



# City of Lucas Council Agenda Request January 3, 2019

Item No. 04

Requester: Mayor Jim Olk

## **Agenda Item Request**

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Conduct interviews of Technology Committee applicants and consider appointments to the Technology Committee.

## **Background Information**

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At the December 6, 2018 City Council meeting, the Council suggested five applicants they would like to speak further with regarding their desire to serve on the Technology Committee. City staff was asked to contact the five applicants to attend the January 3, 2019 City Council meeting to talk with the City Council. Those five applicants included:

Dennis Scully  
George Brody  
William Sleeper  
Paul Rathgeb  
Mark Skaggs

City staff reached out to each applicant and Mr. Sleeper will not be able to attend due to work obligations, and Mr. Scully is attempting to rearrange his schedule so that he can be in attendance. All other applicants will be in attendance to meet with the City Council.

## **Attachments/Supporting Documentation**

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1. Applications (sent under separate attachment)

## **Budget/Financial Impact**

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NA

## **Recommendation**

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NA

## **Motion**

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NA



# City of Lucas

## City Council Agenda Request

### October 17, 2019

Item No. 04

Requester: Technology Committee Chairman Paul Rathgeb

#### **Agenda Item Request**

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Consider the recommendation from the Technology Committee regarding internet service in the City of Lucas.

#### **Background Information**

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The Technology Committee has been researching potential internet solutions and analyzing internet speed reports from the City's internet speed test. As part of the research, members of the Technology Committee and City staff traveled to Mont Belvieu, Texas, to discuss Mont Belvieu's municipally owned fiber network called MB Link. The purpose of the meeting was to understand the planning and implementation process of MB Link and to generate ideas to help improve internet service in the City of Lucas.

The Mont Belvieu meeting discussion included information regarding a broadband feasibility study that the City of Mont Belvieu pursued prior to planning and implementation of the fiber network. In 2015, the City of Mont Belvieu prepared a Request for Proposal (RFP) and eventually contracted with Magellan Advisors to develop the broadband feasibility study which cost \$40,000. Based on recommendations from the broadband feasibility study, the Mont Belvieu City Council approved Certificates of Obligation totaling \$14 million issued for 20 years to pursue the implementation of a municipally owned fiber network. The timeline for pursuing, developing, implementing and rollout of the fiber network took approximately five years.

Since the formation of the Technology Committee, the Committee has discussed the City's internet problems with multiple internet providers (e.g. AT&T, Frontier, Suddenlink, Grande Communications, Grayson Collin Communications, Rise Broadband) and the consensus is that the City's low density housing would not be an economical rate of return for providers. In order to identify a possible internet solution, the Technology Committee believes that a broadband feasibility study would help provide further insight on an internet solution best suited for the City. Technology Committee Chairman Paul Rathgeb will be present at the October 17, 2019, City Council meeting to give a recommendation to the Council regarding internet service solutions.

#### **Attachments/Supporting Documentation**

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NA



# City of Lucas

## City Council Agenda Request

### October 17, 2019

#### **Budget/Financial Impact**

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In 2015, the City of Mont Belvieu spent approximately \$40,000 to complete their broadband feasibility study. Once the Request for Proposal (RFP) is complete, City staff will bring back the necessary items to appropriate funding.

#### **Recommendation**

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City staff and the Technology Committee recommends proceeding with a Request for Proposal (RFP) to acquire the services of a consultant to prepare and complete a broadband feasibility study.

#### **Motion**

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I make a motion to direct the Technology Committee and City staff to work on developing a Request for Proposal (RFP) to acquire the services of a consultant to prepare and complete a broadband feasibility study.



# City of Lucas Council Agenda Request June 4, 2020

Item No. 09

Requester: City Manager Joni Clarke  
Assistant to the City Manager Kent Souriyasak  
Councilmember Wayne Millsap

## **Agenda Item Request**

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Discuss and Consider the City of Lucas Broadband Project including:

- A. Timelines and milestones associated with the Lucas Broadband project.
- B. Recent Broadband Project Review meeting and next phase of the planning process, include development of a financial model and feedback received from the City's Financial Advisor Mark McLiney with SAMCO and funding strategies.
- C. Submitting a grant application for the Public Works and Economic Adjustment Assistance Programs through the Economic Development Administration (EDA), U.S. Department of Commerce (DOC).
- D. The on-going role of the Technology Committee and City staffing to support the Lucas Broadband project.
- E. Review timetable options regarding a Bond Election.

## **Background Information**

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This item is being placed on the City Council agenda to provide an opportunity for the City Council to share any insight regarding the Lucas Broadband project and provide any direction necessary to Magellan Advisors, the City's Technology Committee, the City's Financial Advisors or City staff.

The Lucas City Council and the Technology Committee held a Broadband Project Review meeting with Magellan Advisors on May 27, 2020. The agenda included:

1. A Review of Mapping
2. Cost Summary
3. Network Architecture and Services
4. Grant Funding

The broadband network has two main design features. The first is the fiber network backbone that will encompass approximately 20.2 miles of fiber (Figure 1). The second component is the distribution network of approximately 87.7 miles of fiber that will run off the network backbone throughout the City (Figure 2).



# City of Lucas

## Council Agenda Request

### June 4, 2020

The estimate cost is \$13,885,317 (\$2,547,277 for the fiber backbone and \$11,338,040 for the distribution network). Additional costs for equipment and working capital will be determined as part of the financial model.

There was a brief discussion regarding the grant application process to submit the Lucas Broadband project for the Public Works and Economic Adjustment Assistance Programs through the Economic Development Administration (EDA), a bureau within the U.S. Department of Commerce (DOC). The Federal CARES Act appropriated \$1.5 billion to the U.S. Department of Commerce's Economic Development Administration (EDA) to be used on economic development programs to help communities recover from the coronavirus pandemic. All cities are eligible for funding under the program, assuming a city applicant can adequately demonstrate to the EDA how its project prevents, prepares for, and responds to the coronavirus. The EDA CARES Act Recovery Assistance program includes grants for planning and technical assistance, capitalizing revolving loan funds for businesses, construction of infrastructure and other economic development projects, and innovation grants. The program offers 80% funding with 20% of local funding required with typical awards being between two to three million dollars. During a telephone conversation with a representative from EDA on May 29, the City was informed that obtaining funding may be difficult because moving forward with the project is dependent on voter approval.

The Technology Committee is a city-appointed committee. While it would be prohibited from advocating on behalf of the project, the committee can assist with the development of clear and concise information to assist Lucas citizens in understanding the costs and benefits of the project. Considering the importance of the project the City may need assistance with the management and oversight of the project, similar to what has been done with our road projects.

Council previously indicated funding for the project would need to be approved by the citizens through a bond election. Bond elections are limited to uniform election dates which are Tuesday, November 3, 2020 or Saturday, May 1, 2021. The key date for calling a bond election is adoption of an ordinance calling for the election. This must be done no more than 90 days and no less than 78 days prior to the election.

#### **Attachments/Supporting Documentation**

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1. Network Design/Mapping
2. Cost Summary
3. Buildout Cost of Network Design for Backbone and Fiber to the Premise

#### **Budget/Financial Impact**

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The financial impact will be based on Magellan Advisors feasibility study. The estimate for the construction cost of an underground fiber backbone and fiber to the premise network is \$14 million. Additional costs will include equipment, working capital, staffing etc.



# City of Lucas Council Agenda Request June 4, 2020

City staff is working with Magellan Advisors to identify problematic areas for underground fiber in the preliminary conceptual network design that may reduce construction costs. Magellan Advisors will be developing the financial model that will include a cash flow model and total costs for the construction, operation, and maintenance of a broadband network over a recommended time period.

## **Recommendation**

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Staff is requesting feedback and guidance on how Council wants to proceed.

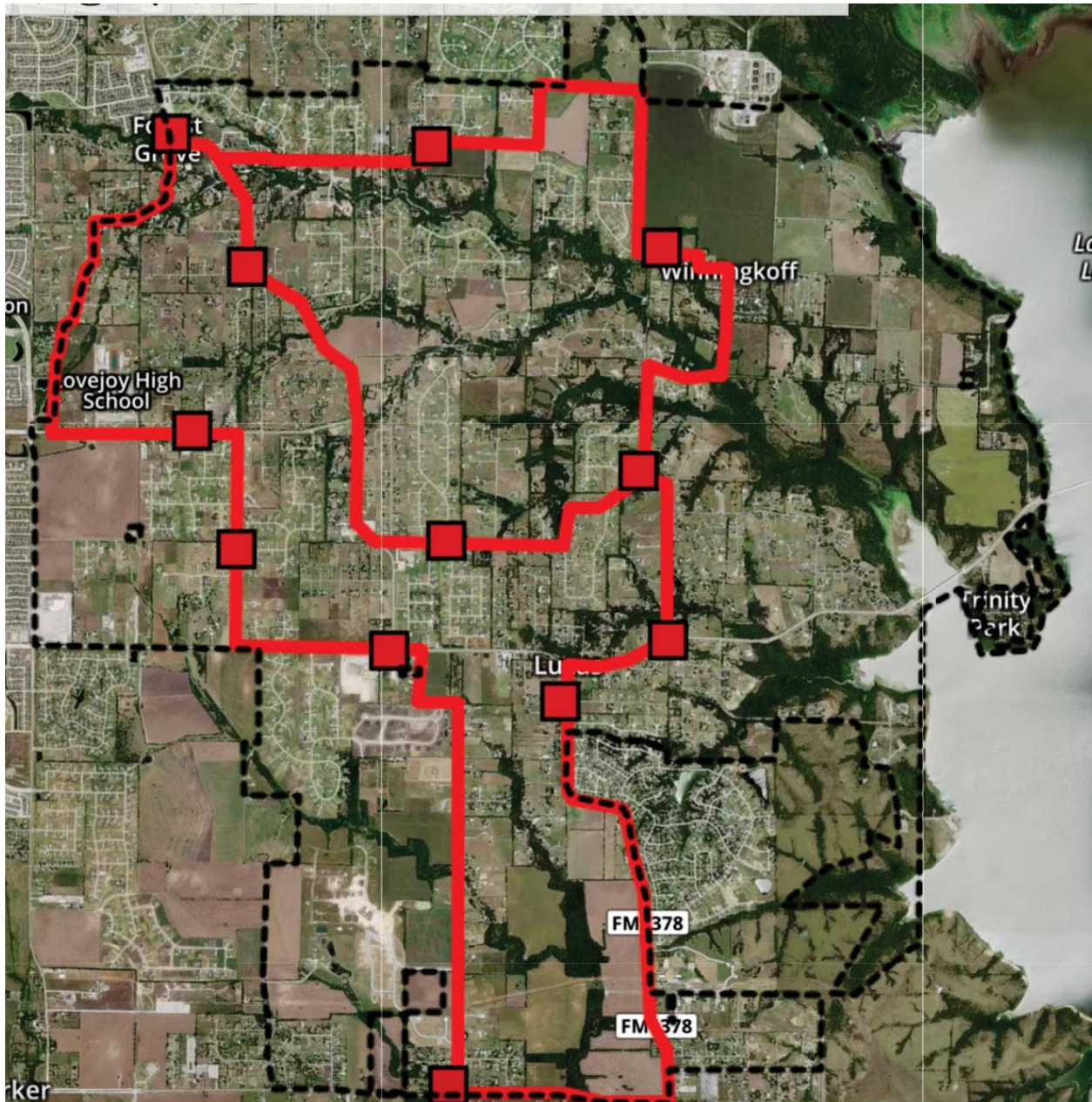
## **Motion**

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TBD

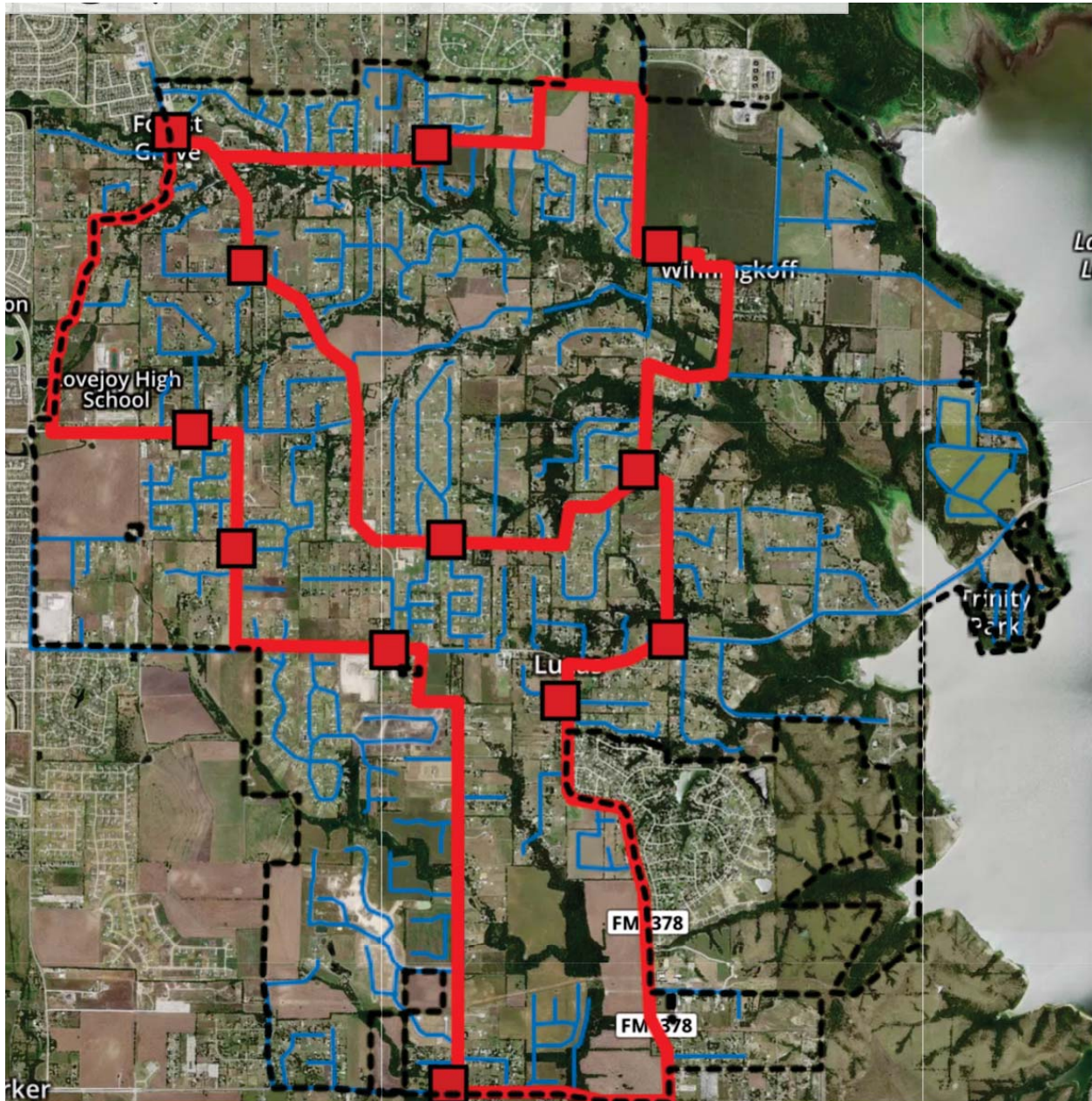
Lucas Preliminary Conceptual Network Design

Figure 1: Lucas TX FTTP Backbone Fiber Network – 106,671 feet (20.2 Miles) UG Construction



Lucas Preliminary Conceptual Network Design

Figure 2: Lucas TX FTTP Distribution Network – 462,800 feet (87.7 Miles) UG Construction





# MEETING AGENDA



## Lucas TX FTTP Construction Cost Summary Dashboard – Version 1

### Estimate Summary

#### Backbone Buildout

Description	Ft	Labor	Material	Contingency
Backbone - full build out	106,671.00	\$1,795,088.74	\$752,188.21	\$ 231,570.63

Composite Cost per Ft.	Total
\$23.88	\$2,778,847.59
<b>Backbone High Level Estimate Subtotal</b>	<b>\$2,778,847.59</b>

#### Fiber to the Premise

Description	Ft	Labor	Material	Contingency
Distribution using GPON architecture	462,800.00	\$7,956,926.34	\$3,381,113.89	\$ 1,030,730.93

Composite Cost per Ft.	Total
\$24.50	\$11,338,040.23
<b>FTTP High Level Estimate Subtotal</b>	<b>\$11,338,040.23</b>

OSP Backbone Buildout	\$2,778,847.59
Fiber to the Premise	\$11,338,040.23
<b>Total High Level Estimate</b>	<b>\$14,116,887.82</b>

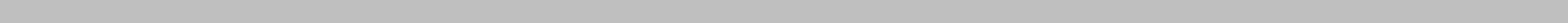
# Estimate Summary

## Backbone Buildout

Description	Ft	Design	Labor	Material	Add'l 10% Contingency	Total
Backbone - full build out	106,671	149,339.40	\$1,482,559.46	\$683,807.46	\$231,570.63	\$2,547,276.96
<b>Backbone High Level Estimate Subtotal</b>						<b>\$2,547,276.96</b>

## Fiber to the Premise Buildout

Description	Ft	Design	Labor	Material	Add'l 10% Contingency	Total
Distribution using GPON architecture	462,800	647,920.00	\$6,585,649.40	\$3,073,739.90	\$1,030,730.93	\$11,338,040.23
<b>FTTP High Level Estimate Subtotal</b>						<b>\$11,338,040.23</b>



OSP backbone Buildout	\$2,547,276.96
Fiber to the Premise	\$11,338,040.23
<b>FTTP High Level Estimate Subtotal</b>	<b>\$13,885,317.19</b>

# MEETING AGENDA

Figure 3: Lucas TX FTTP Backbone Construction Estimates – Version 1

## Backbone Estimates



Assumptions						
all 100% underground - does not include equipment or drop costs- 60% bore 40% trench						
assumes 288 backbone cable						
24" min depth						
(2) 2" conduits						
hand holes every 600'						
straight splice every 5000'						
assumes no rock adder						
pricing include soft surface restoration & Maintenance of traffic - does not include Permit Fees						
Item	Labor	Price	Unit	Quantity	Subtotal	Notes
1	Budget for OSP design & permitting	1.40	Ft	106,671.00	\$149,339.40	
2	Directional Bore (2) 2"	13.00	feet	64,002.60	\$832,033.80	
3	Trench (1) 2" duct	6.00		42,668.40	\$256,010.40	
3	Install Muletape in New duct	0.25	feet	213,342.00	\$53,335.50	
4	Install #12 Tracer wire	0.25	feet	106,671.00	\$26,667.75	
5	Install Fiber Cable in Duct - Including All Slack	0.80	feet	115,560.25	\$92,448.20	
6	Remove & Restore Concrete	18.00	sq. feet	640.03	\$11,520.47	assume 1 sq. feet per 100 feet of ug install
7	Install Handhole	300.00	each	177.79	\$53,335.50	every 600'
8	Install New Splice Case & Prep Cable	250.00	each	21.33	\$5,333.55	assumes straight splice every 5000'
9	Ground Splice Case	150.00	each	21.33	\$3,200.13	
10	Prep Cable in Panel	250.00	each	4.00	\$1,000.00	assume (2) 288 fibers in 4 panels
11	Splice Fibers	20.00	each	6,144.25	\$122,884.99	assumes backbone 288 fibers
12	Install Loaded 4u Panel	250.00	each	4.00	\$1,000.00	
13	Terminate Fibers	25.00	each	576.00	\$14,400.00	
14	Test Network	2500.00	all	1.00	\$2,500.00	
15	Install Marker Post	35.00	each	133.34	\$4,666.86	75% of handholes
16	Install Marker Post with Test Station	50.00	each	44.45	\$2,222.31	25% of handholes
17	Install pole attachments	80.00	Each	0.00	\$0.00	assumes 180' average span lengths
18	Install Strand	1.10	Ft	0.00	\$0.00	
19	Install snow shoes	100.00	Each	0.00	\$0.00	
20	install aerial slack	1.80	Ft	0.00	\$0.00	
21	install / lash aerial cable	1.80	Ft	0.00	\$0.00	aerial footage
22	tree trimming	5.00	Ft	0.00	\$0.00	assumes no tree trimming on this project
23	install pole risers	310.00	each	0.00	\$0.00	assumes 5% of poles
24	install down guy & anchors	210.00	Each	0.00	\$0.00	assumes 15% of poles
25	Make Ready budget	1000.00	pole	0.00	\$0.00	assumes 10% of poles
Labor Subtotal					\$1,631,898.86	
10% Contingency					\$163,189.89	
<b>Labor Total</b>					<b>\$1,795,088.74</b>	
Item	Material	Price	Unit	Quantity	Subtotal	Notes
20	Mule tape	0.05	feet	213,342.00	\$10,667.10	
21	288ct Fiber	2.78	feet	121,338.26	\$337,563.05	includes 5% waste
22	Splice Trays	45.00	each	256.01	\$11,520.47	
23	Splice Cases	706.00	each	21.33	\$15,061.95	large style closure
24	Handholes	650.00	each	177.79	\$115,560.25	
25	#12 Tracer Wire	0.35	feet	106,671.00	\$37,334.85	
26	Ground Rods	25.00	each	21.33	\$533.36	
27	Marker Post	45.00	each	133.34	\$6,000.24	
28	Marker Post with Test Station	65.00	each	44.45	\$2,889.01	
29	2" Pipe	1.00	feet	128,005.20	\$128,005.20	
30	4u Fiber Panels - Loaded	4668.00	each	4.00	\$18,672.00	
31	pole attachment hardware	45.00	pole	0.00	\$0.00	
32	6m Strand	0.10	ft	0.00	\$0.00	
33	snow shoes	90.00	each	0.00	\$0.00	
34	lashing wire	0.01	ft	0.00	\$0.00	
35	u guard	125.00	pole	0.00	\$0.00	
36	anchors	125.00	each	0.00	\$0.00	
Material Subtotal					\$683,807.46	
10% Contingency					\$68,380.75	
<b>Material Total</b>					<b>\$752,188.21</b>	
<b>Total Backbone</b>					<b>\$2,547,276.96</b>	23.88





# City of Lucas Council Agenda Request June 18, 2020

Requester: City Council

## **Agenda Item Request**

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Discuss the City of Lucas Broadband Project including:

- A. Review the preliminary financial model prepared by Magellan Advisors.
- B. Receive and discuss information from the City's Financial Advisor Mark McLiney regarding funding strategies.
- C. Review and discuss the timetable regarding a bond election.

## **Background and Financial Information**

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Due to concerns raised by citizens about the lack of adequate and reliable internet service in Lucas, the City has made efforts to research solutions that would improve broadband. The City Council appointed residents to form the Technology Committee to provide recommendations on issues of community-wide interests relating to information technology and internet service. The Technology Committee has met and discussed with various internet providers regarding the lack of adequate internet service. The internet providers indicated that they are unwilling to improve or expand internet service due to low-density housing and large lots which would not be an economical rate of return.

In 2019, the City conducted an internet speed test survey to map internet speeds from household respondents. The internet speed test revealed that 61% (or 316 out of 514 households) of respondents reported having internet speed below 25 Mbps. The Federal Communications Commission considers an internet speed of 25 Mbps or less to be below the benchmark for adequate internet service. The Technology Committee explored the possibility of municipal broadband and recommended that the City pursue a broadband feasibility study. The City Council approved acquiring the services of Magellan Advisors who are currently preparing the broadband feasibility study which includes a conceptual network design and financial model.

This agenda item is to provide the City Council additional information about the Lucas Broadband project including a review and discussion of the preliminary costs and financial model prepared by Magellan Advisors. Magellan Advisors has scheduled a Zoom meeting on June 17, 2020 to review the preliminary financial model with City Council. An agenda item will be tentatively scheduled for the July 2, 2020 City Council meeting to obtain additional feedback from the City Council in order to finalize the financial model and feasibility study. Assistant to the City Manager Kent Souriyasak will collect any feedback from the City Council to provide to Magellan Advisors.



# City of Lucas Council Agenda Request June 18, 2020

Item No. 04

Below is a tentative meeting schedule regarding the broadband project:

June 17, 2020	Magellan Advisors reviews preliminary financial model with City Council
June 22 or 23, 2020	Magellan Advisors provides a project update
July 2, 2020	City Council meeting to provide additional feedback regarding the financial model and feasibility study
July 13, 2020	Magellan Advisors reviews the draft of the feasibility study
July 16, 2020	City Council meeting to provide any feedback regarding the draft of the feasibility study
To Be Determined	Magellan Advisors provides the final feasibility study

Magellan Advisors has completed the first phase of the feasibility study to determine the buildout cost for the fiber backbone and distribution network. The buildout cost has been adjusted in the pending financial model to represent the construction of 80% underground and 20% aerial fiber within city limits. The financial model will include additional costs for operations, equipment, and working capital.

Magellan Advisors is continuing work on the financial model that will include total costs for the construction, operation, and maintenance of a broadband network over a recommended time period. Magellan Advisors indicated that the primary factors to adjust the financial model are the uptake for internet service, rate structure, and cost structure for capital and operating expenses. Magellan Advisors will review details of the financial model with City Council at the June 17, 2020 meeting.

The broadband project would be similar to the City's water service and set up as a separate enterprise fund where it can be self-sustaining through the revenue generated by the customer base for the services provided. The City Council indicated funding for the project would need to be approved by the citizens through a bond election. Bond elections are limited to uniform election dates which are Tuesday, November 3, 2020 or Saturday, May 1, 2021. The key date for calling a bond election is the adoption of an ordinance which must be done no more than 90 days and no less than 78 days prior to either election date.

Possible funding sources for the broadband project would be through (1) bond funds, (2) federal grant(s), and (3) reserves. City staff is pursuing a grant from the Economic Development Administration (EDA), U.S. Department of Commerce (DOC) that may fund a portion of the broadband project if awarded. Reserves could be used or loaned with interest to the Technology Fund as a means of reducing the amount of debt funding.

Discussions with Magellan Advisors, SAMCO Capital Markets, and the Bond Counsel at Norton Rose Fulbright have occurred to discuss funding strategies, timelines, and gain insight on similar broadband projects at the Cities of Dayton and Mont Belvieu. The Bond Counsel indicated that the working capital funding is limited to 10% of the total project/bond amount, there is no anticipated impact on the City's bond rating, and the ad valorem tax base provides the underlying credit support in the event that the project does not perform as expected.



# City of Lucas Council Agenda Request June 18, 2020

## **Attachments/Supporting Documentation**

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1. Lucas Internet Speed Test Map
2. Timetable for a Bond Election on Tuesday, November 3, 2020
3. Timetable for a Bond Election on Saturday, May 1, 2021

## **Budget/Financial Impact**

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The preliminary financial model will be sent out to City Council prior to the June 17, 2020 meeting with Magellan Advisors. The financial impact will be based on the finalization of the financial model and feasibility study by Magellan Advisors.

## **Recommendation**

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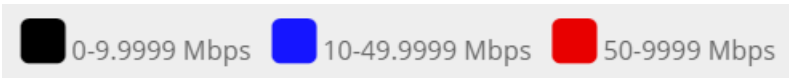
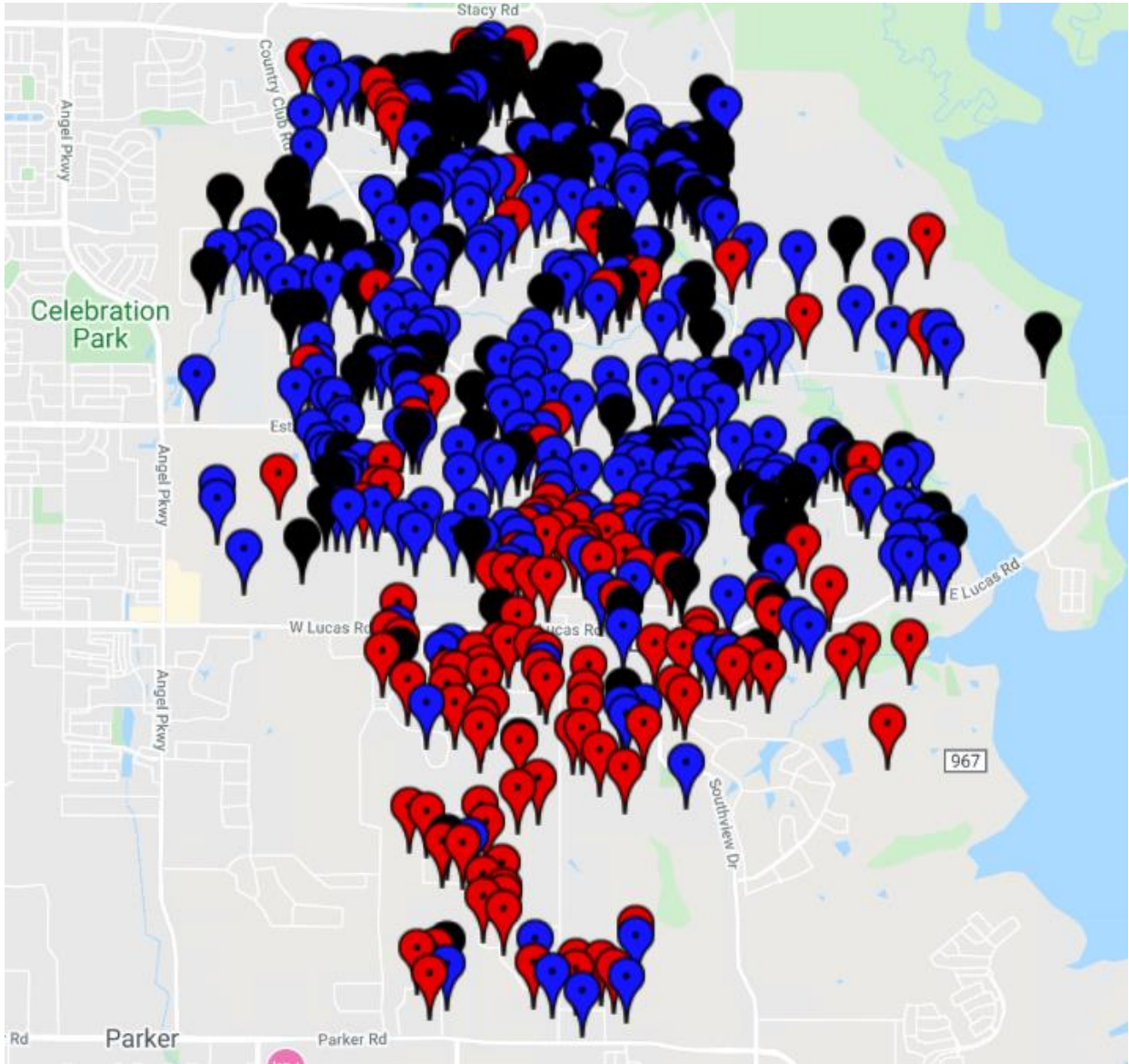
NA

## **Motion**

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There is no motion required.

**City of Lucas Internet Speed Test Map**  
Dated June 10, 2020





### City of Lucas, Texas

#### Timetable for a Bond Election on Tuesday, November 3, 2020 – to be Called August 5-17, 2020

Event	Time Required	Date	Done
City staff confers with financial advisor/bond counsel	At least 4 weeks before calling election	June 2020	
City staff explores possible polling locations	At least 3 weeks before calling election	July 2020	
City Council adopts ordinance calling election	Not more than 90 days or less than 78 days prior to election <sup>1</sup>	August 6, 2020 (Thurs.)	
Bond counsel orders translations (Spanish, etc.)	Immediately after calling the election	August 7, 2020 (Fri.)	
Bond counsel delivers ballot to election official	Deadline determined by election official	<i>Est.</i> August 31, 2020 (Mon.)	
Bond counsel delivers notice of election to the county election official <sup>2</sup>	Not later than 60 days before election	September 4, 2020 (Fri.)	
Last day to register to vote	30 days prior to election <sup>3</sup>	October 4, 2020 (Sun.)	
City staff publishes first notice of election in English, Spanish, and other applicable languages	Not more than 30 days or less than 14 days prior to election <sup>4</sup>	<i>Submit by October 7 (Weds.)</i> October 8, 2020 (Thurs.)	
City staff posts notice of election (all applicable languages) prominently on the City's website	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts sample ballot on the City's website	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts notice of election (all applicable languages) at City Hall's bulletin board	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts notice of election and voter information document (all applicable languages) at three public places in the City	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff publishes second notice of election (all applicable languages)	Exactly one week after first publication	<i>Submit by October 14 (Weds.)</i> October 15, 2020 (Thurs.)	
Early voting begins	17 days prior to election day <sup>5</sup>	October 19, 2020 (Mon.)	
Early voting ends	4 days prior to election day	October 30, 2020 (Fri.)	
Election day	1st Tuesday after the 1st Monday in November	November 3, 2020 (Tues.)	
City Council canvasses election returns	Not later than 14 days after election and not earlier than the later of: (1) the 3rd day after election; (2) the date the provisional ballots have been counted; or (3) the date that all timely cast overseas ballot have been counted <sup>6</sup>	November 6, 2020 (Fri.) through November 17, 2020 (Tues.)	
End of election contest period	Later of 30 days after canvassing or 15 days after electronic records publicly available	<i>Generally no later than</i> December 17, 2020 (Thurs.)	

<sup>1</sup> This window is Wednesday, August 5, 2020 to Monday, August 17, 2020. Notice of the meeting must be posted at least 72 hours prior to the meeting. In home-rule cities, charter requirements for election notices must be followed. Ordinance reading requirements need not be followed but may be. Gov't Code § 1201.028. If so, all readings should occur within the "call window."

<sup>2</sup> Bond counsel will provide the election official with appropriate notices of election for each polling location, typically after this deadline.

<sup>3</sup> Because the deadline falls on Sunday, October 4, the Secretary of State typically moves the date to the next business day. The deadline is not affected by the Columbus holiday (October 12, 2020).

<sup>4</sup> The first day to publish the first time is Sunday, October 4, 2020, and the last day to publish the first time is Tuesday, October 20, 2020. The second publication must occur one week after the first publication on the same day of the week as the first publication. The *Allen American* publishes legal notices on Thursdays. Notice must be submitted by 1:00 pm the Wednesday before publication. Payment may also be required at that time. The entire notice must be published in both languages.

<sup>5</sup> The early voting period for a November election is typically longer than a May election. Because the first day of the early voting period falls on Saturday, October 17, 2020, the date moves to the next business day. The results from early voting are not available until 7:00 p.m. on election day.

<sup>6</sup> This canvass period applies to a November election in even-numbered years. Notice of the canvass meeting should be posted at least 72 hours prior to the meeting. Final results including mailed and provisional ballots may not be available until the last two days of the canvassing period. An election with close results may be affected.

**City of Lucas, Texas**

**Timetable for a Bond Election on Saturday, May 1, 2021 – to be called January 31-February 12, 2021**

<b>Event</b>	<b>Time Required</b>	<b>Date</b>	<b>Done</b>
City confers with financial advisor/bond counsel	At least 4 weeks before calling election	January 2021	
City staff explores polling locations	At least 2 weeks before calling election	January 2021	
City Council adopts an ordinance calling the election	Not more than 90 days or less than 78 days prior to election <sup>1</sup>	February 4, 2021 (Thurs.)	
Bond counsel orders translations (Spanish, etc.)	Immediately after calling the election	February 5, 2021 (Fri.)	
Bond counsel delivers ballot language to election official	determined by the election official	<i>Estimated</i> February 17, 2021 (Mon.)	
Bond counsel delivers notice of election to the county election official <sup>2</sup>	Not later than 60 days before election	March 2, 2021 (Tues.)	
City staff publishes first notice of election in English, Spanish, and other applicable languages	Not more than 30 days or less than 14 days prior to election <sup>3</sup>	<i>Submit by March 31 (Weds.)</i> April 1, 2021 (Thurs.)	
Last day to register to vote	30 days prior to election	April 1, 2021 (Thur.)	
City posts sample ballot on the City's website	Not later than 21 days prior to election until after election day <sup>4</sup>	April 9, 2021 (Fri.)	
City staff posts notice of election (all applicable languages) prominently on the City's website	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts sample ballot on the City's website	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts notice of election (all applicable languages) at City Hall on the bulletin board used for posting meeting notices	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts notice of election and voter information document (all applicable languages) at three public places within the City	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff publishes second notice of election (all applicable languages)	Exactly one week after first publication	<i>Submit by April 7 (Weds.)</i> April 8, 2021 (Thurs.)	
Early voting begins	12 days prior to election <sup>5</sup>	April 19, 2021 (Mon.)	
Early voting ends	4 days prior to election	April 27, 2021 (Tues.)	
Election day	First Saturday in May	May 1, 2021 (Sat.)	
City Council canvasses election returns	Not later than 11 days after election and not earlier than the later of: (1) the 3rd day after election; (2) the date the provisional ballots have been counted; or (3) the date that all timely cast overseas ballot have been counted <sup>6</sup>	May 4, 2021 (Tues.) through May 12, 2021 (Wed.) <sup>7</sup>	
End of election contest period	Later of 30 days after canvassing or 15 days after electronic records publicly available	<i>Generally no later than</i> June 11, 2021 (Fri.)	

<sup>1</sup> This window is January 31, 2021 to February 12, 2021. Notice of the meeting to call the election should be posted at least 72 hours prior to the meeting. In home-rule cities, charter requirements for election notices must be followed. Ordinance reading requirements need not be followed but may be. Gov't Code § 1201.028. If so, all readings should occur within the "call window."

<sup>2</sup> Bond Counsel will provide the election official with appropriate Notices of Election for each polling location.

<sup>3</sup> The first day to publish the notice is April 1, 2021, and the last day is April 21, 2021. The second publication must occur one week after the first publication on the same day of the week as the first publication. The *Allen American* publishes legal notices on Thursdays. Notice must be submitted by 1:00 pm the Wednesday before publication. Payment may also be required at that time. The entire notice must be published in both languages.

<sup>4</sup> Because this deadline falls on Saturday, April 10, the Secretary of State typically rolls the deadline forward to Monday, April 13. We recommend early compliance.

<sup>5</sup> This early voting period applies only to the May election date.

<sup>6</sup> This canvassing time applies only to the May election date. Notice of the meeting to canvass the election should be posted at least 72 hours prior to the meeting.

<sup>7</sup> Due to recent changes in state and federal law, final results including mailed and provisional ballots may not be available until the last two days of the canvassing period. An election with close results may be affected.



# City of Lucas Council Agenda Request July 16, 2020

Requester: City Council

## Agenda Item Request

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Discuss the City of Lucas Broadband Project including:

- A. Overview of the broadband feasibility draft study provided by Magellan Advisors.
- B. Discuss a potential bond election date.

## Background and Financial Information

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The broadband project would be similar to the City's water service and set up as a separate enterprise fund where it can be self-sustaining through the revenue generated by the customer base for the services provided. The Council indicated funding for the project would need to be approved by the citizens through a bond election. Bond elections are limited to uniform election dates which are Tuesday, November 3, 2020 or Saturday, May 1, 2021. The key date for calling a bond election is the adoption of an ordinance which must be done no more than 90 days and no less than 78 days prior to either election date.

City staff is currently pursuing a grant from the Economic Development Administration (EDA), U.S. Department of Commerce (DOC) that may fund a portion of the broadband project if awarded. However, the EDA has indicated that the City's broadband project may not be considered competitive compared to other ready-to-go projects if the project requires voter approval from the May 1, 2021 Bond Election.

Discussions with the City's Financial Advisors at SAMCO Capital and the Bond Counsel at Norton Rose Fulbright have occurred to discuss funding strategies, timelines, and gain insight on similar broadband projects at the Cities of Dayton and Mont Belvieu. The Bond Counsel indicated that (1) the working capital funding is limited to 10% of the total project/bond amount, (2) there is no anticipated impact on the City's bond rating, and (3) the ad valorem tax base provides the underlying credit support in the event that the project does not perform as expected. Possible funding sources for the broadband project would be through (1) bond funds, (2) federal grant(s), and (3) reserves. Reserves could be used or loaned with interest to the Technology Fund as a means of reducing the amount of debt funding.

## Recent Updates:

Magellan Advisors is working on final updates to the financial model in order to complete the broadband feasibility study in July. The City Council has provided recommendations and feedback regarding the financial model during previous City Council meetings and review sessions with Magellan Advisors.



# City of Lucas Council Agenda Request July 16, 2020

Item No. 05

Magellan Advisors recommended that buildout for the construction of a fiber network should be 80% underground and 20% aerial, which runs approximately 108 miles throughout city limits. The municipal fiber network would pass every residential household and business, and the internet service would be optional.

Below is a list of final updates to the financial model per recommendations from the City Council:

- Decrease in amount generated for reserve renewal and replacement in order to increase additional cash flow.
- Moving year-end contribution costs to the working capital line item to include interest as a possible interfund loan from the City.
- Reduction in indirect equipment and materials cost from contractors where the City could save money by directly purchasing and storing the equipment and materials.
- Additional financial model summary based on 45% uptake.
- Additional line in the financial model to show payback using free cash to pay back the interfund loans.
- Increase in building costs for a data center, offices, workspace, and storage.
- Increase in broadband personnel salaries to be considered competitive in the Dallas Fort-Worth metroplex market for positions that may be in-house or outsourced.
- An all-inclusive residential rate of \$115.00 for 1 GB and managed services.

The following is the updated project timeline:

July 15, 2020	Magellan Advisors provides draft of feasibility study
July 16, 2020	City Council meeting with overview of feasibility study and discuss potential bond election date
July 23, 2020	Magellan Advisors submits final feasibility study
July 30, 2020	City Council meeting to make a decision regarding the bond election date
August 6, 2020	City Council meeting to call the bond election for November 3, 2020 (tentative)

## **Attachments/Supporting Documentation**

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1. Timetable for a Bond Election on Tuesday, November 3, 2020
2. Timetable for a Bond Election on Saturday, May 1, 2021
3. General Fund and Water Fund Reserves Trend
4. Updated Financial Model will be sent out as a separate attachment
5. Broadband Feasibility Draft Study will be sent out as a separate attachment



# City of Lucas Council Agenda Request July 16, 2020

## **Budget/Financial Impact**

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Magellan Advisors is completing the financial model which will be sent out to City Council prior to the July 16, 2020 City Council meeting. The financial impact will be based on the finalization of the financial model and broadband feasibility study by Magellan Advisors.

## **Recommendation**

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City staff recommends discussing the potential bond election date to be called for either November 3, 2020 or May 1, 2021. Should the broadband project be called for the May 1, 2021 Bond Election, it is recommended to not pursue the grant from the EDA as the project would not be considered competitive if awaiting voter approval from the May 1, 2021 Bond Election.

## **Motion**

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There is no motion required, this is a discussion only.

**City of Lucas, Texas**

**Timetable for a Bond Election on Tuesday, November 3, 2020 – to be Called August 5-17, 2020**

<b>Event</b>	<b>Time Required</b>	<b>Date</b>	<b>Done</b>
City staff confers with financial advisor/bond counsel	At least 4 weeks before calling election	June 2020	
City staff explores possible polling locations	At least 3 weeks before calling election	July 2020	
City Council adopts ordinance calling election	Not more than 90 days or less than 78 days prior to election <sup>1</sup>	August 6, 2020 (Thurs.)	
Bond counsel orders translations (Spanish, etc.)	Immediately after calling the election	August 7, 2020 (Fri.)	
Bond counsel delivers ballot to election official	Deadline determined by election official	<i>Est.</i> August 31, 2020 (Mon.)	
Bond counsel delivers notice of election to the county election official <sup>2</sup>	Not later than 60 days before election	September 4, 2020 (Fri.)	
Last day to register to vote	30 days prior to election <sup>3</sup>	October 4, 2020 (Sun.)	
City staff publishes first notice of election in English, Spanish, and other applicable languages	Not more than 30 days or less than 14 days prior to election <sup>4</sup>	<i>Submit by October 7 (Weds.)</i> October 8, 2020 (Thurs.)	
City staff posts notice of election (all applicable languages) prominently on the City's website	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts sample ballot on the City's website	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts notice of election (all applicable languages) at City Hall's bulletin board	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts notice of election and voter information document (all applicable languages) at three public places in the City	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff publishes second notice of election (all applicable languages)	Exactly one week after first publication	<i>Submit by October 14 (Weds.)</i> October 15, 2020 (Thurs.)	
Early voting begins	17 days prior to election day <sup>5</sup>	October 19, 2020 (Mon.)	
Early voting ends	4 days prior to election day	October 30, 2020 (Fri.)	
Election day	1st Tuesday after the 1st Monday in November	November 3, 2020 (Tues.)	
City Council canvasses election returns	Not later than 14 days after election and not earlier than the later of: (1) the 3rd day after election; (2) the date the provisional ballots have been counted; or (3) the date that all timely cast overseas ballot have been counted <sup>6</sup>	November 6, 2020 (Fri.) through November 17, 2020 (Tues.)	
End of election contest period	Later of 30 days after canvassing or 15 days after electronic records publicly available	<i>Generally no later than</i> December 17, 2020 (Thurs.)	

<sup>1</sup> This window is Wednesday, August 5, 2020 to Monday, August 17, 2020. Notice of the meeting must be posted at least 72 hours prior to the meeting. In home-rule cities, charter requirements for election notices must be followed. Ordinance reading requirements need not be followed but may be. Gov't Code § 1201.028. If so, all readings should occur within the "call window."

<sup>2</sup> Bond counsel will provide the election official with appropriate notices of election for each polling location, typically after this deadline.

<sup>3</sup> Because the deadline falls on Sunday, October 4, the Secretary of State typically moves the date to the next business day. The deadline is not affected by the Columbus holiday (October 12, 2020).

<sup>4</sup> The first day to publish the first time is Sunday, October 4, 2020, and the last day to publish the first time is Tuesday, October 20, 2020. The second publication must occur one week after the first publication on the same day of the week as the first publication. The *Allen American* publishes legal notices on Thursdays. Notice must be submitted by 1:00 pm the Wednesday before publication. Payment may also be required at that time. The entire notice must be published in both languages.

<sup>5</sup> The early voting period for a November election is typically longer than a May election. Because the first day of the early voting period falls on Saturday, October 17, 2020, the date moves to the next business day. The results from early voting are not available until 7:00 p.m. on election day.

<sup>6</sup> This canvass period applies to a November election in even-numbered years. Notice of the canvass meeting should be posted at least 72 hours prior to the meeting. Final results including mailed and provisional ballots may not be available until the last two days of the canvassing period. An election with close results may be affected.

**City of Lucas, Texas**

**Timetable for a Bond Election on Saturday, May 1, 2021 – to be called January 31-February 12, 2021**

<b>Event</b>	<b>Time Required</b>	<b>Date</b>	<b>Done</b>
City confers with financial advisor/bond counsel	At least 4 weeks before calling election	January 2021	
City staff explores polling locations	At least 2 weeks before calling election	January 2021	
City Council adopts an ordinance calling the election	Not more than 90 days or less than 78 days prior to election <sup>1</sup>	February 4, 2021 (Thurs.)	
Bond counsel orders translations (Spanish, etc.)	Immediately after calling the election	February 5, 2021 (Fri.)	
Bond counsel delivers ballot language to election official	determined by the election official	<i>Estimated</i> February 17, 2021 (Mon.)	
Bond counsel delivers notice of election to the county election official <sup>2</sup>	Not later than 60 days before election	March 2, 2021 (Tues.)	
City staff publishes first notice of election in English, Spanish, and other applicable languages	Not more than 30 days or less than 14 days prior to election <sup>3</sup>	<i>Submit by March 31 (Weds.)</i> April 1, 2021 (Thurs.)	
Last day to register to vote	30 days prior to election	April 1, 2021 (Thur.)	
City posts sample ballot on the City's website	Not later than 21 days prior to election until after election day <sup>4</sup>	April 9, 2021 (Fri.)	
City staff posts notice of election (all applicable languages) prominently on the City's website	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts sample ballot on the City's website	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts notice of election (all applicable languages) at City Hall on the bulletin board used for posting meeting notices	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts notice of election and voter information document (all applicable languages) at three public places within the City	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff publishes second notice of election (all applicable languages)	Exactly one week after first publication	<i>Submit by April 7 (Weds.)</i> April 8, 2021 (Thurs.)	
Early voting begins	12 days prior to election <sup>5</sup>	April 19, 2021 (Mon.)	
Early voting ends	4 days prior to election	April 27, 2021 (Tues.)	
Election day	First Saturday in May	May 1, 2021 (Sat.)	
City Council canvasses election returns	Not later than 11 days after election and not earlier than the later of: (1) the 3rd day after election; (2) the date the provisional ballots have been counted; or (3) the date that all timely cast overseas ballot have been counted <sup>6</sup>	May 4, 2021 (Tues.) through May 12, 2021 (Wed.) <sup>7</sup>	
End of election contest period	Later of 30 days after canvassing or 15 days after electronic records publicly available	<i>Generally no later than</i> June 11, 2021 (Fri.)	

<sup>1</sup> This window is January 31, 2021 to February 12, 2021. Notice of the meeting to call the election should be posted at least 72 hours prior to the meeting. In home-rule cities, charter requirements for election notices must be followed. Ordinance reading requirements need not be followed but may be. Gov't Code § 1201.028. If so, all readings should occur within the "call window."

<sup>2</sup> Bond Counsel will provide the election official with appropriate Notices of Election for each polling location.

<sup>3</sup> The first day to publish the notice is April 1, 2021, and the last day is April 21, 2021. The second publication must occur one week after the first publication on the same day of the week as the first publication. The *Allen American* publishes legal notices on Thursdays. Notice must be submitted by 1:00 pm the Wednesday before publication. Payment may also be required at that time. The entire notice must be published in both languages.

<sup>4</sup> Because this deadline falls on Saturday, April 10, the Secretary of State typically rolls the deadline forward to Monday, April 13. We recommend early compliance.

<sup>5</sup> This early voting period applies only to the May election date.

<sup>6</sup> This canvassing time applies only to the May election date. Notice of the meeting to canvass the election should be posted at least 72 hours prior to the meeting.

<sup>7</sup> Due to recent changes in state and federal law, final results including mailed and provisional ballots may not be available until the last two days of the canvassing period. An election with close results may be affected.

City of Lucas  
General Fund Reserves by Fiscal Year

	Actual 2013-2014	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Projected 2019-2020	Projected 2020-2021
<b>Unassigned Fund Balance per Audit Report</b>	<b>\$ 5,867,875</b>	<b>\$ 6,203,973</b>	<b>\$ 7,545,674</b>	<b>\$ 8,774,909</b>	<b>\$ 7,380,496</b>	<b>\$ 7,442,323</b>	<b>\$ 7,442,323</b>	<b>\$ 7,442,323</b>
Adjusted For:								
Projected Excess Fund Balance FY 19-20							\$ 210,202	\$ 210,202
Projected Excess Fund Balance FY 20-21								\$ 440,629
Additional Restrictions:								
Capital Project funding approved at (3-2-17) City Council Meeting					\$ (1,385,000)			
Brockdale Roadway Improvements	\$ (47,935)	\$ (102,935)	\$ (140,335)	\$ (199,570)		\$ -		
Reserve for Capital Outlay FY 19-20						\$ (50,000)	\$ (50,000)	\$ (50,000)
Reserve for Capital Outlay FY 20-21			\$ (50,000)	\$ (100,000)				\$ (50,000)
<b>Reserve Balance Prior to GASB 54 Requirement</b>	<b>\$ 5,819,940</b>	<b>\$ 6,101,038</b>	<b>\$ 7,355,339</b>	<b>\$ 7,090,339</b>	<b>\$ 7,380,496</b>	<b>\$ 7,442,323</b>	<b>\$ 7,602,525</b>	<b>\$ 7,993,154</b>
<b>Reserve Balance in Operating Months</b>	<b>16.7</b>	<b>17.1</b>	<b>19.3</b>	<b>16.5</b>	<b>16.9</b>	<b>14.9</b>	<b>14.5</b>	<b>17</b>
50% Current Year General Fund Expenditures (6 months)	\$ (2,089,807)	\$ (2,143,890)	\$ (2,286,670)	\$ (2,583,535)	\$ (2,624,410)	\$ (3,009,319)	\$ (3,086,789)	\$ (2,836,570)
<b>Reserve Balance After GASB 54 Requirement</b>	<b>\$ 3,730,133</b>	<b>\$ 3,957,148</b>	<b>\$ 5,068,669</b>	<b>\$ 4,506,804</b>	<b>\$ 4,756,086</b>	<b>\$ 4,433,005</b>	<b>\$ 4,515,736</b>	<b>\$ 5,156,584</b>
<b>Reserve Balance in Operating Months</b>	<b>10.7</b>	<b>11.1</b>	<b>13.3</b>	<b>10.5</b>	<b>10.9</b>	<b>8.9</b>	<b>8.5</b>	<b>11</b>
<b>Restricted during Fiscal Year Audit:</b>								
Capital Outlay ( \$50K per year) (11-1007-60)					\$ 150,000	\$ 200,000	\$ 250,000	\$ 300,000
Ambulance Donation (11-1001-65)					\$ 100,000	\$ -	\$ -	\$ -
Restricted Impact Fees						\$ 1,785,286	\$ 536,481	\$ 836,481
Brockdale Roadway Improvements (11-1001-60)					\$ 245,054	\$ 285,878	\$ 342,127	\$ 402,127
Project Mgmt (11-1007-70)						\$ 358,290		
Capital Project Funding approved (3-2-17)(11-1007-50)					\$ 1,385,000	\$ 1,385,000		
<b>Reserve Restricted per Audit Report</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,880,054</b>	<b>\$ 4,014,454</b>	<b>\$ 1,128,608</b>	<b>\$ 1,538,608</b>



City of Lucas  
Water Fund Reserves by Fiscal Year

	Actual 2013-2014	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Projected 2019-2020	Projected 2020-2021
<b>Unrestricted Cash Balance per Audit Report</b>	<b>\$ 3,382,193</b>	<b>\$ 4,295,531</b>	<b>\$ 5,579,746</b>	<b>\$ 5,548,487</b>	<b>\$ 5,996,412</b>	<b>\$ 6,215,622</b>	<b>\$ 6,215,622</b>	<b>\$ 6,215,622</b>
Adjusted For:								
Projected Excess Fund Balance FY 20-21								\$ 233,549
Projected Excess Fund Balance FY 19-20							\$ 78,442	\$ 78,442
Additional Restrictions:								
Capital Project funding approved at (3-2-17) City Council Meeting				\$ (120,979)				
Customer Deposits	\$ (209,565)	\$ (223,300)	\$ (239,250)	\$ (245,600)	\$ (247,600)	\$ (256,220)	\$ (261,295)	\$ (261,295)
FY 18-19 Transfer for Capital Projects							\$ (82,163)	\$ (82,163)
<b>Reserve Balance Prior to GASB 54 Requirement</b>	<b>\$ 3,172,628</b>	<b>\$ 4,072,231</b>	<b>\$ 5,340,496</b>	<b>\$ 5,181,908</b>	<b>\$ 5,748,812</b>	<b>\$ 5,959,402</b>	<b>\$ 5,950,606</b>	<b>\$ 6,184,155</b>
<b>Reserve Balance in Operating Months</b>	<b>13</b>	<b>15</b>	<b>19</b>	<b>16</b>	<b>18</b>	<b>18</b>	<b>16</b>	<b>17</b>
50% Current Year General Fund Expenditures (6 months)	\$ (1,397,368)	\$ (1,605,672)	\$ (1,656,470)	\$ (1,897,744)	\$ (1,949,722)	\$ (1,983,894)	\$ (2,169,260)	\$ (2,134,002)
<b>Reserve Balance After GASB 54 Requirement</b>	<b>\$ 1,775,260</b>	<b>\$ 2,466,559</b>	<b>\$ 3,684,026</b>	<b>\$ 3,284,164</b>	<b>\$ 3,799,090</b>	<b>\$ 3,975,508</b>	<b>\$ 3,781,346</b>	<b>\$ 4,050,153</b>
<b>Reserve Balance in Operating Months</b>	<b>7</b>	<b>9</b>	<b>13</b>	<b>10</b>	<b>12</b>	<b>12</b>	<b>10</b>	<b>11</b>
<b>Restricted during FY 18-19 audit:</b>								
Capital Project Funding approved (3-2-17)(51-1007-50)					\$ 120,979	\$ 120,979		
Project Mgmt (51-1007-70)						\$ 69,945		
Reserve Restricted per Audit Report	\$ -	\$ -	\$ -	\$ -	\$ 120,979	\$ 190,924	\$ -	\$ -



# City of Lucas

## City Council Agenda Request

### July 18, 2019

Item No. 07

Requester: City Manager Joni Clarke  
Assistant to the City Manager Kent Souriyasak

#### **Agenda Item Request**

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Discuss traveling to the City of Mont Belvieu to meet with City staff regarding the City's Fiber Internet network in efforts to research internet solutions; and consider utilizing funds for travel expenses from account 11-6100-307 City Council Training/Travel and account 11-6200-307 Administration Training/Travel.

#### **Background Information**

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Assistant to the City Manager Kent Souriyasak reached out to the City of Mont Belvieu's Assistant City Manager, Scott Swigert, to discuss the City of Mont Belvieu's in-house Fiber Internet network known as "MB Link." "MB Link" is an optional public utility that provides Internet service for residents. Prior to the implementation of "MB Link," Mr. Swigert indicated that the City of Mont Belvieu faced challenges in encouraging Internet service providers to expand and improve services. Mr. Swigert shared that City staff attended the Broadband Communities Summit to connect with various Internet service providers and developers which led the City to consider planning and implementing an in-house Fiber Internet network.

"MB Link" is Texas' first municipally-owned fully Fiber-optic broadband network that offers subscribers internet service with up to one Gigabyte per second, a digital gateway with carrier-grade Wi-Fi, and a UPS (uninterruptible power supply) battery backup for the system. "MB Link" offers various standard rates and packages to residents and businesses with initial setup and installation fees. The City of Mont Belvieu employs technicians to perform the exterior and interior installations and City staff to monitor Internet security and network maintenance.

A meeting has been scheduled on Tuesday, August 20, 2019, from 9 a.m. to 12 p.m. to meet with City of Mont Belvieu staff to discuss the implementation of "MB Link." Confirmed attendees include the City Manager Nathan Watkins, Assistant City Manager Scott Swigert, Broadband Network Engineer Dwight Thomas, and Communications and Marketing Director Brian Ligon. The meeting will take place in Mont Belvieu, Texas, and a tour of the City's facilities will be provided.

The City of Mont Belvieu is located approximately 32 miles east from the City of Houston. The one-way travel distance from the City of Lucas is approximately 300 miles and drive time is five hours. Due to the travel distance and scheduled meeting time, City staff recommends an overnight trip to the City of Mont Belvieu.



# City of Lucas City Council Agenda Request July 18, 2019

Item No. 07

## Attachments/Supporting Documentation

NA

## Budget/Financial Impact

The total estimated cost of travel expenses per person is \$608.00 including transportation, lodging, and meals. Funding for travel expenses would be utilized from account 11-6100-307 City Council Training/Travel and account 11-6200-307 Administration Training/Travel.

<b>Travel Expenses per Person</b>	<b>Total</b>
Transportation: Personal Vehicle ( <i>600 miles x \$0.58 mileage rate</i> )	\$348.00
Lodging	\$150.00
Meals ( <i>\$55 per diem daily rate</i> )	\$110.00
<hr/> Total Expenses	<hr/> \$608.00

## Recommendation

City staff recommends utilizing travel funds from account 11-6100-307 City Council Training/Travel and account 11-6200-307 Administration Training/Travel to attend the meeting with City of Mont Belvieu staff in Mont Belvieu, Texas.

Staff is recommending the following attendees to travel to the meeting: Councilmember Debbie Fisher, City I.T. Consultant Bill Baxter, a Technology Committee member, and City staff.

## Motion

There is no motion required.



# City of Lucas Council Agenda Request July 30, 2020

Requester: Councilmember Wayne Millsap

## **Agenda Item Request**

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Discuss the final broadband internet feasibility report and other matters related to the proposed broadband project for the City of Lucas.

## **Background and Financial Information**

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The broadband project would be similar to the City's water service and set up as a separate enterprise fund where it can be self-sustaining through the revenue generated by the customer base for the services provided. The Council indicated funding for the project would need to be approved by the citizens through a bond election. Bond elections are limited to uniform election dates which are Tuesday, November 3, 2020 or Saturday, May 1, 2021. The key date for calling a bond election is the adoption of an ordinance which must be done no more than 90 days and no less than 78 days prior to either election date.

City staff is currently pursuing a grant from the Economic Development Administration (EDA), U.S. Department of Commerce (DOC) that may fund a portion of the broadband project if awarded. However, the EDA has indicated that the City's broadband project may not be considered competitive compared to other ready-to-go projects if the project requires voter approval from the May 1, 2021 Bond Election.

Discussions with the City's Financial Advisors at SAMCO Capital and the Bond Counsel at Norton Rose Fulbright have occurred to discuss funding strategies, timelines, and gain insight on similar broadband projects at the Cities of Dayton and Mont Belvieu. The Bond Counsel has prepared a draft of the proposition language to be included on the ballot should the City Council call a date for the bond election.

The Bond Counsel indicated that (1) the working capital funding is limited to 10% of the total project/bond amount, (2) there is no anticipated impact on the City's bond rating, and (3) the ad valorem tax base provides the underlying credit support in the event that the project does not perform as expected. Possible funding sources for the broadband project would be through bond funds, federal grant(s), and reserves. Reserves could be used or loaned with interest to the Technology Fund as a means of reducing the amount of debt funding.

Magellan Advisors has completed the financial model and is recommending the 55% uptake model in the broadband feasibility study. The justification for recommending this model is based on the minimum uptake percentage and rate combination that can support a sustainable enterprise which includes generating positive free cash flow, paying off debt, and minimizing possible interfund loans from the City.

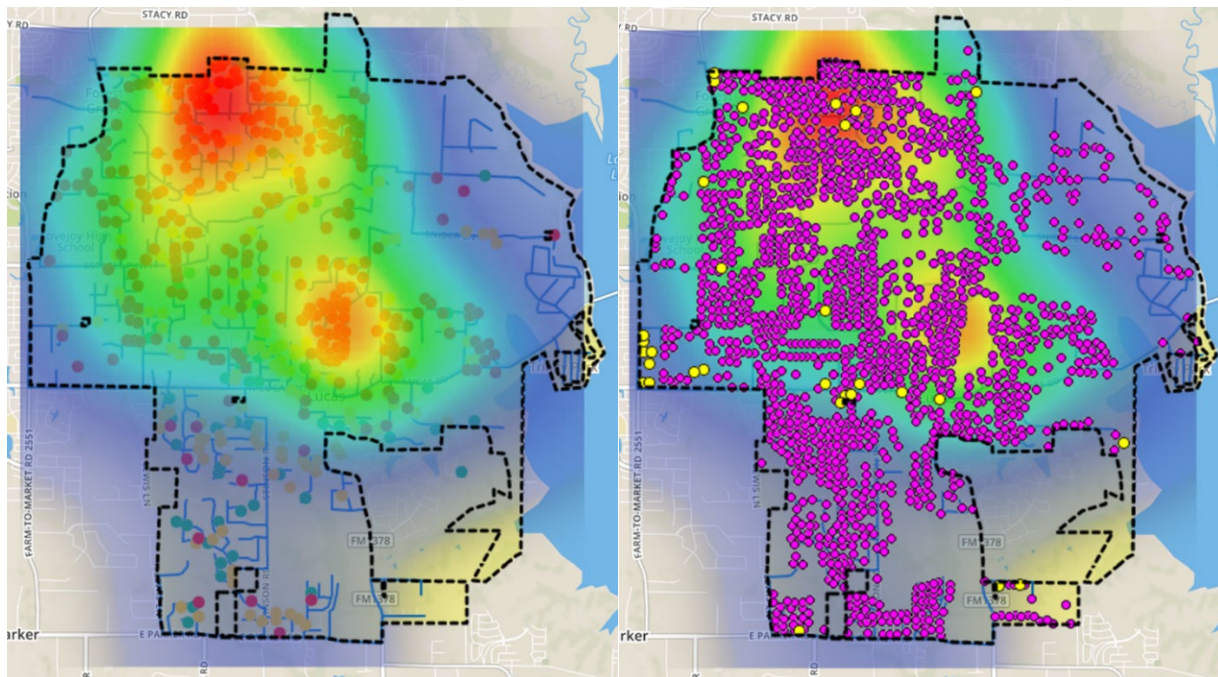


# City of Lucas Council Agenda Request July 30, 2020

Item No. 01

The 55% uptake requires 1,352 out of 2,458 residential households within city limits to become internet customers. Based on the Technology Committee’s research and data from the internet speed test, the majority of households with inadequate internet service (defined by the Federal Communications Commission as below 25 Mbps) are located in areas north of West/East Lucas Road. Magellan Advisors has created a heat map of the City to identify areas with potential high take rates based on the internet speed test data.

Below is the heat map (shown with data of reported internet speeds below 25 Mbps) in comparison to the map of total residential households divided between north and south at West/East Lucas Road:



	<b>North Lucas (North of West/East Lucas Road)</b>	<b>South Lucas (South of West/East Lucas Road)</b>
<b>Residential Households</b>	1,714	744
<b>Businesses</b>	39	11

The remaining timeline regarding the broadband project is:

- |                |   |
|----------------|---|
| July 27, 2020  | Zoom meeting with Magellan Advisors to review finalized feasibility study       |
| July 30, 2020  | City Council meeting to make a decision regarding the bond election date        |
| August 6, 2020 | City Council meeting to call the bond election for November 3, 2020 (tentative) |



# City of Lucas Council Agenda Request July 30, 2020

Item No. 01

## Attachments/Supporting Documentation

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1. Timetable for a Bond Election on Tuesday, November 3, 2020
2. Timetable for a Bond Election on Saturday, May 1, 2021
3. Comparison Matrix of Financial Summary
4. Fiber Project Analysis by SAMCO Capital
5. Final Broadband Feasibility Study will be sent out as a separate attachment

## Budget/Financial Impact

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Magellan Advisors has provided the below financial summary of the 55% uptake financial model which includes the estimated principal and interest cost of the broadband project. The Bond Counsel indicated the working capital funding is limited to 10% of the total project/bond amount. Magellan Advisors has estimated the cost of interfund loans from the City to cover projected year-end shortfalls where the model does not generate sufficient positive cash flow.

The City's Financial Advisor Mark McLiney at SAMCO Capital recommended a conservative interest rate of 3.25% to calculate financing estimates for the construction and implementation of a municipal fiber network.

Uses of Funds	Principal	Interest	Total
Fiber Plant & Facilities	\$ 11,321,124	\$ 4,251,961	\$ 15,573,085
Network Equipment & Buildings	\$ 3,465,273	\$ 649,083	\$ 4,114,356
Home Equipment	\$ 2,593,971	\$ 347,992	\$ 2,941,963
Working Capital	\$ 1,800,000	\$ 502,792	\$ 2,302,792
<b>Total General Obligation Bonds</b>	<b>\$ 19,180,368</b>	<b>\$ 5,751,828</b>	<b>\$ 24,932,196</b>
Interfund Loans	\$ 4,730,000	\$ 1,321,225	\$ 6,051,225
<b>Total Debt</b>	<b>\$ 23,910,367</b>	<b>\$ 7,073,053</b>	<b>\$ 30,983,420</b>

## Recommendation

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NA

## Motion

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I make a motion to approve/deny \_\_\_\_\_.

**City of Lucas, Texas**

**Timetable for a Bond Election on Tuesday, November 3, 2020 – to be Called August 5-17, 2020**

<b>Event</b>	<b>Time Required</b>	<b>Date</b>	<b>Done</b>
City staff confers with financial advisor/bond counsel	At least 4 weeks before calling election	June 2020	
City staff explores possible polling locations	At least 3 weeks before calling election	July 2020	
City Council adopts ordinance calling election	Not more than 90 days or less than 78 days prior to election <sup>1</sup>	August 6, 2020 (Thurs.)	
Bond counsel orders translations (Spanish, etc.)	Immediately after calling the election	August 7, 2020 (Fri.)	
Bond counsel delivers ballot to election official	Deadline determined by election official	<i>Est.</i> August 31, 2020 (Mon.)	
Bond counsel delivers notice of election to the county election official <sup>2</sup>	Not later than 60 days before election	September 4, 2020 (Fri.)	
Last day to register to vote	30 days prior to election <sup>3</sup>	October 4, 2020 (Sun.)	
City staff publishes first notice of election in English, Spanish, and other applicable languages	Not more than 30 days or less than 14 days prior to election <sup>4</sup>	<i>Submit by October 7 (Weds.)</i> October 8, 2020 (Thurs.)	
City staff posts notice of election (all applicable languages) prominently on the City's website	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts sample ballot on the City's website	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts notice of election (all applicable languages) at City Hall's bulletin board	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff posts notice of election and voter information document (all applicable languages) at three public places in the City	Not later than 21 days before election until after election	October 13, 2020 (Tues.)	
City staff publishes second notice of election (all applicable languages)	Exactly one week after first publication	<i>Submit by October 14 (Weds.)</i> October 15, 2020 (Thurs.)	
Early voting begins	17 days prior to election day <sup>5</sup>	October 19, 2020 (Mon.)	
Early voting ends	4 days prior to election day	October 30, 2020 (Fri.)	
Election day	1st Tuesday after the 1st Monday in November	November 3, 2020 (Tues.)	
City Council canvasses election returns	Not later than 14 days after election and not earlier than the later of: (1) the 3rd day after election; (2) the date the provisional ballots have been counted; or (3) the date that all timely cast overseas ballot have been counted <sup>6</sup>	November 6, 2020 (Fri.) through November 17, 2020 (Tues.)	
End of election contest period	Later of 30 days after canvassing or 15 days after electronic records publicly available	<i>Generally no later than</i> December 17, 2020 (Thurs.)	

<sup>1</sup> This window is Wednesday, August 5, 2020 to Monday, August 17, 2020. Notice of the meeting must be posted at least 72 hours prior to the meeting. In home-rule cities, charter requirements for election notices must be followed. Ordinance reading requirements need not be followed but may be. Gov't Code § 1201.028. If so, all readings should occur within the "call window."

<sup>2</sup> Bond counsel will provide the election official with appropriate notices of election for each polling location, typically after this deadline.

<sup>3</sup> Because the deadline falls on Sunday, October 4, the Secretary of State typically moves the date to the next business day. The deadline is not affected by the Columbus holiday (October 12, 2020).

<sup>4</sup> The first day to publish the first time is Sunday, October 4, 2020, and the last day to publish the first time is Tuesday, October 20, 2020. The second publication must occur one week after the first publication on the same day of the week as the first publication. The *Allen American* publishes legal notices on Thursdays. Notice must be submitted by 1:00 pm the Wednesday before publication. Payment may also be required at that time. The entire notice must be published in both languages.

<sup>5</sup> The early voting period for a November election is typically longer than a May election. Because the first day of the early voting period falls on Saturday, October 17, 2020, the date moves to the next business day. The results from early voting are not available until 7:00 p.m. on election day.

<sup>6</sup> This canvass period applies to a November election in even-numbered years. Notice of the canvass meeting should be posted at least 72 hours prior to the meeting. Final results including mailed and provisional ballots may not be available until the last two days of the canvassing period. An election with close results may be affected.

**City of Lucas, Texas**

**Timetable for a Bond Election on Saturday, May 1, 2021 – to be called January 31-February 12, 2021**

<b>Event</b>	<b>Time Required</b>	<b>Date</b>	<b>Done</b>
City confers with financial advisor/bond counsel	At least 4 weeks before calling election	January 2021	
City staff explores polling locations	At least 2 weeks before calling election	January 2021	
City Council adopts an ordinance calling the election	Not more than 90 days or less than 78 days prior to election <sup>1</sup>	February 4, 2021 (Thurs.)	
Bond counsel orders translations (Spanish, etc.)	Immediately after calling the election	February 5, 2021 (Fri.)	
Bond counsel delivers ballot language to election official	determined by the election official	<i>Estimated</i> February 17, 2021 (Mon.)	
Bond counsel delivers notice of election to the county election official <sup>2</sup>	Not later than 60 days before election	March 2, 2021 (Tues.)	
City staff publishes first notice of election in English, Spanish, and other applicable languages	Not more than 30 days or less than 14 days prior to election <sup>3</sup>	<i>Submit by March 31 (Weds.)</i> April 1, 2021 (Thurs.)	
Last day to register to vote	30 days prior to election	April 1, 2021 (Thur.)	
City posts sample ballot on the City's website	Not later than 21 days prior to election until after election day <sup>4</sup>	April 9, 2021 (Fri.)	
City staff posts notice of election (all applicable languages) prominently on the City's website	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts sample ballot on the City's website	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts notice of election (all applicable languages) at City Hall on the bulletin board used for posting meeting notices	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff posts notice of election and voter information document (all applicable languages) at three public places within the City	Not later than 21 days prior to election until after election day	April 9, 2021 (Fri.)	
City staff publishes second notice of election (all applicable languages)	Exactly one week after first publication	<i>Submit by April 7 (Weds.)</i> April 8, 2021 (Thurs.)	
Early voting begins	12 days prior to election <sup>5</sup>	April 19, 2021 (Mon.)	
Early voting ends	4 days prior to election	April 27, 2021 (Tues.)	
Election day	First Saturday in May	May 1, 2021 (Sat.)	
City Council canvasses election returns	Not later than 11 days after election and not earlier than the later of: (1) the 3rd day after election; (2) the date the provisional ballots have been counted; or (3) the date that all timely cast overseas ballot have been counted <sup>6</sup>	May 4, 2021 (Tues.) through May 12, 2021 (Wed.) <sup>7</sup>	
End of election contest period	Later of 30 days after canvassing or 15 days after electronic records publicly available	<i>Generally no later than</i> June 11, 2021 (Fri.)	

<sup>1</sup> This window is January 31, 2021 to February 12, 2021. Notice of the meeting to call the election should be posted at least 72 hours prior to the meeting. In home-rule cities, charter requirements for election notices must be followed. Ordinance reading requirements need not be followed but may be. Gov't Code § 1201.028. If so, all readings should occur within the "call window."

<sup>2</sup> Bond Counsel will provide the election official with appropriate Notices of Election for each polling location.

<sup>3</sup> The first day to publish the notice is April 1, 2021, and the last day is April 21, 2021. The second publication must occur one week after the first publication on the same day of the week as the first publication. The *Allen American* publishes legal notices on Thursdays. Notice must be submitted by 1:00 pm the Wednesday before publication. Payment may also be required at that time. The entire notice must be published in both languages.

<sup>4</sup> Because this deadline falls on Saturday, April 10, the Secretary of State typically rolls the deadline forward to Monday, April 13. We recommend early compliance.

<sup>5</sup> This early voting period applies only to the May election date.

<sup>6</sup> This canvassing time applies only to the May election date. Notice of the meeting to canvass the election should be posted at least 72 hours prior to the meeting.

<sup>7</sup> Due to recent changes in state and federal law, final results including mailed and provisional ballots may not be available until the last two days of the canvassing period. An election with close results may be affected.





**Notes:**

1. 90/10 split between 1GB and 10GB products for subscribers taking service
2. 45% uptake model was not supported by the financial model.
3. 50% uptake was the lowest uptake supported by the model. Approx. 9.5M needed in interfund loans

Take Rate Assumption	50%	55%	65%
Residential 1G Price	115.00	115.00	115.00

Uses of Funds:			
Fiber Plant & Facilities	11,321,124	11,321,124	11,321,124
Network Equipment & Buildings	3,465,273	3,465,273	3,465,273
Home Equipment	2,366,432	2,593,970	3,050,342
Working Capital	1,800,000	1,800,000	1,800,000
	<b>18,952,829</b>	<b>19,180,367</b>	<b>19,636,739</b>

Sources of Funds:			
General Obligation Bonds			
20 year	11,321,124	11,321,124	11,321,124
10 year	3,465,273	3,465,273	3,465,273
15 year	1,800,000	1,800,000	1,800,000
7 year	2,366,432	2,593,970	3,050,342
	<b>18,952,829</b>	<b>19,180,367</b>	<b>19,636,739</b>
Loan from Reserves <sup>(1)</sup>	9,510,000	4,730,000	1,710,000
	<b>28,462,829</b>	<b>23,910,367</b>	<b>21,346,739</b>

(1) Loans as required from General or Utility Funds and repaid from cash flow with interest

Supporting Schedule			
Working Capital			
Operating Funds			
Working Capital <sup>(1)</sup>	1,800,000	1,800,000	1,800,000
Operating Deficits <sup>(2)</sup>	9,510,000	4,730,000	1,710,000
	<b>11,310,000</b>	<b>6,530,000</b>	<b>3,510,000</b>

(1) Included in Bond  
(2) Loan from reserves

	Take Rate Assumption		
	50%	55%	65%
Residential rate	115.00	115.00	115.00
# residents	2,458	2,458	2,458
# of customers	1,229	1,352	1,598
Operating profitability (year)	7	7	6
Cash flow positive (year)	8	6	6
Repay reserve loans (year)	29	27	20
Repay reserve loans using free cash	28	22	18

**City of Lucas, Texas**  
**Fiber Project Analysis: Scenario 4 Final Magellan Recommendation**  
**July 10, 2020**

A	B	C	D	E	F	G	H	I	J	L	M	N	O	P
FYE (9/30)	\$11,325,000 Plant and Facilities	\$1,900,000 Working Capital	\$3,470,000 Network Equipment	\$2,595,000 Home Equipment	\$19,290,000 Total <sup>(1)</sup>	Revenues <sup>(2)</sup>	Operating Expenses (2)	Operating Income (G-H) <sup>(2)</sup>	Capital Expenditures <sup>(3)</sup>	Use of Working Capital (4)	Available for Debt Service (I+J+K+L)	Less: Debt Service (F)	Surplus / (Deficit) (M+N)	Cumulative Surplus / (Deficit) <sup>(5)</sup>
2021							\$ -	\$ -	\$ 711,839		\$ (711,839)	\$ -	\$ (711,839)	\$ (711,839)
2022							345,501	(345,501)	-		(345,501)	-	(345,501)	(1,057,340)
2023	\$ 368,063	\$ 160,125	\$ 407,900	\$ 413,894	\$ 1,349,981	\$ 315,016	1,119,364	(804,348)	-	\$ 1,119,364	315,016	(1,349,981)	(1,034,965)	(2,092,305)
2024	368,063	161,794	407,988	412,844	1,350,688	1,390,812	1,141,788	249,024	-	780,636	1,029,660	(1,350,688)	(321,027)	(2,413,332)
2025	368,063	158,381	407,750	416,388	1,350,581	2,347,108	1,204,754	1,142,353	-	-	1,142,353	(1,350,581)	(208,228)	(2,621,560)
2026	864,856	159,888	407,188	414,525	1,846,456	2,880,591	1,252,760	1,627,831	-	-	1,627,831	(1,846,456)	(218,626)	(2,840,186)
2027	868,119	161,231	406,300	412,338	1,847,988	3,178,478	1,291,074	1,887,405	-	-	1,887,405	(1,847,988)	39,417	(2,800,769)
2028	865,813	157,494	405,088	414,744	1,843,138	3,278,498	1,324,190	1,954,309	-	-	1,954,309	(1,843,138)	111,171	(2,689,597)
2029	867,938	158,675	403,550	416,663	1,846,825	3,342,938	1,356,559	1,986,379	-	-	1,986,379	(1,846,825)	139,554	(2,550,043)
2030	869,413	159,694	406,606	-	1,435,713	3,409,166	1,389,845	2,019,321	-	-	2,019,321	(1,435,713)	583,609	(1,966,435)
2031	865,319	160,550	404,256	-	1,430,125	3,440,654	1,423,019	2,017,634	-	-	2,017,634	(1,430,125)	587,509	(1,378,925)
2032	865,656	161,244	406,500	-	1,433,400	3,448,874	1,456,057	1,992,817	-	-	1,992,817	(1,433,400)	559,417	(819,509)
2033	865,344	161,775	-	-	1,027,119	3,456,794	1,493,933	1,962,861	-	-	1,962,861	(1,027,119)	935,742	116,233
2034	869,300	162,144	-	-	1,031,444	3,469,142	1,529,017	1,940,124	-	-	1,940,124	(1,031,444)	908,680	1,024,914
2035	867,525	162,350	-	-	1,029,875	3,481,309	1,565,145	1,916,165	-	-	1,916,165	(1,029,875)	886,290	1,911,204
2036	865,100	157,475	-	-	1,022,575	3,490,879	1,602,203	1,888,676	-	-	1,888,676	(1,022,575)	866,101	2,777,304
2037	866,944	157,519	-	-	1,024,463	3,500,149	1,640,328	1,859,821	-	-	1,859,821	(1,024,463)	835,358	3,612,663
2038	867,975	-	-	-	867,975	3,510,547	1,679,577	1,830,970	-	-	1,830,970	(867,975)	962,995	4,575,658
2039	868,194	-	-	-	868,194	3,520,645	1,701,332	1,819,313	-	-	1,819,313	(868,194)	951,119	5,526,777
2040	867,600	-	-	-	867,600	3,530,292	1,742,296	1,787,997	-	-	1,787,997	(867,600)	920,397	6,447,174
2041	866,194	-	-	-	866,194	3,539,640	1,804,200	1,735,440	-	-	1,735,440	(866,194)	869,246	7,316,420
2042	868,894	-	-	-	868,894	3,547,560	1,848,107	1,699,453	-	-	1,699,453	(868,894)	830,559	8,146,979
	15,844,369	2,400,338	4,063,125	2,901,394	25,209,225				711,839	\$1,900,000				

<sup>(1)</sup> Interest calculated at an assumed rate of 3.25% for illustrative purposes only.

<sup>(2)</sup> Revenue and expense projections from Magellan Advisors proforma contained within their Broadband and Feasibility Study as of July 2020v.5.

<sup>(3)</sup> Capital Expenditure represents unfinanced portion of capital expenditures made prior to debt financings contemplated for February 1, 2022.

<sup>(4)</sup> Working capital from financings (assuming it represents less than 10% of debt proceeds) to be used for operating expenditures and NOT debt service.

<sup>(5)</sup> Total shortfall of \$2,840,186 recognized over first 6 years and recovered subsequently over the following 6 years shown above. **This analysis does not consider the funding 'Reserve Fund Requirements' as outlined in Magellan's proforma analysis.**



# City of Lucas

## City Council Agenda Request

### August 6, 2020

Item No. 06

Requester: City Secretary Stacy Henderson

#### **Agenda Item Request**

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Consideration and approval of Ordinance 2020-08-00919 calling a Bond Election to be held in the City of Lucas, Texas to seek voter approval of the issuance of not more than \$19,190,000 of general obligation bonds to create a fiber optic broadband utility system; making provision for the conduct of a joint election; and resolving other matters incident and related to such election.

#### **Background Information**

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Due to concerns raised by citizens about the lack of adequate and reliable internet service, the City Council appointed Lucas residents to form the Technology Committee which serves as an ad hoc committee in all matters relating to technology-related services of the City. The Technology Committee provided recommendations to the City Council and City Manager on issues of community-wide interests relating to information technology and internet services.

The City moved forward with acquiring the services of Magellan Advisors to conduct a broadband feasibility study which includes a conceptual network design and financial model. The purpose of the study is to determine if it is feasible for the City to implement and operate a sustainable broadband network to provide internet service to Lucas residents within city limits.

The following is a timeline of the City's efforts in researching internet solutions to date:

- |                          |  |
|--------------------------|--|
| September - October 2018 | The City released the Technology & Communication Survey to the community to obtain feedback regarding internet service and city communication efforts in Lucas.  |
| November 2018            | 400 household responses were collected from the Technology and Communication Survey and results were presented to City Council.  |
| January 2019             | City Council appointed members of the Technology Committee. Technology Committee held their first meeting and determined items to research and collect information regarding internet service.   |
| February - April 2019    | Technology Committee explored opportunities to steer interest from current Internet Service Providers (ISPs) to expand and/or improve internet service. The overall response from ISPs indicated there are no business plans to expand existing networks or rebuild infrastructure due to low return on investment, low density housing, and large residential lots. |



# City of Lucas

## City Council Agenda Request

### August 6, 2020

May - August 2019	The City developed the Internet Speed Test where 514 households reported internet speeds, service providers, and infrastructure. Internet speed data was used to geographically map internet speeds throughout Lucas.
August - September 2019	Technology Committee researched municipal broadband networks and traveled alongside city staff to Mont Belvieu, Texas, to meet with the City of Mont Belvieu and discuss MB Link, the first municipally owned and operated broadband network in the State.
October 2019	City Council approved the Technology Committee's recommendation to acquire the services of a broadband consultant to conduct a broadband feasibility study.
November 2019	City staff and Technology Committee developed key content in the Request for Proposal to acquire the services of a broadband consultant to conduct a broadband feasibility study which includes a conceptual network design and financial model.
December 2019	The Request for Proposal was finalized and published to garner interest from broadband developers and consultants to conduct the broadband feasibility study.
January - February 2020	The City received seven proposals in response to the Request for Proposal and the Technology Committee reviewed, scored, and ranked each proposal based on a set of evaluation factors. The City Council approved the Technology Committee's recommendation to acquire the services of Magellan Advisors to conduct the broadband feasibility study.
March 2020	A formal contract was executed between the City and Magellan Advisors to conduct the broadband feasibility study.
April 2020	Magellan Advisors collected data and necessary information from the City to develop the conceptual network design and estimate costs.
May 27, 2020	Magellan Advisors held a broadband project meeting with City Council and Technology Committee to review the preliminary conceptual network design and estimated construction costs.



# City of Lucas

## City Council Agenda Request

### August 6, 2020

June 4, 2020	City Council meeting with discussions regarding broadband project timelines, milestones, funding, and the potential bond election.
June 17, 2020	Magellan Advisors held a broadband project meeting with City Council to review the preliminary financial model.
June 18, 2020	City Council meeting to discuss the preliminary financial model, recommendations, funding strategies, and information from the City's Financial Advisor.
June 29, 2020	Magellan Advisors held a broadband project meeting with City Council to review the adjusted financial model.
June 30, 2020	Magellan Advisors held a broadband project meeting with Technology Committee to provide an update on the overall project.
July 2, 2020	City Council meeting with final recommendations regarding the adjusted financial model.
July 16, 2020	City Council meeting with overview of the broadband feasibility draft study provided by Magellan Advisors.
July 27, 2020	Magellan Advisors held a broadband project meeting with City Council to review the finalized broadband feasibility study.
July 28, 2020	Magellan Advisors submits completed broadband feasibility study to the City.
July 30, 2020	Budget Workshop/Special City Council meeting with discussions regarding the broadband project, feasibility study, and potential bond election date.
August 6, 2020	City Council meeting to consider calling a special bond election for the broadband project on November 3, 2020.

#### **Attachments/Supporting Documentation**

1. Ordinance 2020-08-00919
2. Fiber Project Analysis by Samco Capital will be sent out under separate attachment.



# City of Lucas

## City Council Agenda Request

### August 6, 2020

#### **Budget/Financial Impact**

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NA

#### **Recommendation**

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NA

#### **Motion**

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I move that the City Council adopt Ordinance 2020-08-00919 calling a Bond Election to be held in the City of Lucas, Texas to seek voter approval of the issuance of not more than \$19,190,000 of general obligation bonds to create a fiber optic broadband utility system; making provision for the conduct of a joint election; and resolving other matters incident and related to such election.

**Ordinance 2020-08-00919**

**AN ORDINANCE CALLING A BOND ELECTION TO BE HELD IN THE CITY OF LUCAS, TEXAS TO SEEK VOTER APPROVAL OF THE ISSUANCE OF NOT MORE THAN \$19,190,000 OF GENERAL OBLIGATION BONDS TO CREATE A FIBER OPTIC BROADBAND UTILITY SYSTEM; MAKING PROVISION FOR THE CONDUCT OF A JOINT ELECTION; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO SUCH ELECTION**

\*\*\*\*\*

WHEREAS, the City Council (the *Council*) of the CITY OF LUCAS, TEXAS (the *City*), located in Collin County, Texas (the *County*), hereby finds and determines that an election should be held to determine whether the Council shall be authorized to issue general obligation bonds of the City in the amount and for the purposes hereinafter identified (the *Election*); and

WHEREAS, the City will contract with the Elections Administrator (the *Administrator*) of the County to conduct all aspects of the Election; and

WHEREAS, the Election will be held jointly with other political subdivisions (such other political subdivisions, collectively, the *Participants*) for whom the County is also conducting their elections, as provided pursuant to the provisions of one or more joint election agreements or contracts among the City, the County, and the Participants, entered into in accordance with the provisions of Section 271.002, as amended, Texas Election Code, or other applicable law, pursuant to which the County will conduct all aspects of the Election on the City's behalf;

WHEREAS, the Council hereby finds and determines that the necessity to construct various capital improvements within the City necessitates that it is in the public interest to call and hold the Election at the earliest possible date to authorize the issuance of general obligation bonds for the purposes hereinafter identified; and

WHEREAS, the Council hereby finds and determines that the actions hereinbefore described are in the best interests of the residents of the City; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUCAS, TEXAS THAT:

SECTION 1. The Election shall be held in the CITY OF LUCAS, TEXAS on the 3rd day of November, 2020 (*Election Day*), which is a uniform election date under the Texas Election Code, as amended, and is not less than 78 days nor more than 90 days from the date of the adoption of this ordinance (the *Ordinance*), for the purpose of submitting the following proposition to the qualified voters of the City:



## **PROPOSITION B**

“Shall the City Council of the City of Lucas, Texas be authorized to issue and sell one or more series of general obligation bonds of the City in the aggregate principal amount of not more than \$19,190,000 for the purpose of making permanent public improvements or other public purposes, to wit: creation of a utility system by designing, acquiring, constructing, purchasing, renovating, enlarging, improving, installing, and equipping fiber optic cable to provide broadband internet service and related facilities within the City, and the purchase of materials, supplies, equipment, machinery, landscaping, land, easements, rights-of-way, and other real property interests necessary therefor or incidental thereto, such bonds to mature serially or otherwise (not more than 20 years from their date) in accordance with law; and any issue or series of said bonds to bear interest at such rate or rates (fixed, floating, variable or otherwise) as may be determined within the discretion of the City Council, provided that such rate of interest shall not exceed the maximum rate per annum authorized by law at the time of the issuance of any issue or series of said bonds; and shall the City Council of the City be authorized to levy and pledge, and cause to be assessed and collected, annual ad valorem taxes, within the limitations prescribed by law, on all taxable property in said City sufficient to pay the annual interest and provide a sinking fund to pay the bonds at maturity and the cost of any credit agreements executed in connection with the bonds?”

SECTION 2. One or more City election precincts are hereby established for the purpose of holding the Election, and one or more polling places are hereby designated for holding the Election in the City election precincts as identified in Exhibit A to this Ordinance (which is incorporated herein by reference for all purposes). At least 79 days prior to Election Day, or as soon thereafter as is reasonably practicable, the City, acting through the Mayor, the City Manager, or the designee thereof, in coordination with the Administrator, or the designee thereof, as necessary or desirable, will appoint the Presiding Judges, Alternate Presiding Judges, Election Clerks, and all other election officials for the Election, together with any other necessary changes to election practices and procedures and can correct, modify, or change the Exhibits to this Ordinance based upon the final locations and times agreed upon by the Administrator, the City, and the Participants to the extent permitted by applicable law.

A. The Presiding Judge shall appoint not less than two resident qualified voters of the County to act as clerks in order to properly conduct the Election. To the extent required by the Texas Election Code, as amended, or other applicable law, the appointment of these clerks must include a person fluent in the Spanish language to serve as a clerk to render oral aid in the Spanish language to any voter desiring such aid at the polls on Election Day. If the Presiding Judge appointed actually serves, the Alternate Presiding Judge shall serve as one of the clerks. In the absence of the Presiding Judge, the Alternate Presiding Judge shall perform the duties of the Presiding Judge of the election precinct.

B. On Election Day, the polls shall be open as designated on Exhibit A.

The County participates in the Countywide Polling Place Program under Section 43.007, as amended, Texas Election Code, meaning that any City voter can vote in the Election at any polling place identified in Exhibit A.

C. The main early voting location is designated in Exhibit B to this Ordinance (which is hereby incorporated herein by reference for all purposes). The individual named as the Early Voting Clerk as designated in Exhibit B is hereby appointed as the Early Voting Clerk to conduct such early voting in the Election. The Early Voting Clerk shall appoint the Deputy Early Voting Clerks. This main early voting location shall remain open to permit early voting on the days and at the times as stated in Exhibit B. Early voting shall commence as provided on Exhibit B and continue through the date set forth on Exhibit B, all as provided by the provisions of the Texas Election Code, as amended.

Additionally, permanent and/or temporary branch offices for early voting by personal appearance may be established and maintained in accordance with the Texas Election Code. In the event such permanent and/or temporary branch locations are established, information regarding the locations, dates, and hours of operation for early voting at these offices shall be determined by the Administrator, as identified in Exhibit B hereto.

An Early Voting Ballot Board is hereby established for the purpose of processing early voting results. The individual designated in Exhibit B as the Presiding Judge of the Early Voting Ballot Board is hereby appointed the Presiding Judge of the Early Voting Ballot Board. The Presiding Judge shall appoint not less than two resident qualified voters of the City to serve as members of the Early Voting Ballot Board.

SECTION 3. Electronic voting machines may be used in holding and conducting the Election on Election Day; provided, however, in the event the use of such electronic voting machines is not practicable, the Election may be conducted on Election Day by the use of paper ballots (except as otherwise provided in this section). Electronic voting machines or paper ballots may be used for early voting by personal appearance (except as otherwise provided in this section). Pursuant to Section 61.012, as amended, Texas Election Code, the City shall provide at least one accessible voting system in each polling place used in the Election. Such voting system shall comply with State and federal laws establishing the requirement for voting systems that permit voters with physical disabilities to cast a secret ballot. Any legally permissible voting method may be used for early voting and Election Day voting by personal appearance. Certain early voting may be conducted by mail.

SECTION 4: The City is authorized to utilize a Central Counting Station (the *Station*) as provided by Section 127.001, *et seq.*, as amended, Texas Election Code. The Administrator, or the designee thereof, is hereby appointed as the Manager of the Station, who will establish a written plan for the orderly operation of the Station in accordance with the provisions of the Texas Election Code. The Council hereby authorizes the Administrator, or the designee thereof, to appoint the Presiding Judge of the Station, the Tabulation Supervisor, and the Programmer for the Station and may appoint Station clerks as needed or desirable. The Administrator will publish (or cause to be published) notice and conduct testing on the automatic tabulation equipment relating to the Station and conduct instruction for the officials and clerks for the Station in accordance with the provisions of the Texas Election Code.

SECTION 5. The official ballot shall be prepared in accordance with the Texas Election Code, as amended, so as to permit voters to vote “FOR” or “AGAINST” the aforesaid proposition which shall appear on the ballot substantially as follows:

**PROPOSITION B**

“THE ISSUANCE OF NOT TO EXCEED \$19,190,000 OF CITY OF LUCAS, TEXAS GENERAL OBLIGATION BONDS FOR A FIBER OPTIC CABLE UTILITY SYSTEM TO PROVIDE BROADBAND INTERNET SERVICE, AND THE LEVYING OF A TAX IN PAYMENT THEREOF”

SECTION 6. All resident qualified voters of the City shall be permitted to vote at the Election, and on Election Day, such voters shall vote at the designated polling places. The Election shall be held and conducted in accordance with the provisions of the Texas Election Code, as amended, Chapters 1251 and 1331, as amended, Texas Government Code, and as may be required by any other law. To the extent required by law, all materials and proceedings relating to the Election shall be printed in both English and Spanish.

SECTION 7. Notice of election, including a Spanish translation thereof, shall be published on the same day in each of two successive weeks in a newspaper of general circulation in the City, the first of these publications to appear in such newspaper not more than 30 days, and not less than 14 days, prior to Election Day. Moreover, a substantial copy of this Ordinance and the voter information attached as Exhibit C, including a Spanish translation thereof, shall be posted (i) at City Hall not less than 25 days prior to Election Day; (ii) at three additional public places within the City not less than 25 days prior to Election Day, (iii) in a prominent location at each polling place on Election Day and during early voting, and (iv) in a prominent location on the City’s internet website not less than 25 days prior to Election Day. A sample ballot shall be posted on the City’s internet website not less than 25 days prior to Election Day.

SECTION 8. As required by and in accordance with Section 3.009(b)(5) and (7) through (9) of the Texas Election Code, the City, as of its fiscal year beginning October 1, 2019, had outstanding an aggregate principal amount of debt equal to \$25,045,000; the aggregate amount of the interest owed on such City debt obligations, through respective maturity, totaled \$6,892,237; and the City levied an ad valorem debt service tax rate for its outstanding debt obligations of \$0.1187 per \$100 of taxable assessed valuation. Based on the bond market conditions on the date of the Council’s adoption of this Ordinance, the maximum interest rate for any series of bonds authorized at the Election is 3.25% (expressed as a net effective interest rate applicable to any such series of bonds). The bonds that are the subject of this Election shall mature serially or otherwise overall a specified number of years (not more than 20 years from their date), as preserved by applicable Texas law, though the City estimates that, based on current bond market conditions, such bonds will amortize over a 20-year period from their respective date of issue.

The foregoing estimated maximum net effective interest rate and amortization period are only estimates, provided for Texas statutory compliance; they do not serve as a cap on the per annum interest rate at which any series of bonds authorized at the Election may be sold, or the amortization period for bonds that are the subject of this Election.

SECTION 9. The Council authorizes the Mayor, the City Manager, or their respective designee, to negotiate and enter into one or more joint election agreements and/or similar contracts or agreements with the County, acting by and through the Administrator, and any Participants if desired or required to comply with applicable law, as permitted and in accordance with the provisions of the Texas Election Code, as amended. In addition, the City authorizes the Mayor, the City Manager, or their respective designee of either of such parties to make such technical modifications to this Ordinance that are necessary for compliance with applicable Texas or federal law or to carry out the intent of the Council, as evidenced herein. To the extent that any duty or obligation of the City, in general, or any City official, in particular, is properly delegated to the County pursuant to a joint election agreement, then the County's carrying out those duties and obligations on the City's behalf pursuant to the terms of such joint election agreement shall be binding upon the City and are hereby determined by the Council to be evidence of the City's compliance with the provisions of applicable Texas law concerning the Election relative to the same. By incorporating all essential terms necessary for a joint election agreement, this Ordinance is intended to satisfy Section 271.002(d) of the Texas Election Code, as amended, without further action of the City Council. To the extent needed or desirable, the Administrator is hereby appointed joint custodian of voted ballots for the purposes of Section 31.096, as amended, Texas Election Code.

SECTION 10. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

SECTION 11. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 12. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 13. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 14. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and this Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 15. Pursuant to the provisions of Section 1201.028, as amended, Texas Government Code, this Ordinance shall be effective immediately upon adoption, notwithstanding any provision in the City's Home Rule Charter to the contrary concerning a multiple reading requirement for the adoption of ordinances.

\* \* \* \*

PASSED AND APPROVED on the 6th day of August, 2020.

CITY OF LUCAS, TEXAS

---

Mr. Jim Olk  
Mayor

ATTEST:

---

Ms. Stacy Henderson  
City Secretary

(CITY SEAL)

[Signature Page to City of Lucas, Texas Ordinance Calling a Bond Election]

**Exhibit A**

**ELECTION DAY PRECINCTS AND POLLING PLACES**

Election Day: Tuesday, November 3, 2020

Election Day Polling Locations open from 7 a.m. to 7 p.m.

Presiding Judge(s) and Alternate(s): to be named by the Administrator

**TENTATIVE**

**Proposed Polling Locations Attached**

\*\*\* County participates in the Countywide Polling Place program under Section 43.007, as amended, Texas Election Code. Registered voters will be able to cast their Election Day ballots at any of the Vote Centers identified above.

*[The remainder of this page intentionally left blank.]*

**Exhibit B**

**EARLY VOTING**

Early voting begins Tuesday, October 13, 2020 and ends on Friday, October 30, 2020.

Early Voting Clerk  
Bruce Sherbet  
Collin County Elections  
2010 Redbud Blvd., Suite 102  
McKinney, Texas 75069

Presiding Judge of the Early Voting Ballot Board: to be named by the County Clerk.  
Voters entitled to vote an early ballot by personal appearance may do so at any Early Voting site.

**Main Early Voting Polling Place, Dates, and Times**

**Dates**

**Times**

**See Attached**

**Permanent Early Voting Polling Places, Dates, and Times**

**Dates**

**Times**

**See Attached**

**Early Voting By Mail**

Applications for voting by mail should be received no later than the close of business (5:00 p.m.) on [Day], October 23, 2020. Applications should be sent to:

Early Voting Clerk  
Bruce Sherbet  
Collin County Elections  
2010 Redbud Blvd., Suite 102  
McKinney, Texas 75069  
email: [absenteemailballoting@collincountytexas.gov](mailto:absenteemailballoting@collincountytexas.gov)

*[The remainder of this page intentionally left blank.]*



**Exhibit C**

**VOTER INFORMATION DOCUMENT**

City of Lucas, Texas Proposition B:

<input type="checkbox"/> FOR	
<input type="checkbox"/> AGAINST	

principal of debt obligations to be authorized	\$19,190,000
estimated interest for the debt obligations to be authorized presuming an interest rate of 3.25%	\$5,919,225
estimated combined principal and interest required to pay on time and in full the debt obligations to be authorized amortized over 20 years	\$25,109,225
as of the date the election was ordered, principal of all outstanding debt obligations	\$23,630,000
as of the date the election was ordered, the estimated interest on all outstanding debt obligations	\$6,074,620
estimated combined principal and interest required to pay on time and in full all outstanding debt obligations amortized over 20 years	\$29,714,620
estimated maximum annual increase in the amount of taxes on a residence homestead with an appraised value of \$100,000 to repay the debt obligations to be authorized, if approved This figure assumes the amortization of the City's debt obligations, including outstanding debt obligations and the proposed debt obligation; changes in estimated future appraised values within the City; and the assumed interest rate on the proposed debt obligations.	\$0.00

*[The remainder of this page intentionally left blank.]*

**November 3, 2020**  
**General Special Elections**  
**Potential Election Day Vote Centers**

**Note: The below list contains potential Vote Centers for the November 3, 2020 General and Special Elections. The list of Vote Centers will be revised as locations are confirmed. Eligible Collin County registered voters (with an effective date of registration on or before October 5, 2020) may vote at any Election Day Vote Center location.**

<b>Polling Place</b>	<b>Address</b>	<b>City</b>
Aldridge Elementary School	720 Pleasant Valley	Richardson
Allen Event Center	200 E Stacy Rd	Allen
Allen ISD Service Center	1451 North Watters	Allen
Anna ISD Board Conference Room	501 S Sherley Ave	Anna
Armstrong Middle School	3805 Timberline	Plano
Benton Staley Middle School	6927 Stadium Drive	Frisco
Bentwood Trail Presbyterian Church	6000 Bentwood Trail	Dallas
Bethany Elementary School	2418 Micarta Drive	Allen
Blue Ridge ISD Administration Building	318 West School Street	Blue Ridge
Bowman Middle School	2501 Jupiter Road	Plano
Boyd Elementary School	800 S Jupiter Road	Allen
Carpenter Middle School	3905 Rainier Road	Plano
Carpenter Park Recreation Center	6701 Coit Road	Plano
Celina ISD Administration Building	205 S. Colorado	Celina
Centennial High School	6901 Coit Road	Frisco
Chandler Elementary School	1000 Water Oak Drive	Allen
Christ Fellowship-McKinney Campus	2801 Orchid Dr.	McKinney
Christ the Servant Lutheran Church	821 S. Greenville Ave.	Allen
Christ United Methodist Church	3101 Coit Road	Plano
Christie Elementary School	10300 Huntington Road	Frisco
Clark High School	523 Spring Creek	Plano
Collin College Frisco Campus	9700 Wade Blvd.	Frisco
Collin College Higher Education Center	3452 Spur 399	McKinney
Collin College McKinney Campus	2200 University	McKinney
Collin College Plano Campus	2800 Spring Creek Parkway	Plano
Collin College Wylie Campus	391 Country Club Road	Wylie
Collin County Elections Office	2010 Redbud Blvd, Ste. 102	McKinney
Community ISD Technology and Conference Center	611 FM 1138	Nevada
Davis Library	7501 Independence Parkway	Plano
Dowell Middle School	301 Ridge Road	McKinney
Dr. Pepper Star Center - Champions Café	6993 Stars Ave.	McKinney
Eldorado Country Club	2604 Country Club Drive	McKinney
Fairview Town Hall	372 Town Place	Fairview
First Baptist Church - Josephine	300 S. Main Street	Josephine
First Baptist Church - Princeton	511 Jefferson St.	Princeton
First Baptist Church -Branch	7011 FM 546	Princeton
First Baptist Church Farmersville - Youth Building	201 Farmersville Pkwy.	Farmersville
First Baptist Church Frisco	7901 Main Street	Frisco
Forman Elementary School (Plano ISD)	3600 Timberline Dr	Plano
Fowler Middle School	3801 McDermott Road	Plano

November 3, 2020

Exhibit "A"

**General Special Elections  
Potential Election Day Vote Centers**

Frankford Middle School (PISD)	7706 Osage Plaza Parkway	Dallas
Frisco Fire Station #8	14300 Eldorado Pkwy.	Frisco
Frisco Senior Center	6670 Moore Street	Frisco
Gateway Prosper Campus	4331 E Prosper Trail	Prosper
Gay Library	6861 W. Eldorado Parkway	McKinney
George Bush Elementary School	2000 Eagle Aerie Lane	St Paul
Haggard Elementary School	17820 Campbell Road	Dallas
Haggard Library	2501 Coit Rd	Plano
Harrington Library	1501 18th Street	Plano
Heritage High School	14040 Eldorado Pkwy.	Frisco
Hunt Middle School	4900 Legendary Drive	Frisco
Islamic Association of Collin County	6401 Independence Pkwy.	Plano
John Q. Hammons Center - Courtyard Marriott	210 East Stacy Road	Allen
Josephine City Hall	201 Main Street	Josephine
Kerr Elementary School	1325 Glendover Drive	Allen
Lavon City Hall	120 School Road	Lavon
Liberty High School	15250 Rolater Road	Frisco
Light Farms Elementary School	1100 Cypress Creek Way	Celina
Lovejoy ISD Administration Bldg.	259 Country Club	Allen
Lowery Freshman Center	601 E Main Street	Allen
Lowry Crossing City Hall	1405 S. Bridgefarmer Road	Lowry Crossing
Lucas Community Center	665 Country Club Road	Lucas
Maus Middle School	12175 Coit Road	Frisco
McKinney Fire Station #7	861 Independence Pkwy.	McKinney
McKinney Senior Recreation Center	1400 S. College	McKinney
Meadows Elementary School	2800 18th Street	Plano
Melissa City Hall	3411 Barker Ave.	Melissa
Methodist Richardson Medical Center	2831 E President George Bush Hwy	Richardson
Miller Elementary School	5651 Coventry Drive	Richardson
Murphy Community Center	205 N. Murphy Road	Murphy
New Hope Town Hall	121 Rockcrest Road	New Hope
Old Settlers Recreation Center	1201 E. Louisiana	McKinney
Parker City Hall	5700 E. Parker Road	Parker
Parr Library	6200 Windhaven Pkwy.	Plano
Plano ISD Administration Center	2700 W. 15th Street	Plano
Plano Senior Center	401 W. 16th Street	Plano
Preston Trail Community Church	8055 Independence Parkway	Frisco
Prestonwood Church	1001 w Prosper Trail	Prosper
Prosper ISD Administration Bldg.	605 E. Seventh Street	Prosper
Renner-Frankford Library	6400 Frankford Road	Dallas
Royse City ISD Mike McKinney Maintenance Facility	1420 FM 1777	Royse City
Sachse Community Center	3815 Sachse Road	Sachse
Seis Lagos Community Services Association	222 Seis Lago Trail	Wylie
Shepton High School	5505 Plano Pkwy.	Plano
Shiloh Missionary Baptist Church	1310 Avenue "I"	Plano

Revised 07/20/2020

November 3, 2020

Exhibit "A"

**General Special Elections  
Potential Election Day Vote Centers**

Slaughter Elementary	2706 Wolford Ave	McKinney
Smith Library	300 Country Club	Wylie
Stinson Elementary School	4201 Greenfield Drive	Richardson
Stonebridge Country Club	7003 Beacon Hill Road	McKinney
Stonebridge United Methodist Church	1800 S. Stonebridge Drive	McKinney
Story Elementary School	1550 Edelweiss Drive	Allen
Suncreek United Methodist Church	1517 W. McDermott Drive	Allen
Terry Pope Administration Building	611 North FM 1138	Nevada
The Star in Frisco	1 Cowboys Way	Frisco
Tom Muehlenbeck Recreation Center	5801 W. Parker Road	Plano
Toyota Stadium	9200 World Cup Way	Frisco
UTD Campus-Callier Clinical Research Center	811 Synergy Park Blvd	Richardson
Weston Community Center	117 Main Street	Weston
Woodcreek Church	3400 E. Renner Road	Richardson

**November 3, 2020 General Special Elections  
Potential Early Voting Locations, Dates and Hours**

Exhibit "B"

Note: The below list contains **potential** Early Voting Polling Locations for the November 3, 2020 General and Special Elections. The list of Polling Locations will be revised as locations are confirmed.

<b>Polling Place</b>	<b>Address</b>	<b>City</b>
Allen Event Center	200 E Stacy Road	Allen
Allen ISD Service Center	1451 North Watters	Allen
Anna ISD Board Conference Room	501 S Sherley Ave	Anna
Carpenter Park Recreation Center	6701 Coit Road	Plano
Celina ISD Administration Building	205 S. Colorado	Celina
Christ Fellowship	2801 Orchid Dr.	McKinney
Christ United Methodist Church	3101 Coit Road	Plano
Collin College Frisco Campus	9700 Wade Blvd.	Frisco
Collin College Higher Education Center	3452 Spur 399	McKinney
Collin College McKinney Campus	2200 University	McKinney
Collin College Plano Campus	2800 Spring Creek Parkway	Plano
Collin College Wylie Campus	391 Country Club Road	Wylie
Collin County Elections Office	2010 Redbud Blvd, Ste. 102	McKinney
Davis Library	7501 Independence Parkway	Plano
Eldorado Country Club	2604 Country Club Drive	McKinney
First Baptist Church Princeton	511 Jefferson St.	Princeton
Frisco Fire Station #8	14300 Eldorado Pkwy.	Frisco
Frisco Senior Center	6670 Moore Street	Frisco
Gay Library	6861 W. Eldorado Parkway	McKinney
Haggard Library	2501 Coit Rd	Plano
Harrington Library	1501 18th Street	Plano
Josephine City Hall	201 Main Street	Josephine
Lavon City Hall	120 School Road	Lavon
Lovejoy ISD Administration Bldg.	259 Country Club	Allen
Lucas Community Center	665 Country Club Road	Lucas
McKinney Fire Station #7	861 Independence Pkwy.	McKinney
Melissa City Hall	3411 Barker Ave.	Melissa
Methodist Richardson Medical Center	2831 E President George Bush Hwy	Richardson
Murphy Community Center	205 N. Murphy Road	Murphy
New Hope Town Hall	121 Rockcrest Road	New Hope
Old Settlers Recreation Center	1201 E. Louisiana	McKinney
Parker City Hall	5700 E. Parker Road	Parker
Parr Library	6200 Windhaven Pkwy.	Plano
Plano ISD Administration Center	2700 W. 15th Street	Plano
Prosper ISD Administration Bldg.	605 E. Seventh Street	Prosper
Renner-Frankford Library	6400 Frankford Road	Dallas
Smith Library	300 Country Club	Wylie
The Star in Frisco	1 Cowboy Way	Frisco
UTD Campus-Callier Clinical Research Center	811 Synergy Park Blvd	Richardson

**November 3, 2020 General Special Elections  
Potential Early Voting Locations, Dates and Hours**

Exhibit "B"

Important Note: Eligible Collin County registered voters (with an effective date of registration on or before October 5, 202) may vote at any early voting location.

<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
October 11	October 12	October 13 Early Voting 8am -5pm	October 14 Early Voting 8am -5pm	October 15 Early Voting 8am -5pm	October 16 Early Voting 8am -5pm	October 17 Early Voting 7am -7pm
October 18 Early Voting 1pm - 6pm	October 19 Early Voting 7am -7pm	October 20 Early Voting 7am -7pm	October 21 Early Voting 7am -7pm	October 22 Early Voting 7am -7pm	October 23 Early Voting 7am -7pm	October 24 Early Voting 7am -7pm
October 25 Early Voting 1pm - 6pm	October 26 Early Voting 7am - 7pm	October 27 Early Voting 7am - 7pm	October 28 Early Voting 7am - 7pm	October 29 Early Voting 7am - 7pm	October 30 Early Voting 7am - 7pm	October 31

**City of Lucas, Texas**  
**Fiber Project Analysis: Scenario 4 Final Magellan Recommendation**  
**July 29, 2020**

A	B	C	D	E	F	G	H	I	J	L	M	N	O	P
FYE (9/30)	\$11,325,000 Plant and Facilities	\$1,800,000 Working Capital	\$3,470,000 Network Equipment	\$2,595,000 Home Equipment	\$19,190,000 Total <sup>(1)</sup>	Revenues <sup>(2)</sup>	Operating Expenses (2)	Operating Income (G-H) <sup>(2)</sup>	Capital Expenditures <sup>(3)</sup>	Use of Working Capital (4)	Available for Debt Service (I+J+K+L)	Less: Debt Service (F)	Surplus / (Deficit) (M+N)	Cumulative Surplus / (Deficit) <sup>(5)</sup>
2021							\$ -	\$ -	\$ 711,839		\$ (711,839)	\$ -	\$ (711,839)	\$ (711,839)
2022							345,501	(345,501)	-		(345,501)	-	(345,501)	(1,057,340)
2023	\$ 368,063	\$ 151,956	\$ 407,900	\$ 413,894	\$ 1,341,813	\$ 315,016	1,119,364	(804,348)	-	\$ 1,119,364	315,016	(1,341,813)	(1,026,796)	(2,084,136)
2024	368,063	153,788	407,988	412,844	1,342,681	1,390,812	1,141,788	249,024	-	680,636	929,660	(1,342,681)	(413,021)	(2,497,157)
2025	368,063	150,538	407,750	416,388	1,342,738	2,347,108	1,204,754	1,142,353	-	-	1,142,353	(1,342,738)	(200,384)	(2,697,541)
2026	864,856	152,206	407,188	414,525	1,838,775	2,880,591	1,252,760	1,627,831	-	-	1,627,831	(1,838,775)	(210,944)	(2,908,486)
2027	868,119	153,713	406,300	412,338	1,840,469	3,178,478	1,291,074	1,887,405	-	-	1,887,405	(1,840,469)	46,936	(2,861,550)
2028	865,813	150,138	405,088	414,744	1,835,781	3,278,498	1,324,190	1,954,309	-	-	1,954,309	(1,835,781)	118,527	(2,743,022)
2029	867,938	151,481	403,550	416,663	1,839,631	3,342,938	1,356,559	1,986,379	-	-	1,986,379	(1,839,631)	146,748	(2,596,275)
2030	869,413	152,663	406,606	-	1,428,681	3,409,166	1,389,845	2,019,321	-	-	2,019,321	(1,428,681)	590,640	(2,005,635)
2031	865,319	148,763	404,256	-	1,418,338	3,440,654	1,423,019	2,017,634	-	-	2,017,634	(1,418,338)	599,297	(1,406,338)
2032	865,656	149,781	406,500	-	1,421,938	3,448,874	1,456,057	1,992,817	-	-	1,992,817	(1,421,938)	570,879	(835,459)
2033	865,344	150,638	-	-	1,015,981	3,456,794	1,493,933	1,962,861	-	-	1,962,861	(1,015,981)	946,880	111,421
2034	869,300	151,331	-	-	1,020,631	3,469,142	1,529,017	1,940,124	-	-	1,940,124	(1,020,631)	919,493	1,030,914
2035	867,525	151,863	-	-	1,019,388	3,481,309	1,565,145	1,916,165	-	-	1,916,165	(1,019,388)	896,777	1,927,691
2036	865,100	152,231	-	-	1,017,331	3,490,879	1,602,203	1,888,676	-	-	1,888,676	(1,017,331)	871,345	2,799,036
2037	866,944	152,438	-	-	1,019,381	3,500,149	1,640,328	1,859,821	-	-	1,859,821	(1,019,381)	840,440	3,639,475
2038	867,975	-	-	-	867,975	3,510,547	1,679,577	1,830,970	-	-	1,830,970	(867,975)	962,995	4,602,470
2039	868,194	-	-	-	868,194	3,520,645	1,701,332	1,819,313	-	-	1,819,313	(868,194)	951,119	5,553,590
2040	867,600	-	-	-	867,600	3,530,292	1,742,296	1,787,997	-	-	1,787,997	(867,600)	920,397	6,473,986
2041	866,194	-	-	-	866,194	3,539,640	1,804,200	1,735,440	-	-	1,735,440	(866,194)	869,246	7,343,232
2042	868,894	-	-	-	868,894	3,547,560	1,848,107	1,699,453	-	-	1,699,453	(868,894)	830,559	8,173,791
	15,844,369	2,273,525	4,063,125	2,901,394	25,082,413				711,839	\$1,800,000				

<sup>(1)</sup> Interest calculated at an assumed rate of 3.25% for illustrative purposes only.

<sup>(2)</sup> Revenue and expense projections from Magellan Advisors proforma contained within their Broadband and Feasibility Study as of July 2020v.5.

<sup>(3)</sup> Capital Expenditure represents unfinanced portion of capital expenditures made prior to debt financings contemplated for February 1, 2022.

<sup>(4)</sup> Working capital from financings (assuming it represents less than 10% of debt proceeds) to be used for operating expenditures and NOT debt service.

<sup>(5)</sup> Total shortfall of \$2,840,186 recognized over first 6 years and recovered subsequently over the following 6 years shown above. **This analysis does not consider the funding 'Reserve Fund Requirements' as outlined in Magellan's proforma analysis.**