March, 2020, at a regular called City Council meeting at 7:00 p.m., in the City Council Chamber, Lucas City Hall, 665 Country Club Road, Lucas, Texas 75002-7651, the Lucas City Council will hold a public hearing giving all interested persons the right to appear and be heard on the proposed voluntary annexations by the City of Lucas, Texas, of the Annexation Area described and depicted in Exhibit “A” and Exhibit “B”.

SECTION 3. Following the public hearing and presentation of the annexation ordinance, the Lucas City Council shall institute the annexation proceedings by adoption of the annexation ordinance for the area described and depicted in Exhibit “A” and Exhibit “B”.

SECTION 4. Pursuant to Section 43.0672 of the Local Government Code, the parties have negotiated and entered into a written agreement for the services to be provided for the Annexation Area.

SECTION 5. City Staff is hereby authorized and directed to finalize the boundary description and land area total for the Annexation Area in preparation for publication in notices of public hearings.

SECTION 6. Pursuant to Section 43.0682 of the Local Government Code, the City shall provide the Services as listed in Exhibit “C”.

SECTION 7. City Staff is hereby authorized and directed to cause a notice of such public hearing to be published once only in a newspaper having general circulation in the City and in the above-described Annexation Area not more than twenty (20) days nor less than ten (10) days prior to the date of such public hearing, all in accordance with Chapter 43.052, Texas Local Government Code.

SECTION 8. City Staff is hereby directed to prepare a service plan for the proposed Annexation Area and make said service plan available for public review in the City Council Chamber, Lucas City Hall, 665 Country Club Road, Lucas, Texas 75002-7651, on or before the 19th day of March, 2020.

SECTION 7. That this Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Lucas, Texas, on the 5th day of March, 2020.

ATTEST:

APPROVED:

Stacy Henderson, City Secretary
(02-18-2020:TM 113919)

Jim Olk, Mayor

EXHIBIT “A”
Legal Description of Annexation Area

BENG A TRACT OF LAND SITUATED IN COLLIN COUNTY, TEXAS OUT OF THE JOHN GRAY SURVEY, ABSTRACT NO. 349 AND BEING ALL OF A 2 ACRE TRACT OF LAND AND ALL OF A 28 ACRE TRACT OF LAND CONVEYED TO LESLIE MCCREARY AND GLADYS MCCREARY ACCORDING TO THE DEED FILED FOR RECORD IN VOLUME 595, PAGE 197, DEED RECORDS, COLLIN COUNTY, TEXAS AND BEING ALL OF TRACT TWO AND TRACT THREE CONVEYED TO MCCREARY. FAMILY TRUST ACCORDING TO THE DEED FILED FOR RECORD IN VOLUME 4844, PAGE 2894, DEED RECORDS, COLLIN COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A P.K. NAIL FOUND IN ASPHALT IN STINSON ROAD, AN UNDEDICATED RIGHT-OF-WAY, THE SOUTHEAST CORNER OF SAID 28 ACRE TRACT, THE NORTHEAST CORNER OF A 27.278 ACRE TRACT OF LAND CONVEYED TO JOHN A. YOUNG AND PATSY DEAN YOUNG ACCORDING TO THE DEED FILED FOR RECORD IN VOLUME 5167, PAGE 3453, DEED RECORDS, COLLIN COUNTY, TEXAS, AND THE SOUTHWEST CORNER OF A 29.185 ACRE TRACT OF LAND CONVEYED TO YOUNG DEAN HOMESTEAD, LTD. ACCORDING TO THE DEED FILED FOR RECORD IN VOLUME 5167, PAGE 3443, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE, DEPARTING STINSON ROAD AND ALONG THE SOUTH LINE OF SAID 28 ACRE TRACT AND THE NORTH LINE OF SAID 27.278 ACRE TRACT, SOUTH 89 DEGREES, 34 MINUTES, 08 SECONDS WEST, A DISTANCE OF 1349.62 FEET TO A 5/8" IRON ROD SET WITH RED PLASTIC CAP STAMPED "R.P.L.S. 5199", THE SOUTHWEST CORNER OF SAID 28 ACRE TRACT, THE NORTHWEST CORNER OF SAID 27.278 ACRE TRACT, AND LYING IN THE MOST SOUTHERLY EAST LINE OF A 143.35 ACRE TRACT OF LAND CONVEYED TO SUE W. HODGDON ACCORDING TO THE DEED FILED FOR RECORD IN VOLUME 587, PAGE 38, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE, ALONG THE WEST LINE OF SAID 2 ACRE TRACT AND SAID 28 ACRE TRACT, AND THE MOST SOUTHERLY EAST LINE OF SAID 143.35 ACRE TRACT, AS AFFECTED BY BOUNDARY LINE AGREEMENT RECORDED IN THE COUNTY CLERK'S FILE NO. 20060428000567740, DEED RECORDS, COLLIN COUNTY, TEXAS, NORTH 00 DEGREES, 03 MINUTES, 58 SECONDS EAST, A DISTANCE OF 989.29 FEET TO A 5/8" IRON ROD SET WITH PLASTIC CAP STAMPED "R.P.L.S. 5199", THE NORTHWEST CORNER OF SAID 2 ACRE TRACT, FROM WHICH A 3/8" IRON ROD FOUND BEARS SOUTH 89 DEGREES, 42 MINUTES, 44 SECONDS, WEST, A DISTANCE OF 7.68 FEET, A 1/2" IRON ROD FOUND WITH CAP STAMPED "R.P.L.S. 5439" BEARS NORTH 89 DEGREES, 42 MINUTES, 44 SECONDS, EAST, A DISTANCE OF 7.68 FEET;

THENCE, ALONG THE NORTH LINE OF SAID 2 ACRE TRACT, AND THE MOST EASTERLY SOUTH LINE OF SAID 143.35 ACRE TRACT, NORTH 89 DEGREES, 42 MINUTES, 44 SECONDS EAST, A DISTANCE OF 1349.95 FEET TO A P.K. NAIL SET IN STINSON ROAD, THE NORTHEAST CORNER OF SAID 2 ACRE TRACT, A SOUTHEASTERLY CORNER OF SAID 143.35 ACRE TRACT AND LYING IN THE WESTERLY LINE OF A 26.027 ACRE TRACT OF LAND CONVEYED TO WARREN L NORRIS ACCORDING TO THE DEED FILED FOR RECORD IN VOLUME 5009, PAGE 699, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE, ALONG THE EAST LINE OF SAID 2 ACRE TRACT AND SAID 28 ACRE TRACT, AND THE WESTERLY LINE OF SAID 26.027 ACRE TRACT, AND ALONG STINSON ROAD, SOUTH 00 DEGREES, 05 MINUTES, 11 SECONDS WEST, PASSING THE SOUTHWEST CORNER OF SAID 26.027 ACRE TRACT, THE NORTHWEST CORNER OF SAID 29.185 ACRE TRACT AT 72.79 FEET, AND CONTINUING ALONG THE COMMON LINE OF SAID 28 ACRE TRACT, SAID 29.185 ACRE TRACT, AND ALONG STINSON ROAD FOR A TOTAL DISTANCE OF 985.92 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,333,015 SQUARE FEET OR 30.6018 ACRES OF LAND, MORE OR LESS.

Note: The Company -Is* prohibited from insuring the area or quantity Of the land described herein. Any statement In the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

First American Title Insurance Company
Texas Commitment T-7 (Rev. 6-27-02)



First American Title Insurance Company
Valid Only If Schedule A, 8, C, D and Cover are attached

..... .. • • - •

[illegible]



RESOLUTION NO. R 2020-03-00499
[TERMINATING RIGHT OF WAY USE LICENSE AND HOLD
HARMLESS AGREEMENT]

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUCAS, TEXAS, TERMINATING THE RIGHT OF WAY USE LICENSE AND HOLD HARMLESS AGREEMENT ENTERED INTO BY THE CITY AND JUSTIN HIMMELREICH AND ANGELA HIMMELRIECH ON DECEMBER 18, 2019; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lucas entered into the Right of Way Use License and Hold Harmless Agreement with Justin Himmelreich and Angela Himmelreich on December 18, 2019 (the “Agreement”), attached hereto as Exhibit “A” and made a part hereof.; and

WHEREAS, Justin Himmelreich and Angela Himmelreich have requested the City terminate the Agreement; and

WHEREAS, upon full review and consideration of the request to terminate the Agreement by Justin Himmelreich and Angela Himmelreich and all matters related thereto, the City Council is of the opinion and finds that the Agreement shall be terminated.

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

SECTION 1. In accordance with the request by Justin Himmelreich and Angela Himmelreich, the City Council approves termination of the Agreement

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

DULY RESOLVED AND ADOPTED by the City Council of the City of Lucas, Texas, on the 5th day of March 2020.

ATTEST:

APPROVED:

Stacy Henderson, City Secretary
(02-26-2020:TM 114101)

Jim Olk, Mayor

EXHIBIT “A”
RIGHT OF WAY USE LICENSE AND HOLD HARMLESS AGREEMENT

After Recording, Return to:
Joseph J. Gorfida Jr.
Nichols, Jackson, Dillard, Hager & Smith, LLP
500 N. Akard, Suite 1800
Dallas, Texas 75201

STATE OF TEXAS	§	RIGHT OF WAY USE LICENSE AND HOLD HARMLESS AGREEMENT
	§	
COUNTY OF COLLIN	§	

This **RIGHT OF WAY USE LICENSE AND HOLD HARMLESS AGREEMENT** ("Agreement") is made by and between the **City of Lucas**, (hereinafter called "**City**"), a Texas Home Rule Municipality, **Justin and Angela Himmelreich** (hereinafter collectively called "**Licensee**") whose address is 2515 Orr Road, Lucas, Collin County, Texas 75002.

WHEREAS, Licensee is the owner, or intends to purchase, real property generally described as 2515 Orr Road, Lucas, Collin County, Texas and more specifically described as Lot 1, Block 1 of the Himmelreich Estate, City of Lucas, Collin County, Texas, according to the plat thereof recorded in Volume 2017, Page 826, Plat Records, Collin County, Texas (the "Property"); and

WHEREAS, City is the owner of a sixty-foot (60.0') wide, 1.819-acre public right-of-way dedication adjacent to the southern property line of the Property, more particularly described in Exhibit "A" attached hereto and incorporated herein ("the Licensed Premises"); and

WHEREAS, Licensee desires to construct and maintain a privately-owned driveway and/or shrubs in the Licensed Premises (the "Private Improvements"); and

WHEREAS, City has determined it presently does not require the use of the Licensed Premises for use as a public street and desires to allow the Licensed Premises to be used for the Private Improvements subject to the provisions of this Agreement;

NOW THEREFORE, for and in consideration of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by City, City hereby grants to Licensee a non-exclusive license authorizing construction, maintenance, repair, replacement, and removal of the Private Improvements within the Licensed Premises and use of the Private Improvements for ingress and egress to the Property by Licensee and others authorized by Licensee who are coming to the Property ("the Licensed Use"), subject to the following:

1. The Term of this Agreement is perpetual; provided, however, this Agreement may be terminated as provided herein.
2. Licensee agrees to promptly defend, indemnify and hold City harmless from and against all damages, costs, losses, and expenses, including reasonable attorneys' fees:

- (a) for the repair, replacement, or restoration of the Licensed Premises, equipment, materials, structures and facilities which are damaged, destroyed or found to be defective as a result of the acts or omissions of Licensee, its heirs, administrators, assigns, officers, directors, employees, agents contractors, subcontractors, tenants, partners, and members; and
- (b) from and against any and all claims, demands, suits, causes of action, and judgments for (i) damage to or loss of the property of any person (including, but not limited to Licensee, its heirs, administrators, assigns, agents, officers, employees, contractors, subcontractors tenants, partners, or members, City's agents, officers, and employees, and third parties); and/or (i) death, bodily injury, illness, disease, loss of services, or loss of income or wages to any person (including, but not limited to the agents, officers and employees of Licensee, Licensee's contractors or subcontractors, and third parties), arising out of, incident to, concerning or resulting from the negligent or willful act or omissions of Licensee, its agents, employees, officers, contractors and/or subcontractors, in the performance of activities pursuant to this Agreement.

This indemnity provision shall not apply to any liability resulting from the sole negligence of City, its officers, employees, agents, contractors, or subcontractors. The provisions of this section are solely for the benefit of City and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity.

3. During the Term of this Agreement, Licensee agrees to maintain in full force and affect the following insurance:

- (a) A policy of comprehensive general liability insurance for bodily injury, death and property damage insuring against all claims, demands or actions relating to the use of the Licensed Premises by Licensee pursuant to this Agreement with a minimum combined single limit of not less than \$1,000,000 per occurrence for injury to persons (including death), and for property damage with an aggregate of not less than \$1,000,000; and
- (b) During any period of construction activity with the Licensed Premises, a policy of automobile liability insurance covering any vehicles owned and/or operated by Licensee, its officers, agents, and employees with a minimum of \$1,000,000 combined single limit.

Notwithstanding the above limits, the amount of insurance coverage set forth herein to be purchased by Licensee shall at all times be not less than twice the amount of the maximum liability for City per occurrence as set forth in the Texas Tort Claims Act, as amended (Tex. Civ. Prac. & Rem. Code §101.001, et.seq. as amended or succeeded). Such insurance shall be endorsed to (i) name City as an additional insured, (ii) provide for a waiver of subrogation in favor of City, and (iii) provide for not less than thirty (30) day notice to City in the event of termination for non-payment or reduction of limits below the required minimums. A certificate

of insurance in a form that complies with applicable law indicating the above coverage and endorsements are in effect shall be provided to City prior to Licensee commencing work to locate the Private Improvements in the Licensed Premises.

4. Licensee acknowledges and agrees that Licensee is not released by City from the responsibility or liability for damage to the Licensed Premises that may result from the construction, placement, operation and/or existence of the Private Improvements within the Licensed Premises.

5. If City determines, in its sole discretion, that in order for City to repair, replace, maintain, or alter the Licensed Premises or City's property, City utilities or City facilities including drainage facilities located on, over, or beneath the Licensed Premises, including the widening of any street or relocation of related curbs and/or sidewalks, and that it is reasonably necessary for Licensee to alter, relocate, or remove the Private Improvements within or from the Licensed Premises as the result of City's actions, Licensee shall solely bear the cost of repairing, replacing, or otherwise reconstructing any portion of the Private Improvements that may need to be relocated, altered, or removed by Licensee, with such relocations being at a place required by City.

6. If City determines in its sole discretion and upon reasonable engineering standards that the Private Improvements pose a hazard to the public or may interfere or impede traffic safety in any way, the Private Improvements, at the sole cost of Licensee, must be modified, relocated, or removed upon written notice from City, and this Agreement shall terminate.

7. The Private Improvements shall be designed and constructed in accordance with City's standard specifications and ordinances for driveways and shrubbery within the City. No other private improvements, permanent or temporary, shall be allowed within the Licensed Premises unless prior written permission from City is granted to Licensee.

8. It is understood that by execution and granting of this License, City does not impair or relinquish City's right to use the Right of Way or the Licensed Premises for any other purpose, nor shall use of the Licensed Premises by Licensee under this License ever be construed as abandonment by City of the Licensed Premises as a right of way. Licensee understands, acknowledges, and agrees that City does not by this Agreement grant or convey any real property interest in the Licensed Premises but merely consents to such use by Licensee to the extent City's authority and title permits.

9. This Agreement shall terminate upon the removal of the Private Improvements from the Licensed Premises for more than six (6) consecutive months.

10. Notwithstanding this grant of the license to Licensee to use the Licensed Premises as provided in this Agreement, Licensee shall continue to be obligated to comply with any law, regulation, or ordinance governing construction and the placement of the Private Improvements within the Licensed Premises. To the extent that any provisions of any conflict between this

Agreement and any law, regulation, or ordinance governing construction and the placement of the Private Improvements within the Licensed Premises, the more stringent requirement shall control.

11. This Agreement shall be binding upon Licensee and Licensee's successors and assigns.
12. This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings written or oral agreements between the parties with respect to this subject matter.
13. Licensee may not assign this Agreement in whole or in part without the prior written consent of City. In the event of an assignment by Licensee to which City has consented, the assignee shall agree in writing with City to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement.
14. The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this Agreement shall be in a state court of competent jurisdiction in Collin County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said Court.
15. This Agreement may be amended only by the mutual written agreement of the parties.
16. When notice is permitted or required by this Agreement, it shall be in writing and shall be deemed delivered when delivered in person or on the date when placed, postage prepaid in the United States mail, certified return receipt requested, and addressed to the parties at the address set forth below. Either party may designate from time to time another and different address for receipt of notice by giving notice of such change or address.

If intended for Licensee, to:

Justin and Angela Himmelreich
2515 Orr Road
Lucas, Texas 75002

In intended for City to:

City of Lucas
Attn: City Manager
665 County Club Road
Lucas, Texas 75002

With Copies to:

City of Lucas
Attn: City Engineer
665 County Club Road
Lucas, Texas 75002

Joseph J. Gorfida Jr.
Nichols, Jackson, Dillard, Hager &
Smith, LLP
500 N. Akard Suite 1800
Dallas, Texas 75201

17. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

18. Nothing in this Agreement, or in any exhibit or attachment hereto, shall be construed to affect, alter, or modify the immunity of City under the Texas Civil Practice and Remedies Code §§101.001 et seq. It is expressly understood and agreed that in the execution of this Agreement, City does not waive, nor shall be deemed to waive, any immunity or defense that would otherwise be available to City against claims arising in the exercise of governmental powers and functions.

19. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

20. This Agreement may be terminated by City by providing one hundred and eighty (180) days' written notice to Licensee following a determination by City that City desires to use the Licensed Area to as an improved right of way to expand Forest Grove Road or any other right of way at said location. If City terminates this Agreement pursuant to this Section 20, Licensee shall be entitled to no compensation for the Private Improvements.

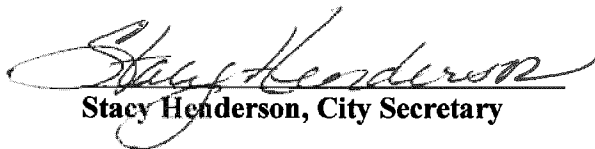
(signatures on following page)

SIGNED AND AGREED this 18 day of December 2019.

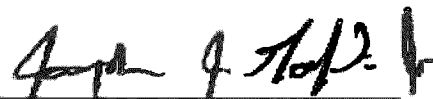
CITY OF LUCAS, TEXAS:

By: 
Joni Clarke, City Manager

ATTEST:

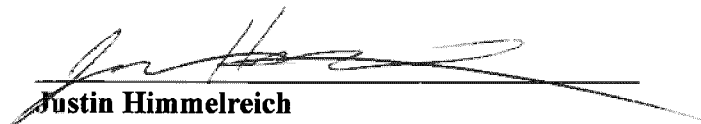

Stacy Henderson, City Secretary


APPROVED AS TO FORM:


Joseph J. Gorfida Jr., City Attorney

SIGNED AND AGREED this _____ day of _____ 2019.

LICENSEE:

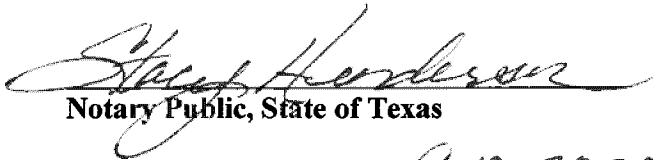

Justin Himmelreich


Angela Himmelreich

CITY'S ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me, the undersigned authority, this 18th day of December, 2019, by Joni Clarke, City Manager, City of Lucas, Texas, a Texas home rule municipality, for and on behalf of said municipality.


Notary Public, State of Texas

My Commission Expires: 9-10-2023



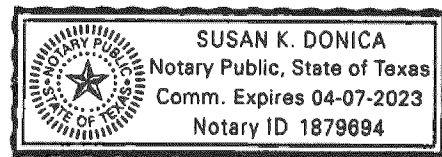
LICENSEE'S ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

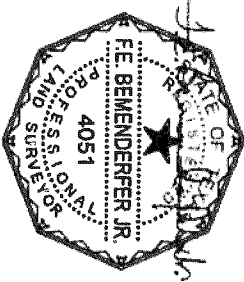
This instrument was acknowledged before me, the undersigned authority, on the 12th
day of December, 2019 by **Justin Himmelreich** and **Angela Himmelreich**.

Susan K. Donica
Notary Public, State of Texas

My Commission expires: 4-7-2023

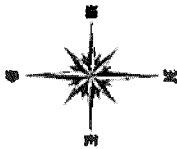


Notes: 1) CM is a controlling monument. 2) PL is property line. 3) Bearings based on Himmelfrich Estate recorded under Volume 2017, Page 825, & Lucas Creek Estates recorded under Volume 0, Page 22, C.C.M.R.



0 160' 320'

Scale: 1"=160'



LINE	BEARING	DISTANCE
L1	S00°13'09"E	60.00'
L2	N00°13'09"W	60.00'

Facement Boundary

Stonegate
Vol. M. Pg. 395
C.C.M.R.

POINT OF
BEGINNING
RPLS 5387
CPd.HF(CM)

Himmelsreich Estate
Vol. 2017, Pg. 826
C.C.M.R.

N89°46'51"E 1320.71'

60' Right-of-Way Dedication (Forest Grove)	1.819 Ac. - 79,243 Sq. Ft.
60' R.O.W. Dedication (Per Plat Vol. 0, Pgs. 22, C.C.M.R.)	

Est. R.O.M. Dedication (Riser #1) Vol. 0, Page. 22, C.C.M.R.)

559.4651'W 320.87'

Lucas Creek Estates
Vol. 0, Pg. 22
C.C.M.R.

J.J3 Acie Tract
CC# 20141201001306070
C.C.L.R.

DCMR

30' R.O.W. Dedication
Vol. 2017 Pg. 211

R.O.W. Dedication (Vol. 0, Pg. 22)

*Being a 60' Right of Way Dedication
1.819 Ac. 79,243 Sq. Ft.
being part of Lucas Creek Estate
Vol. O, Pg. 22 C.C.M.R.
Calvin Botes Survey, Abstract No. 28
City of Lucas, Collin County, Texas
August 09, 2019*

Page 1 of 2

P:\AC\201903\AC855993.dwg



Roome
Land Surveying
2000 Avenue G, Suite 610
Plano, Texas 75074
Phone (972) 422-4372 / Fax (972) 423-7523
E-mail: land@roome-landsurveying.com / FIRM No. 100131000

EXHIBIT "A"
Description of Licensed Premises

Driveway Easement
1.819 Acres/79,243 Sq.Ft
Being a 60' Right-of-Way Dedication
Lucas Creek Estates - Vol. 0, Page 22, CCMR

SITUATED in the State of Texas, County of Collin and City of Lucas, being part of the Calvin Boles Survey, Abstract No. 28, being all of a 60' right-of-way dedication by Lucas Creek Estates as recorded in Vol. 0, Page 22 of the Collin County Map Records with said premises being more particularly described as follows:

BEGINNING at a RPLS 5387 capped iron rod found marking the northwest corner of said 60' right-of-way dedication, the northwest corner of Lucas Creek Estates, the southwest corner of Himmelreich Estate as recorded in Volume 2017, Page 826 of the Collin County Map Records, and being in the east line of Stonegate, an addition to the City of Lucas as recorded in Volume M, Page 399 of the Collin County Map Records;

THENCE with the north line of said 60' right-of-way dedication, the north line of Lucas Creek Estates, and the south line of Himmelreich Estate, North 89°46'51" East, passing at 1,280.71 feet a Roome capped iron rod found marking the west line of a 30' right-of-way dedication per Himmelreich Estate, and continuing for a total of 1320.71 feet to a point in Orr Road marking the northeast corner of said 60' right-of-way dedication;

THENCE with Orr Road along the east line of said 60' right-of-way dedication, South 00°13'08" East, 60.00 feet to a point in Orr Road marking the southeast corner of said 60' right-of-way dedication;

THENCE with the south line of said 60' right-of-way dedication, and starting at 33.81 feet along the north line of Lots 1-7, Block A of Lucas Creek Estates, South 89°46'51" West, 1320.87 feet to a point marking the northwest corner of Lot 7, Block A of Lucas Creek Estates, the southwest corner of said 60' right-of-way dedication, and being in the east line of the aforementioned Stonegate;

THENCE with the west line of said 60' right-of-way dedication, and the east line of Stonegate, North 00°13'08" West, 60.00 feet to the place of beginning and containing 1.819 acres or 79,243 square feet of land.



Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
12/19/2019 11:04:24 AM
\$66.00 DFOSTER
20191219001618760

Stacey Kemp



Texas Farm Bureau Mutual Insurance Company
Texas Farm Bureau Underwriters
Texas Farm Bureau Casualty Insurance Company
Farm Bureau County Mutual Insurance Company of Texas
Southern Farm Bureau Life Insurance Company

45-day
Property Binder / Evidence of Insurance

Policy #

0149283-2

Pending issuance of the policy, insurance as indicated below is bound subject to its terms, conditions, and exclusions. Coverages provided by the insurance binder will terminate upon the earliest date of:

1. Issuance of the insurance policy,
2. The date provided in the notice of cancellation we give, or
3. Forty-five (45) days from the effective date of this binder.

Texas AgAdvantage Contract Bound: TAA-T Effective Date: 02/06/2020 Expiration Date: 12/30/2020 Premium: \$9.00

The policy indicated above provides coverage on the following loss settlement basis: See Policy Form and Endorsements

Name of Insured(s):



****Endorsements listed below will modify and/or supplement coverages listed above**

Location(s):

- # 1 : .96 acre(s) in 057 County - 4310 FOREST LN GARLAND, TEXAS 75042-6821-10
- # 2 : 3.0 acre(s) in 043 County - 6 Horseman Dr LUCAS, TEXAS 75002
- # 3 : 4.67 acre(s) in 043 County - 2515 Orr Rd LUCAS, TEXAS 75002

Main Dwelling:

Main Dwelling - - Owner/Primary Residence - Aluminum Siding - COVERAGE B: \$15,000 - Deductible Clause 3 All Covered Perils: \$100 - ON LOCATION #1

Endorsements(s): Identity Theft Coverage , Unscheduled Glass (TAA-405) , Personal Computer (TAA-426)

Scheduled Farm Equipment:

Policy Coverages:

Per Occurrence/Aggregate: \$1,000,000/\$2,000,000

Medical Payment Limit: \$ 5,000

Chemical Drift Limit: \$25,000

Recreational Land Use - Bodily Injury Per Person: \$500,000

Recreational Land Use - Bodily Injury Per Occurrence: \$1,000,000

Recreational Land Use - Property Damage Per Occurrence: \$100,000

Acreage

Additional Farms without Buildings 2

2 : 3.0 acre(s) in 043 County Address: 6 Horseman Dr LUCAS, TEXAS 75002

3 : 4.67 acre(s) in 043 County Address: 2515 Orr Rd LUCAS, TEXAS 75002

Additional Insured(s):

1 - Occupant (TAA-601) - City of Lucas | Other (explain) co-ownership

Location Risk Description: ACRE(S) ON LOCATION #: 2

7420 FISH POND RD - WACO TX 76710-1010 | PO BOX 2689 - WACO TX 76702-2689



Texas Farm Bureau Mutual Insurance Company
Texas Farm Bureau Underwriters
Texas Farm Bureau Casualty Insurance Company
Farm Bureau County Mutual Insurance Company of Texas
Southern Farm Bureau Life Insurance Company

Policy #

0149283-2

Please Remit payment to:

Texas Farm Bureau Insurance Companies
305 E. McDermott Dr. Suite D
Allen TX. 75002-2851
972/359-6177

X Angela Harrison | 02/06/2020
Angela Harrison Date



City of Lucas

City Council Agenda Request

March 5, 2020

Item No. 04

Requester: Forest Creek Estates Architectural Control Committee Member Andre Guillemaud
Development Services Director Joe Hilbourn

Agenda Item Request

Consider a request by the Forest Creek Estates Architectural Control Committee to:

- A) leave the two Forest Creek Estates subdivision signs currently located on City right-of-way at the intersection of Blondy Jhune Road and Mary Lee Lane; and
- B) to replace the existing Forest Creek Park sign and fund half the cost of the new park signage.

Background Information

At the December 19, 2019 City Council meeting, the City Council considered several options presented by staff and the Forest Creek Estates Architectural Control Committee regarding the location of two Forest Creek Estates subdivision signs currently located on City right-of-way at the intersection of Blondy Jhune Road and Mary Lee Lane.

One option was to install a Forest Creek Estates subdivision sign in Forest Creek Park located on Orchard Gap. Because the new sign proposal is located within a City park, the City Council deferred the request to the Parks and Open Space Board to determine what type of signage would be appropriate in the City's Park. The City Council opted to leave the current subdivision signs in place until a recommendation from the Parks and Open Space Board is brought back to the City Council for consideration.

The Parks and Open Space Board reviewed this item at their January 28, 2020 meeting, and after discussions with a member of the Forest Creek Architectural Control Committee, the Parks Board recommended replacing the existing sign at Forest Creek Park with a stone monument sign stating "Forest Creek Park" as a compromise that would benefit both the neighborhood and the park.

City staff met with Forest Creek Park Architectural Control Committee Member Andre Guillemaud and proposed a cost sharing arrangement where the new park sign for Forest Creek Park would be replaced, and the City would pay 50% of the replacement costs, and the other 50% would be paid by the Forest Creek Architectural Control Committee and leaving the existing Forest Creek Estates subdivision signs located on City right-of-way at the intersection of Blondy Jhune Road and Mary Lee Lane.

Forest Creek Park Architectural Control Committee has committed to providing \$1,700 towards the Forest Creek Park sign.



City of Lucas

City Council Agenda Request

March 5, 2020

Item No. 04

Attachments/Supporting Documentation

1. Sign Quotes

Budget/Financial Impact

City staff obtained quotes for two different sign sizes that are included with this item.

- 5 feet tall x 8 feet wide: \$3,950.00
- 4 feet tall x 6 feet wide: \$3,500.00

Recommendation

Staff recommends leaving the two Forest Creek Estates subdivision signs currently located on City right-of-way at the intersection of Blondy Jhune Road and Mary Lee Lane in place with the understanding that the residents of the Forest Creek Estates will maintain the signs and landscaping and replace the existing Forest Creek Park sign and half of the funding coming from the Forest Creek Estates Architectural Control Committee.

Motion

I make a motion to leave the two Forest Creek Estates subdivision signs currently located on City right-of-way at the intersection of Blondy Jhune Road and Mary Lee Lane in place with the understanding that the residents of the Forest Creek Estates will maintain the signs and landscaping and replace the existing Forest Creek Park sign with a ____ feet tall x ____ feet wide sign with half of the funding coming from the Forest Creek Estates Architectural Control Committee.

From: Roger Chung <roger@legacysignsoftexas.com>
Sent: Monday, February 17, 2020 1:21 PM
To: Donna Bradshaw <dbradshaw@lucastexas.us>
Subject: Re: City of Lucas~Forest Creek Estates sign

Hi Donna, Thanks for your patience.

Please see my quote below...

5ft tall X 8ft wide: \$3,950.00
4Ft tall X 6 ft wide : \$3,500.00

Foundation cost will be \$300.00 - \$600.00 additional based on final design(minimal foundation is included)
If required, foundation engineering drawing will cost \$550.00. We can do this without but if the city wants the foundation engineered, I can order one.

Both are with sandblasted stone encased inside of monument made with natural stone one choice + stone cap.

Final product will be warrantied for 5 years.

Regards

Roger

[817.431.5700](tel:817.431.5700) Office
[214 434 7777](tel:214.434.7777) Cell

Legacy Signs of Texas
10375 Alta Vista Rd
Fort Worth, 76244
www.legacysignsoftexas.com
TSCL #81934
UL #100525-147

On Time Signs
9966 Monroe Dr
Dallas, Texas 75220
www.ontimesignsdallas.com



City of Lucas Council Agenda Request March 05, 2020

Item No. 05

Requester: Finance Director Liz Exum

Agenda Item Request

Consider the acceptance and approval of the City of Lucas Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2018-2019 presented by BrooksWatson & Co.

Background Information

The audit firm, BrooksWatson & Co. will be presenting the Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2018-2019.

Attachments/Supporting Documentation

1. An electronic copy of the Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2018-2019 will be sent under separate cover.

Budget/Financial Impact

NA

Recommendation

Approve as presented.

Motion

I move to approve/deny the City of Lucas Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2018-2019.



City of Lucas

City Council Agenda Request

March 5, 2020

Item No. 06

Requester: City Engineer Stanton Foerster

Agenda Item Request

Consider authorizing the City Manager to amend the scope of the professional services agreement between Birkhoff, Hendricks & Carter and the City of Lucas dated April 1, 2019, for the drainage analysis of the Reid Branch Tributary 1, which includes the Lemontree Country Estates and Kingswood Estates neighborhoods including flow maps and findings associated with neighborhood site visits in the amount not to exceed \$9,585.00 from the FY 19-20 budget account Professional Fees 11-6209-309 using General Fund Reserves.

Background Information

At the February 6, 2020, City Council meeting, City staff reviewed with the Council information obtained from several visits to the Lemontree/Kingswood neighborhood with Birkhoff Engineers after rain events to view existing drainage. Elements were identified that prohibited drainage such as swells and ditches that were no longer present due to lack of maintenance or silted in, along with significant drainage flow that had been impeded on the southern boundary of Kingswood.

The City Council suggested the scope of the study done by Birkhoff, Hendricks & Carter include the Lynne Lane culvert towards Kingswood and determine the capacity of the culvert and if the flow was exceeding capacity. Council suggestions also included reviewing drainage from the Claremont Springs area and the possibility of redirecting the flow towards Country Club along Estates Parkway.

Based on City Council comments from the February 6, 2020 City Council meeting, the scope of services has been amended to include calculating the capacity of the culvert crossing on Lynne Lane, culvert capacity on Citrus Way near the southeast corner of Lemontree Estates, berm design areas to redirect stormwater flow, and conceptual analysis to redirect stormwater flow.

Attachments/Supporting Documentation

1. Birkhoff Agreement Amendment

Budget/Financial Impact

This is a \$9,585.00 unbudgeted FY 19-20 expense requiring a budget amendment utilizing General Fund Reserves.



City of Lucas

City Council Agenda Request

March 5, 2020

Item No. 06

Recommendation

City staff recommends amending the Birkhoff contract to include the new items requested by the City Council.

Motion

I make a motion to authorize the City Manager to (amend/not amend) the scope of the professional services agreement for drainage analysis between Birkhoff, Hendricks & Carter and the City of Lucas dated April 1, 2019, in the amount not to exceed \$9,585.00 from the FY 19-20 budget account Professional Fees 11-6209-309 using General Fund Reserves.

BIRKHOFF, HENDRICKS & CARTER, L.L.P.

PROFESSIONAL ENGINEERS

11910 Greenville Ave., Suite 600

Dallas, Texas 75243

Phone (214) 361-7900

www.bhcllp.com

JOHN W. BIRKHOFF, P.E.
GARY C. HENDRICKS, P.E., R.P.L.S.
JOE R. CARTER, P.E.
MATT HICKEY, P.E.
ANDREW MATA, JR., P.E.

JOSEPH T. GRAJEWSKI, III, P.E.
DEREK B. CHANEY, P.E., R.P.L.S.
CRAIG M. KERKHOFF, P.E.
JUSTIN R. IVY, P.E.
CARTER BURGETT, P.E.

February 20, 2020

Mr. Stanton Foerster, P.E.
City Engineer
City of Lucas
665 Country Club Road
Lucas, Texas 75002

Re: Lemontree Drainage Analysis
Professional Engineering Services Agreement – Amendment No. 1

Dear Mr. Foerster:

As requested, we are pleased to submit this Amendment No. 1 to our agreement with the City of Lucas for work associated with the City of Lucas's Lemontree Drainage Analysis dated April 18, 2019.

This Amendment No. 1 amends the scope services and compensation schedule for the Lemontree Drainage Analysis as follows:

1. Refer to **Exhibit "A" Scope of Services:**

Add the following:

Phase II:

- A. Calculate the capacity of the culvert crossing Lynn Lane for Reid Branch Tributary 1. Capacity calculations will not include hydraulic culvert modeling and will be based on application of the Manning's equation.
- B. Design cross section for open channel across lots 6, 7 and 8 of Kingswood Estates with capacity to convey a 100-year storm event.
- C. Calculate the capacity of the culvert crossing Citrus Way near the upper southeast corner of Lemontree Estates. Capacity calculations will not include hydraulic culvert modeling and will be based on application of the Manning's equation.
- D. Design cross section for a berm along the west side of lots 8 through 12 of Kingswood Estates to redirect storm water flow from Lemontree Estates to the south.

- E. Conceptual analysis to redirect stormwater south along Orchard Road to be conveyed to the east along FM 2170 (Estates Parkway). Analysis shall consist of review of existing 2-foot contours and preparation of an exhibit. No design elements are included or preparation of opinions of construction cost.
- F. Delineate off-site drainage area for Kingswood Estates. Calculate 100-year flow accumulation at southwest corner of Kingswood Estates. Prepare flow path exhibits.
- G. Conceptual analysis to redirect stormwater flow from Claremont Springs to the east along FM 2170 (Estates Parkway). Analysis shall consist of review of existing 2-foot contours and preparation of an exhibit. No design elements are included or preparation of opinions of construction cost.

2. Refer to **Exhibit "C" Compensation Schedule:**

Payment for the additional scope of services for Phase II shall be compensated on an hourly basis following the 2019 Fee Schedule and shall not exceed \$9,585.

The maximum fee is hereby increased to \$39,565 for time, expenses and mileage not to be exceed without written authorization from the City, based on an increased scope of services.

If you are in agreement with this amendment to our April 18, 2019, Professional Services Agreement, please have one copy executed on behalf of the City of Lucas and returned to our office. We are available to discuss this contract amendment further at your convenience.

Sincerely yours,



Joseph T. Grajewski, P.E.

APPROVED FOR THE CITY OF LUCAS

By: _____

Date: _____



City of Lucas Council Agenda Request March 5, 2020

Item No. 07

Requester: Development Services Director Joe Hilbourn

Agenda Item Request

Consider reallocating funds in the amount of \$270,000 in account 11-8210-420 associated with the purchase of a Gradall, to fund the purchase a Skid Steer in the amount of \$97,983 and a Crack Pro Road Sealing Machine in the amount of \$62,578.

Background Information

Staff brought forward a request to purchase a Gradall D 152 during the 2019/2020 budget process in the amount of \$270,000 to address the City's culvert and barrow ditch maintenance to help facilitate drainage. Staff also requested the funding of an additional position in Public Works to serve as the equipment operator of the Gradall. At the time of this request, staff was unsuccessful in obtaining the services of a contractor to address some of the maintenance activities and culvert replacement. Currently, the City has been able to retain contractors Structural Assurance, Select Excavation and Four Star Excavating that can perform this type of work and no longer believe that it is in the best interest of the City to purchase the Gradall. In addition, the City was not successful in obtaining a Gradall operator and the City has been recruiting for that position since September 2019 without having received any qualified applicants.

In lieu of the purchase of a Gradall D 152, staff is proposing purchasing a TL12V2 skid steer to allow staff to perform some drainage maintenance activities. A TL12V2 skid steer is a large bobcat with a 4-in-1 bucket and angle blade like a dozer for grading swales. This machine is more in line with what our current staff can operate. Staff rented this machine for clearing the Trinity Trails this summer and it is an effective machine with both low flow and high flow capabilities for operating attachments.

The City uses TexasBit/APAC to perform street maintenance activities and what is being proposed for this year's street maintenance activities is the inclusion of crack sealing on several roadways. However, with the purchase of the Crack Pro Road Sealing Machine, staff believes we would be able to supplement this activity and be more proactive in addressing roadway maintenance in a timely and proactive manner. Many roads are starting to deteriorate due to lack of maintenance.

Staff also investigated a renting option that does not appear to be cost effective. There is also concern with availability. There are seven (7) available for lease. There are already other cities renting these machines as well, so that a machine may not be available when needed. Staff feels it would need the machine for six (6) to eight (8) weeks annually.

Public Works is working to proactively address the filling of potholes, crack sealing and other basic street maintenance activities, as well as other minor maintenance needs with the goal of preventing further deterioration resulting in the need for more costly roadway maintenance such as resurfacing.



City of Lucas Council Agenda Request March 5, 2020

Item No. 07

Attachments/Supporting Documentation

1. Crack Pro Road Crack Sealing Machine Brochure
2. Crack Pro Road Crack Sealing Machine Estimate
3. TL12V2 Skid Steer Brochure
4. TL12V2 Skid Steer Estimate
5. Renting estimates for crack sealing machine.

Budget/Financial Impact

1. Reallocate \$97,983 from the general fund 11-8210-420 to purchase the TL12V2 Skid Steer
2. Reallocate \$62,578 from the general fund 11-8210-420 to purchase the Crack Pro Road Sealing Machine

Note: This leaves an unencumbered balance of \$109,439 in general fund line item 11-8210-420.

Recommendation

Staff is recommending reallocation of funds appropriated for a Gradall D 152 to fund the purchase of a TL12V2 Skid Steer and the Crack Pro Road Sealing Machine.

Motion

I make a motion to approve/deny reallocating funds associated with the purchase of a Gradall D 152 to fund the purchase a Skid Steer in the amount of \$97,983 and a Crack Pro Road Sealing Machine in the amount of \$62,578.

CRACK PRO[®] HEATED HOSE MACHINES

OIL-JACKETED MELTER / APPLICATORS
FOR HOT POUR CRACK SEALING MATERIALS

ALL DIESEL POWER FOR MAXIMUM EFFICIENCY!

Both the burner and the engine are powered by diesel fuel for maximum safety, efficiency, and performance.

Crack Pro Heated Hose Machine Features:

- State-of-the-art heated hose maintains material temperature throughout the application process
- 30% larger heating unit for the industry's fastest heat-up and recovery time
- Digital Control Center with protective cover. Control Center offers AC gauge to monitor heating of electric hose
- Anti-Splash Material Loading Hatch for safer loading of sealant materials
- Insulated with 1.5" ceramic, covered by a 16 gauge steel outer body
- Electro-hydraulic manifold with flow control for pump and mixer speeds
- Liquid Cooled Kubota Diesel Engine
- Diesel fired Beckett Burners are electronically controlled with auto shut off
- Horn button on wand notifies driver to move ahead or back
- Direct-Drive FWD/REV Full Sweep Agitation

TR 125 & 260 DA Model Features:

- Direct Drive Air Compressor with 100' x 5/8" Reeled Hose & Wand
- V1505 Kubota Diesel Engine

PRODUCT #	DESCRIPTION	WEIGHT
E2745HH	TR 125 D	3,700 lbs.
E2747HH	TR 125 DA	4,000 lbs.
E2755HH	TR 260 D	5,000 lbs.
E2765HH	TR 260 DA	5,300 lbs.
P74001	Upgrade to a 22' hose	
See page 70 for available options		

* Call for pricing

STANDARD
FEATURES
ON ALL "D"
AND "DA"
MODELS:



Digital Control Center
with protective cover



Anti-Splash Material
Loading Hatch



Electro-hydraulic
manifold



Liquid Cooled Kubota
Diesel Engine Standard



Horn button on wand

SAFETY INNOVATION...



The industry's lowest profile machines for better operator view of traffic and surrounding work area.

SPECIFICATIONS:

Tank Capacity	125, 260 gallons
Heat Transfer Oil	25, 30 gallon capacity
Maximum BTU Input	372,000 BTU
Construction	Oil jacket type tank
Temperature Control	Automatic Electronic
Tank Opening	16" x 24" no splash material loading
Insulation	1 1/2" High Temperature Ceramic
Agitation	Full Sweep, Hydraulically Driven, Forward / Reverse
Material Pump	2" Steel Gear, Reversible
Heating System	Bottom fired forced air diesel fuel
Suspension	Torsion type axle with 5 lug tubeless tire
Application Hose	3/4" x 18' electric hose (22' available)
Heated Hose	Eliminates need to flush out hose for cleanup

	CP 125	CP 260
Loading Height	54"	48"
Overall Height	80"	90"
Width	78"	93"
Length	192"	206"
Empty Weight	3,700 lbs.	5,000 lbs.
Empty Weight with conveyor	4,200 lbs.	5,500 lbs.
Height with conveyor	8' 6"	8' 6"

CP-125 HEATED HOSE MACHINE



Ready to apply within 1 hour

CP-260 HEATED HOSE MACHINE



Side mounted burner for easy maintenance



Steel enclosure for the control box



Ergonomic counter balanced hose boom



Diesel fired Beckett Burner



Direct-Drive FWD/REV Full Sweep Agitation

STANDARD FEATURES ON ALL "DA" MODELS:



Direct Drive Air Compressor



100' x 5/8" Reeled Hose & Wand



V1505 Kubota Diesel Engine



TL8



TL10



TL12



TL12V2

Product Features & Specifications

ENGINE

- U.S. EPA Final Tier 4 Emission Compliant
- Turbocharged and Intercooled
- DOC+DPF+SCR Exhaust After Treatment
- Active Power Control Power Management System
- Working Modes - Power and ECO
- Dial Throttle Control
- Automatic Fuel Bleed System
- High Capacity Radiator, Hydraulic Oil Cooler and Intercooler Mounted Side-by-Side on Swing Out Frame
- Dual Element Air Filter

ELECTRICAL

- 5.7" Color Multi-Informational Display
- Sealed Rocker Switches
- 12 volt System with 80 amp Alternator
- Heavy Duty, Quick Access Battery
- LED Work Lights, Front and Rear
- Back-up Alarm
- Horn

TAKEUCHI FLEET MANAGEMENT

- 2 Year Standard Service
- Downtime Prevention
- Remote Diagnostics
- Utilization Tracking
- Proactive Maintenance
- Control Costs

UNDERCARRIAGE AND FRAME

- 17.7" Quiet Track Design with Flotation Tread
- Long Track Frame
- Fully Welded Frame with Integrated Cross Members
- Rear Bumper Integrated into Frame
- Front and Rear Tie-Down and Lift Points
- Permanently Sealed Track Rollers with Metal Face Seals
- Double Reduction Planetary Track Drives
- Two-Speed Travel

OPERATOR'S STATION

- Pilot Operated Controls
- Deluxe High Back Adjustable Suspension Seat
- Rear Pivoting Seat Bar with Integrated Arm Rests
- Retractable 2" Seat Belt
- ROPS/FOPS Structure
- FOPS Level 2 Window Guard (High Flow Only)
- Polycarbonate Door and Top Guard (High Flow Only)
- Pressurized Cab with Roll-up Door, Air Conditioning, Heat, Defrost, Front Wiper and AM / FM / MP3 Radio with NOAA Weatherband (optional)
- 3" Seat Belt (optional)
- 3 Point Seat Belt (optional)

HYDRAULIC & WORKING EQUIPMENT

- High Lift Vertical Boom Design
- Low Cross Member
- Cushioned Boom Cylinders
- Boom Float with Detent
- Hydraulic Pilot Controls
- Proportional Auxiliary Controls with Detent
- Pressure Relieving Flat Faced Coupler Body
- 14-Pin Connector with Push Button Control
- Hydraulic Self Leveling (ON/OFF)
- Mechanical Quick Coupler
- Hydraulic Quick Coupler
Cab - Standard Equipment
Canopy - optional
- High Flow Auxiliary Hydraulics 40 gpm
Cab - Standard Equipment
Canopy - optional
- Secondary Auxiliary Circuit (High Flow Only)
- Ride Control (optional)
- Pattern Change Valve (ISO or H) (optional)



Convenient Service and Maintenance Access



Vertical Lift Path for Balance and Stability

TOUGH, POWERFUL, RELIABLE



Pilot Operated Controls



Battery Access Panel



Lower Cross Member & Step



Oversized Lift Cylinders

Takeuchi's first vertical lift compact track loader, the TL12V2 demonstrates a continuous commitment to product improvement and innovation. It is the largest and most capable track loader available today and delivers best in class rated operating capacity (ROC), a completely redesigned operator's station that features a color multi-information display, convenient rocker switches to control a wide range of functions, and an updated undercarriage design that enhances operator comfort by reducing vibration and noise levels.

The TL12V2 features a powerful 111 horsepower EPA Final Tier 4 emissions compliant engine that includes

the very latest in EPA Tier 4 emissions standards while delivering outstanding power and torque for the very best performance in the most demanding applications.

Performance features include massive loader arms, oversized lift cylinders and pins, rear bumper with integrated tie downs, high capacity cooling module, and LED lights on the front and rear of the machine. The TL12V2's interior includes an updated overhead door design, redesigned foot throttle, precision pilot controls, backlit rocker switches, convenient cup holders, and a deluxe high back suspension seat for those long hours on the jobsite.



Spacious operator's station with easy to reach controls and switches.

OPERATING PERFORMANCE

Operating Weight - Canopy	12,705 lbs	(5,763 kg)
Cab	13,040 lbs	(5,915 kg)
Tipping Load	11,737 lbs	(5,324 kg)
Rated Operating Capacity @ 35%*	4,107 lbs	(1,863 kg)
Operating Load @ 50% of Tip Load	5,868 lbs	(2,662 kg)
Bucket Breakout Force	7,874 lbs	(3,571 kg)
Lift Arm Breakout Force	7,109 lbs	(3,225 kg)
Traction Force	14,006 lbs	(6,353 kg)
Ground Pressure	4.8 psi	(33.0 kPa)
Travel Speed		
Low	5.0 mph	(8.1 km / hr)
High	7.8 mph	(11.8 km / hr)

*Rated Operating Capacity for compact track loaders is rated according to SAE J818 at no more than 35% of the tipping load.

ENGINE

Make / Model	Kubota / V3800-TIF4B	
Engine Displacement	230 cu in	(3.8 L)
Horsepower @ 2,400 rpm	111.3 hp	(83.0 kW)
Maximum Torque @ 1,500 rpm	284 ft-lb	(385 Nm)

FLUID CAPACITIES

Engine Lubrication	13.9 qt	(13.2 L)
Cooling System	19.0 qt	(18.0 L)
Diesel Exhaust Fluid (DEF)	4.8 gal	(18.0 L)
Fuel Tank Capacity	32.7 gal	(123.9 L)
Fuel Consumption (65% of Full Load)	3.8 gal / hr	(14.4 L / hr)
Hydraulic Reservoir Capacity	13.2 gal	(50.0 L)
Hydraulic System Capacity	24.8 gal	(94.0 L)

HYDRAULIC SYSTEM

Auxiliary Flow - Primary Circuit	23.2 gpm	(88.0 Lpm)
Auxiliary Flow - High Flow (optional)	40.4 gpm	(153.0 Lpm)
Auxiliary Flow - 2nd Circuit (optional)	23.2 gpm	(88.0 Lpm)
Hydraulic System Pressure	3,481 psi	(24.0 MPa)



5.7" Color Display



12 volt Accessory Outlet



LED Work Lights



Multi-Function Switch Bank

ATTACHMENTS

Takeuchi now offers attachments for all of your Takeuchi equipment. See your authorized Takeuchi dealer for additional information and attachment options.



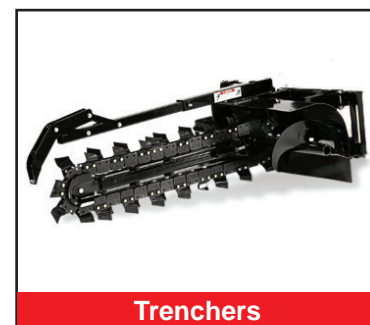
Grapple - Scrap



Dozer Blades

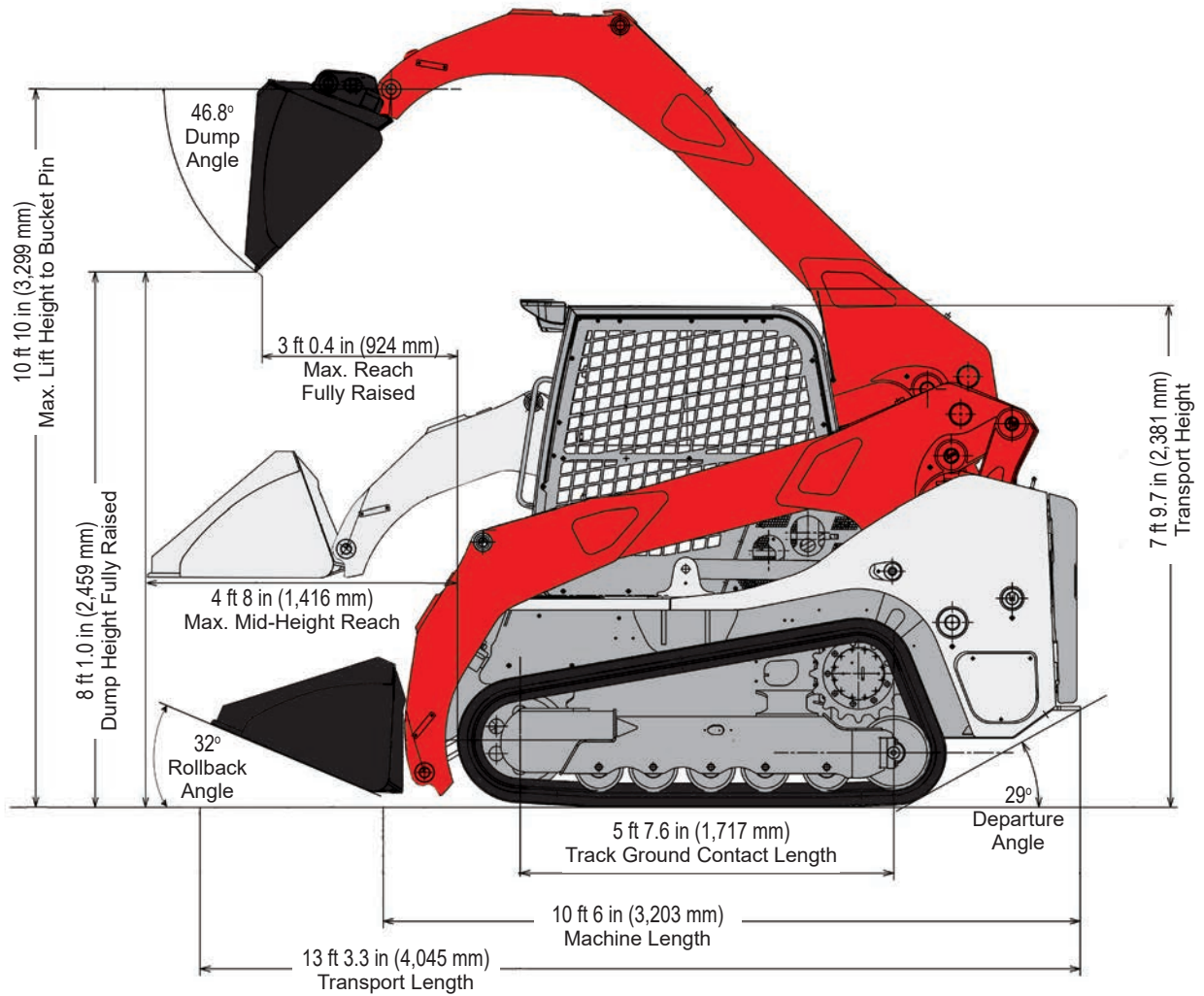


Pallet Forks

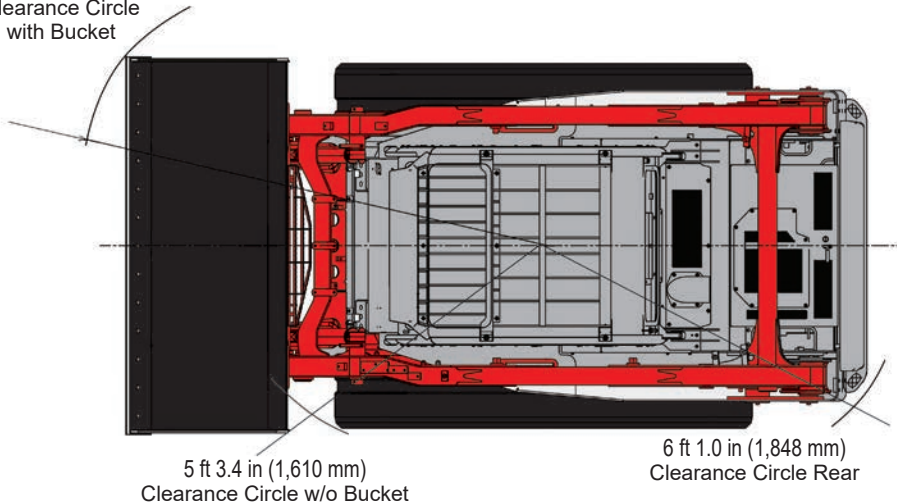


Trenchers

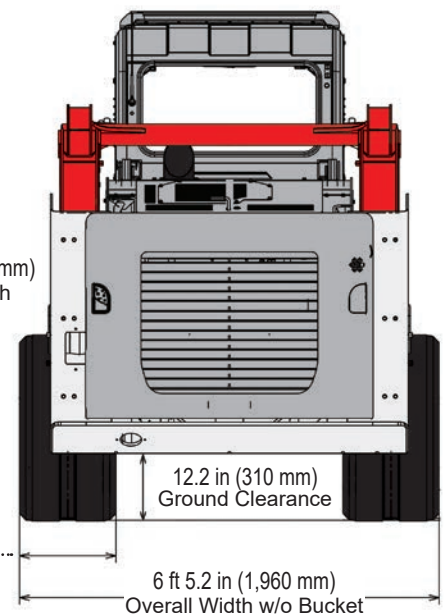
TL12V2 Track Loader



8 ft 2.6 in (2,504 mm)
Clearance Circle
with Bucket



17.7 in (449.5 mm)
Track Width





2 YEAR
2,000 HOUR
FULL MACHINE
WARRANTY



© 2016 Takeuchi Manufacturing (U.S.), Ltd. All Rights Reserved. Printed in the U.S.A.
In accordance with our established policy of continued improvement, specifications and
features are subject to change without notice. Pictures may show options other than
standard equipment.
FORM: TL12V2 Track Loader Spec Sheet July 2016 - (TFM) s/n 412000006 ~

TAKEUCHI
Those in the know, know Takeuchi

Date	Quote #
2/10/2020	5799

TACOT Inc., dba SealMaster Houston
14435 I-10 East Freeway
Houston TX 77015-6463
Phone: 713.453.7325 Fax: 713.453.7326

Conroe Store:
620 S. Frazier
Conroe TX 77301
936.756.9578

San Antonio-Marion Store
10692 I-10 Frontage Rd
Marion TX 78124
830.420.3335

RGV-Donna Store
506 W. Frontage Rd
Donna TX 78537
956-420-1002

Quote Prepared For
City of Lucas 665 Country Club Road Lucas, TX 75002

Ship To

P.O. No.		Terms		FOB	Rep	Contact	
		Due on receipt		Houston	BP	Jeremy B.	
Qty	Item	U/M	Description			Rate	Total
1	E2747HH	ea	CrackPro TR 125 DA Heated Hose 33.5 HP Diesel Engine and 100 CFM Screw Type Air Compressor Tank Capacity: 125 Gallons Construction: Oil Jacket Type Tank Heat Transfer Oil: 25 Gallon Capacity Maximum BTU Input: Oil Jacket Tank Temperature Control: Automatic Electronic Tank Opening: 16" x 24" No Splash Material Loading Agitation: Full Sweep, Hydraulic Driven, Reversible Material Pump: 2" Steel Gear, Reversible Heating System: Bottom Fired Forced Air Diesel Fuel Suspension: Torsion Type Axle with 5 Lug Tubeless Tire Application Hose: 3/4" x 18' Electric Hose Heated Hose: Eliminates need to flush out hose for clean-up			62,578.00	62,578.00
1	Freight		Freight - No Charge for Delivery to City of Lucas and on-site training			0.00	0.00

Any specified coverage rates may vary due to pavement age, porosity, method of application and/or the width and depth of cracks. All price quotations are provided as estimates only and are valid for 30-days unless otherwise specified.

*Your signature as agent for the above purchaser denotes acceptance of this quote.
To convert quote to an order - sign and date below and return to SealMaster Houston. We will
contact you upon receipt regarding any additional information and/or arrangements necessary.*

Subtotal	\$62,578.00
Sales Tax (0.0%)	\$0.00
Total	\$62,578.00

Signature _____ Date _____

Printed Name _____

CONTRACT PRICING WORKSHEET

for MOTOR VEHICLES In The State Of Texas

BUY BOARD SALES QUOTE

Buying Agency:	City of Lucas	Contractor:	LANDMARK EQUIPMENT
Contact Person:	Jeremy Bogle (jbogle@lucastexas.us)	Prepared By:	TODD EWING / GARY LYLE
Phone:	469-628-8586	Phone:	972-548-9590
Location City, State:		Contract No.:	529-16
Date:	Monday, June 10, 2019	Product Code:	
Product Description:	TAKEUCHI TL12V2 HIGH FLOW TRACK LOADER WITH CAB A/C WITH RIDE CONTROL		

A. Item Base Unit Price (List Price)	\$ 93,750.00
---	---------------------

B. Published Options (Itemize below and attach additional sheet(s) if necessary)

Code	Description	Cost	Code	Description	Cost
				BUY BOARD DISCOUNT OF OF	(\$16,875.00)
				THE MANUFACTURERS LIST	
					\$0.00
				Subtotal From Additional Sheet(s):	\$0.00
Subtotal B:					-\$16,875.00

Note: Published Options are options submitted with the contractor's bid.

C. Unpublished Options (Itemize below and attach additional sheet(s) if necessary)

Code	Description	Cost	Code	Description	Cost
ABLU-84S	84" Smooth Bucket w/bolt on edge	\$2,696.00			\$ -
impsxd84wt	84" 4x1 tooth bucket with teeth	\$4,475.00			\$ -
BPL12008	96" 6 way dozer blade	\$8,818.00			\$ -
1RG84	84" Root Grapple Bucket	\$4,648.00		Subtotal From Additional Sheet(s):	\$ -
Subtotal C:					\$20,637.00
Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). For this transaction, the percentage is:					

D. Other Price Adjustments (E.G. Installation, Freight, Delivery, Etc.)	\$ -
Factory freight to delaler	\$ 471.00
Subtotal D:	\$ 471.00

E. Unit Cost of Item Before Fee & Non-Equipment Charges (A+B+C+D)	\$ 97,983.00
Quantity Ordered	X 1
Subtotal E:	\$ 97,983.00

F. H-GAC Fee Calculation (From Current Fee Tables)	NO CHARGE FOR BUY BOARD	\$ -
---	--------------------------------	-------------

G. Non-Equipment Charges (Trade-In, Extended Warranty, etc.)	
	\$ -
	\$ -
Subtotal G:	\$ -

H.	Total Purchase Price (E+F+G):	\$ 97,983.00
-----------	--------------------------------------	---------------------

(Please Type, or Print Legibly)

Estimated Delivery Date:



Quote
#1002252
2/18/2020

Bill To

Public Works
City of Lucas
665 country club road
lucas TX 75002
United States

TOTAL

\$6,510.00

Expires: 3/19/2020

Expires	Exp. Close	Sales Rep	Partner	Shipping Method
3/19/2020	2/18/2020	Vince Chavez		DirectShip

Quantity	Item	Tax	Rate	Amount
1	Rental Melter/Patcher Melter/Patcher Rental	No	\$5,000.00	\$5,000.00
	Comments Hot Pour Rental Rates: Daily \$450.00, Weekly \$2,000.00 Monthly \$5,000.00. Have to use GemSeal Crack Sealant in Rental Units.	No		
1	Freight Sales Rep Delivery Freight-Rep Delivery	No	\$100.00	\$100.00
60	Flex Type 3 - 35# Right Pointe Flex Type 3 - 35# Right Pointe	No	\$21.00	\$1,260.00
1	Freight 3rd Party Freight	No	\$150.00	\$150.00
	Comments Fright is estimate for one pallet.	No		

Subtotal \$6,510.00

PLEASE NOTE THE TAX IS AN ESTIMATE THAT CAN CHANGE BASED ON DELIVERY LOCATION.

Tax Total (0%) \$0.00

Total \$6,510.00



1002252



City of Lucas

City Council Agenda Request

March 5, 2020

Item No. 08

Requester: Development Services Director Joe Hilbourn

Agenda Item Request

Discuss and provide direction to staff on proposed updates to the City of Lucas Trails Master Plan by adding a trail along the east side of Winningkoff Road which would connect to East Winningkoff Road and to the trail proposed along East Lucas Road and discuss any other proposed revisions to the Plan.

Background Information

At the Town Hall Meeting on June 7, 2015, many residents that attended the Comprehensive Plan meeting expressed a desire for walking/riding trails throughout the City that connected with other trails.

Staff has been having some discussions regarding a trail on the east side of Winningkoff Road in conjunction with the Winningkoff Road Project and creating connectivity of a trail along Winningkoff Road.

During the City Council meeting on February 5, 2020 the subject of trails occurred. The City Council requested that the Trails Master Plan be placed on a future agenda to provide City Council an opportunity to discuss the need for trails in this area, as well as the desire for trails overall.

Attachments/Supporting Documentation

1. Current Trails Master Plan
2. Proposed Trails Master Plan

Budget/Financial Impact

NA

Recommendation

Staff was directed to bring the Trails Master Plan before City Council.

City Staff recommends approval of the proposed Trails Master Plan based on citizen feedback during the Town Hall meeting desiring a trail network in the City of Lucas.

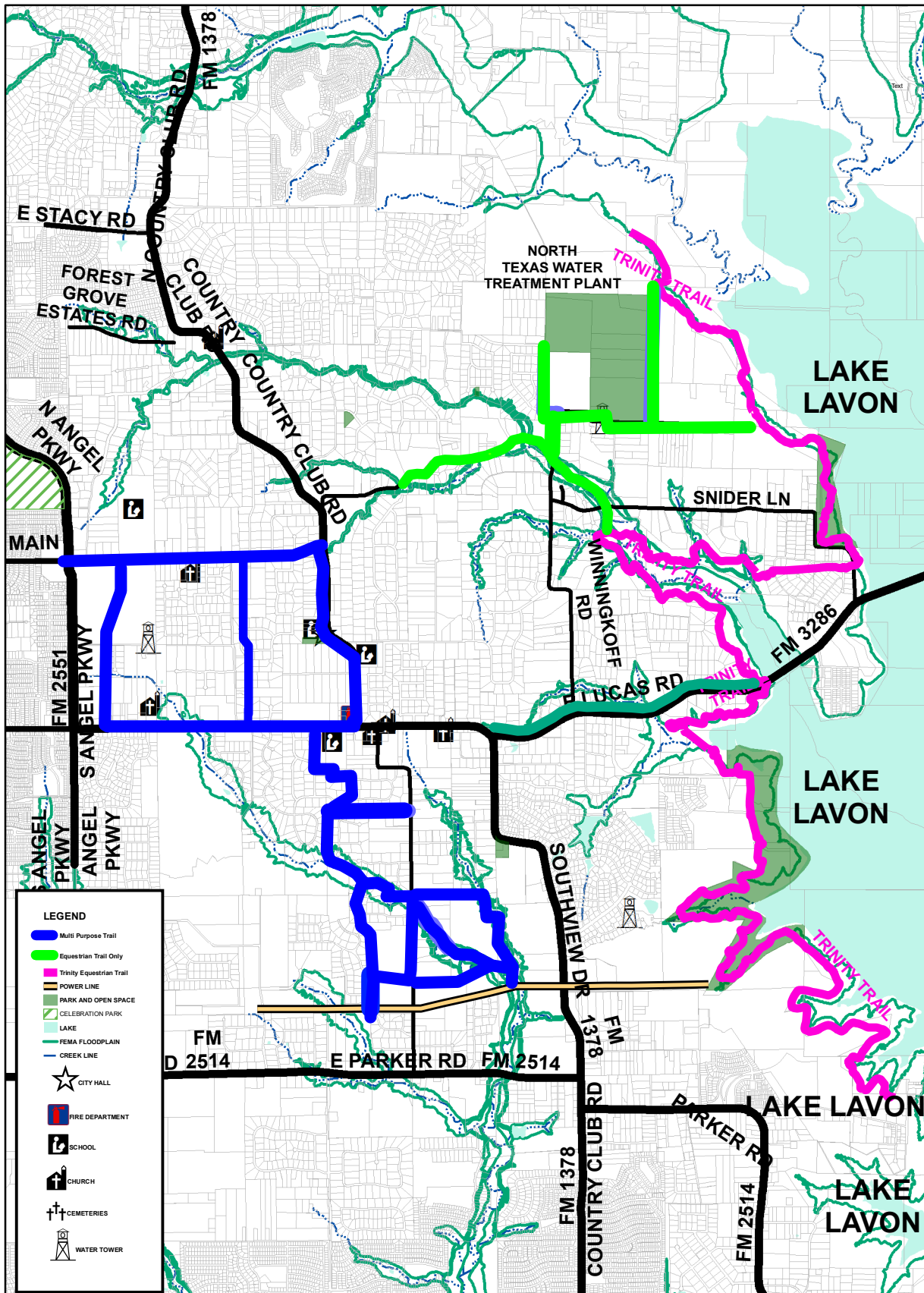


City of Lucas
City Council Agenda Request
March 5, 2020

Item No. 08

Motion

NA

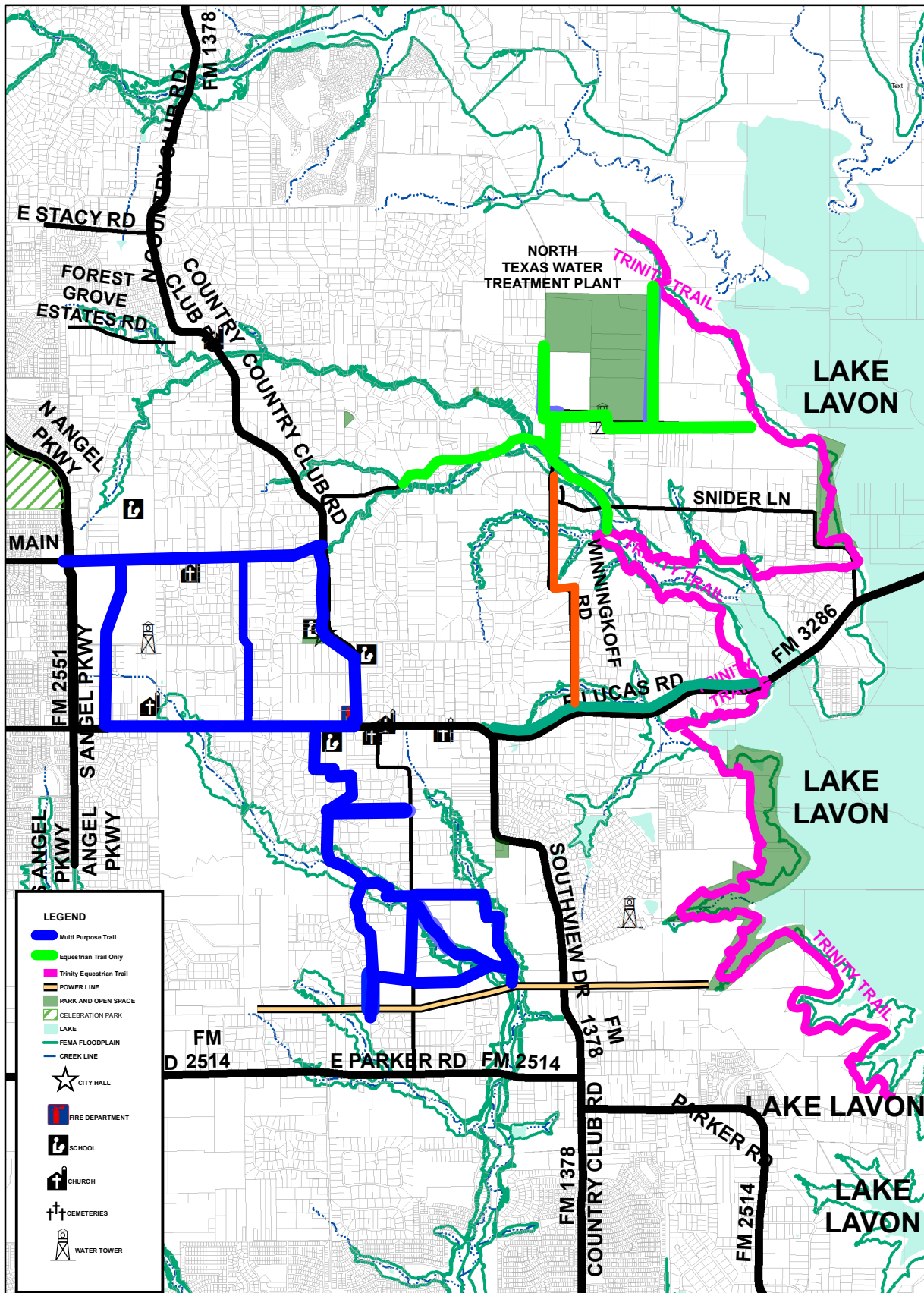


07/29/19



CITY OF LUCAS CURRENT TRAILS MASTER PLAN





07/29/19



City of Lucas Council Agenda Request March 5, 2020

Item No. 09

Requester: City Councilmember Wayne Millsap

Agenda Item Request

Discuss and consider 1) an update on the Customer City Coalition activities relating to the North Texas Municipal Water District; 2) next steps with the Coalition; and (3) authorizing the Mayor to write the Public Utility Commission (PUC) expressing the City of Lucas' position on the rate case submitted by the Cities of Garland, Mesquite, Plano and Richardson and authorizing expenditures up to \$50,000 for potential legal fees regarding the rate case.

Background Information

The NTMWD is made up of 13 non-member customer cities, 14 customer cities, and 20 special utility districts. The City of Lucas is one of the 13 non-member customer cities.

On November 18, 2019, the City of Rowlett hosted a meeting with 11 of the 14 customer cities, and based on discussions, there was an interest to form a coalition among the non-member customer entities. Non-member customer entities share common concerns that include:

- The contractual "Take-or-Pay" rate structure is outdated and disincentivizes water conservation while forcing non-member customer entities to pay for water they do not use;
- The lack of representation and communication in decisions made by the North Texas Municipal Water District reduces transparency and is detrimental to the governance of non-member customer entities' residents and businesses;
- The prohibition preventing non-member customer entities to become a member city; and
- A discriminatory water rate methodology that charges non-member customer entities more than member cities.

The goal of forming a coalition of non-member customer cities is to resolve common concerns and to work as a group with the North Texas Municipal Water District.

The Lucas City Council passed Resolution R 2019-12-00494 on December 19, 2019, supporting the Coalition of Non-Member Customer Entities of the NTMWD.

On January 17, 2020, the City Manager received an update on a matter before the Public Utility Commission (PUC) relating to NTMWD rates charged to member cities. On February 7, 2020, Rowlett Mayor Tammy Dana-Bashian sent a letter of support of the position of four of the NTMWD member cities given that Rowlett is the largest of the customer cities serviced by



City of Lucas Council Agenda Request March 5, 2020

NTMWD. Tom Kula, NTMWD Executive Director, sent two emails to the customer cities on February 7 and 10, 2020, about the PUC proceedings.

Information from the February 28, 2020 meeting in Rowlett will be provided at the City Council meeting on March 5, 2020.

Attachments/Supporting Documentation

1. Presentation from November 18, 2019, meeting
2. Letter of Invitation from City of Rowlett, November 25, 2019
3. Resolution R 2019-12-00494
4. Update on NTMWD PUC Rate Appeal, January 17, 2020
5. Letter from City of Rowlett to PUC, February 7, 2020
6. Emails from Kula to Customer Cities, February 7 and 10, 2020

Budget/Financial Impact

NA

Recommendation

NA

Motion

I make a motion to authorize/not authorize the Mayor to write the Public Utility Commission (PUC) expressing the City of Lucas' support for the position asserted by the Cities of Garland, Mesquite, Plano and Richardson and urging the Commission to initiate the cost-of-service hearing being sought by those cities.

I make a motion to direct the City Manager to notify the Coalition that the City of Lucas will/will not participate as a member of the Coalition.

NTMWD Customer Cities Luncheon

Rowlett Community Center
November 18, 2019



Agenda

Gather

Introductions and opening comments – Rowlett Mayor, Tammy Dana-Bashian

Serve Lunch

Program – Rowlett City Manager, Brian Funderburk

- Brief history of the North Texas Municipal Water District (NTMWD)
- NTMWD water supply strategy
- Rate increases
- Member and Customer Cities usage
- Cost of unused water under take or pay provision
- PUC action
- Summary of Customer Cities issues

Discussion and wrap-up – Rowlett Mayor, Tammy Dana-Bashian

Next Steps

Mayor - Tammy Dana-Bashian
Mayor Pro Tem - Martha Brown
Deputy Mayor Pro Tem -
Robert Blakes
City Council
Robert Blakes Margolin
Katherine Saenz
Whitney P. Laing
Paula Hoff

City Manager - Brian Funderburk



City of Rowlett - www.rowlett.com
4400 Main Street, Rowlett, TX 75088
Phone - 972-412-6113 Fax - 972-412-6113

A well planned, healthy community
of quality professionals,
diverse employment and
cultural charm.
7122 plans to live, work and play.

You're invited to attend...

The City of Rowlett would like to invite the Mayors, City Managers and/or designees of the customer cities of the North Texas Municipal Water District (NTMWD) to a luncheon meeting. The purpose of the meeting is to determine if there is common ground to establish a consolidated approach or position on issues and concerns mutually affecting NTMWD customer cities. Topics could include representation on the NTMWD Board, take-or-pay, water conservation, etc. in the interest of transparency, NTMWD staff will be notified of this meeting.

Date: Monday, November 18, 2019

Time: 11:45am - 1:30pm

Location: Rowlett Community Centre - Room A, 3300 Main Street, Rowlett, Texas 75088

Please RSVP by Wednesday, November 13 to Evette Whitehead, Executive Assistant to the City Manager, evette@cityofrowlett.com or 972-412-6113.

Questions, please contact Rowlett City Manager, Brian Funderburk at brian@cityofrowlett.com or 972-800-8436.

We look forward to seeing you!





Brief History

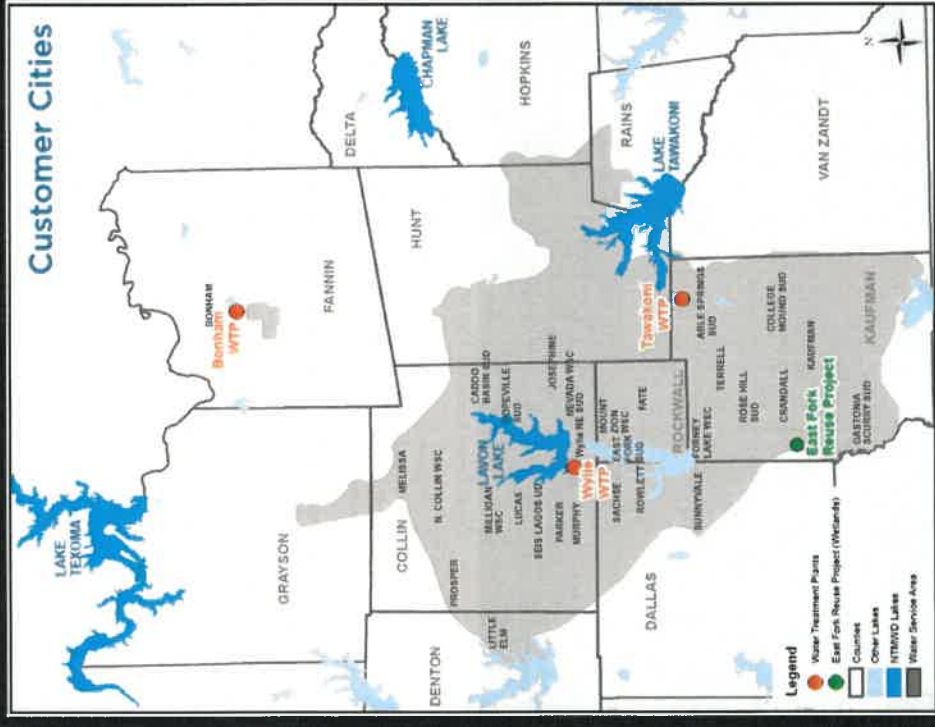
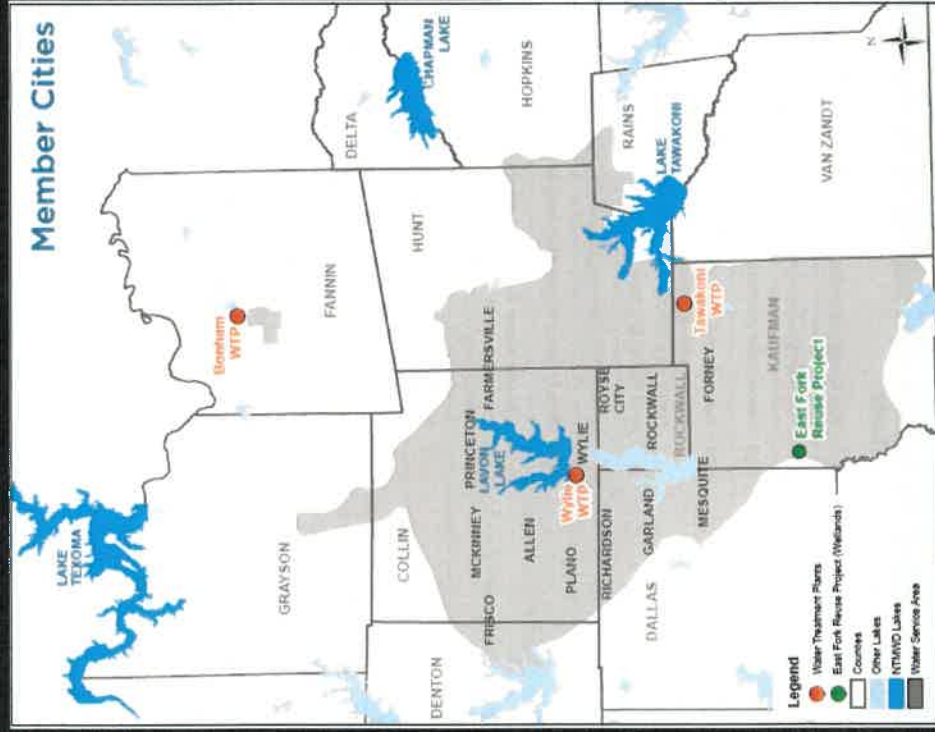
OUR KEY MILESTONES INCLUDE:

- 1945** U.S. Congress authorizes construction of Lavon Lake
- 1946** Tri-County Lavon Reservoir Association convenes
- 1948** Lavon Lake construction begins
- 1951** North Texas Municipal Water District created as a special district of the state 10 cities (Farmersville, Forney, Garland, McKinney, Mesquite, Plano, Princeton, Rockwall, Royse City and Wylie) became the original Member Cities.
- 1954** NTMWD creates regional water system (pop. 32,000)
- 1956** First treated water plant begins operations
- 1966** Obtains Water Rights permit for Cooper Lake
- 1968** USACE begins construction on Cooper Lake
- 1972** NTMWD creates regional wastewater system
- 1973** City of Richardson becomes 11th Member City
- 1975** Lavon Lake dam raised to store more water (pop. 200,000)
- 1980** NTMWD creates regional solid waste system
- 1982** Maxwell Creek Landfill opens
- 1986** Water rights permit for Lake Texoma obtained
- 1987** Wilson Creek regional wastewater treatment plant begins operations
- 1990** 72" Texoma pipeline construction begins
- 1991** Cooper Lake dam completed after injunction causes 15 year delay
- 1994** Total population served = approx. 800,000
- 1998** City of Allen becomes 12th Member City
- 1998** Cooper Lake renamed Jim Chapman Lake by act of Congress

- NTMWD was created in 1951 with 32,000 customers
- Today, NTMWD serves 1.7 million
- 13 member cities
- 14 customer cities + various districts
- In 2019, NTMWD delivered nearly 100 billion gallons of water

- 2001** City of Frisco becomes 13th Member City
- 2004** 121 Regional Disposal Facility opens in Melissa
- 2006** Began permitting process to build the Bois d'Arc Lake to meet future water needs
- 2008** East Fork Reuse Project in operation using 1,840-acre manmade wetlands
- 2009** Zebra Mussels detected in Lake Texoma; 28% of water supply lost
- 2011** Lake Tawakoni Water Treatment Plant begins operations; drought plan initiated (hottest year on record)
- 2013** Ozone disinfection facilities begin service
- 2014** Texoma to Wylie WTP pipeline complete, restoring access to Lake Texoma - 28% of water supply
- 2015** Water rights permit for Lower Bois d'Arc Creek Reservoir obtained (pop. 1.6 million)
- 2018** Construction begins on first new major reservoir in Texas, Bois d'Arc Lake, in nearly three decades

NTMWD Member and Customer Cities





NTMWD Member and Customer Cities

Member Cities

Allen (1998)
Farmersville
Forney
Frisco (2001)
Garland
McKinney
Mesquite
Plano
Princeton
Richardson (1973)
Rockwall
Royse City
Wylie

(Latest cities to become members. The original ten member cities founded the district in 1951)

Customer Cities

Fairview
Fate
Josephine
Kaufman
Little Elm
Lucas
Melissa
Murphy
Parker
Prosper
Rowlett
Sachse
Sunnyvale
Terrell
+ 20 special districts

NTMWD Water Supply Strategy – Future Sources

NTMWD strategy is to use “conservation and reuse” to make up the equivalency of another water source.

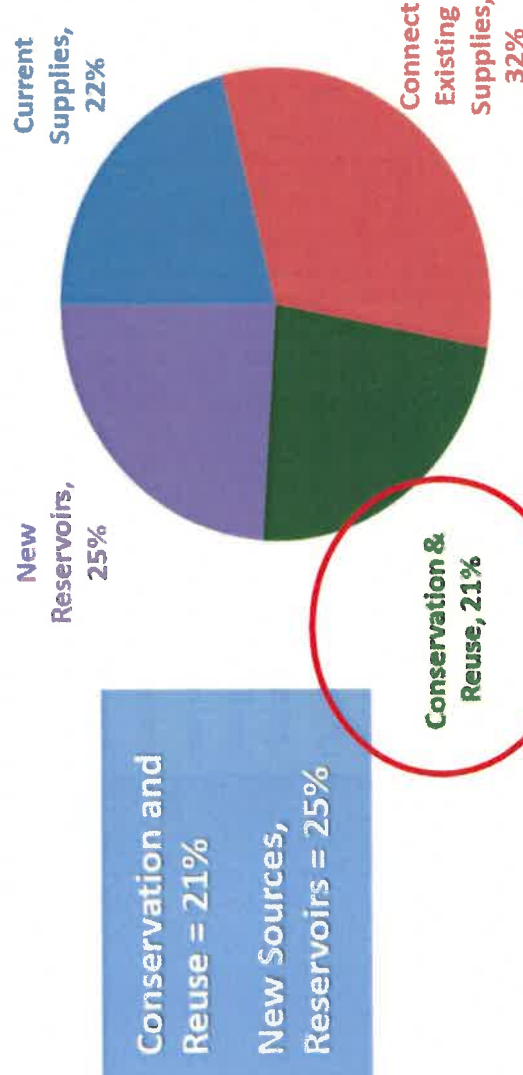


Chart represents NTMWD supplies in 2060
Source: 2016 Region C Water Plan

Existing and Planned Raw Water Supplies

This map illustrates the current and future raw water infrastructure in Texas. It shows the locations of existing and proposed water treatment plants (WTPs) and the raw water pipelines that will connect them. The map includes labels for major water bodies such as Lake Texoma, Lake Tawakoni, and Lake Fork, as well as various counties and cities. A legend in the bottom right corner provides a key for the symbols used on the map, including existing and proposed pump stations, licensed and under-construction water treatment plants, proposed raw water pipelines, other lakes, NTRMO lakes, and water service areas.

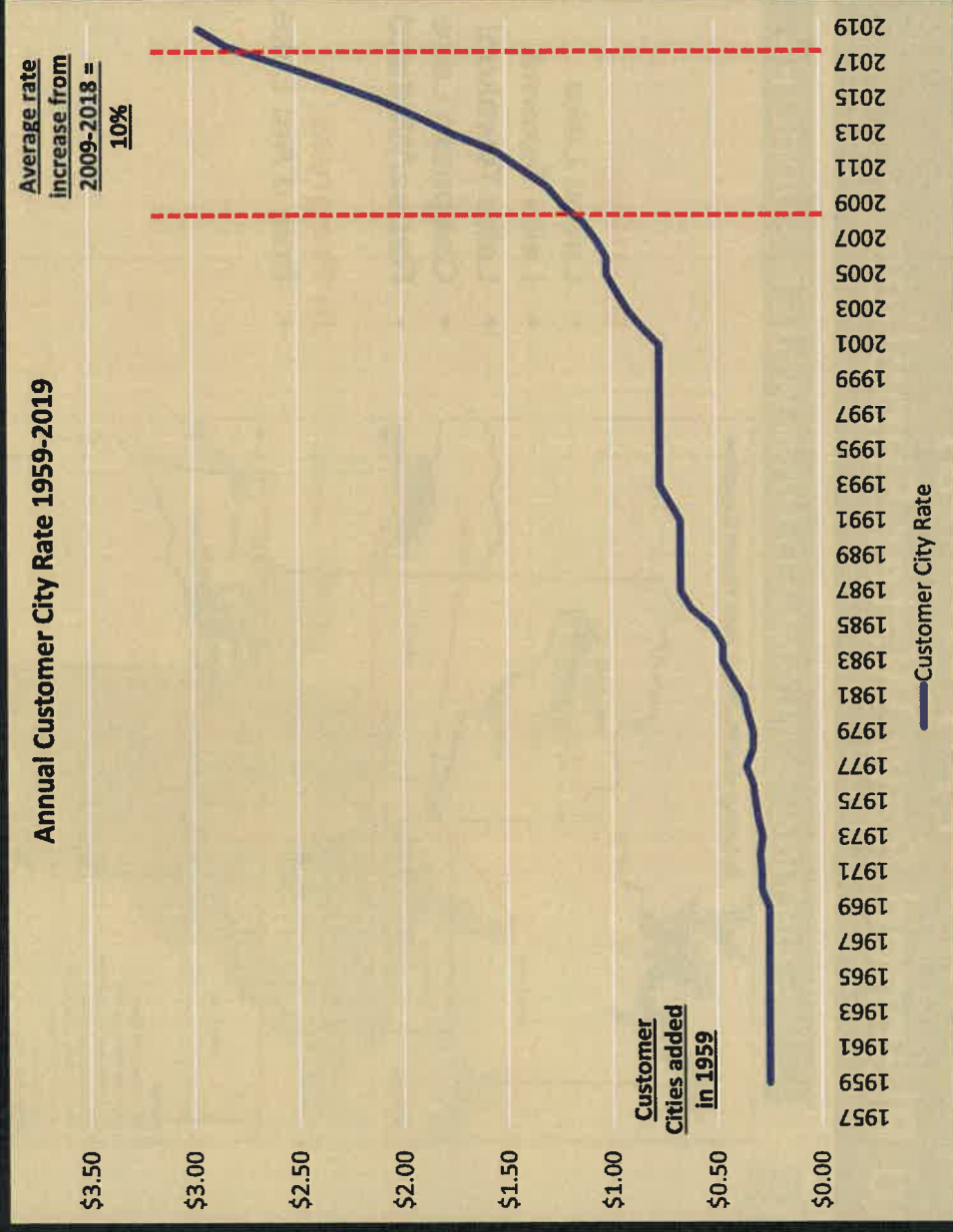
Legend

- Existing Pump Station
- Proposed Pump Station
- Licensed Water Treatment Plant
- Water Treatment Plant Under Construction
- Proposed Raw Water Pipeline
- Other Lakes
- NTRMO Lakes
- Water Service Areas

- **Lavon Lake**
- **Lake Texoma**
- **Lake Tawakoni**
- **Chapman Lake**
- **Reuse/Wetland**

- Bois d'Arc Lake

Rate Increases - Historical



Customer Cities were added in 1959.

Average rate increase between 1959-2008 = 3%

Average rate increase between 2009-2018 = 10%

Rate Increases - 2019

The slide on the bottom came from the 10-25-19 meeting.

Increases in 2019 and beyond are now projected at a more modest 4%-6%.

Capital funding now makes up 62.5% of the total rate.

2.4% Increase to Wholesale Water Rate

By adjusting the way NIMWD develops its budget to reflect actual annual system-wide water demands (operations funding) and more certainty for the capital program (capital funding), the District's total revenue requirement for FY20 results in a 7-cent rate increase - lower than previous projections.

FY20 MEMBER CITY WHOLESAL WATER RATE			
	FY19	FY20	Change
Variable O&M (E.A., chemicals, power, etc.)	\$.42	\$.44	\$.02
Fixed O&M (E.A., personnel, maintenance, etc.)	\$.71	\$.68	\$ (.03)
Capital	\$ 1.79	\$ 1.87	\$.08
Total (per 1,000 gal.)	\$ 2.92	\$ 2.99	↑ \$.07*

*Customer Cities/Entities Rate + \$0.05

WATER SYSTEM



Who Benefits

Allen
Farmersville
Ferne
Frisco
Garland
McKinney
Mesquite
Plano
Princeton
Richardson
Rockwall
Royse City
Wylie



Projects Needed

- Wylie Water Treatment Plant (WTP):
 - Wylie WTP Ongoing Conversion to BAF (\$26.3M)
 - Plant II Structural and Mechanical Improvements Phase I (\$15.7M)
 - Plant III Power Redundancy (\$12.6M)
- Transmission System:
 - Wylie-Rockwall-Farmersville Pipeline Improvement Phase II (\$18.9M)
 - High Service Pump Station 3-1 Expansion to 450 MGD (\$13M)
 - Shiloh System Ground Storage Tank (\$7.4M)

Bois d'Arc Lake Program:

- Treated Water Pipeline Leonard to McKinney No 4 Construction (\$51.7M)

Plus 26 Customer Credits/Entities



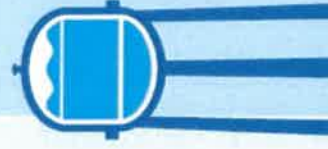
Staff Required*

127
↑ 12



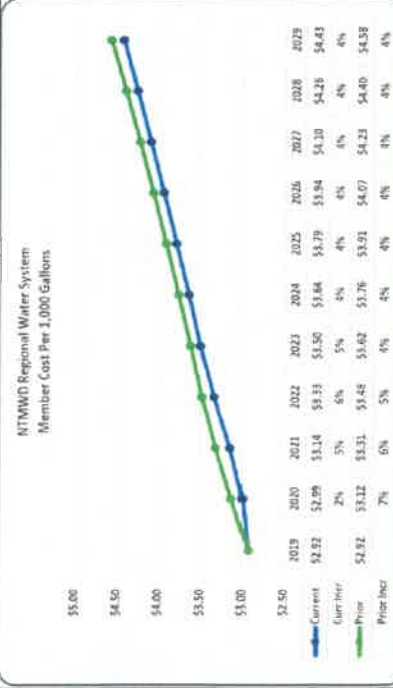
FY20 Budget

\$ 222.7M Capital/Debt
\$ 121M O&M
\$ 12.9M Personnel
\$ 356.6M Total



Wholesale water rate:
↑ 2.4 %
per 1,000 gallons

*does not include support staff



SEPTEMBER 26, 2019



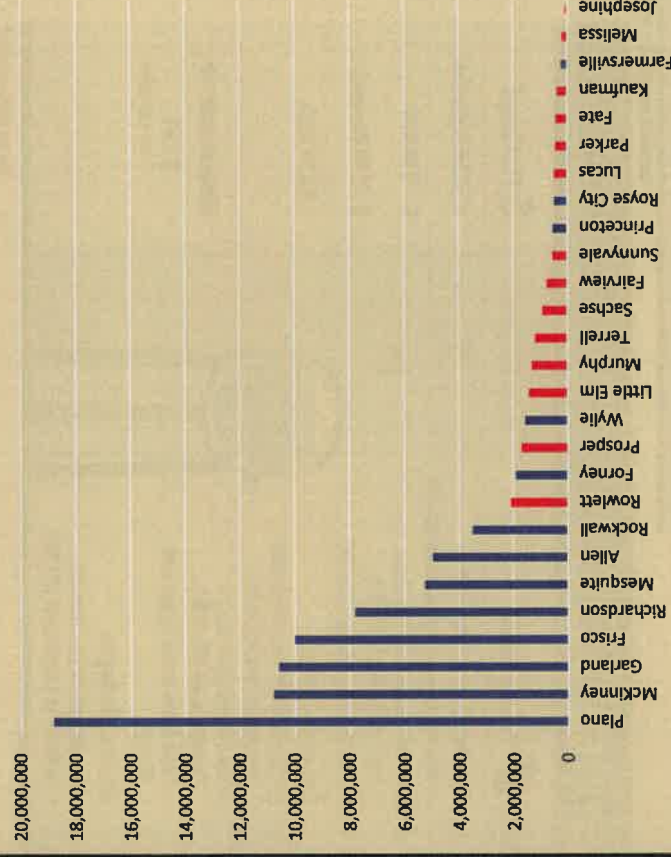
NTMWD Member and Customer Cities Usage

Entities	WY2019 (billion gallons)	WY2019 % of Total	WY2010 (billion gallons)	WY2010 % of Total
Member Cities	76.3	82.3%	74.6	84.6%
Customer Cities	11.8	12.7%	10.2	11.6%
Other	4.6	5.0%	3.4	3.8%
Total	92.7	100.0%	88.2	100.0%

Note: data based on water year.

Interesting Fact # 1: Customer cities usage has increased from 11.6% to 12.7% since 2010, growing faster than member cities.

NTMWD Member and Customer Cities Usage 2019



Interesting Fact #2: Customer cities paid **\$44.5** million for water in 2019 compared to \$16.0 million in 2010.

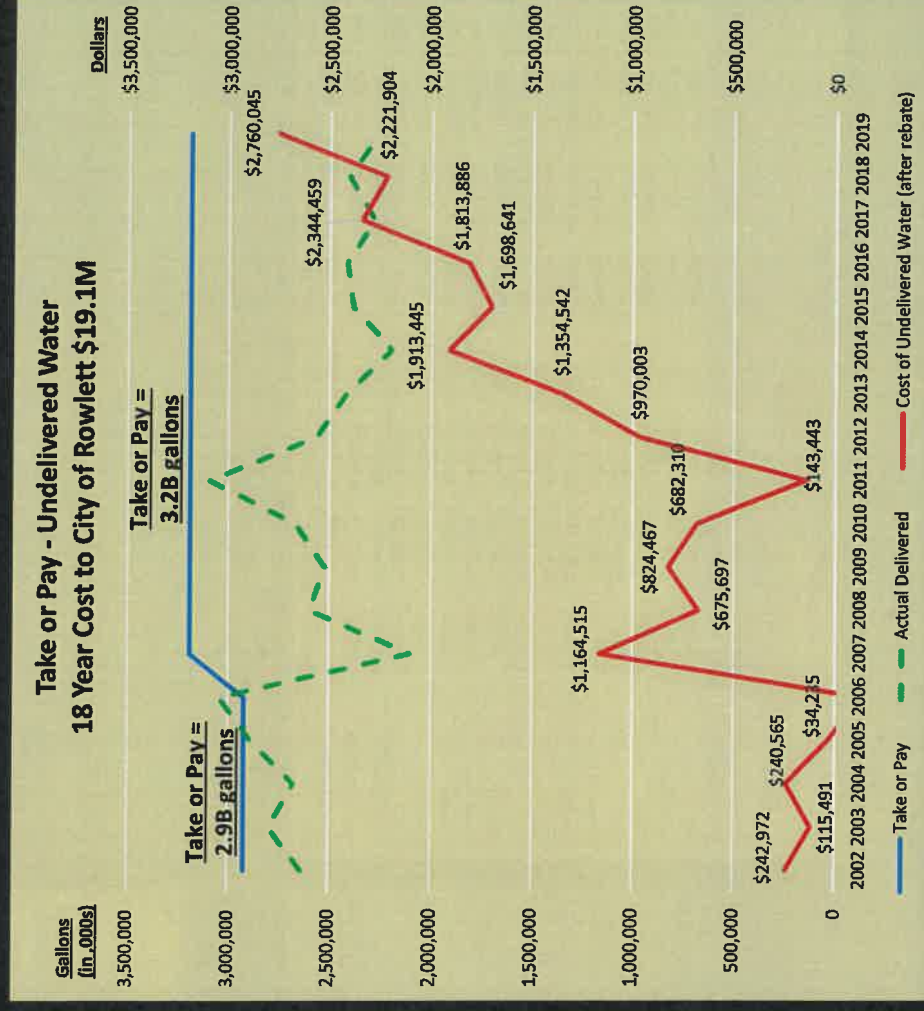


Rowlett History of Take or Pay – 2002-2019

Rowlett is a customer city of the North Texas Municipal Water District. Like many such wholesalers, the District has a “take-or-pay” provision in the contract that requires the purchase of a minimum amount of water based on the highest annual usage.

For Rowlett, this amount is 3.2B gallons which was set after the drought of 2006.

Over the past 18 years, Rowlett has paid \$19.1 million for water it did not sell under the “take-or-pay” agreement with NTMWD.



Note: cost of undelivered water (after rebate) is based on fiscal year not water year.



NTMWD Member and Customer Cities Cost of Unused Water under Take or Pay (net of rebate) - 2019

Entities	WY2019 (billion gallons)	WY2019 Cost (millions)	WY2010 (billion gallons)	WY2010 Cost (millions)
Member Cities	21.5	\$60.4	18.2	\$21.1
Customer Cities	3.2	\$9.1	2.2	\$2.5
Total	24.7	\$69.5	20.4	\$23.6

Note: data based on water year.

Interesting Fact # 1: in 2019, Customer Cities contracted for 3.2 billion gallons that they did not sell.

NORTH TEXAS MUNICIPAL WATER DISTRICT WATER CONSUMPTION REPORT July 2019												
Member Cities	Water Used Jul 19 1000 Gallons	Daily Avg Jul 19 30 Days	Total 18-19 Aug - Jul 1000 Gallons	% of Annual Maximum	18-19 Jul 18 1000 Gallons	Water Used Jul 18 1000 Gallons	Daily Avg Jul 18 30 Days	Total 17-18 Aug - Jul 1000 Gallons	% of Annual Maximum	17-18 Jul 17 1000 Gallons	Water Used Jul 17 1000 Gallons	Daily Avg Jul 17 30 Days
Allen	659,015	21,967.167	4,954,742	82.4	632,880	29,030,825	968.875	5,814,140	96.7	632,880	29,030,825	968.875
Farmersville	21,810	727.000	216,295	77.1	28,084	908,875	303.755	72.6	28,084	908,875	303.755	72.6
Farmersville	243,456	8,115.200	1,908,486	97.6	289,353	8,042,594	274.785	1,958,185	105.8	289,353	8,042,594	274.785
Frisco	1,377,760	46,925.333	9,989,380	90.9	1,871,140	52,223,125	1,783.781	10,984,490	107.4	1,871,140	52,223,125	1,783.781
Garland	1,219,373	40,645.767	10,599,144	77.2	1,303,419	40,731,844	1,357.728	11,066,106	80.6	1,303,419	40,731,844	1,357.728
McKinney	1,065,014	35,500.467	10,768,172	80.0	1,830,953	50,967,281	1,698.873	11,963,029	111.2	1,830,953	50,967,281	1,698.873
Mesquite	558,752	18,558.400	5,248,168	83.2	638,682	19,959,125	665.273	5,831,081	87.9	638,682	19,959,125	665.273
Plano	2,367,627	78,920.900	18,915,029	70.4	3,084,231	96,352,219	3,278.041	21,803,047	81.6	3,084,231	96,352,219	3,278.041
Princeton	40,163	2,005.433	524,581	98.0	71,887	2,246,480	747.827	535,076	110.1	71,887	2,246,480	747.827
Richardson	986,450	32,215.000	7,791,509	70.7	1,146,882	35,840,375	1,182.275	8,725,076	79.3	1,146,882	35,840,375	1,182.275
Rockwall	528,497	17,616.567	3,490,058	88.3	583,106	18,222,063	607.685	3,837,222	115.2	583,106	18,222,063	607.685
Royse City	63,919	2,130.633	473,233	95.9	58,750	1,773,438	590.465	493,325	110.1	58,750	1,773,438	590.465
Wylie	196,087	6,536.233	1,596,897	83.1	248,578	7,705,500	256.850	1,774,297	94.5	248,578	7,705,500	256.850
Subtotal Members	9,326,923	310,804.100	78,329,794	78.0	11,585,073	382,033,533	1,296.889	84,789,389	89.2	11,585,073	382,033,533	1,296.889
Subtotal Customers	2,164,594	72,153.131	18,359,329	80.5	2,512,987	78,530,883	258.465	18,471,203	94.6	2,512,987	78,530,883	258.465
Individual Meters	220	7.333	2,833	---	207	8,344	8.344	2,829	---	207	8,344	8.344
Total	11,490,737	383,024.564	92,681,956	78.5	14,098,327	440,572,740	1,355.354	103,273,501	90.2	14,098,327	440,572,740	1,355.354

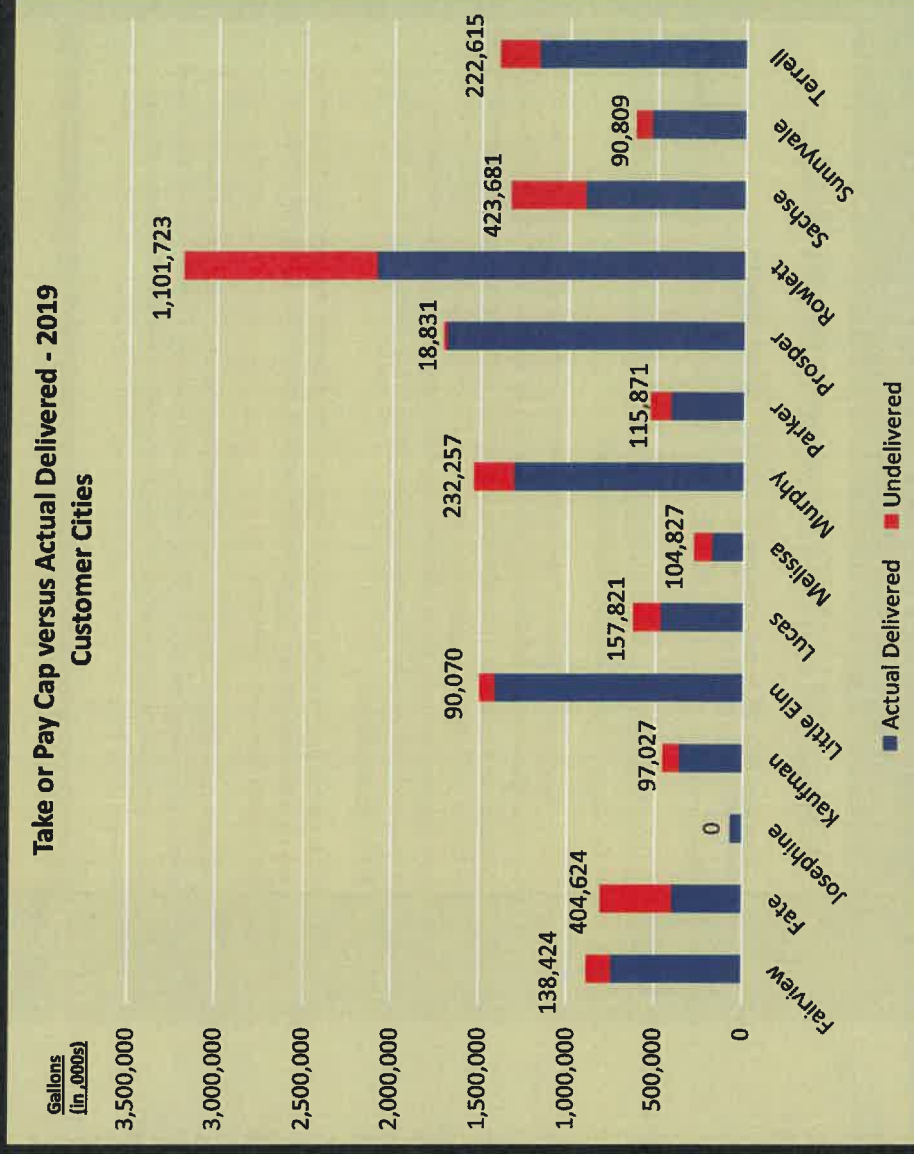
Interesting Fact #2: Customer Cities paid **\$9.1** million for unused water in 2019 compared to \$2.5 million in 2010.

NTMWD Member and Customer Cities Cost of Unused Water under Take or Pay (net of rebate) - 2019

On average, customer cities did not use 21% of their contract capacity in 2019. Each city's individual capacity is depicted on the slide to the right.

Every city is different but it is clear that take or pay creates winners and losers depending upon where a city is during their particular life cycle.

Take-or-pay causes loser cities to maintain artificially high water rates to compensate for cap conditions created during drought.





For Immediate Release

December 14, 2016

FOUR CITIES UNITE TO REQUEST WATER RATE RELIEF

Garland, Mesquite, Plano and Richardson have paid \$178 million for unused water under outdated rate methodology

Dec. 14, 2016 (Garland, Texas) – The Mayors of Garland, Mesquite, Plano and Richardson, in an unprecedented move, today announced that their cities are asking the Public Utility Commission (PUC) to conduct a review of their water rates with the North Texas Municipal Water District (NTMWD). The cities are taking this action because the rates set by the NTMWD under the six-decade old water supply contract are discriminatory, are inconsistent with water conservation and are not in the public interest. As a result, the four cities have paid a total of \$178 million for water they did not use.

"We are losing tens of millions of dollars at the expense of our taxpayers because the North Texas Municipal Water District's current rate methodology is outdated and does not incentivize water conservation," Plano City Manager Bruce D. Glasscock said. "Member cities pay according to a 'take or pay' system that is based on our greatest single year of use. This level cannot be reduced, regardless of whether or not the city uses the entire amount of water it is paying for."

For Garland, Mesquite, Plano and Richardson, the greatest use took place during a time when water conservation was not anticipated. Years of drought and the successful adoption of water conservation strategies have changed the amount and way water is used; and it is unlikely the cities will ever again use the minimums that were set by their greatest annual usage.

"We filed this water rate review to seek a rate methodology that is equitable, encourages conservation and serves the region's long-term interest," Glasscock said.

The NTMWD is composed of 13 NTMWD member cities and includes approximately 34 NTMWD customer cities. The customer cities have individual contracts with the NTMWD and some of their effective rates are lower than some of the member cities. At the same time, the cost of water is rising as the NTMWD has raised water rates 69.8 percent since fiscal year 2012. Additionally, it plans to raise rates by approximately 10 percent per year for the next seven years.

PUC Action

Official NTMWD Statement on Water Supply Contract | PUC Review

December 14, 2016

Blog News

Tom Kula, NTMWD Executive Director Response to News Conference by Four Member Cities on Water Supply Contract and Wholesale Water Rates

"We are disappointed these four Cities announced this action. For the past year, the North Texas Municipal Water District (NTMWD) has been holding meetings with its 13 Member Cities to discuss potential alternatives for allocating the regional water system costs. The District's Board of Directors is made up of appointees from all 13 Cities. We recognize the concerns of the four cities (Garland, Mesquite, Plano and Richardson), but the District must also consider the positions of the other nine (Allen, Farmersville, Forney, Frisco, McKinney, Princeton, Rockwall, Royse City, and Wylie).

While the 13 Cities have not yet reached agreement on a change, the District hasn't given up seeking a potential solution. We believe the matter would be best resolved by the District working with the 13 Member Cities.

We serve some of the fastest-growing communities in the nation and remain focused on our mission of providing the highest quality water in the most cost effective manner. While water service costs have increased across the U.S., the District's wholesale cost for treated water delivered to the Cities we serve is one of the lowest in the state at only a quarter of a penny per gallon."

"...the North Texas Municipal Water District's current rate methodology is outdated and does not incentivize water conservation" – Plano City Manager Bruce D. Glasscock



PUC Action – McKinney FAQ

North Texas Municipal Water District

Frequently Asked Questions About the North Texas Municipal Water District
Posted December 2016

1. **What is the North Texas Municipal Water District (NTMWD)?**
The North Texas Municipal Water District formed approximately 65 years ago in response to concerns of diminishing groundwater in the region. Ten original member cities, including the City of McKinney, formed the district to provide potable water to its citizens in lieu of each city constructing and operating its own water and wastewater treatment plants.
2. **Who are the member cities of the NTMWD?**
The original 10 member cities are Farmersville, Foney, Garland, McKinney, Mesquite, Princeton, Plano, Rockwall, Royse City and Wylie. Subsequently, Richardson, Allen and Frisco joined the district as member cities.
3. **What are contract cities?**
Contract cities receive water and/or wastewater services from the NTMWD. These cities are not bound by the written agreement governing member cities, and contract cities have a separate agreement with the NTMWD.
4. **What are the differences between a contract city and member city?**
The primary difference between contract cities and member cities is their rate structure. Contract cities pay five cents more per 1,000 gallons of treated water than member cities and are not subject to an annual minimum usage charge.
5. **What is Take or Pay?**
Take or Pay is the commonly used phrase for a contract provision in the member cities' contract requiring a member city to pay annually for the amount of water which is the greater of: a) its highest historic annual usage or b) its current annual usage. The intent of this contract provision is to ensure a guaranteed revenue stream to the district to provide financial stability. In effect, once a city establishes its highest historic annual usage, it continues to pay at that rate irrespective of lower usage in subsequent years. In other words, if the city does not "take" or use the water, it must still "pay" for that amount of water represented by its highest historic annual usage.
6. **What is the Public Utilities Commission?**
The Public Utilities Commission (PUC) of Texas is a state agency that regulates the state's electric, telecommunication and water and sewer utilities, implements respective legislation, and offers customer assistance in resolving consumer complaints.
7. **Why are Plano, Garland, Richardson and Mesquite concerned with the current agreement between the member cities and the NTMWD?**
Four member cities have filed a petition with the PUC to review the current rate structure contained in the member city agreement with NTMWD. These cities assert these rates are "against the public interest and inconsistent with conservation." These cities further allege they are paying for substantial amounts of water they are not using but must continue to purchase under the current Take or Pay provision in the member city agreement.
8. **Why isn't McKinney joining these cities to fight water rates as well?**

It is important to point out the four cities are not fighting residential / commercial customer water rates. Rather, they are appealing to the PUC to determine whether the current Take or Pay provision in the member city agreement is a fair way to spread the costs of operating NTMWD's regional water system. Effectively, the Take or Pay methodology requires cities to pay for their highest year of water consumption, regardless of whether they use it in subsequent years. The water rates charged to the cities are a function of capital investment needed to grow the regional water system to meet the demands due to rapid growth in our region, as well as for system maintenance, repair and replacement of equipment, pumping and water treatment. As a member city of the NTMWD, McKinney keeps a close eye on the water rates charged to it by NTMWD and the underlying costs associated with them.

9. Then what is the real issue?

The purpose of the Take or Pay methodology, adopted many years ago, is ostensibly to spread the capital costs among all cities, regardless of where a given city is in its growth cycle. For growing cities, the capital costs – much of which may be attributed to their growth – are spread among all the members. For mature cities, the benefit of capital improvement has less perceived value. Moreover, Plano, Garland, Richardson and Mesquite contend their new water conservation efforts have permanently changed their usage and the current methodology is no longer well-suited to their usage patterns.

10. What can the PUC do about the agreement between the member cities and the NTMWD?

With the filing made by the four cities, the PUC will initially rule on whether it has the legal authority to review and determine the current rate structure under the member cities' agreement. If it has the legal authority to hear the case, the PUC will make a determination as to how to best adjudicate the contract and utility rate issues raised by the four cities under Texas law.

11. How is McKinney planning on responding to this filing with the PUC?

McKinney has been actively involved in recent meetings with the NTMWD and all member cities to resolve the issues being raised by the four member cities. Unfortunately, those meetings did not produce results satisfactory to all member parties. McKinney is currently reviewing all options available and will be deciding on a course of action in the near future.

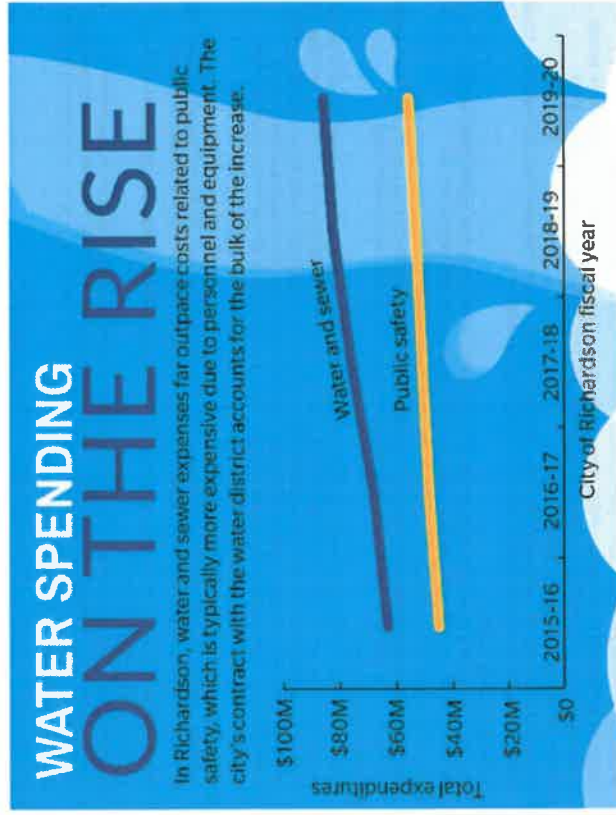
Critical legal argument – the four member cities filing the PUC action argue that the NTMWD rates are “against the public interest and inconsistent with conservation”.

The real issue is how to spread the capital costs among all cities, regardless of where a given city is in its growth cycle. “Any” take-or-pay change creates winners and losers among the member cities. Therefore, the willingness of the losers to vote for a change is counterproductive when each entity represents a different set of taxpayers.



PUC Action – Richardson Article

Richardson city officials seek new deal as water rates increase



By Olivia Lueckemeyer | 12:00 PM Oct. 25, 2019 CDT



Richardson is making the issue political.

The city of Richardson is working with three nearby cities to amend a contract that requires residents to pay tens of millions of dollars for water they do not use.

A city spokesperson said in a statement that Richardson is participating in settlement discussions regarding its contract with the North Texas Municipal Water District.

The city declined to comment on the details of the discussions because of a confidentiality agreement between the parties. Richardson—along with the cities of Mesquite, Plano and Garland—mounted a challenge to the structure of the contract in late 2016. The state's Public Utility Commission has been reviewing the cities' request.

The possibility of a settlement takes on new significance given the continued growth of water and sewer costs as the city's largest spending category. For many cities, public safety is the largest spending category because of the personnel and equipment required.

In Richardson, water and sewer expenditures have risen by about 36% in the last five years to \$85.5 million. For comparison, the city budgeted \$55.5 million for public safety in fiscal year 2019-20.

"For as long as I can remember, water and sewer expenditures have been bigger than public safety. But they have grown in recent years as wholesale costs have increased," said Keith Degen, director of Richardson's finance department.

The water district supports the settlement efforts, provided the district can still cover the costs of maintaining the water system and expanding it to meet the growing regional demand for water, a spokesperson said.

"Those costs must be funded regardless of the amount of water consumed each year, which fluctuates based on weather patterns and other factors, such as growth," NTMWD spokesperson Janet Rummel said.

The water district's service scope expands far beyond its 13 member cities, Rummel said. Nearly 80 communities with a combined population of 1.7 million are served by NTMWD on a daily basis.

The city of Richardson has asked the Public Utility Commission of Texas to delay its consideration of the case until Dec. 13 as the parties work toward a settlement.

In the meantime, Richardson residents will continue to pay more for water even as they use less.

What does the PUC Action mean to Customer Cities?

Excerpt from Rowlett Agreement with NTMWD

"Section 13. REGULATORY BODIES AND LAWS. This Contract is subject to all applicable Federal and State Laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state, or federal governmental authority having or asserting jurisdiction, but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum, having jurisdiction."

Litigation could be very difficult given the contract language to which Customer Cities have agreed. Each city should consult with its legal team.

A PUC regulatory filing, similar to that filed with the four member cities, could fall within the scope of Section 13. Again, each city should consult with its legal team.

Next PUC mediation deadline is December 13, 2019.

Take or Pay

System is archaic. Cities contractually agreed to it before a permanent water conservation strategy was implemented.

Changing this provision takes unanimous approval of the member cities.

Board Meetings

Board meetings are not filmed.

NTMWD Rate Proportionality

District was overweighing cost allocation to water customers benefiting wastewater customers.

Communication

Customer cities often felt left out.

Customer Cities share the same issues

Representation

Customer cities have no voice.

Member City Status

Inability to join the NTMWD as a member City.

Water Rates

Rumor that NTMWD will charge customer cities more than the current 5 cent differential.

Permanent Water Conservation

Permanent water Conservation policy. Now, cities can't sell water when its raining / limited ability to sell water during drought.

Take or Pay

System is archaic. Cities contractually agreed to it before a permanent water conservation strategy was implemented.

Changing this provision takes unanimous approval of the member cities.

Board Meetings

Board meetings are not filmed.

Update: NTMWD has stated that future meetings will be tape delayed.

NTMWD Rate Proportionality

District was overweighting cost allocation to water customers benefiting wastewater customers.

Update: NTMWD has stated that this has been fixed.

Communication

Customer cities often felt left out.

Update: NTMWD has stated that they would like to establish "partnering" meetings 1x to 2x per year.

Customer Cities share the same issues

Representation

Customer cities have no voice.

Update: Tom Kula has indicated he will bring this issue back to the NTMWD Board.

Member City Status

Inability to join the NTMWD as a member City. *Update: NTMWD board has parked this discussion until Bois d'Arc reservoir is online.*

Water Rates

Rumor that NTMWD will charge customer cities more than the current 5 cent differential. *Update: NTMWD recently said the Board has parked that discussion pending the PUC action.*

Permanent Water Conservation

Permanent water Conservation policy. Now, cities can't sell water when its raining / limited ability to sell water during drought.

Note: Updated based on October 25, 2019 meeting

Take or Pay

System is archaic. Cities contractually agreed to it before a permanent water conservation strategy was implemented.

Changing this provision takes unanimous approval of the member cities.

Board Meetings

Board meetings are not filmed.

Update: NTMWD has stated that future meetings will be tape delayed.

NTMWD Rate Proportionality

District was overweighting cost allocation to water customers benefiting wastewater customers.

Update: NTMWD has stated that this has been fixed.

Communication

Customer cities often felt left out.

Update: NTMWD has stated that they would like to establish "partnering" meetings 1x to 2x per year.

Customer Cities share the same issues

Representation

Customer cities have no voice.

Update: Tom Kula has indicated he will bring this issue back to the NTMWD Board.

Member City Status

Inability to join the NTMWD as a member City. *Update: NTMWD board has parked this discussion until Bois d'Arc reservoir is online.*

Water Rates

Rumor that NTMWD will charge customer cities more than the current 5 cent differential. *Update: NTMWD recently said the Board has parked that discussion pending the PUC action.*

Permanent Water Conservation

Permanent water Conservation policy. Now, cities can't sell water when its raining / limited ability to sell water during drought.

What Other Issues do Customer Cities Share?

Other Customer Cities Issues? What have we missed?



Discussion and Wrap-up

Question One

1. Is there interest to form a mutual position or approach on items of concern to Customer Cities?

Question Two

2. If yes, what are the topics the group feels strongest about?

Possible topics include but are not limited to the following:
 - Take or Pay
 - representation on NTMWD Board
 - Member City status
 - proportionality of water rates
 - water conservation

Question Three

3. If yes, what form should this mutual position or approach be?

Possibilities could include the following:
 - official resolution
 - mutual letter
 - press release
 - press conference
 - legal action
 - legislative assistance
 - contract negotiation

Next Steps



Mayor ~ Tammy Dana-Bashian
Mayor Pro Tem – Martha Brown
Deputy Mayor Pro Tem ~
Matt Grubisich
City Council ~
Robert Blake Margolis
Brownie Sherrill
Whitney P. Laning
Pamela Bell
City Manager ~ Brian Funderburk



City of Rowlett ~ www.rowlett.com
4000 Main Street Rowlett, TX 75088
Phone ~ 972.412.6100 Fax ~ 972.412.6118

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

November 25, 2019

Entity Name and Address

Re: Invitation to join a coalition of the non-member customer entities of the North Texas Municipal Water District

My name is Tammy Dana-Bashian and I am the Mayor of the City of Rowlett, Texas. I would like to invite you to join a coalition of the non-member customer entities of the North Texas Municipal Water District (NTMWD).

The City of Rowlett is one of 34 non-member entities of the NTMWD. The entire NTMWD is made up of 13 member cities, and 14 customer cities and 20 special utility districts. You are one of those 34 non-member customer entities.

Non-member customer entities share common concerns that include 1) a lack of any voice or participation in decisions made by the NTMWD that affect our residents and businesses, 2) outdated contractual provisions that disincentivize water conservation, and 3) rates that are higher than member cities.

On November 18, 2019, the City of Rowlett hosted a meeting of 11 of the 14 customer cities. Based on this discussion, there is interest to form a coalition among the non-member customer entities and we would like you to consider joining. The group requested a draft resolution expressing interest to create such a coalition and further recommended that the offer be made to all non-member customer entities. I have attached the draft resolution which expresses a desire to join the coalition. I have also included a copy of the powerpoint presented at this meeting.

We also want you to know that we notified the NTMWD of the November 18th meeting. It is our intent to be transparent while still providing the latitude for the non-member customer entities to decide how this coalition will form and what its focus will be.

The initial steps are as follows:

1. Circulate the invitation and draft resolution among all 34 non-member customer entities
2. Share the presentation discussed at the November 18th meeting with the non-member customer entities
3. Non-member customer entities desiring to join should adopt the draft resolution in December or January



4. Goal is to have the first meeting in February 2020 who will then determine the actual structure and mission of the coalition

The initial resolution expressing interest to form the coalition doesn't have to be exact. Each entity may wish to modify the language to meet their needs with the basic purpose to form a group of interested non-member customer entities to come together to resolve common concerns and to work as a group with our common water provider. Once the group makes a recommendation for the actual structure and mission, we would have a more firm, enabling resolution for the group to adopt.

Please provide a point of contact for future communications regarding this matter. We would like a contact name, email and phone number. We would also appreciate any updates from your point of contact on action to have or anticipate having in regard to joining the coalition that we can share with the entire group. You can communicate the point of contact or reach out to us if you have any questions about the resolution, presentation, or the meeting. My cell number is 469-203-9750 and my email is tdana-bashian@rowlett.com. Or you can contact my City Manager, Brian Funderburk at 972-948-8150 or by email at bfunderburk@rowlett.com. Brian and I would be glad to meet with you or talk by phone at your choice. Thanks.



Tammy Dana-Bashian
Mayor



Resolution R 2019-12-00494

(Supporting Coalition of Non-Member Customer Entities of NTMWD)

A RESOLUTION OF THE CITY OF LUCAS APPROVING A DESIRE TO JOIN A COALITION OF NON-MEMBER CUSTOMER ENTITIES OF THE NORTH TEXAS MUNICIPAL WATER DISTRICT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the North Texas Municipal Water District is a utility district consisting of 13 member cities, and 34 “non-member customer entities” made up of 14 customer cities and 20 special utility districts; and

WHEREAS, the City of Lucas is one of the 34 non-member customer entities of the North Texas Municipal Water District; and

WHEREAS, the North Texas Municipal Water District is the only realistic source of water for thousands of users in the non-member customer entities populations; and

WHEREAS, non-member customer entities share common concerns that include 1) a lack of any voice or participation in decisions made by the North Texas Municipal Water District that affect our residents and businesses, 2) outdated contractual provisions that disincentivize water conservation, and 3) rates that are higher than member cities.

NOW THEREFORE BE IT RESOLVED BY THE CITY OF LUCAS:

SECTION 1: That the City of Lucas shares the same concerns as other non-member customer entities of the North Texas Municipal Water District as follows:

- The contractual “Take-or-Pay” rate structure is outdated and disincentivizes water conservation while forcing non-member customer entities to pay for water they do not use;
- The lack of representation and communication in decisions made by the North Texas Municipal Water District reduces transparency and is detrimental to the governance of non-member customer entities residents and businesses;
- The prohibition preventing non-member customer entities to become a member city; and
- A discriminatory water rate methodology that charges non-member customer entities more than member cities.
- Have representation from the Coalition attend future NTMWD Board Meetings open to the public and report back status to the Coalition.

SECTION 2: That the City of Lucas expresses its desire to join with other non-member customer entities to form a coalition that will identify and evaluate issues common to our organizations and give voice to our residents and businesses.

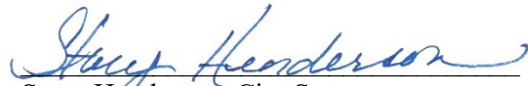
SECTION 3: This resolution shall become effective immediately upon its passage.

CITY OF LUCAS, TEXAS



Jim Olk, Mayor

ATTEST



Stacy Henderson, City Secretary

Update on NTMWD PUC Rate Appeal (1/10/2020)

In August, 2019, we updated TWCA's membership on the Public Utility Commission of Texas's ("PUC") review of an appeal of wholesale rates charged by the North Texas Municipal Water District ("NTMWD"). The case had been abated to allow the parties to the case—NTMWD and its 13 Member Cities—to attempt to negotiate a settlement. Following lengthy negotiations by the parties, the four Member Cities that filed the original petition filed a request on December 13 that the PUC's three-member panel of Commissioners place the matter back on its public meeting agenda for consideration and final ruling at the earliest convenience and also indicated their willingness to continue settlement discussions in the meantime. As of the date of this update, the PUC has not yet scheduled the case for an upcoming public meeting.

The background of this case revolves around the Texas Constitution. Before modifying a wholesale water rate set pursuant to a contract, the Constitution requires the PUC Commissioners to determine first whether the contract rate violates the public interest. The PUC adopted a set of criteria in its "public interest" rule to make those public interest determinations. In light of the Constitutional safeguards, the public interest rule has historically been interpreted to give significant deference to contracts. Neither the PUC, nor the TCEQ before it, has ever found that a wholesale rate violates the public interest.

The Proposal for Decision ("PFD") issued by the Administrative Law Judges who presided over the hearing recommended that the PUC find that the 2017 NTMWD rates violate the public interest. An ultimate finding by the PUC that the rates adversely affect the public interest would initiate the first-ever rate hearing in a wholesale rate appeal of this kind.

As explained in our August update, the District and several entities that filed *amicus curiae* briefs have argued to the PUC Commissioners that applicable Court opinions only allow the PUC to modify contracts and set wholesale water service rates in "extraordinary circumstances." That is consistent with the previous "significant deference" standard that historically governs similar rate appeals.

In December, the four Petitioning Cities asked the PUC Commissioners to finally rule on the PFD, which the Commissioners' previously discussed on May 23, 2019. At the May 23 meeting, the Commissioners expressed disapproval of some conclusions reached in the PFD. For instance, the PUC's Chair noted that the annual minimum take-or-pay obligation based on historic usage effectively constitutes an acceptable demand charge for each Member City.

However, the Commissioners expressed doubt that the PUC owes the high level of contract deference that has historically been applied. One Commissioner seemed to suggest that the deference standard for wholesale water service specifically should be much lower. All Commissioners agreed that the PUC has jurisdiction to decide the public interest question in the case despite arguments that statutes that protect the bond-repayment component of the parties' contract preempts the PUC's jurisdiction.

Two subsequent appeals (for the 2018 and 2019 NTMWD rates) filed with the PUC are currently abated waiting the outcome of the 2017 appeal. The four petitioning cities filed a petition appealing NTMWD's 2020 rates on December 19, 2019. That case has not yet been abated but could be by agreement of the parties as happened for the 2018 and 2019 cases.

Under the PUC's rules, if the Commissioners conclude that the 2017 rate violates the public interest, the case will proceed to a cost-of-service hearing to set a new rate. If the Commissioners conclude that the 2017 rate does not violate the public interest, the parties to the case will have an opportunity to appeal that ruling to Travis County District Court.

The PUC could place this matter back on its agenda at any time, and we will provide further update when this occurs.

Mayor ~ Tammy Dana-Bashian
Mayor Pro Tem ~ Martha Brown
Deputy Mayor Pro Tem ~
Matt Grubisich
City Council ~
Robert Blake Margolis
Brownie Sherrill
Whitney P. Laning
Pamela Bell

City Manager ~ Brian Funderburk



City of Rowlett ~ www.rowlett.com
4000 Main Street Rowlett, TX 75088
Phone ~ 972.412.6100 Fax ~ 972.412.6118

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

February 7, 2020

Commissioner DeAnn T. Walker
Public Utility Commission of Texas
PO Box 13326
Austin, TX 78711-3326
ChairmanWalker@puc.texas.gov

Commissioner Arthur C. D'Andrea
Public Utility Commission of Texas
PO Box 13326
Austin, TX 78711-3326
CommissionerDAndrea@puc.texas.gov

Commissioner Shelly Botkin
Public Utility Commission of Texas
PO Box 13326
Austin, TX 78711-3326
CommissionerBotkin@puc.texas.gov

Re: Docket No. 46662; SOAH Docket No. 473-17-4964.WS - Petition of the Cities of Garland, Mesquite, Plano and Richardson Appealing the Decision by North Texas Municipal Water District Affecting Wholesale Water Rates.

Dear Commissioners:

I am writing to you in my capacity as the Mayor of the City of Rowlett, the largest customer City of the North Texas Municipal Water District (District). On behalf of the City, we express our support for the position asserted by the Cities of Garland, Mesquite, Plano and Richardson, and urge the Commission to initiate the cost-of-service hearing sought by those cities.

With a current population of over 66,000 residents, Rowlett is a water retailer serving over 20,000 customer accounts. The City of Rowlett has been a wholesale customer of the District for 54 years. Under the compulsory take-or-pay structure, Rowlett has paid nearly \$20 million for over 10 billion gallons of water that was not received or used by Rowlett citizens or customers. Based on the current cost structure in place by the District, we will continue to be charged every year for hundreds of millions of gallons of water that we do not use.

The most common complaint we address with our citizens is the high cost of water compared to surrounding cities, which correlates directly to the take-or-pay cost structure in place by the District for wholesale water. Small communities such as Rowlett have no ability to mitigate the negative impact of the take-or-pay structure due to limited resources. And, we have no choice but to purchase water from the District as we have no feasible alternative.



The take-or-pay structure is fundamentally flawed; it does not ensure that users pay cost-based rates, as the rates never reset over the term of the contract to more accurately reflect current actual usage of the District's customer base. And in 2015, the District adopted a permanent water conservation policy that recommended adoption of increasing tiered retail water rates to spur even higher levels of water conservation. As a result, Rowlett achieved significant water conservation, even though the take-or-pay provision financially disincentivizes this approach. Permanent water conservation policies put communities in direct conflict to sell the water needed to support their utility systems due to the take-or-pay provision. Rowlett believes conservation is needed, but we did not sign up for policies adopted unilaterally by the District that change the rules of the game without allowing water providers the ability to reset their projected water use under the new rules.

Over the years that Rowlett has been a customer city, the District's budget and rates have grown exponentially with little to no regulatory oversight or checks and balances. No regulatory authority has ever reviewed the District's annual costs, or its cost structure across the customer base. Basic principles of fairness compel a fair evaluation of the rate structure by the Commission.

We urge the Commission to initiate a cost-of-service hearing, which will provide an opportunity for all of the District's wholesale water customers to participate and for the Commission to set just and reasonable rates for the District.

Sincerely,



Mayor Tammy Dana-Bashian
City of Rowlett, Texas



Stanton Foerster

To: Stanton Foerster PE
Subject: FW: Additional NTMWD Updates

From: Tom Kula
Sent: Monday, February 10, 2020 2:19 PM
To: Subject: Additional NTMWD Updates

Customer City Managers and Water Providers,

As a follow up to the email sent last week, I'm providing a bit more info as I've spoken to a number of our Customer City Managers recently about rates, your contract, the PUC case, and growth in your cities.

We understand the challenges you face in hearing from your customers about utility rates increasing. Our staff has worked to develop more information to help explain what is driving up those costs, including the following:

- [Website messages](#)
- [Infographics](#)
- [Videos](#) (Worth watching and sharing!)
- [Recent guest column in local papers](#)
- Water treatment plant tours and briefings (next one [Feb. 13, 1:30-4:00](#))
- Partnering and Communicators meetings
- Recent Customer City/Providers Roundtable Discussion

** This whiteboard video our PR team developed to help explain "What water rates pay for" is well worth viewing and sharing:

<https://youtu.be/jEh6sV-9OBs>

We recognize the tension that has developed over the past several years between the need for conservation while making critical major investments in the water system, and we want to arm you with tools to help you inform your customers. We believe much could be gained by better informing residents about the true costs of water service.

Each city's contractual commitment is actually funding your share of the "water system." It's so much more than water – with the actual water being only a small portion of the wholesale rate. The \$3.04 per 1,000 gallons our Customers pay goes mostly for the pipes, pumps, motors, water treatment, other infrastructure, Operations and Maintenance, and debt for past and future projects.

Separate from discussions about a potential change in the contract structure, how else can the District support you and your community?

If it would be helpful, I offer that the District is willing to participate in upcoming discussions among the customer cities to provide more information and answer questions. Please let me know what would be most productive in addressing your main concerns.

If you have questions or would like to visit, please give me a call or send me a note.

Thanks for all you do!

Tom

Thomas W. Kula

Executive Director

North Texas Municipal Water District

501 E. Brown St Wylie, TX 75098

Ofc:(972)442-5405

Cell:(214)493-6167

tkula@ntmwd.com | www.ntmwd.com

On Feb 7, 2020, at 4:39 PM, Tom Kula wrote:

Customer City Managers and Water Providers,

Good afternoon! We have received a few inquiries from our Customer cities about the PUC Rate Case. Our legal team prepared an update (attached) that I hope is helpful to you.

In response to inquiries we are hearing from some Customer Cities regarding the potential impact on them from the Petitioning Cities' 2017 rate appeal, please see the following:

- Petitioning Cities have requested the case be placed back on the PUC's agenda for final ruling. The case is not on the PUC's February 14 agenda. Their next meetings are February 27, March 12 and 26, 2020.
- If the PUC rules in favor of the District (i.e. that the 2017 Member City rate does not adversely affect the public interest), then the PUC will dismiss the case; this will likely result in no impact to the Customer Cities.
- If the PUC rules in favor of the Petitioning Cities (i.e. the rate does adversely affect the public interest), the PUC will initiate a "Phase II" hearing on the District's cost of service.
 - This would be the first time the PUC ever held a cost of service case for an entity like NTMWD, and there are a lot of unknown factors.
 - It is not possible to predict what impact, positive or negative, a Phase II cost-of-service hearing will have on the Customer Cities.

Please contact me or Rodney Rhoades if you have any questions.

Thanks,
Tom

Thomas W. Kula

Executive Director

North Texas Municipal Water District

501 E. Brown Street | Wylie, TX 75098

Office: 972.442.5405 | Cell 214.493.6167

| www.ntmwd.com

<image001.jpg>

Regional Service Through Unity – Meeting Our Region's Needs Today and Tomorrow!

<Update on NTMWD PUC Rate Appeal 01.17.2020.docx>



City of Lucas

City Council Agenda Request

March 5, 2020

Requester: Mayor Jim Olk

Agenda Item Request

Executive Session:

An Executive Session is not scheduled for this meeting.

As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney regarding any item on the agenda at any time during the meeting. This meeting is closed to the public as provided in the Texas Government Code.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas

City Council Agenda Request

March 5, 2020

Item No. 11

Requester: Mayor Jim Olk

Agenda Item Request

Reconvene from Executive Session and take any action necessary as a result of the Executive Session.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA